
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:

The following is a slide presentation presented by Alaska Air Group, Inc. (the “Company”) at the Company’s annual meeting of stockholders on May 12, 2016.



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.

Additional information about the merger and where to find it

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. On April 22, 2016, Virgin America filed a preliminary proxy statement with the Securities and Exchange Commission (the "SEC") in connection with the solicitation of proxies for the merger. When completed, a definitive proxy statement will be filed with the SEC and mailed to stockholders of Virgin America and 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 ANY OTHER RELEVANT MATERIALS FILED WITH THE SEC 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, stockholders 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>.

Participants in the solicitation

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 about Virgin America's directors and executive officers is available in Virgin America's proxy statement for its 2016 annual meeting of stockholders filed with the SEC on March 25, 2016. 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, was set forth in the preliminary proxy statement Virgin America filed with the SEC on April 22, 2016 and may be updated or supplemented 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.

Creating a business for the long-term



Our strategy is simple and balanced



**Safety &
Compliance**



People Focus



**Hassle Free
(Easiest airline to fly)**



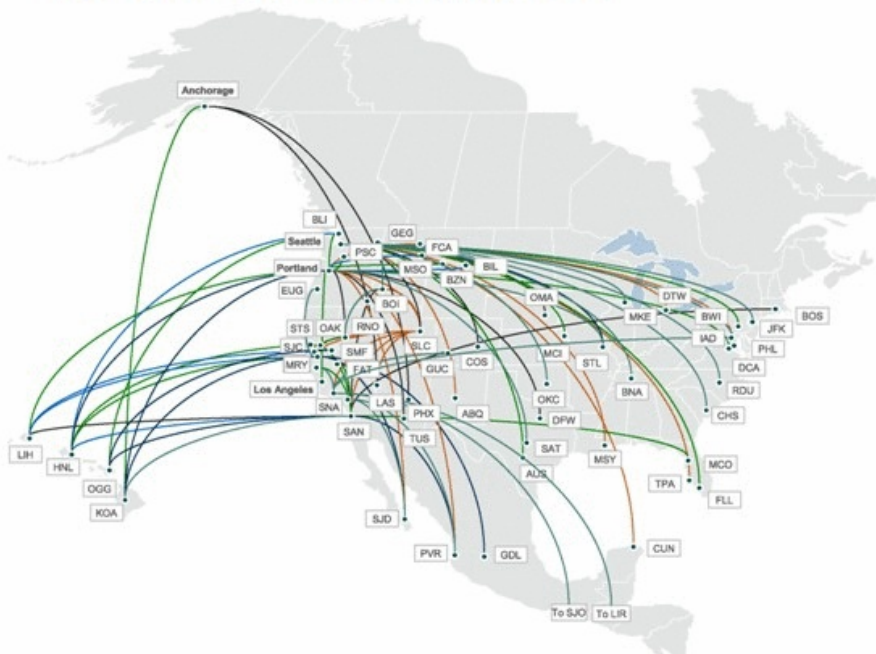
**Energetic &
Compelling Brand**



**Low Fares,
Low Costs &
Network Growth**



Our strategy has helped us launch 26 new cities and enter 90 new markets since 2010



