

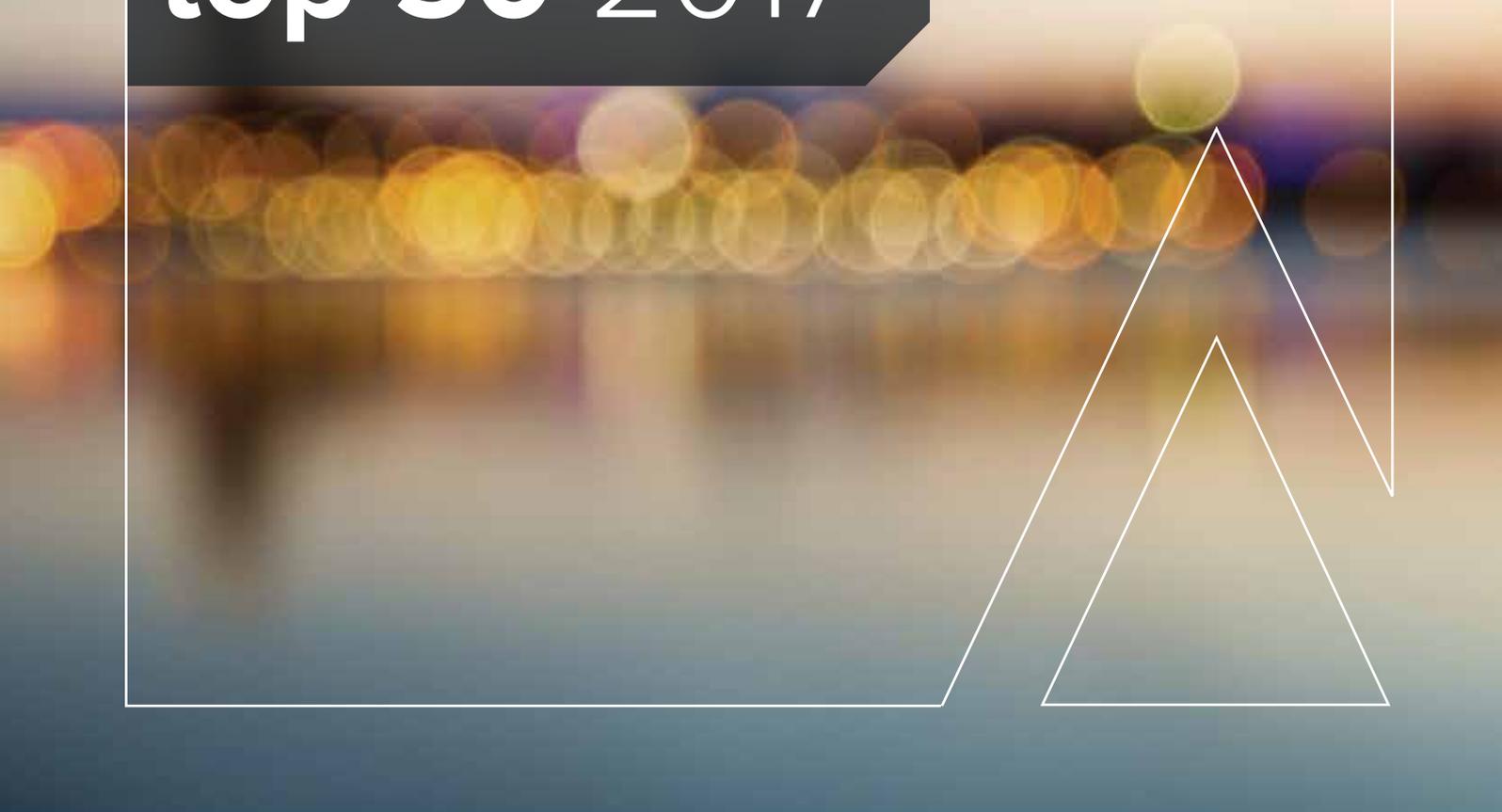


AIRFINANCE
JOURNAL

An *Airfinance Journal*

special supplement

**Airline
top 50 2017**



The top 50 airlines

Basic information				Financial rating parameters					Financial rating scores						
Rank	Airline	Most recent 12 month "Latest Twelve Months" (LTM)	LTM revenues [USDm]	Average age of fleet (years) <small>Source: AeroTransport Data Bank</small>	EBITDAR (Earnings before interest, tax, depreciation, amortisation and rents)/ Total Revenues (%)	Fixed charge cover: EBITDAR/Net Interest plus Rent (x)	Liquidity as % of revenue	Adjusted net debt/EBITDAR (x)	Average age of fleet score	EBITDAR margin score	Fixed charge cover score	Liquidity score	Leverage score	Score for most recent 12 month (LTM) period	Movement in latest 12 months
1	Ryanair	30-Jun-17	\$8,043	6.5	33.2%	15.7	60.8%	0.3	6	6	8	8	8	7.4	→
2	Hawaiian Airlines	30-Jun-17	\$2,594	10.2	29.3%	4.9	32.5%	1.0	5	5	8	7	8	6.8	↔
3	Copa Holdings	31-Mar-17	\$2,281	6.6	25.6%	4.1	36.8%	2.2	6	5	8	8	6	6.7	↑
4	Air Arabia	31-Mar-17	\$1,010	2.9	21.0%	-96.2	57.7%	2.6	8	4	8	8	6	6.6	→
5	Japan Airlines	31-Mar-17	\$11,340	9.2	22.1%	15.0	31.4%	-0.5	5	4	8	7	8	6.6	→
6	Spirit Airlines	30-Jun-17	\$2,493	4.0	30.7%	3.2	38.9%	2.5	7	6	6	8	6	6.5	↔
7	Westjet	31-Mar-17	\$3,363	6.9	22.4%	4.3	37.4%	2.0	6	4	8	8	6	6.5	→
8	Alaska Air Group	31-Mar-17	\$6,333	9.1	29.9%	11.3	27.0%	1.2	5	5	8	6	7	6.4	→
9	Allegiant Travel Company	31-Mar-17	\$1,390	21.7	31.9%	16.3	25.4%	1.0	1	6	8	6	7	6.3	↔
10	Luxair Group	31-Dec-16	\$580	5.8	1.8%	-7.3	43.3%	-6.0	7	1	8	8	8	6.3	→
11	Silkair	31-Mar-16	\$710	4.1	26.4%	2.6	51.0%	1.2	7	5	5	8	7	6.3	↔
12	Air New Zealand	31-Dec-16	\$3,525	8.1	26.9%	6.0	25.2%	2.2	6	5	8	6	6	6.2	→
13	IAG	31-Dec-16	\$23,817	11.1	20.3%	4.7	28.5%	1.8	5	4	8	6	7	6.2	↔
14	Wizz Air	31-Mar-17	\$1,754	4.1	33.7%	2.2	49.3%	2.1	7	6	4	8	6	6.1	→
15	Easyjet	30-Sep-16	\$5,766	6.2	16.6%	6.9	20.8%	0.8	6	3	8	5	8	6.0	→
16	Frontier Airlines	31-Mar-17	\$1,775	8.2	30.6%	2.5	30.1%	2.6	6	6	5	7	6	6.0	↔
17	Jetblue	31-Mar-17	\$6,620	8.5	24.6%	8.1	15.8%	1.0	6	4	8	4	8	6.0	→
18	Airasia	31-Mar-17	\$1,722	5.6	38.6%	2.8	34.3%	4.2	7	7	5	7	4	5.9	↔
19	Hainan Airlines	31-Dec-16	\$5,909	5.2	35.9%	2.1	49.7%	5.3	7	7	4	8	4	5.9	↔
20	British Airways	31-Dec-16	\$15,051	13.1	21.0%	8.6	21.8%	1.6	4	4	8	5	7	5.8	↔
21	Icelandair	30-Jun-17	\$1,333	21.5	15.8%	7.5	27.0%	0.4	1	3	8	6	8	5.8	→
22	SIA Group	30-Jun-17	\$11,044	6.5	21.1%	3.6	24.3%	1.9	6	4	7	5	7	5.8	→
23	Southwest Airlines	30-Jun-17	\$20,842	12.0	22.9%	18.5	15.1%	0.4	4	4	8	4	8	5.8	→
24	Cebu Pacific	31-Mar-17	\$1,261	3.9	32.4%	3.8	17.8%	3.2	7	6	7	4	5	5.6	↔
25	Lufthansa Group	31-Mar-17	\$36,337	11.4	11.4%	12.9	16.2%	0.6	5	2	8	4	8	5.5	↔
26	Scot	31-Mar-17	\$516	0.7	17.8%	5.0	45.4%	8.0	8	3	8	8	2	5.5	↔
27	Qatar Airways	31-Mar-17	\$10,756	5.3	17.5%	2.7	50.1%	3.1	7	3	5	8	5	5.4	↓
28	Qantas Airways	31-Dec-16	\$11,875	8.9	20.4%	5.7	10.5%	2.0	6	4	8	3	6	5.3	→
29	Virgin America	30-Sep-16	\$1,626	6.3	29.5%	2.0	37.8%	3.5	6	5	3	8	5	5.3	↔
30	Air Canada	31-Mar-17	\$10,964	14.9	17.3%	3.5	24.2%	2.7	4	3	7	5	6	5.2	→
31	Air Mauritius	31-Mar-17	\$581	13.0	16.8%	4.0	16.8%	1.8	4	3	7	4	7	5.2	↔
32	Indigo	31-Mar-17	\$2,886	4.6	28.4%	1.7	44.9%	4.5	7	5	3	8	4	5.2	↔
33	Jeju Air	31-Mar-17	\$730	10.8	24.5%	1.9	38.1%	3.0	5	4	3	8	6	5.2	→
34	Swiss International Air Lines	31-Dec-16	\$4,497	14.1	17.6%	15.0	7.2%	0.7	4	3	8	2	8	5.2	→
35	United Continental Holdings	30-Jun-17	\$37,385	13.6	20.3%	4.8	12.4%	2.3	4	4	8	3	6	5.2	→
36	Delta Air Lines	30-Jun-17	\$39,880	15.7	20.8%	11.7	7.5%	1.0	3	4	8	2	7	5.1	→
37	Jet2.com	31-Mar-16	\$1,562	22.3	13.7%	3.1	28.4%	0.7	1	2	6	6	8	5.1	↔
38	American Airlines Group	30-Jun-17	\$41,111	11.2	20.4%	3.9	16.8%	3.3	5	4	7	4	5	5.0	↔
39	ANA Holdings	31-Mar-17	\$15,652	10.2	21.9%	3.5	18.1%	3.1	5	4	7	4	5	5.0	→
40	Korean Air Lines	31-Mar-17	\$10,507	9.5	26.3%	4.5	10.9%	5.2	5	5	8	3	4	5.0	↔
41	Air China	31-Dec-16	\$16,534	6.1	32.1%	3.9	6.0%	4.1	6	6	7	2	4	4.9	→
42	EVA Airways	31-Mar-17	\$4,929	7.0	21.9%	2.6	26.5%	4.4	6	4	5	6	4	4.9	→
43	Juneyao Airlines	31-Dec-16	\$1,440	3.9	29.5%	3.3	14.9%	3.6	7	5	6	3	5	4.9	→
44	Finnair	30-Jun-17	\$2,883	10.1	18.9%	1.8	39.6%	3.9	5	3	3	8	5	4.8	↔
45	Spring Airlines	31-Mar-17	\$1,308	3.7	19.7%	2.0	52.7%	5.8	7	3	3	8	4	4.7	↓
46	Tigerair	31-Mar-16	\$514	4.4	20.8%	1.5	37.3%	5.0	7	4	2	8	4	4.7	↑
47	VietJet Air	31-Dec-16	\$710	3.6	36.2%	1.6	17.3%	5.7	7	7	3	4	4	4.7	↔
48	Skywest	31-Mar-17	\$3,125	11.7	27.1%	2.5	18.5%	4.8	5	5	5	4	4	4.5	↔
49	Thai Airasia	31-Dec-16	\$929	4.1	28.2%	1.7	20.4%	5.2	7	5	3	5	4	4.5	↔
50	Xiamen Airlines	31-Mar-17	\$3,405	5.3	21.7%	6.1	2.7%	4.7	7	4	8	1	4	4.5	→

