
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 14A INFORMATION

**Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934
(Amendment No.)**

Filed by the Registrant ☐

Filed by a Party other than the Registrant ☒

Check the appropriate box:

- ☐ Preliminary Proxy Statement
- ☐ **Confidential, For Use of the Commission Only** (as permitted by Rule 14a-6(e)(2))
- ☐ Definitive Proxy Statement
- ☐ Definitive Additional Materials
- ☒ Soliciting Material Pursuant to § 240.14a-12

Virgin America Inc.

(Name of Registrant as Specified In Its Charter)

Alaska Air Group, Inc.

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- ☒ No fee required.
- ☐ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

☐ Fee paid previously with preliminary materials.

☐ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Filed by Alaska Air Group, Inc.
Pursuant to Rule 14a-12 under the
Securities Exchange Act of 1934, as amended
Subject Company: Virgin America Inc.
Commission File No.: 001-36718

The following is a slide presentation presented by executives from Alaska Airlines and Virgin America on an investor and media conference call and webcast on April 4, 2016.

**The Premier Airline for
People on the West Coast**



Safe Harbor

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are based on, and include statements about, the Company's estimates, expectations, beliefs, intentions, and strategies for the future, and are not guarantees of future performance. Forward-looking statements involve risks, uncertainties, assumptions, and other factors that are difficult to predict and that could cause actual results to vary materially from those expressed in or indicated by them. Please refer to the risk factors described in Company's filings with the Securities and Exchange Commission, including the detailed factors discussed under "Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2015.

Important information for investors and stockholders

This communication may be deemed to be solicitation material in respect of the merger of Virgin America with a wholly owned subsidiary of Alaska Air Group. Virgin America intends to file relevant materials with the Securities and Exchange Commission (the "SEC"), including a proxy statement in preliminary and definitive form, in connection with the solicitation of proxies for the merger. The definitive proxy statement will contain important information about the proposed merger and related matters. **BEFORE MAKING A VOTING DECISION, STOCKHOLDERS OF VIRGIN AMERICA ARE URGED TO READ THE DEFINITIVE PROXY STATEMENT AND OTHER RELEVANT MATERIALS CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT VIRGIN AMERICA AND THE MERGER.** Stockholders will be able to obtain copies of the proxy statement and other relevant materials (when they become available) and any other documents filed by Virgin America with the SEC for no charge at the SEC's website at www.sec.gov. In addition, security holders will be able to obtain free copies of the proxy statement from Virgin America by contacting Virgin America's Investor Relations Department by telephone at (650) 762-7000, by mail to Virgin America Inc., Attention: Investor Relations Department, 555 Airport Boulevard, Burlingame, California 94010, or by going to Virgin America's Investor Relations page on its corporate website at <http://ir.virginamerica.com>.

Important information for investors and stockholders

Alaska Air Group, Virgin America and certain of their respective directors, executive officers and other employees may be deemed to be participants in the solicitation of proxies from Virgin America's stockholders in respect of the merger. Information concerning the ownership of Virgin America securities by Virgin America's directors and executive officers is included in their SEC filings on Forms 3, 4, and 5, and additional information about Virgin America's directors and executive officers is also available in Virgin America's proxy statement for its 2016 annual meeting of stockholders filed with the SEC on March 25, 2016, and is supplemented by other public filings made, and to be made, with the SEC by Virgin America. Information concerning Alaska Air Group's directors and executive officers is available in Alaska Air Group's proxy statement for its 2016 annual meeting of stockholders filed with the SEC on April 1, 2016. Other information regarding persons who may be deemed participants in the proxy solicitation, including their respective interests by security holdings or otherwise, will be set forth in the definitive proxy statement that Virgin America intends to file with the SEC. These documents can be obtained free of charge from the sources indicated above.

Alaska + Virgin by the Numbers

Annual
Revenues

Alaska

\$5.6 Billion

Annual
Passengers

32 Million

Aircraft

152 Boeing
52 Q400
15 regional jets

Daily
Departures

1,000

Destinations

112

Pre-Tax
Profit

\$1.3 Billion



Virgin america

\$1.5 Billion

7 Million

63 Airbus

200

24

\$200 Million



\$7.1 Billion

39 Million

282

1,200

114*

\$1.5 Billion

*AS and VX have 22 current destinations that overlap.

The Premier Airline for People on the West Coast

Deal Facts

Transaction: \$2.6B all cash deal
Airline Name: Alaska Airlines
Total Employees: 18,300
Corporate Office: Seattle with continued presence in San Francisco

Management Structure

CEO: Brad Tilden
COO: Ben Minicucci
CFO: Brandon Pedersen
CCO: Andrew Harrison



Our shared passion for service is widely recognized



Widely recognized
as best in class



#1 Traditional Carrier
8 straight years

"Highest in Customer Satisfaction
Among Traditional Carriers in North
America, Eight Years in a Row"



Alaska brand stays. We will explore options for the Virgin brand in the future.



We are bullish on the industry.



Changed Industry Dynamics

- Fundamentally changed industry structure
- Returns focused leadership teams
- Constrained airport real estate
- Growth in leisure travel
- New revenue sources

We're confident in our own business and our ability to create value for our constituencies.

Safe



Employee Engagement



Great Operation

THE WALL STREET JOURNAL

	2015	2014	2013
1	Alaska	Alaska	Alaska
2	Virgin Amer.	Virgin Amer.	Delta
3	Delta	Delta	Virgin Amer.
4	Southwest	JetBlue	Southwest
5	JetBlue	Southwest	JetBlue

Strong Balance Sheet

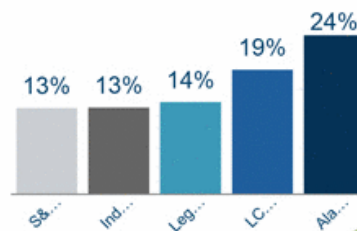
AIRLINE CREDIT RATING		
	S&P	Fitch
BBB+		SOUTHWEST
BBB		SOUTHWEST
BBB-	Alaska	Alaska
BB+	Alaska	Alaska
BB	Alaska	Alaska
BB-	jetBlue	jetBlue
B+	jetBlue	jetBlue

Award Winning Service



"Highest in Customer Satisfaction
Among Traditional Carriers in North America,
Eight Years in a Row"

High Margins



Consolidation has led to dominance of just four airlines.