14 New Markets in 2010
1 New City

6 New Markets in 2011
No New Cities

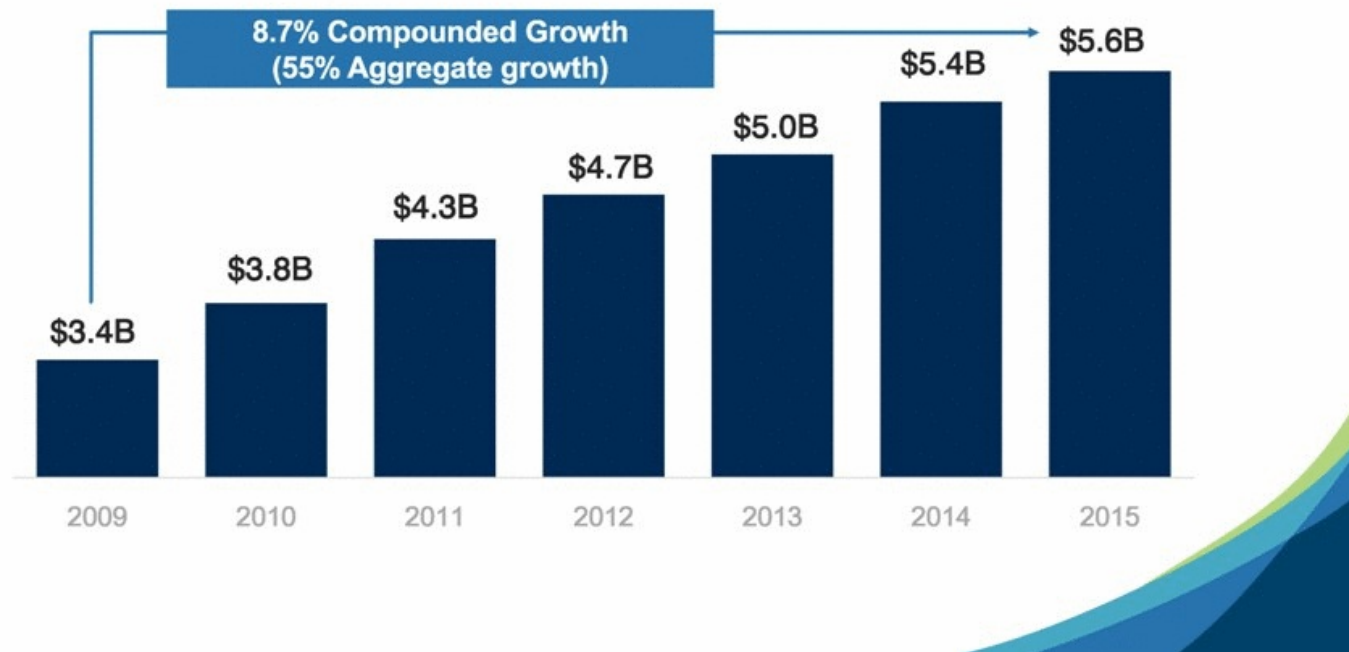
19 New Markets in 2012
5 New Cities

15 New Markets in 2013
4 New Cities

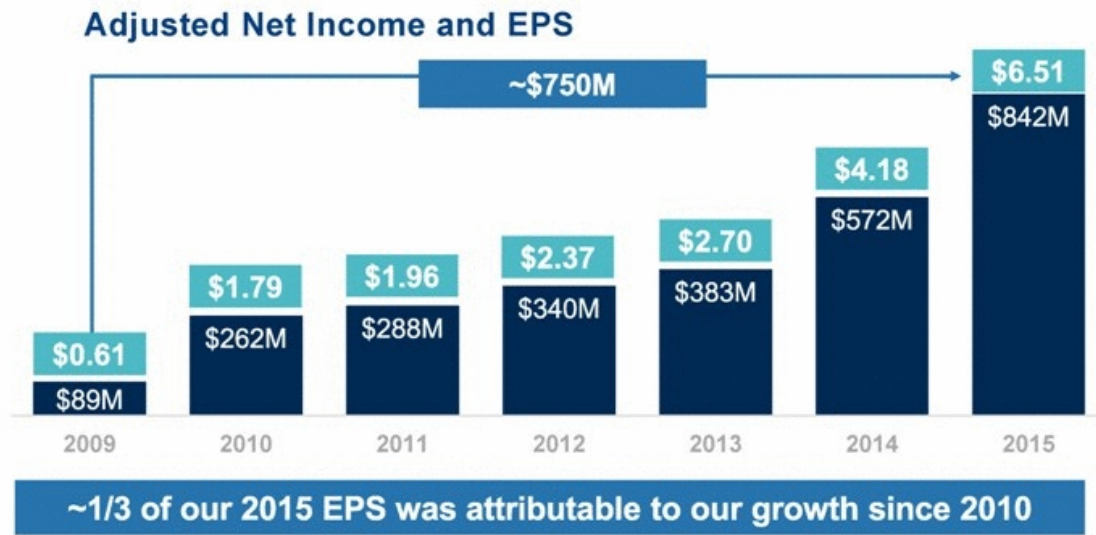
16 New Markets in 2014
6 New cities

20 New Markets in 2015
10 New Cities

And helped our revenues outpace the industry and GDP growth

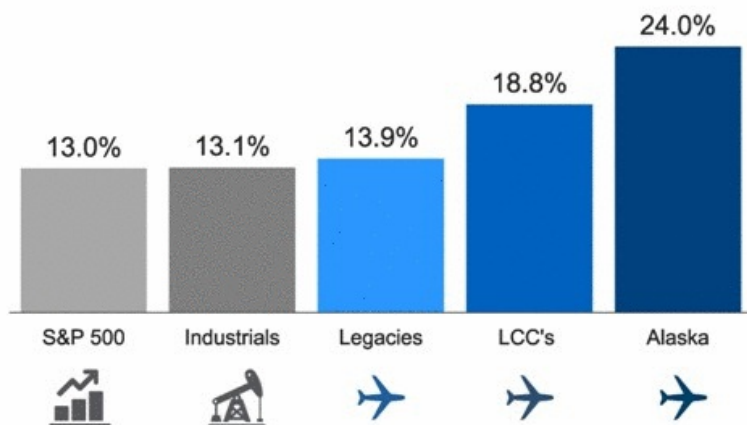


Our returns have kept pace with our revenue growth



2015 was another strong year financially...