Source: Airfinance Journal's Fleet Tracker

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 **EMBRAER**

Top 50 by size of current fleet

Rank	Airline	Fleet size			%	Fleet value (\$m)		
		Leased	Owned	Total		Leased	Owned	Total
1	American Airlines	410	615	1,025	40.0%	9,553	20,297	29,850
2	Delta Air Lines	174	740	914	19.0%	2,962	11,397	14,359
3	Southwest Airlines	121	659	780	15.5%	1,942	13,331	15,273
4	United Airlines	170	596	766	22.2%	2,438	17,104	19,541
5	China Southern	199	334	533	37.3%	6,537	13,704	20,241
6	China Eastern	120	368	488	24.6%	4,202	15,328	19,531
7	Skywest Airlines	104	299	403	25.8%	627	3,679	4,306
8	Ryanair	42	356	398	10.6%	1,486	11,939	13,425
9	Air China	106	292	398	26.6%	5,116	12,482	17,598
10	Fedex	21	346	367	5.7%	406	8,520	8,926
11	Expressjet	64	247	311	20.6%	427	890	1,317
12	Turkish Airlines	81	216	297	27.3%	3,656	11,347	15,003
13	Emirates	156	117	273	57.1%	17,995	13,823	31,818
14	British Airways	94	176	270	34.8%	3,443	6,652	10,095
15	Lufthansa	16	253	269	5.9%	431	9,476	9,907
16	Easyjet	63	193	256	24.6%	1,199	5,468	6,667
17	UPS	3	233	236	1.3%	23	4,302	4,324
18	Jetblue	50	182	232	21.6%	791	4,905	5,696
19	Air France	149	80	229	65.1%	5,536	3,051	8,587
20	All Nippon Airways	17	208	225	7.6%	1,011	10,366	11,377
21	Republic Airlines	16	191	207	7.7%	237	2,966	3,203
22	Aeroflot	180	23	203	88.7%	7,937	1,064	9,001
23	Qatar Airways	65	132	197	33.0%	5,139	11,004	16,142
24	Hainan Airlines	79	115	194	40.7%	4,051	4,981	9,032
25	Saudia	53	135	188	28.2%	2,810	8,996	11,806
26	Air Canada	97	86	183	53.0%	1,999	5,427	7,426
27	Alaska Airlines	25	147	172	14.5%	499	4,360	4,859
28	Shenzhen Airlines	43	127	170	25.3%	1,276	4,180	5,456
29	Korean Air	32	130	162	19.8%	2,061	9,069	11,130
30	Japan Airlines	29	131	160	18.1%	911	6,448	7,359
31	Endeavor Air	148	9	157	94.3%	1,511	6	1,518
32	Xiamen Airlines	51	102	153	33.3%	1,874	4,064	5,938
33	Cathay Pacific Airways	32	121	153	20.9%	2,754	9,982	12,735
34	TAM	136	14	150	90.7%	4,788	358	5,146
35	Garuda Indonesia	130	16	146	89.0%	5,924	272	6,197
36	American Eagle	2	141	143	1.4%	4	662	666
37	Norwegian Air Shuttle	52	86	138	37.7%	2,867	3,577	6,444
38	Indigo	129	7	136	94.9%	4,264	290	4,554
39	Mesa	62	73	135	45.9%	1,273	970	2,243
40	Azul Linhas Aereas	95	40	135	70.4%	2,152	799	2,951
41	Sichuan Airlines	45	84	129	34.9%	2,095	2,742	4,837
42	Jazz Air	74	55	129	57.4%	348	651	999
43	Etihad Airways	34	95	129	26.4%	2,754	6,837	9,591
44	SAS	98	29	127	77.2%	2,598	444	3,042
45	Qantas	36	91	127	28.3%	1,431	3,139	4,569
46	Air India	65	58	123	52.8%	2,887	2,367	5,254
47	LAN	92	30	122	75.4%	4,746	859	5,605
48	Singapore Airlines	34	87	121	28.1%	2,583	6,710	9,292
49	Tianjin Airlines	105	16	121	86.8%	1,830	579	2,409
50	Westjet	38	81	119	31.9%	836	2,071	2,907

Source: Airfinance Journal's Fleet Tracker

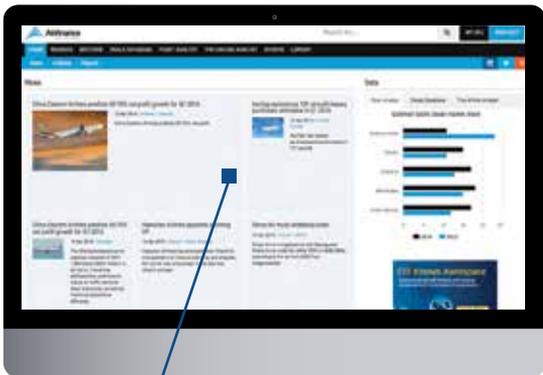


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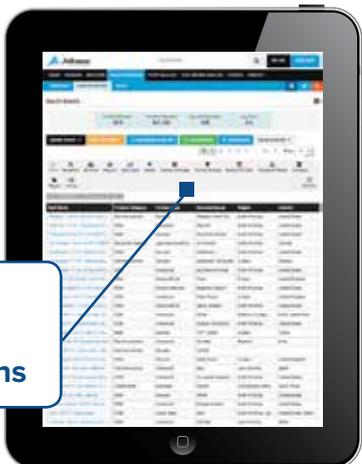
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Top 50 by size of current fleet and engine manufacturer

Rank	Airline	Manufacturer									Total
		Allison	BMW RR	CFM International	Engine Alliance	GE	IAE	P&W	Rolls-Royce	Other	
1	American Airlines			445		108	244	95	133		1,025
2	Delta Air Lines		91	316		78	65	355	9		914
3	Southwest Airlines			780							780
4	United Airlines			325		85	160	134	62		766
5	China Southern			246		52	173	35	27		533
6	China Eastern	1		308		21	105	1	52		488
7	Skywest Airlines					385		18			403
8	Ryanair			398							398
9	Air China			239		30	53	10	66		398
10	Fedex					206		93	68		367
11	Expressjet	193				118					311
12	Turkish Airlines			99		64	100	7	27		297
13	Emirates				90	157			26		273
14	British Airways			3		39	129		99		270
15	Lufthansa			108		32	63	6	60		269
16	Easyjet			256							256
17	UPS					84		113	39		236
18	Jetblue					60	172				232
19	Air France			132	10	87					229
20	All Nippon Airways			58		75		33	59		225
21	Republic Airlines	32				173		2			207
22	Aeroflot			133		16			22	32	203
23	Qatar Airways			5	8	111	42		31		197
24	Hainan Airlines			137		21		13	23		194
25	Saudia			57		93	1	2	35		188
26	Air Canada			73		100		2	8		183
27	Alaska Airlines			165		7					172
28	Shenzhen Airlines			133			37				170
29	Korean Air			39	10	50		63			162
30	Japan Airlines			50		94		16			160
31	Endeavor Air					157					157
32	Xiamen Airlines			140		9			4		153
33	Cathay Pacific Airways			4		67		7	75		153
34	TAM			55		27	61	5	2		150
35	Garuda Indonesia			77		30		15	24		146
36	American Eagle	107				36					143
37	Norwegian Air Shuttle			123					15		138
38	Indigo			8			107	21			136
39	Mesa					130		5			135
40	Azul Linhas Aereas			7		75		48	5		135
41	Sichuan Airlines			32			84	1	12		129
42	Jazz Air					32		97			129
43	Etihad Airways			1	10	45	34		39		129
44	SAS			83		12	24		8		127
45	Qantas		8	66		35			18		127
46	Air India			59		39	17	8			123
47	LAN			54		18	27	1	22		122
48	Singapore Airlines					27		7	87		121
49	Tianjin Airlines	19		8		55	17	19	3		121
50	Westjet			113		4		2			119

Source: Airfinance Journal's Fleet Tracker

Top 50 by firm order backlog

Rank	Airline	Manufacturer							Total
		Airbus	ATR	Boeing	Bombardier	Embraer	Mitsubishi	Comac	
1	Indigo	408	50						458
2	Airasia	399							399
3	Lion Air	187		203					390
4	Delta Air Lines	147		41	75				263
5	American Airlines	124		123		11			258
6	Southwest Airlines			239					239
7	United Airlines	35		185		10			230
8	Norwegian Air Shuttle	97		128					225
9	Emirates	46		168					214
10	Qatar Airways	108		104					212
11	Skywest Airlines					106	100		206
12	Vietjetair	93		100					193
13	Ryanair			175					175
14	Etihad Airways	88		81					169
15	Turkish Airlines	92		77					169
16	Spicejet			142	25				167
17	Lufthansa	116		20	21				157
18	Easyjet	143							143
19	Avianca	137		4					141
20	Goair	139							139
21	Jetblue	105				24			129
22	Singapore Airlines	56		68					124
23	Wizz Air	124							124
24	Qantas	107		8					115
25	Air Canada			69	45				114
26	Iran Air	97	17						114
27	All Nippon Airways	33		50	3		15		101
28	China Southern	20		65				5	90
29	Jet Airways	5		85					90
30	Korean Air Lines	30		46	10				86
31	Flynas	80							80
32	Airasia X	76							76
33	Garuda Indonesia	20	5	50					75
34	Fedex			75					75
35	Flydubai			75					75
36	Japan Airlines	31		12			32		75
37	Tui Travel			74					74
38	Frontier Airlines	73							73
39	British Airways	53		18					71
40	Westjet			62	6				68
41	Spirit Airlines	67							67
42	Pegasus Airlines	64		3					67
43	Azul Linhas Aereas	36				30			66
44	Gol Transportes Aereos			64					64
45	China Eastern	35		23				5	63
46	Copa			63					63
47	Aeromexico			62					62
48	Gulf Air	29		16	10				55
49	LAN	55							55
50	Air France	30		24					54

Source: Airfinance Journal's Fleet Tracker

Airline treasury team of the year: **American Airlines**

American Airlines scoops the prize this year for carrying out major investment in its fleet and for using a broad range of financial structures.

Last year, the airline invested \$4.4 billion in new aircraft, comprising 55 new mainline and 42 new regional aircraft. It took advantage of historically low interest rates to finance this fleet renewal and tapped a variety of markets.

The airline has been a prolific issuer of enhanced equipment trust certificates (EETC) for years, but in 2016 it tapped this market more than any other airline by issuing \$2.8 billion in three separate EETC deals. The deals were well priced, with an average fixed interest rate of 3.63%.

“Something like 37% of the outstanding EETC paper was issued by an entity that is now subsumed within American Airlines,” says Tom Weir, vice president and treasurer at the airline. “We were mindful of the potential that we could go to that market too often. But right now, there’s no obvious pricing penalty that we’re paying for over-allocating our financing to that market,” he adds, noting that there was plenty of Asian appetite for recent EETC deals.

The airline also closed \$1.8 billion in other loans, bearing interest at fixed and variable rates of LIBOR plus margin, which

“The repricing of the JFK bonds was a very good transaction for us.”

Tom Weir, vice president and treasurer, American Airlines



The American Airlines treasury team, collecting their award from AFJ's editor Jack Dutton

averaged 2.96% at the end of the year.

On top of this, the airline issued \$844 million of special facility revenue bonds (“JFK bonds”) via the New York Transportation Development Corporation (a special vehicle that issues debt for infrastructure projects), to refinance a prior

issuance. The deal was rated “BB” by Fitch Ratings, which is one notch higher than the airline’s long-term issuer default rating. This is due to the strategic importance of American’s position at JFK airport.

