AIRLINE ECONOMIC ANALYSIS

State of the industry: 3Q 2024

By Tom Stalnaker, Khalid Usman, Grant Alport, Andy Buchanan, and Aaron Taylor

A business of Marsh McLennan

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WELCOME TO THE NEW AIRLINE ECONOMIC ANALYSIS REPORT

What is the Airline Economic Analysis and what is changing?

- The Airline Economic Analysis (AEA) is Oliver Wyman's report on the financial state of the airline industry
- We have published the AEA annually for the past 15 years as a written report, heavily focused on the US sector
- Going forward we are transitioning to a quarterly release with more of a global focus and a lighter, more visually driven style
- The AEA will continue to include traditional in-depth analysis like US industry financial deep dives and global capacity trends, released at varying points through the year
- We will also continue to publish features on emerging trends and their implications for the industry and its ecosystem

Comparison of features

	Prior version	New version
Release schedule	Annual	Quarterly
Coverage	US emphasis	Global
Scope	Airline industry and macro-economics	Additional granularity using proprietary tools
Format	Traditional written report	Slideshow style
Deep dive topics	Typically, 4 areas of deeper analysis	Retained and spread throughout the year
Special topics	Typically, 3-4 articles on trending topics	Retained, released as merited

FORWARD TO THE THIRD QUARTER 2024 INDUSTRY REVIEW

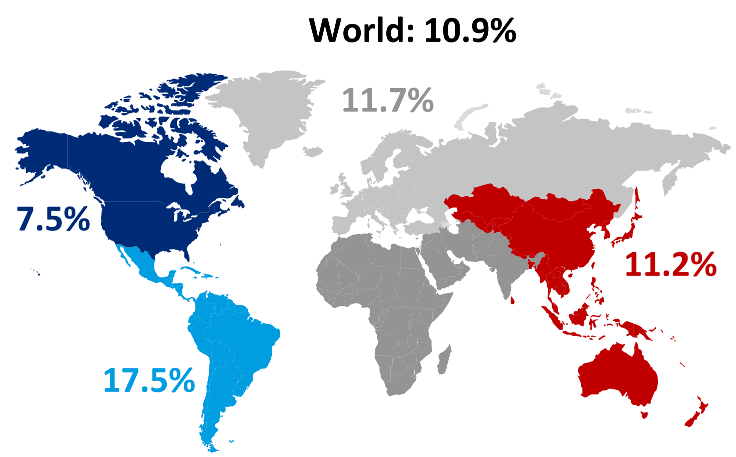
Commentary and perspectives

- In this installment, we review third quarter 2024 results for the airline industry worldwide:
  - Macro-economic conditions remained positive as world GDP grew by 5% with positive consumer income and spending trends
  - The airline industry[1] grew capacity globally by 6%, realized 7% revenue growth, and produced an operating margin of 11%
  - However, continued growth of non-fuel cost led to margin erosion of 1.6 points
- We also more deeply examine longer-term capacity trends worldwide as the industry finally grows beyond the pre-COVID era

Very best,
Tom Stalnaker
Khalid Usman
Grant Alport
Andy Buchanan
Aaron Taylor

Worldwide airline industry economic indicators

Operating margin 3Q 2024
For carriers in global index



Q3 year-over-year
For carriers in global index

Region	RASM	CASM	Op Margin (pts)
North America	-1.3%	0.7%	-1.92
Europe	4.3%	6.2%	-1.58
Latin America	-1.5%	-5.6%	3.59
Asia/Pacific	-1.4%	1.1%	-2.21
World	0.9%	2.8%	-1.63

Note: [1]as measured by our global index of airlines, see appendix for details

NOTES ON APPROACH AND METHODOLOGY

Results for each region are presented in three sections, using the following approach:

	1. Financial results summary	2. Results by business model	3. Production review
What we report	• Operating revenue, expense, earnings, margin • Capacity as available seat-miles (ASMs) • Revenue and cost per available seat-mile (RASM, CASM) • Other metrics as listed / applicable	• Same information as for the regional financial summary section, spilt by business model • Carriers categorized as full-service or lower-cost (which includes ULCC and value models)	• Capacity and passenger itinerary production • Capacity includes available seat miles, seats (gauge), distance (stage), fleet size, and utilization metrics • Itineraries include origin-and-destination markets served, itineraries produced, and rates relative to flights and seats
Scope of reporting	• Index[1] of select carriers based in the region (see appendix for additional detail) • Currently, the Africa/Middle East/India region does not have enough carrier data to create an accurate index	• Index[1] of select carriers based in the region (see appendix for additional detail)	• All carriers based in the region that publish schedules
Where we get data	• CapIQ, carrier earnings releases, OAG • Macro-economic data from Oxford Economics and US Energy Information Administration • Any other sources are noted as applicable	• CapIQ, carrier earnings releases, OAG • Macro-economic data from Oxford Economics and US Energy Information Administration • Any other sources are noted as applicable	• Capacity: OAG, AWIN • Itineraries: proprietary Oliver Wyman network forecasting model using published industry schedules

Note: [1]We create regional indices because timely and accurate reporting is not available for all carriers. We strive to make each regional index representative of the region broadly, by including the most relevant carriers from a mix of business models whose data is regularly available. The appendix includes a list of carriers we use in each index.

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INDUSTRY FINANCIAL RESULTS: GLOBAL AIRLINE INDEX
11% MARGIN ON 6% CAPACITY GROWTH

Summary

Airlines in our worldwide index produced an operating margin of 10.9% during Q3 2024. Expenses increased faster than both revenue and capacity during the period compared to Q3 2023.

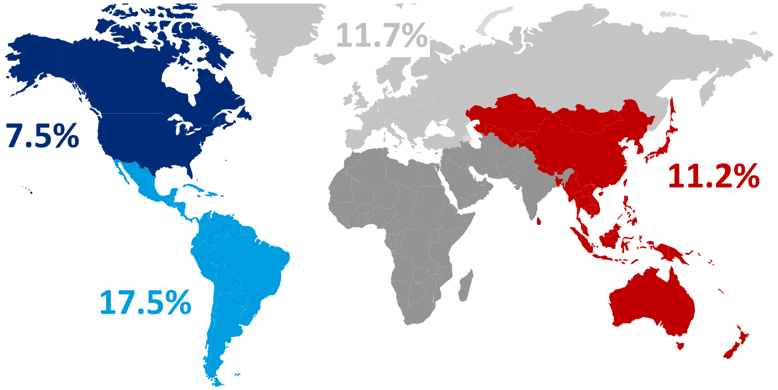
Commentary

- Worldwide, operating margin decreased 1.6 points to 10.9% over Q3 2023
- Operating margins were above 10% in all regions except North America
- Available Seat Miles (ASMs) increased 6.1%, led by the Asia Pacific region (up 10.4%)
- Expenses at worldwide airlines increased faster than revenue with operating expense up 9.1% and CASM up 2.8%
- RASM also increased worldwide led Africa/ME/India, Europe and Asia/Pacific

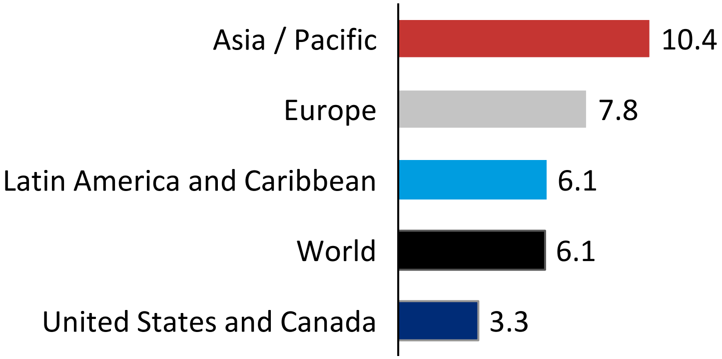
Q3 financial statistics for the global industry

Q3 2024 operating margin

World: 10.9%



Year-over-year ASM change



Summary of YoY change in financial metrics

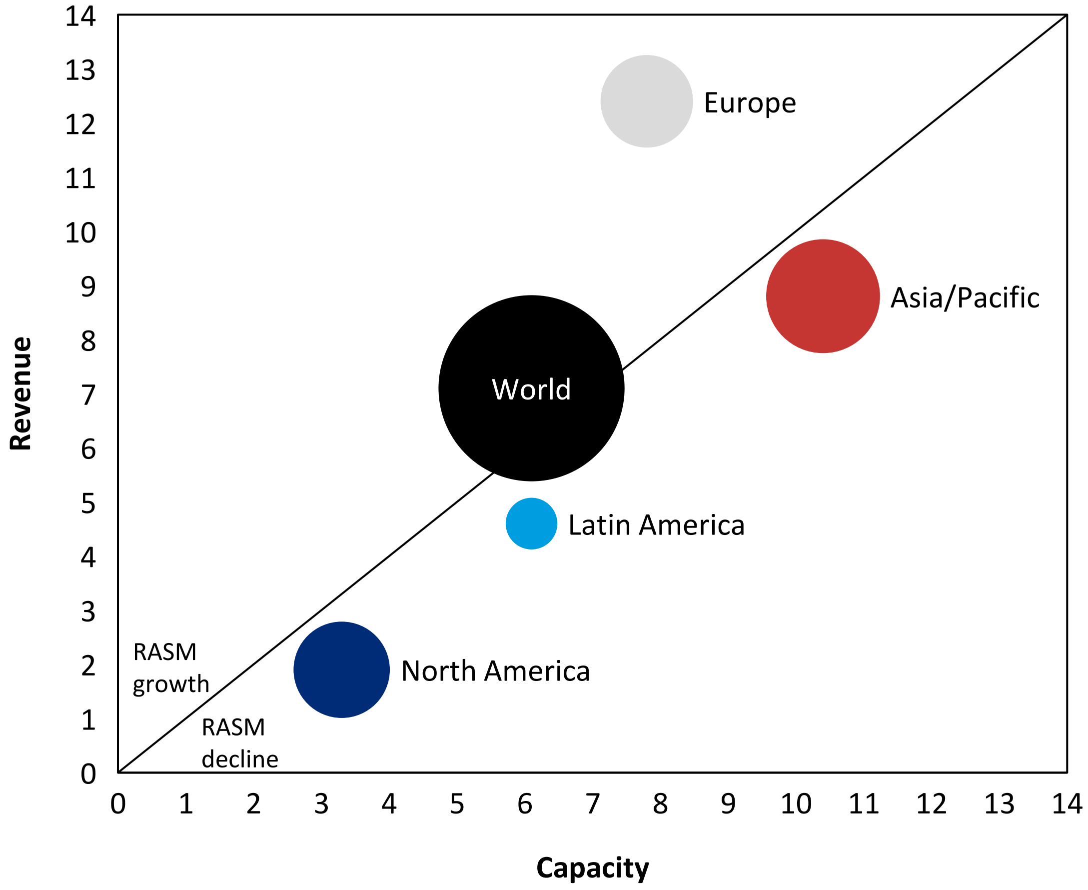
Q3 2023 vs. Q3 2024

Region	Revenue	Expense	RASM	CASM	Op Margin (pts)
North America	1.9%	4.1%	-1.3%	0.7%	-1.92
Europe	12.4%	14.5%	4.3%	6.2%	-1.58
Latin America	4.6%	0.2%	-1.5%	-5.6%	3.59
Asia/Pacific	8.8%	11.6%	-1.4%	1.1%	-2.21
World	7.1%	9.1%	0.9%	2.8%	-1.63

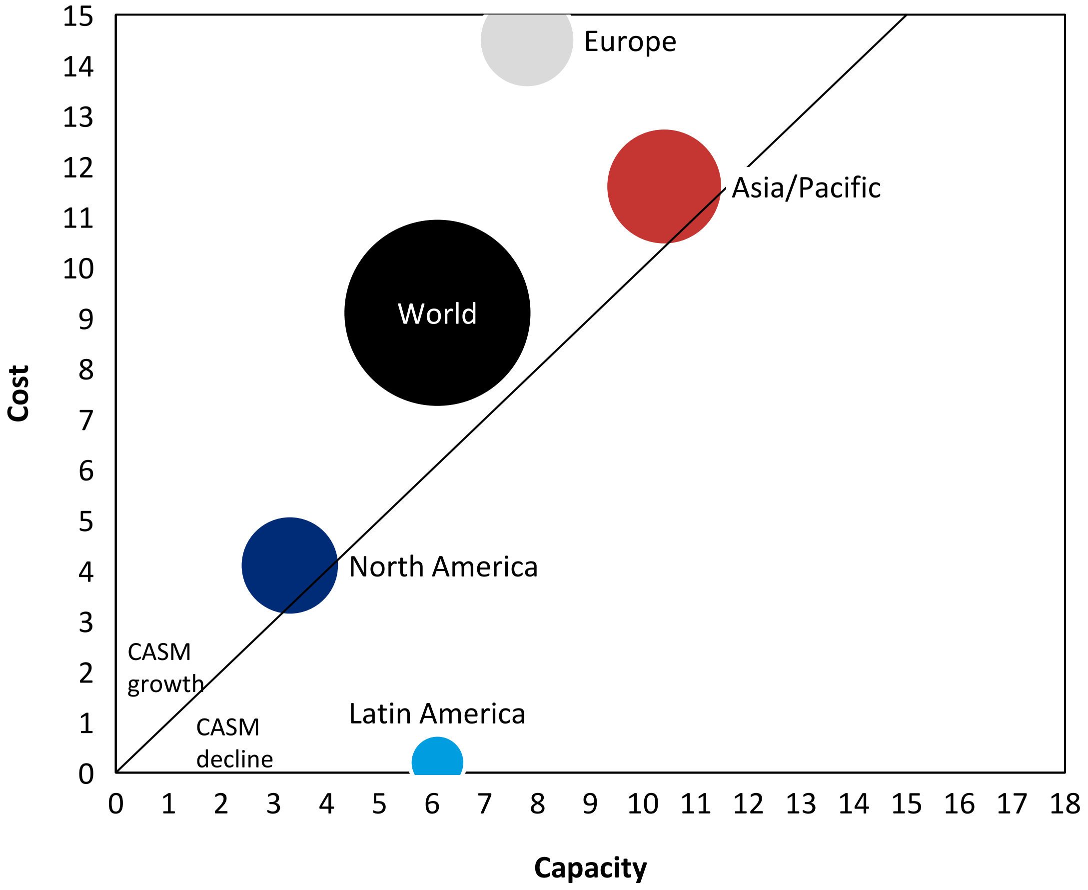
Source: CapIQ and carrier earnings releases;. Capacity figures based on OAG schedule data via PlaneStats.com. See appendix for carriers included by region.