Industry and Sector Leading Pre-Tax Margin (2015)



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

...And the underlying business is operating well

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

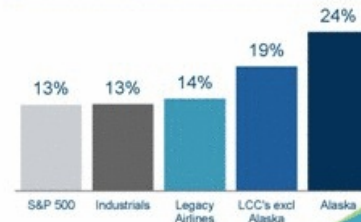
AIRLINE CREDIT RATING		
	S&P	Fitch
BBB+		Southwest
BBB	Southwest	
BBB-	Alaska	Alaska
BB+	Delta	Delta
BB	Allegiant	
BB-	JetBlue	JetBlue
B+		JetBlue

Award Winning Service



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

High Margins



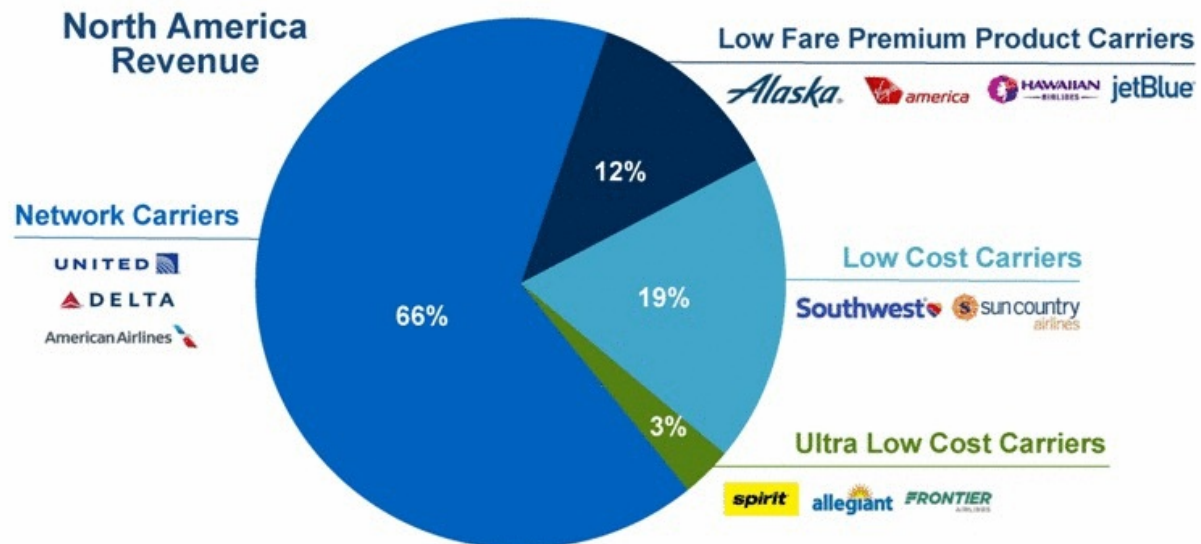
2016 Plan



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



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



Acquiring Virgin America Provides a Platform for Growth

Powerful West Coast Network



Enhanced Partnerships



Access to Constrained Airports



California Customer Base



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...

Population
11.9 Million

Daily
Passengers
North America
71,700



Population
39.1 Million

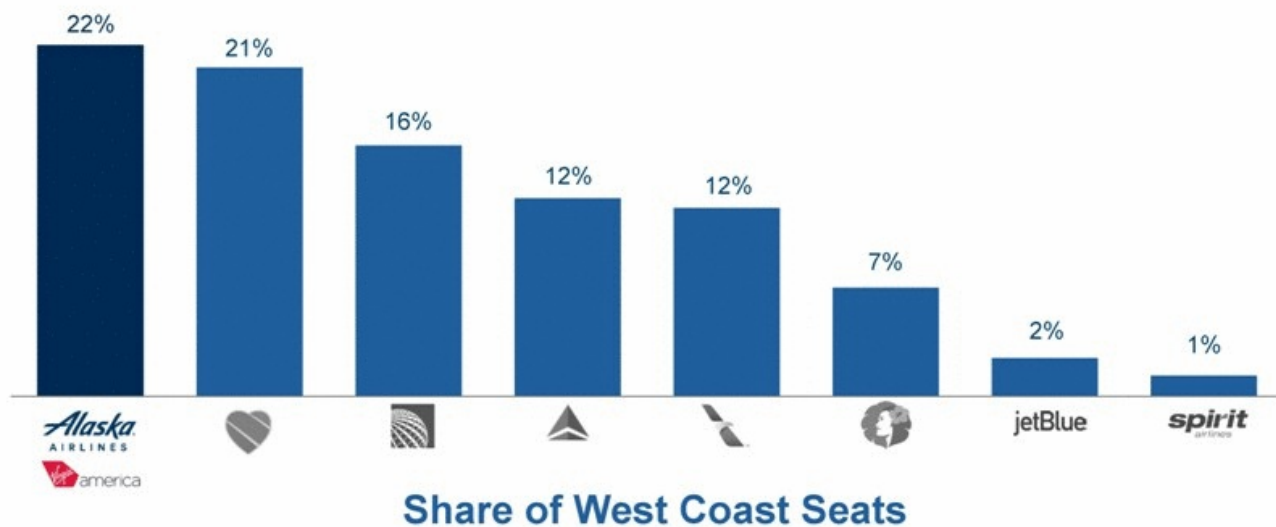
Daily
Passengers
North America
185,700



2.5x
PacNW Daily
Passengers

3x
PacNW
Population

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
Bay Area
115 Flights



LAX
79 Flights
12 Gates
LA Basin
102 Flights

Average scheduled daily flights for Alaska and Virgin America YE3Q16



Our combined network provides tremendous options for customers living on the west coast