“The repricing of the JFK bonds was a very good transaction for us. We felt we had good cooperation from the port authority and I think our timing was very good,” adds Weir.

The deal involved bringing together local authorities and lenders in a complicated deal. But it closed successfully despite the number of parties involved.

American Airlines also tapped the capital markets in August 2016 through a private placement covering two Boeing 737-800 deliveries. BNP Paribas acted as the sole structuring and placement agent. This transaction was to diversify funding sources and gain access to a new investor base different from the typical investor base for public EETC issuances. It was the first primary issuance by American Airlines to be placed with Japanese investors. The transaction features straight line amortisation for the senior and junior notes, one Japanese rating agency (Rating & Investment Information, Inc.), and Reg S format. ▲

Most improved airline of the year: **United Airlines**

During the past two years, United’s financial fundamentals have seen a significant improvement, according to *Airfinance Journal’s* Financial Ratings model.

The model evaluates four key ratios:

- **EBITDAR:** United’s margin of 22.1% for 2016 was ahead of American’s and just a touch behind Delta’s;
- **Fixed charge cover:** United was ahead of American;
- **Liquidity:** United’s position was a strong second place behind American;
- **Leverage:** United’s at 2x (improved from 3.2x two years ago) also puts it in second place.

Underlying some of these improvements was strong operational performance. United set new all-time records for departure performance, arrival performance, completion factor and baggage handling.

United ended the year 2016 with \$5.8 billion in unrestricted liquidity, including \$1.35 billion of undrawn commitments

United ended 2016 with \$5.8 billion in unrestricted liquidity, including \$1.35 billion of undrawn commitments under its revolving credit facility.

under its revolving credit facility.

Operating cash flow was \$5.5 billion and free cash flow \$2.2 billion for 2016, permitting some reduction in debt.

The company continued to invest in its business through capital expenditures of \$3.2 billion for the full year.

Gross debt balance at year-end, including capitalised operating leases, was \$16.5 billion, about \$600 million less than at the end of 2015.

The company has publicly stated that maintaining a strong balance sheet remains the top strategic priority which lends confidence that the balance sheet improvement will continue and that an investment grade rating should not be out of reach on a two-three year view. ▲



L to R: Jason Fein from United Airlines collecting his award from AFJ's managing director Mike Duff

Industry overview:

Key financials

This time last year we reported that many of the world's airlines had enjoyed a stellar 12-18 month run of improving profitability. Revenues had reached close to \$600 billion. More noticeable was the 30.7% increase in EBITDAR (earnings before tax, depreciation, debt and rental costs) and the 261% increase in net income to a record \$40.6 billion.

The story this year remains positive. Amidst many predictions that the growth cycle was reaching its peak, revenues grew 4.5% and EBITDAR by 6.7% leading to EBITDAR Margin edging upwards to 21.5%. So far so good, but net income fell 17%

to \$33.8 billion. A closer look at the data confirms that the decline is almost entirely accounted for by tax credits at American and United and hedging gains at Delta in 2015 that were not repeated in 2016. So, 2016 clearly can be considered as good a year as 2015 from a profitability perspective.

On the leverage front the trend was also favourable, despite the record capital expenditure. Although adjusted net debt increased by 12.6% to \$477 billion, leverage (measured as adjusted net debt/EBITDAR) rose only marginally from 3.4 times to 3.6 times. Fixed charge coverage declined from 3.3 times to 3.2 times.

The story this year remains positive. Amidst many predictions that the growth cycle was reaching its peak, revenues grew 4.5% and EBITDAR by 6.7% leading to EBITDAR Margin edging upwards to 21.5%.

Figure 1: Global airline industry¹ key financials

\$m	Financial periods ending in				
	2012/13	2013/14 ²	2014/15	2015/16	2016/17
Total revenue	545,111	535,827	589,317	598,967	626,050
% change		-1.7%	10.0%	1.6%	4.5%
EBITDAR	76,628	81,078	96,404	126,001	134,443
% change		5.8%	18.9%	30.7%	6.7%
Net income	6,369	6,532	11,234	40,568	33,836
% change		2.6%	72.0%	261.1%	-16.6%
Adjusted net debt	342,528	344,954	392,283	424,159	477,521
% change		0.7%	13.7%	8.1%	12.6%
Net fixed charges	31,626	31,842	34,731	37,973	42,552
EBITDAR margin	14.1%	15.1%	16.4%	21.0%	21.50%
EBITDAR/net fixed charges (x)	2.4	2.5	2.8	3.3	3.2
Unrestricted cash/Total revenues	17.4%	18.3%	16.0%	16.5%	16.8%
Adjusted net debt/EBITDAR (x)	4.5	4.3	4.1	3.4	3.6
Parent groups with positive net income	13,960	14,748	19,254	45,795	37,259
Parent groups with negative net income	(7,591)	(8,216)	(8,020)	(5,227)	(3,423)
Total	6,369	6,532	11,234	40,568	33,836
Parent groups with positive net income	85	86	74	93	101
Parent groups with negative net income	35	34	44	29	27
³ Number of parent groups	120	120	118	122	128

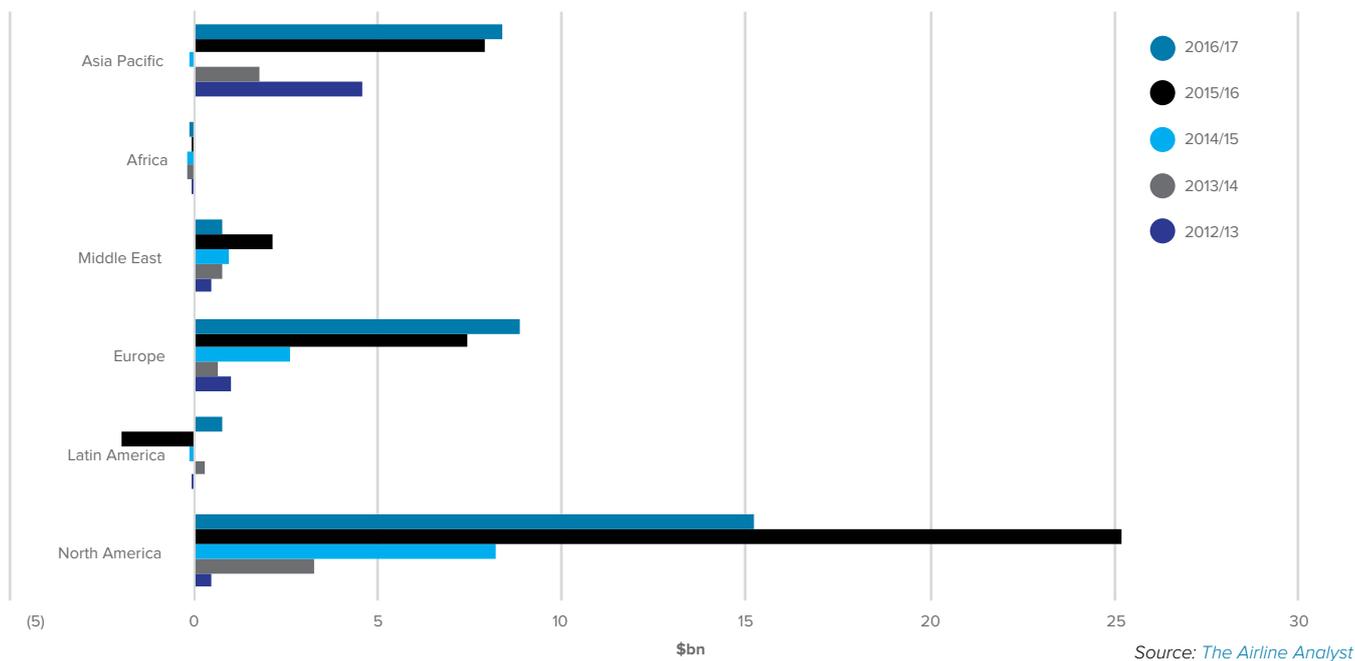
¹ Aggregate values for airline groups included in study

² 2013/14 excludes Delta's \$8.3 billion tax credit

³ Number of parent groups³ varies due to consolidation (US Airways, Tigerair, Vueling, Aer Lingus), IPOs (IndiGo and Wizz Air), de-consolidation (Frontier) and financials for additional airlines becoming available.

Source: *The Airline Analyst*

Figure 2 - Net income by major region



The only indicator which has not improved over the last five years is liquidity as a percentage of revenues, which remains at the 16.8% level, equivalent to only about two months' worth of liquidity. Given the cost to carry, a number of airlines have been reducing cash on balance sheet in favour of committed liquidity facilities. Another factor reducing liquidity has been special dividends and stock buybacks by a significant number of airlines.

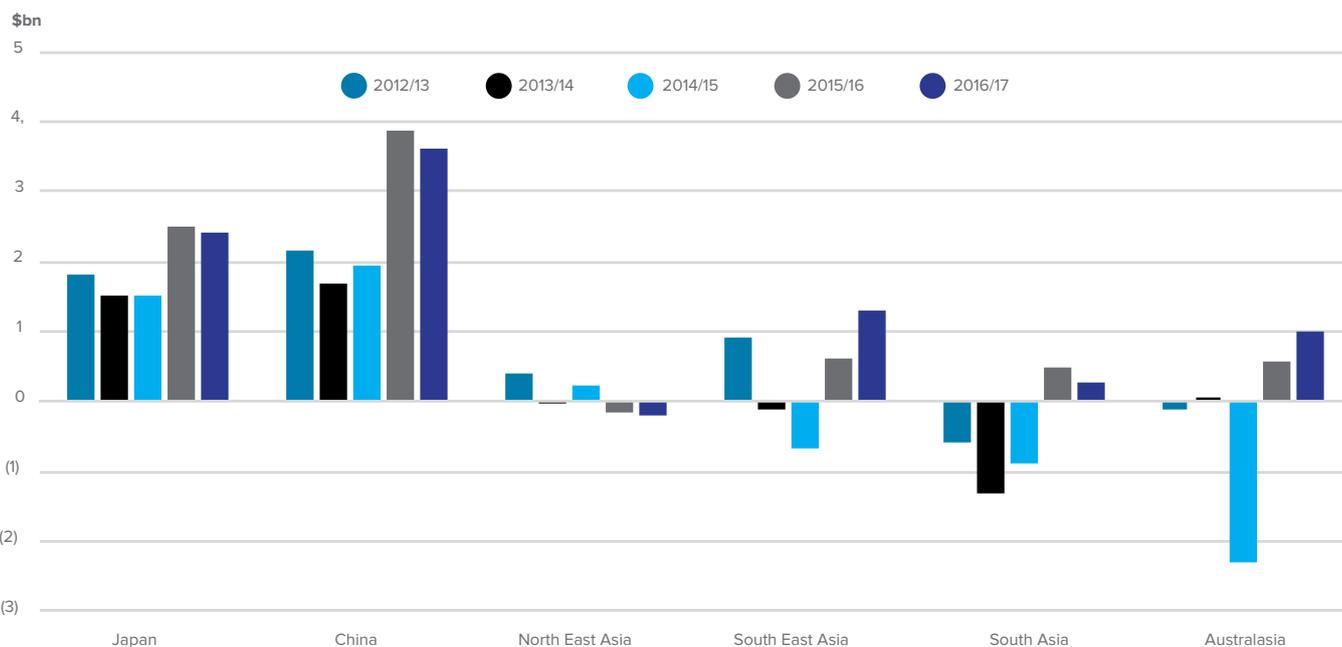
Figure 2 shows net income broken down by region and illustrates clearly that

the fall in profitability in the latest year was primarily driven by North American and Middle Eastern carriers. All of the other regions improved year-on-year. While the aggregate figures are impressive, not all regions or all airlines have achieved such a significant improvement in their performance. Of the 128 airline groups in the study, 27 made aggregate net losses of \$3.4 billion. The loss makers tended to be in countries with weak economic conditions like Brazil or where excess capacity and competition have impacted profitability, such as South East Asia.