INDUSTRY UNIT ECONOMIC DRIVERS: GLOBAL AIRLINE INDEX
REVENUE GROWTH OUTPACING CAPACITY, BUT COST OUTPACING REVENUE

Unit revenue (RASM) growth
Year-over-year growth in %, bubble size denotes capacity



Unit cost (CASM) growth
Year-over-year growth in %, bubble size denotes capacity



Source: CapIQ and carrier earnings releases;. Capacity figures based on OAG schedule data via PlaneStats.com. See appendix for carriers included by region.

MACRO-ECONOMIC INDICATORS: WORLDWIDE
POSITIVE ECONOMIC INDICATORS AND DECLINING FUEL COST

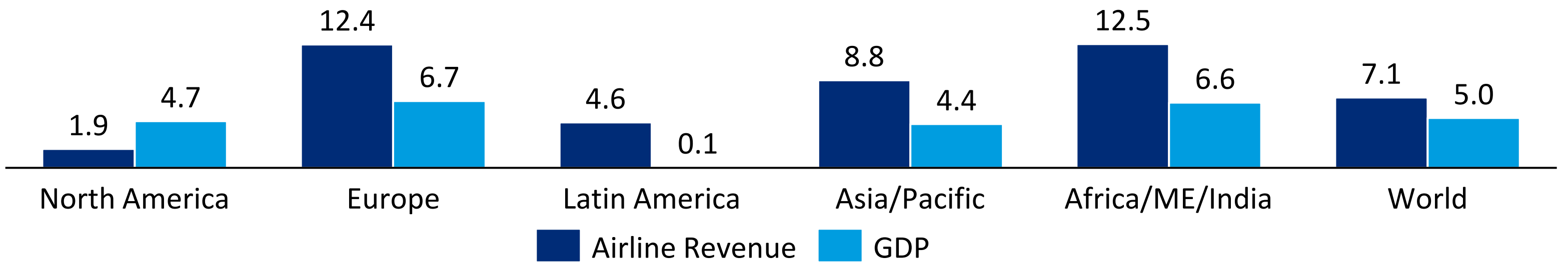
Summary

Overall economic drivers were positive with strong growth in GDP, personal spending and disposable income. Additionally, declining fuel costs helped moderate otherwise increasing expenses.

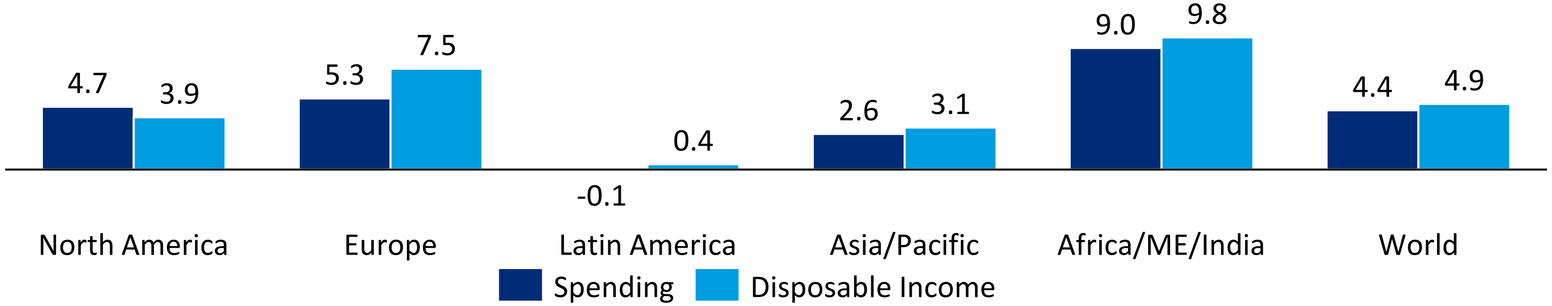
Commentary

- Globally, revenue for airlines in our index increased at a greater rate than GDP
- Revenue grew faster than GDP in all regions except North America
- Disposable income and consumer spending continue to grow, but at lower rates than airline revenue and GDP
- Average cost per gallon of jet fuel dropped 23.5% over Q3 2023 to $2.19 (US spot pricing)
- The sharp decline in jet fuel cost is in direct contrast with overall expense growth detailed later in this report

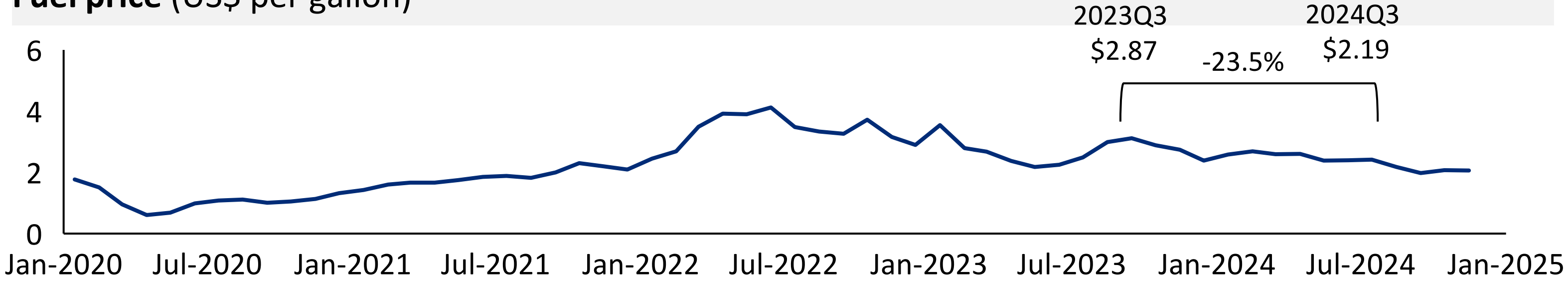
Percent change in total airline revenue and GDP (2024Q3 versus 2023Q3)



Percent change in personal spending and income (2024Q3 versus 2023Q3)



Fuel price (US$ per gallon)



Source: Oxford, CapIQ and US Energy Information Administration data. Financial figures unadjusted (nominal)

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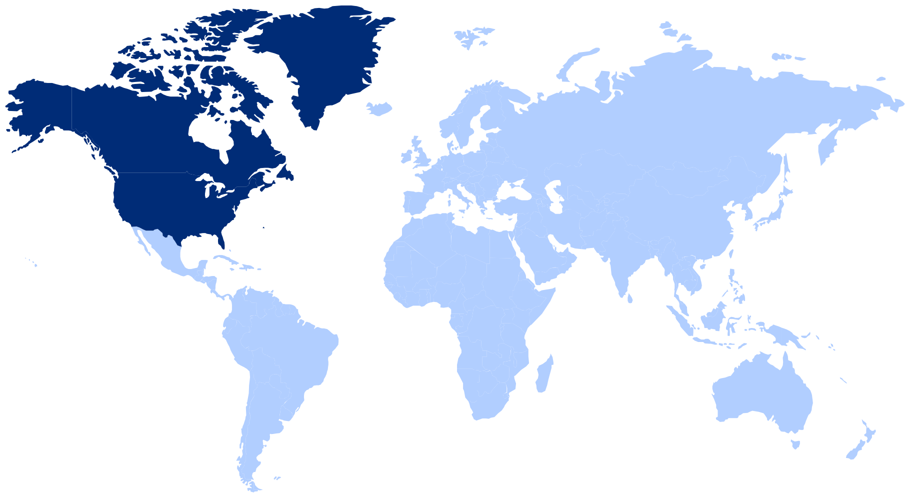
NORTH AMERICA

OVERVIEW OF REGIONAL RESULTS FOR US/CANADA



INDUSTRY FINANCIAL RESULTS: NORTH AMERICA INDEX
MARGIN DOWN ~2 POINTS TO 7% ON LOWER RASM AND ~FLAT CASM

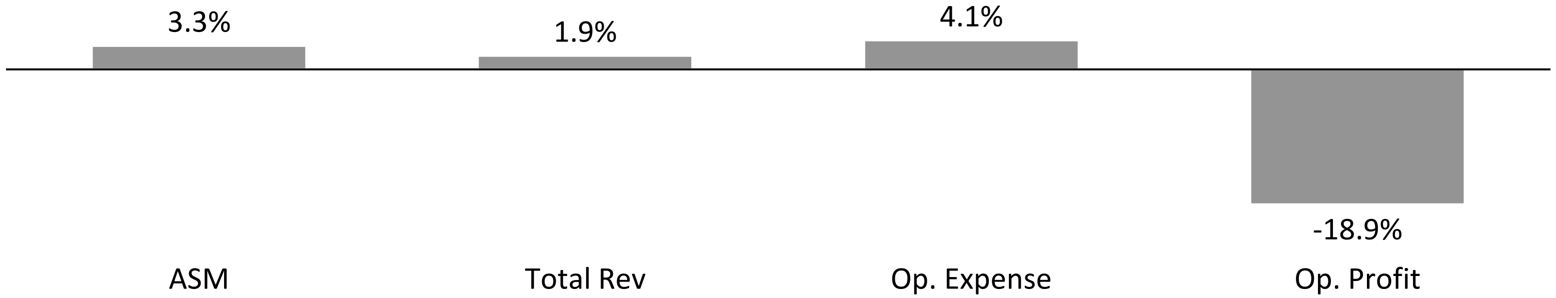
Summary

- North American airlines were not able to increase revenue as fast as capacity to maintain 3Q 2023 operating margin. Cost increased faster than revenue.

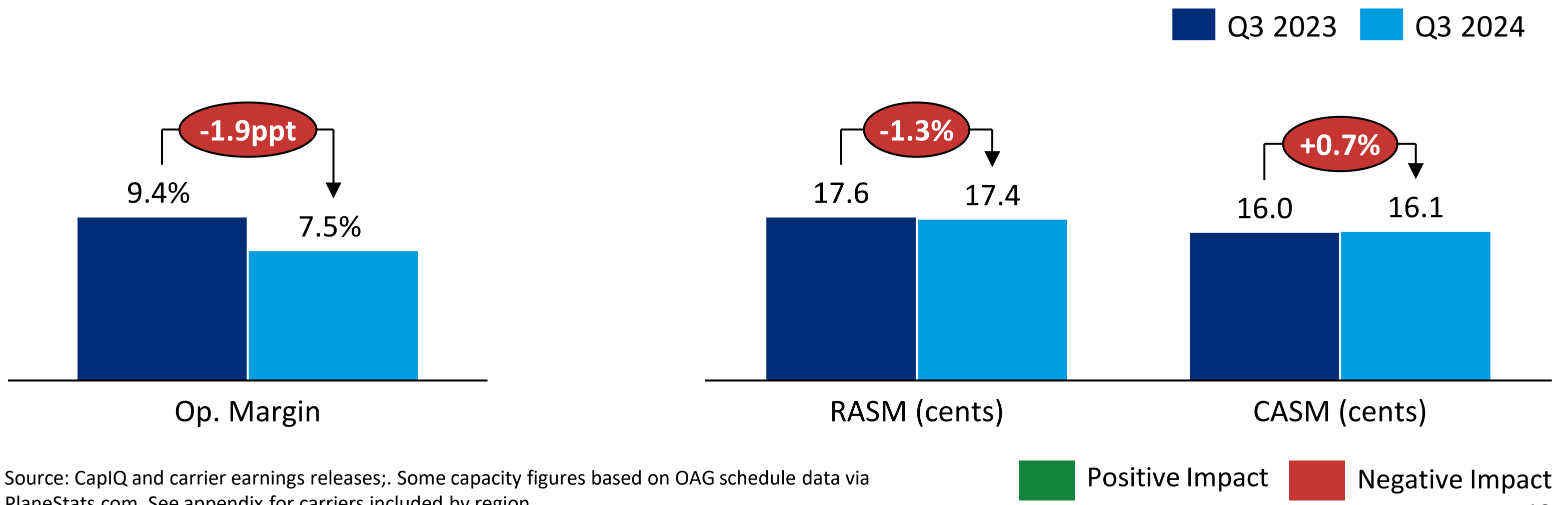
Commentary

- Airlines grew capacity by 3.3% while revenue grew by only 1.9%
- Operating expenses rose by 4.1%, outpacing revenue growth
- Operating profit decreased significantly by 18.9%
- Operating margin fell 1.9 points to 7.5% for the third quarter 2024
- RASM declined 1.3% after revenue growth did not keep pace with capacity growth
- CASM increased modestly (up 0.7%)

YoY change in financial statistics for the North American industry
2024Q3 vs. 2023Q3



Financial statistics for the North American industry
2024Q3 vs. 2023Q3



Source: CapIQ and carrier earnings releases;. Some capacity figures based on OAG schedule data via PlaneStats.com. See appendix for carriers included by region.

