

FRONTIER

Investor Day

NOVEMBER 15, 2022



The logo for Frontier, featuring the word "FRONTIER" in a bold, white, sans-serif font with a stylized underline on the letter 'F'.

FRONTIER

Welcome and Safe Harbor

DAVID ERDMAN
SR. DIRECTOR, INVESTOR RELATIONS

Agenda

9:00 – 10:45am ET

Welcome & Safe Harbor

David Erdman *Sr. Director, Investor Relations*

Opening Remarks & Company Overview

Barry Biffle *President & CEO*

Finance and Fleet

Jimmy Dempsey *EVP & CFO*

Commercial

Daniel Shurz *SVP, Commercial*

Marketing

Tyri Squyres *VP, Marketing*

Operations

Trevor Stedke *SVP, Operations*

Pilot Recruiting/Flight Crew

Steve Schuller *VP, Human Resources* | Brad Lambert *VP, Flight Ops*

Customers

Jake Filene *SVP, Customers*

10:45 – 11:30am ET

Question & Answer session

Disclaimer

This presentation (including the accompanying oral presentation) is being delivered on behalf of Frontier Group Holdings, Inc. ("Frontier") ("we", "our", "us", or the "Company").

Before you invest, you should read the documents that the Company has filed with the Securities and Exchange Commission ("SEC") for more complete information about the Company. You may get these documents for free by visiting the SEC's website at www.sec.gov. This presentation is for informational purposes only and shall not constitute an offer to sell or the solicitation of an offer to buy any securities and may not be relied upon in connection with the purchase or sale of any security.

Non-GAAP Financial Measures

In addition to financial information prepared in accordance with generally accepted accounting principles in the United States ("GAAP"), this presentation includes certain non-GAAP financial measures. We believe these non-GAAP financial measures are useful supplemental indicators of our operating performance. We believe the non-GAAP numbers provided are well recognized performance measurements in the airline industry that are frequently used by our management, as well as by investors, securities analysts and other interested parties in comparing the operating performance of companies in our industry. Reconciliations of such information to the most directly comparable GAAP financial measures are included in the Appendix to these slides. The non-GAAP measures have limitations and may not be comparable across all carriers, and you should not consider them in isolation or as a substitute for our GAAP financial information.

Cautionary Statement Regarding Forward-Looking Statements and Information

Certain statements in this presentation should be considered forward-looking statements within the meaning of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on the Company's current expectations and beliefs with respect to certain current and future events and anticipated financial and operating performance. Such forward-looking statements are and will be subject to many risks and uncertainties relating to the Company's operations and business environment that may cause actual results to differ materially from any future results expressed or implied in such forward-looking statements. Words such as "expects," "will," "plans," "intends," "anticipates," "indicates," "remains," "believes," "estimates," "forecast," "guidance," "outlook," "goals," "targets" and similar expressions are intended to identify forward-looking statements. Additionally, forward-looking statements include statements that do not relate solely to historical facts, such as statements which identify uncertainties or trends, discuss the possible future effects of current known trends or uncertainties, or which indicate that the future effects of known trends or uncertainties cannot be predicted, guaranteed or assured. All forward-looking statements in this presentation are based upon information available to the Company on the date of this presentation. The Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, changed circumstances or otherwise, except as required by applicable law.

Disclaimer

Cautionary Statement Regarding Forward-Looking Statements and Information (continued)

Actual results could differ materially from these forward-looking statements due to numerous factors including, without limitation, the following: the potential future impacts of the COVID-19 pandemic, including any future variants or subvariants of the virus, and possible outbreaks of another disease or similar public health threat in the future, on the Company's business, operating results, financial condition, liquidity and near-term and long-term strategic operating plan, including possible additional adverse impacts resulting from the duration and spread of the pandemic; unfavorable economic and political conditions in the states where the Company operates and globally; the highly competitive nature of the global airline industry and susceptibility of the industry to price discounting and changes in capacity; high and/or volatile fuel prices or significant disruptions in the supply of aircraft fuel, including as a result of the recent conflict between Russia and Ukraine; the Company's reliance on technology and automated systems to operate its business and the impact of any significant failure or disruption of, or failure to effectively integrate and implement, the technology or systems; the Company's reliance on third-party service providers and the impact of any failure of these parties to perform as expected, or interruptions in the Company's relationships with these providers or their provision of services; adverse publicity and/or harm to the Company's brand or reputation; reduced travel demand and potential tort liability as a result of an accident, catastrophe or incident involving the Company, its codeshare partners, or another airline; terrorist attacks, international hostilities or other security events, or the fear of terrorist attacks or hostilities, even if not made directly on the airline industry; increasing privacy and data security obligations or a significant data breach; further changes to the airline industry with respect to alliances and joint business arrangements or due to consolidations; changes in the Company's network strategy or other factors outside its control resulting in less economic aircraft orders, costs related to modification or termination of aircraft orders or entry into less favorable aircraft orders; the Company's reliance on a single supplier for its aircraft and two suppliers for its engines, and the impact of any failure to obtain timely deliveries, additional equipment or support from any of these suppliers; the impacts of union disputes, employee strikes or slowdowns, and other labor-related disruptions on the Company's operations; extended interruptions or disruptions in service at major airports where the Company operates; the impacts of seasonality and other factors associated with the airline industry; the Company's failure to realize the full value of its intangible assets or its long-lived assets, causing the Company to record impairments; the costs of compliance with extensive government regulation of the airline industry; costs, liabilities and risks associated with environmental regulation and climate change; the Company's inability to accept or integrate new aircraft into the Company's fleet as planned; the impacts of the Company's significant amount of financial leverage from fixed obligations, the possibility the Company may seek material amounts of additional financial liquidity in the short-term and the impacts of insufficient liquidity on the Company's financial condition and business; failure to comply with the covenants in the Company's financing agreements or failure to comply with financial and other covenants governing the Company's other debt; changes in, or failure to retain, the Company's senior management team or other key employees; current or future litigation and regulatory actions, or failure to comply with the terms of any settlement, order or arrangement relating to these actions; increases in insurance costs or inadequate insurance coverage; and other risks and uncertainties set forth from time to time under sections captioned "Risk Factors" in the Company's reports and other documents filed with the SEC, including the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2022.

Statistical Data, Estimates and Forecasts

This presentation contains statistical data, estimates and forecasts that are based on independent industry publications or other publicly available information, as well as other information based on our internal sources. This information involves many assumptions and limitations, and you are cautioned not to give undue weight to these estimates. We have not independently verified the accuracy or completeness of the data contained in these industry publications and other publicly available information. Accordingly, we make no representations as to the accuracy or completeness of that data nor do we undertake to update such data after the date of this presentation.

Frontier Airlines®, Frontier®, the Frontier Flying F logo, FlyFrontier.com®, Discount Den®, Low Fares Done Right®, LFDR®, Save More. Get More®, The Sky is for Everyone®, myFrontier®, EarlyReturns®, Frontier MilesSM, The WorksSM, The PerksSM, Kids Fly FreeSM, Friends Fly FreeSM, and GoWildSM are trademarks or servicemarks of Frontier in the United States and other countries.

Company Overview

BARRY BIFFLE
PRESIDENT & CEO



FRONTIER

Video Presentation

COMPANY OVERVIEW



Frontier is Best Poised To Exploit Leisure Travel Boom



Constrained industry capacity presents growth opportunity



A321neo orderbook captures opportunity



Robust pilot recruiting and training platforms secure growth



Global ancillary leader; continuous pipeline of growth



Lowest total cost: structural advantage widens



Lowest total cost + highest ancillary = lowest breakeven fares

Frontier Has a Proven, High-Quality Leadership Team and Strong Financial Partner

Barry Biffle

President & CEO

28 years industry exp

Jimmy Dempsey

EVP, Chief Financial Officer

20 years industry exp

Howard Diamond

SVP, General Counsel

9 years industry exp

Steve Schuller

VP, Human Resources

25 years industry exp

Brad Lambert

VP, Flight Operations

31 years industry exp

Jake Filene

SVP, Customers

26 years industry exp

Daniel Shurz

SVP, Commercial

22 years industry exp

Trevor Stedke

SVP, Operations

29 years industry exp

Craig Maccubbin

SVP & CIO

18 years industry exp

Tyri Squyres

VP, Marketing

18 years industry exp

Indigo Partners

Bill Franke

Chairman

30 years industry exp

FRONTIER

Finance & Fleet

JIMMY DEMPSEY
EVP & CFO

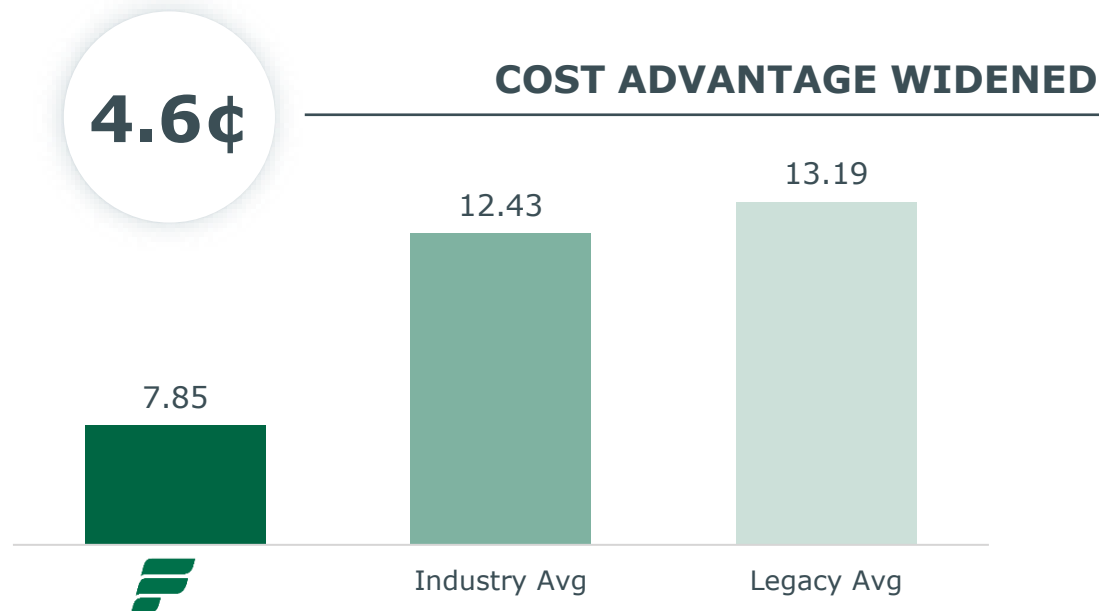


Frontier Has a Substantial Total Cost Advantage

Our cost advantage over the industry average is equivalent to ~\$65/passenger today

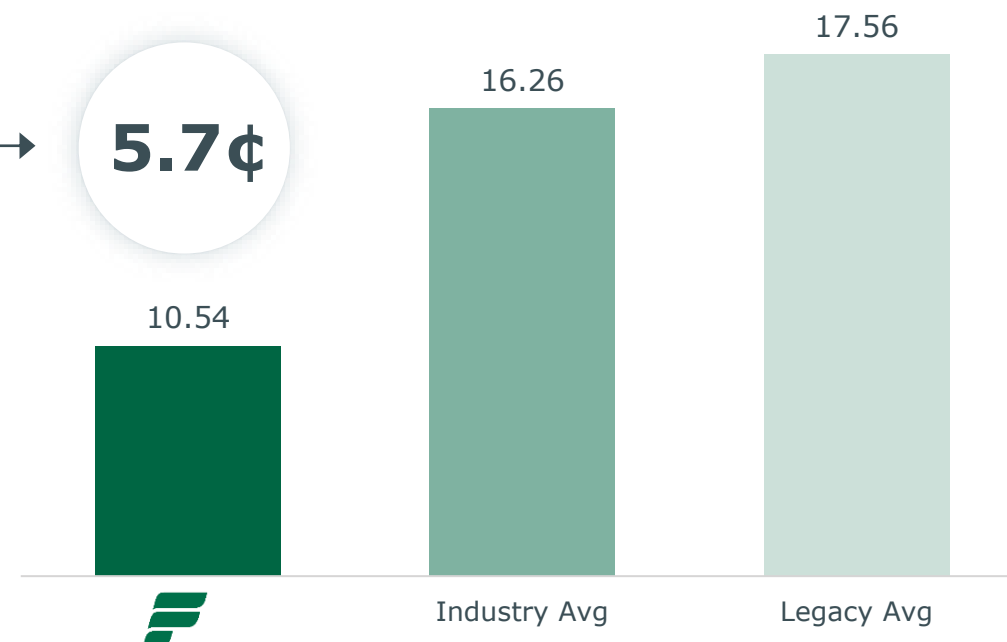
Pre-Pandemic Unit Costs

Total Adj. CASM, 3Q 2019 (cents)
Stage length adjusted to 1,000 miles



3Q 2022 Unit Costs

Total Adj. CASM, 3Q 2022 (cents)
Stage length adjusted to 1,000 miles



Note: For quarter ended September 30, 2019 and for the quarter ended September 30, 2022; excludes JBLU and ALGT non-airline costs and DAL third-party refinery; includes LUV, UAL & DAL profit sharing; includes UAL third-party business expenses; includes ALGT employee recognition bonus

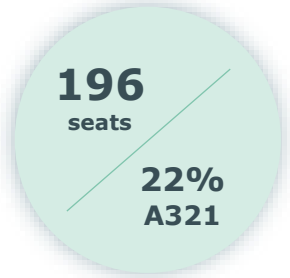
Refer to the Appendix for a reconciliation of non-GAAP measures and definition of adjusted stage length and industry/legacy averages

Source: Respective companies' public filings, where available, and Diio.