It is also helpful to look at the breakdown of the Asia Pacific numbers by sub-region as there are huge differences that tend to be camouflaged in the aggregates.

This is presented in Figure 3 and shows clearly the large, stable and growing contributions from Japan and China and the volatile and often marginal profitability from the other sub-regions. That said, we can see the significant improvement in 2016/17 from South East Asia (driven by AirAsia) and Australasia (driven by Qantas and Air New Zealand).

Figure 3 - Asia-Pacific net income by sub-region



Source: The Airline Analyst

The data set

Airlines included in survey

No.	Airline	FYE
1	ABX Air	31-Dec-16
2	Aegean Airlines	31-Dec-16
3	Aeroflot	31-Dec-16
4	Aigle Azur	31-Mar-16
5	Air Arabia	31-Dec-16
6	Air Astana	31-Dec-16
7	Air Berlin	31-Dec-16
8	Air Busan	31-Dec-16
9	Air Canada	31-Dec-16
10	Air China	31-Dec-16
11	Air France	31-Dec-16
12	Air France-KLM	31-Dec-16
13	Air Greenland	31-Dec-16
14	Air Mauritius	31-Mar-17
15	Air New Zealand	30-Jun-16
16	Air Transport International	31-Dec-16
17	Air Transport Services Group	31-Dec-16
18	Air Wisconsin	31-Dec-16
19	Airasia	31-Dec-16
20	Airasia X	31-Dec-16
21	Alaska Air Group	31-Dec-16
22	Allegiant Travel Company	31-Dec-16
23	American Airlines Group	31-Dec-16
24	Amerijet International	31-Dec-16
25	ANA Holdings	31-Mar-17
26	Asiana Airlines	31-Dec-16
27	Atlantic Airways	31-Dec-16
28	Atlas Air Worldwide	31-Dec-16
29	Atlas Air, Inc.	31-Dec-16
30	Austrian Airlines	31-Dec-16
31	Avianca Brasil	31-Dec-16
32	Avianca Holdings	31-Dec-16
33	Azul S.A.	31-Dec-16
34	Bangkok Airways	31-Dec-16
35	British Airways	31-Dec-16
36	Cargojet Airways	31-Dec-16
37	Cargolux	31-Dec-16
38	Cathay Pacific	31-Dec-16
39	Cebu Pacific	31-Dec-16
40	China Airlines	31-Dec-16
41	China Eastern Airlines	31-Dec-16
42	China Southern Airlines	31-Dec-16
43	Chorus Aviation	31-Dec-16
44	Comair	30-Jun-16
45	Compass Airlines	31-Dec-16
46	Copa Holdings	31-Dec-16
47	Croatia Airlines	31-Dec-16
48	Czech Airlines	31-Dec-16
49	Delta Air Lines	31-Dec-16
50	Eastarjet	31-Dec-16

No.	Airline	FYE
51	Easyjet	30-Sep-16
52	EL AL Israel Airlines	31-Dec-16
53	Emirates	31-Mar-17
54	Enter Air	31-Dec-16
55	Envoy Air	31-Dec-16
56	Ethiopian Airlines	30-Jun-16
57	Euroatlantic Airways	31-Dec-16
58	EVA Airways	31-Dec-16
59	Expressjet	31-Dec-16
60	Fastjet	31-Dec-16
61	Fiji Airways	31-Dec-16
62	Finnair	31-Dec-16
63	Flybe	31-Mar-17
64	Frontier Airlines	31-Dec-16
65	Garuda Indonesia	31-Dec-16
66	Gojet Airlines	31-Dec-16
67	GOL	31-Dec-16
68	Grupo Aeromexico	31-Dec-16
69	Hainan Airlines	31-Dec-16
70	Hawaiian Airlines	31-Dec-16
71	Horizon Air	31-Dec-16
72	Iberia	31-Dec-16
73	Icelandair	31-Dec-16
74	Indigo	31-Mar-17
75	Interjet	31-Dec-16
76	IAG	31-Dec-16
77	Japan Airlines	31-Mar-17
78	Jazeera Airways	31-Dec-16
79	Jeju Air	31-Dec-16
80	Jet Airways	31-Mar-17
81	Jet2.com	31-Mar-16
82	Jetblue	31-Dec-16
83	Jetstar Asia	30-Jun-16
84	Jin Air	31-Dec-16
85	Juneyao Airlines	31-Dec-16
86	Kalitta Air	31-Dec-16
87	Kenya Airways	31-Mar-16
88	KLM - Royal Dutch Airlines	31-Dec-16
89	Korean Air Lines	31-Dec-16
90	LATAM Airlines Group	31-Dec-16
91	Lufthansa Group	31-Dec-16
92	Lufthansa Parent	31-Dec-16
93	Luxair Group	31-Dec-16
94	Mesa Airlines	31-Dec-16
95	Nok Air	31-Dec-16
96	Norwegian Air Shuttle	31-Dec-16
97	Oman Air	31-Dec-16
98	Omni Air International	31-Dec-16
99	PAL Holdings	31-Dec-16
100	Pegasus Airlines	31-Dec-16

No.	Airline	FYE
101	Polar Air Cargo	31-Dec-16
102	Precision Air	31-Mar-16
103	PSA Airlines	31-Dec-16
104	Qantas Airways	30-Jun-16
105	Qatar Airways	31-Mar-17
106	Regional Express	30-Jun-16
107	Royal Jordanian Airlines	31-Dec-16
108	Ryanair	31-Mar-17
109	S7 Airlines	31-Dec-16
110	SAS	31-Oct-16
111	Scot	31-Mar-17
112	Shandong Airlines	31-Dec-16
113	Shuttle America	31-Dec-16
114	SIA Cargo	31-Mar-16
115	SIA Group	31-Mar-17
116	Sichuan Airlines	31-Dec-16
117	Silkair	31-Mar-16
118	Skywest	31-Dec-16
119	South African Airways	31-Mar-16
120	Southwest Airlines	31-Dec-16
121	Spicejet	31-Mar-17
122	Spirit Airlines	31-Dec-16
123	Spring Airlines	31-Dec-16
124	Srilankan Airlines	31-Mar-16
125	Starflyer	31-Mar-17
126	Sun Country Airlines	31-Dec-16
127	Swiss International Air Lines	31-Dec-16
128	TAM Linhas Aereas	31-Dec-16
129	TAP Group	31-Dec-16
130	Thai Airasia	31-Dec-16
131	Thai Airways	31-Dec-16
132	Thomas Cook Airlines	30-Sep-16
133	Thomson Airways	30-Sep-16
134	Tigerair	31-Mar-16
135	Transat A.T.	31-Oct-16
136	Turkish Airlines	31-Dec-16
137	T'way Airlines	31-Dec-16
138	United Airlines	31-Dec-16
139	UPS Airlines	31-Dec-16
140	USA Jet	31-Dec-16
141	Utair	31-Dec-16
142	Vietjet Air	31-Dec-16
143	Vietnam Airlines	31-Dec-16
144	Virgin Atlantic Airways	31-Dec-16
145	Virgin Australia	30-Jun-16
146	Volaris	31-Dec-16
147	Vueling Airlines	31-Dec-16
148	Westjet	31-Dec-16
149	Wizz Air	31-Mar-17
150	Xiamen Airlines	31-Dec-16

Source: *The Airline Analyst*

The study

We have evaluated the world's airlines on a number of operational and financial criteria using data from *The Airline Analyst*. The sample includes a total of 150 airlines (up from 137 last year) whose financials are available in the public domain and which have released financial statements for periods ending between March 2016 and March 2017. The data includes the 31 March 2017 releases for ANA Holdings, Japan Airlines, Jet Airways, Ryanair, Singapore Airlines and Spicejet.

Of the 150, 22 are separately reporting subsidiaries such as British Airways, Iberia, Vueling, Austrian Airlines, Swiss, Air France and KLM, meaning that we have 128 airline groups in the study.

The sample does not include airlines whose financial statements are not available publicly, or those whose most recent available financials are for periods prior to March 2016, e.g. Adria Airways and Air India. However, the sample is estimated to include airlines representing around 85% of global RPKs (revenue passenger kilometres). There is additional representation this year from South Korea, China, Brazil and Eastern Europe using financial statements sourced from regulatory filings.

Weaknesses in the methodology are acknowledged. Foremost among these is the fact that different airlines report to different year-ends. As a consequence, the comparisons are not like-for-like regarding the economic or fuel price environment prevailing in their respective financial periods. Note that in *The Airline Analyst* itself, we offer the ability to create comparisons for the same financial periods by aggregating quarterly data, when available, but this is not possible for the full sample of airlines. In addition, while in the majority of cases the financial statements are consolidated, in some only parent unconsolidated financials are available. One other weakness is the need to convert



Source: Ryanair

Ryanair is the number one rated airline

to a common currency and the validity of the exchange rate chosen. We have converted into US dollars using the spot rates prevailing on 31 July 2017. We believe using the spot rates rather than the historic exchange rates produces a more valid comparison.

The Haves and the Have Nots

Headed by the "big three" US carriers, total revenues in our sample of 128 airline groups whose financials are available in the public domain are \$626 billion (after eliminating double counting of subsidiaries that are included in the sample separately). Total revenues for our Top 50 by revenue airlines (again adjusted for double counts) are \$523 billion or 84% of the total sample. The degree of concentration within the Top 50 is apparent – the top 10 airlines account for 55% of the Top 50's revenues, up from 50% last year.

Of the total sample of 128 parent groups, 101 recorded aggregate positive net income of \$37.3 billion while 27 reported losses aggregating \$3.4 billion for a net positive figure of \$33.8 billion, down from \$40.6 billion last year. Overall, the net profit margin for all airline parent groups combined was 5.4%, down from 6.8%.

As we can see from the Top 50 by net income margin, 25 airlines achieved a margin in excess of 10%, headed by Air Asia, Jazeera Airways, Ryanair, Thomas Cook Airlines and Allegiant. Other low-cost carriers (LCC) including Cebu Pacific and

Wizz Air are prominent towards the top of the list.

Eight US carriers, including Delta and American made it onto the list. Indicative of the stress on network business models, none of Cathay Pacific, Qantas, Emirates, Turkish Airlines or Singapore Airlines had a net income margin high enough to make the cut. One creditable exception to this is Air New Zealand, coming in at 29. 