FINANCIAL RESULTS BY BUSINESS MODEL: NORTH AMERICA INDEX
FULL-SERVICE MARGIN DOWN ~2 POINTS TO 9%, LOWER COST REMAINS UNPROFITABLE

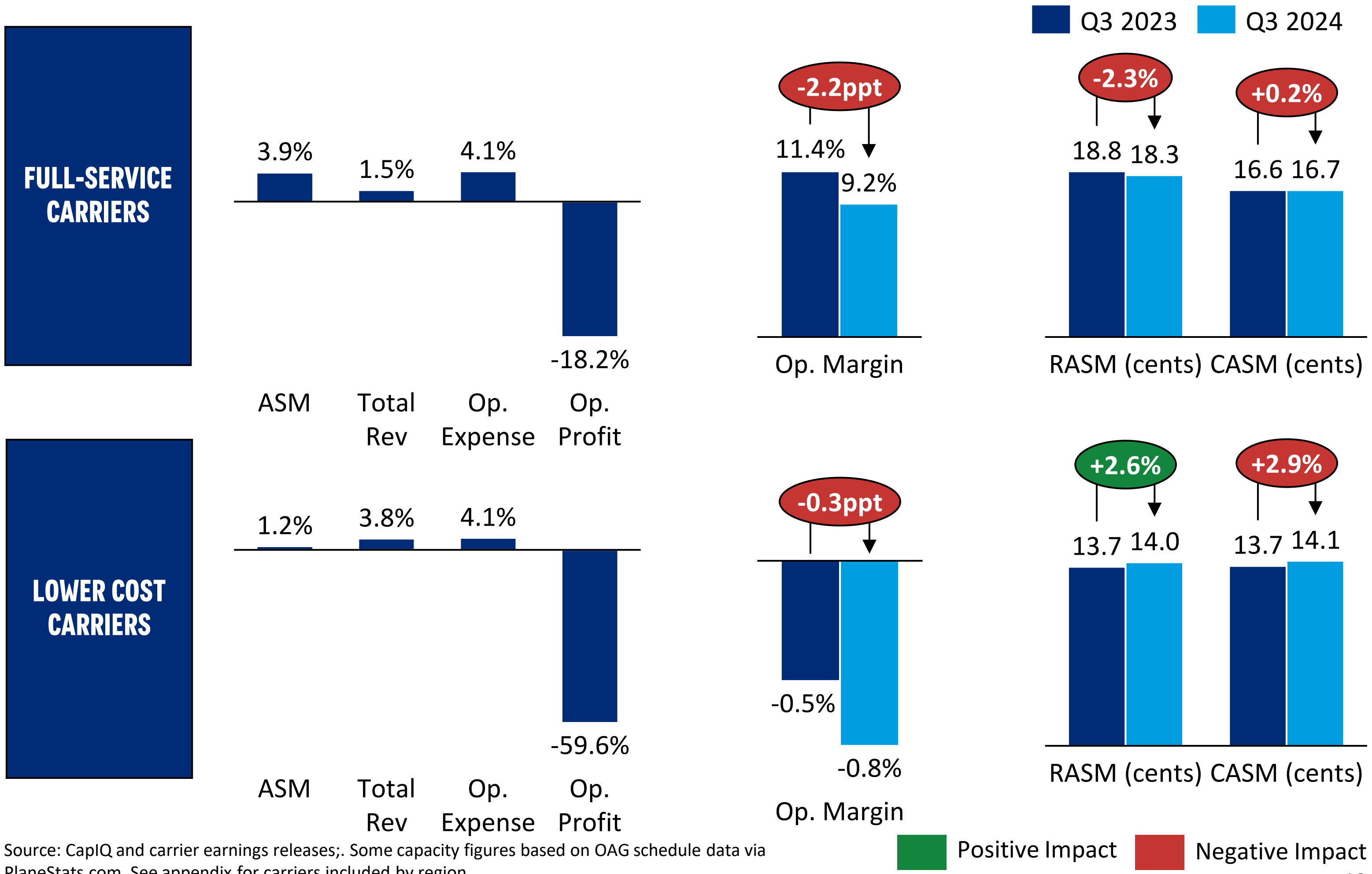
Summary

Full-service carriers (FSC) and Lower Cost Carriers both saw operating margin fall during the quarter. The two groups had opposing negative drivers. FSC revenue did not keep up with capacity while Lower Cost Carriers expenses increased greater than capacity.

Commentary

- FSC operating profits fell 18.2% however the group remained strong.
- FSC operating margin fell to 9.2% (down 2.2 points) over 3Q 2023 as revenue did not keep pace with costs and capacity.
- Lower cost carriers were again not profitable on an operating basis producing a -0.8% operating margin.
- Revenue increased 3.8% following a 1.2% increase in ASMs for Lower Cost Carriers.
- Rising cost (up 4.1%) at Lower Cost Carriers was the largest profit driver

Financial statistics for the North American industry
2024Q3 vs. 2023Q3



Source: CapIQ and carrier earnings releases;. Some capacity figures based on OAG schedule data via PlaneStats.com. See appendix for carriers included by region.

PRODUCTION REVIEW: NORTH AMERICA TOTAL INDUSTRY
CAPACITY GROWTH MAINLY DRIVEN BY FLEET, WITH SOME UTILIZATION GROWTH

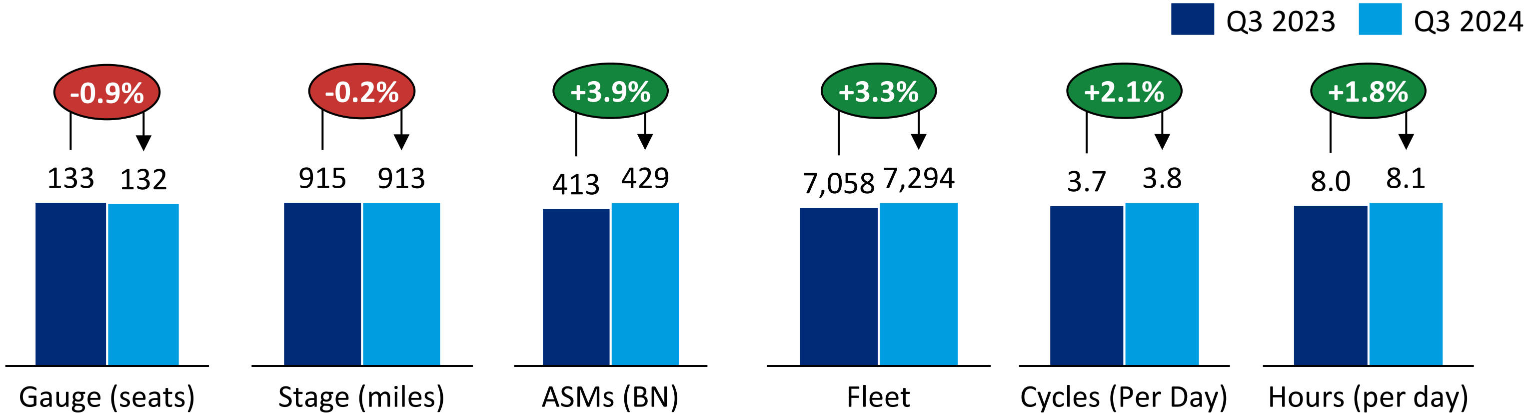
Summary

North American capacity growth was the result of more aircraft flying at higher utilization rates. Unlike recent trends, gauge and stage length declined. Network depth in the region improved with increased Origin and Destination (O&D) pairs and itineraries.

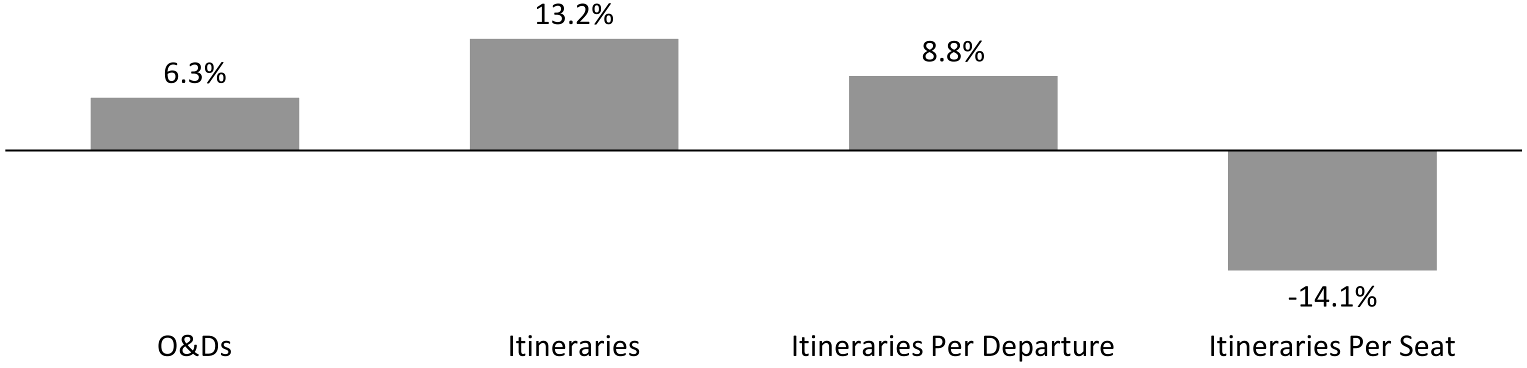
Commentary

- Capacity for all scheduled North American airlines increased 3.9%
- Capacity growth was produced by the addition of 3.3% more aircraft
- Departures per day per aircraft and hours per day per aircraft increased 2.1% and 1.8%
- In contract to recent trends, both seats per departure and stage length declined
- North American airlines expanded Network presence by creating 6.3% more O&D pairs
- Itinerary creation was also up substantially

Q3 Capacity production for all scheduled airlines in region
Mainline



Passenger O&D and itinerary creation for all scheduled airlines in region
Percent Change 2024 versus 2023



Source: Capacity figures based on OAG schedule data via PlaneStats.com and include all scheduled airlines in region (not limited to carriers in study). Fleet data based on Oliver Wyman Vector data. Network data based on Oliver Wyamn's NetPlan model.

Positive Impact Negative Impact

LATIN AMERICA

OVERVIEW OF REGIONAL TRENDS FOR CENTRAL/SOUTH AMERICA

INDUSTRY FINANCIAL RESULTS: LATIN AMERICA INDEX
MARGIN UP ~4 POINTS TO 18% ON LOWER CASM

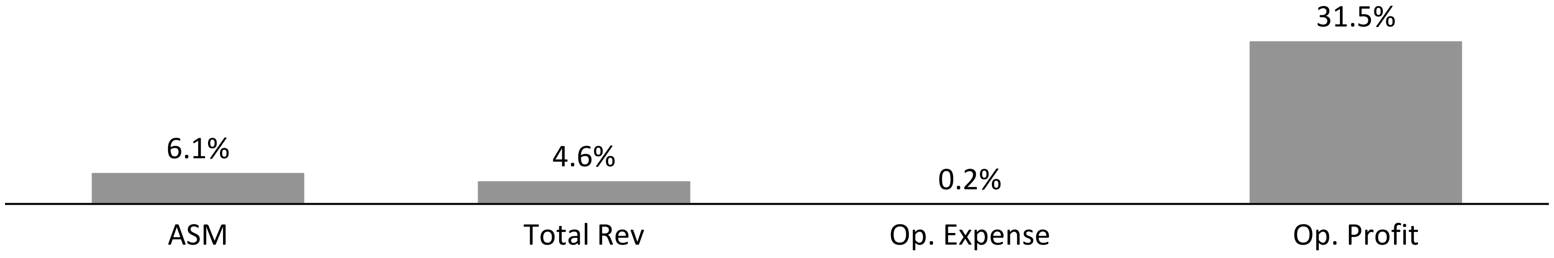
Summary

The Latin American airlines in our study had a healthy 3Q 2024. The group was able to grow capacity at a rate near the worldwide average while effectively lowering operating costs.