Alaska
AIRLINES



Our combined network provides tremendous options for customers living on the west coast



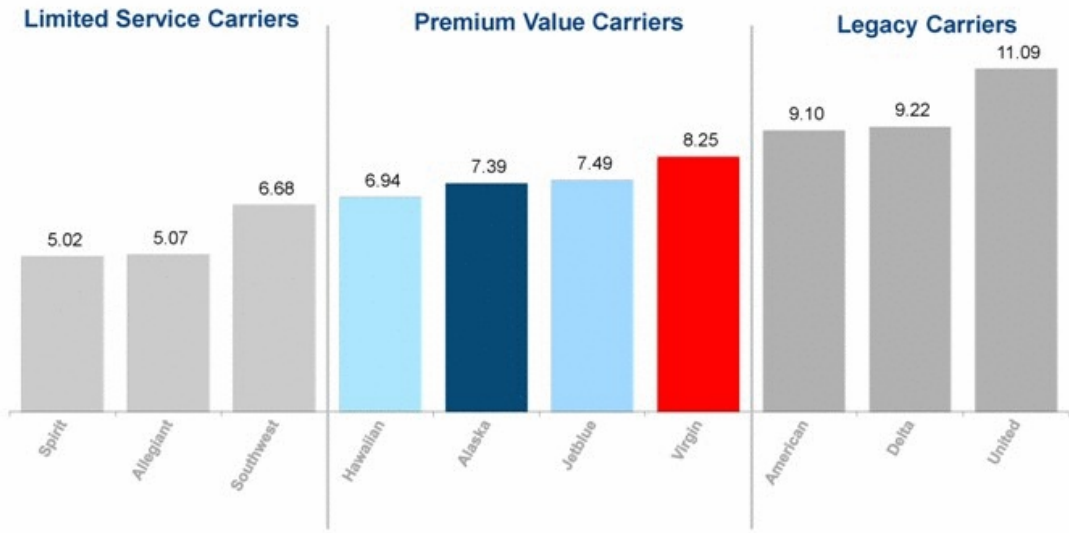
And our partner portfolio gives our customers expansive global reach



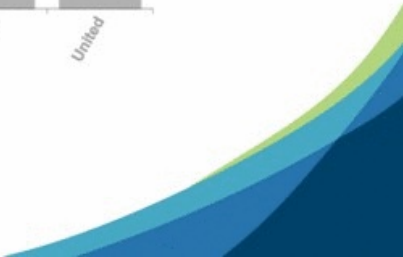
With Virgin America, we obtain valuable gates and landing slots on the East and West Coast.



Our costs are lower than legacy carriers

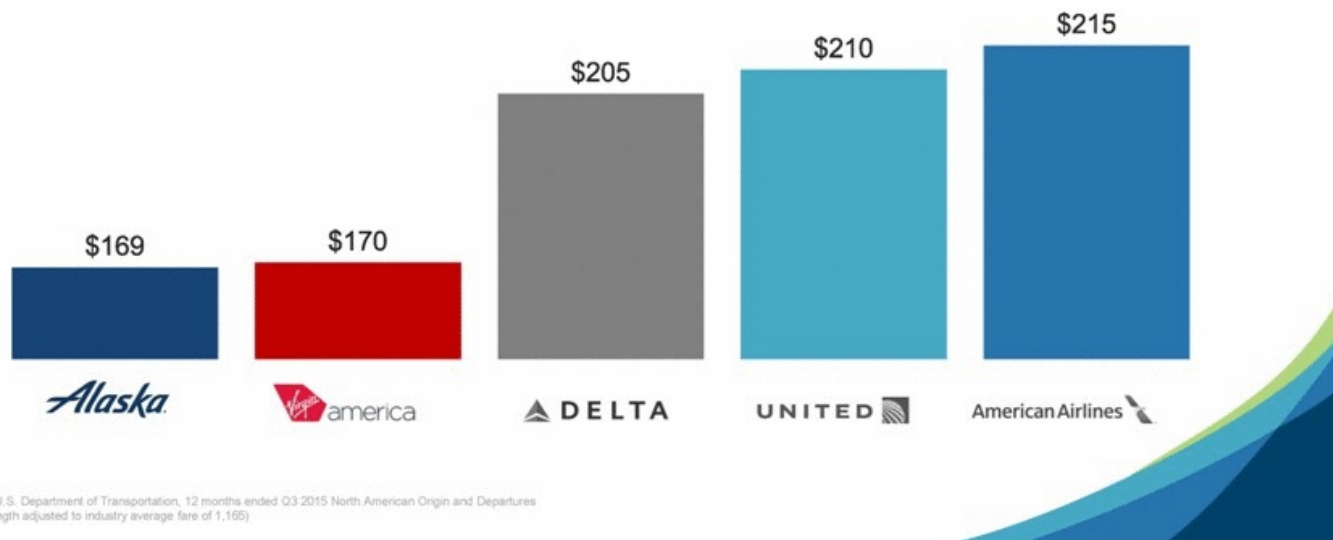


Source: Alaska Mainline and Competitors, 12 Months Ending December 31, 2015.
Stage-length adjusted CASM formula: other airline CASM x (other airline stage length / Alaska mainline stage length) ^ 0.5



Our customers benefit from our lower fares...

