



AIRFINANCE
JOURNAL



An *Airfinance Journal*

special supplement

**Airline top
100 2020**



Top 100 airlines¹

Basic information				TAA Financial Rating						TAA Financial Rating Scores - LTM				Overall 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	Air Arabia	31-Mar-20	\$1,275	4.8	32.3%	33.8	69.2%	0.6	7	6	8	8	8	7.5	0.5
2	Ryanair	30-Jun-20	\$7,490	6.9	21.9%	7.7	61.9%	1.0	6	4	8	8	8	6.9	0.0
3	Frontier Airlines	31-Dec-19	\$2,508	4.5	28.8%	2.1	30.6%	3.4	7	5	4	7	8	6.1	0.5
4	Copa Holdings	30-Jun-20	\$2,000	8.2	24.8%	3.5	52.4%	2.2	6	4	6	8	6	6.0	0.0
5	Allegiant Travel Company	30-Jun-20	\$1,440	15.9	19.8%	4.9	46.0%	3.1	3	3	8	8	5	5.8	-0.7
6	Easyjet	31-Mar-20	\$8,458	7.7	16.7%	7.2	24.4%	1.7	6	3	8	5	7	5.8	0.7
7	Republic Airlines	31-Mar-20	\$1,381	8.0	29.8%	4.4	20.4%	3.3	6	5	8	5	5	5.8	0.3
8	Luxair Group	31-Dec-19	\$742	6.3	2.6%	4.9	29.7%	-4.9	6	1	8	6	8	5.8	-0.4
9	British Airways	31-Dec-19	\$16,892	13.6	22.8%	7.5	19.5%	1.3	4	4	8	4	7	5.6	0.0
10	Spring Airlines	31-Dec-19	\$2,135	4.6	21.2%	2.8	52.1%	3.4	7	4	5	8	5	5.6	0.4
11	Japan Airlines	30-Jun-20	\$10,744	9.8	9.7%	6.5	34.8%	2.1	5	1	8	7	6	5.5	-1.1
12	Skywest, Inc.	30-Jun-20	\$2,584	11.9	28.2%	3.2	29.5%	3.8	5	5	6	6	5	5.5	-0.2
13	Air Greenland	31-Dec-19	\$213	22.2	18.5%	19.6	18.8%	0.2	1	3	8	4	8	5.4	-0.2
14	Southwest Airlines	30-Jun-20	\$16,611	10.8	3.6%	2.2	87.0%	-5.7	5	1	4	8	8	5.2	-0.5
15	Qantas Airways	31-Dec-19	\$11,588	11.0	19.2%	8.8	10.6%	1.6	5	3	8	3	7	5.2	0.2
16	Air New Zealand	31-Dec-19	\$3,596	8.4	19.6%	4.5	18.0%	3.1	6	3	8	4	5	5.1	-0.7
17	Alaska Air Group	30-Jun-20	\$6,674	8.0	10.4%	2.1	42.0%	3.3	6	2	4	8	5	4.9	-0.6
18	Chorus Aviation Inc.	30-Jun-20	\$932	15.6	28.6%	4.3	12.5%	5.5	3	5	8	3	4	4.8	0.4
19	Hawaiian Airlines	30-Jun-20	\$2,082	10.9	13.6%	2.4	36.5%	3.7	5	2	4	8	5	4.8	-0.9
20	Pegasus Airlines	30-Jun-20	\$1,173	5.4	27.0%	1.3	48.4%	6.8	7	5	2	8	3	4.7	-0.7
21	Wizz Air	30-Jun-20	\$2,566	5.0	22.2%	1.2	75.6%	6.0	7	4	2	8	4	4.7	-0.7
22	Atlantic Airways	31-Dec-19	\$92	5.9	15.3%	2.7	28.4%	4.2	7	3	5	6	4	4.7	-0.9
23	EVA Airways	30-Jun-20	\$4,862	5.3	22.5%	1.3	36.1%	7.8	7	4	2	8	3	4.5	-0.2
24	Grupo VivaAerobus	30-Jun-20	\$491	4.5	25.7%	0.8	40.1%	7.3	7	5	1	8	3	4.5	-0.4
25	Emirates	31-Mar-20	\$24,937	5.7	28.0%	1.6	22.1%	4.9	7	5	3	5	4	4.5	0.5
26	China Airlines	30-Jun-20	\$4,909	8.3	23.2%	2.1	24.9%	5.6	6	4	4	5	4	4.4	0.0
27	Delta Air Lines	30-Jun-20	\$34,059	15.4	6.9%	2.9	46.0%	5.1	3	1	5	8	4	4.4	-0.2
28	Jazeera Airways	30-Jun-20	\$272	6.4	30.1%	1.0	35.0%	6.3	6	6	1	7	3	4.4	-0.2
29	Turkish Airlines	30-Jun-20	\$10,887	7.7	18.4%	3.3	22.7%	7.1	6	3	6	5	3	4.4	-0.5
30	SIA Group	31-Mar-20	\$11,679	6.7	15.1%	3.5	19.6%	4.5	6	3	6	4	4	4.4	-0.9
31	Vueling Airlines	31-Dec-19	\$2,694	7.4	16.9%	1.5	32.7%	5.1	6	3	3	7	4	4.4	0.2
32	International Airlines Group	30-Jun-20	\$22,332	11.5	13.2%	1.7	35.5%	4.8	5	2	3	8	4	4.3	-2.1
33	Aegean Airlines	31-Mar-20	\$1,549	10.0	19.0%	1.4	44.5%	4.8	5	3	2	8	4	4.3	0.0
34	KLM - Royal Dutch Airlines	31-Dec-19	\$12,128	9.9	17.5%	3.3	7.3%	2.6	5	3	6	2	6	4.3	0.0
35	Volaris	30-Jun-20	\$1,292	4.4	28.1%	0.7	34.7%	6.6	7	5	1	7	3	4.2	0.4
36	Indigo	31-Dec-19	\$4,667	5.8	19.8%	1.1	26.8%	5.2	7	3	2	6	4	4.0	0.9
37	Lucky Air	31-Dec-19	\$1,071	5.9	23.0%	1.1	30.0%	7.6	7	4	2	6	3	4.0	-0.9
38	Air Astana	31-Dec-19	\$893	8.3	18.9%	1.8	19.7%	4.0	6	3	3	4	5	3.9	0.2
39	Air China	31-Dec-19	\$19,282	6.7	24.3%	2.9	6.6%	4.2	6	4	5	2	4	3.9	0.0
40	Iberia Opco	31-Dec-19	\$6,431	10.5	15.1%	2.4	10.4%	3.6	5	3	4	3	5	3.9	-0.4
41	Spirit Airlines	30-Jun-20	\$2,871	5.6	10.6%	1.2	43.0%	9.6	7	2	2	8	2	3.8	-2.5
42	Hainan Airlines	31-Mar-20	\$8,747	5.3	20.1%	0.7	50.5%	16.2	7	4	1	8	1	3.8	-0.2
43	Mesa Air Group, Inc.	30-Jun-20	\$625	8.6	28.2%	1.8	11.0%	6.8	6	5	3	3	3	3.7	-1.2
44	ANA Holdings	30-Jun-20	\$15,050	9.7	12.5%	1.5	36.2%	9.2	5	2	2	8	2	3.6	-1.2
45	Cebu Pacific	30-Jun-20	\$1,179	4.9	18.5%	1.2	31.6%	10.1	7	3	2	7	1	3.6	-2.5
46	Finnair	30-Jun-20	\$2,759	9.8	8.8%	0.7	41.0%	5.6	5	1	1	8	4	3.6	-2.1
47	Jetblue	30-Jun-20	\$5,920	9.8	4.5%	1.7	49.0%	9.2	5	1	3	8	2	3.6	-1.6
48	China Eastern Airlines	31-Dec-19	\$17,003	5.8	20.6%	2.7	1.1%	6.5	7	4	5	1	3	3.6	0.3
49	Juneyao Airlines	31-Dec-19	\$2,416	5.2	22.3%	2.1	7.8%	6.3	7	4	4	2	3	3.6	0.0
50	Air Canada	30-Jun-20	\$10,717	14.5	9.7%	1.1	61.0%	6.5	4	1	2	8	3	3.5	-1.7

Notable airlines that did not make the Top 100 are Pakistan International Airlines, Norwegian Air Shuttle, Nok Air, ExpressJet Airlines Inc, Asiana Airlines and EastarJet
Source: *Airfinance Journal's The Airline Analyst*

¹As rated by AFJ Financial Ratings on 22 August 2020 based on data from *The Airline Analyst*

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51	Gojet Airlines	31-Mar-20	\$264	12.8	25.6%	1.7	6.4%	5.6	4	5	3	2	4	3.5	0.2	
52	Air France	31-Dec-19	\$19,694	12.0	12.9%	2.6	5.7%	3.6	4	2	5	2	5	3.5	0.2	
53	China Southern Airlines	31-Dec-19	\$21,688	6.5	21.2%	2.2	1.2%	5.9	6	4	4	1	4	3.5	0.3	
54	Evelop Airlines	31-Dec-19	\$252	8.3	28.1%	1.7	0.8%	5.1	6	5	3	1	4	3.5	-0.2	
55	TAM Airlines	31-Dec-19	\$3,515	14.3	16.5%	1.9	12.8%	3.2	4	3	3	3	5	3.5	1.6	
56	Sun Country Airlines	31-Mar-20	\$685	14.3	18.8%	2.1	10.2%	6.3	4	3	4	3	3	3.3	-0.5	
57	AirAsia	31-Dec-19	\$2,952	5.2	19.0%	0.8	20.7%	6.7	7	3	1	5	3	3.3	-0.9	
58	Korean Air	30-Jun-20	\$8,935	9.3	19.4%	2.0	17.8%	8.8	5	3	3	4	2	3.2	-0.4	
59	LATAM Airlines Group	30-Jun-20	\$8,460	8.3	17.5%	1.3	15.8%	6.9	6	3	2	4	3	3.2	-1.0	
60	Austrian Airlines	31-Dec-19	\$2,542	11.6	3.6%	2.5	0.3%	2.9	5	1	4	1	6	3.2	-0.2	
61	Vietjet Air	31-Dec-19	\$1,665	2.9	18.5%	1.1	16.9%	8.2	8	3	2	4	2	3.2	-1.4	
62	Virgin Australia	31-Dec-19	\$3,857	10.6	14.0%	1.3	22.7%	7.0	5	2	2	5	3	3.2	-0.4	
63	Shenzhen Airlines	31-Dec-19	\$4,480	6.8	21.0%	1.8	3.2%	8.0	6	4	3	1	3	3.0	-0.2	
64	Air France-KLM	30-Jun-20	\$24,250	11.0	8.0%	1.2	23.7%	7.3	5	1	2	5	3	2.9	-1.6	
65	Bangkok Airways	30-Jun-20	\$610	10.1	-0.7%	0.0	48.7%	-247.6	5	1	1	8	1	2.9	0.2	
66	Starflyer	30-Jun-20	\$320	5.0	7.4%	0.6	32.5%	14.5	7	1	1	7	1	2.9	-0.9	
67	SAS	30-Apr-20	\$4,834	10.2	14.7%	1.1	20.6%	8.9	5	2	2	5	2	2.9	-1.0	
68	T'way Airlines	31-Dec-19	\$684	10.3	15.8%	0.7	22.5%	8.9	5	3	1	5	2	2.9	-1.9	
69	Widerøe	31-Dec-19	\$490	18.3	4.7%	2.9	0.2%	3.3	2	1	5	1	5	2.9	0.4	
70	Air Caledonie International	31-Dec-19	\$210	15.5	-0.4%	-0.9	49.0%	114.4	3	1	1	8	1	2.8	-3.2	
71	GOL	30-Jun-20	\$1,995	9.5	16.6%	0.7	23.7%	11.9	5	3	1	5	1	2.7	-0.5	
72	Lufthansa Group	30-Jun-20	\$33,268	11.6	3.6%	1.9	13.1%	7.1	5	1	3	3	3	2.7	-2.1	
73	PSA Airlines	31-Mar-20	\$825	9.6	28.2%	0.9	0.4%	7.5	5	5	1	1	3	2.7	-0.5	
74	Jin Air	31-Dec-19	\$768	11.6	7.5%	0.5	32.7%	11.0	5	1	1	7	1	2.7	-1.4	
75	Aeroflot	31-Mar-20	\$9,673	7.9	21.5%	0.8	7.2%	8.3	6	4	1	2	2	2.6	-0.4	
76	Avianca Holdings	31-Dec-19	\$4,615	6.8	14.6%	1.3	8.6%	7.8	6	2	2	2	3	2.6	-0.4	
77	Croatia Airlines	31-Dec-19	\$270	13.8	11.5%	1.7	2.2%	4.7	4	2	3	1	4	2.6	0.9	
78	Kenya Airways	31-Dec-19	\$1,179	7.0	19.3%	1.2	2.5%	6.3	6	3	2	1	3	2.6	-0.2	
79	American Airlines Group	30-Jun-20	\$33,361	10.4	0.6%	0.1	29.4%	155.3	5	1	1	6	1	2.5	-1.6	
80	Envoy Air	31-Mar-20	\$1,413	11.4	19.1%	1.1	0.0%	7.0	5	3	2	1	3	2.5	0.3	
81	United Airlines Holdings	30-Jun-20	\$31,722	14.8	6.0%	1.3	23.5%	10.2	4	1	2	5	1	2.4	-2.5	
82	Air Seoul, Inc.	31-Dec-19	\$189	5.4	14.9%	0.8	6.9%	7.5	7	2	1	2	3	2.4	-0.5	
83	TAP Group	31-Dec-19	\$3,602	13.2	15.8%	0.8	13.0%	9.7	4	3	1	3	2	2.4	0.2	
84	Xiamen Airlines	31-Dec-19	\$4,583	5.3	19.5%	1.1	1.4%	8.6	7	3	2	1	2	2.4	-0.5	
85	Azul	30-Jun-20	\$1,722	6.0	11.6%	0.3	18.0%	20.2	6	2	1	4	1	2.3	-1.6	
86	Garuda Indonesia	30-Jun-20	\$3,297	6.1	20.5%	0.5	9.1%	18.0	6	4	1	2	1	2.3	-0.9	
87	Royal Jordanian Airlines	30-Jun-20	\$679	8.9	14.3%	0.6	16.5%	12.4	6	2	1	4	1	2.3	-1.4	
88	Comair Limited	31-Dec-19	\$412	16.4	13.6%	1.4	7.3%	6.8	3	2	2	2	3	2.3	-1.2	
89	Icelandair	30-Jun-20	\$1,121	20.6	4.5%	0.5	21.0%	8.9	2	1	1	5	2	2.2	-0.7	
90	AirAsia X	31-Dec-19	\$1,027	5.7	18.4%	0.6	7.0%	11.5	7	3	1	2	1	2.2	-0.9	
91	EL AL Israel Airlines	31-Dec-19	\$2,178	12.7	11.3%	1.0	11.0%	9.5	4	2	1	3	2	2.2	-0.2	
92	Sichuan Airlines	31-Dec-19	\$3,655	5.4	15.1%	1.1	3.0%	12.0	7	3	2	1	1	2.2	0.3	
93	Thai Airways	30-Jun-20	\$4,242	8.8	8.5%	0.5	16.4%	20.1	6	1	1	4	1	2.1	0.0	
94	Cathay Pacific	30-Jun-20	\$10,380	9.8	9.6%	1.0	18.3%	14.7	5	1	1	4	1	2.0	-1.9	
95	PT AirAsia Indonesia	31-Dec-19	\$455	9.4	16.1%	1.0	4.6%	8.1	5	3	1	1	2	2.0	0.7	
96	Grupo Aeromexico	30-Jun-20	\$2,358	8.4	9.7%	0.4	13.4%	20.5	6	1	1	3	1	1.9	-1.1	
97	PAL Holdings	30-Jun-20	\$2,251	4.2	8.2%	0.3	13.8%	29.8	7	1	1	3	1	1.9	0.0	
98	Thai AirAsia	30-Jun-20	\$882	5.7	3.1%	0.1	14.2%	83.8	7	1	1	3	1	1.9	-0.3	
99	Vietnam Airlines	30-Jun-20	\$3,166	6.1	14.0%	0.9	8.9%	11.1	6	2	1	2	1	1.9	-1.6	
100	Jeju Air	31-Dec-19	\$1,168	11.4	11.6%	0.8	2.8%	9.0	5	2	1	1	2	1.8	-2.5	

