INVESTOR DAY 2017

December 6th 2017
Agenda

1. Introduction 8:30 – 8:40am
   Hugh Harley
   Director, Investor Relations

2. Evolving our airline into a global player 8:40 – 9:00am
   Gregg Saretsky,
   President & CEO

3. Diversified, sustainable revenue growth 9:00 – 9:45am
   Ed Sims
   EVP, Commercial

4. Swoop business strategy 9:45 – 10:15am
   Bob Cummings
   EVP, Strategy

   Break – 10:15 – 10:45am

5. Creating shareholder value 10:45 – 11:15am
   Harry Taylor
   EVP, Finance & CFO

6. Closing remarks 11:15 – 11:20am
   Gregg Saretsky,
   President & CEO

7. Q&A 11:20 – 12:00pm
   Lunch & Networking – 12:00 – 1:00pm

8. Tours 1:00 – 2:30pm
Caution regarding forward-looking information

This presentation contains forward-looking information, as defined under applicable securities legislation, including without limitation, relating to the following: our expectations regarding the timing and impact of introducing new, and building upon existing, aircraft, destinations, technologies and initiatives; our expectations regarding expansion into new markets and our ability to create demand in those markets; our expectations regarding the success of our competitive strategy; our expectations regarding the launch and impact of our ultra-low-cost carrier; our expectations regarding the operation and impact of our capacity purchase agreement; our expectations regarding the consummation and impact of the joint venture; our expectations regarding our airline and strategic partnerships; our expectations regarding our fleet and ownership mix; our expectations regarding aircraft deliveries; our expectations regarding our ability to address the needs of employees; our expectations regarding future acquisitions, dispositions and option exercises; our expectations regarding the future need for and opening of new facilities and infrastructure; our expectations regarding long term financial and performance targets; our dividend policies; our ability to repurchase outstanding shares; or ability to continue to our expectations regarding our internal control over financial reporting and ability to maintain compliance with accounting standards, and the adoption of new accounting standards; our expectations regarding financial and operating performance; our expectations regarding our credit ratings and our ability to access financing; our expectations regarding fuel prices and our hedging strategy; our expectations regarding the strengthening economy in Alberta and the value of the Canadian dollar; our expectations regarding the receipt of governmental certifications and the absence of material adverse regulatory changes; and our expectations regarding the outcome and impact of ongoing legal proceedings. You are cautioned that our expectations, estimates, projections and assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking information.

With respect to forward-looking information contained in this presentation, we have made certain key assumptions based on: the terms of agreements we have entered into including agreements with respect to future aircraft acquisitions and dispositions, leasing and with our airline and strategic partners; our ability to execute on our strategic plans and initiatives; existing delivery, maintenance and configuration plans and schedules; our assessment of labour and infrastructure requirements; our forecasts and budgets concerning financial performance and capital expenditures; our assessment of the markets in which we operate or plan to operate; our expectation that we will maintain investment grade corporate debt credit ratings; our ability to repay existing debt as scheduled; our assessment of the economic environment in Canada, foreign exchange rates and fuel prices; our discussions with governmental agencies and contractual counterparties; current legislation and expectations regarding legislative changes; and our assessment of legal proceedings.

Any forward-looking information included in this presentation is subject to and should be read in conjunction with the cautionary statements in our Annual Information Form dated March 15, 2017, and filed on SEDAR on March 22, 2017, Management Information Circular dated March 20, 2017 in connection with the annual meeting of shareholders held on May 2, 2017, and filed on SEDAR on March 31, 2017, Management’s Discussion and Analysis of Financial Condition and Operating Results for the years ended December 31, 2016 and 2015, and filed on SEDAR on February 7, 2017 (“Annual MD&A”) and Management’s Discussion and Analysis of Financial Condition and Operating Results for the three and nine months ended September 30, 2017 and 2016, and filed on SEDAR on October 31, 2017 (“Interim MD&A”), as applicable. Our actual results, performance or achievements could differ materially from those expressed in, or implied by, this forward-looking information. We can give no assurance that any of the events anticipated will transpire or occur, or if any of them do, what benefits or costs we will derive from them. By its nature, forward-looking information is subject to numerous risks and uncertainties, including, but not limited to, the impact of general economic conditions, changing domestic and international industry conditions, volatility of fuel prices, maintenance and operating costs, dependency on key markets, airports, partnerships and suppliers, loss of contracts or adverse changes to existing agreements, failure of critical systems, privacy and security of guest information, terrorism, safety incidents, currency fluctuations, interest rates, competition from other industry participants (including new entrants and more generally in regards to capacity fluctuations and the pricing environment), adverse changes to our corporate culture, internal and third-party labor matters, government regulation, stock-market volatility, weather conditions, pandemics, political or economic instability in emerging international markets, the ability to access sufficient capital from internal and external sources, the ability to service financial obligations, the risks set out under the heading “Risks and Uncertainties” in our Annual MD&A and other documents we file from time to time with securities regulatory authorities, which are available on SEDAR or, upon request, without charge from us.

