



SKYWEST

INCORPORATED



INVESTOR UPDATE

Q3 2024



SkyWest



Forward Looking Statements



In addition to historical information, this presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as “forecasts,” “expects,” “intends,” “believes,” “anticipates,” “estimates,” “should,” “likely” and similar expressions identify forward-looking statements. Such statements include, but are not limited to, statements about the continued demand for our product, the effect of economic conditions on SkyWest’s business, financial condition and results of operations, the scheduled aircraft deliveries and fleet size for SkyWest in upcoming periods and the related execution of SkyWest’s fleet transition strategy and expected timing thereof, expected production levels in future periods and associated staffing challenges, pilot attrition trends, SkyWest’s coordination with major airline partners to optimize the delivery of aircraft under previously announced agreements, the expected terms, timing and benefits related to SkyWest’s leasing and joint venture transactions, as well as SkyWest’s future financial and operating results, plans, objectives, expectations, estimates, intentions and outlook, and other statements that are not historical facts. All forward-looking statements included in this presentation are made as of the date hereof and are based on information available to SkyWest as of such date. SkyWest assumes no obligation to update any forward-looking statements unless required by law. Readers should note that many factors could affect the future operating and financial results of SkyWest and could cause actual results to vary materially from those expressed in forward-looking statements set forth in this presentation. These factors include, but are not limited to: the challenges of competing successfully in a highly competitive and rapidly changing industry; developments associated with fluctuations in the economy and the demand for air travel, including related to inflationary pressures, and related decreases in customer demand and spending; uncertainty regarding continued recovery from the COVID-19 pandemic and other potential future outbreaks of infectious diseases or other health concerns, and the consequences of such outbreaks to the travel industry, including travel demand and travel behavior, and our major airline partners in general and the financial condition and operating results of SkyWest in particular; the prospects of entering into agreements with existing or other carriers to fly new aircraft; ongoing negotiations between SkyWest and its major airline partners regarding their contractual obligations; uncertainties regarding operation of new aircraft; the ability to attract and retain qualified pilots, including captains, and related staffing challenges; the impact of regulatory issues such as pilot rest rules and qualification requirements; the ability to obtain aircraft financing; the financial stability of SkyWest’s major airline partners and any potential impact of their financial condition on the operations of SkyWest; fluctuations in flight schedules, which are determined by the major airline partners for whom SkyWest conducts flight operations; variations in market and economic conditions; significant aircraft lease and debt commitments; estimated useful life of long-lived assets, residual aircraft values and related impairment charges; labor relations and costs and labor shortages; the impact of global instability; rapidly fluctuating fuel costs and potential fuel shortages; the impact of weather-related, natural disasters and other air safety incidents on air travel and airline costs; aircraft deliveries; uncertainty regarding ongoing hostility between Russia and the Ukraine, as well as Israel and Hamas, and the related impacts on macroeconomic conditions and on the international operations of any of our major airline partners as a result of such conflict; and other unanticipated factors. Risk factors, cautionary statements and other conditions which could cause SkyWest’s actual results to differ materially from management’s current expectations are contained in SkyWest’s filings with the Securities and Exchange Commission, including its most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

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Financial Results

Ended Q2-24 with **\$834m** in Cash

Q2-24 Cash Activity Included:

\$115m scheduled debt repayments

\$13m stock repurchases

Q2-24 Profitability:

Q2-24 Pre-tax Income **\$102m**

Net Income **\$76m**

EPS **\$1.82**

\$867m Total Revenue

↑ \$63m from Q1-24

Block hours up, 9.5% from Q1-24

Production Outlook



Captain attrition easing

Our pilot count anticipated to be at or near
5,000 by the end of 2024

Anticipate our 2024 block hours to be
↑ 9-11% from 2023

Optimistic we can regrow small and underserved
markets over the coming years





Share Repurchase

Purchased **177k shares** for **\$13m**
in Q2-24 at **\$75.23 per share**



Authorized Share Repurchase Program
has **\$69m** remaining as of June 30, 2024

E175 Deliveries 2024-2026

E175 DELIVERIES	1st Half of 2024	2nd Half of 2024	2025	2026	TOTAL
 SkyWest Financed	-	4	7	8	19
 United Financed	11	9	-	-	20
 SkyWest Financed	-	1	-	-	1
 SkyWest Financed	-	-	1	-	1
TOTAL	11	14	8	8	41

