CAPA Airline Leader SUMMIT 2023

CAPA Outlook: State of the Industry

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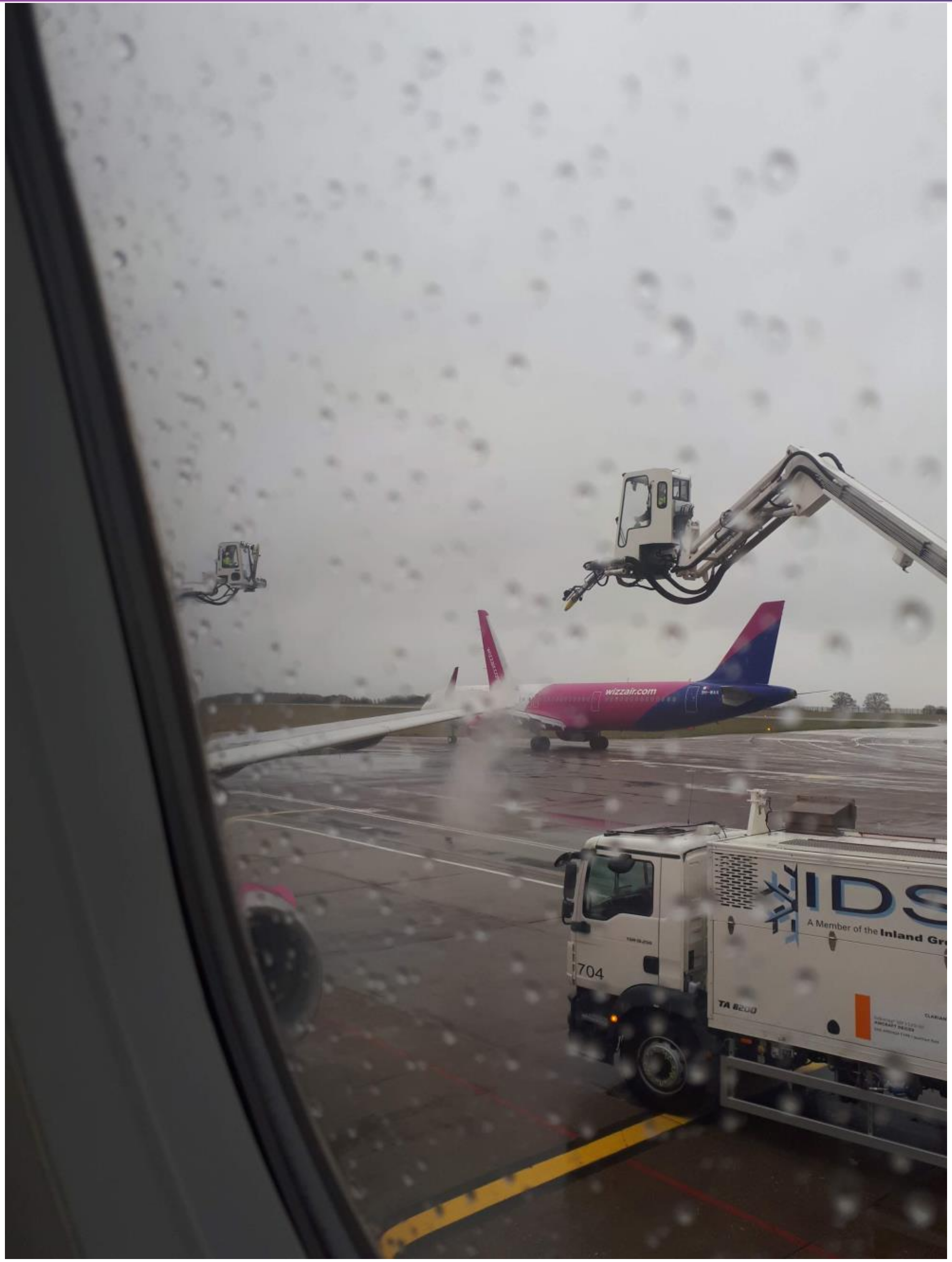

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AVIATION WEEK NETWORK

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State of the industry:

15 numbers in 15 minutes

- Aircraft in service
- Capacity
- Traffic
- Air fares
- Boeing, Airbus deliveries
- Fuel costs
- Industry profits
- Count of airlines
- Market concentration