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Commentary on top 100

The top 100 ranking of airlines is based entirely on Last Twelve Months (LTM) data and restricted to LTM figures no older than 31 December 2019. This ensures that our evaluation can be as up to date as possible. Our data sources are *The Airline Analyst* and *The Airline Analyst* Financial Ratings.

Shown in the table are the airlines' values and scores for the five parameters evaluated by *The Airline Analyst* for the LTM periods displayed. The rating is determined based on a weighted score of the five values by which the airlines are ranked.

In addition to the current rating, we show the change from the ratings of 12 months ago. As would be expected, the number of decliners significantly outweighs the number of improvers. This trend is most evident in the full-Covid-19-effect airlines, which have reported second-quarter 2020 financial data.

The top 100 list includes a number of airlines, which are in the process of restructuring, including Hainan Airlines, Virgin Australia, Icelandair, Avianca, LATAM, Grupo Aeromexico and SAS.

One observation is that many of the airlines, which have reported as of 30 June

One observation is that many of the airlines which have reported as of 30 June 2020 show significantly higher liquidity than normal.

2020 show significantly higher liquidity than normal because of abnormal levels of fundraising in the second quarter but also troubling increases in the amount of debt and leverage they carry. This trend is evident to a lesser degree in the 31 March 2020 financials but is obviously absent from the 31 December 2019 and earlier numbers.

At the top of the ranking is Air Arabia, closely followed by Ryanair, Frontier (based on US DOT Form 41 values), Copa Airlines and Allegiant Air. Other low-cost carriers (LCCs) also fare well, including Easyjet in sixth position, Spring Airlines 10th, Southwest Airlines 14th, Wizz Air 21st and Grupo VivaAerobus 24th.

The major full-service carriers fare less well. While British Airways made the top

10, this is based on 31 December 2019 values. Parent IAG comes in at number 32 based on 30 June 2020 financials. Delta Air Lines ranks 27th but all of American Airlines, United Airlines, Air France-KLM and Lufthansa Group appear well down the second page (albeit all based on 30 June 2020 values).

Among the Latin American carriers, the ranking of Copa stands out, especially compared with the devastation around it. That said, LATAM still ranks 59th despite its Chapter-11 filing, Avianca Holdings is 76th while Grupo Aeromexico just makes the list in 96th place.

Covid-19 has brought humility to some formerly high-flying Asia-Pacific airlines, although those with large cargo operations have been able to offset some of the passenger losses. This includes Taiwan's two major carriers, Eva Airways and China Airlines, at positions 23 and 26, respectively. SIA Group is ranked 30th but this is based on 31 March data. Korean Air performed well, buoyed by its cargo business, and came in at 58th.

Perhaps the biggest fall is that of Cathay Pacific, which is placed at number 94 with its score two full grades lower than last year.



Low-cost carriers (LCC) fare well in the top 100, including Easyjet in sixth position

Top airlines by size of current fleet

Rank	Airline	Fleet size			%	Fleet value (\$m)		
		Leased	Owned	Total		Leased	Owned	Total
1	Southwest Airlines	113	646	759	15%	1,447	11,992	13,439
2	China Southern	212	421	633	33%	6,993	14,428	21,421
3	China Eastern	101	483	584	17%	2,885	15,128	18,013
4	Skywest Airlines	116	423	539	22%	1,145	3,813	4,958
5	Air China	114	331	445	26%	3,761	11,196	14,957
6	Fedex	19	404	423	4%	305	12,896	13,201
7	Turkish Airlines	59	268	327	18%	1,956	10,581	12,537
8	Easyjet	99	215	314	32%	1,643	5,932	7,575
9	Lufthansa	24	283	307	8%	360	8,485	8,845
10	Ryanair	36	259	295	12%	985	5,291	6,276
11	British Airways	86	197	283	30%	2,733	5,980	8,713
12	Indigo	227	53	280	81%	6,711	1,791	8,502
13	Emirates	135	136	271	50%	9,965	10,401	20,366
14	UPS	3	264	267	1%	63	7,271	7,334
15	Jetblue	50	215	265	19%	569	4,735	5,304
16	Hainan Airlines	129	118	247	52%	5,922	4,216	10,138
17	Aeroflot	244	0	244	100%	7,603	0	7,603
18	Alaska Airlines	74	169	243	30%	1,526	4,075	5,601
19	All Nippon Airways	34	207	241	14%	1,906	9,456	11,362
20	Qatar Airways	115	122	237	49%	6,948	11,447	18,395
21	Air France	110	121	231	48%	2,931	3,706	6,637
22	Republic Airlines	54	156	210	26%	556	1,607	2,163
22=	Air Canada	110	100	210	52%	1,614	5,247	6,861
24	Endeavor Air	189	9	198	95%	1,428	16	1,444
25	Saudia	78	116	194	40%	1,942	6,463	8,405
26	Shenzhen Airlines	35	157	192	18%	726	4,233	4,959
27	Japan Airlines	20	154	174	11%	448	6,685	7,133
28	Xiamen Airlines	74	99	173	43%	2,342	3,057	5,399
29	Korean Air	24	147	171	14%	1,827	6,811	8,638
30	Sichuan Airlines	81	83	164	49%	2,871	2,122	4,993
31	Azul Linhas Aereas	148	15	163	91%	3,404	199	3,603
32	Cathay Pacific Airways	31	126	157	20%	1,741	8,132	9,873
32=	Latam Brasil	114	43	157	73%	3,604	887	4,491
34	SAS	105	50	155	68%	2,528	1,339	3,867
35	Garuda Indonesia	135	18	153	88%	3,593	122	3,715
36	PSA Airlines	151	1	152	99%	1,669	5	1,674
37	Spirit Airlines	59	92	151	39%	1,679	2,788	4,467
38	Expressjet	57	90	147	39%	128	98	226
39	Air India	91	55	146	62%	3,132	1,682	4,814
40	Mesa	56	89	145	39%	768	823	1,591
41	Envoy Air	142	1	143	99%	1,544	1	1,545
42	Singapore Airlines	18	122	140	13%	670	10,348	11,018
43	Latam Chile	55	83	138	40%	2,496	2,268	4,764
43=	Qantas	30	108	138	22%	881	3,187	4,068
45	Gol Transportes Aereos	130	5	135	96%	2,775	125	2,900
46	Etihad Airways	40	88	128	31%	2,577	6,213	8,790
46=	Westjet	41	87	128	32%	974	2,093	3,067
46=	Shandong Airlines	75	53	128	59%	2,174	1,433	3,607
46=	Vueling Airlines	100	28	128	78%	2,434	1,126	3,560
50	Lion Air	115	12	127	91%	3,277	238	3,515

Source: Airfinance Journal's Fleet Tracker

Top airlines 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			508		106	239	36	100		989
2	Delta Air Lines		91	436		70	27	252	26		902
3	United Airlines	4		347		115	183	108	62		819
4	Southwest Airlines			759							759
5	China Southern			337		66	146	51	33		633
6	China Eastern	1		395		23	105		60		584
7	Skywest Airlines					528		11			539
8	Air China			233		36	52	42	82		445
9	Fedex					264		93	66		423
10	Turkish Airlines			96		83	89	30	29		327
11	Easyjet			313				1			314
12	Lufthansa			112		35	61	29	70		307
13	Ryanair			295							295
14	British Airways			25		38	121		99		283
15	Indigo			12			114	154			280
16	Emirates				89	155			27		271
17	UPS					114		113	40		267
18	Jetblue					59	196	10			265
19	Hainan Airlines			160		36		7	44		247
20	Aeroflot			155		18			18	53	244
21	Alaska Airlines			236		7					243
22	All Nippon Airways			53		64		49	75		241
23	Qatar Airways			6	10	134	29		58		237
24	Air France			119	9	96			6	1	231
25	Republic Airlines	1				209					210
25=	Air Canada			88		97		9	15	1	210
27	Endeavor Air					198					198
28	Saudia			63		81	1	5	44		194
29	Shenzhen Airlines			133			41	12	6		192
30	Japan Airlines			49		104		15	6		174
31	Xiamen Airlines			156		12			5		173
32	Korean Air			33	10	66		62			171
33	Sichuan Airlines			34			85	25	20		164
34	Azul Linhas Aereas			44		62		45	12		163
35	Cathay Pacific Airways					66		6	85		157
35=	Latam Brasil			66		24	53	6	8		157
37	SAS			91		21	23	7	13		155
38	Garuda Indonesia			78		32		16	27		153
39	PSA Airlines			1		151					152
40	Spirit Airlines						122	29			151
41	Expressjet	124				23					147
42	Air India			78		45	15	8			146
43	Mesa					145					145
44	Envoy Air	69				74					143
45	Singapore Airlines				1	27		7	105		140
46	Latam Chile			56		16	30	7	29		138
46=	Qantas		4	75		46		1	12		138
48	Gol Transportes Aereos			135							135
49	Etihad Airways				10	63	29		26		128
49=	Westjet			118		10					128
49=	Shandong Airlines			127		1					128
49=	Vueling Airlines			50			54	24			128
53	Lion Air			116				1	10		127