We anticipate having **278 E175s** in service by end of 2026

Announced Fleet Movements 2024-2026



ADDING



20 E175s

UNITED  financed

11 delivered in first half of 2024



19 New E175s

UNITED  contract

SkyWest AIRLINES financed

REPLACING



20 CRJ200s

UNITED  contract



19 CRJ700s

UNITED  contract

NOTE



Multiple options available to monetize our **CRJ200s**



Working to place **CRJ700s**;
contract removals late 2024 - 2026

CONVERTING



19 CRJ700s

AmericanAirlines  contract



CRJ550s

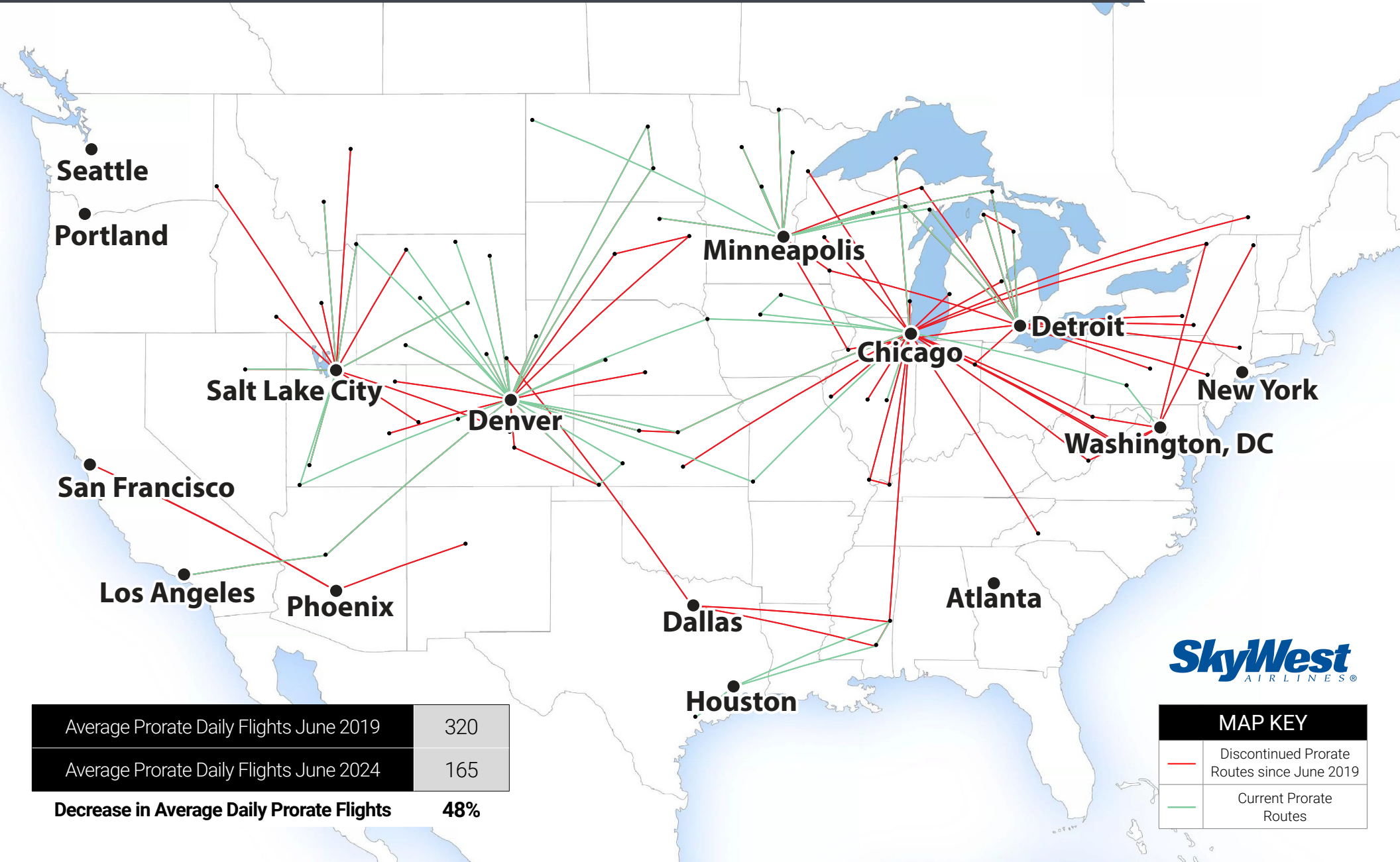
 DELTA  prorate

Launched **CRJ550**
operations Q3 2024



Prorate Small Market Opportunity

As of June 30, 2024



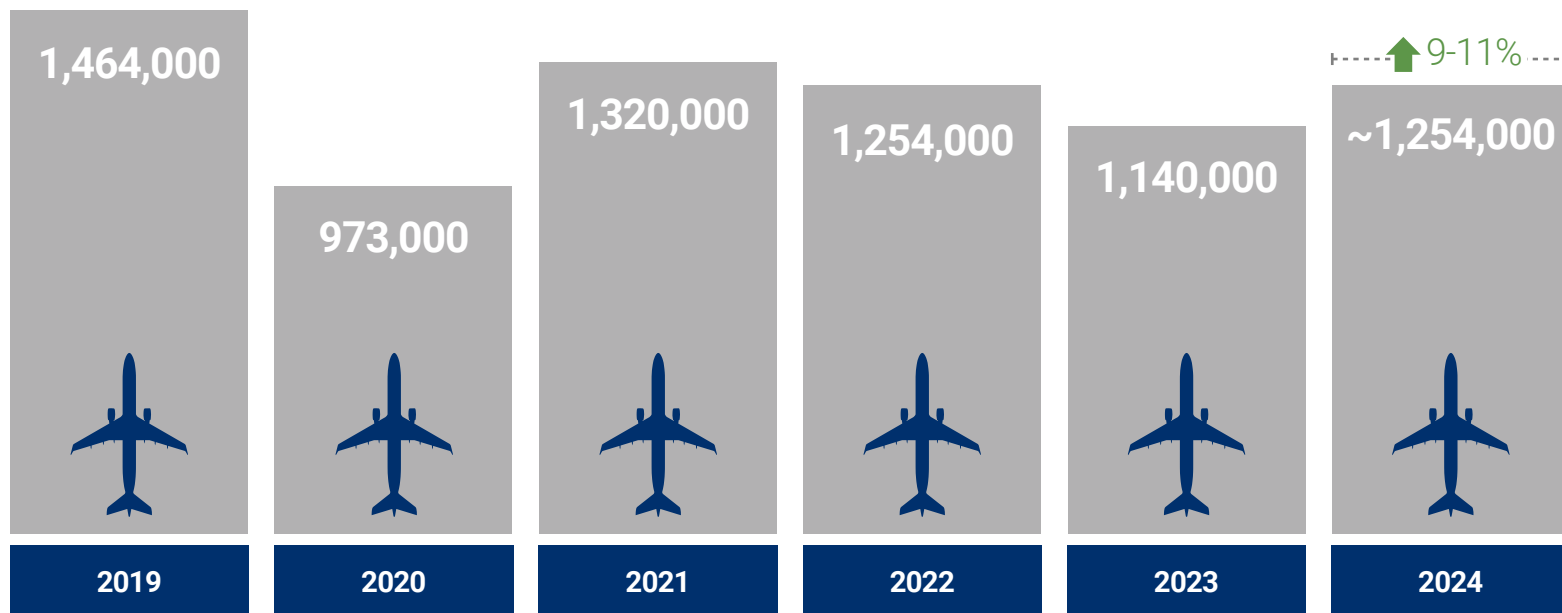
Average Prorate Daily Flights June 2019	320
Average Prorate Daily Flights June 2024	165