We have used the following 16 parameters on which to evaluate the airlines' financial and operational performance:

Total revenue
Net income
Net income margin
Cargo revenue
RPKs
Passenger load factor
Passenger revenue per passenger
Passenger yield
Staff costs to revenue
RASK-CASK margin
EBITDAR margin
Leverage
Fixed charge cover
Liquidity
Return on invested capital
Equity market capitalisation

The sample includes the following categories of airline, each of which has its unique characteristics:

	Network	Regional	LCC	Cargo	National	Leisure	Charter	Total
Europe & Russia	22	2	5	1	5	5	1	41
Middle East & Africa	8	2	1	0	3	0	0	14
North America	8	13	2	9	0	3	1	36
Latin America	8	0	2	0	0	0	0	10
China	9		1					10
Asia Pacific	14	9	8	1	1	1	0	34
South Asia	2	0	3	0	0	0	0	5
Total	71	26	22	11	9	9	2	150

Source: *The Airline Analyst*

Analysis: Revenue and income

Top 50 by Total revenue

Rank	Airline	\$m
1	American Airlines Group	40,180
2	Delta Air Lines	39,639
3	Lufthansa Group	38,548
4	United Continental Holdings	36,556
5	Air France-KLM	29,418
6	IAG	26,720
7	Emirates	23,022
8	Southwest Airlines	20,425
9	Lufthansa Parent	18,268
10	Air France	18,253
11	China Southern Airlines	17,104
12	Air China	16,979
13	ANA Holdings	15,954
14	British Airways	15,133
15	China Eastern Airlines	14,712
16	Qantas Airways	12,903
17	Cathay Pacific	11,867
18	Air Canada	11,682
19	Japan Airlines	11,650
20	KLM	11,603
21	Qatar Airways	10,987
22	SIA Group	10,912
23	Korean Air Lines	10,455
24	Turkish Airlines	9,907
25	LATAM Airlines Group	9,527
26	Aeroflot	8,200
27	Ryanair	7,871
28	Jetblue	6,632
29	Easyjet	6,174
30	Hainan Airlines	6,051
31	Alaska Air Group	5,931
32	Iberia	5,436
33	Thai Airways	5,422
34	Asiana Airlines	5,136
35	SAS	4,870
36	EVA Airways	4,786
37	UPS Airlines	4,771
38	China Airlines	4,667
39	Swiss International Air Lines	4,517
40	Air Berlin	4,489
41	TAM	4,486
42	Avianca Holdings	4,138
43	Virgin Australia	3,986
44	Air New Zealand	3,887
45	Garuda Indonesia	3,864
46	Jet Airways	3,562
47	Norwegian Air Shuttle	3,297
48	Westjet	3,282
49	Xiamen Airlines	3,256
50	GOL	3,161

Top 50 by Net income

Rank	Airline	\$m
1	Delta Air Lines	4,373
2	American Airlines Group	2,676
3	IAG	2,286
4	United Continental Holdings	2,263
5	Southwest Airlines	2,244
6	Lufthansa Group	2,103
7	British Airways	1,757
8	Ryanair	1,558
9	Japan Airlines	1,484
10	Lufthansa Parent	1,384
11	Air China	1,013
12	Air France-KLM	938
13	ANA Holdings	893
14	Qantas Airways	820
15	Alaska Air Group	814
16	Jetblue	759
17	China Southern Airlines	750
18	Air Canada	697
19	China Eastern Airlines	669
20	Aeroflot	619
21	KLM	612
22	Easyjet	565
23	Qatar Airways	550
24	Air France	527
25	Airasia	479
26	Hainan Airlines	467
27	Thomson Airways	393
28	Air New Zealand	344
29	Emirates	340
30	Copa Holdings	335
31	Swiss International Air Lines	326
32	Wizz Air	291
33	GOL	272
34	SIA Group	265
35	Spirit Airlines	265
36	Ethiopian Airlines	265
37	Indigo	261
38	Virgin Atlantic Airways	237
39	Hawaiian Airlines	235
40	Westjet	235
41	Xiamen Airlines	233
42	Thomas Cook Airlines	227
43	Allegiant Travel Company	220
44	Frontier Airlines	203
45	Volaris	197
46	Cebu Pacific	194
47	Juneyao Airlines	186
48	Iberia	181
49	SAS	163
50	Sichuan Airlines	159

Top 50 by Net income margin

Rank	Airline	\$m
1	Airasia	29.9%
2	Jazeera Airways	20.4%
3	Ryanair	19.8%
4	Thomas Cook Airlines	17.2%
5	Allegiant Travel Company	16.1%
6	Cebu Pacific	15.8%
7	Thomson Airways	15.7%
8	Wizz Air	15.7%
9	Copa Holdings	15.1%
10	Volaris	15.0%
11	VietJet Air	14.5%
12	Alaska Air Group	13.7%
13	Air Arabia	12.8%
14	Japan Airlines	12.7%
15	Silkair	12.6%
16	Juneyao Airlines	12.6%
17	Frontier Airlines	11.8%
18	British Airways	11.6%
19	Jetblue	11.4%
20	Spirit Airlines	11.4%
21	Spring Airlines	11.3%
22	Ethiopian Airlines	11.3%
23	Delta Air Lines	11.0%
24	Southwest Airlines	11.0%
25	Thai Airasia	10.5%
26	Hawaiian Airlines	9.6%
27	Easyjet	9.1%
28	Indigo	8.9%
29	Air New Zealand	8.9%
30	Fiji Airways	8.8%
31	Chorus Aviation	8.8%
32	Euroatlantic Airways	8.7%
33	GOL	8.6%
34	IAG	8.6%
35	Omni Air International	8.2%
36	Virgin Atlantic Airways	8.0%
37	Utair	7.8%
38	Hainan Airlines	7.7%
39	Lufthansa Parent	7.6%
40	Aeroflot	7.6%
41	Swiss International Air Lines	7.2%
42	Mesa Airlines	7.2%
43	Westjet	7.2%
44	Xiamen Airlines	7.1%
45	Jeju Air	7.1%
46	Spicejet	7.0%
47	Icelandair	6.9%
48	Kalitta Air	6.9%
49	Jet2.com	6.9%
50	American Airlines Group	6.7%

Source: The Airline Analyst



Source: UPS

UPS Airlines is number one by cargo revenue

Top 50 by cargo revenue

Other than UPS Airlines, the Top 50 by cargo revenue ranking is dominated by the network carriers from Europe and Asia. Retaining the number 2 spot is Emirates with \$2.9 billion, 13% of its total revenues. Dedicated freight carrier Cargolux is in 8th place by revenues. Other dedicated cargo providers in the list include Kalitta Air, Polar Air Cargo and ABX Air. Many of these enjoyed bumper years of growth as a result of US military airlift to Iraq and Afghanistan but are now experiencing a sharp reduction in business from these sources. Several others have gone into liquidation.

Historically seen as a diversification of risk for network carriers otherwise dependent

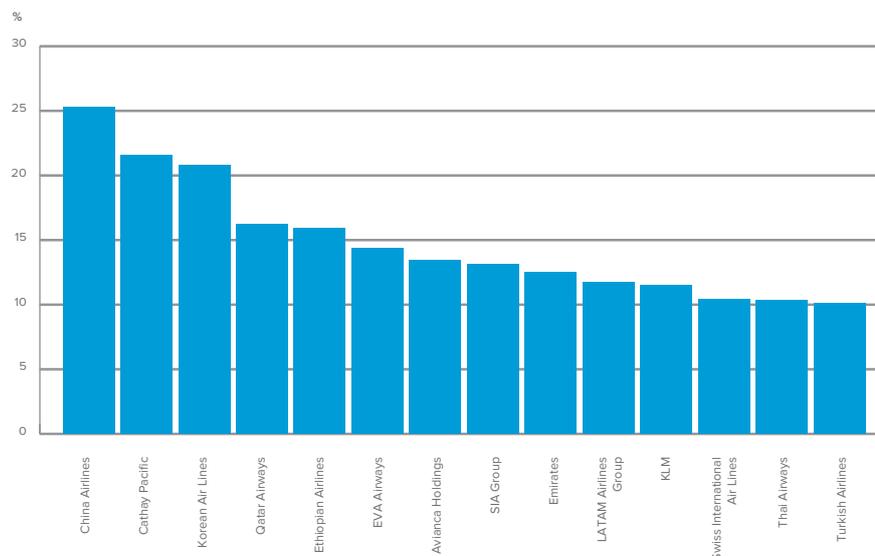
solely on passenger revenues, we have seen in recent years how fickle cargo revenues are to a slowdown in world trade and shipment of technology and fashion products from Asia. Many airlines have not yet achieved a return to the pre financial crisis peak level of cargo revenues and have been aggressively reducing and restructuring their dedicated freighter fleets.

For many of the Asian carriers and selected Middle Eastern and Latin American carriers, cargo revenues nevertheless remain a very high percentage of total revenues, as shown in the chart. The carriers of Taiwan, South Korea and Hong Kong top the list. ▲

Top 50 by Cargo revenue

Rank	Airline	\$m
1	UPS Airlines	4,699.3
2	Emirates	2,884.3
3	Lufthansa Group	2,847.5
4	Cathay Pacific	2,567.0
5	Air France-KLM	2,449.7
6	Korean Air Lines	2,177.7
7	Qatar Airways	1,782.2
8	Cargolux	1,715.7
9	SIA Cargo	1,504.6
10	SIA Group	1,434.8
11	KLM	1,329.6
12	Air China	1,235.4
13	IAG	1,210.1
14	ANA Holdings	1,197.0
15	China Airlines	1,181.7
16	Air France	1,137.8
17	LATAM Airlines Group	1,110.6
18	China Southern Airlines	1,069.7
19	Turkish Airlines	996.0
20	China Eastern Airlines	889.1
21	United Continental Holdings	876.0
22	British Airways	778.9
23	Japan Airlines	707.2
24	American Airlines Group	700.0
25	EVA Airways	689.5
26	Qantas Airways	677.0
27	Delta Air Lines	668.0
28	Thai Airways	559.1
29	Avianca Holdings	555.9
30	Kalitta Air	497.1
31	Swiss International Air Lines	467.9
32	Air Canada	407.5
33	Ethiopian Airlines	374.5
34	Polar Air Cargo	313.8
35	ABX Air	303.4
36	Iberia	299.6
37	TAM	264.2
38	Cargojet Airways	261.2
39	Air New Zealand	259.3
40	Garuda Indonesia	229.1
41	Amerijet International	221.3
42	Aeroflot	208.2
43	Finnair	205.8
44	Grupo Aeromexico	188.0
45	Southwest Airlines	171.0
46	SAS	154.6
47	Hainan Airlines	141.5
48	PAL Holdings	137.8
49	South African Airways	134.1
50	Alaska Air Group	108.0

Cargo revenues as % of total revenues



Source: The Airline Analyst

Source: The Airline Analyst

Analysis: Passenger revenue and yield

Top 50 by Passenger revenue per passenger¹

Rank	Airline	Ave. trip length ² (km)	\$
1	Air Transport International	3,947	4,005.3
2	Atlas Air, Inc.	4,978	1,236.4
3	Omni Air International	4,562	593.5
4	Air Greenland	1,230	356.8
5	EL AL Israel Airlines	3,822	335.0
6	Emirates	4,933	332.1
7	British Airways	3,266	307.6
8	KLM	3,215	307.2
9	Air France	2,822	300.6
10	Air France-KLM	2,971	290.7
11	SIA Group	3,865	289.9
12	Lufthansa Parent	2,361	270.1
13	Qatar Airways	N/A	257.6
14	Korean Air Lines	3,101	253.6
15	EVA Airways	3,642	252.3
16	Copa Holdings	3,346	250.7
17	Cathay Pacific	3,598	249.5
18	Lufthansa Group	2,066	240.3
19	Ethiopian Airlines	3,576	237.5
20	IAG	2,418	234.3
21	Air Canada	2,744	233.3
22	Royal Jordanian	2,665	230.0
23	Icelandair	2,839	224.1
24	Thomson Airways	3,115	224.1
25	Swiss International Air Lines	2,353	221.6
26	Starflyer	958	221.0
27	United Continental Holdings	2,364	219.7
28	Air New Zealand	2,191	219.6
29	Kenya Airways	2,380	219.4
30	Qantas Airways	2,315	216.2
31	China Airlines	2,630	214.2
32	ANA Holdings	1,624	207.4
33	Austrian Airlines	1,635	205.0
34	Thomas Cook Airlines Limited	3,572	202.7
35	Japan Airlines	1,591	201.6
36	Thai Airways	2,805	200.1
37	Finnair	2,491	197.9
38	Hawaiian Airlines	2,255	194.2
39	Regional Express	375	189.4
40	Delta Air Lines	1,866	183.8
41	American Airlines Group	1,810	174.0
42	Sun Country Airlines	2,341	173.4
43	Aeroflot	2,581	160.4
44	Srilankan Airlines	2,941	158.0
45	Jetblue	1,919	157.1
46	Air China	1,948	154.4
47	Southwest Airlines	1,610	149.1
48	Oman Air	2,393	149.1
49	South African Airways	2,498	147.2
50	Alaska Air Group	1,746	146.0

¹ Passenger revenue divided by number of passengers
² RPKs divided by number of passengers