Jets in service at 101% of pre-pandemic numbers

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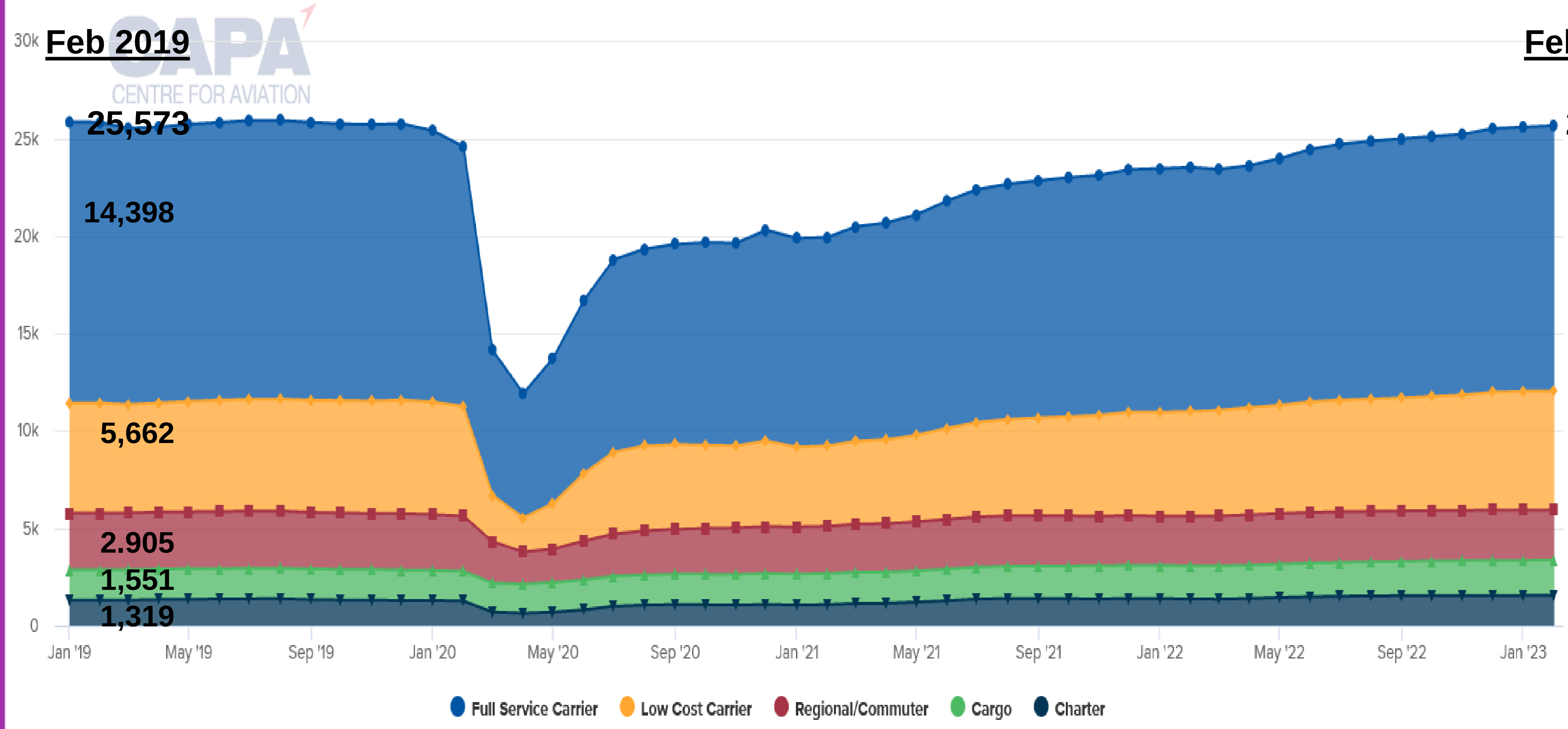

Feb 2019	Feb 2023	vs 2019	
25,573	25,746	101%	Total
14,398	13,610	95%	FSC
5,662	6,109	109%	LCC
2.905	2,579	89%	Regional
1,551	1,802	116%	Cargo
1,319	1,565	119%	Charter