Our fares are ~25% lower than legacy carriers



...Industry leading operational reliability

THE WALL STREET JOURNAL.

2015 Airline Scorecard

Rankings of major carriers in key operational areas, best to worst

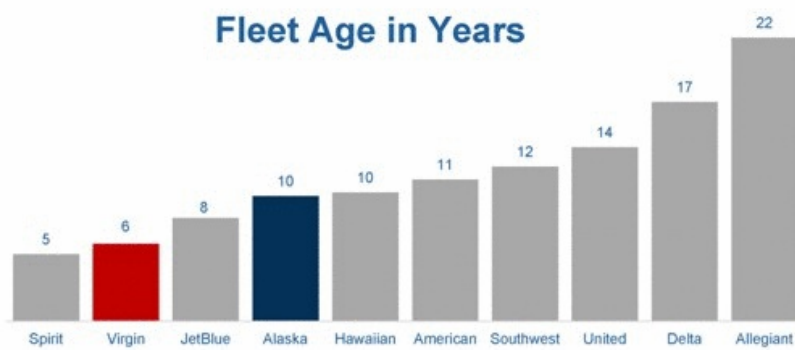
	Overall rank	On-time arrivals	Canceled flights	Extreme delays	2-hour tarmac delays	Mishandled baggage	Involuntary bumping	Fewest Complaints
1	Alaska	Alaska	Frontier	Alaska	Alaska	Virgin Amer.	JetBlue	Alaska
2	Virgin Amer.	Delta	Virgin Amer.	Delta	Southwest	JetBlue	Virgin Amer.	Southwest
3	Delta	Southwest	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 masFlight. 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.

...Award-winning customer service



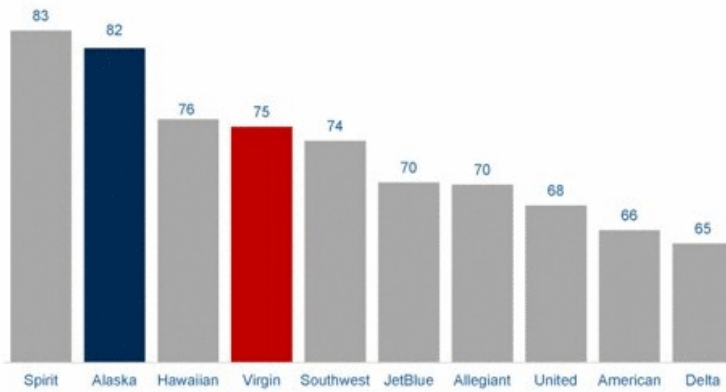
...on one of the youngest



Source: Airfleets.net. Mainline only.

...and most fuel efficient fleets in the country

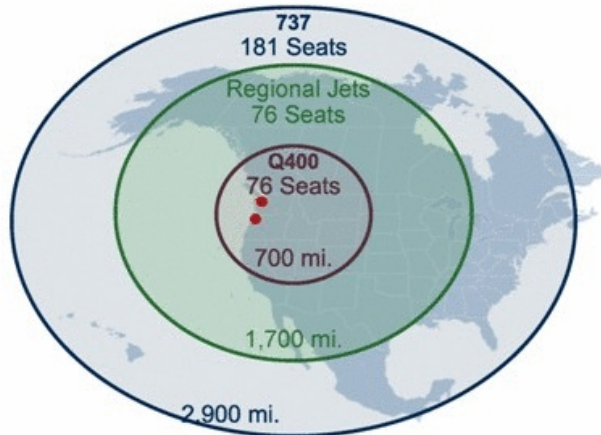
Fuel Efficiency ASMs/Gallon



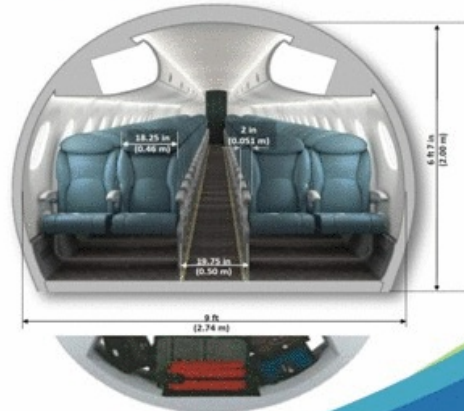
Source: 2015 10-K reports. Mainline only.