The forward-looking information contained in this presentation is expressly qualified by this cautionary statement. Our assumptions relating to the forward-looking information referred to above are updated annually and, except as required by law, we do not undertake to update any other forward-looking information.

Note: All references to dollars contained in the presentation refer to Canadian Dollars (CAD), unless otherwise noted.
Non-GAAP and additional GAAP measures

This presentation contains disclosure respecting non-GAAP financial measures including, without limitation, return on invested capital (ROIC); cash to twelve month revenue; and adjusted net debt to earnings before interest, taxes, depreciation, aircraft rent and other items (EBITDAR). These measures are included to enhance the overall understanding of WestJet’s financial performance and to provide an alternative method for assessing WestJet’s operating results in a manner that is focused on the performance of WestJet’s ongoing operations, and to provide a more consistent basis for comparison between reporting periods. These measures are not calculated in accordance with, or an alternative to, GAAP and do not have standardized meanings. Therefore, they may not be comparable to similar measures provided by other entities. Readers are urged to review the section entitled “Reconciliation of non-GAAP and additional GAAP measures” in WestJet’s management’s discussion and analysis of financial results for the three and nine months ended September 30, 2017, which is available under WestJet’s profile at www.sedar.com, for a further discussion of such non-GAAP measures.

KEY OPERATING INDICATORS

Key operating indicators used herein have the meanings ascribed thereto in WestJet’s management’s discussion and analysis of financial results for the three and nine months ended September 30, 2017 under the heading “Definition of key operating indicators”.

PRESENTATION OF FINANCIAL INFORMATION

All financial data contained in this presentation in respect of WestJet for periods subsequent to December 31, 2009 has been prepared in accordance with International Financial Reporting Standards (“IFRS”). For periods prior to January 1, 2010, WestJet prepared its financial statements in accordance with Canadian generally accepted accounting principles as defined in Part V of the Canadian Institute of Chartered Accountant’s Handbook (“Previous GAAP”). For additional information concerning the impact upon WestJet’s financial statements for periods prior to January 1, 2011 of significant differences between IFRS as utilized in preparing its financial statements and Previous GAAP, please see note 22 to WestJet’s financial statements for the years ended December 31, 2011 and 2010.

Financial information with respect to WestJet’s competitors included in this presentation has been derived from the financial information made publicly available by those companies, which, in most cases, was prepared using financial reporting standards different from those used by WestJet, which may not be comparable to those used by WestJet.

Note: All references to dollars contained in the presentation refer to Canadian Dollars (CAD), unless otherwise noted.
VIDEO
Evolving our airline into a global player

Gregg Saretsky
President & CEO
Our mission

To enrich the lives of everyone in WestJet’s world.
Four key pillars for achieving our vision

1. Diversified, sustainable revenue growth
2. Financial strength
3. People & culture
4. Operational excellence

See it 2022
A history of successful growth

*1996: 5 destinations*

Fleet Size: 3 aircraft

*Today: over 100 destinations*

Fleet Size: 167 aircraft

Source: IATA SRS, WestJet internal systems
Profitability and value creation are hallmarks of our story.

Over $1 billion returned to shareholders since 2010

Consecutive quarters of profit

Net income ($ millions)

1 Current as of the nine months ended September 30th, 2017 as presented in WestJet's external financial statements.
Current positioning: competing at both ends of the spectrum
Future positioning: a focused approach to market segmentation

Strategy: WestJet will evolve from a low-cost, point-to-point airline into a high-value, global network carrier; Swoop will win in the price-sensitive segment

1 "ULCC" refers to ultra low-cost carrier
Globally, airlines have developed similar segmentation strategies.
Sources of competitive advantage

- Segmentated Brand Strategy
- People & Culture
- Competitive Cost Structure
- Network
- Guest Experience
- Rewards
Our executive team: committed to enhancing shareholder value

Gregg Saretsky
President & CEO

Barb Munroe
EVP, Corporate Services & General Counsel

Bob Cummings
EVP, Strategy

Cam Kenyon
EVP, Operations

Charles Duncan
EVP, President-WestJet Encore

Craig Maccubbin
EVP, CIO

Ed Sims
EVP, Commercial

Harry Taylor
EVP, Finance & CFO

Mark Porter
EVP, People & Culture

Rossen Dimitrov
Chief Guest Experience Officer
Proven track record of successful execution