Source: CAPA Fleet Database

Seat capacity 97% of 2019 level

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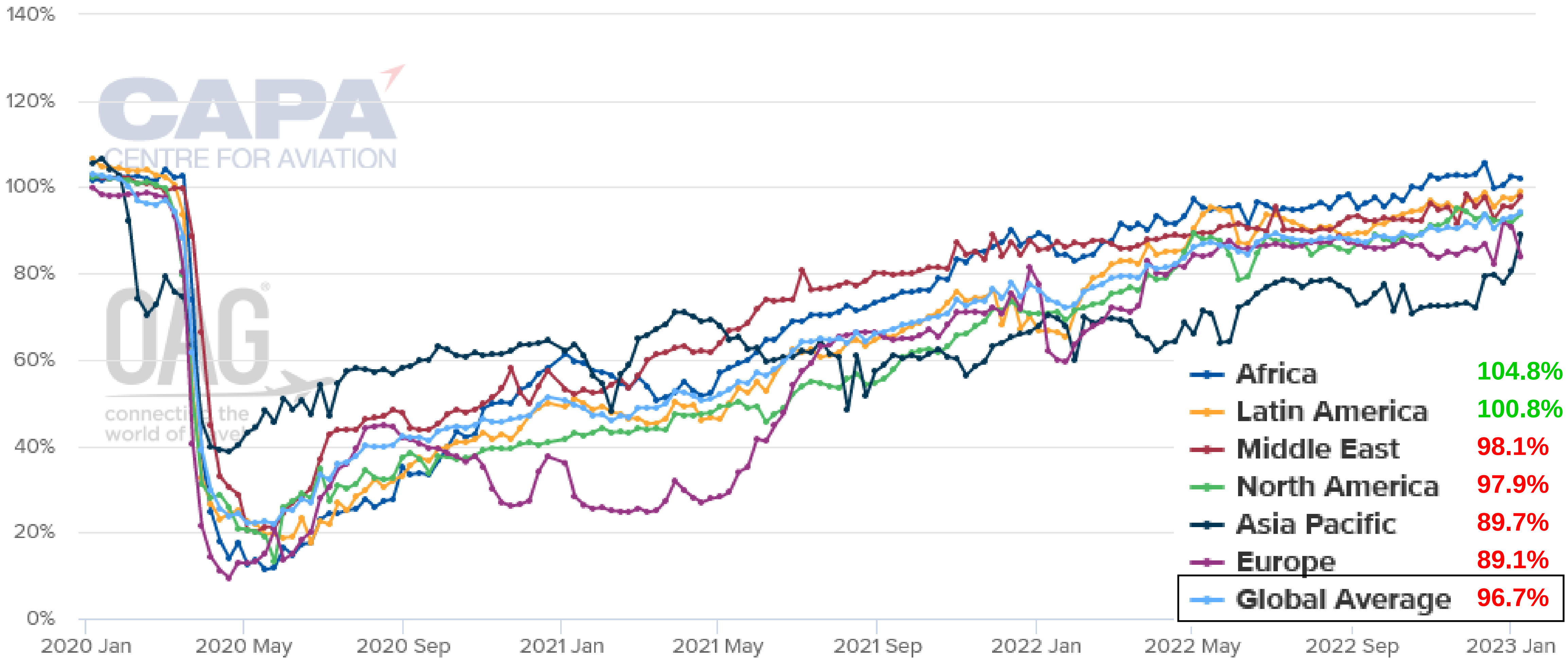

Source: CAPA - Centre for Aviation Centre for Aviation, OAG

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AVIATION WEEK NETWORK

Jan-2023 traffic vs Jan-2019: Pax 84%, Cargo 89%

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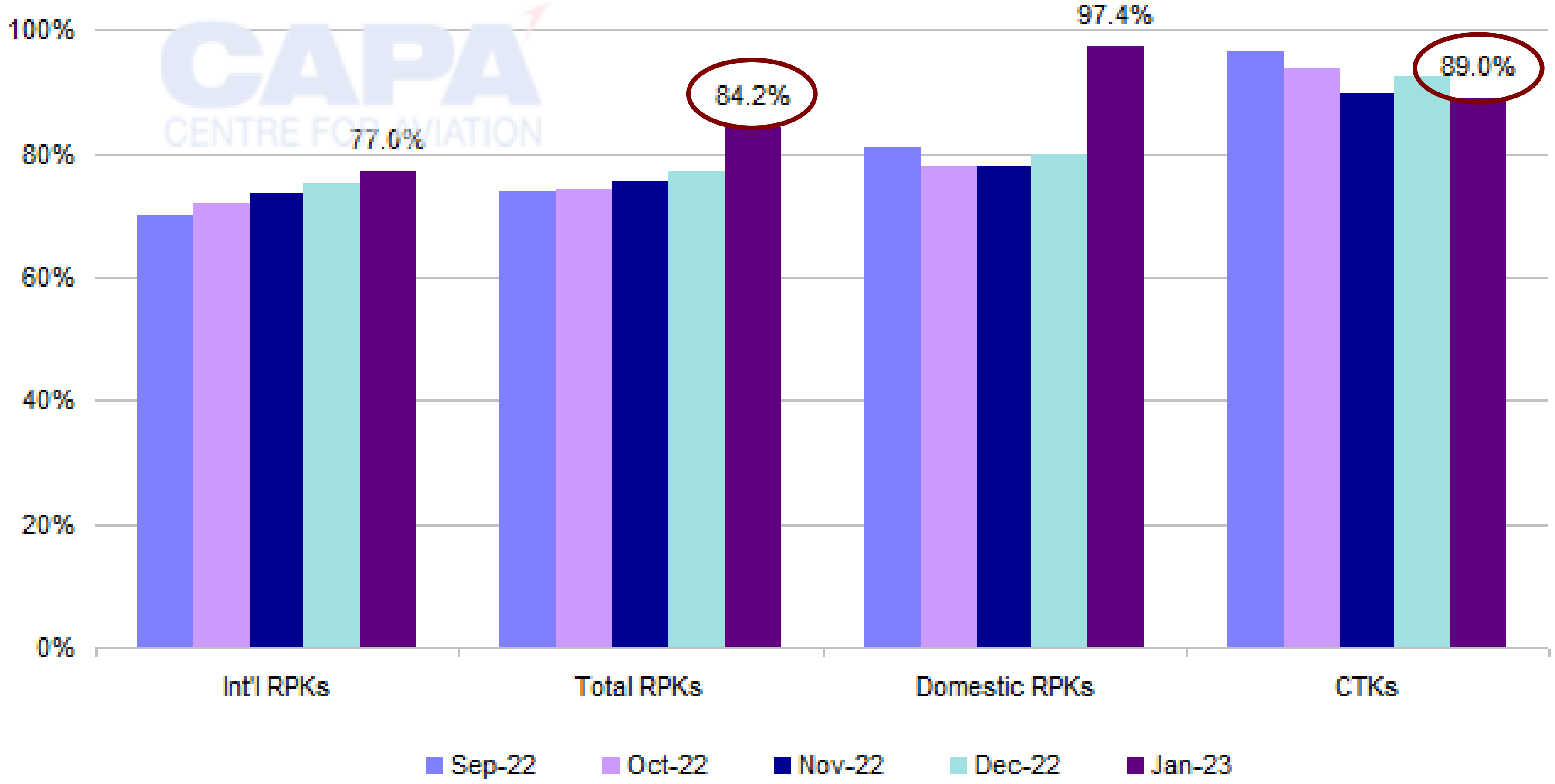
World airline traffic volumes in Jan-2023 as a percentage of Jan-2019 levels



