



## FORWARD-LOOKING STATEMENT

Certain information in this presentation and statements made during this presentation, including any question and answer session, may contain forward-looking statements, including but not limited to, those regarding projected economic indicators, future expansion plans for WestJet and WestJet Vacations Inc. (WVI), capacity growth, fleet expansion, potential interline and code-share agreements, ASM, RASM, CASM and future revenue and profits, implementation of the new reservation system, the reward program and co-branded credit card, cost-saving initiatives, addition of new destinations, market-share and business travel expansion, hedging activities and ancillary revenue expansion. Certain material factors and assumptions were applied in formulating these forward-looking statements. These forward-looking statements are subject to, and may be affected by, numerous risks and uncertainties which may cause WestJet's actual results may differ materially from a conclusion, forecast or projection expressed in or implied by such statements. Factors that could cause or contribute to these differences include, but are not limited to: changes in government policy, exchange rates, interest rates, disruption of supplies, volatility of fuel prices, terrorism, general economic conditions, the competitive environment and other factors described in WestJet's public reports and filings which are available under WestJet's profile on SEDAR ([www.sedar.com](http://www.sedar.com)). Forward-looking statements are subject to change and WestJet does not undertake to update or revise any forward-looking information as a result of any new information, future events or otherwise, except as required by applicable law.

**September 2010**

## WHAT MAKES WESTJET DIFFERENT?



- Consistently one of the most profitable airlines in North America
- One of Canada's most admired corporate cultures
- Provides a world-class guest experience
- Having fleet flexibility and seasonal deployment strategy
- Scheduled service and vacation packages
- Consistently one of the lowest-cost operators in North America

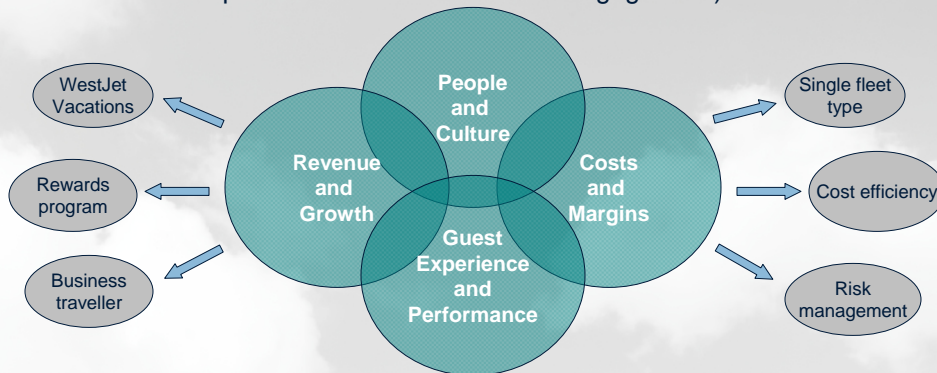
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## WESTJET'S STRATEGY

Working since day one

**By 2016, WestJet will be one of the five most successful international airlines in the world**

(success = top margins, guest loyalty and referrals, operational performance and WestJetter engagement)



4

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## WESTJET VACATIONS

### Leveraging our strengths in a new marketplace

**Estimated leisure market size in Canada**

Market Segment	Value (\$ b n)
ITC Market	\$5.0
FIT Market	\$5.0
Leisure Retail Market	\$10.9

WestJet Vacations addressable market segments are ITC and FIT

Outside of current scope; might be able to capture a small percentage of this segment

- One of the fastest growing vacation operators in Canada
- Scheduled service to all destinations allowing more booking options
- Use our entire network to fill aircraft
- Don't pre-purchase hotel rooms
- Flights combine package guests and other scheduled guests
- Integration with mainline business to create efficiencies
- Leverage all our distribution channels

Source: internal estimates  
 FIT – Flexible itinerary travel  
 ITC – Inclusive

**WESTJET**  
vacations

## REWARDS PROGRAM

Straight to the bottom line

### Credit card



Appeals to the mass market:

- Fully accretive to WestJet
- Strong partnership with RBC for awareness
- Simple and transparent
- Two types of cards; different earning power
- Uptake meeting early expectations

### Frequent Guest Program

Appeals to the high frequency traveller:

- Simple and transparent program
- Targeted at the traveller doing four to 40 trips per year
- Aims to capture additional high-yielding guests
- Uptake meeting early expectations

7



## BUSINESS TRAVELLER

Building strength in this high-yield market

### Fare bundling

Opportunity to bundle together:

- Refundable tickets
- Pre-reserved seating
- Buy-on-board
- Lounges
- Other new initiatives

### Airline partnerships



Opening the world up to our guests:

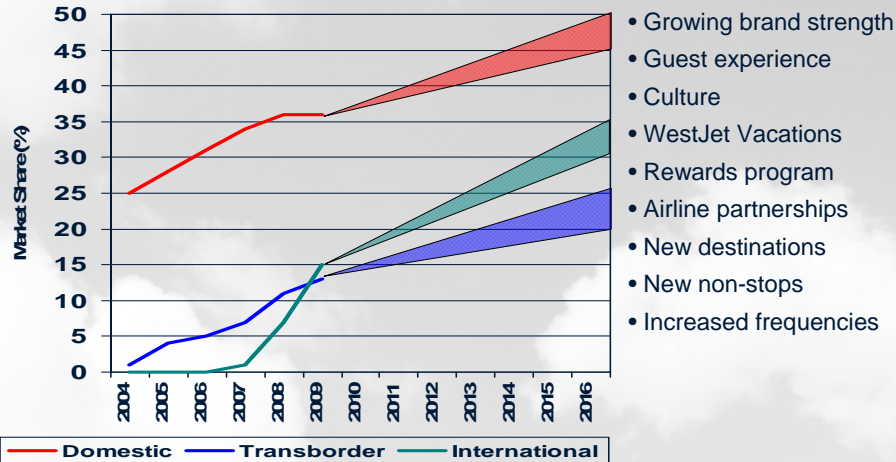
- Providing the business traveller with international travel options
- Incremental revenue opportunities
- Select strategic carriers in each major world region
- Begin implementing new partnerships by year-end

8



## MARKET SHARE GROWTH DRIVERS

Currently serving a portion of addressable market

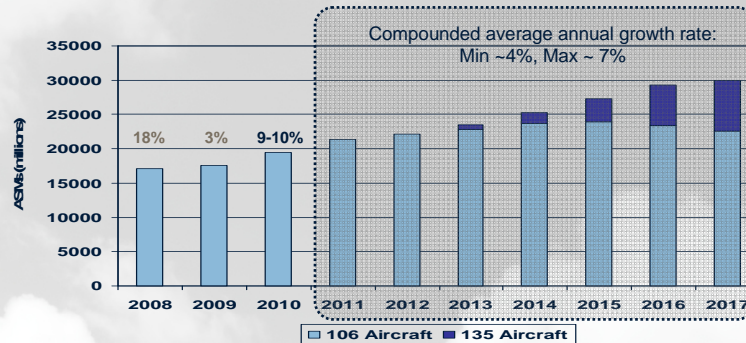


9 • Capacity-share calculation based on data from IATA-SRS.  
 • Mexico / Caribbean capacity share does not include charters.



## MEASURED CAPACITY GROWTH

Flexible fleet expansion until 2017



Leased	24	33	38	43	44	44	44	44	44	44
Owned	52	53	53	54	58	64	70	80	88	91
<b>Total confirmed fleet</b>	<b>76</b>	<b>86</b>	<b>91</b>	<b>97</b>	<b>102</b>	<b>108</b>	<b>114</b>	<b>124</b>	<b>132</b>	<b>135</b>
Net change in aircraft	-	10	5	6	5	6	6	10	8	3
Lease expiries	-	-	-	-	-	3	-	12	8	6





### SINGLE FLEET – BOEING NG 737

Keeping efficiency high

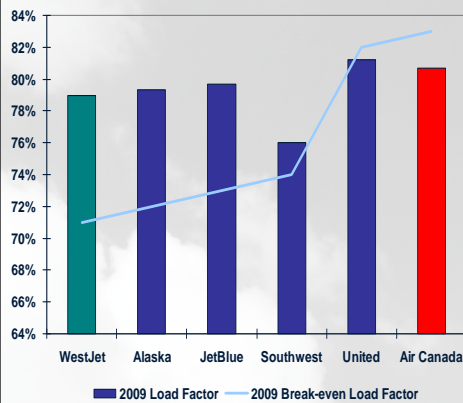
- A single fleet and single class of service:
  - Simplifies operations
  - Enhances operational productivity
  - Offers an operating cost advantage
  - Provides more consistent guest experience

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## COST EFFICIENCY

### Removing costs where possible

2009 Load Factors vs. Break-even Load Factors



Source: Internal estimates, company reports

13



Cost efficiencies have led to low break-even load factor

- These cost efficiencies are driven by:
  - High utilization of aircraft
  - High employee productivity
  - Single-fleet efficiencies
  - Ownership culture
  - Disciplined focus on expenditures
  - Over 30% cost advantage compared to main competitor