Decrease in Average Daily Prorate Flights 48%



MAP KEY	
—	Discontinued Prorate Routes since June 2019
—	Current Prorate Routes

TOTAL BLOCK HOURS



PRODUCTION COLOR

Anticipate E175s near full utilization by end of year

Anticipate CRJs near full utilization by mid 2025


Maintenance expected to be elevated as fleet returns to normal utilization and we prepare parked aircraft for service

- 2H 2024 maintenance expected to be \$40m higher than 1H 2024.
- 2025 maintenance anticipated to be ~\$200m/quarter on average.

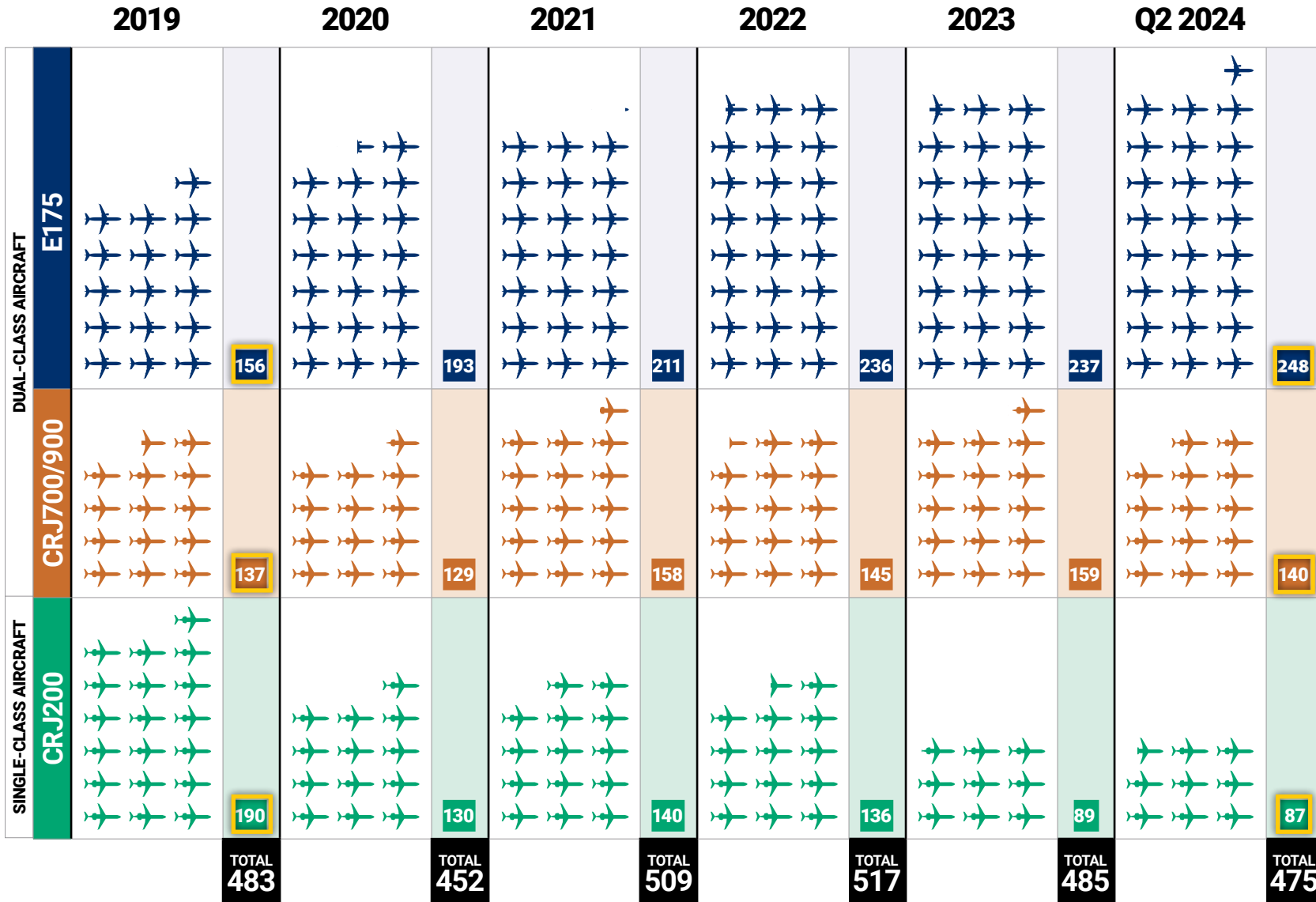
Dual Class Block Hours

2019	2020	2021	2022	2023	2024 - PROJECTED
65%	72%	77%	80%	85%	~ 88%

Fleet Transition

 = Qty. of 10

End of Year



Optimizing our fleet since 2019

- E175s ▲ 59%
- CRJ700/900s ▲ 2%
- CRJ200s ▼ 54%

Well positioned for captain recovery

DUAL-CLASS PRODUCTION

86% of our block hours were dual-class in Q2 2024

Aircraft Under Agreement

June 30, 2024



		CONTRACT	PRORATE	CONTRACT	PRORATE	CONTRACT	PRORATE	CONTRACT	PRORATE
E175	248	101	-	85	-	20	-	42	-
<ul style="list-style-type: none"> • Own (5), debt (202) and partner financed (41) • Average age 6 years 									

BOMBARDIER

CRJ900	41	-	-	35	6	-	-	-	-
<ul style="list-style-type: none"> • Own (17) and partner financed (24) • Average age 14 years 									
CRJ700	99	19	-	5	4	71	-	-	-
<ul style="list-style-type: none"> • Own (82), debt (15), and partner financed (2) • Average age 19 years 									
CRJ200	87	68	19	-	-	-	-	-	-
<ul style="list-style-type: none"> • Own (87) • Average age 21 years 									
Under Flying Agreements	475	188	19	125	10	91	-	42	-