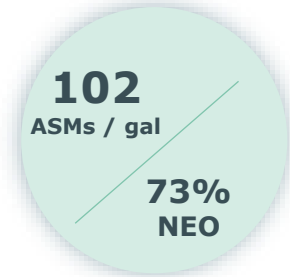
Fleet Plan Drives Higher Gauge and Lower Fuel Burn per ASM



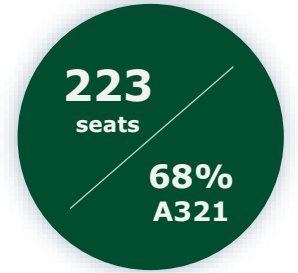
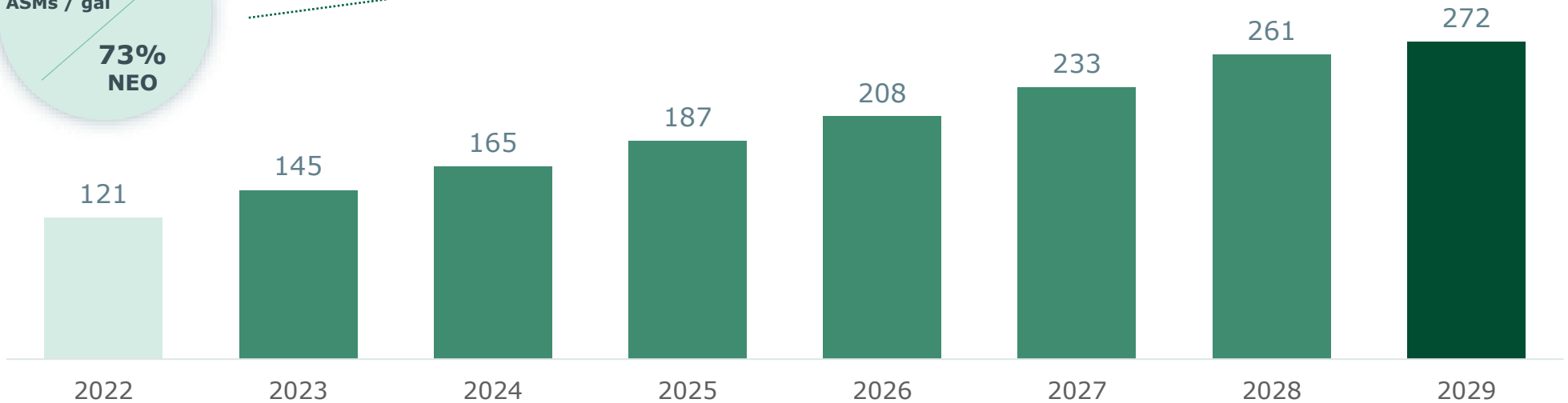
**Gauge
(seats / ac)**
% A321



**Fuel efficiency
(ASMs / gal)**
% NEO



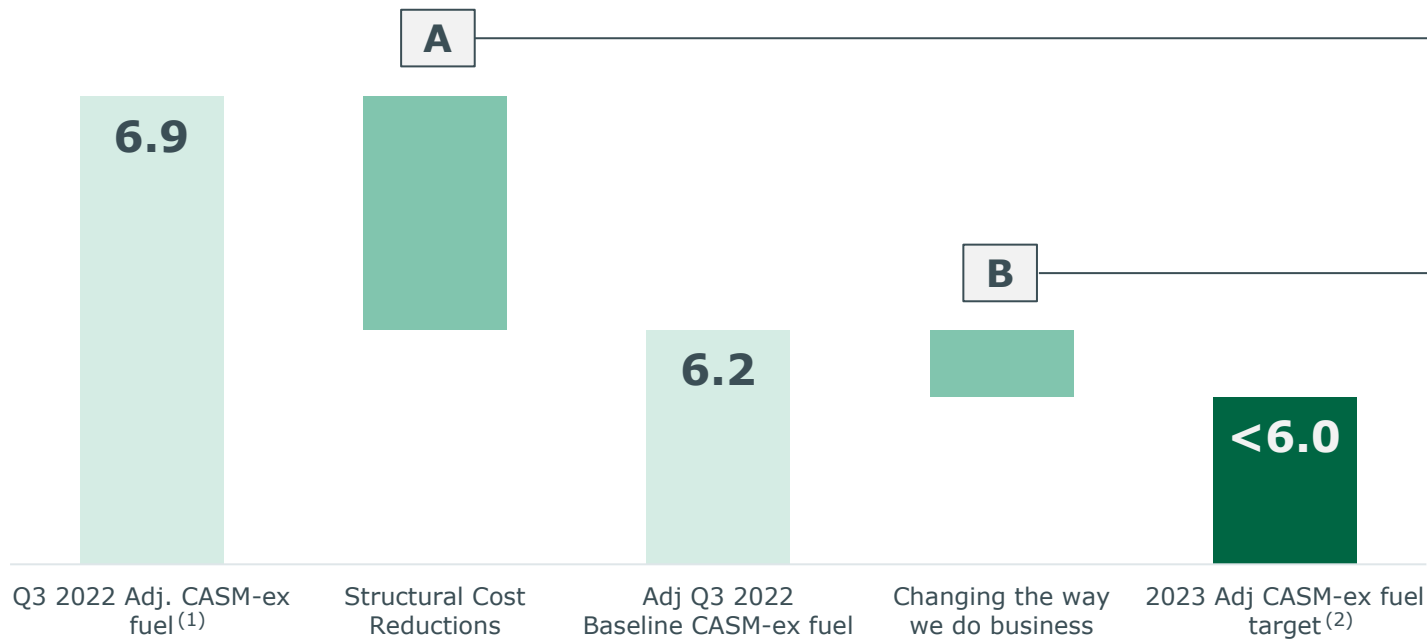
**Expected aircraft
at year-end, net of
planned returns**







Note: Does not account for potential aircraft delivery delays beyond the date of this presentation; A321neo aircraft includes A321neo and A321XLR aircraft; A321neo as illustrated assumes Company executes option to convert 18 A320neo aircraft to A321XLR; includes 10 direct leases.




Clear Path to a Meaningful Reduction in Adjusted CASM-ex in 2023

Significant unit cost benefits achieved from return to normal stage and utilization, A321neo and fundamental business shifts



Key Assumptions

-  Net fleet growth of 24 aircraft
-  Normalizing average stage to ~1,050 miles
-  Increasing average gauge to ~200 seats
-  Fleet utilization normalizes

-  Modular network
-  Crew productivity
-  Customer self-service

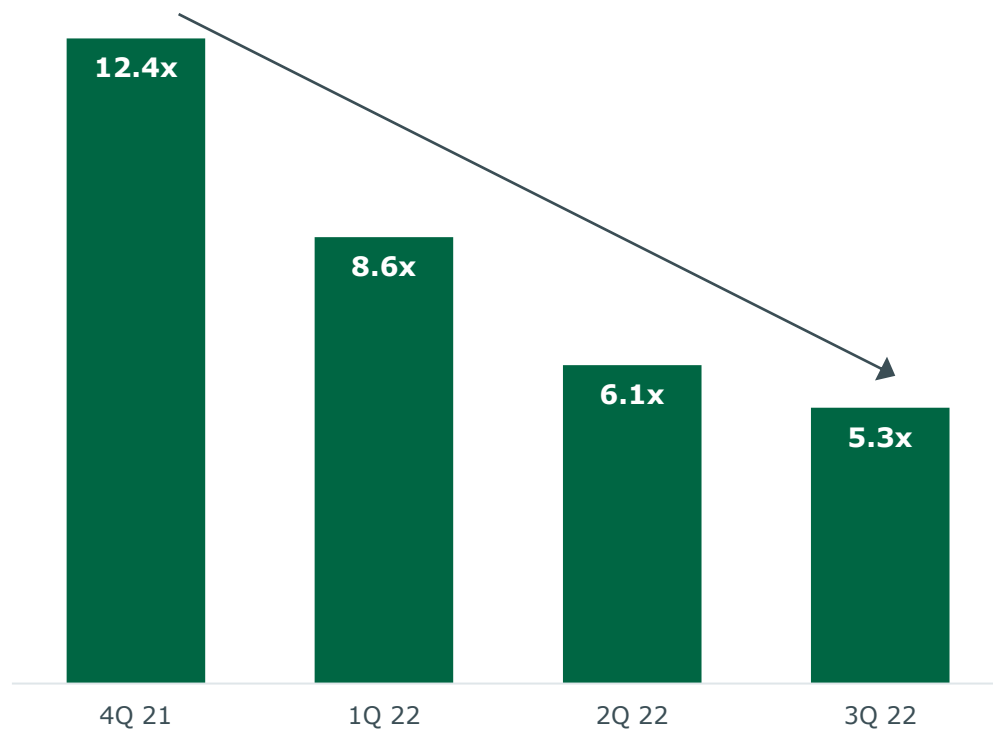
(1) Refer to the Appendix for a reconciliation of non-GAAP measures

(2) Assumes average utilization of over 12 hours per day during 2023; new aircraft deliveries of over 30 on assumed delivery schedule today; excludes special items because such amounts cannot be determined at this time and the Company is unable to provide guidance with respect to CASM, the most comparable GAAP measure, without unreasonable efforts

Enhancing Liquidity through Improving Financial Performance

Unencumbered loyalty and brand assets provide access to substantial liquidity, if desired

Leverage Ratio ⁽¹⁾



(1) Refer to the Appendix for a reconciliation of non-GAAP measures

Financing

All aircraft deliveries are financed for the next 12 months



\$280M PDP facility to support growth



Unencumbered loyalty and brand assets provide ~\$1Bn of potential liquidity



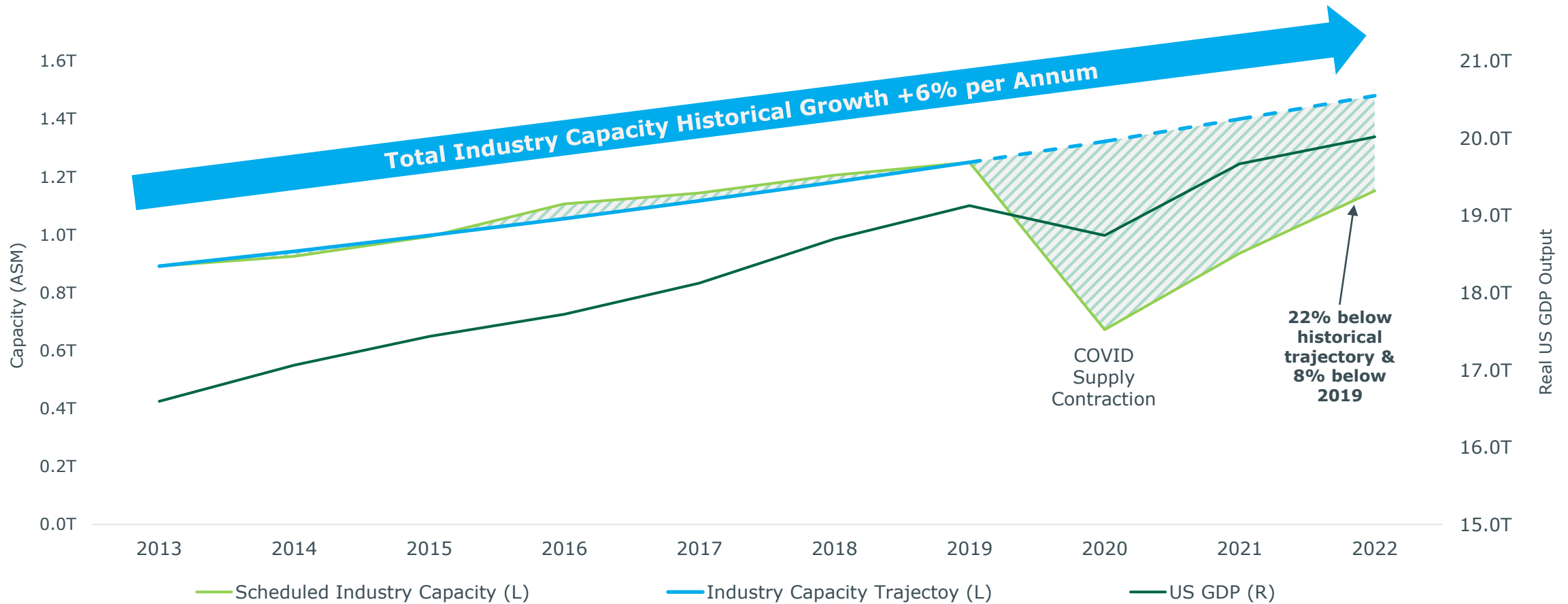
A woman with long brown hair, smiling, stands in the aisle of an airplane cabin. She is wearing a dark grey short-sleeved polo shirt with the Frontier logo on the chest, a blue neckerchief, and a black belt. Her hands are resting on the blue leather seats. The cabin has rows of seats and overhead storage bins.