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Source: CAPA - Centre for Aviation, IATA

AVIATION WEEK NETWORK

EU air fare inflation 19%

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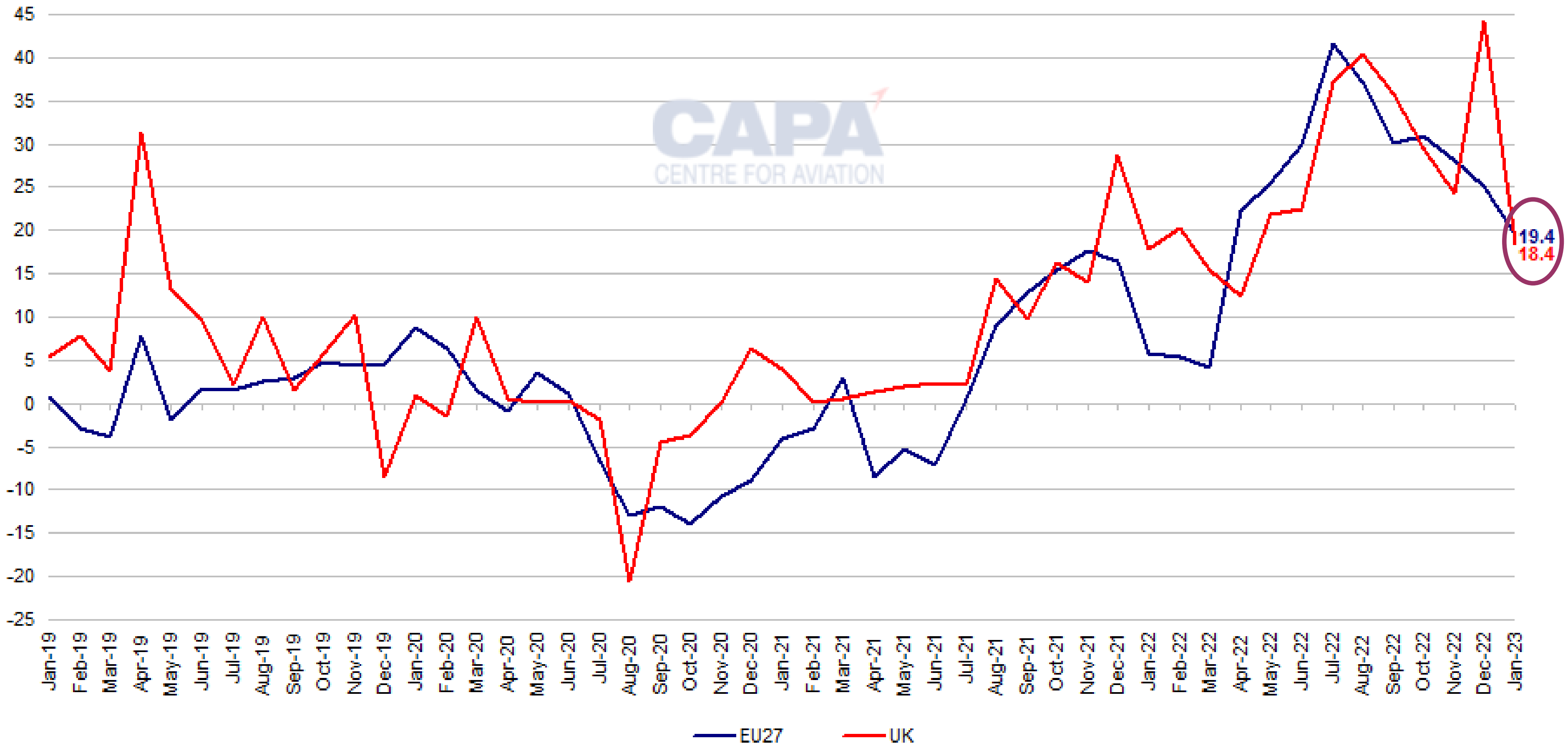
Passenger air transport prices, year on year change, %



Jan-2023 price increase **+19.4%** in EU-27

Double digit rates of increase for 10 months past year; >0 for past 19 months.

