

Allegiant Travel CO  
Form 10-Q  
November 05, 2013

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 September 30, 2013

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 (I.R.S. Employer Identification No.)  
Organization)

8360 S. Durango Drive,  
Las Vegas, Nevada 89113  
(Address of Principal Executive Offices) (Zip Code)

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

(Former name, former address and former fiscal year if changed since last report)

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

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Non-accelerated filer   
(Do not check if a smaller reporting company)

Smaller reporting company

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 November 1, 2013 was 18,578,030.

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Allegiant Travel Company

Form 10-Q  
September 30, 2013

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## PART I. FINANCIAL INFORMATION

## Item 1. Unaudited Consolidated Financial Statements

ALLEGIANT TRAVEL COMPANY  
CONSOLIDATED BALANCE SHEETS

(in thousands, except for share amounts)

	September 30, 2013 (unaudited)	December 31, 2012
Current assets:		
Cash and cash equivalents	\$32,988	\$89,557
Restricted cash	13,694	10,046
Short-term investments	250,067	239,139
Accounts receivable, net	16,589	18,635
Expendable parts, supplies and fuel, net of allowance for obsolescence of \$1,415 and \$875 at September 30, 2013 and December 31, 2012, respectively	21,074	18,432
Prepaid expenses	22,237	24,371
Deferred income taxes	744	796
Other current assets	1,380	14,291
Total current assets	358,773	415,267
Property and equipment, net	455,955	351,204
Restricted cash, net of current portion	305	150
Long-term investments	20,577	24,030
Investment in and advances to unconsolidated affiliates, net	4,317	2,007
Deposits and other assets	3,942	5,536
Total assets	\$843,869	\$798,194
Current liabilities:		
Current maturities of long-term debt	\$13,584	\$11,623
Accounts payable	11,582	14,533
Accrued liabilities	42,260	36,476
Air traffic liability	160,499	147,914
Total current liabilities	227,925	210,546
Long-term debt and other long-term liabilities:		
Long-term debt, net of current maturities	166,121	139,229
Deferred income taxes	45,663	46,695
Total liabilities	439,709	396,470
Stockholders' equity:		
Common stock, par value \$.001, 100,000,000 shares authorized; 22,037,360 and 21,899,155 shares issued; 18,577,530 and 19,333,516 shares outstanding, as of September 30, 2013 and December 31, 2012, respectively	22	22
Treasury stock, at cost, 3,459,830 and 2,565,639 shares at September 30, 2013 and December 31, 2012, respectively	(182,819)	(102,829)
Additional paid in capital	208,019	201,012
Accumulated other comprehensive gain (loss), net	30	(69)
Retained earnings	377,123	302,325
Total Allegiant Travel Company stockholders' equity	402,375	400,461
Noncontrolling interest	1,785	1,263
Total equity	404,160	401,724

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Total liabilities and stockholders' equity	\$843,869	\$798,194
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The accompanying notes are an integral part of these consolidated financial statements.

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

	Three months ended September 30,		Nine months ended September 30,	
	2013	2012	2013	2012
<b>OPERATING REVENUE:</b>				
Scheduled service revenue	\$148,466	\$133,086	\$493,700	\$446,368
Ancillary revenue:				
Air-related charges	66,577	59,915	219,904	172,537
Third party products	8,646	9,036	29,733	27,940
Total ancillary revenue	75,223	68,951	249,637	200,477
Fixed fee contract revenue	3,985	12,084	12,267	31,530
Other revenue	1,200	2,743	2,075	7,506
Total operating revenue	228,874	216,864	757,679	685,881
<b>OPERATING EXPENSES:</b>				
Aircraft fuel	89,195	89,928	294,762	286,557
Salary and benefits	38,135	32,865	118,951	99,362
Station operations	19,114	18,601	58,670	57,702
Maintenance and repairs	18,310	18,311	56,773	54,868
Sales and marketing	4,514	4,190	15,727	