Source: *Airfinance Journal's Fleet Tracker*

Top airlines by firm order backlog

Rank	Airline	Manufacturer							Total
		Airbus	ATR	Boeing	Bombardier	Embraer	Mitsubishi	Comac	
1	Indigo	600	25	0	0	0	0	0	625
2	Lion Air	177	0	237	0	0	0	0	414
3	AirAsia	363	0	0	0	0	0	0	363
4	Vietjetair	124	0	200	0	0	0	0	324
5	United Airlines	95	0	181	0	20	0	0	296
6	Wizz Air	263	0	0	0	0	0	0	263
7	Southwest Airlines	0	0	250	0	0	0	0	250
8	Delta Air Lines	233	0	0	4	0	0	0	237
9	Flydubai	0	0	236	0	0	0	0	236
10	American Airlines	99	0	99	0	12	0	0	210
11	Emirates	58	0	145	0	0	0	0	203
12	Norwegian	88	0	96	0	0	0	0	184
13	Turkish Airlines	97	0	76	0	0	0	0	173
14	Lufthansa	126	0	40	0	0	0	0	166
15	Qatar Airways	77	0	87	0	0	0	0	164
16	Frontier Airlines	158	0	0	0	0	0	0	158
17	Spicejet	0	0	141	15	0	0	0	156
18	Jetblue	144	0	0	0	0	0	0	144
19	Jet Airways	1	0	135	0	0	0	0	136
20	Ryanair	0	0	135	0	0	0	0	135
21	Spirit Airlines	129	0	0	0	0	0	0	129
22	Skywest Airlines	0	0	0	0	25	100	0	125
23	Air Arabia	120	0	0	0	0	0	0	120
24	AirAsia X	118	0	0	0	0	0	0	118
25	Qantas	109	0	4	0	0	0	0	113
26	Easyjet	108	0	0	0	0	0	0	108
27	Iran Air	97	7	0	0	0	0	0	104
28	Republic Airlines	0	0	0	0	100	0	0	100
28=	Volaris	100	0	0	0	0	0	0	100
30	Etihad Airways	41	0	58	0	0	0	0	99
31	Goair	98	0	0	0	0	0	0	98
32	Air France	92	0	0	0	0	0	0	92
33	All Nippon Airways	30	0	41	0	0	15	0	86
34	Gol Transportes Aereos	0	0	82	0	0	0	0	82
35	Korean Air	30	0	51	0	0	0	0	81
36	Fedex	0	30	50	0	0	0	0	80
37	Flynas	80	0	0	0	0	0	0	80
38	Jetsmart Airlines	77	0	0	0	0	0	0	77
39	Avianca	74	0	2	0	0	0	0	76
40	Aeroflot	21	0	3	0	0	50	0	74
41	Singapore Airlines	19	0	50	0	0	0	0	69
42	Hainan Airlines	0	0	46	0	0	0	20	66
43	Cathay Pacific Airways	44	0	21	0	0	0	0	65
43=	Saudia	65	0	0	0	0	0	0	65
45	Pegasus Airlines	64	0	0	0	0	0	0	64
46	Air Canada	37	0	26	0	0	0	0	63
47	Alaska Airlines	30	0	32	0	0	0	0	62
48	Garuda Indonesia	9	3	49	0	0	0	0	61
49	Moxy Airlines	60	0	0	0	0	0	0	60
49=	China Southern	21	0	34	0	0	0	5	60
49=	Cebu Pacific	57	3	0	0	0	0	0	60

Source: *Airfinance Journal's Fleet Tracker*
* The order was cancelled in July 2019.

Industry overview

Covid-19 has given this year's survey a vastly different look, writes **Michael Duff**, managing director, *The Airline Analyst*.

Normally in this publication we celebrate the best of the world's top 50 airlines in respect of financial and operational performance, using the most recent available full-year data. If we repeated this approach for 2020, we would have a very nice time capsule of the state of the airlines pre-Covid-19 that, while interesting and nostalgic, does not help the reader understand the state of the airlines today.

We have, therefore, decided to use the most recent Latest Twelve Months (LTM) data for all airlines, drawn from *The Airline*

Analyst. But even this requires careful interpretation.

Our data set includes airlines whose most recent LTM financials are as of 30 June 2020 (full-Covid effect) or 31 March 2020 (half-Covid effect), or full-year results as of 31 December 2019 (no-Covid effect). Care has to be taken in comparing those airlines whose numbers incorporate five months of Covid-19, two months of Covid-19 or none.

This year we have expanded the report's coverage to the top 100 airlines or

airline groups for which LTM financials are available for the periods ending from 31 December 2019 to 30 June 2020. We think it is not very meaningful to look at older financials at this time. We present the data for the entire top 100 by overall financial rating. This enables the reader to see not just the top 50 but also where so many fallen angels lie in the ranking. Please see the list of all included airlines in "The data set".

The 100 airlines are from the following geographic and market segments:

Airline Top 100 — regions and business model

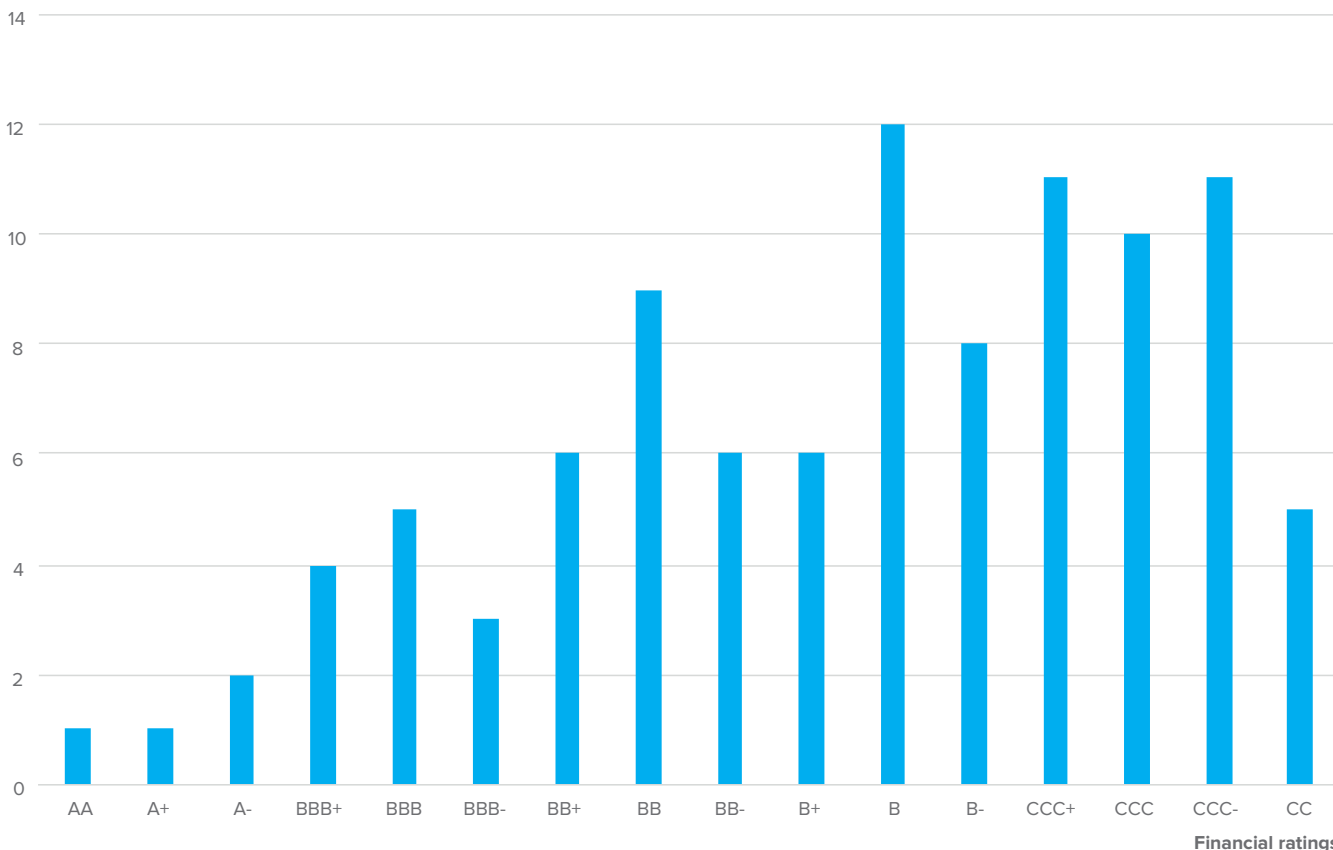
Row Labels	FSC	LCC	Leisure	Regional	Grand Total
Africa	1	0	0	1	2
China	9	2	0	0	11
Europe	16	6	0	5	27
Latin America	5	4	0	0	9
Middle East	3	2	0	0	5
North America	7	3	2	7	19
Northeast Asia	5	4	0	1	10
Oceania	3	0	0	0	3
South Asia	1	1	0	0	2
Southeast Asia	5	6	0	1	12
Grand Total	55	28	2	15	100

Source: *Airfinance Journal's The Airline Analyst*

Note: FSC = Full Service Carrier, LCC = Low Cost Carrier

AFJ Financial Ratings Distribution as of 21 August 2020

Number of airlines



Source: *Airfinance Journal's The Airline Analyst*

The rankings are based on the criteria we use in *The Airline Analyst* Financial Ratings. These evaluate one operational and four financial criteria in coming up with a ranking for each airline or airline group. The airlines are scored out of eight; eight being the number of major grades in the ratings scale from AAA to CC.

The operational criterion is average fleet age and the four financial criteria are the earnings before interest, taxes, depreciation, amortisation and restructuring or rent costs (Ebitdar) margin, fixed-charge cover, liquidity and leverage.

The distribution of the rankings is shown in the chart. Of the 100, 45 are full-Covid effect, 13 are half-Covid effect and 42 are pre-Covid.

As can be seen, 37 of the 100 airlines are rated CCC+ or below. The median rating is B. A total of 16 are rated BBB- or better.

The following table shows the number of improved and worsened financial ratings by LTM period. A total of 66 ratings worsened compared with a year ago. While 37 incorporate the full-Covid-19 effect, it is notable that 23 had already deteriorated as of their 31 December 2019 numbers. Only nine have improved their ratings since the onset of Covid-19. ▲

Improved/Worsened Financial Rating by LTM Period

LTM period	Worsened	No change	Improved	Total
30-Jun-20	37	5	3	45
31-Mar-20	6	1	6	13
31-Dec-19	23	4	15	42
Total	66	10	24	100

Source: *Airfinance Journal's The Airline Analyst*



The data set

Airlines included in the survey

Rank	Airline	Country Region	Most recent "Latest Twelve Months" (LTM)
1	Aegean Airlines	Greece	31-Mar-20
2	Aeroflot	Russia	31-Mar-20
3	Air Arabia	UAE-Sharjah	31-Mar-20
4	Air Astana	Kazakhstan	31-Dec-19
5	Air Caledonie International	France	31-Dec-19
6	Air Canada	Canada	30-Jun-20
7	Air China	China	31-Dec-19
8	Air France	France	31-Dec-19
9	Air France-KLM	France	30-Jun-20
10	Air Greenland	Denmark	31-Dec-19
11	Air New Zealand	New Zealand	31-Dec-19
12	Air Seoul, Inc.	South Korea	31-Dec-19
13	AirAsia	Malaysia	31-Dec-19
14	AirAsia X	Malaysia	31-Dec-19
15	Alaska Air Group	USA	30-Jun-20
16	Allegiant Travel Company	USA	30-Jun-20
17	American Airlines Group	USA	30-Jun-20
18	ANA Holdings	Japan	30-Jun-20
19	Atlantic Airways	Denmark	31-Dec-19
20	Austrian Airlines	Austria	31-Dec-19
21	Avianca Holdings	Panama	31-Dec-19
22	Azul	Brazil	30-Jun-20
23	Bangkok Airways	Thailand	30-Jun-20
24	British Airways	UK	31-Dec-19
25	Cathay Pacific	Hong Kong	30-Jun-20
26	Cebu Pacific	Philippines	30-Jun-20
27	China Airlines	Taiwan, Territory of	30-Jun-20
28	China Eastern Airlines	China	31-Dec-19
29	China Southern Airlines	China	31-Dec-19
30	Chorus Aviation Inc.	Canada	30-Jun-20
31	Comair Limited	South Africa	31-Dec-19
32	Copa Holdings	Panama	30-Jun-20
33	Croatia Airlines	Croatia	31-Dec-19
34	Delta Air Lines	USA	30-Jun-20
35	Easyjet	UK	31-Mar-20
36	EL AL Israel Airlines	Israel	31-Dec-19
37	Emirates	UAE-Dubai	31-Mar-20
38	Envoy Air	USA	31-Mar-20
39	EVA Airways	Taiwan, Territory of	30-Jun-20
40	Evelop Airlines	Spain	31-Dec-19
41	Finnair	Finland	30-Jun-20
42	Frontier Airlines	USA	31-Dec-19
43	Garuda Indonesia	Indonesia	30-Jun-20
44	GoJet Airlines	USA	31-Mar-20
45	GOL	Brazil	30-Jun-20
46	Grupo Aeromexico	Mexico	30-Jun-20
47	Grupo VivaAerobus	Mexico	30-Jun-20
48	Hainan Airlines	China	31-Mar-20
49	Hawaiian Airlines	USA	30-Jun-20
50	Iberia Opco	Spain	31-Dec-19