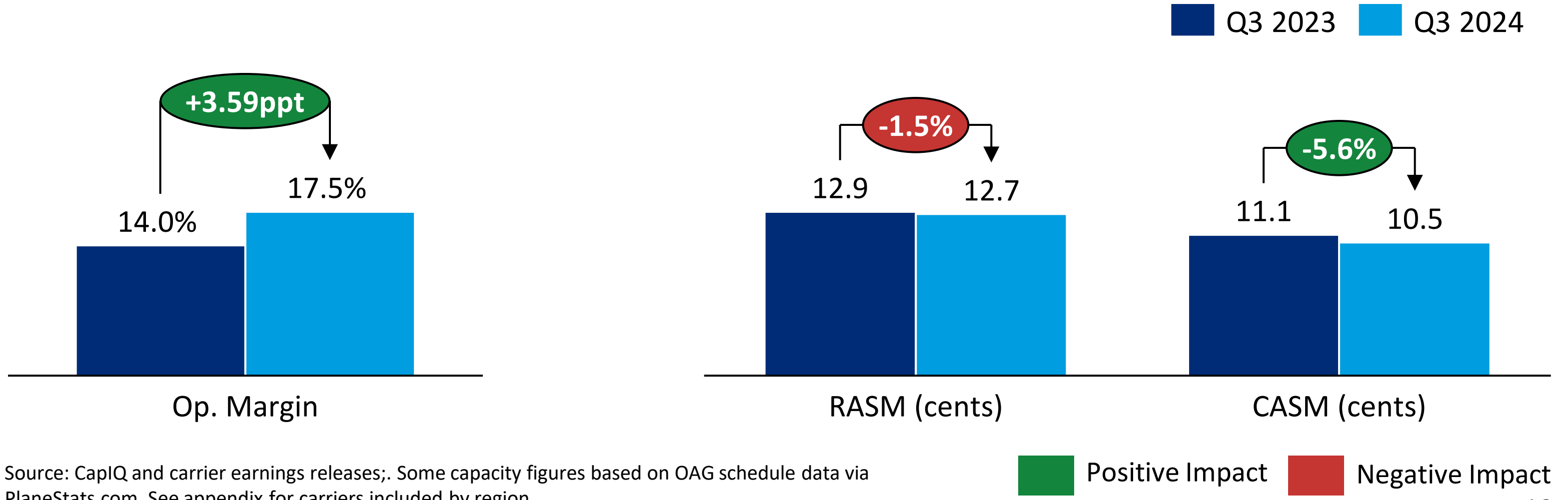
Commentary

- Latin American airlines in our study increased capacity by 6.1% over 3Q 2023
- Revenue growth was slightly behind capacity but was still a healthy 4.6%
- Operating expenses in the region were essentially flat producing in a 5.6% drop in CASM to 10.5 cents per ASM
- As a result of the positive drivers, operating profit increased 31.5%
- Operating margin increased 3.6 points to 17.5%

YoY change in financial statistics for the Latin America and Caribbean industry
2024Q3 vs. 2023Q3



Financial statistics for the Latin America and Caribbean industry[1]
2024Q3 vs. 2023Q3



Source: CapIQ and carrier earnings releases;. Some capacity figures based on OAG schedule data via PlaneStats.com. See appendix for carriers included by region.

FINANCIAL RESULTS BY BUSINESS MODEL: LATIN AMERICA INDEX
ALL BUSINESS MODELS PROFITABLE WITH MARGIN GROWTH

Summary

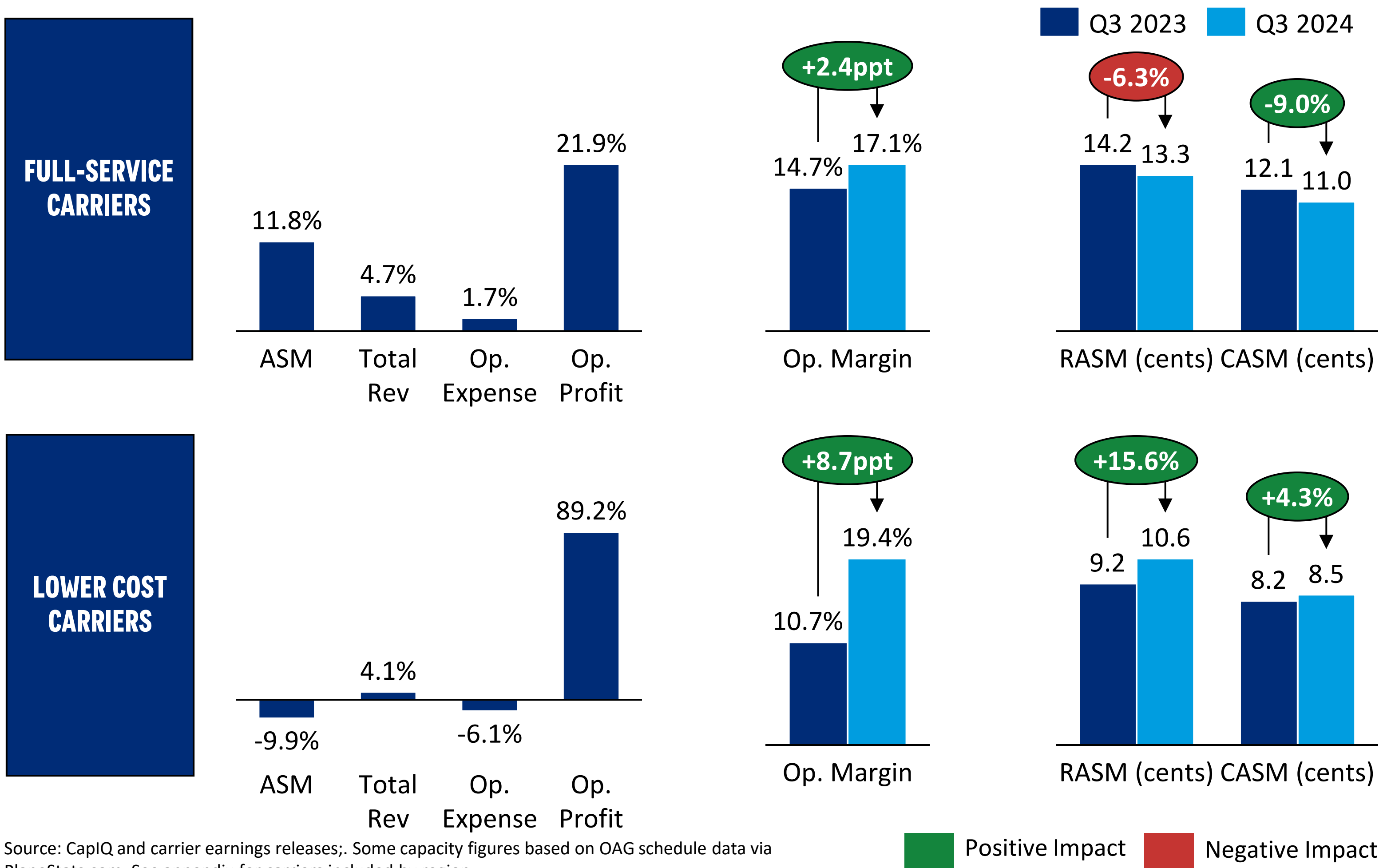
Both Latin American groups produced industry leading operating margins. FSCs added substantial capacity while maintaining costs. Lower cost carriers were able to produce more revenue on less capacity

Commentary

- Latin American FSCs provided all the capacity growth in the region (up 11.8%)
- FSC cost control was impressive as the group reduced CASM 9% with operating expenses up only 1.7% on significant capacity growth
- FSCs in Latin America were not able to match revenue growth to capacity resulting in a RASM drop of 6.3%
- Lower cost carriers were able to drive revenue growth of 4.1% despite a nearly 10% capacity drop.
- Operating margins for both groups were among the highest in the world

Financial statistics for the Latin American and Caribbean industry

2024Q3 vs. 2023Q3



Source: CapIQ and carrier earnings releases;. Some capacity figures based on OAG schedule data via PlaneStats.com. See appendix for carriers included by region.

PRODUCTION REVIEW: LATIN AMERICA TOTAL INDUSTRY
CAPACITY GROWTH MAINLY DRIVEN BY FLEET

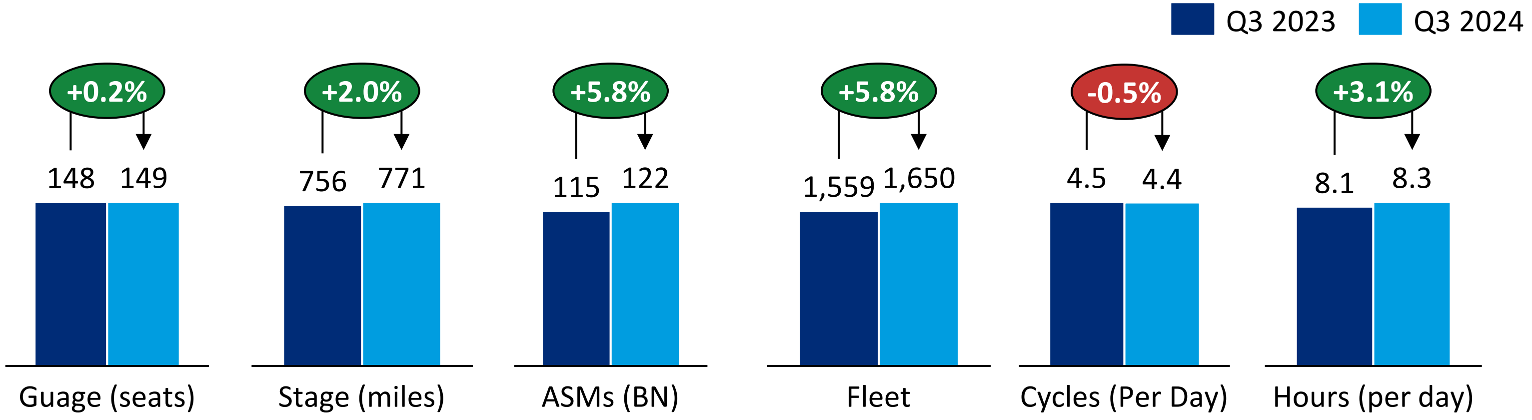
Summary

Latin American airlines added 5.8% more aircraft operating nearly the same profile as the Q3 2023 fleet. Network coverage by Latin American increased during the quarter

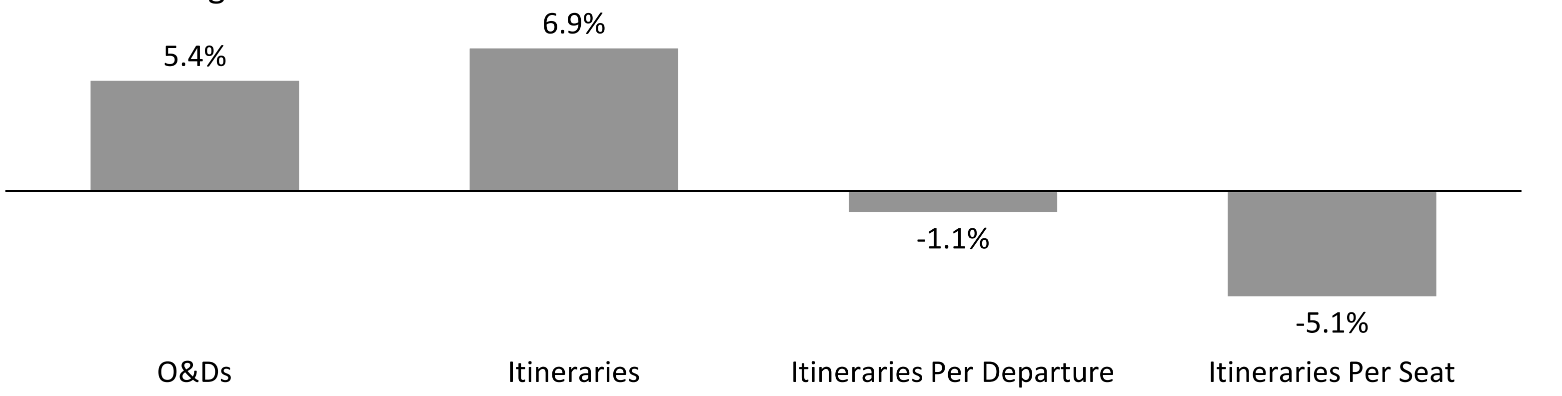
Commentary

- Capacity for all airlines operating scheduled services in Latin America increased 5.8%
- The nearly singular driver of the capacity growth was the addition of aircraft (+5.8%)
- Seats per departure were essentially flat over Q3 2023 and stage length increased 2%
- Departures per day per aircraft fell 0.5%, but the aircraft flew 3.1% more hours per day keeping utilization fairly neutral
- Latin American airlines increased both the number of O&D markets and the number of itineraries
- However, itineraries per departure fell slightly, down 1.1%

Q3 Capacity production
Mainline



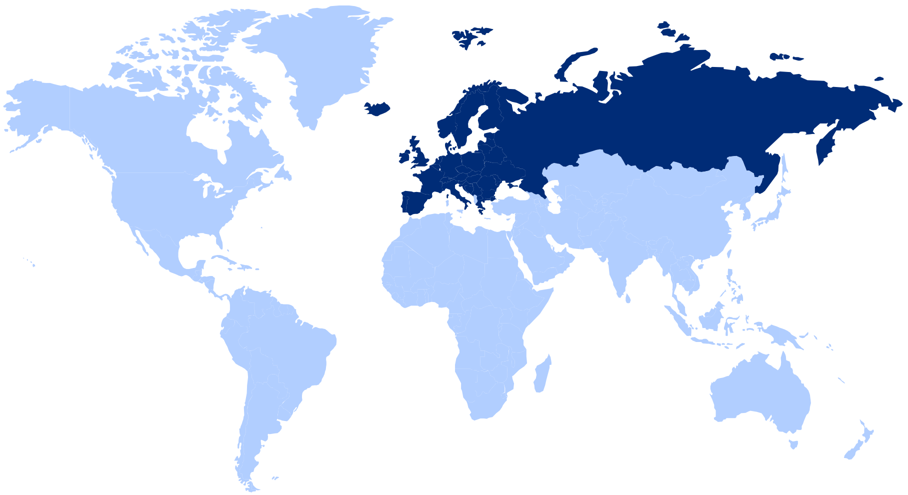
Passenger O&D and itinerary creation
Percent Change 2024 versus 2023



Source: Capacity figures based on OAG schedule data via PlaneStats.com and include all scheduled airlines in region (not limited to carriers in study). Fleet data based on Oliver Wyman Vector data. Network data based on Oliver Wyamn's NetPlan model.