Airline Domestic Market Share (Revenue)

	1980	1990	2000	2010	2015
Market share of 4 largest carriers	61%	68%	61%	65%	84%

Total domestic revenue pulled from Form 41 data. Airlines included in sample set: American, Aloha, Alaska, JetBlue, Continental, Delta, Frontier, Airtran, Hawaiian, American West, Midway, Spirit, Northwest, Pan American, Sun Country, TWA, ATA, United, US Airways, Virgin America, Southwest and Midwest Express

Acquiring Virgin America Provides a Platform for Growth

Powerful West Coast Network



Enhanced Partnerships



Access to Constrained Airports



California Customer Base



Increased Influence

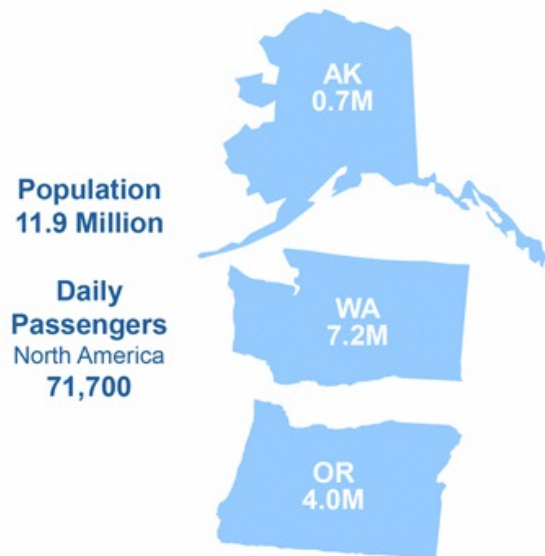


Opportunity to Grow & Improve Loyalty



Sources: Bureau of Economic Analysis, DOT O&D Data and Published Schedules
Market concentration defined as the ratio of the #1 carrier's market share to the #2 carrier's market share

California is our single largest opportunity...



...with very attractive characteristics.



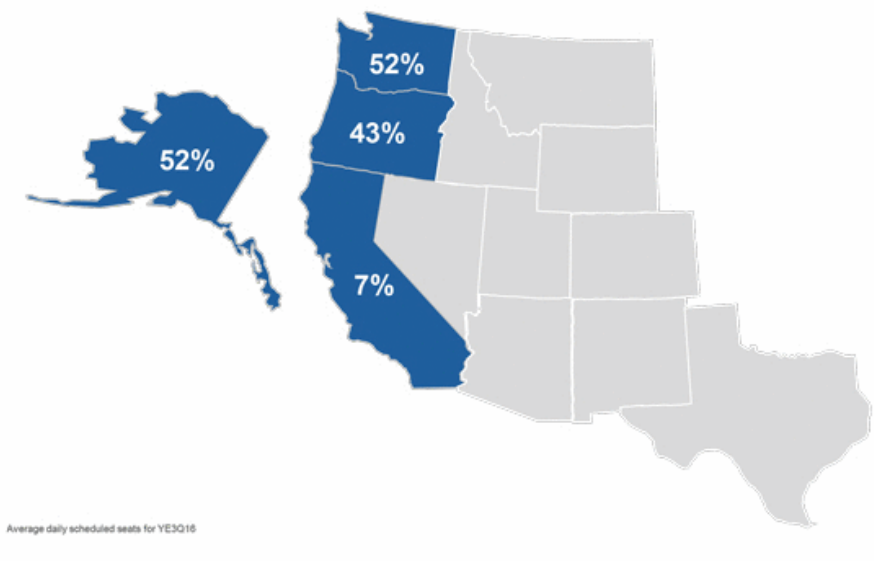
Characteristic	Metric	US Rank
Population	39.1M	#1
Gross State Product	\$2.3T	#1
North America Pax/Day	185,700	#1
Intl Passengers/Day	11,750	#3
Gross State Product Growth	4%	#4

Sources: Bureau of Economic Analysis, DOT O&D Data and Published Schedules
Market concentration defined as the ratio of the #1 carrier's market share to the #2 carrier's market share

Alaska is heavily invested in California, but not to the extent required to establish a meaningful presence.

Alaska North America Seat Share

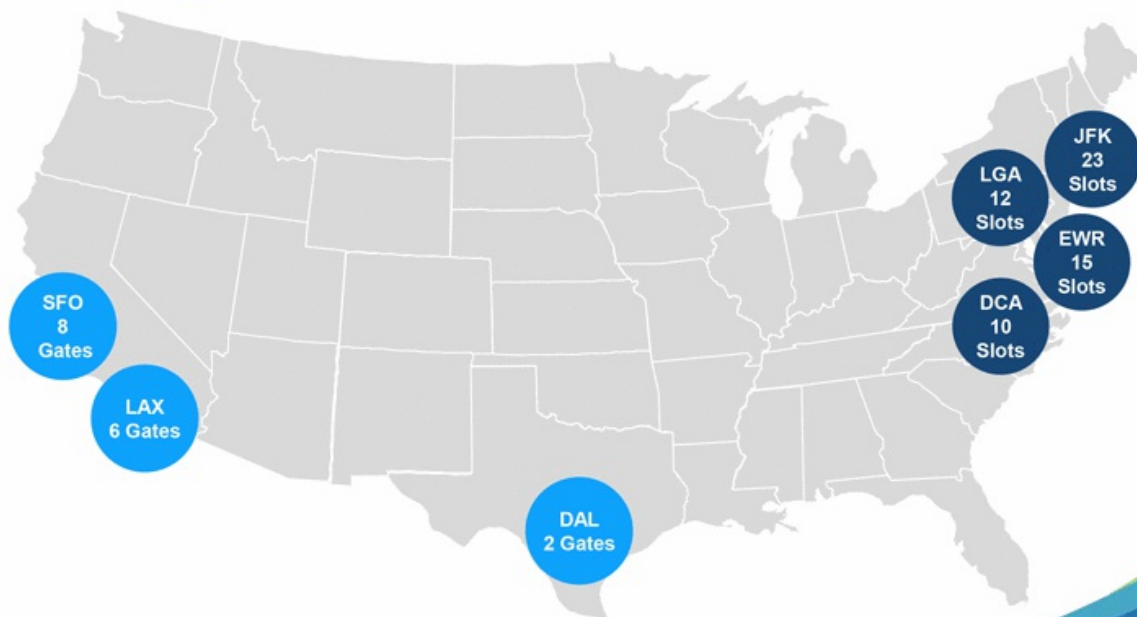
Alaska Daily Seats – Top States



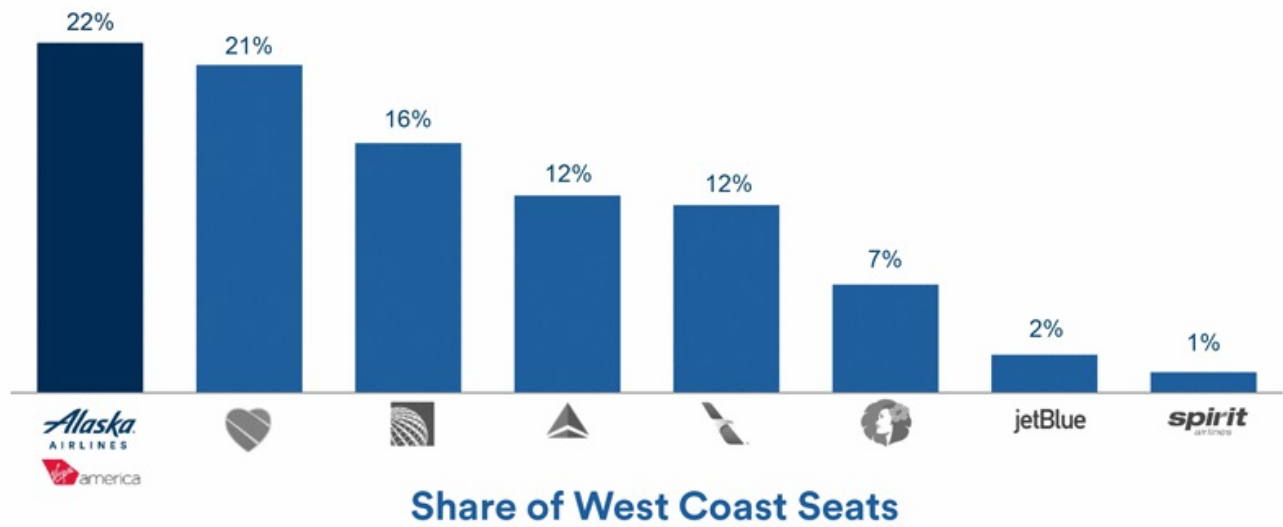
Rank	State	Daily Seats
1	Washington	39,654
2	California	22,747
3	Oregon	14,333
4	Alaska	12,770