Rank	Airline	Country Region	Most recent "Latest Twelve Months" (LTM)
51	Icelandair	Iceland	30-Jun-20
52	Indigo	India	31-Dec-19
53	International Airlines Group	Spain	30-Jun-20
54	Japan Airlines	Japan	30-Jun-20
55	Jazeera Airways	Kuwait	30-Jun-20
56	Jeju Air	South Korea	31-Dec-19
57	Jetblue	USA	30-Jun-20
58	Jin Air	South Korea	31-Dec-19
59	Juneyao Airlines	China	31-Dec-19
60	Kenya Airways	Kenya	31-Dec-19
61	KLM - Royal Dutch Airlines	Netherlands	31-Dec-19
62	Korean Air	South Korea	30-Jun-20
63	LATAM Airlines Group	Chile	30-Jun-20
64	Lucky Air	China	31-Dec-19
65	Lufthansa Group	Germany	30-Jun-20
66	Luxair Group	Luxembourg	31-Dec-19
67	Mesa Air Group, Inc.	USA	30-Jun-20
68	PAL Holdings	Philippines	30-Jun-20
69	Pegasus Airlines	Turkey	30-Jun-20
70	PSA Airlines	USA	31-Mar-20
71	PT AirAsia Indonesia	Indonesia	31-Dec-19
72	Qantas Airways	Australia	31-Dec-19
73	Republic Airlines	USA	31-Mar-20
74	Royal Jordanian Airlines	Jordan	30-Jun-20
75	Ryanair	Ireland	30-Jun-20
76	SAS	Sweden	30-Apr-20
77	Shenzhen Airlines	China	31-Dec-19
78	SIA Group	Singapore	31-Mar-20
79	Sichuan Airlines	China	31-Dec-19
80	SkyWest, Inc.	USA	30-Jun-20
81	Southwest Airlines	USA	30-Jun-20
82	Spirit Airlines	USA	30-Jun-20
83	Spring Airlines	China	31-Dec-19
84	StarFlyer	Japan	30-Jun-20
85	Sun Country Airlines	USA	31-Mar-20
86	TAM Airlines	Brazil	31-Dec-19
87	TAP Group	Portugal	31-Dec-19
88	Thai AirAsia	Thailand	30-Jun-20
89	Thai Airways	Thailand	30-Jun-20
90	Turkish Airlines	Turkey	30-Jun-20
91	T'way Airlines	South Korea	31-Dec-19
92	United Airlines Holdings	USA	30-Jun-20
93	VietJet Air	Vietnam	31-Dec-19
94	Vietnam Airlines	Vietnam	30-Jun-20
95	Virgin Australia	Australia	31-Dec-19
96	Volaris	Mexico	30-Jun-20
97	Vueling Airlines	Spain	31-Dec-19
98	Widerøe	Norway	31-Dec-19
99	Wizz Air	UK	30-Jun-20
100	Xiamen Airlines	China	31-Dec-19

Source: *Airfinance Journal's The Airline Analyst*

Airline funding 2020

Based on data from *Airfinance Journal's* Deal Tracker, we estimate the world's airlines have raised a total of \$176 billion of liquidity funding so far in 2020. A breakdown of the funding into commercial loans, government loans and guarantees, equity, sale and leaseback and other sources is shown in Figure 1.

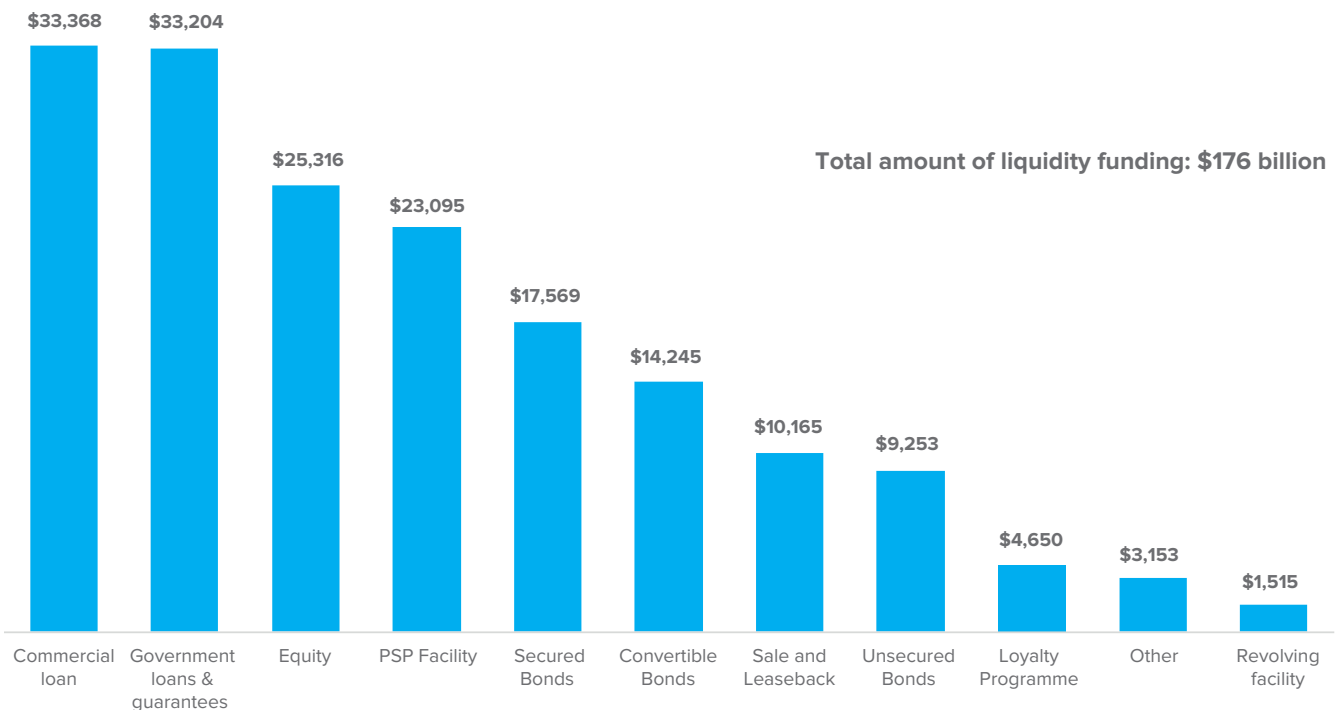
The two largest sources were commercial loans and government loans and guarantees at just over \$33 billion each. In addition, in the government provided bucket is the \$23 billion of the US Payroll Support Program grants and loans making for a total of \$56 billion from governments.

A total of \$25 billion has been raised in equity plus \$14 billion in convertible bonds, reflecting airlines' needs for liquidity, albeit at the expense of equity dilution.

The bond market also proved a meaningful source across unsecured and secured, including enhanced equipment trust certificates. Some innovative financings were concluded, including a United Airlines financing secured by its Mileage Plus loyalty programme. Lastly, we estimate that more than \$10 billion of sale and leasebacks have been closed.

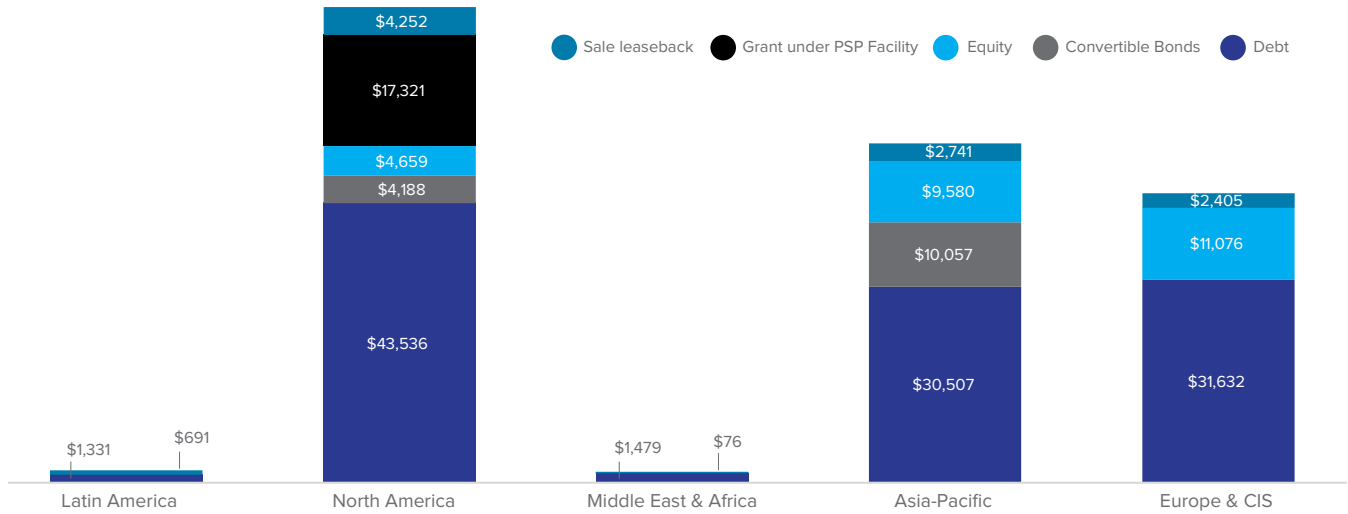


Figure 1: Distribution of liquidity funding, 2020 YTD (\$m)



Source: *Airfinance Journal's* Deal Tracker

Figure 2: Airline liquidity funding by region and category YTD 2020 (\$m)



Source: *Airfinance Journal's Deal Tracker*

Figure 2 shows liquidity funding by geographic region and by whether it has to be serviced (debt and sale and leaseback) or not (grants and equity).

The geographic distribution shows starkly the dearth of fundraising in Latin America and the Middle East and Africa. The consequence of lack of government support in Latin America is three Chapter 11 airlines. Copa Airlines, in its independent style, successfully raised funds in the commercial market. The story in the Middle East and Africa is slightly different. The Middle East has some hugely successful airlines such as Air Arabia which can forge their own path. Others are government owned and some of the funding sources a little opaque. Africa has been starved of government financial support except for a few cases where modest funds have been advanced.

The chart shows that a total of just over \$100 billion comprises debt instruments that will need to be repaid. To put this in context, the aggregate interest-bearing debt on the balance sheets of our group of 100 airlines (excluding double-counting parents and subsidiaries) was just over \$300 billion pre-Covid-19. So we are talking a material increase in leverage.

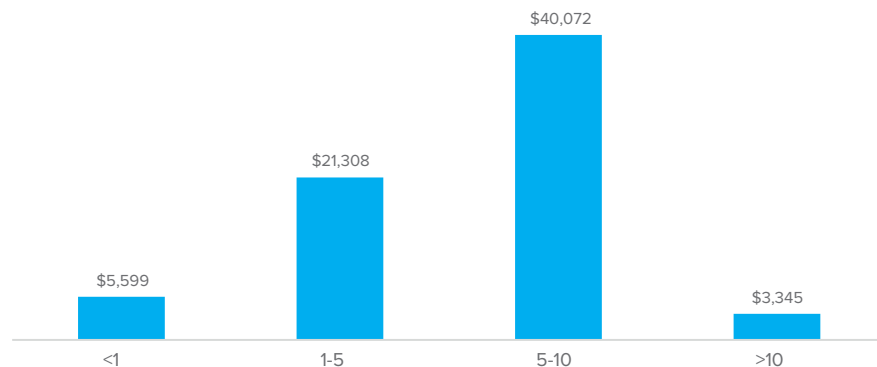
The next question is: when will it need to be repaid? A couple of airlines made a false start in March by arranging 364-day financing when the pandemic was anticipated to be over within a year. One airline refinanced its recently arranged 364-day facility when realisation set in that the pandemic was set to impact airlines far more severely than first thought.

