

Allegiant Travel CO  
Form 10-Q  
July 31, 2017

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q  
(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2017

OR  
 TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 001-33166

Allegiant Travel Company

(Exact Name of Registrant as Specified in Its Charter)

Nevada

20-4745737

(State or Other Jurisdiction of Incorporation or Organization) (IRS Employer Identification No.)

1201 North Town Center Drive

Las Vegas, Nevada

89144

(Address of Principal Executive Offices)

(Zip Code)

Registrant's Telephone Number, Including Area Code: (702) 851-7300

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company) Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

The number of shares of the registrant's common stock outstanding as of the close of business on July 14, 2017 was 16,070,344.

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## PART I. FINANCIAL INFORMATION

## Item 1. Consolidated Financial Statements

ALLEGIANT TRAVEL COMPANY  
CONSOLIDATED BALANCE SHEETS  
(in thousands)

	June 30, 2017 (unaudited)	December 31, 2016
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$20,040	\$64,711
Restricted cash	11,423	11,647
Short-term investments	323,117	269,269
Accounts receivable	23,917	40,667
Expendable parts, supplies and fuel, net	17,855	16,797
Prepaid expenses	25,753	16,277
Other current assets	4,809	2,686
<b>TOTAL CURRENT ASSETS</b>	<b>426,914</b>	<b>422,054</b>
Property and equipment, net	1,212,771	1,095,314
Long-term investments	159,769	124,834
Deferred major maintenance, net	28,813	17,347
Deposits and other assets	11,730	12,027
<b>TOTAL ASSETS</b>	<b>\$1,839,997</b>	<b>\$1,671,576</b>
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$18,002	\$16,010
Accrued liabilities	110,842	96,661
Air traffic liability	237,835	194,001
Current maturities of notes payable, net of related costs	116,387	86,226
<b>TOTAL CURRENT LIABILITIES</b>	<b>483,066</b>	<b>392,898</b>
Long-term debt, net of current maturities and related costs	761,082	722,048
Deferred income taxes	127,631	75,338
Other noncurrent liabilities	8,732	7,670
<b>TOTAL LIABILITIES:</b>	<b>1,380,511</b>	<b>1,197,954</b>
<b>SHAREHOLDERS' EQUITY:</b>		
Common stock, par value \$.001	23	22
Treasury stock	(606,352)	(517,803)
Additional paid in capital	246,906	238,236
Accumulated other comprehensive loss, net	(1,391)	(230)
Retained earnings	820,300	753,397
<b>TOTAL EQUITY</b>	<b>459,486</b>	<b>473,622</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>\$1,839,997</b>	<b>\$1,671,576</b>

The accompanying notes are an integral part of these consolidated financial statements.

ALLEGIANT TRAVEL COMPANY  
CONSOLIDATED STATEMENTS OF INCOME  
(in thousands, except per share amounts)  
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2017	2016	2017	2016
<b>OPERATING REVENUE:</b>				
Scheduled service revenue	\$220,615	\$189,122	\$432,713	\$390,728
Ancillary revenue:				
Air-related charges	145,405	128,713	276,970	249,643
Third party products	14,304	11,965	27,046	23,223
Total ancillary revenue	159,709	140,678	304,016	272,866
Fixed fee contract revenue	11,029	6,706	22,289	13,507
Other revenue	9,261	8,345	17,434	16,366
Total operating revenue	400,614	344,851	776,452	693,467
<b>OPERATING EXPENSES:</b>				
Aircraft fuel	85,387	60,005	170,049	113,663
Salary and benefits	92,221	68,553	188,519	137,761
Station operations	38,998	33,328	70,830	64,061
Maintenance and repairs	28,645	29,261	58,740	55,753
Depreciation and amortization	30,129	25,396	60,678	50,081
Sales and marketing				