With Virgin America, we obtain valuable gates and landing slots on the East and West Coast.



From day one, the combined carrier will have the largest seat share on the West Coast...



*North America Seat Share from Alaska, Oregon, Washington, and California YE3Q16; total is less than 100% because smaller "other" category is excluded

...and a significant presence at all major metropolitan areas.



Anchorage
46 Flights
9 Gates



Seattle
291 Flights
32 Gates



Portland
123 Flights
20 Gates



San Francisco
73 Flights
10 Gates

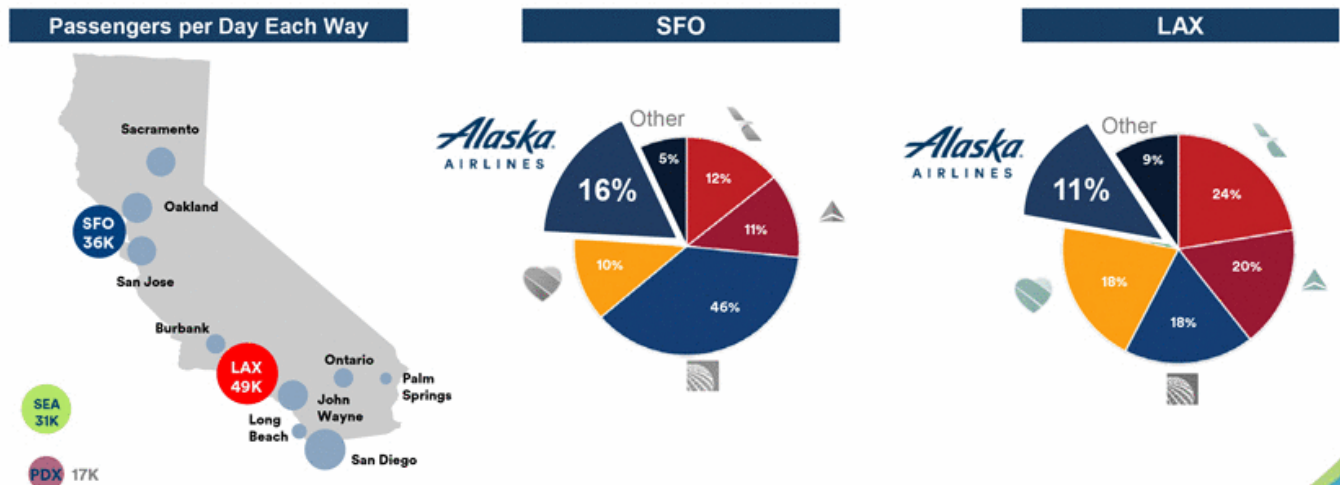


LAX
79 Flights
12 Gates

Bay Area
115 Flights

LA Basin
102 Flights

Based on seat share, we will become the second largest carrier in SFO and relevant in a fragmented LAX...



...with opportunity to further expand in other important California airports

Map represents Year-End Q1 '15 Domestic PDEW, Pie Charts represent YE Q3 '16 Domestic Seats

Our market position in **San Francisco** moves from a distant #6 to a strong #2...

SFO Customer Utility

6%

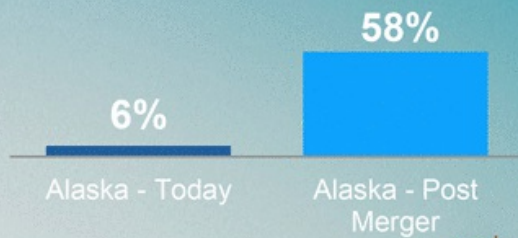
Alaska - Today

Service in Top 10 Markets from SFO

Rank	Market
1	JFK
2	LAX
3	Las Vegas
4	Chicago
5	Boston
6	Seattle
7	Newark
8	San Diego
9	Denver
10	Dulles

Our market position in **San Francisco** moves from a distant #6 to a strong #2...

SFO Customer Utility



Service in Top 10 Markets from SFO

Rank	Market
1	JFK
2	LAX
3	Las Vegas
4	Chicago
5	Boston
6	Seattle
7	Newark
8	San Diego
9	Denver
10	Dulles

... And our utility in LAX increases substantially

LAX Customer Utility

10%

Current

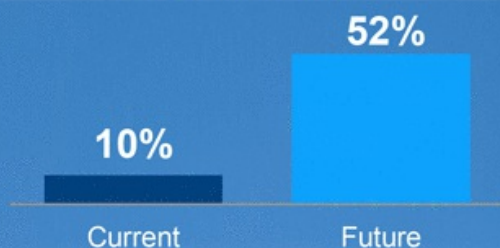
Service in Top 10 Markets from LAX

Rank	Market
1	JFK
2	San Francisco
3	Chicago
4	Seattle
5	Las Vegas
6	Denver
7	Newark
8	Honolulu
9	Boston
10	Atlanta



... And our utility in LAX increases substantially

LAX Customer Utility



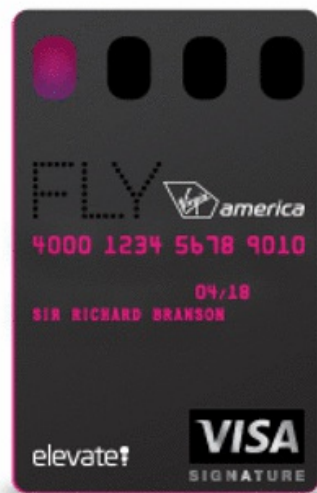
Service in Top 10 Markets from LAX

Rank Market

1	JFK
2	San Francisco
3	Chicago
4	Seattle
5	Las Vegas
6	Denver
7	Newark
8	Honolulu
9	Boston
10	Atlanta

A large, three-dimensional 'LAX' sign sits on a grassy hill. In the background, airport buildings and a clear blue sky are visible.

Combining our loyalty programs and networks will provide greater benefits for West Coast customers and...