The chart in Figure 3 shows the debt maturities that are known publicly. Comfortingly, only \$6 billion is due within

“One airline refinanced its recently arranged 364-day facility when realisation set in that the pandemic was set to impact airlines far more severely than first thought.”

one year and \$21 billion in years one to five. As much as \$43 billion has maturities in excess of five years, which is testament to the comfort that investors take in aircraft and other valuable assets such as routes, slots and gates and loyalty programmes as long-term investments. ^

Figure 3: Tenor of airline debt for liquidity funding, YTD2020*



Source: *Airfinance Journal's Deal Tracker*

*Includes facilities for which tenor has been disclosed



The Middle East has some hugely successful airlines such as Air Arabia

Top 100 by revenues

The industry is dominated by three majors in each of the US, Europe and China, plus Emirates Airline from the UAE.



Delta leads the industry by revenues, totalling \$34.1 billion, closely followed by American Airlines Group at \$33.4 billion. The third US major, United Airlines, comes in at fourth spot.



The three European majors, Lufthansa Group, Air France-KLM and International Airlines Group, come in at numbers three, six and seven, respectively. Emirates is in fifth position with \$24.9 billion. These are then followed by the three Chinese majors, China Southern Airlines, Air China and China Eastern Airlines.



Rank	Airline	LTM Revenues [USDm]
1	Delta Air Lines	\$34,059
2	American Airlines Group	\$33,361
3	Lufthansa Group	\$33,268
4	United Airlines Holdings	\$31,722
5	Emirates	\$24,937
6	Air France-KLM	\$24,250
7	International Airlines Group	\$22,332
8	China Southern Airlines	\$21,688
9	Air France	\$19,694
10	Air China	\$19,282
11	China Eastern Airlines	\$17,003
12	British Airways	\$16,892
13	Southwest Airlines	\$16,611
14	ANA Holdings	\$15,050
15	KLM - Royal Dutch Airlines	\$12,128
16	SIA Group	\$11,679
17	Qantas Airways	\$11,588
18	Turkish Airlines	\$10,887
19	Japan Airlines	\$10,744
20	Air Canada	\$10,717
21	Cathay Pacific	\$10,380
22	Aeroflot	\$9,673
23	Korean Air	\$8,935
24	Hainan Airlines	\$8,747
25	LATAM Airlines Group	\$8,460
26	Easyjet	\$8,458
27	Ryanair	\$7,490
28	Alaska Air Group	\$6,674
29	Iberia Opco	\$6,431
30	Jetblue	\$5,920
31	China Airlines	\$4,909
32	EVA Airways	\$4,862
33	SAS	\$4,834
34	Indigo	\$4,667
35	Avianca Holdings	\$4,615
36	Xiamen Airlines	\$4,583
37	Shenzhen Airlines	\$4,480
38	Thai Airways	\$4,242
39	Virgin Australia	\$3,857
40	Sichuan Airlines	\$3,655
41	TAP Group	\$3,602
42	Air New Zealand	\$3,596
43	TAM Airlines	\$3,515
44	Garuda Indonesia	\$3,297
45	Vietnam Airlines	\$3,166
46	AirAsia	\$2,952
47	Spirit Airlines	\$2,871
48	Finnair	\$2,759
49	Vueling Airlines	\$2,694
50	SkyWest, Inc.	\$2,584

Rank	Airline	LTM Revenues [USDm]
51	Wizz Air	\$2,566
52	Austrian Airlines	\$2,542
53	Frontier Airlines	\$2,508
54	Juneyao Airlines	\$2,416
55	Grupo Aeromexico	\$2,358
56	PAL Holdings	\$2,251
57	EL AL Israel Airlines	\$2,178
58	Spring Airlines	\$2,135
59	Hawaiian Airlines	\$2,082
60	Copa Holdings	\$2,000
61	GOL	\$1,995
62	Azul	\$1,722
63	VietJet Air	\$1,665
64	Aegean Airlines	\$1,549
65	Allegiant Travel Company	\$1,440
66	Envoy Air	\$1,413
67	Republic Airlines	\$1,381
68	Volaris	\$1,292
69	Air Arabia	\$1,275
70	Kenya Airways	\$1,179
71	Cebu Pacific	\$1,179
72	Pegasus Airlines	\$1,173
73	Jeju Air	\$1,168
74	Icelandair	\$1,121
75	Lucky Air	\$1,071
76	AirAsia X	\$1,027
77	Chorus Aviation Inc.	\$932
78	Air Astana	\$893
79	Thai AirAsia	\$882
80	PSA Airlines	\$825
81	Jin Air	\$768
82	Luxair Group	\$742
83	Sun Country Airlines	\$685
84	T'way Airlines	\$684
85	Royal Jordanian Airlines	\$679
86	Mesa Air Group, Inc.	\$625
87	Bangkok Airways	\$610
88	Grupo VivaAerobus	\$491
89	Widerøe	\$490
90	PT AirAsia Indonesia	\$455
91	Comair Limited	\$412
92	StarFlyer	\$320
93	Jazeera Airways	\$272
94	Croatia Airlines	\$270
95	GoJet Airlines	\$264
96	Evelop Airlines	\$252
97	Air Greenland	\$213
98	Air Caledonie International	\$210
99	Air Seoul, Inc.	\$189
100	Atlantic Airways	\$92

Source: *Airfinance Journal's The Airline Analyst*
LTM = Latest Twelve Months

Top airlines ranked by RPKs

Emirates comes out first in the revenue passenger kilometres (RPKs) ranking for the first time, just pipping China Southern and American to the post.



As expected, in addition to Emirates, the top 10 is dominated by the nine Chinese, US and European majors. Among the LCCs, Southwest, Easyjet and Norwegian Air Shuttle and Indigo make the top 30.



SIA is the largest of the non-Chinese Asian carriers, closely followed by Qantas and Hainan Airlines.



LATAM is the largest Latin American carrier in 22nd spot followed by Avianca in 41st, Gol at 49th and Grupo Aeromexico at 50th. Copa, the most consistently profitable Latin American carrier, is at number 59.

Rank	Airline	RPKs (m) (LTM)
1	Emirates	288,148
2	China Southern Airlines	284,921
3	American Airlines Group	283,557
4	Delta Air Lines	272,903
5	United Airlines Holdings	272,721
6	Air China	233,176
7	China Eastern Airlines	221,779
8	Air France-KLM	210,184
9	Lufthansa Group	204,854
10	International Airlines Group	202,839
11	Air France	176,121
12	British Airways	155,580
13	Southwest Airlines	153,953
14	Aeroflot	151,741
15	SIA Group	140,999
16	Qantas Airways	127,492
17	Hainan Airlines	119,407
18	Turkish Airlines	112,865
19	KLM - Royal Dutch Airlines	109,476
20	Air Canada	108,867
21	Easyjet	105,570
22	LATAM Airlines Group	93,412
23	Cathay Pacific	84,987
24	Norwegian Air Shuttle	79,626
25	Iberia	68,024
26	ANA Holdings	66,421
27	Alaska Air Group	66,406
28	Virgin Australia	63,300
29	Indigo	63,154
30	Jetblue	61,652
31	AirAsia	58,860
32	Korean Air	58,217
33	Shenzhen Airlines	57,877
34	Thai Airways	51,367
35	Japan Airlines	50,831
36	Wizz Air	49,949
37	Spirit Airlines	43,128
38	Asiana Airlines	42,564
39	PAL Holdings	42,309
40	TAP Group	42,065
41	Avianca Holdings	41,713
42	Frontier Airlines	38,884
43	Air New Zealand	38,573
44	Vietnam Airlines	37,600

Rank	Airline	RPKs (m) (LTM)
45	SAS	34,830
46	Juneyao Airlines	34,770
47	EVA Airways	34,278
48	Vueling Airlines	33,410
49	GOL	32,643
50	Grupo Aeromexico	30,939
51	Spring Airlines	30,329
52	Garuda Indonesia	29,775
53	China Airlines	29,290
54	Volaris	27,717
55	Finnair	27,167
56	AirAsia X	26,338
57	Pegasus Airlines	26,149
58	Azul S.A.	24,833
59	Copa Holdings	24,457
60	Austrian Airlines	23,050
61	EL AL Israel Airlines	22,596
62	Hawaiian Airlines	20,951
63	SkyWest, Inc.	18,821
64	Republic Airlines	17,944
65	Cebu Pacific	17,217
66	Aegean Airlines	15,374
67	Thai AirAsia	15,035
68	Pakistan International Airlines	14,938
69	Jeju Air	14,844
70	Kenya Airways	12,881
71	Envoy Air	12,083
72	Mesa Air Group, Inc.	11,930
73	Grupo VivaAerobus	11,179
74	Air Astana	10,400
75	PSA Airlines	9,684
76	Icelandair	9,135
77	Sun Country Airlines	8,338
78	PT AirAsia Indonesia	8,005
79	Nok Air	5,286
80	ExpressJet Airlines, Inc.	4,621
81	GoJet Airlines	3,173
82	Bangkok Airways	3,078
83	Luxair Group	2,420
84	Croatia Airlines	1,676
85	StarFlyer	1,385
86	Air Greenland	580
87	Atlantic Airways	437

Source: *Airfinance Journal's The Airline Analyst*
LTM = Latest Twelve Months

Top airlines ranked by passenger load factor

As expected, LCCs take up the first three places on this list, all having a passenger load factor of more than 90%. The tour operators' captive airlines used to top this ranking but Monarch and Thomas Cook are no longer with us and Tui Airways' 2019 financial statements have not yet been published.



The LCCs are followed, creditably, by three legacy carriers, KLM, Air France and Iberia, and then several more LCCs.

The top 50 all achieved load factors of more than 80%, which may be a record.



At the lower end of the scale, three carriers, two of them Japanese, propped up the table with load factors below 70%. Japan Airlines was just a little bit ahead but, like ANA, had the full impact of Covid-19 suppressing its LTM numbers ending on 30 June 2020.



Perhaps surprising was the weak performance by Southwest at 72.1% but again the US carrier incorporates the full Covid-19 effect.

Rank	Airline	Load factor (LTM)
1	Easyjet	93.1%
2	Wizz Air	92.4%
3	Spring Airlines	90.4%
4	KLM - Royal Dutch Airlines	89.4%
5	Air France	87.1%
6	Iberia	87.0%
7	Vueling Airlines	86.9%
8	Pegasus Airlines	86.8%
9	Norwegian Air Shuttle	86.7%
10	Grupo VivaAerobus	86.4%
11	Volaris	85.4%
12	Juneyao Airlines	85.2%
13	Nok Air	84.8%
14	Air France-KLM	84.7%
15	Qantas Airways	84.2%
16	Copa Holdings	84.2%
17	Indigo	84.1%
18	PT AirAsia Indonesia	84.0%
19	Air New Zealand	83.8%
20	Aegean Airlines	83.8%
21	British Airways	83.6%
22	Cebu Pacific	83.2%
23	Frontier Airlines	83.2%
24	China Southern Airlines	82.8%
25	AirAsia	82.6%
26	International Airlines Group	82.5%
27	Azul S.A.	82.5%
28	SIA Group	82.4%
29	EL AL Israel Airlines	82.1%
30	China Eastern Airlines	82.1%
31	LATAM Airlines Group	82.0%
32	Thai AirAsia	82.0%
33	Shenzhen Airlines	81.9%
34	SkyWest, Inc.	81.7%
35	Hawaiian Airlines	81.5%
36	Jeju Air	81.5%
37	GOL	81.4%
38	Pakistan International Airlines	81.3%
39	Hainan Airlines	81.2%
40	Air China	81.0%
41	Air Greenland	80.9%
42	Vietnam Airlines	80.9%
43	Lufthansa Group	80.8%
44	Austrian Airlines	80.8%

Rank	Airline	Load factor (LTM)
45	Turkish Airlines	80.6%
46	Delta Air Lines	80.5%
47	GoJet Airlines	80.4%
48	Aeroflot	80.4%
49	Avianca Holdings	80.3%
50	TAP Group	80.1%
51	Air Canada	79.9%
52	AirAsia X	79.7%
53	Finnair	79.4%
54	Spirit Airlines	79.0%
55	Korean Air	78.6%
56	Icelandair	78.5%
57	Emirates	78.5%
58	United Airlines Holdings	78.4%
59	ExpressJet Airlines, Inc.	78.4%
60	American Airlines Group	78.2%
61	Asiana Airlines	78.2%
62	Sun Country Airlines	77.7%
63	Virgin Australia	77.5%
64	Grupo Aeromexico	77.2%
65	Jetblue	77.1%
66	Cathay Pacific	77.1%
67	Kenya Airways	77.0%
68	China Airlines	76.9%
69	Thai Airways	76.9%
70	Alaska Air Group	76.7%
71	Envoy Air	76.6%
72	PAL Holdings	76.5%
73	PSA Airlines	75.9%
74	Mesa Air Group, Inc.	75.9%
75	EVA Airways	74.6%
76	SAS	74.2%
77	Republic Airlines	74.1%
78	Croatia Airlines	73.6%
79	Luxair Group	73.0%
80	Southwest Airlines	72.1%
81	Air Astana	71.0%
82	Atlantic Airways	70.8%
83	Japan Airlines	70.6%
84	Garuda Indonesia	70.2%
85	StarFlyer	68.4%
86	ANA Holdings	66.7%
87	Bangkok Airways	64.6%

Source: *Airfinance Journal's The Airline Analyst*
LTM = Latest Twelve Months

Top airlines ranked by revenue per passenger

Topping this list at \$388 per passenger is Air Caledonie International, reflecting its long-haul focus between France and New Caledonia. Another niche airline, Air Greenland, is second at \$376 arising from its narrow focus on Greenland routes with limited competition.



