

Figure 2: Airline Stock Price Drivers

Company	Price 6/25/14	Exchange	FYE	2014E Div.	EPS		EPS Growth		Cash Flow per Share			CF per Share Growth		EBITDAR			EBITDAR Growth			Sales			Sales Growth		Book Value per Share 3/31/2013	
					2013	2014E	2015E	2014E	2015E	2013	2014E	2015E	2014E	2015E	2013	2014E	2015E	2014E	2015E	2013	2014E	2015E	2014E	2015E		
<b>LEGACY AIRLINES</b>																										
<i>Major Networks</i>																										
Alaska	\$95.30	NYSE	Dec	1.00	\$5.39	\$6.10	\$7.00	13%	15%	\$9.20	\$10.20	\$11.30	11%	11%	\$1,235	\$1,327	\$1,437	7%	8%	\$5,156	\$5,181	\$5,574	0%	5%	\$30.46	
American	43.91	OTC	Dec	---	3.73	5.00	5.50	34%	10%	5.60	6.70	7.25	20%	8%	4,491	8,206	8,715	63%	6%	26,742	42,860	45,399	60%	6%	1.49	
Delta	39.35	NYSE	Dec	0.30	3.14	3.05	3.55	-3%	17%	5.10	6.85	7.75	34%	13%	6,324	7,810	8,615	24%	10%	37,773	40,360	43,070	7%	7%	13.73	
Hawaiian	14.03	OTC	Dec	---	0.87	1.35	1.50	55%	11%	2.45	3.15	3.30	29%	5%	350	437	471	25%	8%	2,156	2,304	2,469	7%	7%	7.31	
United Continental	41.81	NYSE	Dec	---	2.84	3.60	5.00	27%	39%	7.10	7.80	9.35	10%	20%	5,874	6,142	6,765	5%	10%	38,279	39,204	40,611	2%	4%	6.90	
<b>Total/Average</b>								<b>25%</b>	<b>18%</b>				<b>21%</b>	<b>11%</b>	<b>\$18,274</b>	<b>\$23,923</b>	<b>\$26,003</b>	<b>31%</b>	<b>9%</b>	<b>\$110,106</b>	<b>\$129,929</b>	<b>\$137,123</b>	<b>18%</b>	<b>6%</b>		
<b>GROWTH AIRLINES</b>																										
<i>Low Cost Carriers</i>																										
Allegiant	\$118.33	OTC	Dec	---	\$4.62	\$6.15	\$7.00	27%	14%	\$8.45	\$10.25	\$11.65	21%	14%	\$244	\$309	\$348	27%	13%	\$996	\$1,134	\$1,277	14%	13%	\$19.15	
JetBlue	10.66	OTC	Dec	---	0.52	0.70	0.90	35%	28%	1.35	1.65	1.90	22%	15%	1,012	1,200	1,358	19%	13%	5,441	5,986	6,482	10%	8%	7.20	
Southwest	26.97	NYSE	Dec	0.22	1.12	1.35	1.65	20%	23%	2.35	2.65	2.95	13%	11%	3,247	3,572	3,988	10%	12%	17,700	18,130	18,878	2%	4%	10.39	
Spirit	62.83	NYSE	Dec	---	2.43	2.80	3.50	15%	25%	2.85	3.50	4.40	23%	26%	533	634	803	19%	27%	1,654	1,962	2,520	19%	26%	11.13	
<b>Total/Average</b>								<b>24%</b>	<b>22%</b>				<b>20%</b>	<b>16%</b>	<b>\$5,036</b>	<b>\$5,715</b>	<b>\$6,497</b>	<b>13%</b>	<b>14%</b>	<b>\$25,792</b>	<b>\$27,213</b>	<b>\$29,155</b>	<b>6%</b>	<b>7%</b>		
<i>Regional Airlines</i>																										
Republic	\$10.80	OTC	Dec	---	\$0.92	\$1.30	\$1.30	42%	0%	\$4.05	\$4.35	\$4.75	7%	9%	\$622	\$538	\$591	-13%	10%	\$1,685	\$1,418	\$1,559	-26%	10%	\$11.37	
SkyWest	11.91	OTC	Dec	0.16	1.12	0.55	1.10	-51%	NM	6.55	5.80	6.90	-15%	23%	757	743	872	-2%	17%	3,268	3,443	3,610	4%	5%	27.58	
<b>Total/Average</b>								<b>-5%</b>	<b>0%</b>				<b>-4%</b>	<b>16%</b>	<b>\$1,379</b>	<b>\$1,281</b>	<b>\$1,462</b>	<b>-7%</b>	<b>14%</b>	<b>\$5,283</b>	<b>\$4,861</b>	<b>\$5,168</b>	<b>-8%</b>	<b>6%</b>		
<i>Emerging Market</i>																										
Aeromexico	Pes21.90	BOLSA	Dec	---	Pes1.51	Pes1.70	Pes2.45	12%	44%	Pes3.80	Pes4.50	Pes5.45	25%	21%	Pes7,394	Pes8,717	Pes9,964	18%	14%	Pes39,850	Pes44,248	Pes49,425	11%	12%	Pes11.20	
Avianca	\$16.32	NYSE	Dec	0.15	\$2.05	\$1.00	\$2.25	-51%	NM	\$3.55	\$3.00	\$5.00	-15%	67%	\$838	\$821	\$1,147	-2%	40%	\$4,610	\$4,895	\$5,541	6%	13%	\$8.52	
Copa	143.36	NYSE	Dec	3.84	10.54	11.65	13.50	11%	16%	12.90	14.35	16.60	11%	16%	762	858	1,050	13%	22%	2,608	2,901	3,383	11%	17%	45.32	
GOL	5.59	NYSE	Dec	0.01	(1.23)	0.05	0.35	NM	NM	(0.30)	1.00	1.35	NM	35%	536	886	978	NM	10%	4,161	4,028	4,378	-3%	9%	0.86	
LATAM	13.60	NYSE	Dec	0.13	(0.69)	0.65	1.00	NM	54%	1.55	2.80	3.50	NM	25%	1,776	2,618	2,968	47%	15%	13,296	13,719	14,550	3%	6%	10.28	
Volaris	8.54	NYSE	Dec	---	0.35	0.00	0.65	NM	NM	0.65	0.25	0.95	-62%	NM	231	212	329	-8%	55%	1,019	1,059	1,311	4%	24%	2.81	
<b>Total/Average</b>								<b>-6%</b>	<b>38%</b>				<b>-10%</b>	<b>33%</b>	<b>\$4,732</b>	<b>\$6,113</b>	<b>\$7,324</b>	<b>29%</b>	<b>20%</b>	<b>\$28,839</b>	<b>\$30,255</b>	<b>\$33,244</b>	<b>5%</b>	<b>10%</b>		

Source: Thomson One, Company Filings, and Deutsche Bank Airline Research.