Similar pattern in UK

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Source: Eurostat, Office for National Statistics, CAPA - Centre for Aviation

AVIATION WEEK NETWORK

Boeing, Airbus deliveries:
10 years lost (but back to 2019 in 2023)

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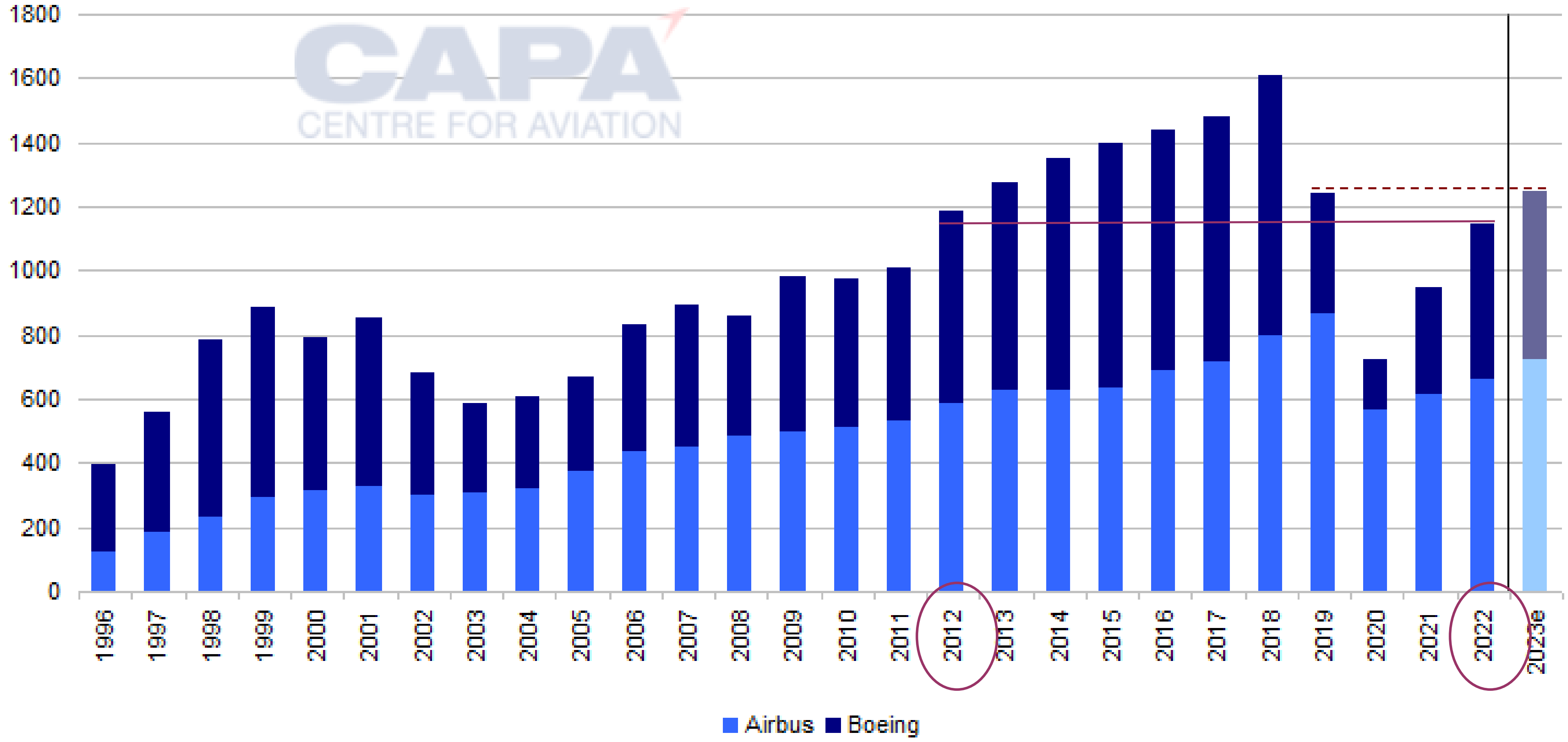

2022 deliveries

Total 1,143 close to c.**10** yrs earlier

Boeing 480 (level of 2009)

Airbus: 663 (level of 2013)

