



3Q 2025 Earnings

October 22, 2025



Cautionary statement regarding forward-looking statements

This Investor Update contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Specific forward-looking statements include, without limitation, statements related to (i) the Company's initiatives, strategic priorities and focus areas, plans, goals, expectations, and opportunities, including timing expectations, with respect to (a) the optimization of the Company's Chase cobranded credit card agreement and the Company's loyalty program earn and burn rates, (b) marketing and distribution evolution, (c) revenue and network maturation, (d) airline partnerships, (e) bag fees, (f) basic economy fares, (g) flight credit expiration, (h) extra legroom seating, (i) seat assignments, (j) vacation products and Getaways by Southwest, (k) service modernization, (l) aircraft turn time, (m) 24-hour operations, and (n) cost reductions and cost efficiencies; (ii) the Company's network plans and expectations; and (iii) the Company's financial and operational outlook, expectations, goals, plans, strategies, targets, and projected results of operations, including with respect to its initiatives, and including factors and assumptions underlying the Company's expectations and projections. These forward-looking statements are based on the Company's current estimates, intentions, beliefs, expectations, goals, strategies, and projections for the future and are not guarantees of future performance. Forward-looking statements involve risks, uncertainties, assumptions, and other factors that are difficult to predict and that could cause actual results to vary materially from those expressed in or indicated by them. Factors include, among others, (i) the impact of fears or actual outbreaks of diseases, extreme or severe weather and natural disasters, actions of competitors (including, without limitation, pricing, scheduling, capacity, and network decisions, and consolidation and alliance activities), governmental actions, consumer perception, consumer uncertainties with respect to government shutdowns or trade policies (including the imposition of tariffs), economic conditions, banking conditions, fears or actual acts of terrorism or war, sociodemographic trends, and other factors beyond the Company's control, on consumer behavior and the Company's results of operations and business decisions, plans, strategies, and results; (ii) the Company's ability to timely and effectively implement, transition, operate, and maintain the necessary information technology systems and infrastructure to support its operations and initiatives, including with respect to revenue management and assigned and premium seating; (iii) consumer behavior and response with respect to the Company's new commercial products and policies; (iv) the impact of fuel price changes, fuel price volatility, and fuel availability on the Company's business plans and results of operations; (v) the Company's dependence on The Boeing Company ("Boeing") and Boeing suppliers with respect to the Company's aircraft deliveries, Boeing MAX 7 aircraft certifications, fleet and capacity plans, operations, maintenance, strategies, and goals; (vi) the Company's dependence on the Federal Aviation Administration with respect to, among other things, the certification of the Boeing MAX 7 aircraft; (vii) the Company's dependence on other third parties, in particular with respect to its technology plans, its plans and expectations related to revenue management, online travel agencies, operational reliability, fuel supply, maintenance, Global Distribution Systems, environmental sustainability, and the impact on the Company's operations and results of operations of any third party delays or nonperformance; (viii) the Company's ability to timely and effectively prioritize its initiatives and focus areas and related expenditures; (ix) the impact of labor matters on the Company's business decisions, plans, strategies, and results; (x) the impact of governmental regulations and other governmental actions, including government shutdowns, as well as the Company's ability to obtain any required governmental approvals, on the Company's business plans, results, and operations; (xi) the Company's ability to obtain and maintain adequate infrastructure and equipment to support its operations and initiatives; (xii) the Company's dependence on its workforce, including its ability to employ and retain sufficient numbers of qualified Employees with appropriate skills and expertise to effectively and efficiently maintain its operations and execute the Company's plans, strategies, and initiatives; (xiii) the cost and effects of the actions of activist shareholders; and (xiv) other factors, as described in the Company's filings with the Securities and Exchange Commission, including the detailed factors discussed under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024, and in the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2025.

3Q 2025 key initiative summary and highlights

		Launch date	Value maturity date	Key highlights
Improve core performance	R Loyalty program optimization	Ongoing	Ongoing	<ul style="list-style-type: none"> Announced intention to commence new service at Knoxville, St. Maarten, Santa Rosa, and Anchorage in 2026 Expanded distribution with online travel agencies adding Priceline Introduced new benefits for Rapid Rewards® Credit Cardmembers and Tier Member Customers
	R Marketing & distribution evolution	Ongoing	Late 2025	
	R Revenue & network maturation	2024	Late 2025	
Monetize Customer value proposition	R Airline partnerships	1Q 2025	2027	<ul style="list-style-type: none"> Announced partnership with EVA Air Announced free WiFi sponsored by T-Mobile for all Rapids Rewards Members beginning October 24, 2025 Launched Getaways by Southwest™ Completed retrofits of 400+ aircraft for extra legroom seating to date Launched the sale of assigned and extra legroom seating, for travel beginning January 27, 2026
	R Bag fees & basic economy	2Q 2025	2026	
	R Flight credit expiration	2Q 2025	2026	
	R Getaways by Southwest	3Q 2025	2027+	
	R Extra legroom & seat assignment	1Q 2026	2027	
Increase efficiency & lower cost	E Service modernization	Pre-2024	2026	<ul style="list-style-type: none"> Sustained aircraft utilization above 2019 levels, while improving the quality of the operation, through a combination of turn and redeye initiatives Continued to execute on cost plan and remain on track to achieve \$370 million cost reduction target in 2025
	E Turn	2024	2026	
	R 24-hour operations	1Q 2025	2027	
	E Cost reduction initiative	1Q 2025	2027	

R EBIT derived primarily from revenue

E EBIT derived primarily from operating expense

Southwest[®] 