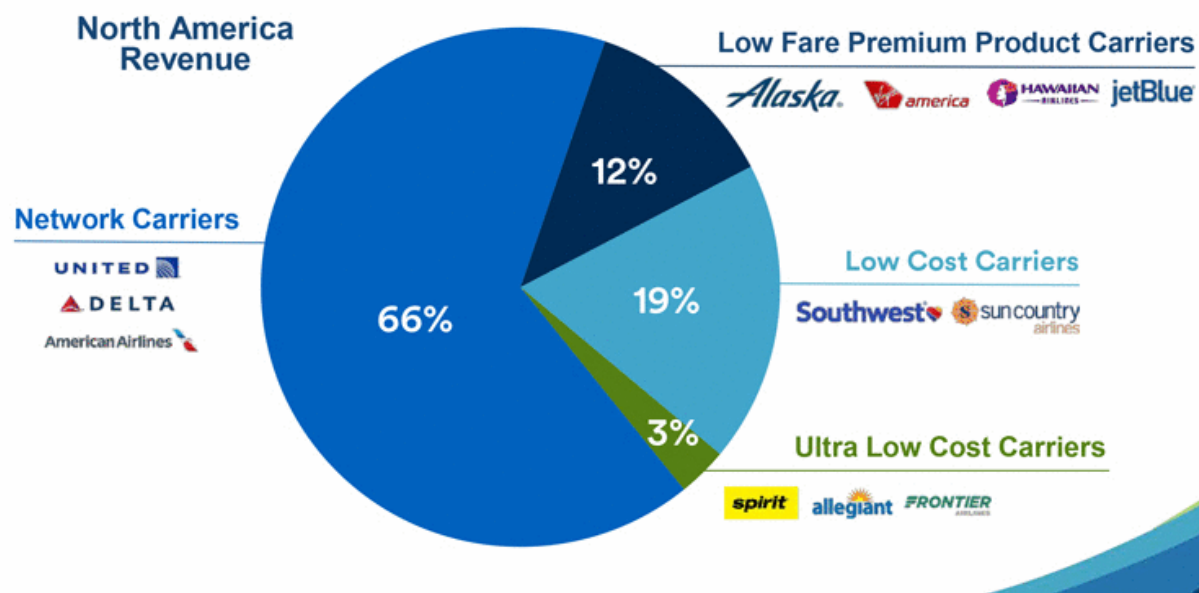
...a partner portfolio that gives our customers expansive global reach. But more importantly...



...we've created a strong West Coast airline for our customers.

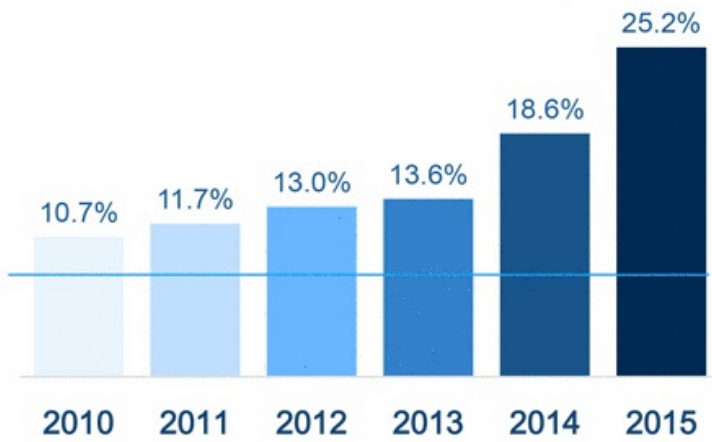


We believe there is significant demand for low-fare carriers that offer a premium product.



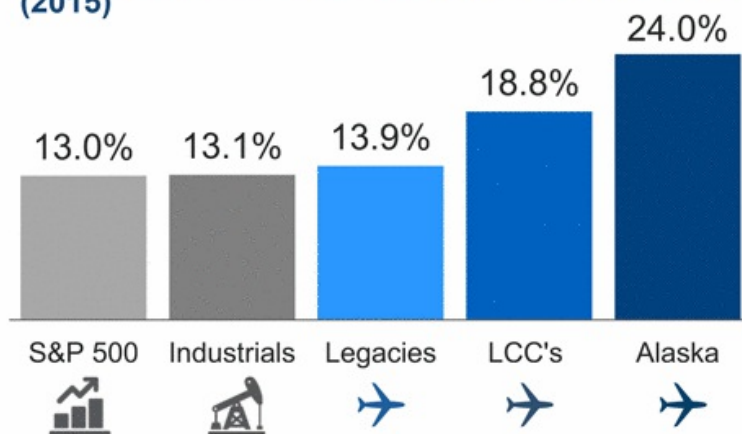
We were pioneers in managing to ROIC and consistently create significant value for our owners.

After-Tax Return on Invested Capital



We are generating strong margins, consistent with high-quality industrial companies.

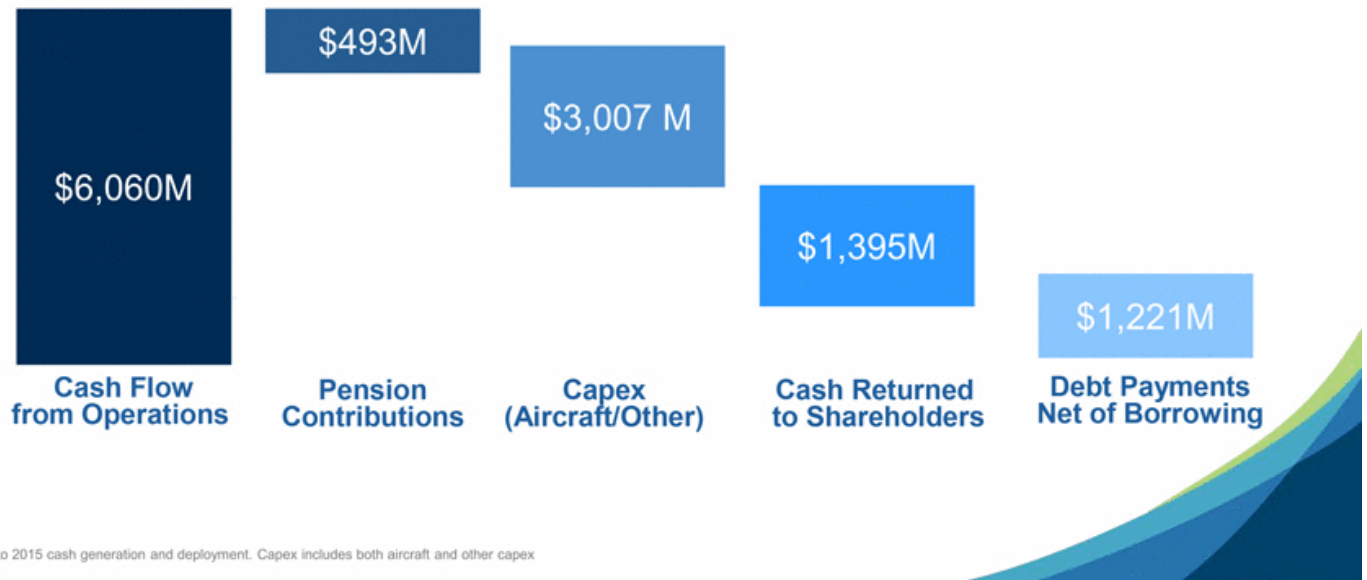
Industry and Sector Leading Pre-Tax Margin (2015)