FRONTIER

Commercial

DANIEL SHURZ
SVP, COMMERCIAL

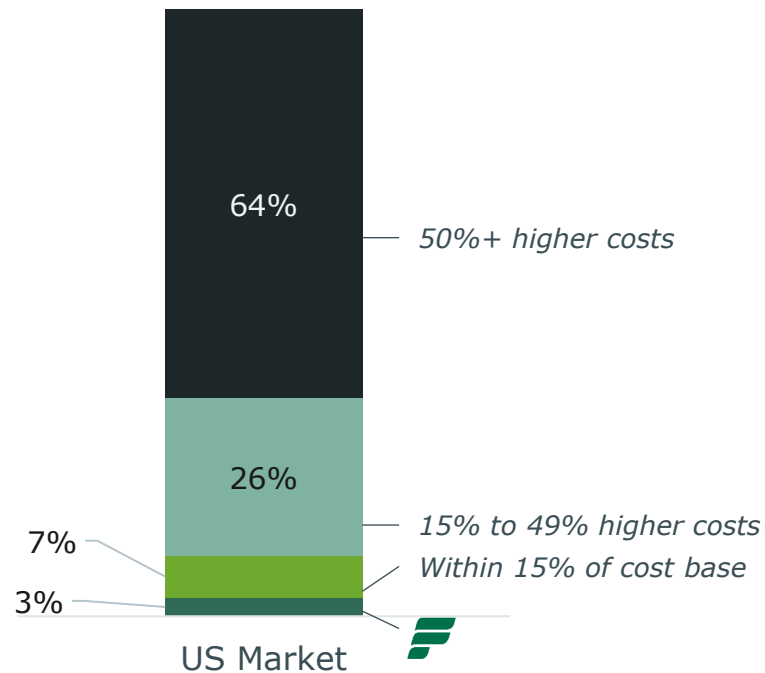
Constrained Industry Capacity Enhances Growth Opportunity



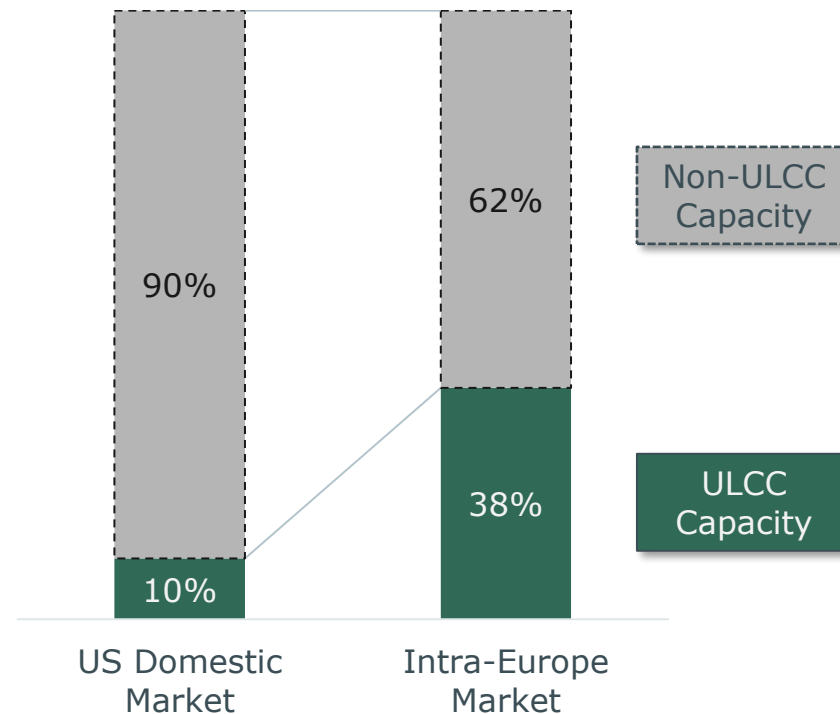
Note: Industry scheduled capacity includes domestic and international routes for top-10 U.S.-based carriers based on YE22 as of 11/4/22 (Diio); GDP data sourced from publicly available St. Louis Federal Reserve Economic Data (FRED) as of 7/1/22

Frontier Has a Significant Growth Runway

64% of US capacity is operated by competitors with 50%+ higher Total Adj CASM ...

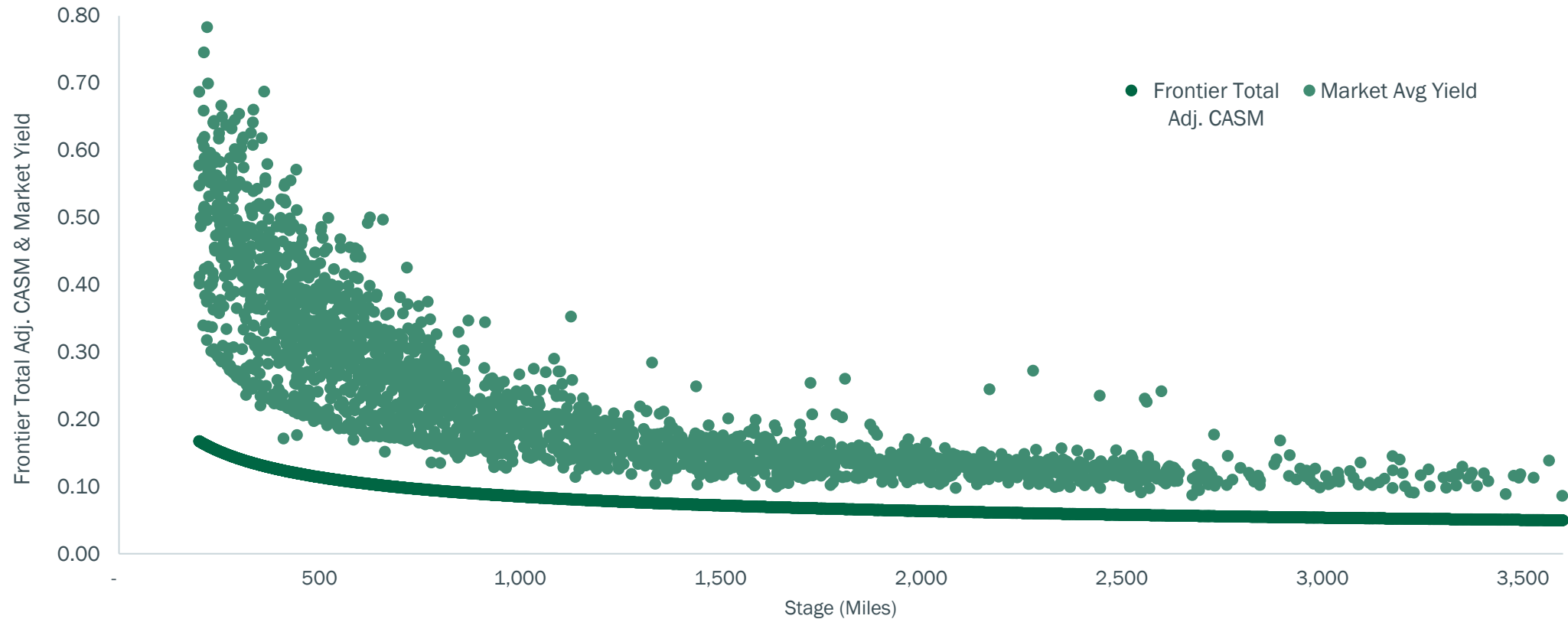


... in a market where ULCCs are under-penetrated



Note: Stage length for ALK, DAL, HAL, & UAL reflects L3M 09/30/22 schedule data; US Market share as measured by scheduled YTD September 30th, 2022 domestic ASM capacity; Europe Market share as measured by scheduled YTD September 30, 2022 ASM capacity on Intra-Europe routes excluding Russia & Turkey; Total Adj CASM based on Q3-2022; European capacity is comprised of Ryanair, Wizz and Easyjet; Source: respective companies' public filings.

Frontier's Low-Cost Structure Creates Over 2,000 New Market Opportunities



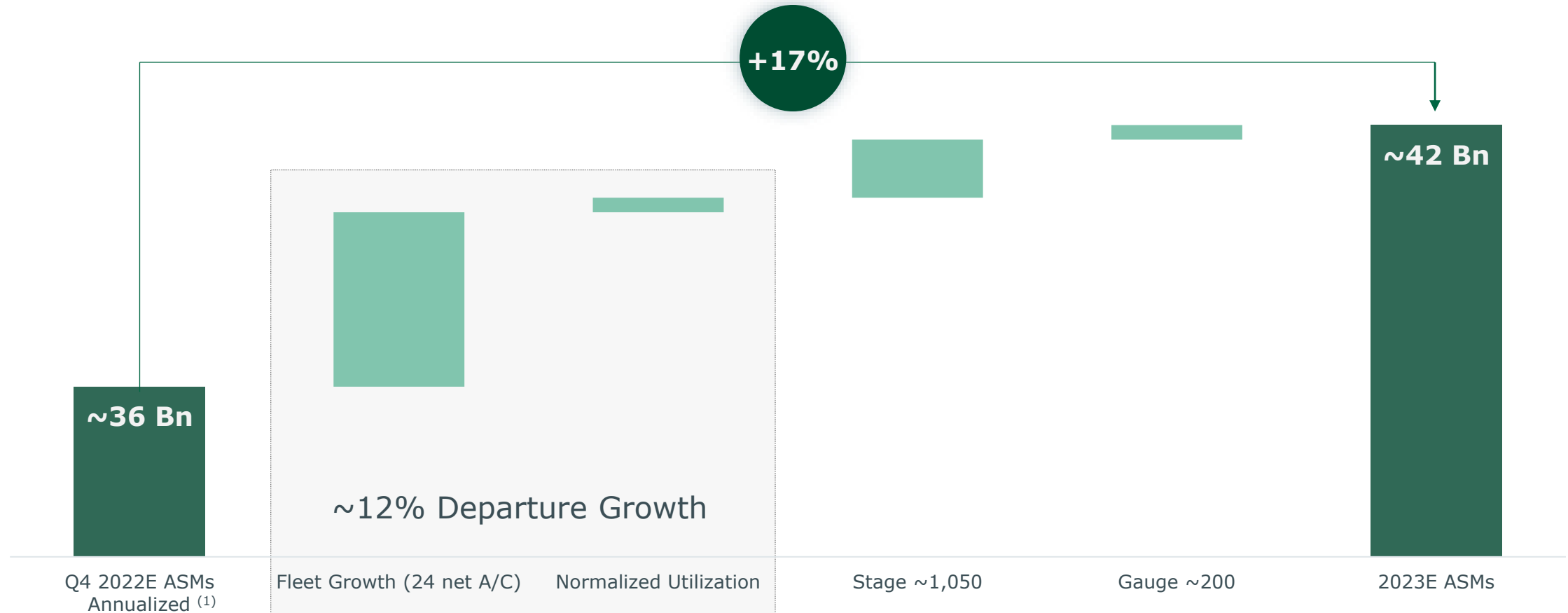
Springboard for Growth

- Access organic channels to take advantage of new market opportunities
- Capability to serve transatlantic markets with XLR optionality already in the order book

Note: Frontier 2019 Total Adj. CASM; assumes return to full utilization, >1,000 avg. stage length, and 200 seats per departure; 2019 Market Avg Yield (source: DOT O&D); excludes domestic slot-controlled airports; refer to the Appendix for a reconciliation of non-GAAP measures

2023 Growth Is Expected to Be Modest Relative to Annualized Q4 2022 Baseline

Components of Growth

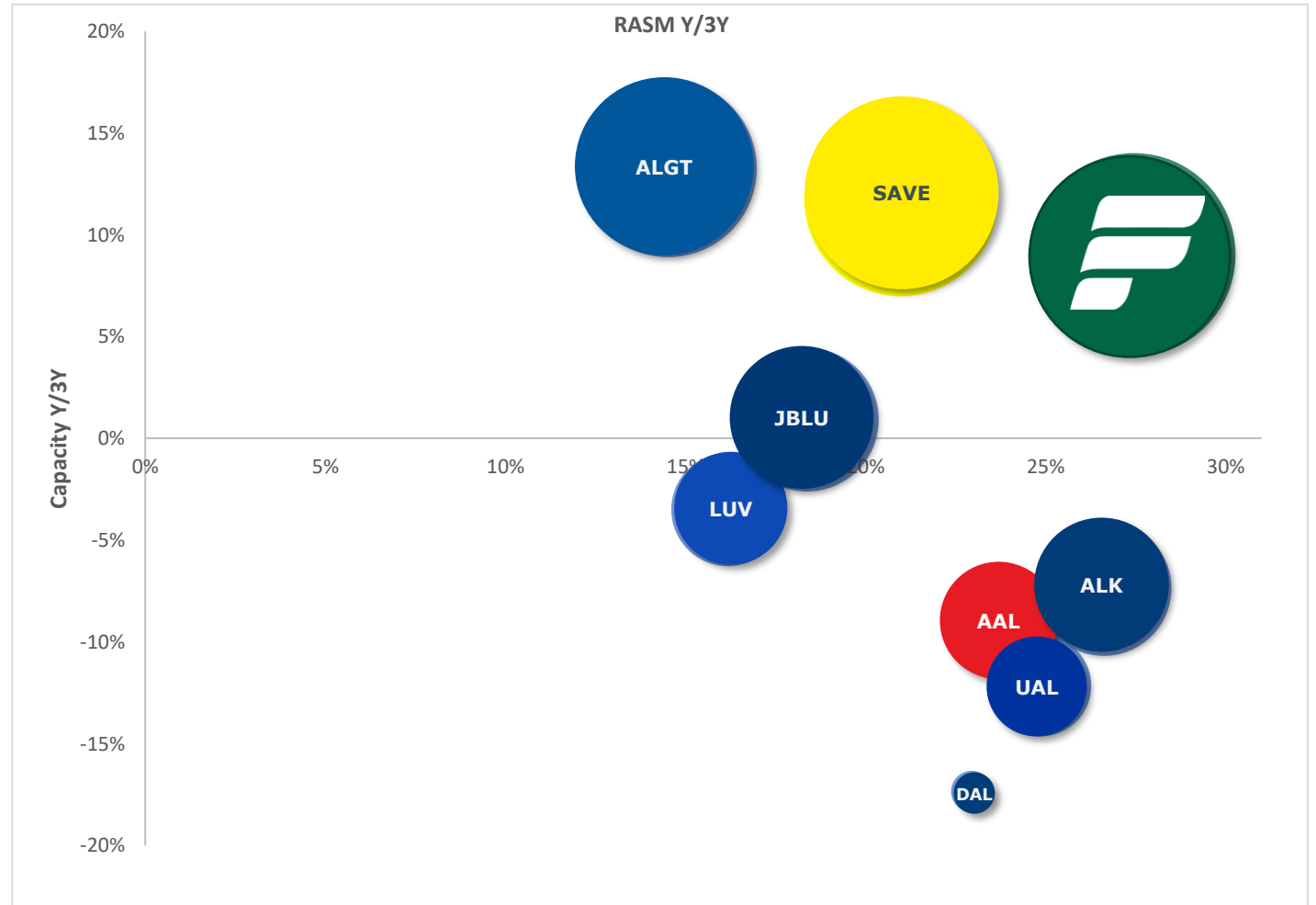


(1) Q4-2022 based on midpoint of Y/3Y ASM growth range as per published guidance on October 26, 2022 (15% - 17%)