EUROPE

OVERVIEW OF REGIONAL TRENDS FOR EUROPE



INDUSTRY FINANCIAL RESULTS: EUROPE INDEX
MARGIN DOWN ~2 POINTS TO 12% AS CASM GROWTH OUTPACES RASM GROWTH

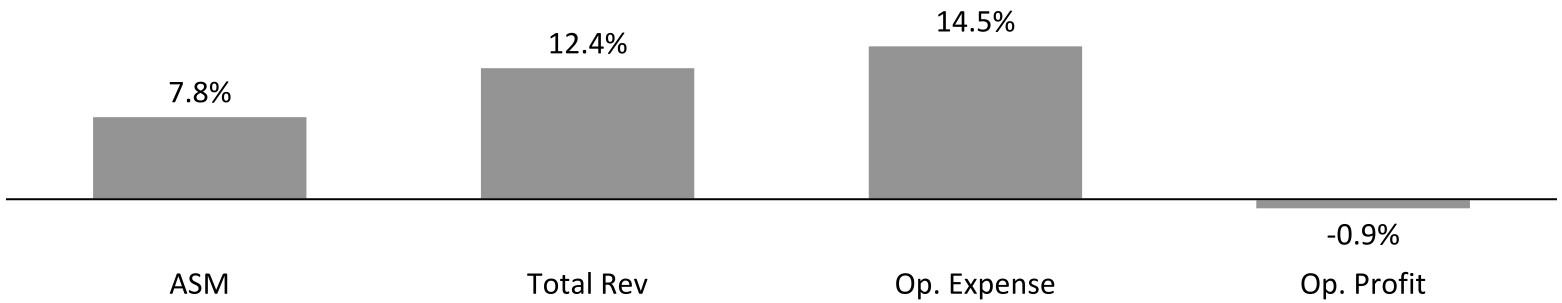
Summary

Increasing costs at select European airlines dampened results during a quarter of strong revenue growth. 1.6-point the group still managed to produce a respectable 11.7% operating margin.

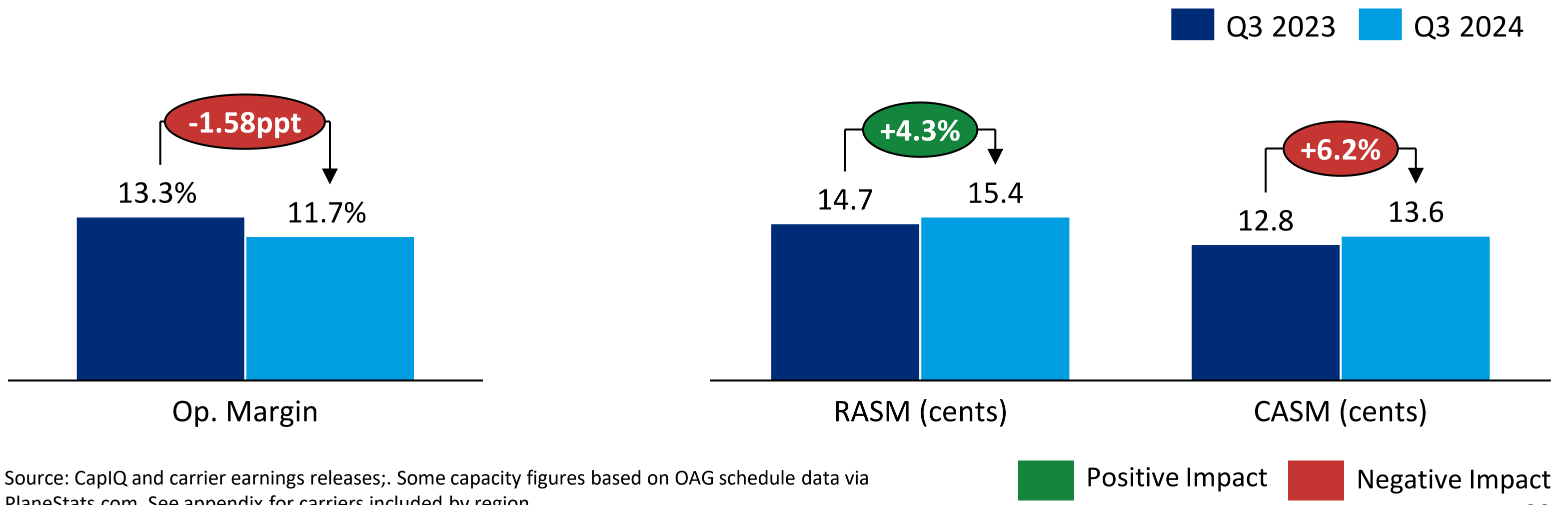
Commentary

- Select European airlines in our study increased ASMs by 7.8%
- Operating profit declined nearly 1% as operating expense increased 14.5%
- Strong revenue growth of 12.4% improved RASM 4.3% to 15.4 cents
- CASM was up 6.2% to 13.6 cents
- The higher cost growth resulted in a 1.6-point drop in operating margin to 11.7%, still a relatively healthy operating margin for a mature region

YoY change in financial statistics for the European industry[1]
2024Q3 vs. 2023Q3



Financial statistics for the European industry[1]
2024Q3 vs. 2023Q3



Source: CapIQ and carrier earnings releases;. Some capacity figures based on OAG schedule data via PlaneStats.com. See appendix for carriers included by region.

FINANCIAL RESULTS BY BUSINESS MODEL: EUROPE INDEX
ALL MODELS PROFITABLE WITH MARGIN DECLINE DRIVEN BY CASM OUTPACING RASM

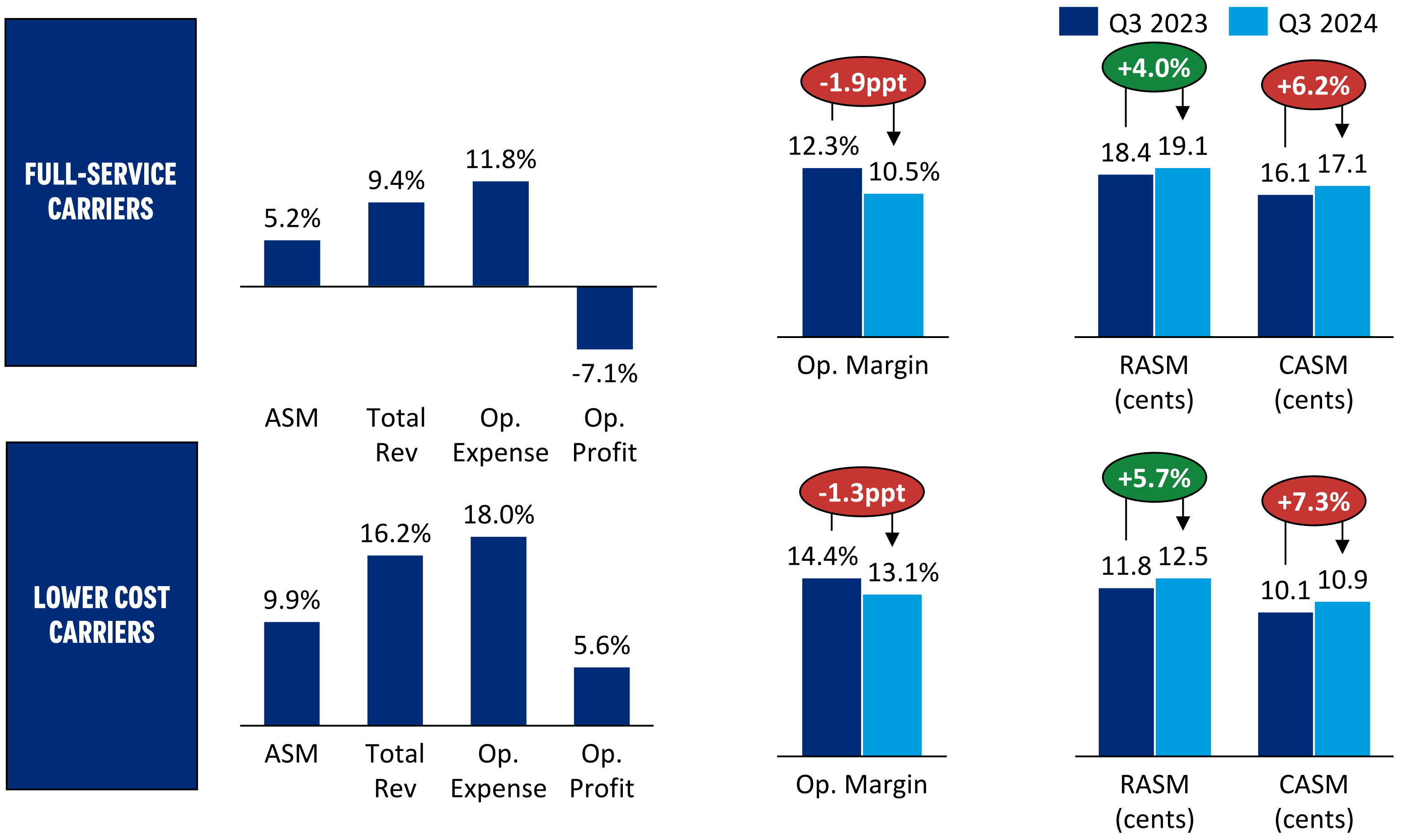
Summary

Both FSC and lower cost carriers were able to increase capacity and revenue substantially during Q3 2024. The airlines in the region suffered from expense growth well above the worldwide average.

Commentary

- FSC airlines reported a 7% decline in operating profits while lower cost carriers had an increase in operating profits
- FSC CASM increased 6.2% and RASM increased 4%
- Operating margins fell 1.9-points to 10.5% for the FSC group
- Lower Cost Carriers increased ASMs nearly 10% over Q3 2023
- The group's revenue increase of 16.2% was impressive, unfortunately expense grew at a higher rate

Financial statistics for the European industry[1]
2024Q3 vs. 2023Q3



Source: CapIQ and carrier earnings releases;. Some capacity figures based on OAG schedule data via PlaneStats.com. See appendix for carriers included by region.

PRODUCTION REVIEW: EUROPE TOTAL INDUSTRY
CAPACITY GROWTH PRIMARILY DRIVEN BY FLEET GROWTH

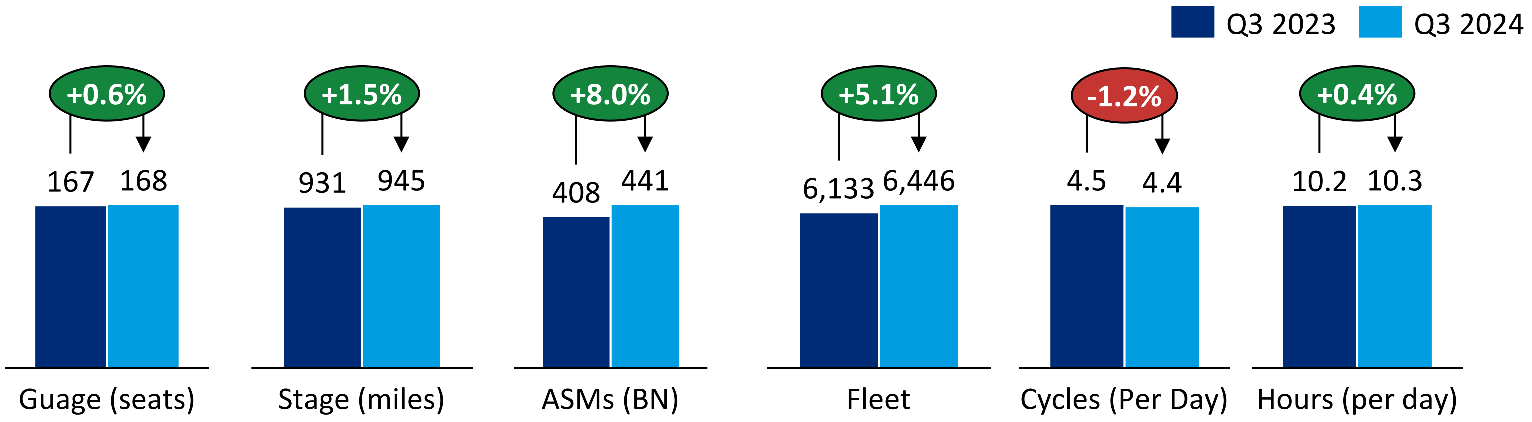
Summary

- Capacity growth for all scheduled airlines in Europe was driven in part by more seats per departure and longer stage lengths. Network breadth did not keep pace with capacity growth for scheduled airlines in Europe