Source: *The Airline Analyst*

Top 50 by Passenger yield¹

Rank	Airline	Ave. trip length ² (km)	US cents
1	Air Transport International	3,947	101.5
2	Regional Express	375	50.5
3	Air Greenland	1,230	29.0
4	Atlas Air, Inc.	4,978	24.8
5	Starflyer	958	23.1
6	Precision Air	429	19.4
7	Flybe	520	18.4
8	Croatia Airlines	746	15.0
9	Air Wisconsin	616	13.2
10	Omni Air International	4,562	13.0
11	ANA Holdings	1,624	12.8
12	Japan Airlines	1,591	12.7
13	Austrian Airlines	1,635	12.5
14	Envoy Air	740	12.0
15	Lufthansa Group	2,066	11.6
16	Horizon Air	471	11.6
17	Lufthansa Parent	2,361	11.4
18	SAS	1,254	10.7
19	Air France	2,822	10.7
20	Azul S.A.	885	10.2
21	Air New Zealand	2,191	10.0
22	Delta Air Lines	1,866	9.8
23	Air France-KLM	2,971	9.8
24	Shuttle America	911	9.7
25	IAG	2,418	9.7
26	American Airlines Group	1,810	9.6
27	KLM	3,215	9.6
28	British Airways	3,266	9.4
29	Swiss International Air Lines	2,353	9.4
30	Qantas Airways	2,315	9.3
31	Luxair Group	1,115	9.3
32	United Continental Holdings	2,364	9.3
33	Southwest Airlines	1,610	9.3
34	Kenya Airways	2,380	9.2
35	Virgin Australia	1,575	9.0
36	El Al Israel Airlines	3,822	8.8
37	Royal Jordanian	2,665	8.6
38	Air Berlin	1,584	8.6
39	Avianca Brasil	1,106	8.6
40	Hawaiian Airlines	2,255	8.6
41	Avianca Holdings	1,297	8.6
42	Air Canada	2,744	8.5
43	Aegean Airlines	1,020	8.5
44	Alaska Air Group	1,746	8.4
45	Nok Air	623	8.3
46	Jetblue	1,919	8.2
47	Korean Air Lines	3,101	8.2
48	China Airlines	2,630	8.1
49	Finnair	2,491	7.9
50	Air China	1,948	7.9

¹ Passenger revenue divided by RPKs
² RPKs divided by number of passengers

Source: *The Airline Analyst*

Top 50 by passenger revenue per passenger

Air Transport International, Atlas Air and Omni Air International head this list based on their limited and very specialised non-scheduled passenger activity. The next few in the ranking are scheduled airlines: Air Greenland, El Al, Emirates and British Airways. The data shows the expected correlation with average trip length (RPKs divided by number of passengers). Exceptions to that include Air Greenland, Starflyers and Regional Express. The two main Japanese carriers, Japan Airlines and ANA Holdings are also exceptions, where the high yields in the domestic market support a high revenue per passenger despite average trip lengths of only 1,600 km.

There are no LCCs appearing on this ranking, reflecting their relatively short average stage length and “no frills” offerings.



Source: Air Greenland

Air Greenland headed the Top 50 scheduled passenger revenue per passenger

Top 50 by passenger yield

This ranking, while also influenced by average trip length, shows the influence of flying on less competitive routes such as for Air Transport International, Regional Express and Air Greenland. Yields for Japan Airlines and ANA Holdings head the rankings of the major carriers but are trending down due to increased competition. Next follow Lufthansa and SAS with their relatively short average trip length and Air France.

Despite the competitive pressures from Norwegian Air Shuttle, Ryanair and others, SAS continues to realise relatively high yields, higher than most of its European network competitors. ^



Source: Regional Express

Regional Express did well in the Top 50 by passenger yield



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Analysis: RPKs and passenger load factor

Top 50 by RPKs

Of all of our rankings, the most predictable is the Top 50 by RPKs (revenue passenger kilometres). Increasingly dominated by the “mega” groups, the top 10 airline groups comprise 45% of the total RPKs for the sample of 128 airline groups. The phenomenon of Emirates’ growth is evident from their ranking in fourth place, up from eighth four years ago, edging out IAG, Air France-KLM, and Lufthansa. The Chinese majors come in at numbers eight, 10 and 11. LATAM at number 21 is the largest of the Latin American carriers. Low cost carriers Southwest and Ryanair come in at number nine and 12, respectively.



Top 50 by Passenger load factor

Heading the list for the first time is Ryanair at 94.4%, followed by Thomson Airways, Easyjet, Spring Airlines and Spicejet, all of which had load factors in excess of 90%. All of the Top 50 achieved load factors in excess of 80% including all three US and two of European “mega” carrier groups. The average load factor for all airlines in the sample of 128 airline groups for whom RPK and ASK data is available was 79.4%, down from 81%. ▲



Top 50 by RPKs

Rank	Airline	RPKs (m)
1	American Airlines Group	359,651
2	Delta Air Lines	342,948
3	United Continental Holdings	338,460
4	Emirates	276,608
5	IAG	243,474
6	Air France-KLM	238,183
7	Lufthansa Group	226,633
8	China Southern Airlines	206,106
9	Southwest Airlines	200,843
10	Air China	188,158
11	China Eastern Airlines	167,529
12	Ryanair	148,676
13	Lufthansa Parent	145,521
14	British Airways	145,173
15	Air France	140,446
16	Turkish Airlines	126,815
17	Cathay Pacific	123,478
18	Air Canada	123,084
19	SIA Group	122,136
20	Qantas Airways	119,054
21	LATAM Airlines Group	113,627
22	Aeroflot	112,110
23	KLM	97,737
24	ANA Holdings	84,594
25	Hainan Airlines	82,951
26	Easyjet	81,496
27	Korean Air Lines	75,908
28	Jetblue	73,417
29	Japan Airlines	65,183
30	Thai Airways	62,442
31	Alaska Air Group	59,882
32	TAM	57,007
33	Iberia	51,071
34	Norwegian Air Shuttle	50,798
35	Indigo	46,288
36	Air Berlin	45,820
37	Skywest	45,086
38	Jet Airways	43,484
39	Garuda Indonesia	43,372
40	Asiana Airlines	42,473
41	Swiss International Air Lines	42,290
42	EVA Airways	40,946
43	China Airlines	38,702
44	Westjet	38,572
45	Avianca Holdings	38,233
46	Wizz Air	37,628
47	Virgin Australia	37,326
48	Virgin Atlantic Airways	37,126
49	SAS	36,940
50	GOL	35,928

Top 50 by Passenger load factor

Rank	Airline	Load factor
1	Ryanair	94.4%
2	Thomson Airways	93.7%
3	Easyjet	92.9%
4	Spring Airlines	91.7%
5	Spicejet	91.6%
6	Jet2.com	91.2%
7	Wizz Air	90.3%
8	Thomas Cook Airlines	90.2%
9	Hainan Airlines	87.8%
10	Norwegian Air Shuttle	87.7%
11	KLM	87.2%
12	Frontier Airlines	87.2%
13	Jeju Air	86.6%
14	Airasia	86.5%
15	Volaris	85.8%
16	Juneyao Airlines	85.7%
17	Air France-KLM	85.4%
18	S7 Airlines	85.4%
19	Jetblue	85.1%
20	Nok Air	85.1%
21	Indigo	84.8%
22	Spirit Airlines	84.7%
23	Delta Air Lines	84.6%
24	Cathay Pacific	84.5%
25	Alaska Air Group	84.3%
26	Air Berlin	84.3%
27	Hawaiian Airlines	84.3%
28	Air France	84.2%
29	LATAM Airlines Group	84.2%
30	Southwest Airlines	84.0%
31	El Al Israel Airlines	84.0%
32	Thai Airasia	83.8%
33	Avianca Brasil	83.8%
34	Air New Zealand	83.7%
35	TAM	83.5%
36	Tigerair	83.3%
37	Allegiant Travel Company	83.1%
38	United Continental Holdings	82.9%
39	Vueling Airlines	82.8%
40	Asiana Airlines	82.6%
41	Air Canada	82.5%
42	Skywest	82.1%
43	Iberia	82.0%
44	Icelandair	82.0%
45	Scoot	81.9%
46	Westjet	81.8%
47	American Airlines Group	81.7%
48	Cebu Pacific	81.7%
49	Mesa Airlines	81.7%
50	IAG	81.6%

Source: The Airline Analyst

Analysis: Staff costs

Top 50 by lowest staff costs to revenue

Employee costs are typically the second largest EBITDAR cost item after fuel for the world's airlines. Labour relations and compensation structures tend to put the old "legacy" airlines at a serious competitive disadvantage to start-up LCCs and carriers based in emerging economies. The Top 50 by lowest staff costs to Revenue ranking shows this very clearly.

Heading the list are Sichuan Airlines and Vietnam Airlines though this may suggest that disclosure is insufficient to calculate this ratio reliably. Some of the dedicated cargo carriers have extremely low employee costs/revenue ratios, perhaps in part due to costs being in other companies within the group. The list of passenger carriers with more reliable data are S7, Wizz Air, Interjet, Ethiopian, and Scoot.

They are then followed by creditable performances by other LCCs and leisure carriers (including Nok Air, Vueling, Volaris, Indigo and newly listed VietJet). With cost pressures in China, none of the Chinese "Big 3" make the Top 50. Their average staff cost increased to \$37.4k from \$26.6k two years ago. Ryanair, as a major airline based in a developed economy, achieves an attention getting 9.5%.

By comparison, the developed "mega" carrier groupings do not qualify for a Top 50 ranking. Lufthansa's ratio is 25.9% (down from 27.6%) while IAG and Air France-KLM are 17.5% and 30.1% respectively. The US majors show a little better on account of lower average employee costs but are all around two-three percentage points higher than last year. Delta's ratio is 28.1% (up from 25.2%), UAL's also 28.1% (up from 25.7%) and American Airlines is 30.4% (up from 26.1%). Southwest is an unexpectedly high 33.3%, presumably reflecting their shorter average trip length.

Neither Virgin Atlantic nor Emirates make the list, despite their long average trip lengths offsetting their higher average staff costs, nor does Singapore Airlines with a ratio of 17.6%. However low-cost subsidiaries Tigerair, Scoot and Silkair all are on the list. The major Latin American carriers had quite varied results. Copa made it into the Top 50 at number 37 with a ratio of 13.2%. Avianca's ratio was 16.0% while LATAM are laggards at 20.5%. [^](#)



Source: Wizz Air

Wizz Air ranked well in the Top 50 by staff costs

Top 50 by Staff costs

Rank	Airline	Ave cost per employee (\$k)	Employee costs as % of revenue
1	Sichuan Airlines	N/A	2.0%
2	Vietnam Airlines	3.7	2.4%
3	Polar Air Cargo	156.1	2.7%
4	Enter Air	N/A	2.9%
5	Xiamen Airlines	9.7	4.4%
6	SIA Cargo	82.8	4.9%
7	S7 Airlines	38.9	6.0%
8	USA Jet	N/A	7.1%
9	Wizz Air	53.7	7.2%
10	Interjet	N/A	7.8%
11	Ethiopian Airlines	17.7	7.8%
12	Scoot	N/A	8.3%
13	PAL Holdings	32.5	8.3%
14	Hainan Airlines	44.4	8.5%
15	Airasia X	35.8	9.2%
16	Czech Airlines	50.7	9.2%
17	Ryanair	61.2	9.5%
18	Vueling Airlines	83.6	9.8%
19	Volaris	34.5	10.3%
20	Air Astana	13.7	10.4%
21	Cargojet Airways	38.2	10.5%
22	Vietjet Air	36.0	10.8%
23	Spicejet	N/A	10.9%
24	Indigo	N/A	11.0%
25	Nok Air	N/A	11.1%
26	Easyjet	N/A	11.6%
27	Thomas Cook Airlines	N/A	11.7%
28	Jin Air	N/A	11.7%
29	Jet2.com	51.8	11.8%
30	Tigerair	N/A	11.9%
31	Transat A.T.	52.6	12.0%
32	Aegean Airlines	63.9	12.2%
33	Thomson Airways	80.7	12.2%
34	Garuda Indonesia	60.0	12.6%
35	Air Busan	52.5	12.9%
36	Aeroflot	30.3	13.0%
37	Copa Holdings	32.5	13.2%
38	Starflyer	68.7	13.5%
39	Kenya Airways	39.2	13.6%
40	Jet Airways	N/A	13.8%
41	Thai Airasia	31.6	13.9%
42	Cargolux	137.7	14.3%
43	Jetstar Asia	N/A	14.4%
44	Utair	N/A	14.4%
45	Silkair	67.9	14.5%
46	Airasia	33.3	14.8%
47	Asiana Airlines	N/A	14.9%
48	Eastarjet	52.7	14.9%
49	Jeju Air	62.4	15.0%
50	Comair	32.4	15.1%

Source: The Airline Analyst

Analysis: RASK-CASK margin



Source: Alaska Air

Alaska Air heads the Top 50 by RASK-CASK margin

Top 50 by RASK-CASK margin

RASK-CASK margin has become one of the key ratios monitored by airline management and analysts alike in assessing competitiveness and trends over time.