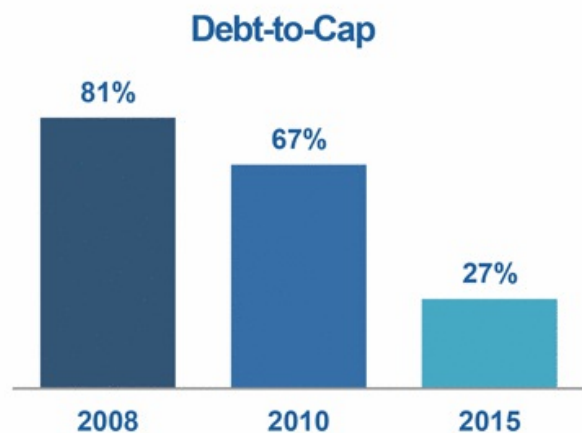
Alaska's pre-tax margin is higher than all but 10 companies included in the S&P 500

Network: AAL, DAL, UAL. LCC's : LUV, HA, JBLU, SAVE, and ALGT
Industrials refers to all industrial companies included in the S&P 500

We have a track record of balanced cash flow allocation.



We have reduced our leverage and now have an investment-grade balance sheet



AIRLINE CREDIT RATING		
	S&P	Fitch
BBB+		 +
BBB		
BBB-		
BB+		 +
BB		 +
BB-	  +	
B+		 +
B		
B-		

Investment Grade

We are extending Alaska's track record of successful growth to a larger platform

Mainline ASM Growth by Year, 1995–2015

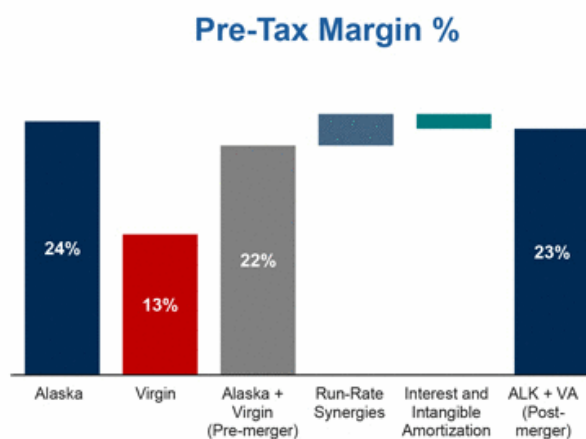
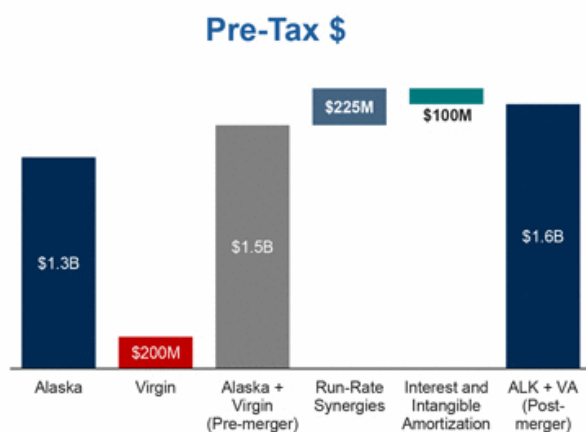


*U.S. Domestic Industry Data from AAR

- Combination of the two powerful networks in the West creates meaningful synergies.
- Virgin and Alaska are both low-cost high-value carriers.
- We now have a strong growth platform.



This acquisition produces higher pre-tax profits at similar margins.



ALK+VA based on 2015 adjusted earnings. Synergies shown are run-rate synergies

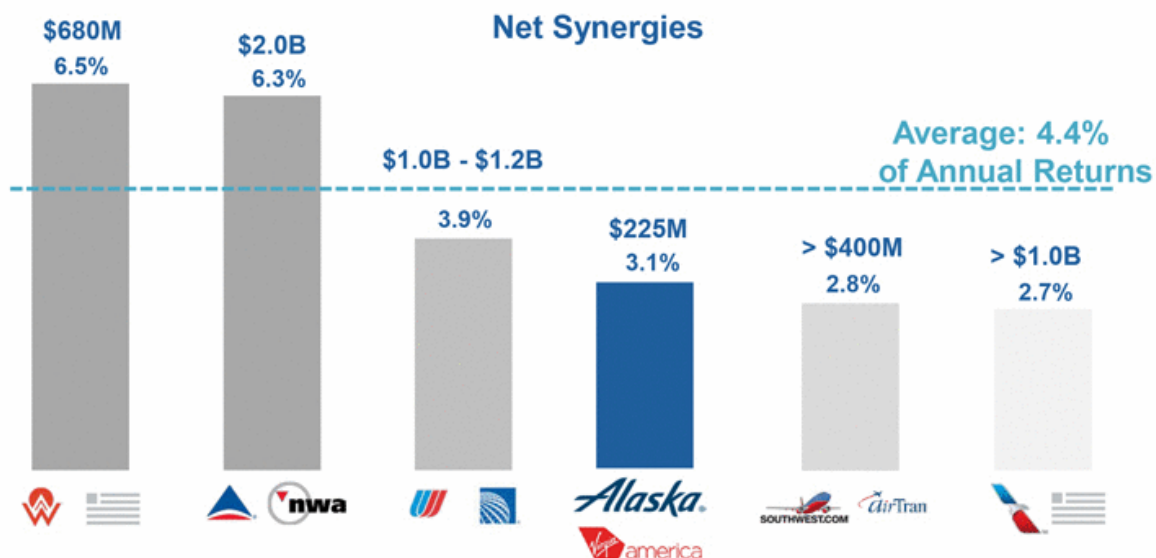
Significant synergies create value for our owners.

	Average Annual Run Rate Estimates
Revenue Synergies	\$175M
Net Cost Synergies	\$50M
Total Synergies	\$225M

We expect one-time costs to total ~\$300M - \$350M



These synergies are in line with recent deals in the sector.