- **2010**: WestJet Rewards & co-brand
- **2011**: First codeshare
- **2012**: Fare bundles
- **2013**: WestJet Encore
- **2014**: First transatlantic 737 flights
- **2015**: WestJet Connect
- **2016**: Wide-body service to Europe
- **2017**: First 737 MAX operator in Canada

Source: WestJet internal systems
The next chapter of our partnership journey

Note: Joint venture is subject to regulatory approval.
The next phase of growth

- 787 Dreamliner
- Joint venture
- Swoop
- Capacity Purchase Agreement
- Rewards growth
- Teal Silver Gold
- Ground & inflight product
Five things to take away from today

- People, culture, and guests remain at our core
- Competitive cost structure
- Segmented brand strategy
- Premium segment growth
- Outlook is strong
Diversified, Sustainable Revenue Growth

Ed Sims
Executive Vice President, Commercial
Aligning our products & services with what guests value most

- **Price-sensitive**
  - **Network & Schedule**: Point-to-point → Network depth & hubs
  - **Rewards & co-brand card**: Less "earn" & "burn" → More "earn" & "burn"
  - **Cabin**: Economy → Business
  - **Inflight product**: Regular product/service offering → Premium food & beverage
  - **Ground product**: Self-serve, pay-per-use → Priority check-in, boarding, new concept lounges
  - **Fare segmentation**: Unbundled → Bundled

- **Value**

- **Premium**
  - **Network depth & hubs**
  - **More "earn" & "burn"**
  - **Business**
  - **Premium food & beverage**
  - **Priority check-in, boarding, new concept lounges**
Multiple levels of insight generate a deep understanding of our guests

Segmentation

Data Analytics

Voice of the Guest

Proactively anticipating guest needs & influencing behaviour
Network & Schedule: Building Network Depth & Schedule Utility
Network strategy based on four core tenets

- **Build our hubs**
  (e.g. coverage & frequency)

- **Improve schedule utility**
  (e.g. reliable hourly schedules in key markets)

- **Enhance connectivity & feed**

- **Partnerships**
We have built long-term resilience into our network

A balanced mix of local & connecting traffic

YYC Traffic Mix (Summer 2012)
- 44% Connection
- 56% Local

YYC Forecast Traffic Mix (Summer 2018F)
- 50% Connection
- 50% Local

Investing in Toronto & Vancouver hubs

YYZ Markets Served
- >35%

YVR Markets Served
- >40%

Source: WestJet internal systems, IATA SRS
Alberta headwinds are dissipating

Alberta growth set to outpace national average

GDP Growth Forecast

- Canada: 2016: 1.5, 2017F: 3.1, 2018F: 3.5, 2019F: 3.8

Source: BMO Provincial Economic Outlook (November 2017)

Alberta Full Time Employment

Full-time employment trending upwards

Source: Statistics Canada
WestJet Encore supports our network strategy

WestJet Encore was successfully launched in 2013

Source: IATA SRS; WestJet internal systems
WestJet Encore is accretive

✓ Service to new destinations
✓ Network feed
✓ Increased 737 availability
✓ Efficient & cost-effective
✓ Adds schedule depth

Source: WestJet internal systems
CPA increases network feed

**CPA Benefits:**

- Expand network reach
- Strengthen Calgary (YYC) hub
- Network flow & connections
- Service and operations consistent with WestJet
- Opportunity to expand & replicate CPA model across Canada

Note: “CPA” refers to Capacity Purchase Agreement
Winter 2017: our network strategy in action

Improved schedule utility\(^1\)

- Flights to Calgary every hour on the hour.
- Predictably convenient.

Enhanced connectivity

- e.g. Phoenix–Calgary
- Number of Connecting Markets
- >3x more connections

*Advertisement mock-up refers to WestJet Winter 2017 schedule (Vancouver (YVR) to Calgary (YYC)) 09:00 through 20:00 timeframe*  
*Source: IATA SRS, WestJet internal systems*
Airline partnerships already contribute over $250M in annual revenue

**Codeshare Partners:**

- **DELTA**
  - American Airlines
  - AeroMexico

- **AIRFRANCE**
  - KLM

- **Emirates**

- **LATAM**

- **QANTAS**

**Regional Growth:**

- **Americas**
  - 245% growth

- **EMEA**
  - 334% growth

- **Asia & Australia**
  - 324% growth

*Note: Figures represent partnerships' total revenue receivable percentage growth over past 5 years*