Source: Boeing, Airbus, CAPA - Centre for Aviation

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AVIATION WEEK NETWORK

Fuel cost c30% of revenue

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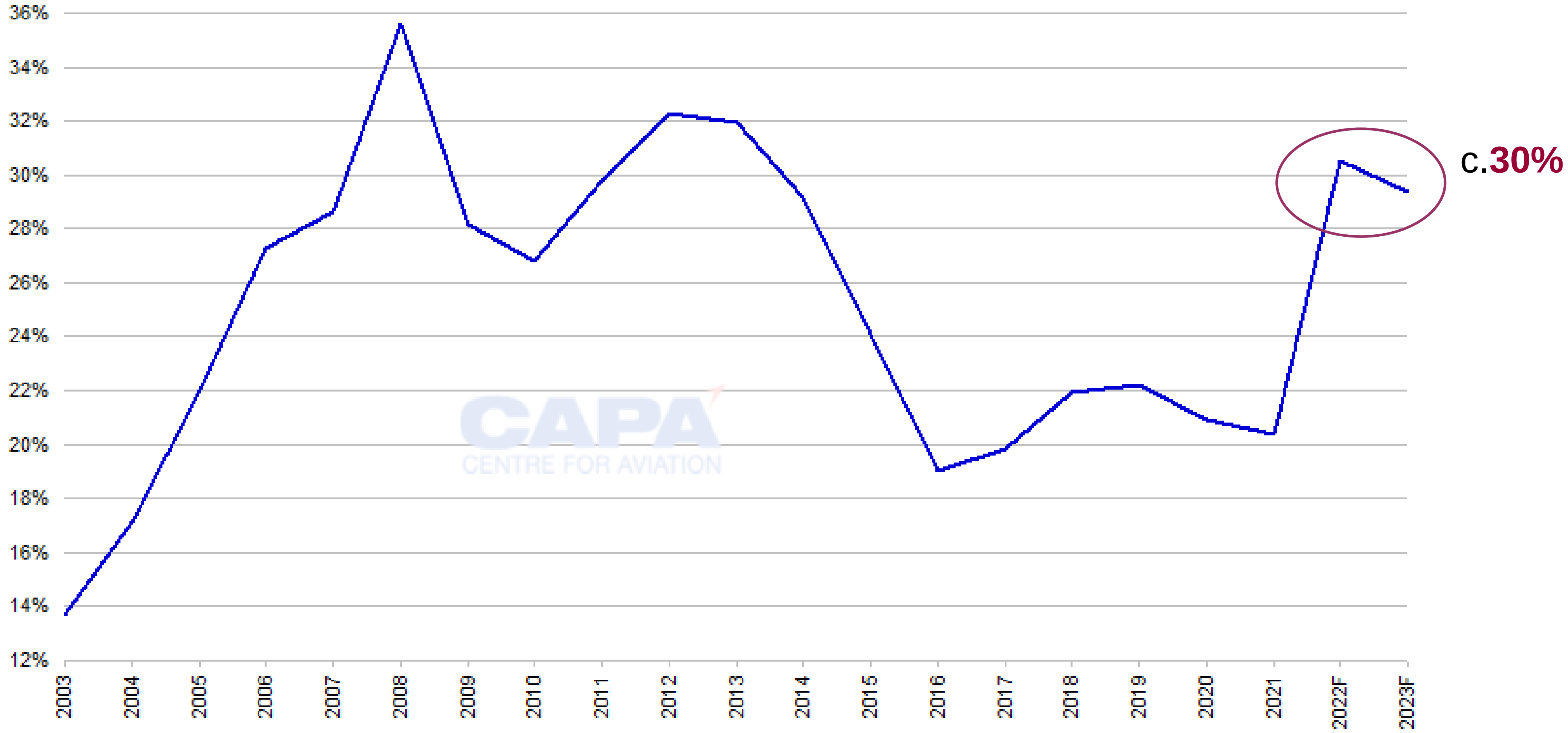
World airline fuel cost as a percentage of revenue, 2003 to 2023F



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Source: CAPA - Centre for Aviation, IATA