Addition of E-175s in our fleet creates a superior onboard experience for our customers and opens up new markets

Air Group's Fleet Range



	E-175	CRJ- 700	737- NG
Cabin Height	6'7"	6'2"	7'3"
Aisle Width	19.75"	16"	16.7"
Seat Width	18.25"	17.25"	17.5"



Our credit card offers the best value proposition amongst comparable airlines

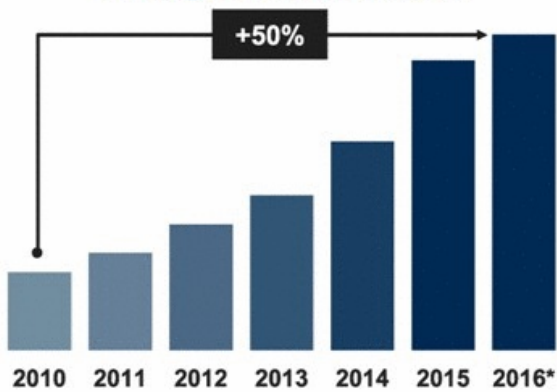


	Alaska AIRLINES	DELTA	American Airlines	UNITED	Southwest
Annual Fee	\$75	\$95	\$95	\$95	\$99
Miles for on Airline Spend	3X	2X	2X	2X	2X
Companion Certificate	\$99	×	×	×	×
Top Rated Loyalty Program*	✓	×	×	×	×
Free Bag	✓	✓	✓	✓	✓
Foreign Transaction Fees	0%	0%	0%	0%	0%
Bonus Miles	30K	30K	30K	30K	25K

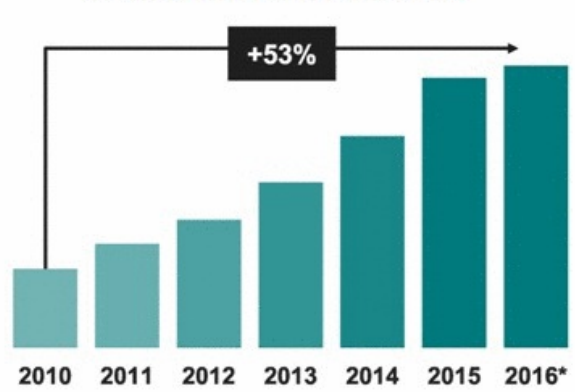
*JD Power and Associates, 2014 Airline Loyalty Rewards Satisfaction Report
New benefits for members start in 2Q16

Our enhanced network and service offerings should help us grow our loyalty further

Mileage Plan Members



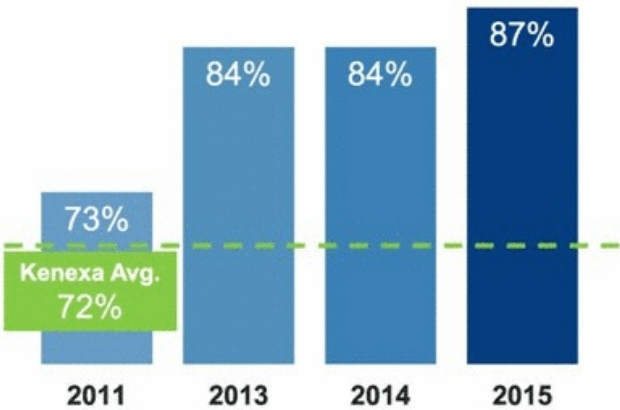
Affinity Card Membership



*All data is year ending Q1 2016

Our engaged employees drive the company forward...

Employee Engagement Scores



2012 did not have an employee engagement survey

Top 100 Employer



...And we are committed to taking care of employees



Everyone across the entire company participates in the same incentive program

And this combination creates significant 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 ~ \$350M	