*Source: WestJet internal systems*
The next chapter of our partnership journey

Scope:
Transborder Joint Venture

Agreement:
Memorandum of Understanding

Timing:
2018

1 Planned application to regulatory authority
Note: Joint venture is subject to regulatory approval
Rewards:
Attracting & Retaining Premium Guests
Once in a lifetime opportunity to catalyze Rewards program growth

WestJet Rewards: simple and transparent

- Program exceeds 4M members
- Largest growth coming from top-tier segment

Source: WestJet internal systems
WestJet RBC® Mastercard‡: #1 travel rewards card in Canada four years in a row¹

- Partnered with Canada’s largest bank
- New product features & card art launched in November

Co-brand card growing at >40% CAGR since 2010

Up to 2% earn
Annual companion pass
Free 1st checked bag
Welcome bonus

² Registered trademark of Mastercard International Incorporated. Used under license.
¹ Moneysense 2013-2016
Deepening our loyalty partnership

+ RBC Royal Bank

• Deepening our reach amongst high value customers & premium travellers through our strategic partnership

• Building out a series of guest-related enhancements starting in 2018
Product & Digital: Investing for the Future
Inflight product will enhance premium traveller appeal

New WestJet 737 MAX interior

- Dynamic LED lighting
- Increased headroom
- Slimline seats
- Larger, guest friendly bins

Building on Plus momentum

New premium food & beverage offering
Nine new lounges create a high-tech, low-touch environment.
Enhancing the digital experience throughout the guest journey

- Flight Status/Change
- Airport Mapping, Lounge Access, Rewards
- 3rd Party Integration
- Reaccommodation & Personalization
- Smart Messaging & Upsell
- Baggage Tracking
Building brand strength and product awareness in key markets

Save money on travel with the WestJet RBC® World Elite Mastercard‡

WestJet Plus: stretch your legs without stretching your budget

‡ Registered trademark of Mastercard International Incorporated. Used under license.
Fare Bundles:
Enhancing Guest Choice & Value
Fare bundles support our segmentation strategy

### Current Fare Bundles

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<thead>
<tr>
<th></th>
<th>Econo</th>
<th>Flex</th>
<th>Plus Lowest</th>
<th>Plus Flexible</th>
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<tbody>
<tr>
<td>1&lt;sup&gt;st&lt;/sup&gt; checked bag</td>
<td>1&lt;sup&gt;st&lt;/sup&gt; checked bag</td>
<td>1&lt;sup&gt;st&lt;/sup&gt; checked bag</td>
<td>1&lt;sup&gt;st&lt;/sup&gt; checked bag</td>
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<tr>
<td>2&lt;sup&gt;nd&lt;/sup&gt; checked bag</td>
<td>2&lt;sup&gt;nd&lt;/sup&gt; checked bag</td>
<td>2&lt;sup&gt;nd&lt;/sup&gt; checked bag</td>
<td>2&lt;sup&gt;nd&lt;/sup&gt; checked bag</td>
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<tr>
<td>More flexible</td>
<td>Less flexible</td>
<td>Most flexible</td>
<td>Most flexible</td>
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</table>

**Enhanced ability to address different segments; priced according to what guests value most**

- **Baggage**
- **Change/cancel flexibility**
- **Guest experience**

Source: WestJet internal systems
New initiatives will grow ancillary revenue

**Opportunities for ancillary growth:**
- Dynamic ancillary pricing (e.g. pre-reserved seating)
- Enhanced buy-on-board product
- Swoop

**WestJet Plus Revenue**

Plus revenue has grown at >25% CAGR since 2014

*Source: WestJet internal systems*
787 Dreamliner: The Next Chapter of Growth
Successfully competed in a mature, highly saturated market

Utilization
767 London Gatwick

Load Factor
767 London Gatwick

Point of Sale
Summer 2017

~16 hours\(^1\)
93%

58%
32%
5%
5%

42% foreign point of sale

Source: WestJet internal systems

\(^1\) Actual utilizations, excludes operational spare.