AVIATION WEEK NETWORK

81% of all-time airline profit wiped out in pandemic

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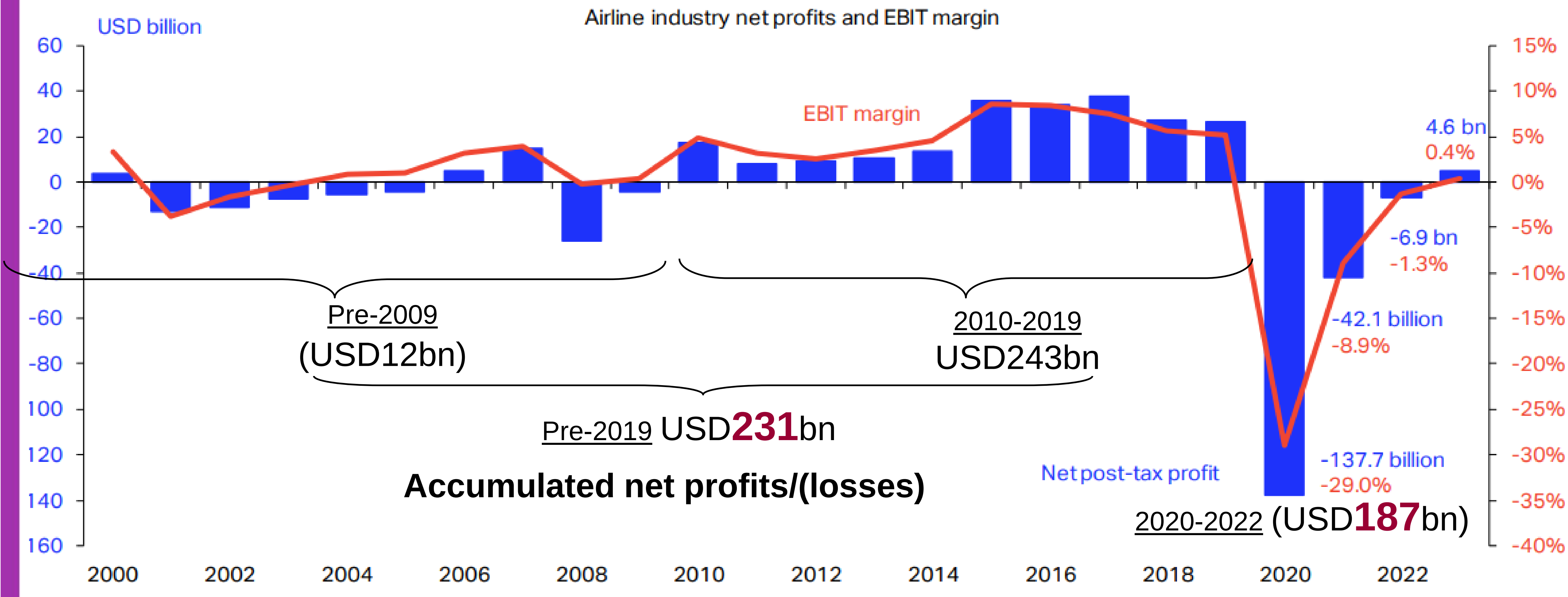

Source: IATA Economics,, Dec 2022

712 airlines globally post pandemic vs 697 four years ago

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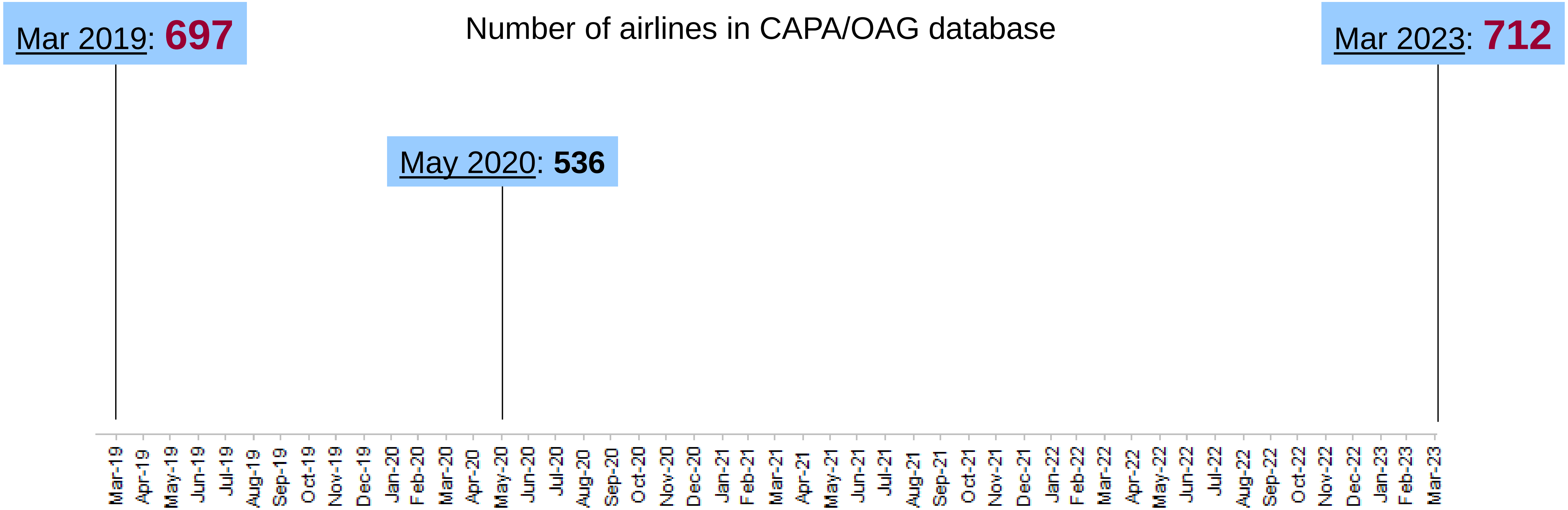