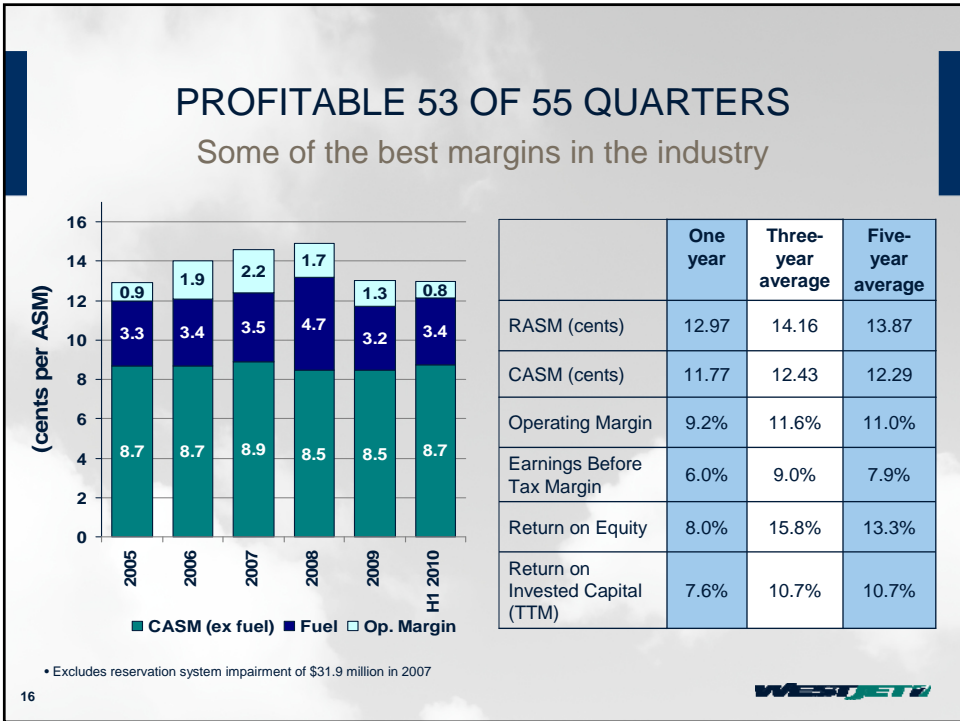
## RISK MANAGEMENT

### Protecting against external volatility

- Fuel price volatility
  - fuel is 19% hedged for next 12 months from July 30, 2010
  - combination of swaps, collars and call options
  - CAD\$ is partially a natural hedge against WTI
- Foreign exchange volatility
  - Aircraft debt repayments fixed in CAD\$ for term of debt
  - Next 12 month aircraft US\$ leasing costs 87% hedged into CAD\$ at June 30, 2010
  - Fuel hedges are fixed in CAD\$
- Interest rate volatility
  - Long-term aircraft debt has fixed interest rates averaging 5.3%

14

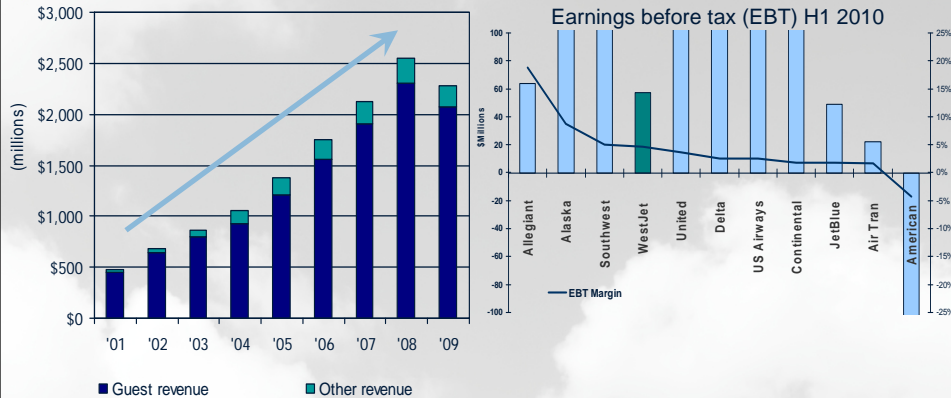






## FINANCIAL HIGHLIGHTS

Among top performer in North American airline industry



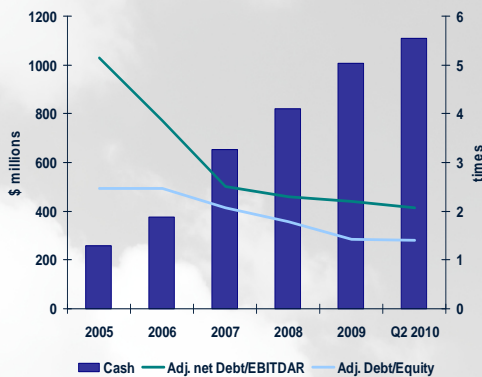
17

EBT and EBT margin adjusted for special items and gains/losses on mark-to-market fuel hedges (non-operating portion). WestJet earnings in CAD\$, all others in US\$.



## FINANCIAL SECURITY

Cash grows while debt shrinks



At June 30, 2010, we had our strongest balance sheet yet:

- Cash of C\$1,108.2 million
- Cash to trailing 12 months of revenues ratio of 46%
- Current ratio of 1.46x
- Adjusted debt to equity ratio of 1.41x
- Adjusted net debt to EBITDAR of 2.07x

18

Note: All figures are full-year figures, except for 2010 data. Debt ratios include aircraft operating leases.



## WE ARE READY TO TAKE OFF

- We continue to outperform the industry in North America
- We are a well-positioned, low-cost and efficient carrier
- We have a very strong culture and highly engaged workforce
- We have a strong brand in the market place
- We have a highly attractive combination of planned growth and strong balance sheet
- We have an attractive valuation relative to peer group



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