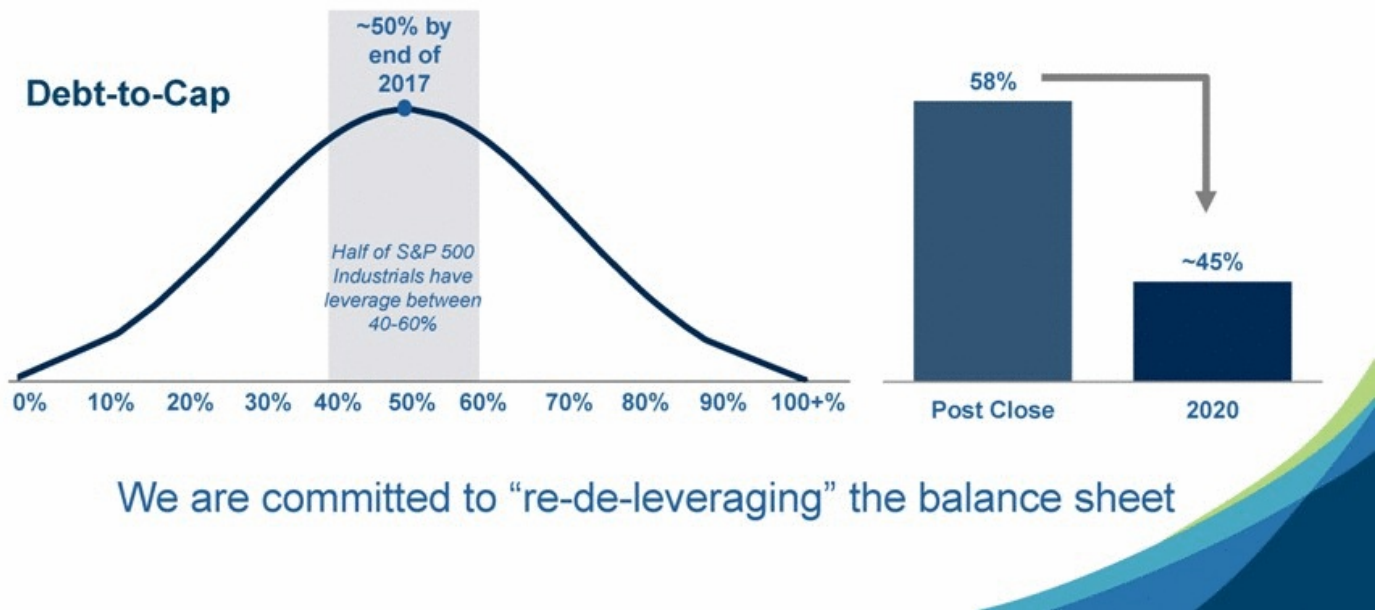


Post merger, our leverage remains one of the lowest in the industry...



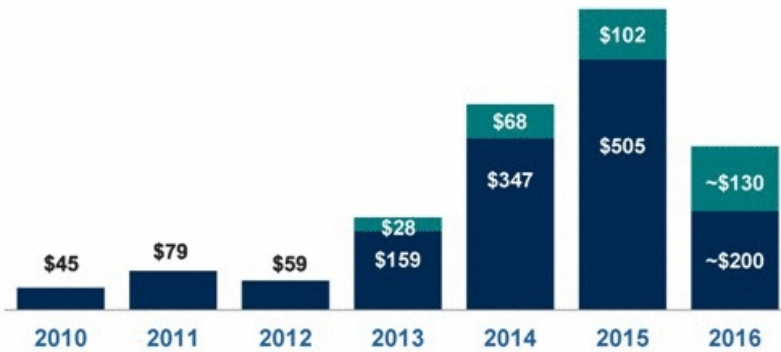
Source: OALs come from 2015 10-K reports. ALK is a pro forma modeled on the combined carrier.

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

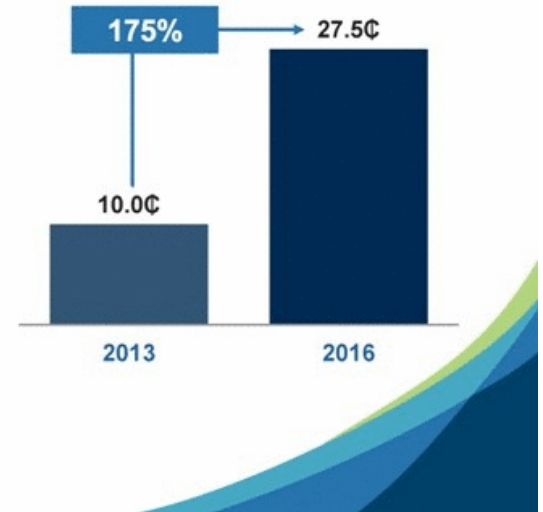


We have consistently returned capital since 2007 and grown the dividend since inception – we plan to continue both