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Summer 2017 (May-Oct)

Oct. 2017
Trailing Twelve Months

Other

58%
32%
5%
5%

~16 hours\(^1\)
93%

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Source: WestJet internal systems
787 Dreamliner opens up a world of possibilities
787 Dreamliner product offering

**Business class product offering**
- Flat-bed, direct-aisle access seat
- IFEC with large monitor
- In-seat power
- Dedicated flight attendant
- Hot meals
- Lounge access
- Dedicated lavatory & closets

**Premium economy product offering**
- Wider seat with more leg room
- IFEC with seatback monitor
- In-seat power
- Dedicated flight attendant
- Hot meals
- Dedicated lavatory
VIDEO
Summary: significant opportunity for top-line growth

- Enhanced RM¹/Network tools
- Fare products & ancillary
- Transborder joint venture
- Going global
- Domestic premium traveller share

Total Annual revenue opportunity through 2022: $300 – 500M

¹ "RM" refers to Revenue Management
Note: Based on internal estimates

Attracting & retaining premium travellers
Why we will win: key elements of WestJet’s commercial strategy

- Building network depth
- Deeper strategic partnerships
- Rewards & co-brand growth
- Ground & inflight product enhancements
- Digital / self-serve

High-value, global network carrier

Win in the price-sensitive segment
Swoop leadership team

Bob Cummings
EVP, Strategy

David Moore
Senior Leader, Flight Operations

Jamie MacDonald
Senior Leader, People

Jennifer Bue
Senior Leader, Finance

Karen Kersch
Senior Leader, Maintenance

Karen Romanchuk
Senior Leader, Digital & Marketing

Stephen Platt
Senior Leader, Airports, Contact Centre & Central Support

Todd Andaya
Senior Leader, IT

Kellie Farrer
Leader, Inflight
WestJet’s parallel brand strategy

**Description**
- Stand-alone; ultra-low cost
- High-value, global network carrier

**Guest Focus**
- Price-sensitive guests
- Core leisure & premium guests

**Network**
- Stand-alone; point-to-point (no connections onto WestJet)
- Connected global network

**Branding**
- Stand-alone; separate from WestJet
- WestJet; WestJet Encore; WestJet Link

**Fares**
- Fully unbundled, focus on ancillary revenue
- Bundled, price according to what guests value most

**Cost Structure**
- 30-40% lower than mainline
- Focus on cost competitiveness while investing in network, product, service
Swoop will be targeting millennials, young families and cost-conscious flyers

**MARKET SIZE**
- 50% Market Stimulation
- 25% Border Leakage
- 25% Existing Price Sensitive

**TARGET DEMOGRAPHICS**
- Millennials: 40%
- Young families: 20%
- Value boomers: 40%

**TRAVEL PURPOSE**
- Leisure: 60%
- Visiting friends & relatives (VFR): 30%
- Business / Groups: 10%

1 WestJet internal estimates
ULCCs around the world are focused on low fares with high ancillary fees

ULCC Average Fare and Ancillary Per Passenger

1 All revenue figures are from FY 2016 publically disclosed financial information, converted to CAD$
Global ULCC’s have set a ~40% benchmark of cost advantage vs. LCCs in their operating region.

ULCC Relative Cost Advantage vs. LCC
Stage length adjusted CASM ex-fuel 1, 2

1 All CASM excluding fuel figures are LTM September 2017 from publicly disclosed (as of November 15, 2017) financial information except Frontier which is full year 2016
2 All CASM excluding fuel figures have been stage length adjusted based on (carrier stage length / 1,250)^0.5
Swoop will have industry leading CASM

**Stage Length Adjusted CASM, CASM ex-fuel**

1. All CASM figures are LTM ended September 2017 except Frontier as FY 2016 and include adjustments as noted by each carrier.
2. All CASM figures been normalized to fuel @ CAD$0.67 and 1,250 stage length based on standard adjustment of (carrier stage length / 1,250)^0.5
3. Swoop forecasted CASM represents a cost structure when operational with a fleet of 10
# Swoop success factors

<table>
<thead>
<tr>
<th>Cost</th>
<th>Labour efficiency</th>
<th>High ancillary revenue</th>
<th>Simplicity</th>
</tr>
</thead>
<tbody>
<tr>
<td>All decisions must pass cost benefit analysis</td>
<td>Outsource where it makes sense</td>
<td>Unapologetic unbundling</td>
<td>Complexity adds cost</td>
</tr>
<tr>
<td>Avoid replicating WestJet model</td>
<td>Highly productive employees</td>
<td></td>
<td>Forego some revenue opportunities to minimize complexity</td>
</tr>
<tr>
<td></td>
<td>Sales commissions for inflight purchases</td>
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</table>
**Swoop business model**

- **Separate from WestJet**: AOC, Brand, Employees, HQ, Airport Operations, Website
- **Direct-Only Distribution**: No GDS, flyswoop.com direct web sales
- **Single Fleet Type**: Young 737-800 aircraft with 189 seats, high utilization
- **Labour Efficiency**: High productivity, efficient work rules
- **High Ancillary**: Fully unbundled model
Swoop will be a fully unbundled model generating ULCC benchmarked ancillary fees