Source: CAPA - Centre for Aviation Centre for Aviation, OAG

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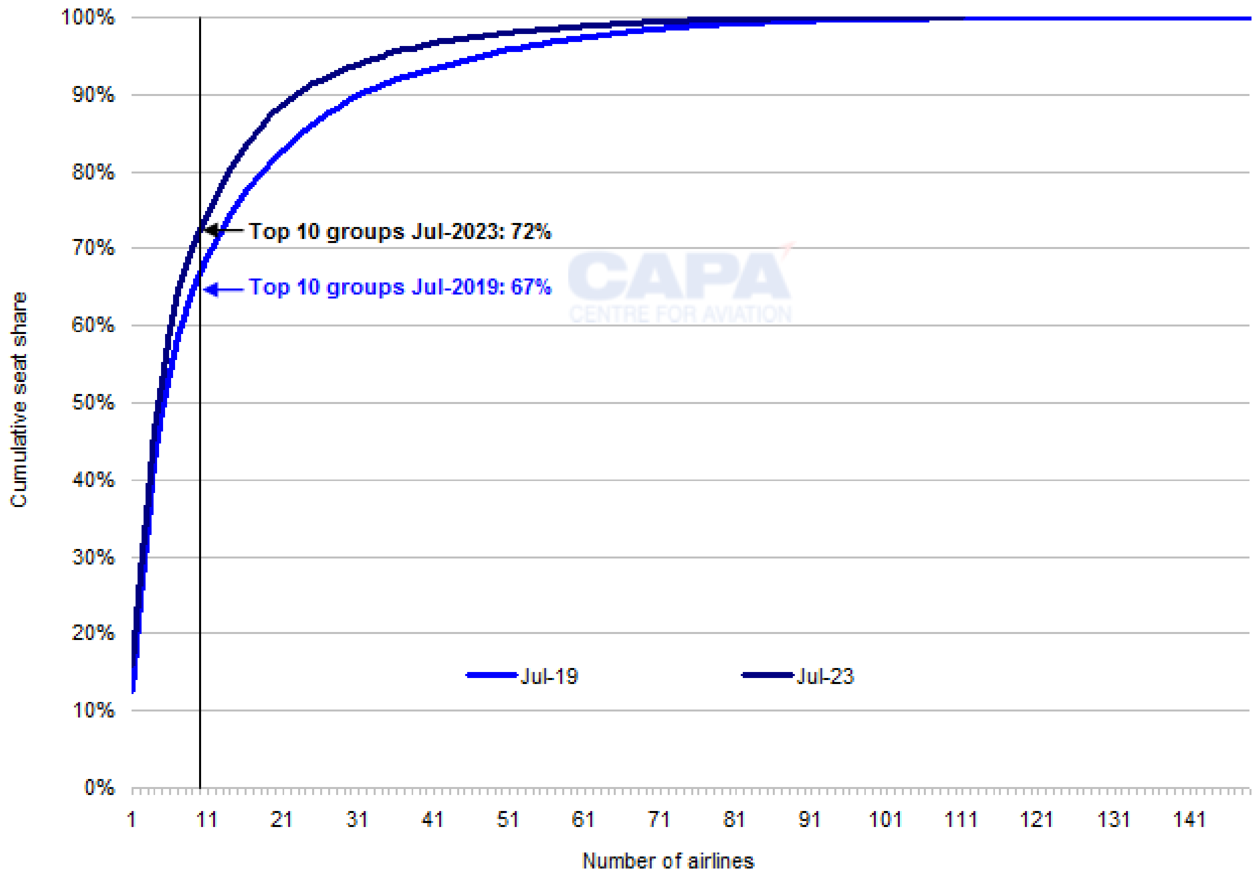
AVIATION WEEK NETWORK

Intra-Europe top 10 seat share 72% vs 67% four years ago

Intra-Europe: cumulative seat share of airline groups, first week of Jul-2019 and first week of Jul-2023



Intra-North America top 10 seat share

is 94%

(almost unchanged vs four years ago)

Source: CAPA - Centre for Aviation Centre for Aviation, OAG

13 numbers so far

The two most important numbers are still to come:

27 years to net zero

27 years to achieve ICAO's

Long Term Aspirational Goal

of net **zero** by 2050

This goal **must** be reached before **27** runs down to **zero**!

Recap: the 15 numbers

- Jets in service at **101%** of 2019 levels
- Seat capacity at **97%**
- Cargo traffic at **89%**, RPKs at **84%**
- EU air fare inflation **19%**
- Boeing, Airbus deliveries: **10** years lost
- Fuel cost at **c30%** of revenue in 2022 & 2023
- **81%** of all-time profit wiped out by pandemic
- **712** global airlines Mar-2023 vs **697** Mar-2010
- Intra-Europe top 10 seat share **72%** vs **67%** four years ago
- Intra-North America top 10 seat share **94%** (almost unchanged vs four years ago)
- **27** years to net **zero**

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AVIATION WEEK NETWORK