There is no surprise to see Emirates in third place but perhaps a surprise to see Delta in fourth and so far ahead of the other US majors. This must be a reflection of their larger international presence, especially to the Pacific. Three airlines with no domestic operations and long average stage lengths make the top 10 – EL AL, Cathay Pacific and SIA.



At the other extreme are several LCCs headed by Grupo VivaAerobus at \$29, Wizz Air at \$42 and Ryanair at \$43. These figures are for ticket prices only and do not include ancillary revenues. Just ahead of them are AirAsia, Vietjet, Pegasus, AirAsia Indonesia, Cebu Pacific, Skywest and Volaris.

Rank	Airline	Revenue per passenger (\$ (LTM))	Rank	Airline	Revenue per passenger (\$ (LTM))
1	Air Caledonie International	388	42	Widerøe	135
2	Air Greenland	376	43	Avianca Holdings	129
3	Emirates	366	44	Air Astana	129
4	Delta Air Lines	338	45	China Southern Airlines	128
5	EL AL Israel Airlines	324	46	LATAM Airlines Group	121
6	British Airways	320	47	AirAsia X	119
7	Cathay Pacific	286	48	China Eastern Airlines	119
8	KLM - Royal Dutch Airlines	282	49	Garuda Indonesia	114
9	SIA Group	274	50	Norwegian Air Shuttle	113
10	EVA Airways	269	51	Virgin Australia	111
11	Air Canada	251	52	Allegiant Travel Company	110
12	China Airlines	248	53	PAL Holdings	108
13	United Airlines Holdings	242	54	Spirit Airlines	107
14	Icelandair	238	55	Croatia Airlines	106
15	ANA Holdings	234	56	Juneyao Airlines	104
16	Air France-KLM	231	57	Bangkok Airways	103
17	Hawaiian Airlines	220	58	Jazeera Airways	99
18	Japan Airlines	216	59	Luxair Group	99
19	International Airlines Group	215	60	Shenzhen Airlines	97
20	Lufthansa Group	200	61	Envoy Air	96
21	Kenya Airways	199	62	Azul S.A.	91
22	Thai Airways	198	63	Aegean Airlines	88
23	Qantas Airways	196	64	GOL	82
24	Finnair	189	65	Jeju Air	80
25	TAP Group	189	66	Republic Airlines	74
26	American Airlines Group	188	67	Easyjet	69
27	Jetblue	186	68	ExpressJet Airlines, Inc.	68
28	Air New Zealand	185	69	GoJet Airlines	65
29	Alaska Air Group	175	70	Nok Air	61
30	Pakistan International Airlines	170	71	Frontier Airlines	58
31	Korean Air	166	72	PSA Airlines	56
32	Royal Jordanian Airlines	160	73	Volaris	52
33	Turkish Airlines	156	74	SkyWest, Inc.	51
34	Copa Holdings	156	75	Cebu Pacific	50
35	Southwest Airlines	154	76	PT AirAsia Indonesia	50
36	Grupo Aeromexico	153	77	Pegasus Airlines	45
37	Air China	152	78	VietJet Air	44
38	Aeroflot	150	79	AirAsia	44
39	Austrian Airlines	149	80	Ryanair	43
40	Sun Country Airlines	148	81	Wizz Air	42
41	SAS	145	82	Grupo VivaAerobus	29

Source: *Airfinance Journal's The Airline Analyst*
LTM = Latest Twelve Months

Top airlines ranked by passenger yield

Air Greenland comes out top on this ranking at 28.37 US cents per revenue passenger kilometre followed by a surprise in second place, Bangkok Airways, at 14.07 cents, reflecting its short average trip length at only 755 kilometres. There are no surprises in third and fifth places – Japan Airlines and ANA Holdings, respectively.



The three US majors are tightly grouped between 10.33 cents and 10.96 cents with Southwest not far behind at 9.80 cents. Air China is the leading mainland Chinese carrier at 7.50 cents. British Airways performs best of the European majors, closely followed by Lufthansa.

Emirates is in about the median position at 7.14 cents alongside Cathay Pacific, Finnair and Turkish Airlines.



While Qantas, China Airlines and Air New Zealand perform quite well, there is a clutch of Asia-Pacific carriers from positions 52 to 57, which do not quite make the seven cents level.

The numbers at the bottom of the list will attract attention, with three LCCs having yields lower than three cents and several more just above them. Perhaps it is a surprise to see a legacy full-service carrier such as Philippine Airlines (PAL Holdings) so far down the list at 4.29 cents and Aeroflot just above it.

Rank	Airline	Passenger yield (US cents per RPK) (LTM)
1	Air Greenland	28.37
2	Bangkok Airways	14.07
3	Japan Airlines	13.75
4	Croatia Airlines	13.74
5	ANA Holdings	13.61
6	Envoy Air	11.69
7	Delta Air Lines	10.96
8	SAS	10.94
9	American Airlines Group	10.63
10	United Airlines Holdings	10.33
11	British Airways	9.81
12	Southwest Airlines	9.80
13	Lufthansa Group	9.73
14	Austrian Airlines	9.49
15	Jetblue	9.14
16	Alaska Air Group	9.12
17	KLM - Royal Dutch Airlines	9.03
18	Hawaiian Airlines	8.96
19	Garuda Indonesia	8.95
20	SkyWest, Inc.	8.94
21	Avianca Holdings	8.90
22	Nok Air	8.82
23	International Airlines Group	8.77
24	Luxair Group	8.77
25	Qantas Airways	8.59
26	China Airlines	8.56
27	Air Canada	8.56
28	Icelandair	8.56
29	Air New Zealand	8.52
30	PSA Airlines	8.52
31	ExpressJet Airlines, Inc.	8.50
32	Aegean Airlines	8.35
33	GoJet Airlines	8.34
34	Azul S.A.	8.13
35	Air France-KLM	8.02
36	Kenya Airways	7.95
37	EL AL Israel Airlines	7.90
38	Copa Holdings	7.89

Rank	Airline	Passenger yield (US cents per RPK) (LTM)
39	Korean Air	7.78
40	TAP Group	7.66
41	Republic Airlines	7.57
42	Air China	7.50
43	LATAM Airlines Group	7.45
44	Grupo Aeromexico	7.45
45	Turkish Airlines	7.36
46	Finnair	7.20
47	Cathay Pacific	7.18
48	Emirates	7.14
49	GOL	7.12
50	Sun Country Airlines	7.09
51	Virgin Australia	7.06
52	China Eastern Airlines	6.99
53	SIA Group	6.97
54	China Southern Airlines	6.83
55	EVA Airways	6.81
56	Thai Airways	6.57
57	Juneyao Airlines	6.57
58	Spirit Airlines	6.51
59	Air Astana	6.33
60	Shenzhen Airlines	6.31
61	Iberia	6.29
62	Easyjet	6.05
63	Pakistan International Airlines	6.04
64	Aeroflot	5.86
65	Jeju Air	5.12
66	PT AirAsia Indonesia	4.95
67	Norwegian Air Shuttle	4.73
68	Cebu Pacific	4.55
69	PAL Holdings	4.29
70	Pegasus Airlines	3.90
71	AirAsia	3.62
72	Frontier Airlines	3.42
73	Volaris	3.32
74	Grupo VivaAerobus	2.61
75	AirAsia X	2.58
76	Wizz Air	2.57

Source: *Airfinance Journal's The Airline Analyst*
LTM = Latest Twelve Months

Top airlines ranked by cargo revenues

The air cargo business has proved a handy offset to almost non-existent passenger revenues for a large number of airlines during the pandemic.



Among the passenger carriers, Cathay Pacific came top of the ranking with \$3.2 billion of cargo revenues, a heady 31% of total revenues.



Second was Emirates at \$3 billion and 12% followed by Lufthansa, Korean Air and Air France-KLM. Turkish, not often talked about in the same terms as the others as a cargo carrier, generated \$2.1 billion of cargo revenues.



Three major Asian carriers took up positions seven to nine followed by IAG at number 10.

Rank	Airline	Cargo revenues (\$m) (LTM)	Cargo revenues as % of total revenues (LTM)
1	Cathay Pacific	3,208	31%
2	Emirates	3,051	12%
3	Lufthansa Group	2,710	9%
4	Korean Air	2,647	30%
5	Air France-KLM	2,335	10%
6	Turkish Airlines	2,102	19%
7	China Airlines	1,884	40%
8	SIA Group	1,422	12%
9	China Southern Airlines	1,350	6%
10	International Airlines Group	1,305	6%
11	KLM - Royal Dutch Airlines	1,295	11%
12	United Airlines Holdings	1,264	4%
13	ANA Holdings	1,221	8%
14	EVA Airways	1,118	24%
15	LATAM Airlines Group	1,103	13%
16	British Airways	912	5%
17	Japan Airlines	884	8%
18	Air China	805	4%
19	American Airlines Group	701	2%
20	Qantas Airways	678	5%
21	Delta Air Lines	636	2%
22	Air Canada	583	6%
23	China Eastern Airlines	537	3%
24	Thai Airways	446	10%
25	Iberia	324	5%
26	Aeroflot	304	3%
27	Garuda Indonesia	280	8%
28	Air New Zealand	258	7%
29	TAM Linhas Aéreas S.A.	230	5%
30	Grupo Aeromexico	222	9%
31	Finnair	218	8%
32	PAL Holdings	179	8%
33	Alaska Air Group	170	3%
34	Southwest Airlines	162	1%
35	TAP Group	152	4%
36	SAS	140	3%
37	AirAsia	127	5%
38	Cebu Pacific	101	9%
39	Kenya Airways	86	7%
40	Royal Jordanian Airlines	60	9%
41	Icelandair	58	5%
42	Austrian Airlines	56	2%
43	AirAsia X	45	5%
44	Copa Holdings	44	2%
45	Juneyao Airlines	42	2%
46	EL AL Israel Airlines	37	2%
47	Virgin Australia	35	1%
48	Pakistan International Airlines	34	3%
49	Air Astana	21	2%
50	Air Greenland	16	8%
51	Volaris	10	1%
52	Air Caledonie International	9	5%
53	PT AirAsia Indonesia	6	1%
54	Jeju Air	5	1%
55	Bangkok Airways	5	1%
56	Sun Country Airlines	4	1%
57	Jazeera Airways	3	1%
58	Jin Air	2	1%
59	Croatia Airlines	2	1%

Source: *Airfinance Journal's The Airline Analyst*
LTM = Latest Twelve Months

Top airlines ranked by lowest employee costs

There is a huge range on this measure, from 9.4% of revenues to 75.1%. Coming in the number one place is LCC Wizz Air, which also had one of the lowest passenger yields. This will help explain why it can afford them. Evelop Airlines came a close second followed by long-haul specialist AirAsia X at 10.7%.



Clearly, this is a ratio that is likely to increase significantly as a result of the pandemic because revenues disappeared overnight, while employee costs tend to be fixed in the short term.

Some airlines have benefitted from employment support measures such as the US Payroll Support Program, which have been booked as an offset to employment costs.



When seeing the three US majors at 34%, 35.5% and 41.3% we start to understand the plans some have announced to reduce staffing levels very materially from 1 October 2020.