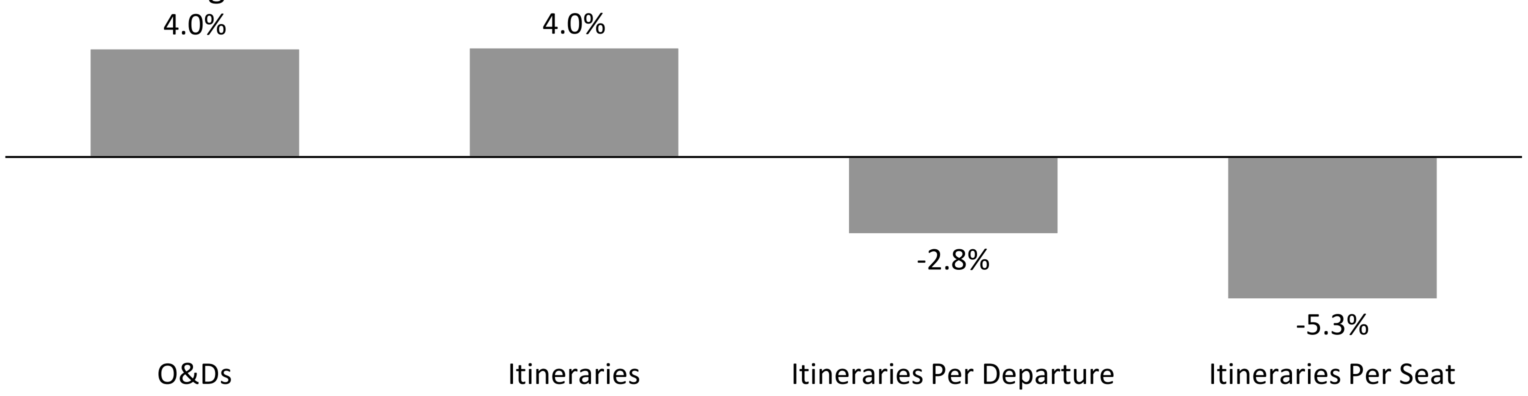
Commentary

- Scheduled airline capacity for all airlines operating in Europe increased 8%
- The airlines added 5.1% more aircraft, however both seats per departure and stage length increased
- Cycles per day declined 1.2%, but the airlines flew 0.4% more hours per day as a result of the increased stage
- Network coverage did not keep pace with capacity growth with new O&Ds increasing 4% and itineraries increasing 4%
- Itineraries per departure declined 2.8%

Q3 Capacity production
Mainline



Passenger O&D and itinerary creation
Percent Change 2024 versus 2023

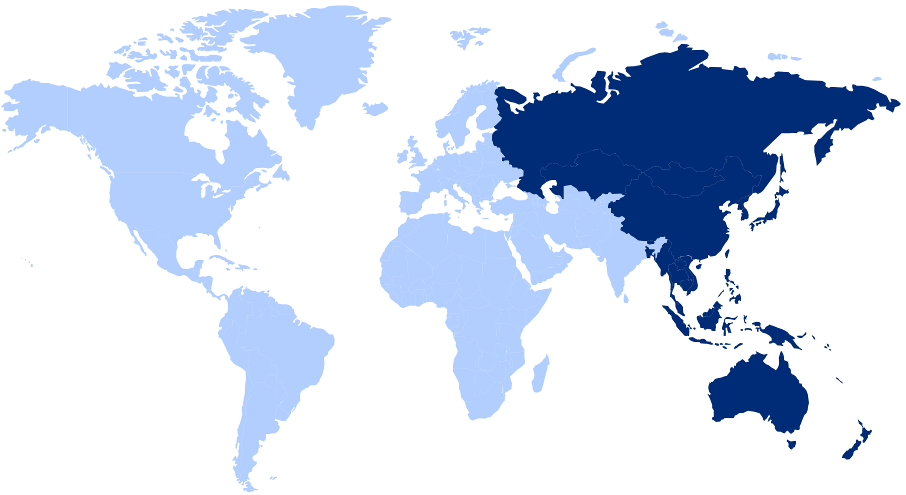


Source: Capacity figures based on OAG schedule data via PlaneStats.com and include all scheduled airlines in region (not limited to carriers in study). Fleet data based on Oliver Wyman Vector data. Network data based on Oliver Wyamn's NetPlan model.

Positive Impact
Negative Impact

ASIA/PACIFIC

OVERVIEW OF REGIONAL TRENDS FOR THE ASIA/PACIFIC



INDUSTRY FINANCIAL RESULTS: ASIA/PACIFIC INDEX
MARGIN DOWN 2 POINTS TO 11% ON MODEST RASM DECLINE AND CASM INCREASE

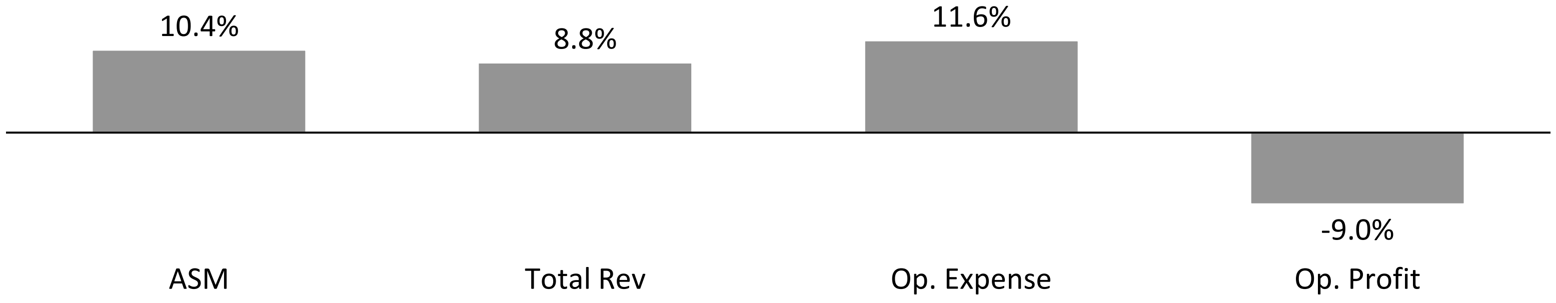
Summary

Financial results for select airlines operating in the Asia/Pacific remained steady compared to Q3 2023. While other world regions experienced sharp changes in revenue and expense, RASM/CASM remained relatively in check for Asia/Pacific.

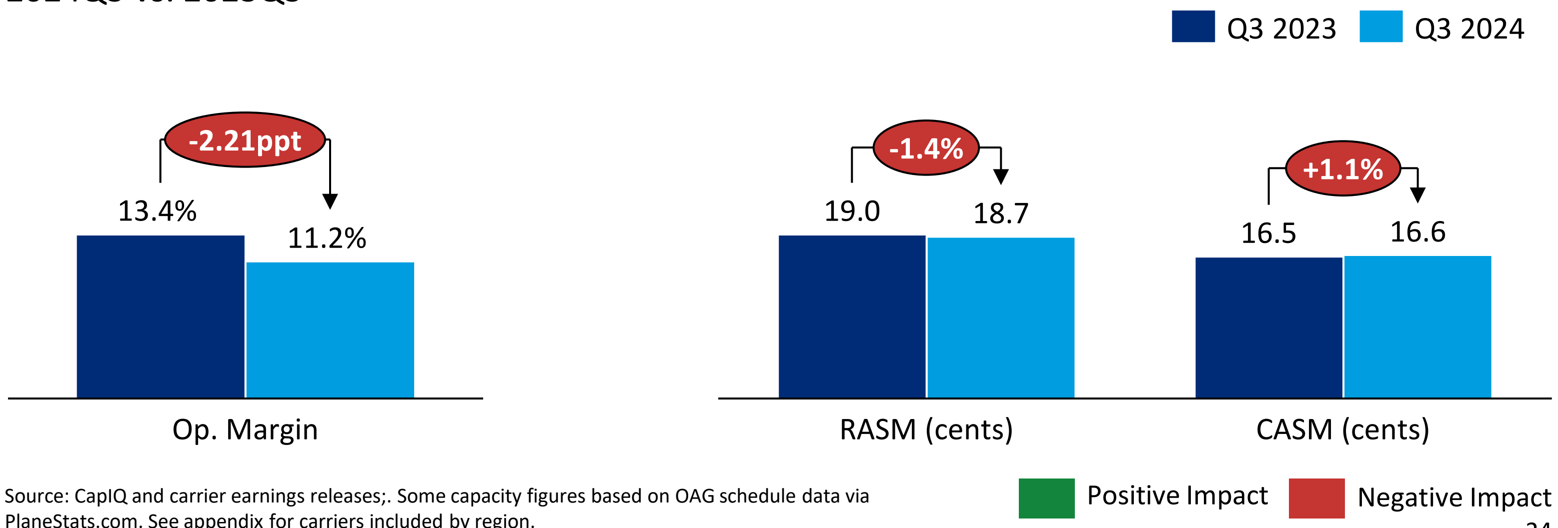
Commentary

- Select airlines in the Asia/Pacific region increased capacity by 10.4% while increasing operating revenue by 8.8%
- Similar to other world regions, cost grew faster than revenue
- As a result, operating profit fell 9% during the Q3 2024 over Q3 2023
- Operating margin dropped 2.2 points but remained strong at 11.2%
- RASM fell 1.4% and CASM was up 1.1%, relatively small changes compared to other world regions

YoY change in financial statistics for the Asia/Pacific industry[1]
2024Q3 vs. 2023Q3



Financial statistics for the Asia/Pacific industry[1]
2024Q3 vs. 2023Q3



Source: CapIQ and carrier earnings releases;. Some capacity figures based on OAG schedule data via PlaneStats.com. See appendix for carriers included by region.

FINANCIAL RESULTS BY BUSINESS MODEL: ASIA/PACIFIC INDEX
FULL-SERVICE MARGIN DOWN 2 POINTS TO 12%, LOWER COST DOWN 4 POINTS TO 10%

Summary

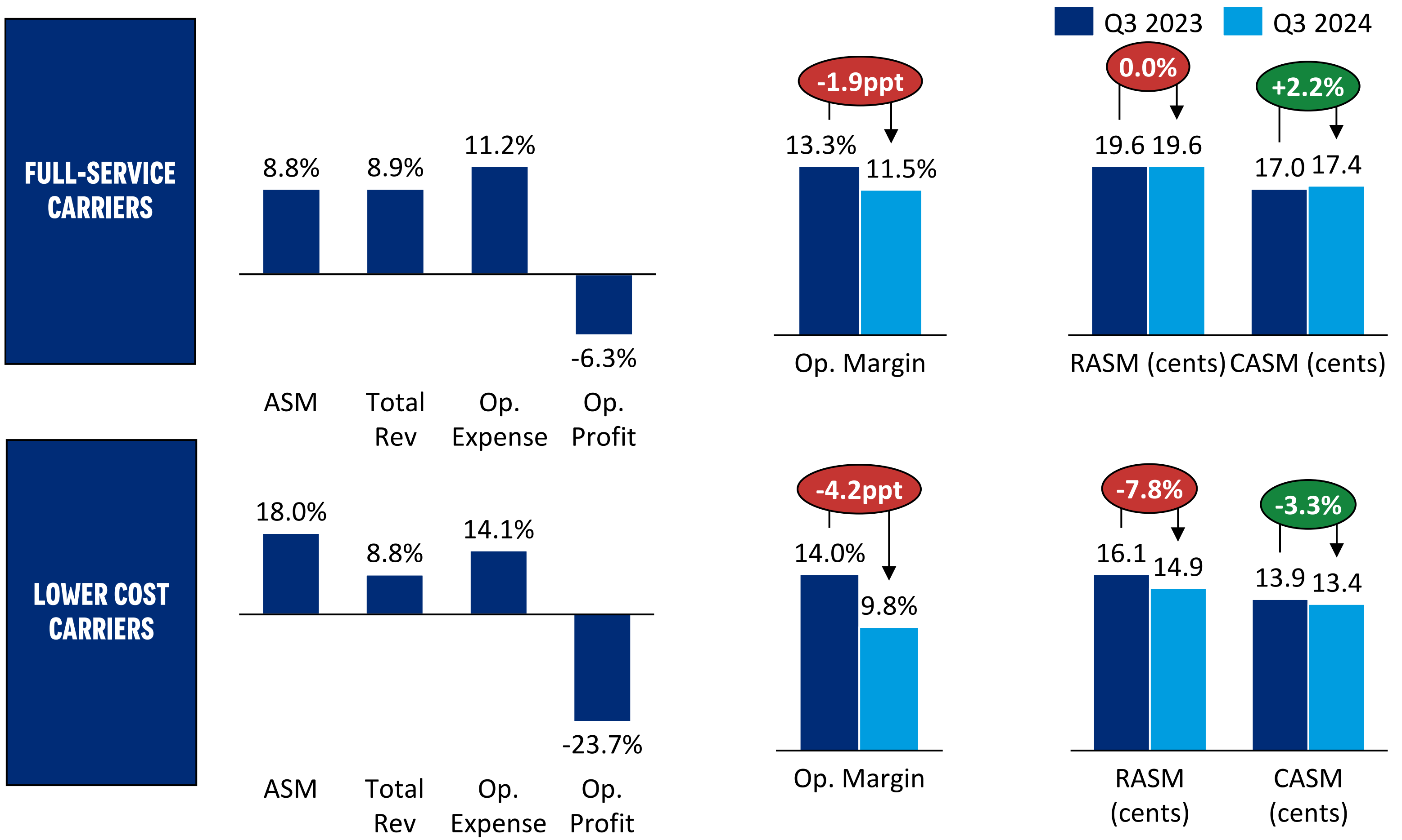
FSCs reported business as normal in the Asia/Pacific region with operating expense growing slightly faster than revenue. Lower cost carriers were unable to match revenue growth with capacity growth.

Commentary

- FSCs grew capacity by nearly 9% and the select carriers were able to maintain similar revenue levels
- FSC costs increased faster than revenue, however not dramatically
- Operating margin fell nearly 2 points to 11.5%
- Lower cost carriers in the Asia/Pacific region increased capacity 18% over Q3 2023
- Unlike FSCs they were not able to manage revenue growth
- CASM fell 3.3% allowing the group to maintain an operating margin near 10%

Financial statistics for the Asia/Pacific industry[1]

2024Q3 vs. 2023Q3



Source: CapIQ and carrier earnings releases;. Some capacity figures based on OAG schedule data via PlaneStats.com. See appendix for carriers included by region.