**BOOKING**
- Carry-on & checked bags
- Priority boarding
- Seats

**INFLIGHT**
- All food and beverage
- Movies & TV
- Internet

**OTHER**
- Cancellations
- Call Centre
Swoop is WestJet’s parallel brand: intentionally separate with distinct personality

Separate from WestJet

Brand Personality

Digital Focus

Enabling Experiences

Spend the savings on yourself
Eliminating the need to cross the border to access cheap fares

**Roundtrip All-in Price for 1 traveller + 1 Checked Bag ($CAD)**

<table>
<thead>
<tr>
<th>Route</th>
<th>Allegiant</th>
<th>Swoop</th>
<th>Spirit</th>
<th>Swoop</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bellingham/Abbotsford - Las Vegas</td>
<td>$330</td>
<td>$320</td>
<td></td>
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<tr>
<td>Buffalo/Hamilton - Ft Lauderdale</td>
<td>$280</td>
<td>$330</td>
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</table>

**Drive & wait time**

- Bellingham/Abbotsford - Las Vegas: 3 hours 20 mins
- Buffalo/Hamilton - Ft Lauderdale: 1 hour 50 mins

Note: All in fares including checked bag fees are based on carriers average fares stage length adjusted to route mileage plus actual checked bag fee by route converted to CAD$. Drive & wait times from Vancouver & Toronto, respectively.
Swoop implementation timelines

- **Announcement of ULCC**: April 2017
- **Signed Navitaire**: September 2017
- **Obtain CTA License**: October 2017
- **Brand Announcement**: April 2018
- **1st Sale**: June 2018
- **1st Aircraft Configuration**: June 2018
- **First Flight**: June 2018
- **Obtain AOC**: May 2018
- **HQ**: Not specified

Note: Subject to regulatory approval
Swoop: Canada’s first and strongest ULCC

Committed to doing it right
Key resources have direct ULCC competencies and experience

Low cost is key
Targeting 6.0¢ CASM ex-fuel (CAD)

High ancillary model
Fit for purpose reservation system

Canadian market is ready for Swoop
Model fully-developed and tested in other countries
BREAK
VIDEO
Creating shareholder value

Harry Taylor
EVP, Finance & CFO
Track record of profitable growth

Net income (millions)$

1 Current as of the nine months ended September 30th 2017 as presented in WestJet’s external financial statements
$1 billion returned to shareholders

<table>
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<tr>
<th>Returned to shareholders since November 2010</th>
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<tbody>
<tr>
<td>Dividend</td>
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<tr>
<td>Normal course issuer bids (NCIB)</td>
</tr>
<tr>
<td>Total</td>
</tr>
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¹ Current as of the nine months ended September 30th 2017
Strong balance sheet

Adjusted Net Debt/EBITDAR$^{1,2}$

1.22
1.36
1.29
1.93
1.84

2013
2014
2015
2016
2017 YTD

$^1$ Non-GAAP measure
$^2$ Trailing 12 months earnings before interest, taxes, depreciation, and aircraft rent and other items (EBITDAR)
Significant liquidity

Cash to TTM Revenue\(^1,2\)

<table>
<thead>
<tr>
<th>Year</th>
<th>Cash to TTM Revenue</th>
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<tbody>
<tr>
<td>2013</td>
<td>34%</td>
</tr>
<tr>
<td>2014</td>
<td>34%</td>
</tr>
<tr>
<td>2015</td>
<td>29%</td>
</tr>
<tr>
<td>2016</td>
<td>37%</td>
</tr>
<tr>
<td>2017 YTD</td>
<td>33%</td>
</tr>
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</table>

Cash, cash equivalents and marketable securities balance at Sept 2017 $1.5 billion
Undrawn revolving credit facility of $300 million

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1 Non-GAAP measure
2 Trailing 12 months revenue
Growing unencumbered aircraft

The number of growing unencumbered aircraft assumes (i) WestJet's existing fleet, (ii) the terms of agreements WestJet has entered into with respect to future confirmed aircraft acquisitions as at the date of this presentation, (iii) repayment of existing secured long-term debt facilities as scheduled, and (iv) WestJet's continued ability to access unsecured financing alternatives.
The only Canadian airline with investment grade credit ratings

Source: Bloomberg, as of October 30, 2017
The flexible fleet plan as at the date of this presentation is based on (i) WestJet's existing fleet, (ii) the terms of agreements WestJet has entered into with respect to future confirmed aircraft acquisitions and purchase options, (iii) the terms of agreements WestJet has entered into with lessors with respect to leased aircraft, and (iv) WestJet's future decisions with respect to the renewal of leases and the exercise of purchase options and its ability to do so.
Significant cost and EBT Margin advantage