Leased to 3rd Parties

Unassigned



CRJ900	5
CRJ700	35
	40

+

CRJ900	3
CRJ700	33
CRJ200	41
	77

+

CRJ200	16
	16

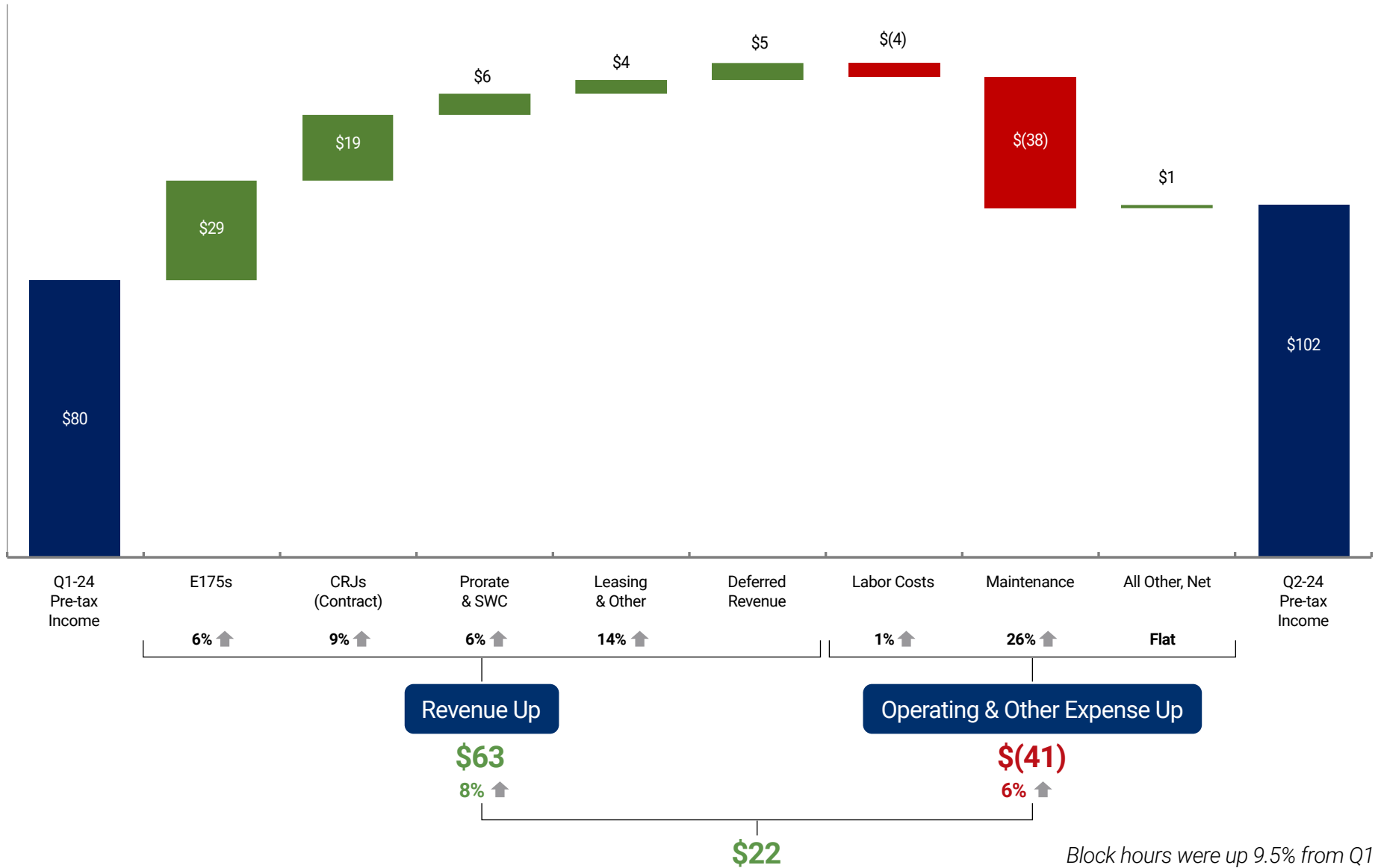
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TOTAL FLEET 608