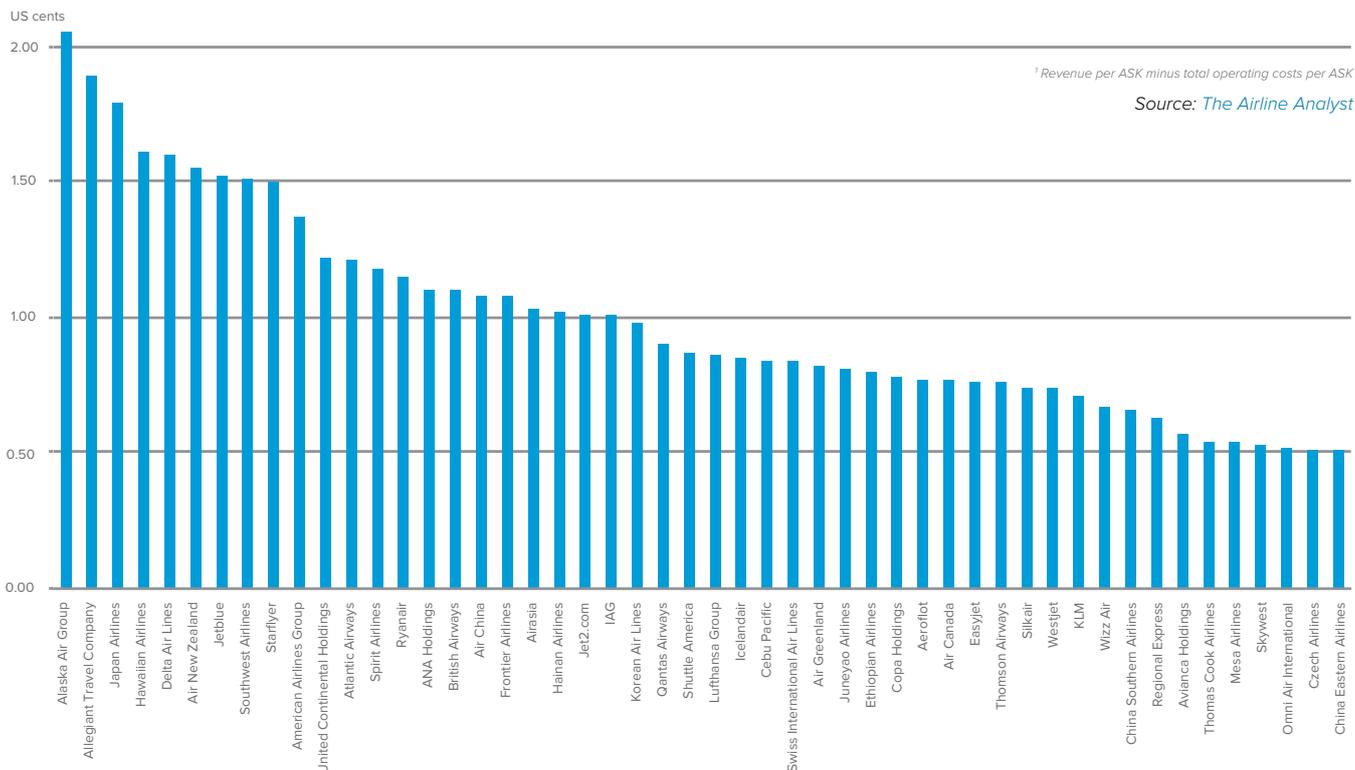
In the ever competitive airline industry, very slim margins and competitive advantages mean the difference between success and failure. Having a marginally higher cost structure can be sustainable if it

is supporting a premium revenue structure such as with British Airways or the US majors. However if it is not, the strength of competitive forces will root out the airline's weakness over time.

Considering that many airline management teams dream for a RASK-CASK margin in excess of one US cent it is striking that 22 of our Top 50 did just that, 10 of them from the USA. Excluding

the US airlines, Japan Airlines, a major network carrier, topped the list at 1.79 followed by Air New Zealand at 1.55. Copa was the highest ranked Latin American carrier in 33rd position. Outside these leaders British Airways and Swiss were the highest ranked of the European majors. IAG ranked 22nd this year and Lufthansa Group 26th but Air-France-KLM did not make it into the Top 50. ▲

Top 50 by RASK-CASK margin¹



¹ Revenue per ASK minus total operating costs per ASK

Source: The Airline Analyst

Analysis: EBITDAR margin



Source: Polar Air

Polar Air Cargo heads the Top 50 by EBITDAR margin

Top 50 by EBITDAR margin

Unlike some other measures, EBITDAR margin (earnings before tax, depreciation, debt and rental costs) is neutral to the means of aircraft financing (owned or leased) and degree of financial leverage of an airline. While a high EBITDAR margin will therefore not alone make a financially successful airline, it is a very appealing measure of management's success in

running the airline and the viability of the airline's core business, independent of the financing strategies chosen.

Reflecting the robust performance of the industry, the EBITDAR margin for the sample of 128 airline groups improved slightly to 21.5% from 21%. By comparison, the EBITDAR margin of the top 50 was a remarkable 28.2%.

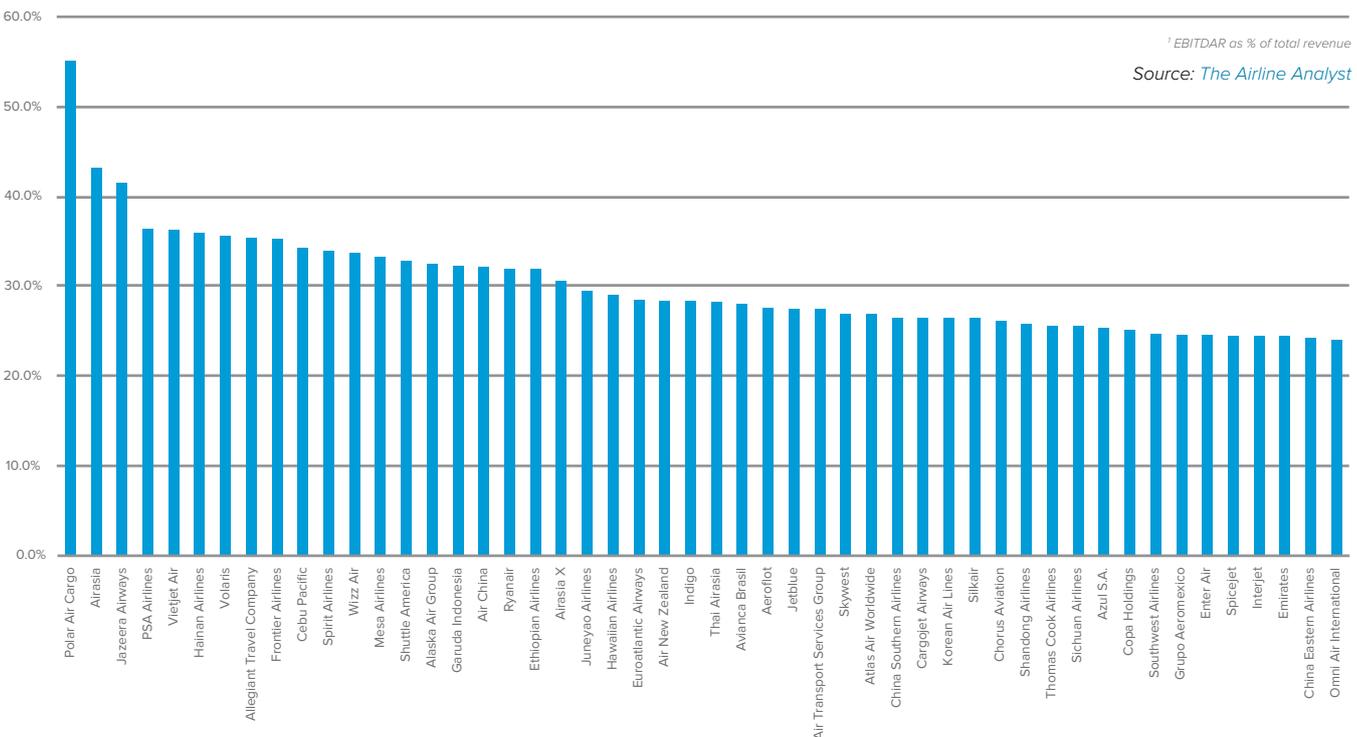
The passenger carriers on the list are

headed by Airasia, Jazeera Airways and PSA Airlines. Some other LCCs also had great results such as Allegiant, Spirit, Volaris, Indigo and Frontier. Hainan Airlines, Alaska Air Group, Garuda Indonesia and Air China are the highest ranked network carriers.

None of the "mega" carrier groupings of the US and Europe are in the Top 50 but the 3 Chinese "majors" all are. ▲

Top 50 by EBITDAR margin¹

EBITDAR as % of Total revenue



¹ EBITDAR as % of total revenue

Source: The Airline Analyst

Analysis: Financial flexibility

We have assessed financial flexibility on three key financial parameters: Leverage, Fixed charge cover and Liquidity. Leverage is calculated as Adjusted net debt (Net balance sheet debt plus eight times Aircraft rent) to EBITDAR, Fixed charge cover as EBITDAR divided by Net interest + Aircraft rent) and Liquidity as Unrestricted cash as a percentage of Revenue. A “cash flow” measure of Leverage is preferred as traditional ratios based on book equity can mislead. A leverage measure has more value in our opinion if it is related to ability to service debt from continuing operations rather than some balance sheet equity figures that may not reflect current values of assets. Both the Leverage and Fixed charge cover measures take into account the effect of aircraft operating leases, either by “capitalising” the rental as in Leverage or including rent in the fixed charges that must be covered by EBITDAR.



Source: Boeing

Top 50 by lowest Leverage

Leverage for the Top 50 ranges from zero for those airlines with no Adjusted net debt to a high of 3.4 times for KLM. As to be expected, the list includes all airlines with investment grade credit ratings. Noticeably highly placed on the list is Japan Airlines following the debt forgiveness achieved through its restructuring. Other majors on the list include Ryanair, Southwest, Delta, Singapore Airlines, British Airways, IAG, Lufthansa and United but Air France-KLM, Emirates and Cathay Pacific are not in the Top 50. Other absentees include all the Latin American carriers except Copa. A number of the major LCCs make the ranking with strong cash generation supporting their debt loads from recent fleet expansion.