TTM CASM (ex-fuel, PS)$^{1,2,3}$

- ~9.8 cents

TTM EBT Margin$^{2,3}$

- 9.3%
- 6.8%

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$^1$ Non-GAAP Measure
$^2$ As reported in Q4 2016 and YTD Q3 2017 external financial statements, unadjusted
$^3$ TTM = Trailing 12 months
Key cost reduction initiatives

- Fleet reconfiguration
- Airport operations
- Optimized maintenance plan
- Digital & self-serve
- Sales & distribution
- Continuous improvement (LEAN)

$140 – $200M
Annual cost savings opportunity through 2022

Note: Based on internal estimates
Swoop creates a new cost frontier

TTM CASM (ex-fuel, PS)$^{1,2,3}$

- **Air Canada**: ~11.3 cents
- **WestJet**: ~9.8 cents
- **Swoop**: 6.0 cents$^4$

Swoop CASM will be >30% below our already low CASM (ex-fuel, PS)

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1. Non-GAAP Measure
2. As reported in Q4 2016 and YTD Q3 2017 external financial statements, unadjusted
3. TTM = Trailing 12 months
4. CASM (ex-fuel, PS) at full fleet of 10 aircraft and adjusted to stage length of 1,250 miles
Capital Expenditures peak in 2019\(^1,2\)

2. Forward-looking information is based on current forecast and strategy and assumptions related to demand, fuel price, foreign exchange, maintenance, agreements, aircraft commitments and bookings.
Strong Operating Margin and significant Free Cash Flow

1 Assumes moderate annual 2% GDP growth, 2018: FX 1.29, CPL 0.67, 2019: FX 1.30, CPL 0.68 cents, 2020: FX 1.32, CPL 0.68 cents
2 Forward-looking information is based on current forecast and strategy and assumptions related to demand, fuel price, foreign exchange, maintenance, agreements, aircraft commitments and bookings
3 Free cash flow calculated as operating cash flow less capital expenditures

Operating Margin

- 2013-2017 YTD: 10% - 14%
- 2018-2022F: 10% - 14%

Cumulative Free Cash Flow

- 2015-2017 YTD: ($104 million)
- 2018-2020F: $775-$875 million

TSE: WJA
ROIC returns to target range

ROIC target range 13%-16%

1 Non-GAAP Measure
2 Forward-looking information is based on current forecast and strategy and assumptions related to demand, fuel price, foreign exchange, maintenance, agreements, aircraft commitments and bookings
Key credit metric declines to 1.2 in 2020

Adjusted Net Debt/EBITDAR$^{1,2}$

1 Trailing 12 months earnings before interest, taxes, depreciation, and aircraft rent and other items (EBITDAR)
2 Forward-looking information is based on current forecast and strategy and assumptions related to demand, fuel price, foreign exchange, maintenance, agreements, aircraft commitments and bookings
Committed to enhancing shareholder value

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2018-2020 Target</th>
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</thead>
<tbody>
<tr>
<td>Annual Operating Margin</td>
<td>10% to 12%</td>
</tr>
<tr>
<td>Cumulative Free Cash Flow</td>
<td>$775M - $875M</td>
</tr>
<tr>
<td>ROIC</td>
<td>13% - 16% in 2020</td>
</tr>
<tr>
<td>Adjusted Net Debt/EBITDAR</td>
<td>1.2 by end of 2020</td>
</tr>
</tbody>
</table>
Focused on sustainable, profitable growth

- Successful execution
- Competitive cost structure
- ROIC growth; sustainable capex
- Premium segment growth
- 787 preparation
- Swoop success
Q&A
Appendix
Accounting standards change

IFRS 15 – Revenue from Contracts with Customers

• The revised IFRS standard will replace existing revenue recognition guidance and is effective January 1, 2018 for annual and interim reporting periods. We will adopt this standard using the full retrospective approach on the required effective date.
• We anticipate a change in the timing of the recognition of breakage on certain ticket sales which we believe will shorten our period of revenue deferral.
• We anticipate that the majority of our ancillary services will no longer be considered distinct from our guest’s associated flight, and therefore, will be presented within Guest revenue whereas today it is presented within Other revenue. Additionally, the timing of recognition of certain ancillary fees will be deferred until the flight occurs. We anticipate this will predominantly impact change and cancel fees which are currently recognized at the date of the ticket change.
• We will continue to defer the revenue related to WestJet rewards issued to guests. The allocation methodology of how we apportion the airfare between the flight segments and WestJet rewards will change. Upon implementation, we anticipate that tier status will be considered a marketing expense therefore no revenue will be deferred related to the guest benefits associated with tier status.
• We are finalizing our work on the impact on our co-brand credit card program, the quantitative impact of all the anticipated changes and drafting illustrative disclosures to our quarterly and annual 2018 financial statements.
Accounting standards change