Income Waterfall Q1-24 to Q2-24

\$ in Millions + Favorable - Unfavorable

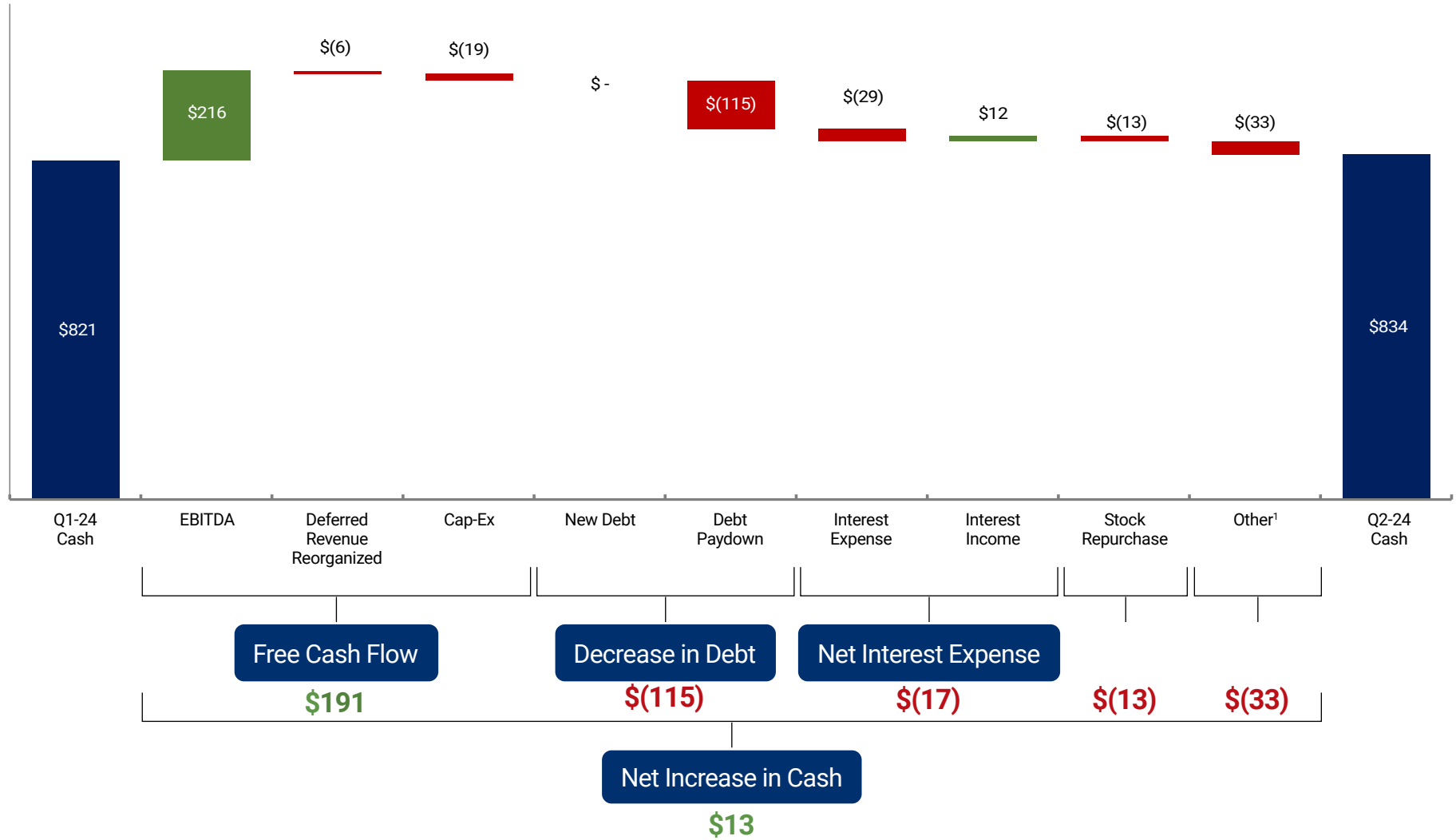
Q1-24 TO Q2-24



Cash Waterfall Q2-24

\$ in Millions + Inflow - Outflow

Q1-24 TO Q2-24



(1) Timing of A/R receipts and other working capital

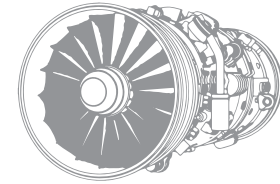
TOTAL DEBT: \$2.8b



\$2.5b aircraft financing



\$0.2b debt from PSP



\$0.1b spare engine financing

1

Scheduled to pay down over
\$400m per year in debt

2

Have over **\$1b** in
unpledged assets

3

E175 debt term largely aligns
with flying contracts

Q2-24 Aircraft Summary by Financing

Debt-financed Aircraft (Total 217)

202 E175s \$2.4b debt balance
15 CRJs \$17.2m debt balance

Aircraft Owned Outright

186 CRJs
5 E175s No debt outstanding

Partner Provided Aircraft

41 E175s
26 CRJs No financing obligation

40%
of fleet

Over **54%**
of fleet we
operate has
no financing

475 June 30, 2024 fleet in scheduled service

SkyWest had no leased aircraft in scheduled service at June 30, 2024.

E175 Cash Flow Characteristics



E175 contract with partner largely aligns with debt amortization period of **12 years**

Each aircraft is expected to have **13+ years** of remaining life after its debt payoff

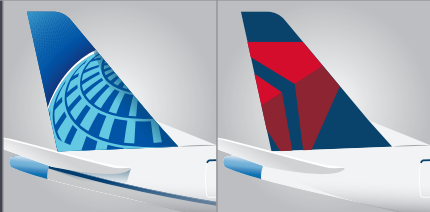


Our first **20 E175s** delivered in 2014 are scheduled for debt payoff in 2026

Over half of our debt financed **E175s** were delivered between 2014-2017

We anticipate the cash flow characteristics of our E175 fleet will significantly improve beginning in 2026





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