Y/3Y Capacity vs Y/3Y RASM vs Y/3Y Total Revenue Growth

Q2 + Q3 2022

Bubble size represents Y/3Y Total Revenue Growth

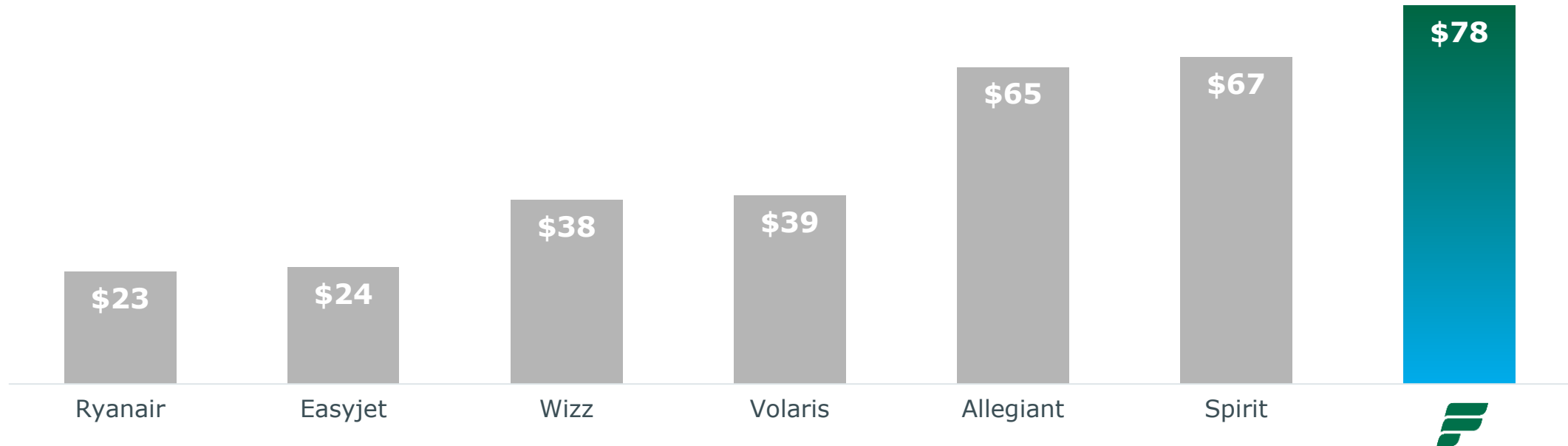


Note: First-quarter 2022 excluded due to the COVID-19 subvariants; HA has negative total revenue growth Y/3Y and therefore is not presented in this chart; Source: respective companies' public filings

Frontier's RASM Growth Outpaced the Industry While Significantly Growing Capacity

Frontier's Ancillary Revenue Outperforms Peers...

Ancillary Revenue per Passenger \$USD^{(1),(2)}

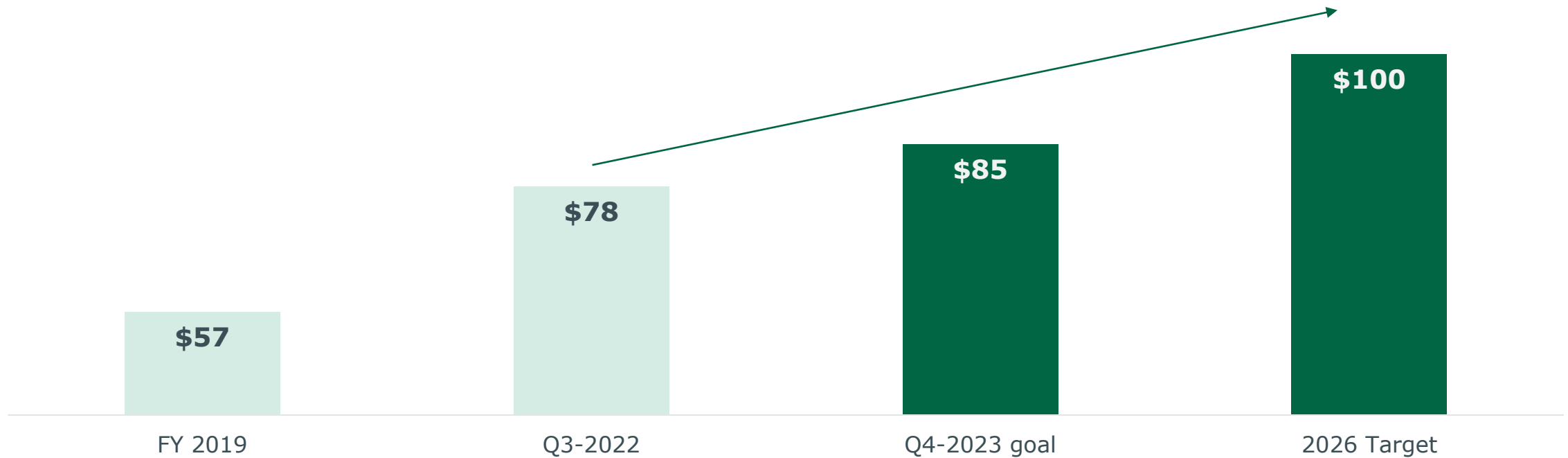


(1) Source(s): Financials pulled from most recent, publicly available filings. Easyjet 6M ended March 2022; Ryanair & Wizz 6M ended Sep 2022; Allegiant, Volaris, Spirit, and Frontier 3M ended Sep 2022

(2) Converted foreign-based carriers using exchange rate of 1.012 EUR/USD and 1.15 GBP/USD on November 3, 2022

...And We're Only Getting Better

Frontier Ancillary Revenue per Passenger



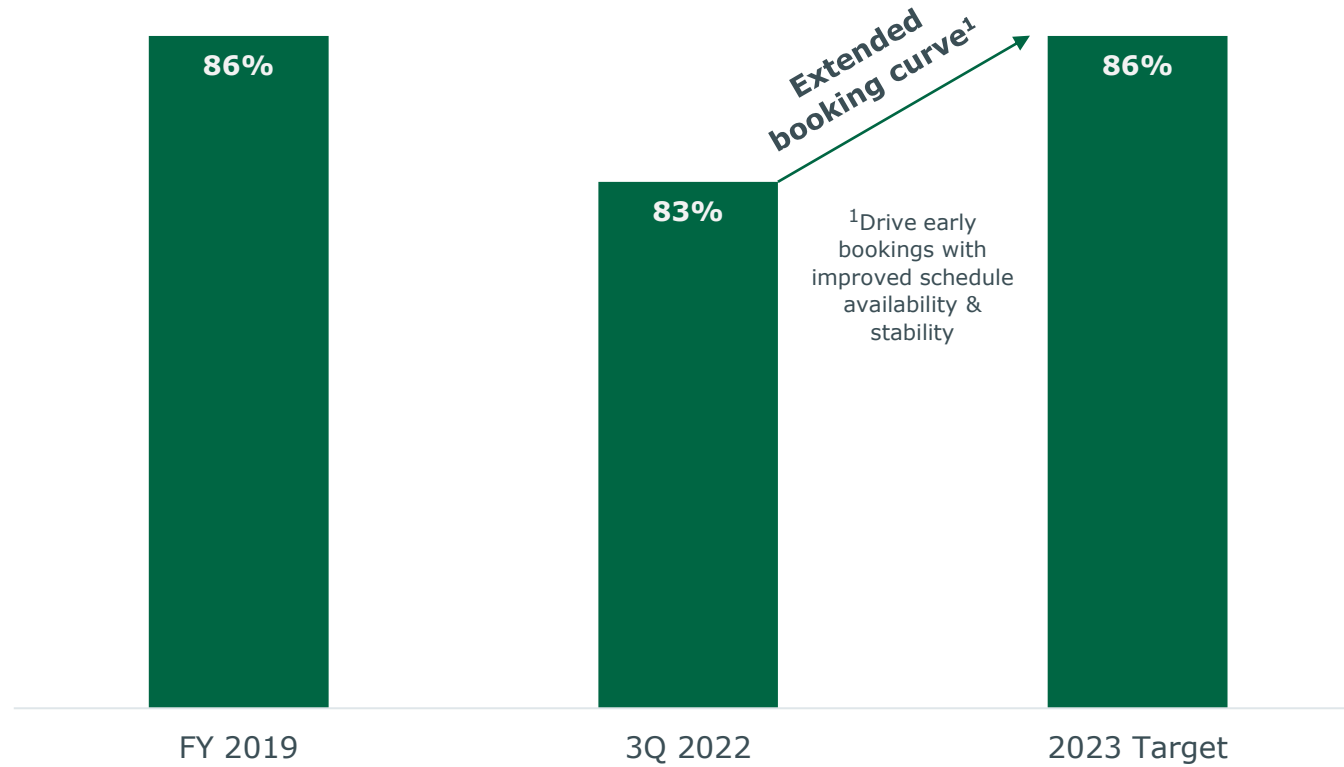
Robust Ancillary Roadmap

The Path to \$100 per Passenger

Revenue Integrity & Customer Equity	<ul style="list-style-type: none">• Equitable, consistent airport bag fee collection• Automated bag fee enforcement at bag drop and gate• Comprehensive self-service capabilities, reducing agent touchpoints
Pricing Optimization & Merchandising	<ul style="list-style-type: none">• Optimization capabilities across fare and ancillary products• Remarketing & offer design for paid seat assignments• Ongoing machine learning-driven pricing enhancements across portfolio
New Products & Services	<ul style="list-style-type: none">• Flights-as-a-Service: GoWild™ All-You-Can-Fly Pass• Tailored bundle offerings• Travel site featuring cars, hotels, cruises and more
Enhance Existing Products & Services	<ul style="list-style-type: none">• Improved app & web flows including frictionless payments• App-first customer incentives & merchandising• Relaunch premium seating product

Restoring Load Factor Will Drive RASM

Restoring Load Factor

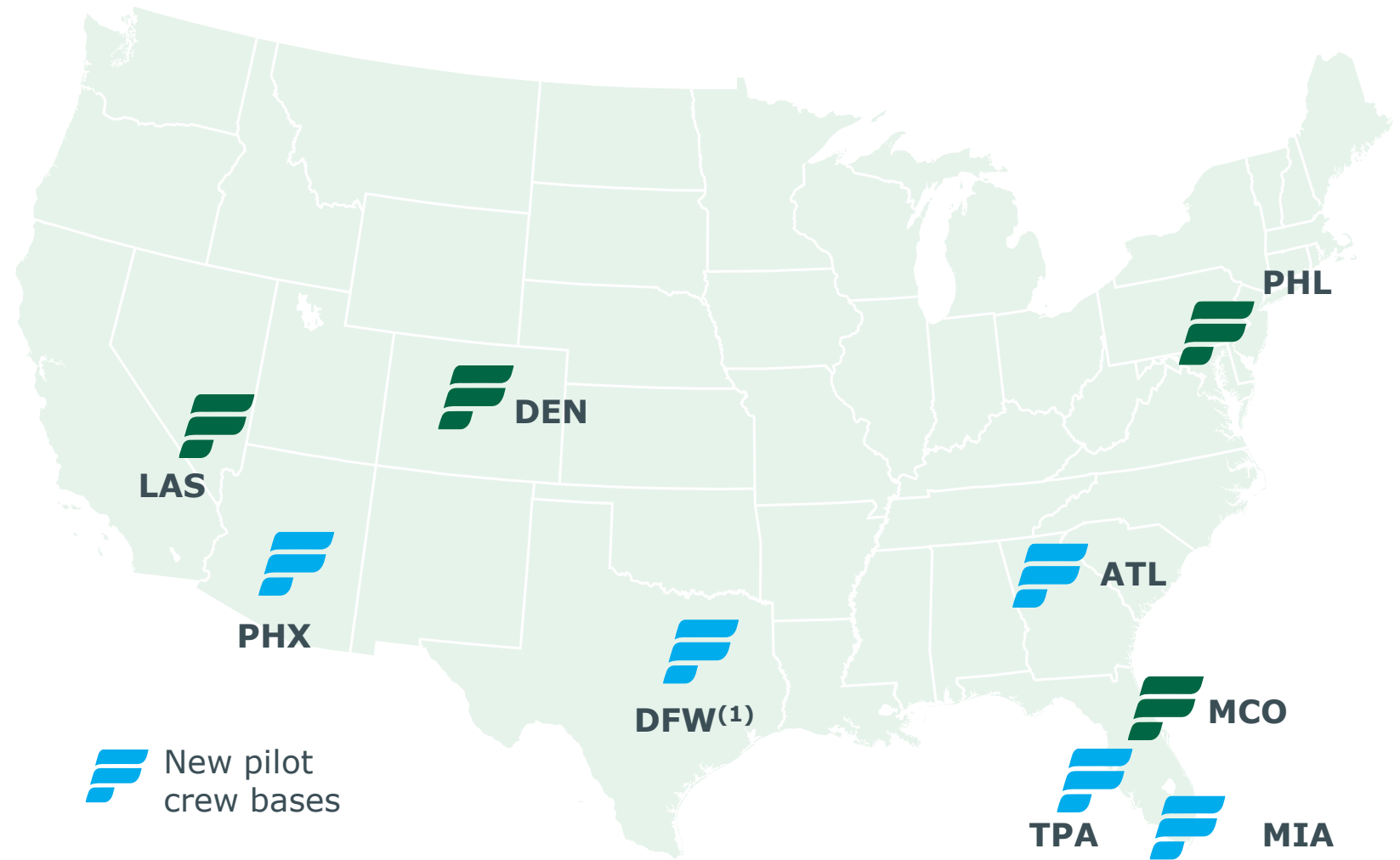


Multi-point Incremental Load Factor Opportunity

- ✓ **Revenue mgt system enhancement**
Continue automation and algorithm refinement to support total revenue
- ✓ **Flights-as-a-Service (FLAAS)**
GoWild!™ All-You-Can-Fly Pass
Leverage otherwise empty seats into a new recurring revenue stream & volume driver
- ✓ **Exclusive member offers**
Build upon the Discount Den fare club and Frontier Airlines World Mastercard to drive repeat traffic
- ✓ **Network scale & relevance**
- ✓ **Significantly enhanced engagement**
Animals and brand in airports and onboard to drive increased repeat traffic