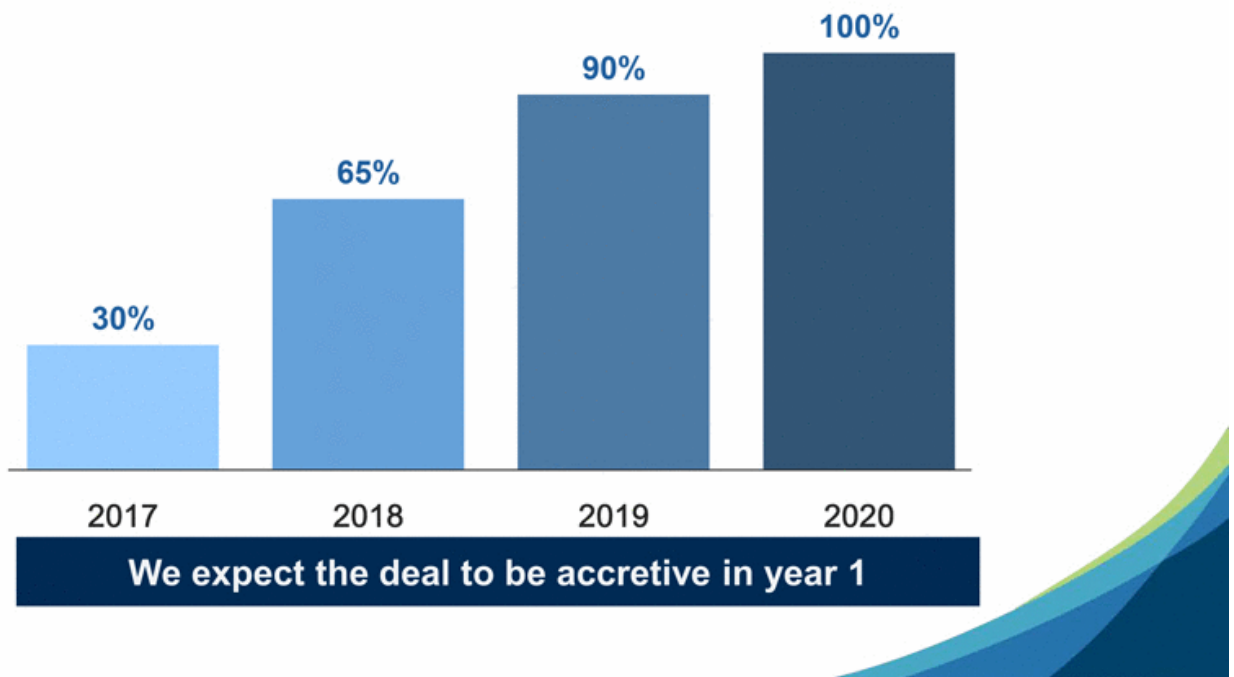


Source: SEC filings by other airlines

Notes: Delta / Northwest announced merger with \$1.1b in synergies and revised upward to \$2.0b after closing.

Average reflects actuals only

We expect synergies to ramp up quickly.

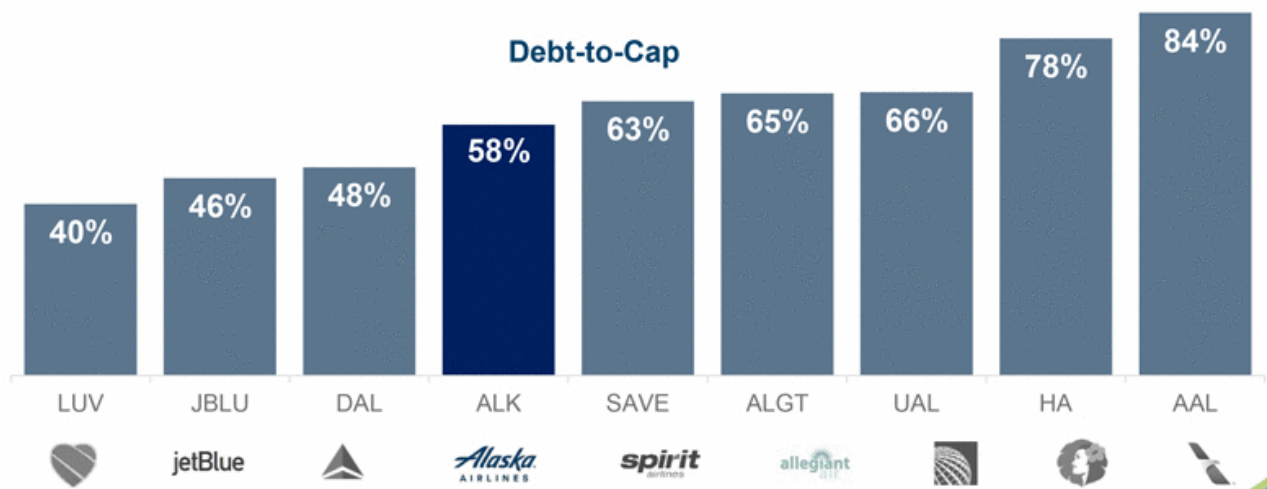


We expect to finance the transaction with cash on hand, aircraft debt and a temporary slowdown of share buybacks.

Acquisition Price	
Equity Purchased	\$2.6B
Net Debt and Leases Assumed	\$1.4B
Total	\$4.0B

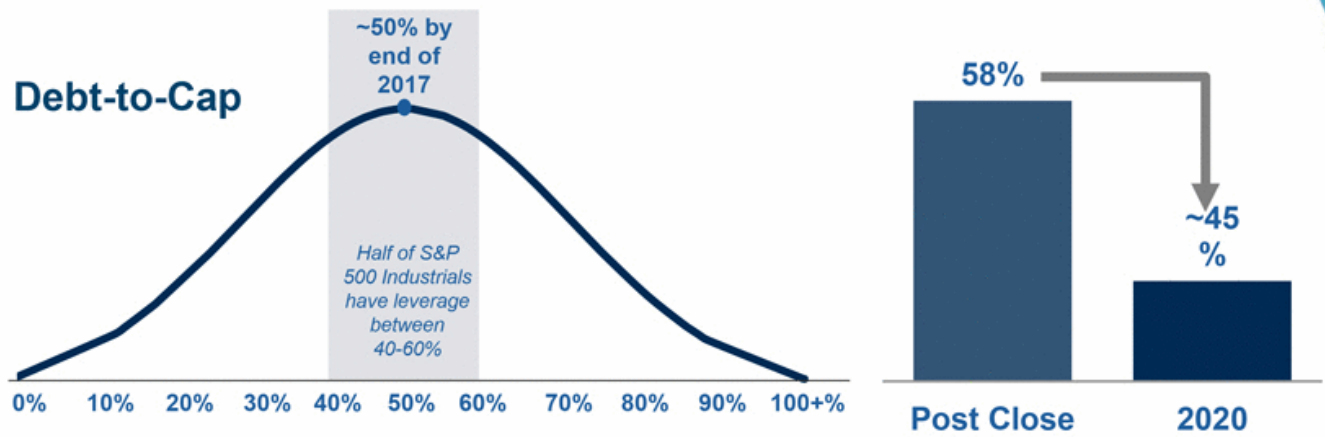
Financing Sources	
Cash	\$0.6B
Debt and Leases Assumed	\$1.4B
New Debt Issued	\$2B
Total	\$4.0B

Post merger, our leverage remains one of the lowest in the industry...