IFRS 16 - Leases

- The revised IFRS standard will replace the existing lease standard and is effective for annual and interim reporting periods beginning on or after January 1, 2019. We will adopt this standard on the effective date.
- This standard eliminates the classification of leases as either operating leases or finance leases for a lessee, and instead, all leases are capitalized by recognizing the present value of lease payments and presenting them as either lease assets or together with property and equipment.
- It also allows for the service component of a lease agreement to be separated from the value of the asset and thus not reported on the statement of financial position.
- We have initiated a scoping exercise to identify the potential number and types of contracts that may contain leases.

The impact of this change is not incorporated into WestJet’s 2017 Investor Day projections.
## Annual assumptions

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
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<tbody>
<tr>
<td><strong>GDP Canada</strong></td>
<td></td>
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<tr>
<td></td>
<td>Approximately 2%</td>
<td></td>
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<tr>
<td><strong>Foreign exchange ($CAD/$USD)</strong></td>
<td>1.29</td>
<td>1.30</td>
<td>1.32</td>
</tr>
<tr>
<td><strong>Average jet fuel price ($CAD cents per litre)</strong></td>
<td>67</td>
<td>68</td>
<td>68</td>
</tr>
</tbody>
</table>
Financial information

Financial information contained in this section of the presentation has been derived from the historical consolidated financial statements of WestJet for the applicable period’s noted.

WestJet’s consolidated financial statements are prepared in accordance with generally accepted accounting principles in Canada (“GAAP”) as set out in the CPA Canada Handbook – Accounting (“CPA Handbook”), which incorporates Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

The forward looking financial information in this presentation is based upon the accounting policies and assumptions in effect as of September 30th 2017 and does not reflect the impact of any accounting standards changes that may be applicable to WestJet’s financial statements in the future.

Note: All references to dollars contained in the presentation refer to Canadian Dollars (CAD), unless otherwise noted.
Non-GAAP Financial Measures

The following non-GAAP and additional GAAP measures are used to monitor our financial performance:

**Adjusted debt:**
The sum of long-term debt and off-balance-sheet aircraft operating leases. Our practice, consistent with common airline industry practice, is to multiply the trailing 12 months of aircraft leasing expense by 7.5 to derive a present value debt equivalent. This measure is used in the calculation of adjusted debt-to-equity and adjusted net debt to EBITDAR, as defined below.

**Adjusted net debt:**
Adjusted debt less cash and cash equivalents. This measure is used in the calculation of adjusted net debt to EBITDAR, as defined below.

**EBITDAR:**
Earnings before net finance costs, taxes, depreciation, amortization, aircraft rent and other items, such as asset impairments, gains and losses on derivatives, and foreign exchange gains or losses. Trailing 12 months EBITDAR is a measure commonly used in the airline industry to evaluate results by excluding differences in the method by which an airline finances its aircraft. Cash to trailing 12 months revenue: Cash as a percentage of the trailing twelve months’ revenue is a measure commonly used in the airline industry to compare liquidity positions, adjusting for seasonality that may occur within a financial year.
Non-GAAP Financial Measures (continued)

**Return on invested capital:**
ROIC is a measure commonly used in the airline industry to assess the efficiency with which a company allocates its capital to generate returns. Return is calculated based on our earnings before tax, excluding special items, finance costs and implied interest on our off-balance-sheet aircraft leases. Invested capital includes average long-term debt, average finance lease obligations, average shareholders’ equity and off-balance-sheet aircraft operating leases.

**Free cash flow:**
Operating cash flow less capital expenditures. This measure is used to calculate the amount of cash available that can be used to pursue other opportunities after maintaining and expanding the asset base.

**Cash to trailing 12 months revenue:**
Cash as a percentage of the trailing twelve months’ revenue is a measure commonly used in the airline industry to compare liquidity positions, adjusting for seasonality that may occur within a financial year.

**CASM, excluding fuel and employee profit share:**
CASM is a common measure used in the airline industry to measure an airline’s cost structure and efficiency. We exclude the effects of aircraft fuel expense and employee profit share expense to assess the operating performance of our business. Fuel expense is excluded from our operating results because fuel prices are affected by a host of factors outside our control. Additionally, employee profit share expense is excluded as it varies based on the outcome of our net earnings. Excluding these expenses allows us to analyze our operating results to those of other airlines.