New Pilot Crew Bases in Large Markets Improve Network

- Opened 5 new pilot crew bases since 2019
- Locations have significant route opportunities
- More bases have supported the move to more efficient modular network



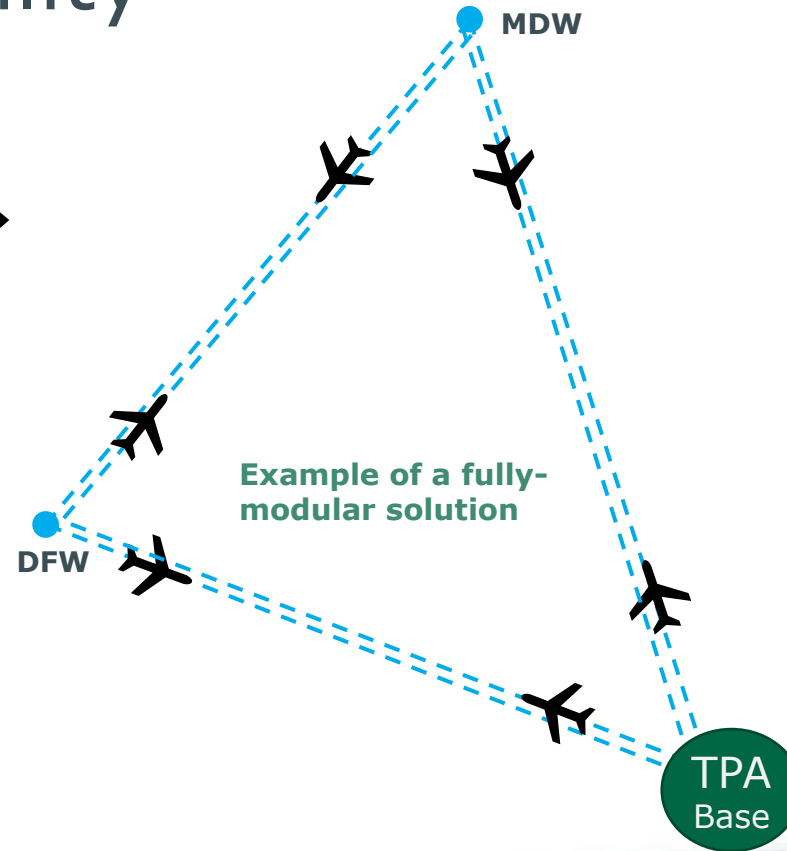
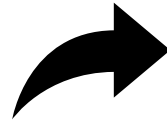
(1) DFW pilot crew base announced November 2022 and is scheduled to open May 2023

Building Network Efficiency Lowers Costs and Improves Reliability



Pre-Pandemic

- More complicated network design
- Lower pilot productivity
- Line maintenance dispersed



2023 Goals

- Significant modularity aided by new crew bases
- Concentrated maintenance
- Increased average daily crew time flown to >6hrs/day

FRONTIER

Marketing

TYRI SQUYRES
VP, MARKETING



Fundamental Increase in Leisure Demand

Higher income and greater ability to travel

31%

of customers plan to fly Frontier five or more times next year

2x the pre-pandemic rate ⁽¹⁾



Flexibility

54%

of customers say they have **MORE flexibility** to travel now than they did in 2019



Income

39%

of customers state that they have **MORE money** to spend on travel now than they did in 2019



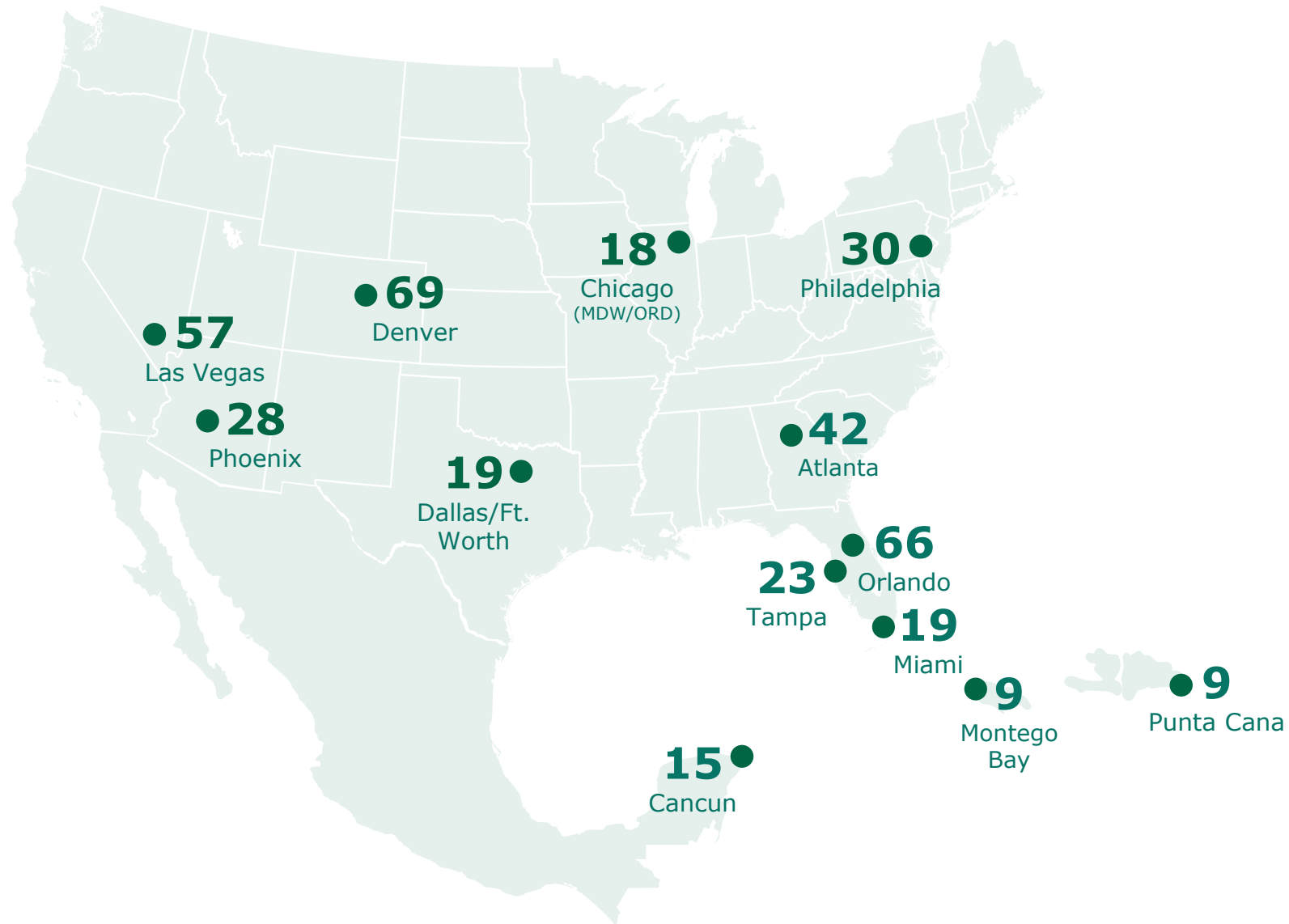
Source: Frontier Customer Survey, Oct. 2022

(1) Represents the rate of travel on Frontier vs 2019 as reported by respondents in the Frontier Customer Survey, Oct. 2022

2023 Network Makes Frontier More Relevant; Enhances Ability to Retain Customers

More aspirational destinations
and growth in key markets

Projected Destinations in 2023



3 Products to Drive Bookings and Recurring Revenue



Discount Den Travel Club

- Lowest Fare Guaranteed
- \$59.99 per year, plus \$40 enrollment fee
- Automatic renewal

82%

More segments per year



Frontier Airlines World Mastercard

- Spend to status and family pooling

39%

More segments per year

NEW



GoWild!™ All-You-Can-Fly Pass

- Use for an unlimited number of flights
- Access to all our U.S. destinations
- One low price

138%

More segments per year for Discount Den member *and* Frontier cardholders

Operations

TREVOR STEDKE
SVP, OPERATIONS





Flight Operations

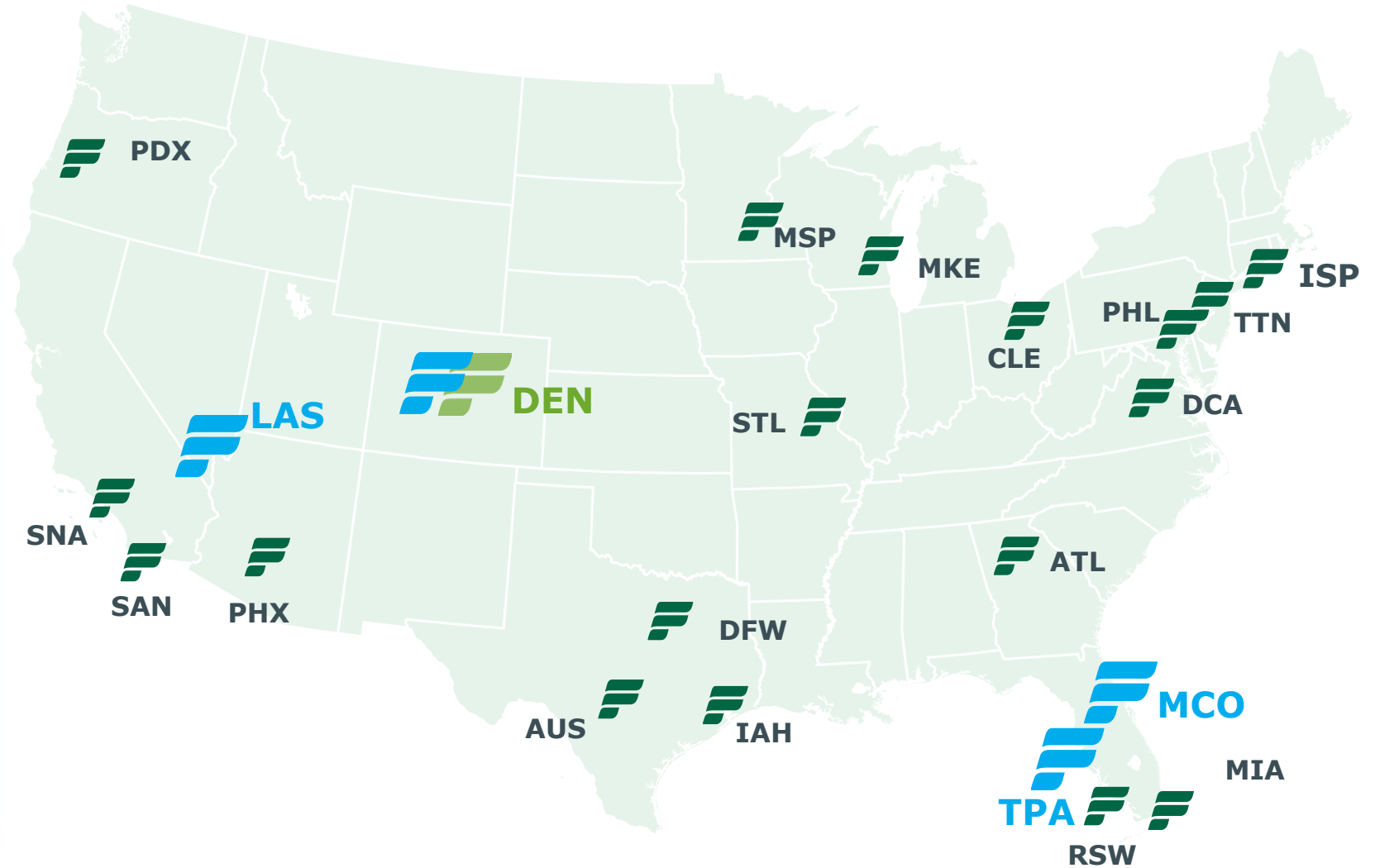


Aircraft Technical Operations




System Operations Control (SOC)