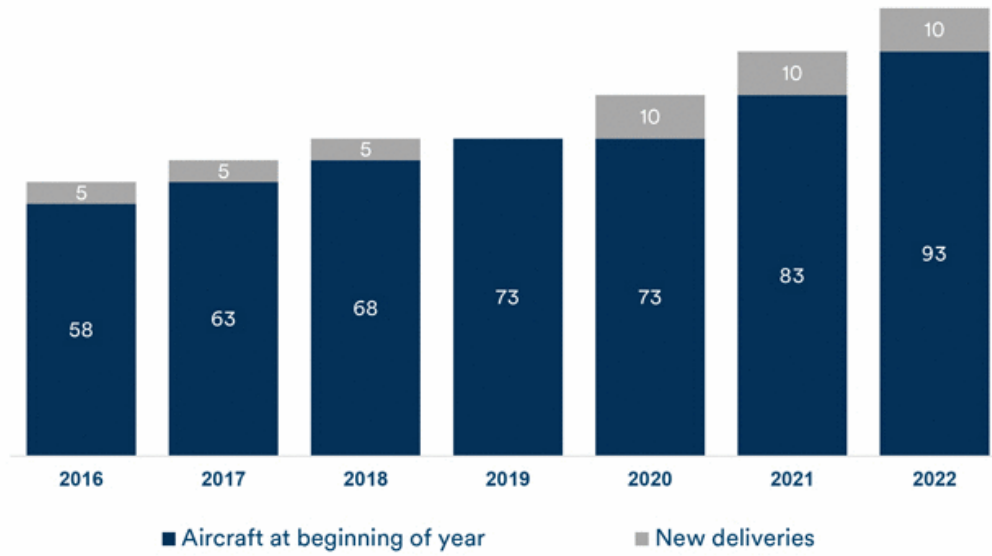
Source: OALs come from 2015 10-K reports. ALK is a pro forma modeled on the combined carrier.

...and in line with S&P 500 industrials.

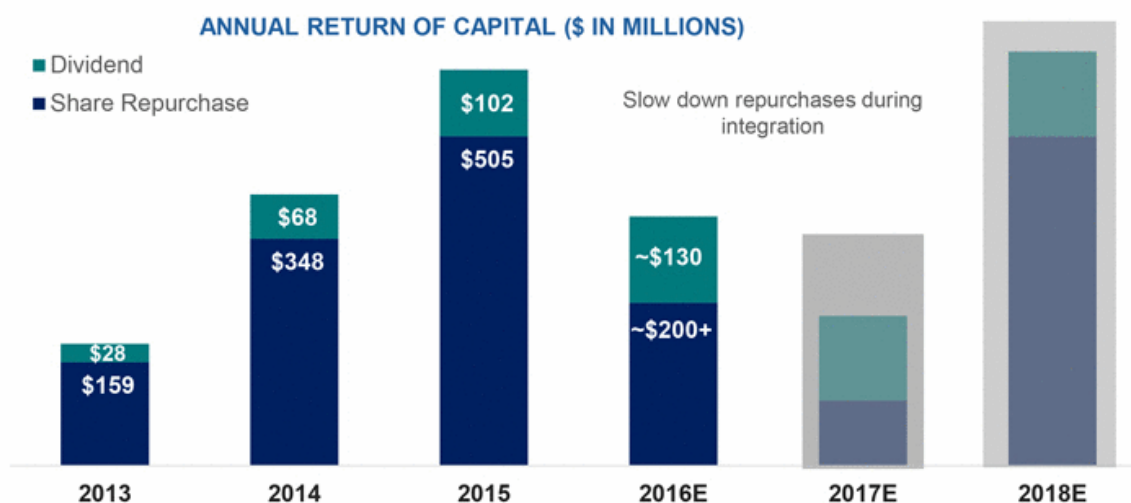


We are committed to “re-de-leveraging” the balance sheet

Virgin's fleet plan provides us flexibility.



We remain committed to returning capital to our owners via a growing dividend and consistent share buybacks.



* Dividend spend subject to Board approval.

+ Share repurchase based on current expected case – subject to change.

Recap

1. We have a track record of being **best-in-class operators**
2. We have **generated return far in excess** of our industry peers and our cost of capital
3. Larger platform for growth and deal synergies will allow us to **create greater value for all of our stakeholders**
4. We remain **focused on the quality** of our balance sheet and returns to shareholders



It's time to take our talents to a larger stage.

	<p>Highest-rated for customer service, 8 years in a row.</p> <p>—J.D. Power</p>			<p>Number 1 airline in the US, 3 years in a row.</p> <p>—Wall Street Journal</p>	
			<p>The most on-time airline in North America. 6 years and counting.</p> <p>—FlightStats.com</p>		

Alaska and Virgin both run strong operations.

THE WALL STREET JOURNAL.

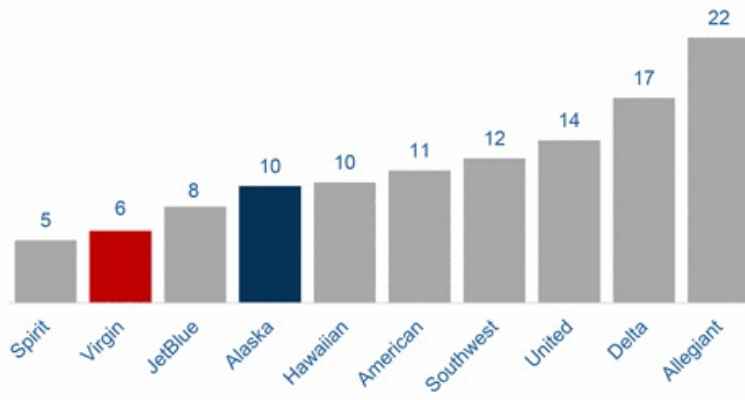
2015 Airline Scorecard | Rankings of major carriers in key operational areas, best to worst

	Overall rank	On-time arrivals	Canceled flights	Extreme delays	2-hour tarmac delays	Mishandled baggage	Involuntary bumping	Fewest Complaints
1	Alaska	Alaska	Frontier	Alaska	Alaska	Virgin Amer.	JetBlue	Alaska
2	Virgin Amer.	Delta	Virgin Amer.	Delta	Southwest	JetBlue	Virgin Amer.	Southwest
3	Delta	Southwest	Alaska	Southwest	Virgin Amer.	Delta	Delta	Delta
4	Southwest	Virgin Amer.	Southwest	Virgin Amer.	Delta	Spirit	Spirit	JetBlue
5	JetBlue	JetBlue	Delta	American	Frontier	Frontier	Alaska	Virgin Amer.
6	Frontier	United	JetBlue	United	JetBlue	United	American	United
7	United	American	Spirit	JetBlue	Spirit	Southwest	United	American
8	Spirit	Frontier	United	Frontier	United	Alaska	Southwest	Frontier
9	American	Spirit	American	Spirit	American	American	Frontier	Spirit

Sources: On-time and canceled flights data for full year 2014 from moflight; includes regional affiliate flights; extreme delays, which are 45 minutes or longer, compiled by FlightStats Inc.; Two-hour tarmac delays, mishandled baggage, and consumer complaints from Department of Transportation based on 12 months ended in November; DOT involuntary bumping data 12 months through September.