Rank	Airline	Employee costs as % of revenue (LTM)
1	Wizz Air	9.4%
2	Evelop Airlines	9.8%
3	AirAsia X	10.7%
4	Aegean Airlines	11.0%
5	PT AirAsia Indonesia	11.4%
6	Vueling Airlines	11.6%
7	Air Astana	11.6%
8	Volaris	12.1%
9	PAL Holdings	12.3%
10	Air Seoul, Inc.	12.8%
11	Emirates	13.2%
12	VietJet Air	13.3%
13	Kenya Airways	13.5%
14	Aeroflot	13.7%
15	Ryanair	13.9%
16	Grupo VivaAerobus	14.6%
17	Easyjet	14.7%
18	Pegasus Airlines	14.8%
19	Turkish Airlines	15.1%
20	Avianca Holdings	15.4%
21	TAM Linhas Aereas S.A.	15.5%
22	SIA Group	16.0%
23	Jazeera Airways	16.1%
24	Norwegian Air Shuttle	16.2%
25	Garuda Indonesia	16.4%
26	AirAsia	16.5%
27	Indigo	16.8%
28	Asiana Airlines	16.9%
29	Croatia Airlines	16.9%
30	LATAM Airlines Group	17.3%
31	Azul S.A.	17.7%
32	China Southern Airlines	17.9%
33	China Airlines	18.0%
34	GOL	18.3%
35	Juneyao Airlines	18.6%
36	Air China	18.7%
37	Copa Holdings	18.8%
38	Iberia	18.9%
39	British Airways	19.0%
40	International Airlines Group	19.1%
41	Finnair	19.5%
42	China Eastern Airlines	20.0%
43	EastarJet	20.2%
44	Air Canada	20.2%

Rank	Airline	Employee costs as % of revenue (LTM)
45	TAP Group	20.6%
46	Thai Airways	20.8%
47	Thai AirAsia	21.5%
48	Korean Air	21.8%
49	Atlantic Airways	22.0%
50	Pakistan International Airlines	22.1%
51	SAS	22.5%
52	Tway Airlines	23.0%
53	Cathay Pacific	23.1%
54	Virgin Australia	23.2%
55	Sun Country Airlines	23.3%
56	Air New Zealand	23.4%
57	Grupo Aeromexico	23.4%
58	Air Caledonie International	23.7%
59	Qantas Airways	23.8%
60	Austrian Airlines	24.2%
61	Frontier Airlines	24.7%
62	Japan Airlines	25.0%
63	Widerøe	25.4%
64	Jeju Air	25.9%
65	KLM - Royal Dutch Airlines	26.8%
66	Hawaiian Airlines	28.2%
67	Allegiant Travel Company	29.5%
68	Air France	29.6%
69	Spirit Airlines	31.3%
70	Luxair Group	32.0%
71	Air Greenland	33.1%
72	GoJet Airlines	33.5%
73	Lufthansa Group	33.6%
74	Jin Air	33.7%
75	Chorus Aviation Inc.	34.0%
76	Delta Air Lines	34.0%
77	Air France-KLM	34.5%
78	United Airlines Holdings	35.5%
79	SkyWest, Inc.	35.6%
80	Icelandair	36.2%
81	Alaska Air Group	36.5%
82	Jetblue	38.0%
83	Republic Airlines	40.2%
84	American Airlines Group	41.3%
85	PSA Airlines	46.3%
86	Southwest Airlines	47.1%
87	Envoy Air	60.4%
88	ExpressJet Airlines, Inc.	75.1%

Source: *Airfinance Journal's The Airline Analyst*
LTM = Latest Twelve Months

Top 100 by Ebitdar margin

Unlike some other measures, the earnings before interest, taxes, depreciation, amortisation and restructuring or rent costs (Ebitdar) margin 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 not alone make a financially successful airline, it is a very appealing measure of the management's success in running the airline and the viability of the airline's core business, independent of the financing strategies chosen.

It is a particularly helpful measure when comparing airlines reporting under the new lease accounting standard, IFRS 16, airlines reporting under the not quite equivalent US standard, ASC 842, and airlines, which do not yet or will not report under IFRS 16 or a local equivalent. Evaluation at the Ebitda level would not be comparable.



There is a vast range in Ebitdar margin from best to worst in the most recent LTM periods. At the top is Air Arabia with a stellar 32.3% achievement, followed by Zazeera Airways and then six US and Canadian regional carriers. Their position needs to be interpreted with care, however, because some of their flying for the majors transfers responsibility for fuel expense to the latter.

There then follow impressive performances by two Mexican carriers, Volaris and Grupo VivaAerobus, and by Evelop, Emirates and Pegasus. Copa follows at a creditable 24.8% and then some of the Asian majors such as China Airlines, Eva, Air China and Korean Air, which have the benefit of large cargo businesses to bolster weakened passenger traffic.

There are many fallen angels whose numbers reflect the full impact of Covid-19, as demonstrated by Ebitdar margins well below 10%.

Rank	Airline	LTM EBITDAR Margin
1	Air Arabia	32.3%
2	Zazeera Airways	30.1%
3	Republic Airlines	29.8%
4	Frontier Airlines	28.8%
5	Chorus Aviation Inc.	28.6%
6	SkyWest, Inc.	28.2%
7	PSA Airlines	28.2%
8	Mesa Air Group, Inc.	28.2%
9	Volaris	28.1%
10	Evelop Airlines	28.1%
11	Emirates	28.0%
12	Pegasus Airlines	27.0%
13	Grupo VivaAerobus	25.7%
14	GoJet Airlines	25.6%
15	Copa Holdings	24.8%
16	Air China	24.3%
17	China Airlines	23.2%
18	Lucky Air	23.0%
19	British Airways	22.8%
20	EVA Airways	22.5%
21	Juneyao Airlines	22.3%
22	Wizz Air	22.2%
23	Ryanair	21.9%
24	Aeroflot	21.5%
25	China Southern Airlines	21.2%
26	Spring Airlines	21.2%
27	Shenzhen Airlines	21.0%
28	China Eastern Airlines	20.6%
29	Garuda Indonesia	20.5%
30	Hainan Airlines	20.1%
31	Indigo	19.8%
32	Allegiant Travel Company	19.8%
33	Air New Zealand	19.6%
34	Xiamen Airlines	19.5%
35	Korean Air	19.4%
36	Kenya Airways	19.3%
37	Qantas Airways	19.2%
38	Envoy Air	19.1%
39	AirAsia	19.0%
40	Aegean Airlines	19.0%
41	Air Astana	18.9%
42	Sun Country Airlines	18.8%
43	VietJet Air	18.5%
44	Cebu Pacific	18.5%
45	Air Greenland	18.5%
46	Turkish Airlines	18.4%
47	AirAsia X	18.4%
48	KLM - Royal Dutch Airlines	17.5%
49	LATAM Airlines Group	17.5%
50	Vueling Airlines	16.9%

Rank	Airline	LTM EBITDAR Margin
51	Easyjet	16.7%
52	GOL	16.6%
53	TAM Airlines	16.5%
54	PT AirAsia Indonesia	16.1%
55	TAP Group	15.8%
56	T'way Airlines	15.8%
57	Atlantic Airways	15.3%
58	SIA Group	15.1%
59	Iberia Opco	15.1%
60	Sichuan Airlines	15.1%
61	Air Seoul, Inc.	14.9%
62	SAS	14.7%
63	Avianca Holdings	14.6%
64	Royal Jordanian Airlines	14.3%
65	Virgin Australia	14.0%
66	Vietnam Airlines	14.0%
67	Hawaiian Airlines	13.6%
68	Comair Limited	13.6%
69	International Airlines Group	13.2%
70	Air France	12.9%
71	ANA Holdings	12.5%
72	Azul	11.6%
73	Jeju Air	11.6%
74	Croatia Airlines	11.5%
75	EL AL Israel Airlines	11.3%
76	Spirit Airlines	10.6%
77	Alaska Air Group	10.4%
78	Japan Airlines	9.7%
79	Air Canada	9.7%
80	Grupo Aeromexico	9.7%
81	Cathay Pacific	9.6%
82	Finnair	8.8%
83	Thai Airways	8.5%
84	PAL Holdings	8.2%
85	Air France-KLM	8.0%
86	Jin Air	7.5%
87	StarFlyer	7.4%
88	Delta Air Lines	6.9%
89	United Airlines Holdings	6.0%
90	Widerøe	4.7%
91	Jetblue	4.5%
92	Icelandair	4.5%
93	Lufthansa Group	3.6%
94	Southwest Airlines	3.6%
95	Austrian Airlines	3.6%
96	Thai AirAsia	3.1%
97	Luxair Group	2.6%
98	American Airlines Group	0.6%
99	Air Caledonie International	-0.4%
100	Bangkok Airways	-0.7%

Source: *Airfinance Journal's The Airline Analyst*
LTM = Latest Twelve Months

Top 100 by liquidity

Thirty-seven airlines had liquidity of more than three months of revenues, by virtue of the significant Covid-19-inspired fundraising, as well as efforts to defer capital expenditure and reduce dividends.



The top five airlines for liquidity, measured as unrestricted cash as a percentage of total revenues, were Southwest, Wizz Air, Air Arabia, Ryanair and Air Canada. Even the 50th-ranked airline had a ratio of more than 20%.



Even so, liquidity alone does not provide protection against a need for restructuring. Keeping company with some of these lower-rated airlines are the likes of American, United and Emirates.



The two US carriers raised additional liquidity in July. American plans to raise an additional \$4.7 billion through the US government's secured loan programme.

Rank	Airline	LTM Liquidity as % of Revenue
1	Southwest Airlines	87.0%
2	Wizz Air	75.6%
3	Air Arabia	69.2%
4	Ryanair	61.9%
5	Air Canada	61.0%
6	Copa Holdings	52.4%
7	Spring Airlines	52.1%
8	Hainan Airlines	50.5%
9	Air Caledonie International	49.0%
10	Jetblue	49.0%
11	Bangkok Airways	48.7%
12	Pegasus Airlines	48.4%
13	Allegiant Travel Company	46.0%
14	Delta Air Lines	46.0%
15	Aegean Airlines	44.5%
16	Spirit Airlines	43.0%
17	Alaska Air Group	42.0%
18	Finnair	41.0%
19	Grupo VivaAerobus	40.1%
20	Hawaiian Airlines	36.5%
21	ANA Holdings	36.2%
22	EVA Airways	36.1%
23	International Airlines Group	35.5%
24	Jazeera Airways	35.0%
25	Japan Airlines	34.8%
26	Volaris	34.7%
27	Jin Air	32.7%
28	Vueling Airlines	32.7%
29	StarFlyer	32.5%
30	Cebu Pacific	31.6%
31	Frontier Airlines	30.6%
32	Lucky Air	30.0%
33	Luxair Group	29.7%
34	SkyWest, Inc.	29.5%
35	American Airlines Group	29.4%
36	Atlantic Airways	28.4%
37	Indigo	26.8%
38	China Airlines	24.9%
39	Easyjet	24.4%
40	Air France-KLM	23.7%
41	GOL	23.7%
42	United Airlines Holdings	23.5%
43	Turkish Airlines	22.7%
44	Virgin Australia	22.7%
45	T'way Airlines	22.5%
46	Emirates	22.1%
47	Icelandair	21.0%
48	AirAsia	20.7%
49	SAS	20.6%
50	Republic Airlines	20.4%

Rank	Airline	LTM Liquidity as % of Revenue
51	Air Astana	19.7%
52	SIA Group	19.6%
53	British Airways	19.5%
54	Air Greenland	18.8%
55	Cathay Pacific	18.3%
56	Air New Zealand	18.0%
57	Azul	18.0%
58	Korean Air	17.8%
59	VietJet Air	16.9%
60	Royal Jordanian Airlines	16.5%
61	Thai Airways	16.4%
62	LATAM Airlines Group	15.8%
63	Thai AirAsia	14.2%
64	PAL Holdings	13.8%
65	Grupo Aeromexico	13.4%
66	Lufthansa Group	13.1%
67	TAP Group	13.0%
68	TAM Airlines	12.8%
69	Chorus Aviation Inc.	12.5%
70	Mesa Air Group, Inc.	11.0%
71	EL AL Israel Airlines	11.0%
72	Qantas Airways	10.6%
73	Iberia Opco	10.4%
74	Sun Country Airlines	10.2%
75	Garuda Indonesia	9.1%
76	Vietnam Airlines	8.9%
77	Avianca Holdings	8.6%
78	Juneyao Airlines	7.8%
79	KLM - Royal Dutch Airlines	7.3%
80	Comair Limited	7.3%
81	Aeroflot	7.2%
82	AirAsia X	7.0%
83	Air Seoul, Inc.	6.9%
84	Air China	6.6%
85	GoJet Airlines	6.4%
86	Air France	5.7%
87	PT AirAsia Indonesia	4.6%
88	Shenzhen Airlines	3.2%
89	Sichuan Airlines	3.0%
90	Jeju Air	2.8%
91	Kenya Airways	2.5%
92	Croatia Airlines	2.2%
93	Xiamen Airlines	1.4%
94	China Southern Airlines	1.2%
95	China Eastern Airlines	1.1%
96	Evelop Airlines	0.8%
97	PSA Airlines	0.4%
98	Austrian Airlines	0.3%
99	Widerøe	0.2%
100	Envoy Air	0.0%

Source: *Airfinance Journal's The Airline Analyst*
Unrestricted cash a percentage of total revenues
LTM = Latest Twelve Months

Top 100 by leverage

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. The leverage measure takes into account the effect of aircraft operating leases, by capitalising the rental in leverage. For those airlines that have already adopted the new lease accounting standards, IFRS 16 or ASC 842, we use estimated rent for calculation of the ratio.