Operations Organization



 Line maintenance stations

 Major maintenance

 SOC

Airbus A321neo is a Game Changer

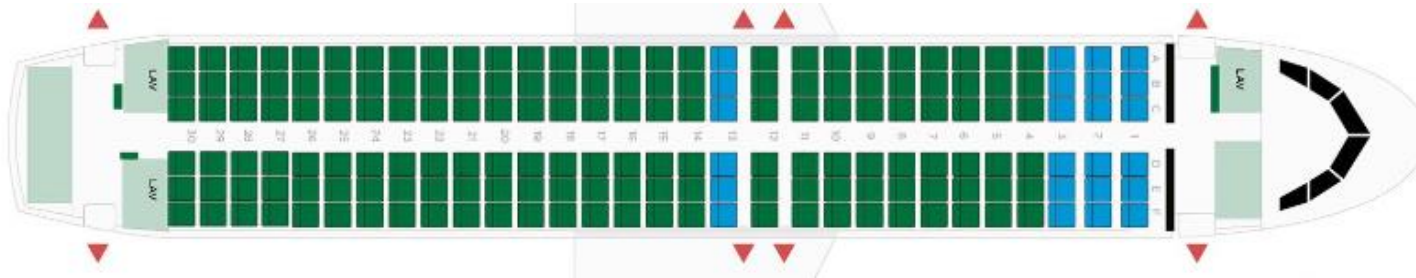
A320ceo



180
seats



88
ASMs per gallon



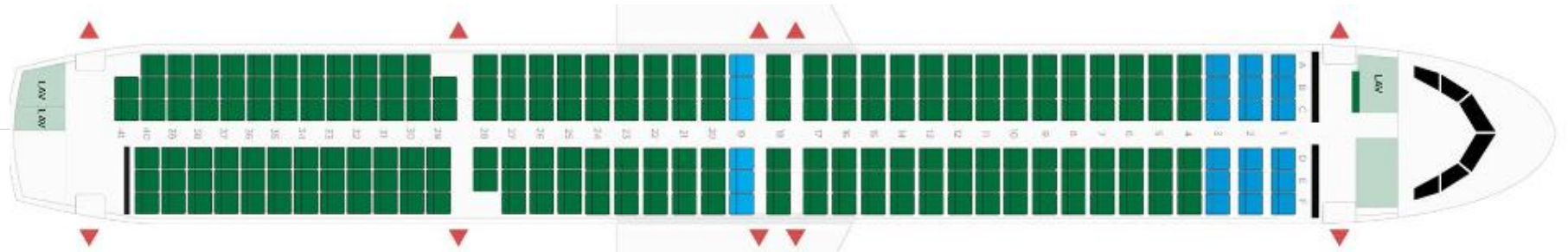
A321neo



240
seats



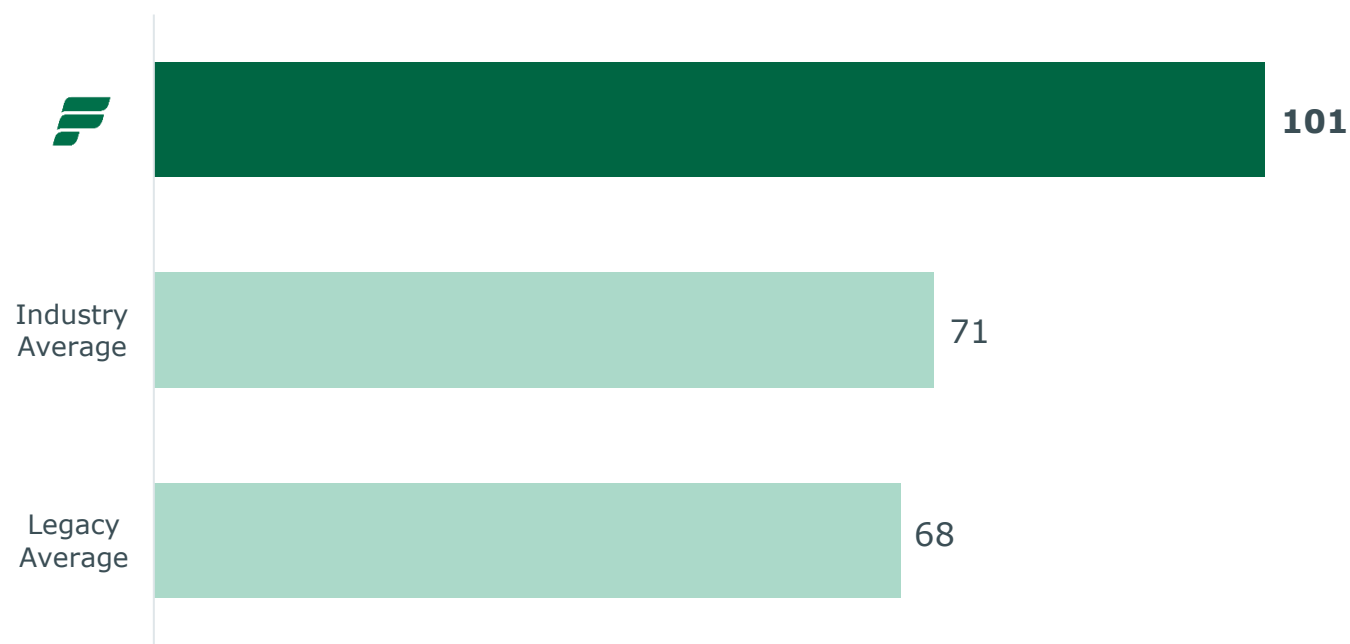
>120
ASMs per gallon



Frontier Generates the Highest ASMs per Gallon Among U.S. Airlines and It's Growing

We operate differently and more efficiently than other airlines, providing a significant cost advantage over our competitors

Available Seat Miles (ASMs) per Gallon, Sept 2022 YTD



America's Greenest Airline⁽¹⁾



42% more miles per gallon⁽²⁾
vs. weighted average of other U.S. airlines
and it's growing:

- Increasing the proportion of A321neo aircraft to over 68% by 2029
 - Generates 114 ASMs/gallon by 2029
- Fast adoption of new engine technology
- Minimize auxiliary power unit (APU) usage
- Long-range communications
- Enhanced route planning software
- Flight-planning fuel management

(1) Measured by ASMs per fuel gallon consumed over the nine months ended September 30, 2022; other airline average calculated as weighted average; Source: respective companies' public filings

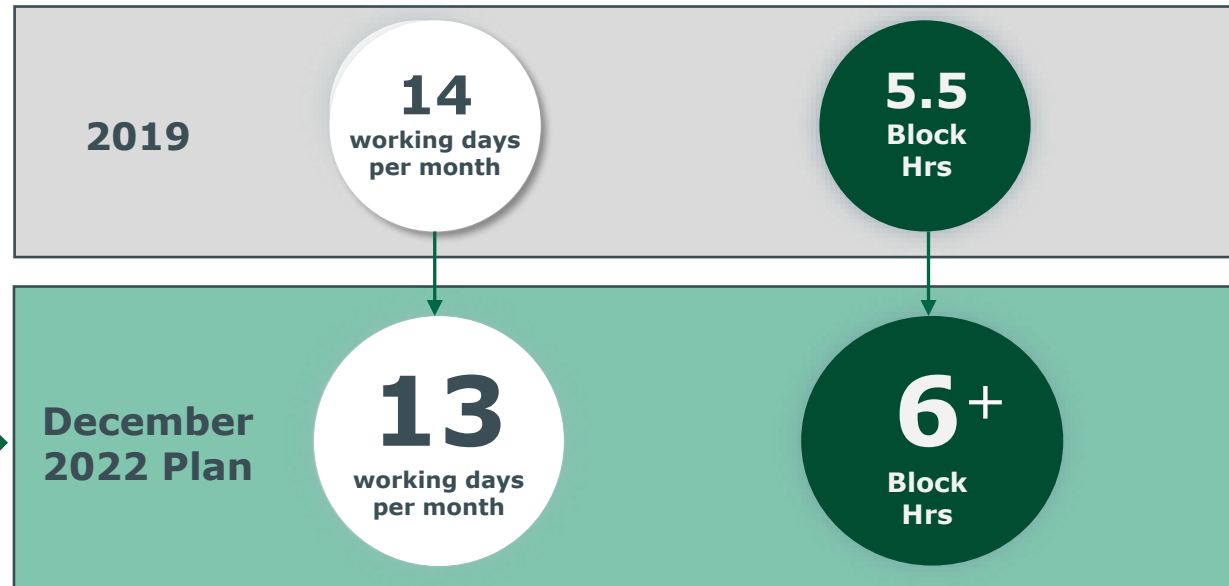
(2) For the nine months ended September 30, 2022

Schedule Design Makes Frontier More Efficient While Improving Pilot Lifestyle and Earnings Potential

✓ **Frontier gets more efficient**
Schedule design improves crew productivity

✓ **Pilots control their lifestyle**
Frontier pilots may choose to work fewer days and earn the same or more –or– work the same days for more money

Average Working Days/Month and Pilot Block Hours/Duty Period



Versus 2019, Frontier pilots work **1 fewer day per month** to reach 84 credit hours

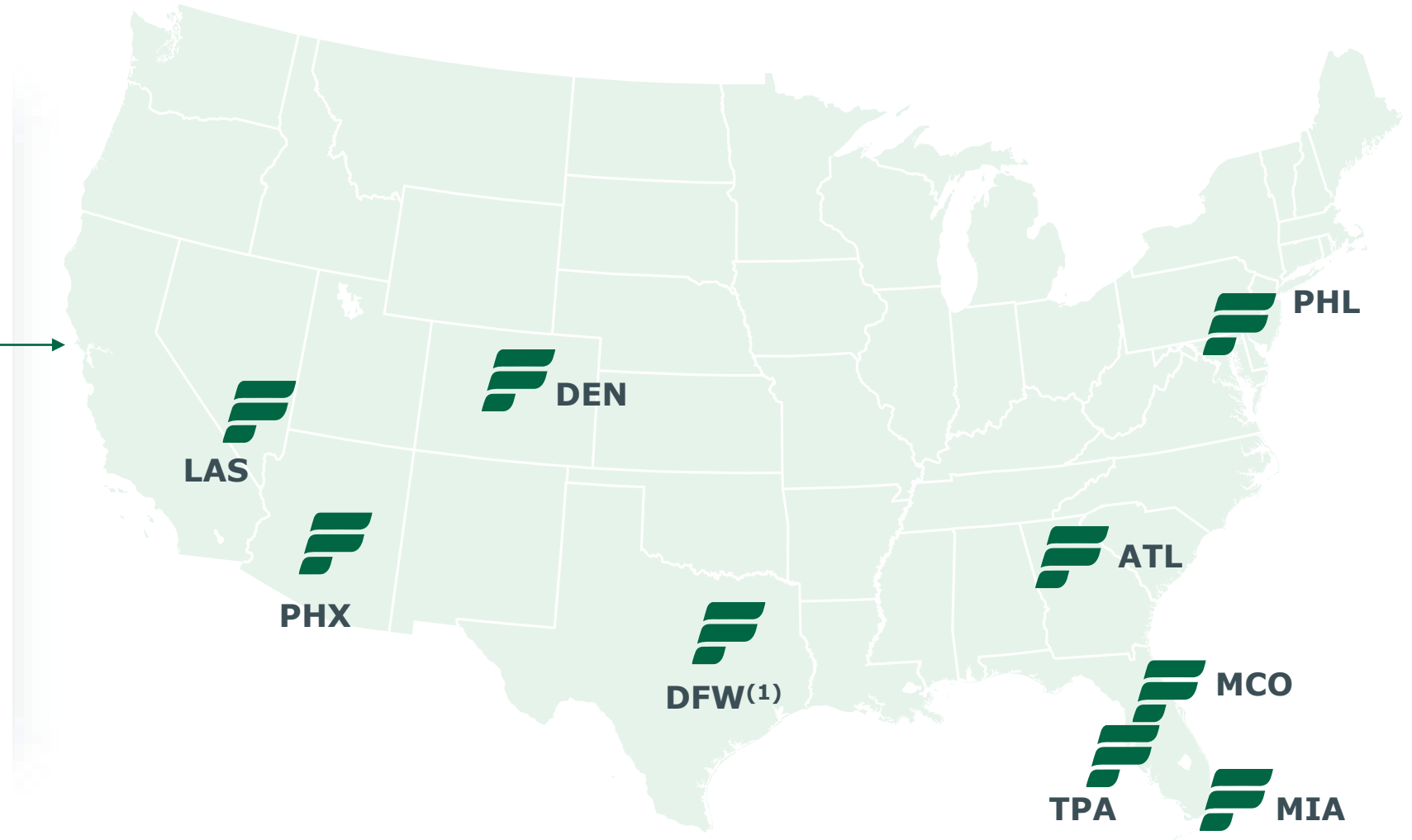
Pilot Recruiting Flight Crew

STEVE SCHULLER
VP, HUMAN RESOURCES

BRAD LAMBERT
VP, FLIGHT OPERATIONS

Compelling Offer for Pilots Drives Strong Interest in Joining “Team Frontier”

- ✓ Quality of life and schedule flexibility
- ✓ **Nine attractive pilot bases *and growing***
- ✓ Competitive 10-year W2 earnings
- ✓ Growth drives rapid promotion opportunity



(1) DFW pilot crew base announced November 2022 and is scheduled to open May 2023

The logo for Frontier Airlines, featuring the word "FRONTIER" in a bold, white, sans-serif font with a stylized horizontal line through the letter "F".

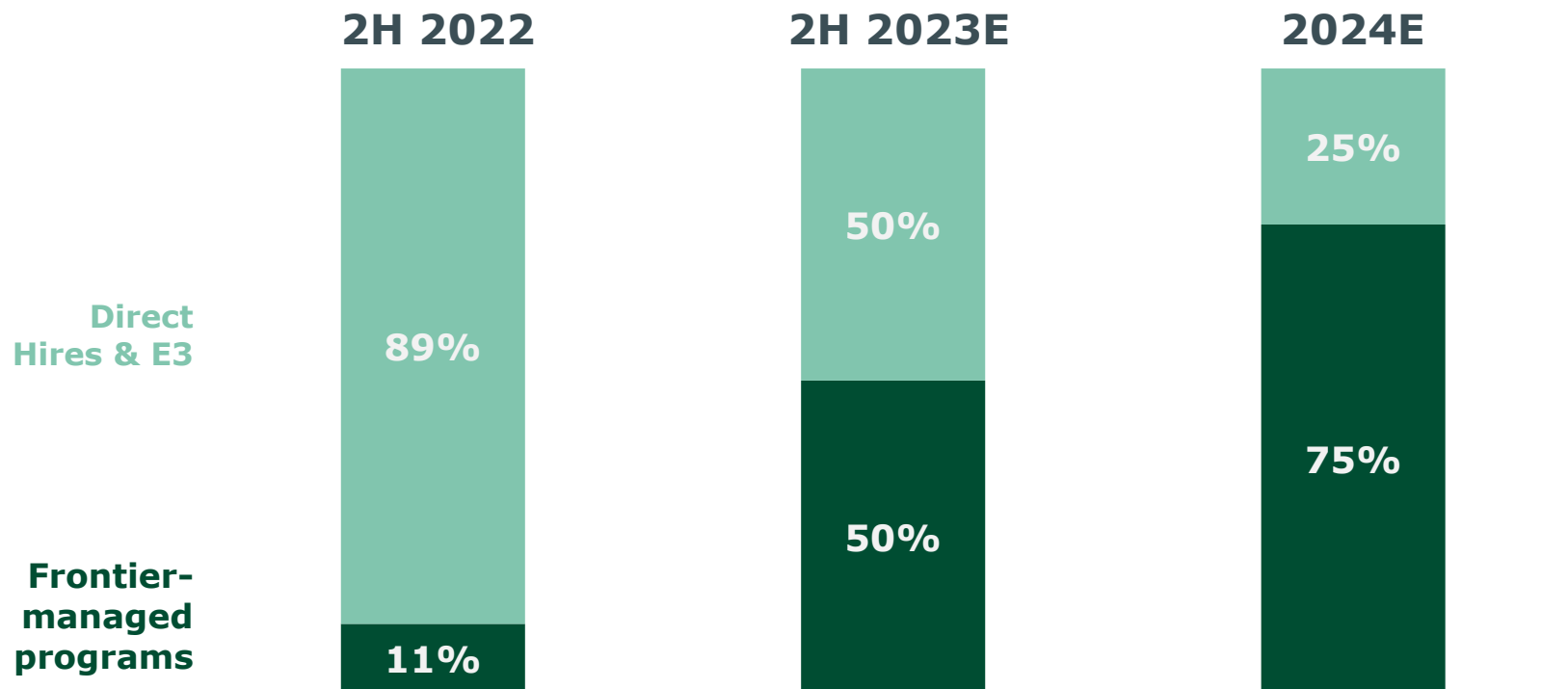
FRONTIER

Video Presentation

PILOT RECRUITING

We Will Control Our Pilot Hiring by Shifting to Frontier-Managed Recruiting Channels