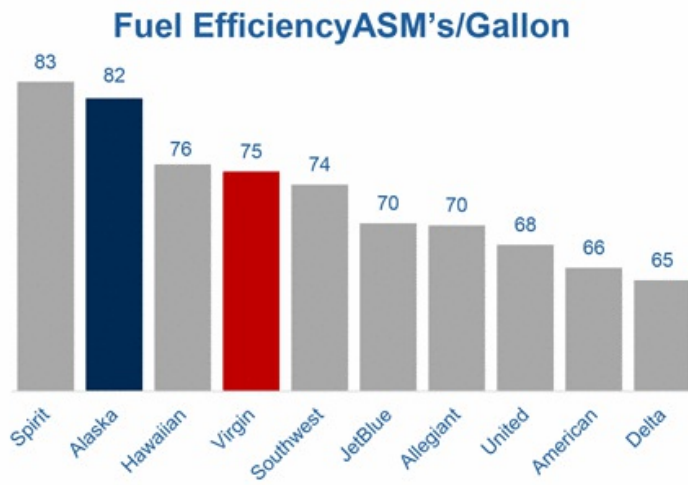
Both of us operate young fleets...

Fleet Age in Years



Source: Airfleets.net. Mainline only.

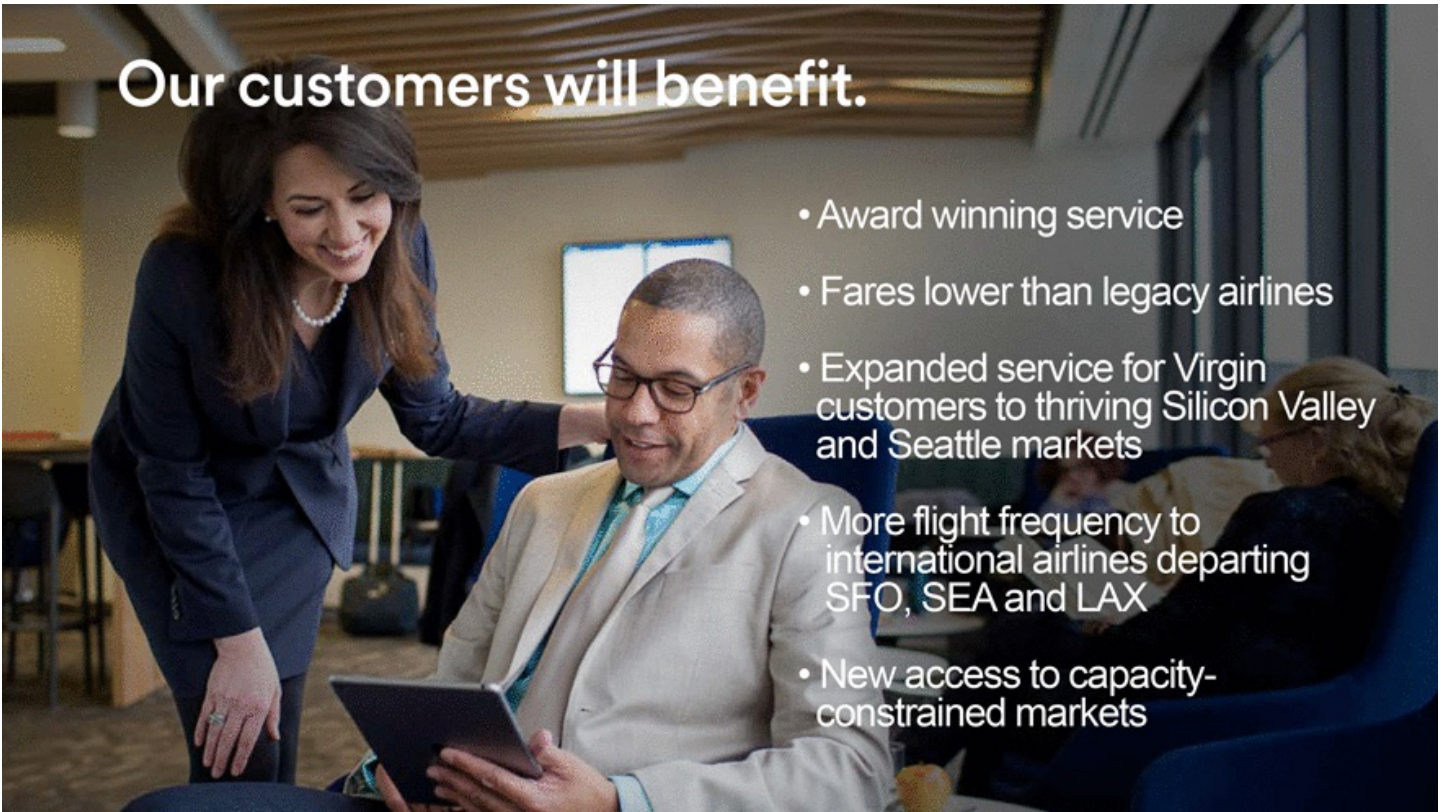
...that are highly fuel efficient.



Source: 2015 10-K reports. Mainline only.

Our customers will benefit.

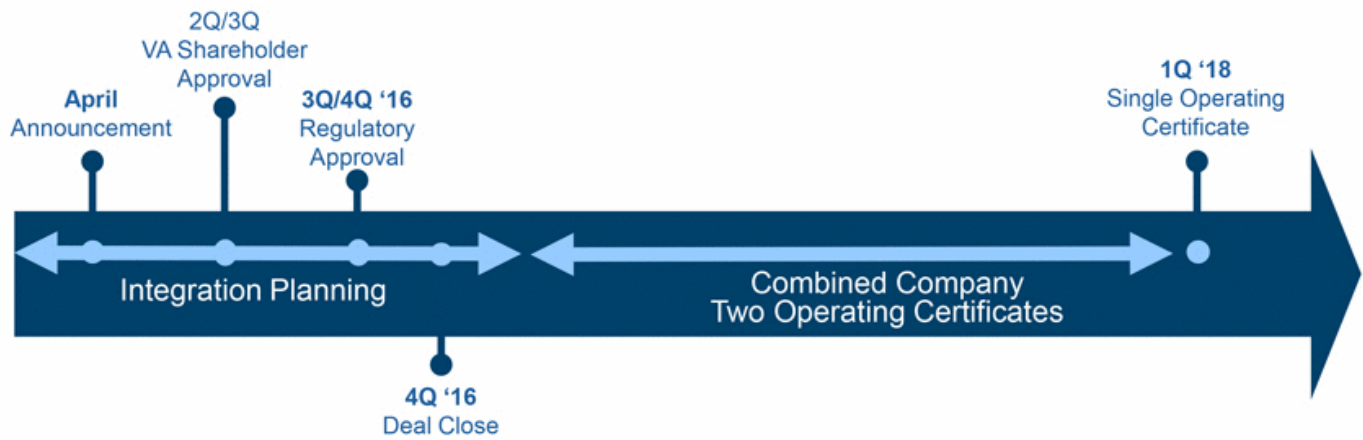
- Award winning service
- Fares lower than legacy airlines
- Expanded service for Virgin customers to thriving Silicon Valley and Seattle markets
- More flight frequency to international airlines departing SFO, SEA and LAX
- New access to capacity-constrained markets



We are committed to taking care of employees



Deal Milestones



The Premier Airline for
People on the West Coast

Alaska
AIRLINES +  america