Top 50 by Lowest Leverage¹

Rank	Airline	Times
1	Compass Airlines	0.0
2	Luxair Group	0.0
3	SIA Cargo	0.0
4	Japan Airlines	0.0
5	Air Greenland	0.0
6	USA Jet	0.0
7	Regional Express	0.2
8	Ryanair	0.4
9	Southwest Airlines	0.4
10	Delta Air Lines	0.7
11	Icelandair	0.7
12	Swiss International Air Lines	0.7
13	Jet2.com	0.7
14	Easyjet	0.8
15	Allegiant Travel Company	1.0
16	Jetblue	1.0
17	Alaska Air Group	1.2
18	Silkair	1.2
19	Lufthansa Group	1.2
20	Hawaiian Airlines	1.3
21	British Airways	1.6
22	SIA Group	1.6
23	Air New Zealand	1.7
24	IAG	1.8
25	Air Mauritius	1.8
26	Kalitta Air	1.8
27	Westjet	2.0
28	United Continental Holdings	2.0
29	Qantas Airways	2.0
30	UPS Airlines	2.0
31	Wizz Air	2.1
32	Frontier Airlines	2.2
33	Spirit Airlines	2.3
34	Fiji Airways	2.3
35	Copa Holdings	2.4
36	Air Transport Services Group	2.5
37	Air Arabia	2.5
38	Horizon Air	2.6
39	Air Canada	2.7
40	Iberia	2.9
41	Comair	3.0
42	Cebu Pacific	3.1
43	Euroatlantic Airways	3.1
44	American Airlines Group	3.1
45	ANA Holdings	3.1
46	Qatar Airways	3.1
47	Jazeera Airways	3.2
48	Jeju Air	3.2
49	Thomas Cook Airlines	3.4
50	KLM	3.4

¹Adjusted net debt/EBITDAR

Top 50 by Highest Fixed Charge Cover¹

Rank	Airline	Times
1	Expressjet	Infinite
2	Compass Airlines	Infinite
3	Luxair Group	Infinite
4	USA Jet	157.0
5	Air Greenland	33.5
6	Southwest Airlines	18.0
7	Allegiant Travel Company	18.0
8	Alaska Air Group	16.5
9	Japan Airlines	15.0
10	Swiss International Air Lines	15.0
11	Ryanair	14.2
12	Regional Express	13.5
13	Lufthansa Group	13.5
14	Delta Air Lines	12.9
15	Icelandair	10.4
16	Air Transport Services Group	9.3
17	Jetblue	8.8
18	British Airways	8.6
19	Horizon Air	8.5
20	Easyjet	6.9
21	UPS Airlines	6.9
22	Air New Zealand	6.2
23	Qantas Airways	5.3
24	United Continental Holdings	5.0
25	Scot	5.0
26	IAG	4.7
27	Korean Air Lines	4.7
28	Hawaiian Airlines	4.6
29	Westjet	4.6
30	Fiji Airways	4.3
31	Kalitta Air	4.2
32	American Airlines Group	4.2
33	Xiamen Airlines	4.1
34	Air Mauritius	4.0
35	Cebu Pacific	4.0
36	Air China	3.9
37	Copa Holdings	3.8
38	Air Canada	3.7
39	SIA Group	3.5
40	Spirit Airlines	3.5
41	ANA Holdings	3.5
42	China Southern Airlines	3.4
43	Juneyao Airlines	3.3
44	Atlantic Airways	3.3
45	Comair	3.2
46	China Eastern Airlines	3.2
47	Jet2.com	3.1
48	KLM	3.1
49	Airasia	3.1
50	Frontier Airlines	2.9

¹EBITDAR/Net interest + Rent

Source: The Airline Analyst

Who cares what our leverage is as long as we pay our rent / interest and you have our aircraft as collateral anyway?

Top 50 by Highest fixed charge cover
 “Who cares what our leverage is as long as we pay our rent / interest and you have our aircraft as collateral anyway?” is a question heard often by aviation financiers and there is an element of truth to it.
 A meaningful Fixed charge cover ratio covenant can help protect the asset financier against the likelihood of default. Our Top 50 airlines ranking for Fixed charge cover is similar to the Top 50 by lowest leverage. Those airlines with no

or minimal adjusted net debt are at the top but some notable airlines make this list despite their higher leverage such as Korean Air and the three Chinese majors.
 All of these airlines have a fixed charge cover comfortably above 2x which translates into the financier being protected for rent and interest (if not principal) payments even if EBITDAR declines by 50-60%. Airasia just retained their position on the list after returning last year.



Southwest ranked highly in the Top 50 by Highest Fixed Charge Cover

Top 50 by Highest liquidity
 Liquidity is another major indicator of financial flexibility for an airline and its ability to withstand sudden shocks such as a strike, natural disaster, grounding of all or a portion of its fleet, drying up of capital markets or withdrawal of government support.
 Top of the list for liquidity are a number of very successful LCCs whose financial analysis may be focused on whether to return some surplus cash to shareholders or buy new aircraft. At the other end of the scale, many market participants consider that liquidity of three months of revenues is

the minimum level required for comfortable operation of an airline.
 That is equivalent to a figure of at least 25% of revenues as a liquidity buffer. This year 30 airlines achieved this level, down from 37 last year. A factor to consider is that some airlines increasingly rely on committed liquidity facilities which are not captured in our data, as with Qantas.
 Others may keep a buffer of unencumbered aircraft to be converted into cash if required. It is notable that none of the US majors made it into the Top 50 by Liquidity. ^



Ryanair heads the Top 50 by Highest liquidity

Top 50 by Highest liquidity

Rank	Airline	Liquidity as % of total revenue
1	Ryanair	62.1%
2	Air Arabia	59.3%
3	Jazeera Airways	56.7%
4	Spring Airlines	55.9%
5	Silkair	51.0%
6	Qatar Airways	50.1%
7	Hainan Airlines	49.7%
8	Wizz Air	49.3%
9	Scot	45.4%
10	Indigo	44.9%
11	Luxair Group	43.3%
12	Fiji Airways	38.1%
13	Jeju Air	37.4%
14	Tigerair	37.3%
15	Westjet	36.9%
16	Copa Holdings	36.7%
17	Frontier Airlines	35.3%
18	Spirit Airlines	34.5%
19	Finnair	33.3%
20	Vueling Airlines	31.8%
21	Japan Airlines	31.4%
22	EVA Airways	31.1%
23	Air New Zealand	30.5%
24	Volaris	30.1%
25	IAG	28.5%
26	Jet2.com	28.4%
27	Alaska Air Group	26.6%
28	SIA Group	26.5%
29	Atlantic Airways	25.7%
30	Euroatlantic Airways	25.5%
31	Hawaiian Airlines	24.9%
32	Allegiant Travel Company	24.5%
33	Airasia	24.5%
34	Jin Air	24.3%
35	Aegean Airlines	24.0%
36	Royal Jordanian	23.7%
37	Virgin Atlantic Airways	23.5%
38	Cargolux	23.4%
39	British Airways	21.8%
40	Cathay Pacific	21.7%
41	SIA Cargo	21.5%
42	SAS	20.9%
43	Easyjet	20.8%
44	Air Astana	20.5%
45	Thai AirAsia	20.4%
46	Air Canada	20.3%
47	Nok Air	19.7%
48	Icelandair	19.5%
49	Comair	18.8%
50	Pegasus Airlines	18.7%

Source: The Airline Analyst

Analysis: Equity market capitalisation and return on invested capital

Top 50 by Equity market capitalisation

The Top 50 airline stocks had a total value of \$340 billion as of 28th July 2017, up from \$295 billion last year. Delta continues to be the top ranked airline with a market capitalisation of \$36 billion, followed by 3 of its US rivals.

Four of the top 15 are from China while the “mega” European carriers of IAG, Lufthansa, and Air France-KLM make it into positions 8, 16 and 37, respectively. LATAM remains the highest ranked Latin American carrier in 20th position, down from 12th last year and 7th two years ago, followed by Copa in 25th and newly listed Azul in 28th.

Southwest leads the LCC stakes, ahead of Ryanair (5), Easyjet (18), Spirit (24), Allegiant (29), Westjet (33), Wizz Air (47). The two major Japanese carriers come in at numbers 9 and 11.



Top 50 by Return on invested capital

The Top 50 by Return on invested capital ranking shows a wide range of results. Topping the list are a number of small carriers with limited capital bases. Among the larger carriers, the best performance came from Lufthansa Group at 20.7%, Swiss at 22.8%, British Airways (18.9%) and Air New Zealand (18.3%).

A total of 39 generated returns in excess of 10%, down from 43 last year. However, many of the long established network carriers like LATAM, Singapore Airlines and Cathay Pacific earned returns that are unlikely to have exceeded their cost of capital. ▲



Top 50 by Market capitalisation¹

Rank	Airline	\$m
1	Delta Air Lines	35,945
2	Southwest Airlines	30,664
3	American Airlines Group	23,686
4	United Continental Holdings	22,929
5	Ryanair	20,945
6	China Eastern Airlines	15,215
7	Air China	13,975
8	IAG	12,956
9	Japan Airlines	11,266
10	Alaska Air Group	10,943
11	ANA Holdings	10,756
12	China Southern Airlines	10,252
13	SIA Group	8,753
14	Hainan Airlines	8,150
15	jetblue	7,556
16	Lufthansa Group	6,811
17	IndiGo	5,948
18	Easyjet	5,287
19	Cathay Pacific	5,134
20	LATAM Airlines Group	4,960
21	Juneyao Airlines	4,449
22	Spring Airlines	4,375
23	Qantas Airways	4,310
24	Spirit Airlines	4,012
25	Copa Holdings	3,819
26	Hawaiian Airlines	3,046
27	Air Canada	2,973
28	Azul S.A.	2,812
29	Allegiant Travel Company	2,768
30	Aeroflot	2,672
31	PAL Holdings	2,419
32	Korean Air Lines	2,193
33	Westjet	2,149
34	Turkish Airlines	1,961
35	EVA Airways	1,957
36	Skywest, Inc.	1,887
37	Air France-KLM	1,838
38	Air New Zealand	1,752
39	Volaris	1,733
40	Air Arabia	1,690
41	China Airlines	1,682
42	Grupo Aeromexico	1,550
43	Thai Airways	1,491
44	Airasia	1,488
45	Atlas Air Worldwide	1,305
46	Norwegian Air Shuttle	1,299
47	Wizz Air	1,294
48	Avianca Holdings	1,184
49	Cebu Pacific	1,120
50	Icelandair	1,013

¹Closing prices 28 July, 2017

Top 50 by Return on invested capital¹

Rank	Airline	Load Factor
1	Jet2.com	44.8%
2	Compass Airlines	33.3%
3	Frontier Airlines	22.2%
4	Lufthansa Group	20.7%
5	USA Jet	20.1%
6	Swiss International Air Lines	18.9%
7	British Airways	18.9%
8	Air New Zealand	18.3%
9	Air Mauritius	16.9%
10	Japan Airlines	15.9%
11	Delta Air Lines	15.6%
12	Qantas Airways	15.2%
13	IAG	14.6%
14	Jetblue	14.5%
15	Air Canada	14.4%
16	Wizz Air	14.2%
17	Fiji Airways	13.9%
18	United Continental Holdings	13.7%
19	Euroatlantic Airways	13.3%
20	Hawaiian Airlines	13.0%
21	KLM	12.6%
22	American Airlines Group	12.4%
23	Comair Limited	12.4%
24	Czech Airlines	12.3%
25	Easyjet	11.6%
26	Allegiant Travel Company	11.6%
27	Jin Air	11.6%
28	Air Busan	11.4%
29	Southwest Airlines	11.3%
30	Alaska Air Group	11.3%
31	Aeroflot	11.3%
32	Westjet	10.7%
33	Starflyer	10.7%
34	Icelandair	10.6%
35	Thomas Cook Airlines	10.6%
36	Airasia	10.1%
37	Cebu Pacific	10.1%
38	Omni Air International	10.0%
39	Silkair	10.0%
40	S7 Airlines	9.8%
41	Air France-KLM	9.6%
42	Shuttle America	9.5%
43	Spirit Airlines	9.5%
44	Amerijet International	9.1%
45	Jetstar Asia	8.9%
46	Ethiopian Airlines	8.5%
47	Ryanair	8.4%
48	Thai Airasia	8.3%
49	Kalitta Air	8.2%
50	SAS	8.2%

¹(EBIT plus 1/3 Rental)/(Book or Market equity plus Adjusted net debt)

Source: The Airline Analyst



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