PRODUCTION REVIEW: ASIA/PACIFIC TOTAL INDUSTRY
CAPACITY GROWTH DRIVEN MAINLY BY UTILIZATION GAINS

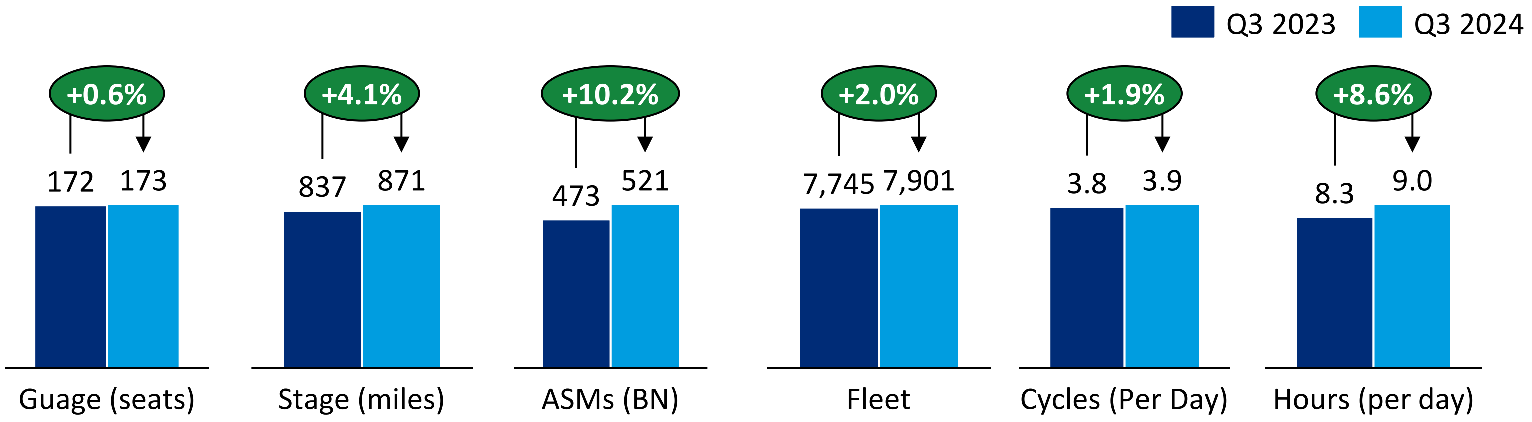
Summary

Airlines operating in the Asia/Pacific region were able to increase hours per day per aircraft 8.6% to 9 hours. The sharp increase in productivity drove both capacity growth and network growth

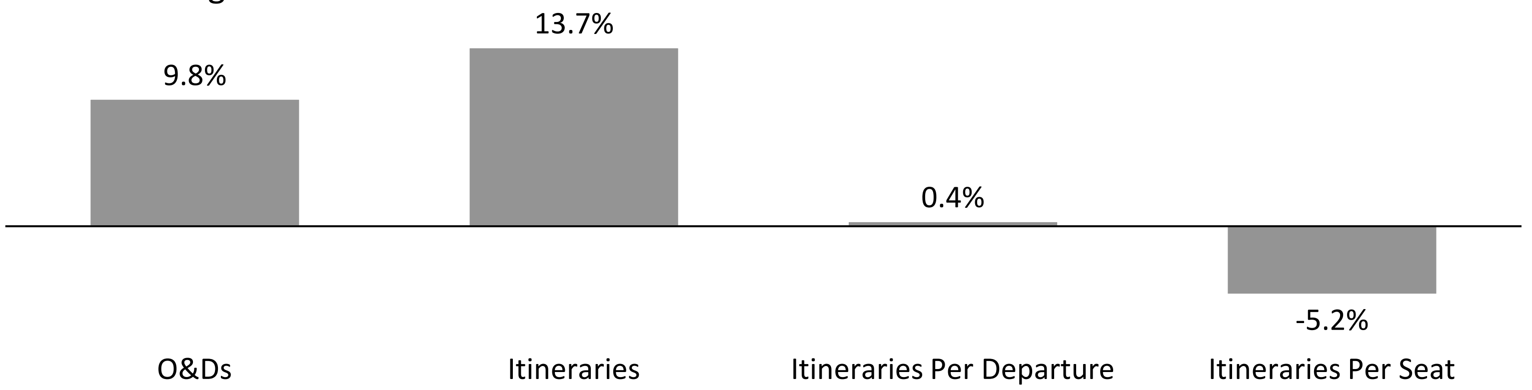
Commentary

- Scheduled airlines in the Asia/Pacific region increased capacity 10.2% during the Q3 2024
- The fleet grew only 2% during the period, indicating other drivers impacted capacity growth
- Seats per departure grew only 0.6%, however, stage length increased 4.1% to 871 miles
- The largest drive in capacity growth was an increase in aircraft utilization as hours per day increased 8.6%
- Network coverage increased for the regio0n with O&Ds nearly matching capacity growth and itinerary growth up 13.7%

Q3 Capacity production
Mainline



Passenger O&D and itinerary creation
Percent Change 2024 versus 2023



Source: Capacity figures based on OAG schedule data via PlaneStats.com and include all scheduled airlines in region (not limited to carriers in study). Fleet data based on Oliver Wyman Vector data. Network data based on Oliver Wyamn's NetPlan model.

Positive Impact
Negative Impact

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DEEP DIVE TOPIC

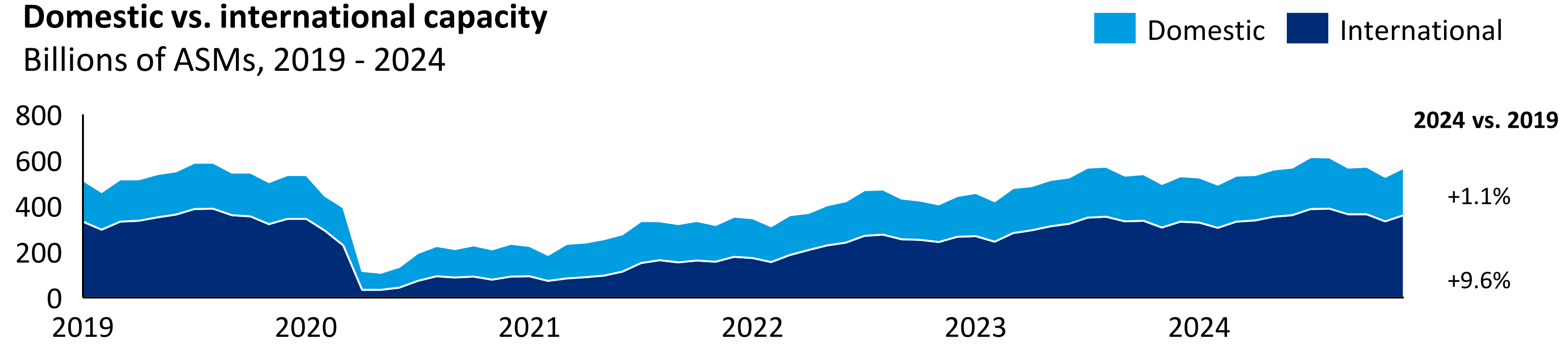
LONG TERM CAPACITY REVIEW: 2019 - 2024

GLOBAL CAPACITY 2019-2024 (ASMs)
GROWTH OF 4.1% OVER 2019

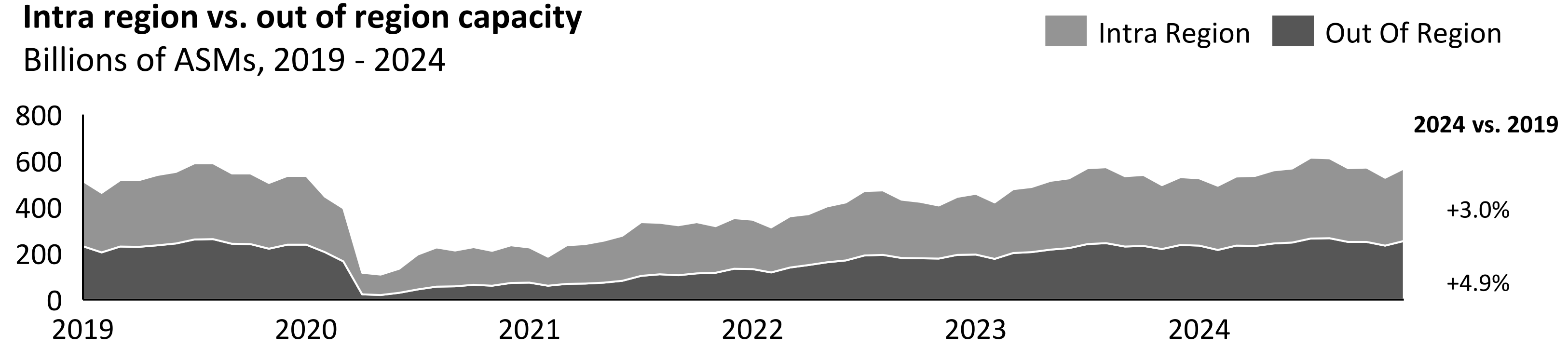
Commentary

- During 2024, worldwide Available Seat Miles (ASMs) increased 4.1% over 2019
- Domestic capacity (within same country) increased 9.6% after early gains following the Covid Pandemic.
- International capacity increased 9.6% following moderate growth between 2021 and mid 2023.
- Intra-Region capacity (ie Europe to Europe) increased 4.9% while out of region capacity increased 3.0%
- Average stage length increased from 855 miles in 2019 to 899 miles in 2024 (up 5.6%)

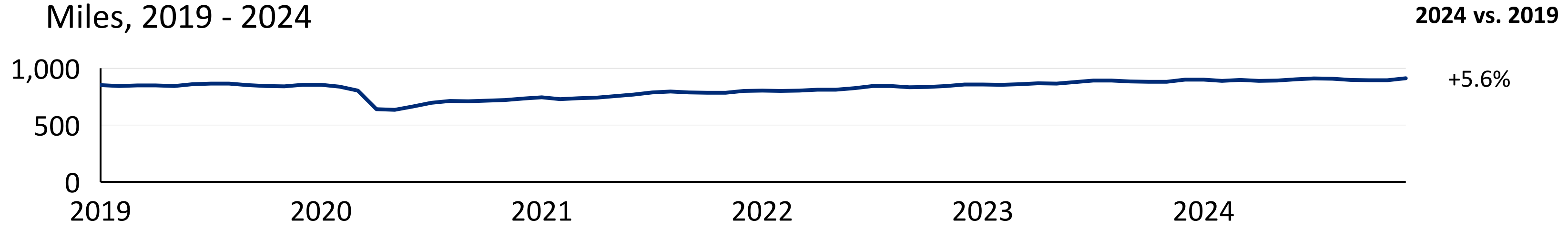
Domestic vs. international capacity
Billions of ASMs, 2019 - 2024



Intra region vs. out of region capacity
Billions of ASMs, 2019 - 2024



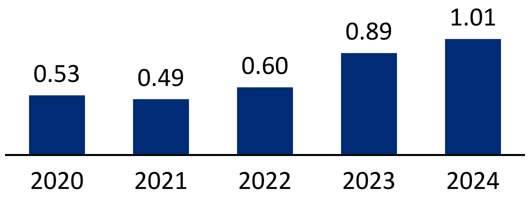
Average stage length
Miles, 2019 - 2024



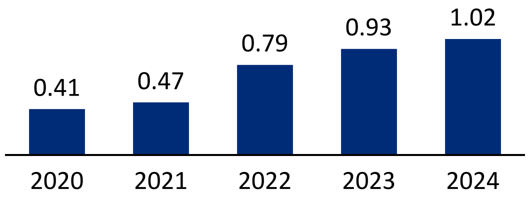
Source: Schedule data via PlaneStats.com