Shareholder returns since 2010

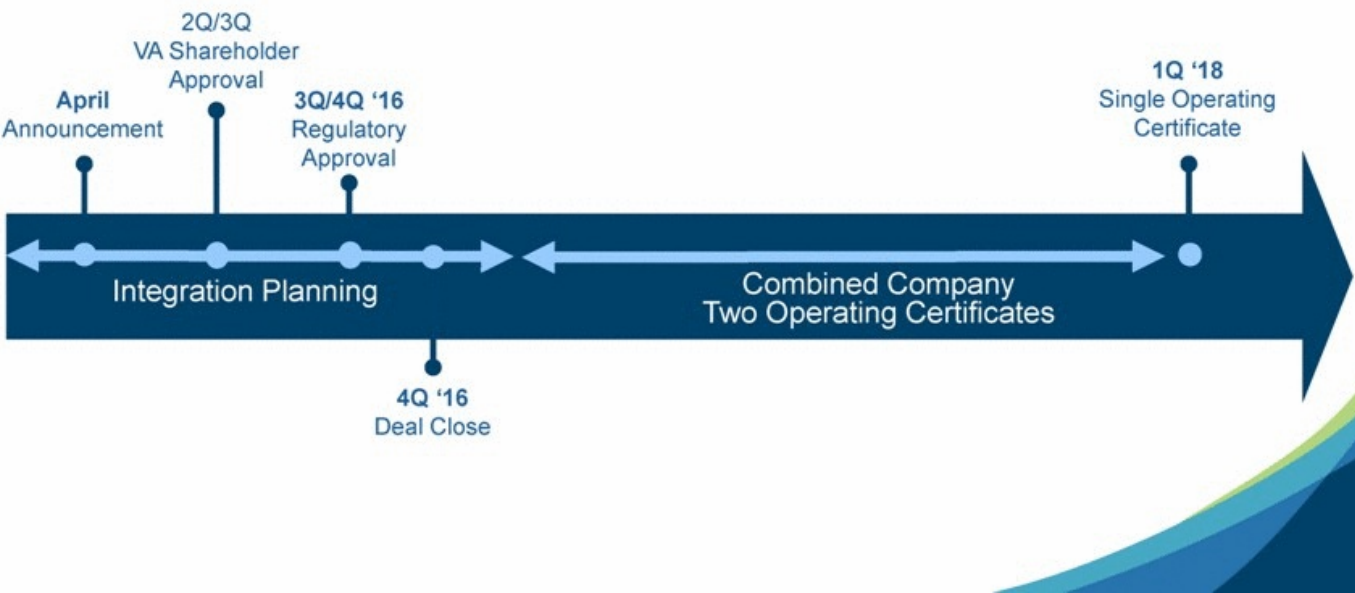


Increased dividend each year since inception



* Dividend spend subject to Board approval.
+ Share repurchase based on current expected case – subject to change.

Deal Milestones



Integration Update

- 
- A photograph of two pilots, a man and a woman, in the cockpit of an airplane. They are both smiling and high-fiving each other. The cockpit is filled with various instruments, screens, and controls. The image has a blue tint.
1. Studied best practices from other airline mergers
 2. Engaged consultants with prior airline merger experience
 3. Integration management office (IMO) is in place
 4. We and the Virgin management team will continue to run two great airlines while we move through integration
 5. Five key work streams being led by experienced leaders

Retain strong culture, retain guests and create value for our owners

Recap

1. We are operating well and our **returns far exceed** of our industry peers and our cost of capital
2. Virgin America provides us a **larger platform for growth**
3. Combined company brings **premium product at low fares** into attractive west coast markets
4. Deal synergies **create greater value for all of our stakeholders**
5. We remain **focused** on the quality of our **balance sheet and returns to shareholders**



Ready for takeoff



Additional Information About the Merger and Where to Find It

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Participants in the Solicitation

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Cautionary Statement Regarding Forward-Looking Statements

This communication contains forward-looking information about Alaska Airlines, Virgin America and the proposed transaction. Forward-looking statements are statements that are not historical facts. These statements can be identified by the use of forward-looking terminology such as “believe,” “expect,” “may,” “likely,” “should,” “project,” “could,” “plan,” “goal,” “potential,” “pro forma,” “seek,” “estimate,” “intend” or “anticipate” or the negative thereof, and may include discussions of strategy, financial projections, guidance and estimates (including their underlying assumptions), statements regarding plans, objectives, expectations or consequences of announced transactions and statements about the future performance, operations, products and services of Virgin America and/or Alaska Airlines. Alaska Airlines and Virgin America caution readers not to place undue reliance on these statements. These forward-looking statements are subject to a variety of risks and uncertainties. Consequently, actual results and experience may differ materially from those contained in any forward-looking statements. Such risks and uncertainties include: the failure to obtain Virgin America stockholder approval of the proposed transaction; the possibility that the closing conditions to the proposed transaction may not be satisfied or waived, including that a governmental entity may prohibit, delay or refuse to grant a necessary regulatory approval; delay in closing the transaction or the possibility of non-consummation of the transaction; the occurrence of any event that could give rise to termination of the merger agreement; the risk that stockholder litigation in connection with the contemplated transaction may affect the timing or occurrence of the contemplated transaction or result in significant costs of defense, indemnification and liability; risks inherent in the achievement of anticipated synergies and the timing thereof; risks related to the disruption of the transaction to Virgin America and its management; the effect of announcement of the transaction on Virgin America’s ability to retain and hire key personnel and maintain relationships with suppliers and other third parties; labor costs and relations, general economic conditions, increases in operating costs including fuel, inability to meet cost reduction goals, an aircraft accident, and changes in laws and regulations. These risks and others relating to Alaska Airlines and Virgin America are described in greater detail in their respective SEC filings, including (i) as to Alaska Airlines, Alaska Airlines’ Annual Report on Form 10-K for the fiscal year ended December 31, 2015, as well as in other documents filed by Alaska Airlines with the SEC after the date thereof, and (ii) as to Virgin America, Virgin America’s Annual Report on Form 10-K for the fiscal year ended December 31, 2015, as well as in other documents filed by Virgin America with the SEC after the date thereof. Alaska Airlines and Virgin America make no commitment to revise or update any forward-looking statements in order to reflect events or circumstances occurring or existing after the date any forward-looking statement is made.