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## AirTran Holdings Inc. Q1 2009 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator Instructions) Your first question comes from John Mack - Morgan Stanley.

#### John Mack - Morgan Stanley

Hi, this is actually John filling in for Bill. Just had a couple of quick questions here. Arne, I think if I got that correctly, I think you mentioned that total RASM is going to be up year-over-year in April, but I'm sort of surprised to see the total RASM guidance for the full quarter is still showing sort of a sequential deterioration. Can you just talk about what you are seeing in May and June versus March and if the core trend is deteriorating or stabilizing or your general view there?

#### Arne Haak

I don't think we'd say that it's deteriorating. I think the big difference between the two quarters is that the improvements we saw in January and total RASM are bigger than the improvements we are seeing in April in terms of total RASM. Our advance bookings are roughly in line for the quarter, year-over-year but we are seeing yield pressures. I think the yield pressures that we have seen will continue and that's what the underlying assumption for our RASM guidance.

#### John Mack - Morgan Stanley

Just on ancillary revenue, that's certainly been boosting the revenue trend pretty significantly this quarter for sure. Can you just talk about have you see ancillary revenues kind of developing throughout the year, if there are any kind of important times that we should be aware of when different fees came on and what other ancillary revenue initiatives if any you are currently considering?

#### Kevin Healy

John, this is Kevin Healy. Really not going to get into the specifics of the ancillary programs that we have, but we've made a number of changes over the last year or so and tweak the way that in some cases how we presented as well. So I think changes in the presentation and some potential new programs for competitive reasons, we won't go into. The one thing that is clear that we learn is the consumers are accepting a new pay for services price structure. I think you see that in the numbers and you expect to see that going forward.

#### Operator

Your next question comes from Duane Pfennigwerth - Raymond James.

**Duane Pfennigwerth - Raymond James**

I'm wondering if you could comment on the take rates, specifically on your bags and what you think the contribution was in the quarter, and if any of that flows through the passenger revenue line?

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