GLOBAL CAPACITY BY WORLD REGION (ASMs)
HIGHEST GROWTH IN AMERICAS, MIDDLE EAST, AFRICA; LOWEST IN EUROPE, ASIA/PACIFIC

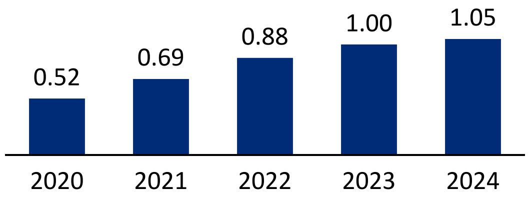
Asia
2024 ASMs: 2,034 billion



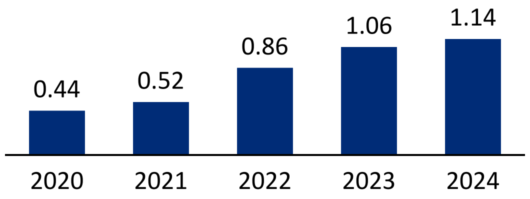
Europe
2024 ASMs: 1,494 billion



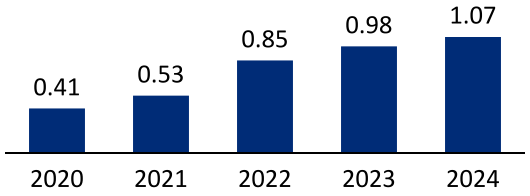
US
2024 ASMs: 1,460 billion



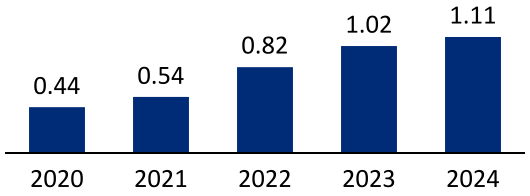
Middle East
2024 ASMs: 611 billion



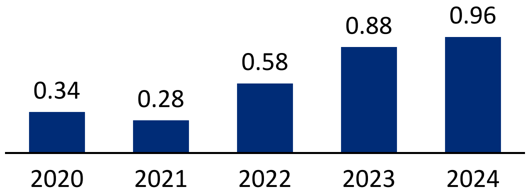
South America
2024 ASMs: 281 billion



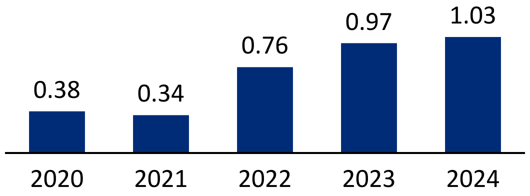
Africa
2024 ASMs: 220 billion



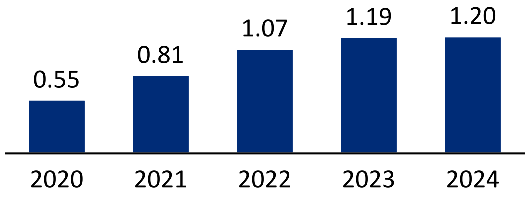
Oceania
2024 ASMs: 200 billion



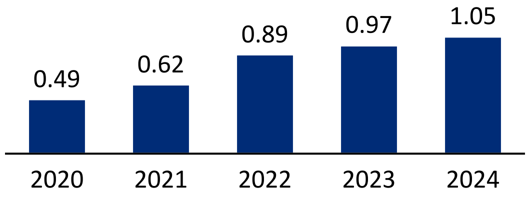
Canada
2024 ASMs: 155 billion



Central America
2024 ASMs: 153 billion



Caribbean
2024 ASMs: 58 billion



Top 5
By growth

- Central America +20.1%
- Middle East +13.6%
- Africa +10.7%
- South America +6.6%
- US +5.4%

Bottom 5
By growth

- Oceania -4.6%
- Asia +1.4%
- Europe +1.6%
- Canada +2.7%
- Caribbean +5.0%

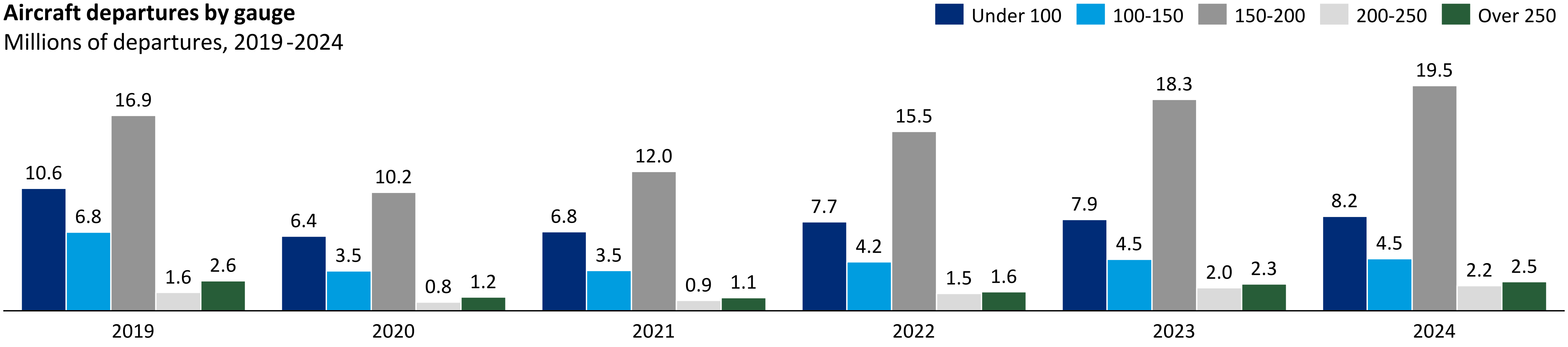
Source: Schedule data via PlaneStats.com

AIRCRAFT SIZE TRENDS 2019-2024

UPGAUGING TRENDS CONTINUE AS 150+ SEAT FLEET GROWS AND <150 SEAT FLEET SHRINKS

Aircraft departures by gauge

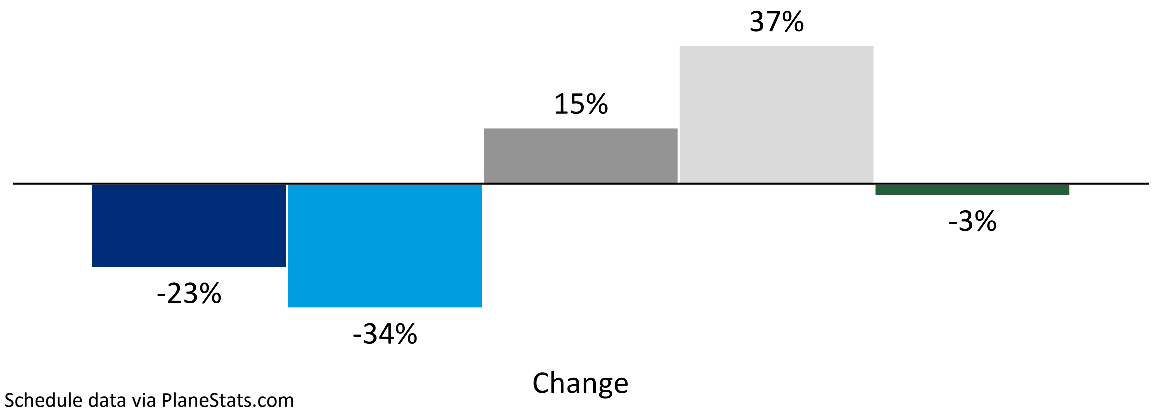
Millions of departures, 2019-2024



- 150 to 200 seat aircraft continue to be the world's workhorse. The group provides 53% of worldwide commercial departures. Departures for the group increased 15.2% 2024 versus 2019.
- The fastest growing aircraft segment is aircraft with 200 to 250 seats. Since 2019, the group has increased departures by 37.5%. The group represents 6% of world departures.
- All other groups declined, led by aircraft with 100 to 150 seats (down 33.8%)
- Average seats per departure during 2019 was 198 increasing to 202 in 2024 (up 2.2%)

2024 vs. 2019 change by guage

% change



Source: Schedule data via PlaneStats.com

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REFERENCE AND DEFINITIONS: GUIDE TO KEY FIGURES AND ASSUMPTIONS
AIRLINES INCLUDED IN OUR GLOBAL INDEX WITH REGIONAL DEFINITIONS

North America	Latin America	Europe	Africa / Middle East / India	Asia Pacific
Air Canada	Aeroméxico	Air France – KLM	Air Arabia	Air New Zealand
Alaska	Azul	easyJet	El Al	ANA
Allegiant	Volaris	Finnair	IndiGo	Asiana Airlines
American	Copa	IAG	Pegasus	China Eastern
Delta	LATAM	Jet2	SpiceJet	China Southern
Frontier	Viva Aerobus	Lufthansa	Turkish	EVA Airways
JetBlue		Norwegian Air Shuttle		Garuda
Southwest		Ryanair		Hainan Airlines
Sun Country		TAP		JAL
United		Wizz Air		Korean Airlines
				Qantas
				Singapore Airlines
				Thai Airways
				Vietnam Airlines

Airlines selected based on availability of data and representation of business models and markets within the region

Full-Service Carrier, Lower-Cost Carrier

CARRIER SPECIFIC RESULTS: NORTH AMERICA
YOY CHANGE

Airline	Q3 2023 vs. Q3 2024 YoY change								
	ASM	Total Rev.	Op. Expense	Op. Profit	Earnings	Op. Margin (ppts)	Margin (ppts)	RASM	CASM
Air Canada	3%	-4%	3%	-26%	63%	-5	14	-6%	0%
Alaska	7%	8%	6%	24%	70%	2	3	1%	-1%
Allegiant	2%	-1%	5%	-219%	47%	-6	-2	-2%	4%
American	3%	1%	2%	-10%	-73%	-1	3	-2%	-1%
Delta	4%	1%	6%	-30%	15%	-4	1	-3%	2%
Frontier	4%	6%	5%	-3%	-181%	1	6	2%	1%
JetBlue	-4%	1%	-4%	-91%	-61%	5	4	4%	0%
Southwest	2%	5%	7%	-85%	-65%	-2	-2	3%	5%
Sun Country	5%	0%	3%	-35%	-69%	-3	-2	-5%	-2%
United	4%	2%	5%	-12%	-15%	-2	-1	-2%	0%

Source: CapIQ and carrier earnings releases;. Some capacity figures based on OAG schedule data via PlaneStats.com.

CARRIER SPECIFIC RESULTS: LATIN AMERICA
YOY CHANGE

Airline	Q3 2023 vs. Q3 2024 YoY change								
	ASM	Total Rev.	Op. Expense	Op. Profit	Earnings	Op. Margin (ppts)	Margin (ppts)	RASM	CASM
Azul	4%	-4%	-11%	39%	-107%	6	35	-8%	-14%
Volaris	-19%	-4%	-15%	222%	-195%	11	9	19%	5%
Copa	10%	-1%	3%	-15%	-22%	-3	-5	-10%	-6%
Aeromexico	8%	9%	5%	27%	9%	3	0	1%	-3%
Viva Aerobus	6%	16%	10%	43%	26%	5	1	10%	3%
LATAM	17%	7%	4%	34%	30%	3	2	-8%	-11%

Source: CapIQ and carrier earnings releases;. Some capacity figures based on OAG schedule data via PlaneStats.com.

CARRIER SPECIFIC RESULTS: EUROPE
YOY CHANGE

Airline	Q3 2023 vs. Q3 2024 YoY change								
	ASM	Total Rev.	Op. Expense	Op. Profit	Earnings	Op. Margin (ppts)	Margin (ppts)	RASM	CASM
Air France - KLM	4%	9%	12%	-6%	-12%	-2	-2	5%	8%
Lufthansa	6%	10%	12%	-7%	-3%	-1	-1	3%	5%
easyJet	6%	10%	9%	10%	12%	0	0	3%	3%
Finnair	9%	5%	7%	-10%	15%	-2	1	-3%	-2%
IAG	6%	14%	12%	19%	23%	1	1	8%	6%
Jet2	12%	33%	36%	63%	57%	-2	-1	19%	21%
Norwegian Air Shuttle	16%	35%	47%	0%	0%	-7	-6	16%	27%
Ryanair	10%	21%	30%	-113%	-92%	-7	-8	10%	19%
TAP	1%	8%	12%	-9%	-31%	-3	-5	6%	11%
Wizz Air	27%	21%	21%	20%	-406%	0	-15	-5%	-5%

Source: CapIQ and carrier earnings releases;. Some capacity figures based on OAG schedule data via PlaneStats.com.

CARRIER SPECIFIC RESULTS: AFRICA/MIDDLE EAST/INDIA
YOY CHANGE

Airline	Q3 2023 vs. Q3 2024 YoY change								
	ASM	Total Rev.	Op. Expense	Op. Profit	Earnings	Op. Margin (ppts)	Margin (ppts)	RASM	CASM
Air Arabia	10%	10%	13%	-1%	1%	-2	-3	0%	3%
El Al	18%	44%	20%	216%	257%	15	11	23%	2%
IndiGo	18%	30%	26%	49%	110%	2	6	10%	7%
Pegasus	9%	14%	19%	5%	12%	-3	0	5%	10%
SpiceJet	-26%	-18%	-8%	132%	-369%	-13	-20	11%	24%
Turkish	-4%	5%	16%	-24%	-20%	-7	-7	10%	21%

Source: CapIQ and carrier earnings releases;. Some capacity figures based on OAG schedule data via PlaneStats.com.

CARRIER SPECIFIC RESULTS: ASIA/PACIFIC
YOY CHANGE

Airline	Q3 2023 vs. Q3 2024 YoY change								
	ASM	Total Rev.	Op. Expense	Op. Profit	Earnings	Op. Margin (ppts)	Margin (ppts)	RASM	CASM
Air New Zealand	-7%	-4%	4%	-82%	-92%	-7	-6	3%	12%
ANA Holdings	6%	8%	8%	11%	21%	0	1	2%	2%
Asiana	12%	11%	14%	-9%	-1456%	-2	9	-1%	1%
China Eastern	15%	9%	15%	-29%	-25%	-5	-3	-5%	0%
China Southern	10%	9%	13%	-18%	-13%	-4	-1	-1%	3%
EVA Airways	3%	9%	0%	58%	53%	7	5	6%	-3%
Hainan Airlines	17%	9%	16%	-22%	17%	-5	1	-7%	-1%
JAL	2%	4%	5%	-8%	23%	-1	1	1%	2%
Airlines	7%	13%	11%	25%	-26%	1	-3	5%	4%
Garuda	49%	9%	9%	10%	-818%	0	-4	-27%	-27%
Qantas	6%	6%	11%	-28%	-50%	-4	-4	0%	4%
Singapore Airlines	13%	7%	12%	-18%	2%	-4	-1	-6%	-2%
Thai Airways	37%	38%	53%	-27%	818%	-9	24	1%	12%
Vietnam Airlines	-6%	12%	4%	-271%	-133%	7	13	19%	11%

Source: CapIQ and carrier earnings releases;. Some capacity figures based on OAG schedule data via PlaneStats.com.