Estimated Percent of new hires by source based on current conditions



Frontier-managed recruiting



Flight school / university partnerships



Rotor transition



Cadet program

Our Company Managed Recruiting Channels Offer a Full Range of Entry Points for Aspiring Pilots

Flight School/University Partnerships

- Relationship building with students building baseline hours
- Access to Certified Flight Instructors



Rotor Transition Program

- Military-trained helicopter pilots with 500+ hours
- Assistance with funding for 250 hours of fixed wing time



- Pathway to pilot career for those with as little as zero experience
- 1,500+ applications in first two months of program
- Strong partnership with ATP, an industry leader



Customers

JAKE FILENE
SVP, CUSTOMERS

Customer Organization

Airport Sales & Operations

Customer Care

Inflight

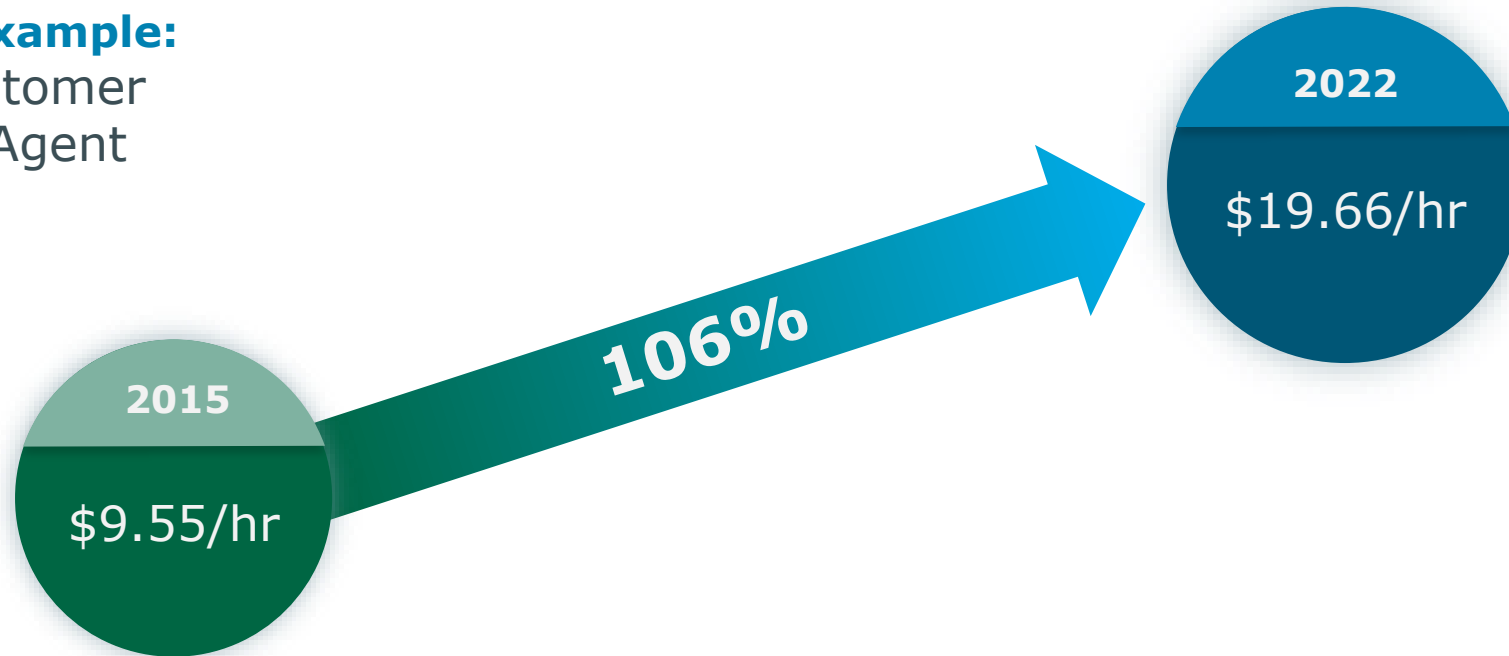


Airport Operations and Call Centers are Labor Intensive and Subject to Inflationary Pressures ...



Actual Example:

DEN Customer Service Agent



...Compelling a Change in the Way We Do Business

Ticket Counters Become Bag Drop Depots

Today: High-touch

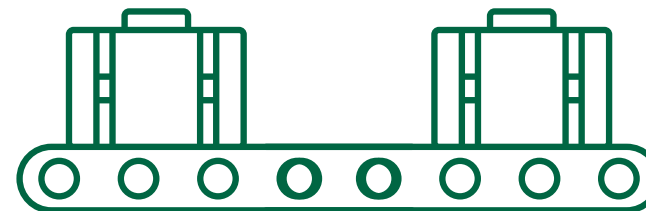
- Bag Tag Printing
- Seat Assignments
- Check In
- International Document Check
- Military Bag Waivers
- Ancillary Sales and Waivers
- DOT-Mandated Checked Bag Waivers



Tomorrow: Self-service



**Website &
Mobile App**



**Bag Drop
Depot**

Call Centers: Customers Migrate to Self-Service

Today: High-touch

- Unscalable, inefficient and expensive 1-to-1 voice calls
- Avenue for customer negotiation
- Manual, labor-intensive back-office processes



Tomorrow: Self-service

Digitized



Improved customer experience



Additional web self-service



Chatbot efficiently answers questions, reduces contacts and removes negotiation



3-to-1 live chat



Robotic Process Automation

Self-Service Delivers Reduced Labor Hours and Better Customer Experience



1,200
Ticket Counter



~500


~60%
Reduction



575
Customer Care



~350

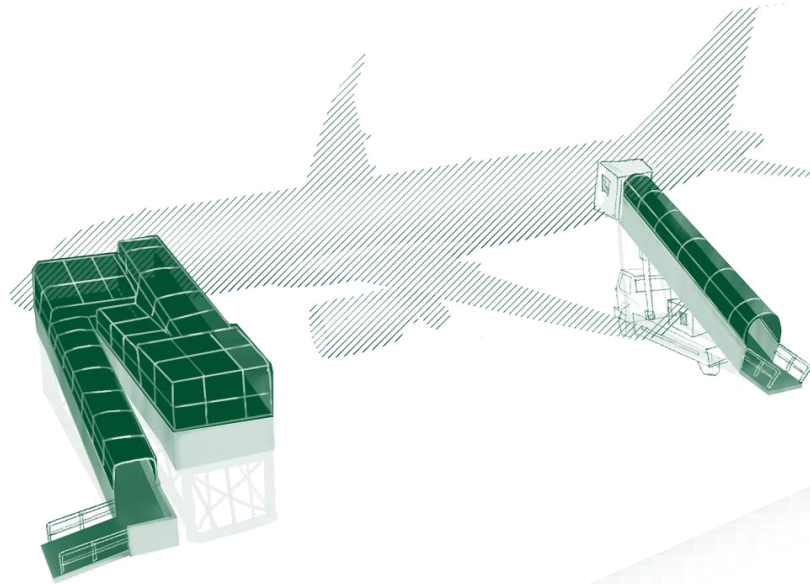

~40%
Reduction

Long-term Airport Efficiency and Utilization Enhanced by Dual-Door Ground Loading

✓ Denver 14-gate facility opens by 2024

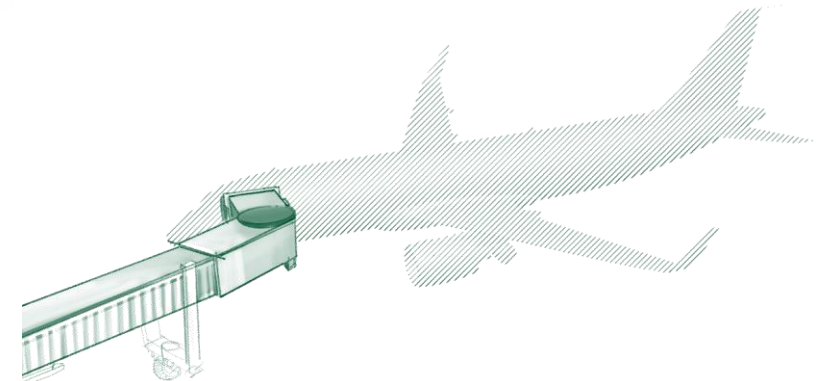
✓ Expected to reduce ground time by 40%

✓ At systemwide deployment, adds one incremental flight per aircraft per day



2x

Efficiency vs
single door



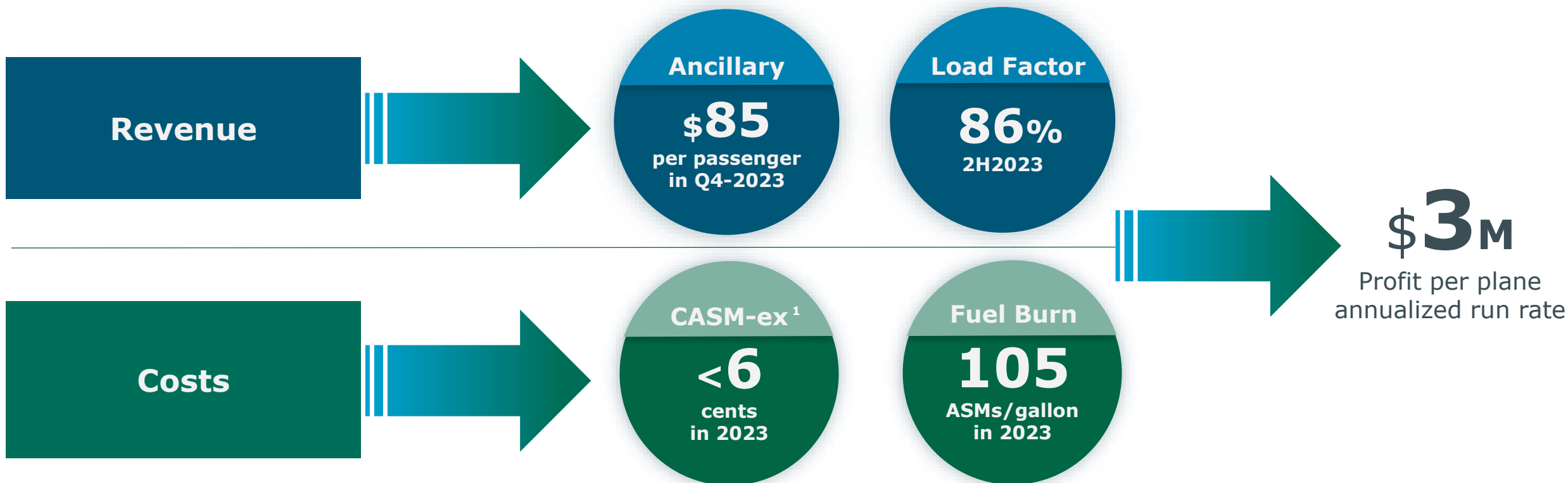


FRONTIER

Why Frontier Will Win

BARRY BIFFLE
PRESIDENT & CEO

Controllable Tailwinds Suppress Crosswinds Enabling Pre-Pandemic Profit per Plane by 2H2023



Assuming current conditions prevail, we expect to return to pre-pandemic profit per aircraft in the second half of 2023 with more to come in 2024 and beyond...

(1) Assumes average utilization of over 12 hours per day during 2023; new aircraft deliveries of over 30 on assumed on today's delivery schedule; excludes special items because such amounts cannot be determined at this time and the Company is unable to provide guidance with respect to CASM, the most comparable GAAP measure, without unreasonable efforts

FRONTIER

Q&A Session

APPENDIX

Fourth-Quarter 2022 Guidance

The fourth quarter 2022 guidance provided below is based on the Company's current estimates as of the date of this presentation and is not a guarantee of future performance. This guidance is subject to significant risks and uncertainties that could cause actual results to differ materially, including the risk factors discussed in the Company's reports on file with the SEC. Frontier undertakes no duty to update any forward-looking statements or estimates, except as required by applicable law. Further, this guidance excludes special items because such amounts cannot be determined at this time.

On October 26, 2022, the Company issued 4th quarter 2022 guidance. As of the date of this presentation (November 15, 2022), we are reaffirming the guidance estimates we previously provided as set out in the following table:

	Fourth Quarter 2022 ^(a)
Capacity growth (versus 4Q 2019) ^(b)	15% to 17%
Adjusted total operating expenses (excluding fuel) (\$ millions) ^(c)	\$565 to \$585
Average fuel cost per gallon ^(d)	\$3.70 to \$3.75
Effective tax rate	24%
Adjusted pre-tax margin	3% to 7%
Pre-delivery deposits, net of refunds - year-over-year change (\$ millions)	\$25
Other capital expenditures (\$ millions) ^(e)	\$30-\$35

- (a) Includes guidance on certain non-GAAP measures, including adjusted total operating expenses (excluding fuel) and adjusted pre-tax margin, and which excludes, among other things, special items. The Company is unable to reconcile these forward-looking projections to GAAP as the nature or amount of such special items cannot be determined at this time.
- (b) The Company's guidance is based on its expectation that demand will continue to recover to more normalized levels; the Company will monitor and adjust capacity levels as appropriate. Given the dynamic nature of the current demand environment, including any impact from COVID-19 variants, the actual capacity adjustments made by the Company may be different than what is currently expected, and those differences may be material.
- (c) Amount estimated excludes fuel expense and special items, the latter of which are not estimable at this time. The amount takes into consideration the additional expected capacity and the Company's continued investment in the post-pandemic recovery.
- (d) Current guidance is inclusive of estimated fuel taxes and into-plane fuel costs.
- (e) Other capital expenditures estimate includes capitalized heavy maintenance.

Terms and Definitions

Ancillary Revenue – sum of non-fare passenger revenue and other revenue

Gauge (Seat/Aircraft) – Average seats per aircraft for entire fleet at end of period

Global Ancillary Leader – Major U.S. and non-U.S. Ultra-Low-Cost-Carriers around the world to include Easyjet, Ryanair, Wizz, Volaris, Allegiant and Spirit

Industry Average – ASM weighted average of Allegiant Air, Spirit Airlines, Alaska Airlines, Hawaiian Airlines, JetBlue, Southwest Airlines, Delta Air Lines, United Airlines & American Airlines

Industry Capacity Trajectory – Scheduled capacity growth CAGR of ~6% from the end of 2013 – 2019 continued through 2022

Intra-Europe Market – European Market share defined as domestic ASM capacity; Europe Market share as measured by scheduled YTD September 30, 2022 ASM capacity on Intra-Europe routes excluding Russia & Turkey

Legacy Average - ASM weighted average of Delta Air Lines, United Airlines & American Airlines

Leverage Ratio – Debt + operating leases – cash divided by TTM adj. EBITDAR

Scheduled Industry Capacity – Scheduled domestic and international routes for top-10 U.S.-based carriers based on YE22 as of 11/4/22

Stage Length Adjusted (SLA) – Total Adj. CASM * Square root (Stage length / 1,000); Stage length for ALK, DAL, HAL, & UAL reflects L3M 09/30/22 schedule data

Total Adj. CASM – All adjusted operating and non-operating costs divided by available seat miles; excludes JBLU and ALGT non-airline costs and DAL third party refinery; includes LUV, UAL & DAL profit sharing; includes UAL third-party business expenses; Includes ALGT employee recognition bonus

US Domestic Market – Domestic ASM capacity Stage length for ALK, DAL, HAL, & UAL reflects L3M 09/30/22 schedule data; US Market share as measured by scheduled YTD September 30th, 2022 for Allegiant Air, Spirit Airlines, Alaska Airlines, Hawaiian Airlines, JetBlue, Southwest Airlines, Delta Air Lines, United Airlines & American Airlines

US Gross Domestic Product (GDP) – Real US GDP Output per the St. Louis Federal Reserve as of July 1st for each respective year

CASM to Adjusted CASM (excluding fuel), Adjusted CASM and Total Adjusted CASM, Non-GAAP Reconciliation

The Company is providing below a reconciliation of GAAP financial information to the non-GAAP financial information provided. The non-GAAP financial information is included to provide supplemental disclosures because the Company believes they are useful additional indicators of, among other things, its operating and cost performance. These non-GAAP financial measures have limitations as analytical tools. Because of these limitations, determinations of the Company's operating performance or CASM excluding unrealized gains and losses, special items or other items should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP. These non-GAAP financial measures may be presented on a different basis than other companies using similarly titled non-GAAP financial measures.

	Three Months Ended September 30, 2022		Three Months Ended September 30, 2019		Twelve Months Ended December 31, 2019	
	(\$ in millions)	Per ASM (¢)	(\$ in millions)	Per ASM (¢)	(\$ in millions)	Per ASM (¢)
Non-GAAP financial data (unaudited) ^(a) :						
CASM		10.57		7.49		7.82
Aircraft fuel	(306)	<u>(3.81)</u>	(164)	<u>(2.20)</u>	(640)	<u>(2.27)</u>
CASM (excluding fuel)		6.76		5.29		5.55
Transaction and merger-related costs, net ^(b)	12	0.15	-	-	-	-
Collective bargaining contract ratification ^(c)	(1)	(0.01)	-	-	(22)	(0.07)
Pilot phantom equity ^(d)	-	-	21	0.28	(5)	(0.02)
Flight attendant early out program ^(e)	-	-	-	-	(5)	(0.02)
Adjusted CASM (excluding fuel)^(f)		6.90		5.57		5.44
Aircraft fuel	306	<u>3.81</u>	164	<u>2.20</u>	640	<u>2.27</u>
Adjusted CASM^(g)		10.71		7.77		7.71
Net interest expense (income)	(2)	<u>(0.03)</u>	(4)	<u>(0.05)</u>	(16)	<u>(0.06)</u>
Total Adjusted CASM^(h)		10.68		7.72		7.65

Footnotes to Accompany CASM to Adjusted CASM (excluding fuel), Adjusted CASM and Total Adjusted CASM, Non-GAAP Reconciliation

- (a) Cost per ASM figures may not tie due to rounding. Figures included in this reconciliation were sourced from applicable historical 10-Q and 10-K filings.
- (b) Represents \$9 million in employee retention costs and \$4 million in transaction costs, including legal and other professional fees, incurred in connection with the proposed merger with Spirit Airlines, offset by \$25 million received from Spirit for the reimbursement of incurred merger-related expenses.
- (c) Represents (i) \$1 million of costs related to a one-time incentive bonus and related payroll adjustments during the three months ended September 30, 2022, resulting from the May 2022 contract ratification with IBT, the union representing the Company's aircraft technicians and (ii) \$18 million of costs related to a one-time contract ratification incentive plus payroll-related taxes and certain other compensation and benefits-related accruals earned through March 31, 2019 and committed to by the Company as part of a tentative agreement with the union representing the Company's flight attendants that was reached in March 2019 for a contract that was ratified and became effective in May 2019, in addition to \$4 million in pilot vacation accrual adjustments during the fourth quarter of 2019 as a result of the ratified agreement with the union representing the Company's pilots specifically tied to the implementation of a preferred bidding system.
- (d) Represents the impact of the change in value and vesting of phantom equity units pursuant to the Pilot Phantom Equity Plan. In accordance with the amended and restated phantom equity agreement, the remaining phantom equity obligation became fixed as of December 31, 2019 and was no longer subject to valuation adjustments.
- (e) Represents expenses associated with an early out program agreed to in 2019 with the Company's flight attendants, payable throughout 2019, 2020 and 2021.
- (f) Adjusted CASM (excluding fuel) is included as a supplemental disclosure because the Company believes that excluding aircraft fuel is useful to investors as it provides an additional measure of management's performance excluding the effects of a significant cost item over which management has limited influence. The price of fuel, over which the Company has limited control, impacts the comparability of period-to-period financial performance, and excluding allows management an additional tool to understand and analyze the Company's non-fuel costs and core operating performance, and increases comparability with other airlines that also provide a similar metric. Adjusted CASM (excluding fuel) is not determined in accordance with GAAP and should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP.
- (g) Adjusted CASM is included as supplemental disclosure because the Company believes it is a useful metric to properly compare the Company's cost management and performance to other peers, as derivations of adjusted CASM are well-recognized performance measurements in the airline industry that are frequently used by the Company's management, as well as by investors, securities analysts and other interested parties in comparing the operating performance of companies in the airline industry. Additionally, the Company believes this metric is useful because it removes certain items that may not be indicative of base operating performance or future results. Adjusted CASM is not determined in accordance with GAAP, may not be comparable across all carriers and should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP.
- (h) Total Adjusted CASM is included as a supplemental disclosure because the Company believes it is a useful metric to properly compare the Company's cost management and performance to other peers that may have different capital structures and financing strategies, particularly as it relates to financing primary operating assets such as aircraft and engines. Additionally, the Company believes this metric is useful because it removes certain items that may not be indicative of base operating performance or future results. Total Adjusted CASM is not determined in accordance with GAAP, may not be comparable across all carriers and should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP.

Leverage Ratio Non-GAAP Reconciliation

\$ in millions

	Twelve Months Ended			
	December 31, 2021	March 31, 2022	June 30, 2022	September 30, 2022
Non-GAAP financial data (unaudited) ^(a) :				
Net income (loss), as reported	\$ (102)	\$ (132)	\$ (138)	\$ (130)
Plus (minus):				
Interest expense	33	20	18	18
Capitalized interest	(4)	(4)	(5)	(7)
Interest income and other	(2)	(2)	(4)	(6)
Income tax expense (benefit)	(42)	(60)	(60)	(51)
Depreciation and amortization	38	43	48	46
EBITDA^(b)	(79)	(135)	(141)	(130)
Plus: Aircraft rent	530	520	520	532
EBITDAR^(c)	\$ 451	\$ 385	\$ 379	\$ 402
EBITDA^(b)	\$ (79)	\$ (135)	\$ (141)	\$ (130)
Plus (minus):				
Transaction and merger-related costs, net ^(d)	-	11	20	8
Collective bargaining contract ratification ^(e)	-	-	1	2
Early lease termination costs ^(f)	10	6	1	-
CARES Act – grant recognition and employee retention credits ^(g)	(295)	(159)	(72)	-
Adjusted EBITDA^(b)	(364)	(277)	(191)	(120)
Plus: Aircraft rent ^(h)	520	514	519	532
Adjusted EBITDAR^(c)	\$ 156	\$ 237	\$ 328	\$ 412
Current maturities of long-term debt, net	\$ 127	\$ 145	\$ 161	\$ 193
Current maturities of operating leases	444	446	440	451
Long-term debt, net	287	207	212	228
Long-term operating leases	1,991	1,964	1,964	1,973
less: cash & cash equivalents	(918)	(727)	(766)	(674)
Adjusted net debt, as of period-end	\$ 1,931	\$ 2,035	\$ 2,011	\$ 2,171
Leverage Ratio⁽ⁱ⁾	12.4	8.6	6.1	5.3

Footnotes to Accompany Leverage Ratio Non-GAAP Reconciliation

- (a) Income statement activity for purposes of calculating trailing twelve months adjusted EBITDAR was compiled utilizing historical 10-Q & 10-K filings.
- (b) EBITDA and adjusted EBITDA are included as supplemental disclosures because the Company believes they are useful indicators of its operating performance. Derivations of EBITDA are well-recognized performance measurements in the airline industry that are frequently used by the Company's management, as well as by investors, securities analysts and other interested parties in comparing the operating performance of companies in the industry.

EBITDA and adjusted EBITDA do not reflect the impact of certain cash charges resulting from matters the Company considers not to be indicative of its ongoing operations; EBITDA and adjusted EBITDA do not reflect the Company's cash expenditures, or future requirements, for capital expenditures or contractual commitments; EBITDA and adjusted EBITDA do not reflect changes in, or cash requirements for, the Company's working capital needs; EBITDA and adjusted EBITDA do not reflect the interest expense, or the cash requirements necessary to service interest or principal payments, on the Company's indebtedness or possible cash requirements related to its warrants; although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA and adjusted EBITDA do not reflect any cash requirements for such replacements; and other companies in the airline industry may calculate EBITDA and adjusted EBITDA differently than the Company does, limiting its usefulness as a comparative measure. Because of these limitations, EBITDA and adjusted EBITDA should not be considered in isolation from or as a substitute for performance measures calculated in accordance with GAAP. In addition, because derivations of EBITDA and adjusted EBITDA are not determined in accordance with GAAP, such measures are susceptible to varying calculations and not all companies calculate the measures in the same manner. As a result, derivations of EBITDA, including adjusted EBITDA, as presented may not be directly comparable to similarly titled measures presented by other companies.

For the foregoing reasons, each of EBITDA and adjusted EBITDA have significant limitations which affect its use as an indicator of the Company's profitability. Accordingly, you are cautioned not to place undue reliance on this information.

- (c) EBITDAR and adjusted EBITDAR are included as supplemental disclosures because the Company believes they are useful solely as valuation metrics for airlines as their calculations isolates the effects of financing in general, the accounting effects of capital spending and acquisitions (primarily aircraft, which may be acquired directly, directly subject to acquisition debt, by capital lease or by operating lease, each of which is presented differently for accounting purposes), and income taxes, which may vary significantly between periods and for different airlines for reasons unrelated to the underlying value of a particular airline. However, EBITDAR and adjusted EBITDAR are not determined in accordance with GAAP, are susceptible to varying calculations and not all companies calculate the measures in the same manner. As a result, EBITDAR and adjusted EBITDAR, as presented, may not be directly comparable to similarly titled measures presented by other companies. In addition, EBITDAR and adjusted EBITDAR should not be viewed as a measure of overall performance since they exclude aircraft rent, which is a normal, recurring cash operating expense that is necessary to operate the business. Accordingly, you are cautioned not to place undue reliance on this information.
- (d) Adjustments represent employee retention costs and transaction costs, including banking, legal and accounting fees, incurred in connection with the proposed merger with Spirit. For the trailing twelve months ended September 30, 2022, these costs were partly offset by \$25 million in reimbursements from Spirit after the termination of the Merger Agreement.
- (e) Represents costs related to a one-time incentive bonus and related payroll adjustments resulting from the May 2022 contract ratification with IBT, the union representing the Company's aircraft technicians.
- (f) As a result of an early termination and buyout agreement executed in May 2021 with one of the Company's lessors, Frontier was able to accelerate the removal of the remaining four A319 aircraft from its fleet. These aircraft were originally scheduled to return in December 2021 and were instead returned during the second and third quarters of 2021. Adjustments represent aircraft rent and depreciation costs incurred relating to the acceleration and resulting changes to its lease return obligations.
- (g) Represents the recognition of grant funding received from the U.S. government for payroll support, in addition to employee retention credits the Company qualified for under the CARES Act.
- (h) Represents aircraft rent expense included in Adjusted EBITDA. Excludes aircraft rent expense for costs incurred due to the early termination of the Company's A319 leased aircraft.
- (i) Leverage ratio is defined as adjusted net debt divided by the trailing twelve months adjusted EBITDAR.