There are only eight airlines with leverage better than 2x which would typically correspond to a possible investment-grade rating. The two top-rated airlines by lowest leverage, Southwest and Luxair Group, have the distinction of having negative adjusted net debt. They are followed by Air Greenland, Air Arabia, Ryanair, British Airways, Qantas and Easyjet, though it should be noted that the numbers of Air Greenland, British Airways and Qantas pre-date Covid-19 at 31 December 2019 and Easyjet's are only up to 31 March 2020.



The increases in liquidity are in many cases associated with significant increases in debt, including operating lease commitments resulting from sale and leasebacks. Some leverage indicators have reached unheard of levels for carriers. These include SIA Group at 4.5x, Emirates at 4.9x, Lufthansa Group at 7.1x, Air France-KLM at 7.3x, Cathay Pacific at 14.7x and American Airlines Group (because of the severely depressed Ebitdar) at 155.3x.

Rank	Airline	LTM Adjusted Net Debt/EBITDAR (x)
1	Southwest Airlines	N/A
2	Luxair Group	N/A
3	Air Greenland	0.2
4	Air Arabia	0.6
5	Ryanair	1.0
6	British Airways	1.3
7	Qantas Airways	1.6
8	Easyjet	1.7
9	Japan Airlines	2.1
10	Copa Holdings	2.2
11	KLM - Royal Dutch Airlines	2.6
12	Austrian Airlines	2.9
13	Allegiant Travel Company	3.1
14	Air New Zealand	3.1
15	TAM Airlines	3.2
16	Alaska Air Group	3.3
17	Republic Airlines	3.3
18	Widerøe	3.3
19	Spring Airlines	3.4
20	Frontier Airlines	3.4
21	Iberia Opco	3.6
22	Air France	3.6
23	Hawaiian Airlines	3.7
24	SkyWest, Inc.	3.8
25	Air Astana	4.0
26	Atlantic Airways	4.2
27	Air China	4.2
28	SIA Group	4.5
29	Croatia Airlines	4.7
30	Aegean Airlines	4.8
31	International Airlines Group	4.8
32	Emirates	4.9
33	Delta Air Lines	5.1
34	Vueling Airlines	5.1
35	Evelop Airlines	5.1
36	Indigo	5.2
37	Chorus Aviation Inc.	5.5
38	Finnair	5.6
39	China Airlines	5.6
40	GoJet Airlines	5.6
41	China Southern Airlines	5.9
42	Wizz Air	6.0
43	Jazeera Airways	6.3
44	Sun Country Airlines	6.3
45	Juneyao Airlines	6.3
46	Kenya Airways	6.3
47	Air Canada	6.5
48	China Eastern Airlines	6.5
49	Volaris	6.6
50	AirAsia	6.7

Rank	Airline	LTM Adjusted Net Debt/EBITDAR (x)
51	Pegasus Airlines	6.8
52	Mesa Air Group, Inc.	6.8
53	Comair Limited	6.8
54	LATAM Airlines Group	6.9
55	Virgin Australia	7.0
56	Envoy Air	7.0
57	Turkish Airlines	7.1
58	Lufthansa Group	7.1
59	Grupo VivaAerobus	7.3
60	Air France-KLM	7.3
61	Air Seoul, Inc.	7.5
62	PSA Airlines	7.5
63	Lucky Air	7.6
64	EVA Airways	7.8
65	Avianca Holdings	7.8
66	Shenzhen Airlines	8.0
67	PT AirAsia Indonesia	8.1
68	VietJet Air	8.2
69	Aeroflot	8.3
70	Xiamen Airlines	8.6
71	Korean Air	8.8
72	T'way Airlines	8.9
73	Icelandair	8.9
74	SAS	8.9
75	Jeju Air	9.0
76	Jetblue	9.2
77	ANA Holdings	9.2
78	EL AL Israel Airlines	9.5
79	Spirit Airlines	9.6
80	TAP Group	9.7
81	Cebu Pacific	10.1
82	United Airlines Holdings	10.2
83	Jin Air	11.0
84	Vietnam Airlines	11.1
85	AirAsia X	11.5
86	GOL	11.9
87	Sichuan Airlines	12.0
88	Royal Jordanian Airlines	12.4
89	StarFlyer	14.5
90	Cathay Pacific	14.7
91	Hainan Airlines	16.2
92	Garuda Indonesia	18.0
93	Thai Airways	20.1
94	Azul	20.2
95	Grupo Aeromexico	20.5
96	PAL Holdings	29.8
97	Thai AirAsia	83.8
98	Air Caledonie International	114.4
99	American Airlines Group	155.3
100	Bangkok Airways	N/A

Source: *Airfinance Journal's The Airline Analyst*

Note: For IFRS 16 reporters, "Rent" is derived from depreciation on right of use assets plus interest on lease liabilities. If these are not available, rent is estimated. Leverage is calculated by adding 8 x rent to balance sheet interest bearing debt and dividing by EBITDAR. LTM = Latest Twelve Months

Top 100 by fixed charge cover

This indicator brings some confirmation of the fact that, at least in more normal times, airlines can service quite high levels of debt from cash flow.



This is demonstrated by the large number of airlines, which had fixed-charge cover ratios of more than 2x, which might again be a prerequisite for an investment-grade rating.



However, at the other end of the scale, there are a number of airlines with ratios close to or below 1x, which is a clear sign of distress. Below 1x indicates insufficient cash flow to pay interest and rents other than by selling assets or raising equity or hybrid capital – or requesting rent deferral from lessors.



This reality has clearly been the trigger behind the slew of rent deferral requests to the world's leasing companies.

Rank	Airline	LTM Fixed Charge Cover: EBITDAR/Net Interest plus Rent (x)
1	Air Arabia	33.8
2	Air Greenland	19.6
3	Qantas Airways	8.8
4	Ryanair	7.7
5	British Airways	7.5
6	Easyjet	7.2
7	Japan Airlines	6.5
8	Allegiant Travel Company	4.9
9	Luxair Group	4.9
10	Air New Zealand	4.5
11	Republic Airlines	4.4
12	Chorus Aviation Inc.	4.3
13	Copa Holdings	3.5
14	SIA Group	3.5
15	Turkish Airlines	3.3
16	KLM - Royal Dutch Airlines	3.3
17	SkyWest, Inc.	3.2
18	Air China	2.9
19	Delta Air Lines	2.9
20	Widerøe	2.9
21	Spring Airlines	2.8
22	China Eastern Airlines	2.7
23	Atlantic Airways	2.7
24	Air France	2.6
25	Austrian Airlines	2.5
26	Iberia Opco	2.4
27	Hawaiian Airlines	2.4
28	China Southern Airlines	2.2
29	Southwest Airlines	2.2
30	Frontier Airlines	2.1
31	China Airlines	2.1
32	Juneyao Airlines	2.1
33	Sun Country Airlines	2.1
34	Alaska Air Group	2.1
35	Korean Air	2.0
36	TAM Airlines	1.9
37	Lufthansa Group	1.9
38	Mesa Air Group, Inc.	1.8
39	Shenzhen Airlines	1.8
40	Air Astana	1.8
41	Evelop Airlines	1.7
42	GoJet Airlines	1.7
43	International Airlines Group	1.7
44	Croatia Airlines	1.7
45	Jetblue	1.7
46	Emirates	1.6
47	Vueling Airlines	1.5
48	ANA Holdings	1.5
49	Aegean Airlines	1.4
50	Comair Limited	1.4

Rank	Airline	LTM Fixed Charge Cover: EBITDAR/Net Interest plus Rent (x)
51	Pegasus Airlines	1.3
52	LATAM Airlines Group	1.3
53	Virgin Australia	1.3
54	EVA Airways	1.3
55	Avianca Holdings	1.3
56	United Airlines Holdings	1.3
57	Wizz Air	1.2
58	Kenya Airways	1.2
59	Air France-KLM	1.2
60	Spirit Airlines	1.2
61	Cebu Pacific	1.2
62	Indigo	1.1
63	Air Canada	1.1
64	Envoy Air	1.1
65	Lucky Air	1.1
66	VietJet Air	1.1
67	Xiamen Airlines	1.1
68	SAS	1.1
69	Sichuan Airlines	1.1
70	Jazeera Airways	1.0
71	PT AirAsia Indonesia	1.0
72	EL AL Israel Airlines	1.0
73	Cathay Pacific	1.0
74	PSA Airlines	0.9
75	Vietnam Airlines	0.9
76	AirAsia	0.8
77	Grupo VivaAerobus	0.8
78	Air Seoul, Inc.	0.8
79	Aeroflot	0.8
80	Jeju Air	0.8
81	TAP Group	0.8
82	Finnair	0.7
83	Volaris	0.7
84	T'way Airlines	0.7
85	GOL	0.7
86	Hainan Airlines	0.7
87	AirAsia X	0.6
88	Royal Jordanian Airlines	0.6
89	StarFlyer	0.6
90	Icelandair	0.5
91	Jin Air	0.5
92	Garuda Indonesia	0.5
93	Thai Airways	0.5
94	Grupo Aeromexico	0.4
95	Azul	0.3
96	PAL Holdings	0.3
97	Thai AirAsia	0.1
98	American Airlines Group	0.1
99	Bangkok Airways	0.0
100	Air Caledonie International	-0.9

Source: *Airfinance Journal's The Airline Analyst*

Note: For IFRS 16 reporters, "Rent" is derived from depreciation on right of use assets plus interest on lease liabilities. If these are not available, rent is estimated based on previous years or estimated rent on leased fleet
LTM = Latest Twelve Months

Top listed airlines by market capitalisation

The table adjacent shows the 84 listed airlines by market capitalisation as of 21 August 2020. The aggregate value is \$228 billion, down from \$335 billion last year and \$438 billion in 2018. This is despite the \$25 billion of new equity issuances in 2020 year-to-date. Southwest Airlines has replaced Delta Air Lines in the number one position, though Delta retains second spot, albeit almost 50% below last year's value.

The Chinese airlines are relatively flat to last year's valuations; China Eastern is even up 6% at \$10.2 billion. The European majors have been hit hard. One European airline that has defied the market sentiment is Wizz Air, up from \$2.8 billion to \$4 billion.

Some airlines with substantial cargo operations have also bucked the trend. For example, Korean Air has held its value at \$2.6 billion, buoyed by its huge cargo operation. Air Transport Services Group is up 14% at \$1.5 billion. Cargojet is robust at \$2.2 billion.



That said, there are some airlines with continuing equity value that seems to defy their financial condition and ability to generate future shareholder value. These include Nok Air at \$92 million, AirAsia X at \$70 million, Asiana Airlines at \$769 million and Hainan Airlines at \$4.1 billion. The jury is out on Norwegian Air Shuttle's ability to justify its current market capitalisation of \$509 million. The survivability of the slew of Korean LCCs that still have positive equity market capitalisation is also in question. And, for some reason, even Jet Airways is still showing a positive value. The future of Icelandair, Comair Limited and Air Mauritius is also in doubt as all are in administration or restructuring.

In Latin America, it will be interesting to follow the market capitalisation of the three airlines that are under Chapter 11 bankruptcy protection. And to follow Copa Airlines, GOL and Azul who are all under significant market pressure.

We look forward to recording the outcomes in Airline Top 100 in 2021.

Rank	Airline name	Market Cap (USDm)
1	Southwest Airlines	20,463
2	Delta Air Lines	17,394
3	Ryanair	14,696
4	Air China	13,641
5	China Southern Airlines	11,522
6	China Eastern Airlines	10,258
7	United Airlines Holdings	9,596
8	SIA Group	7,870
9	ANA Holdings	7,789
10	Japan Airlines	6,546
11	American Airlines Group	6,184
12	Indigo	6,067
13	Lufthansa Group	6,042
14	Spring Airlines	5,834
15	Qantas Airways	5,274
16	International Airlines Group	5,051
17	Cathay Pacific	4,611
18	Alaska Air Group	4,381
19	Hainan Airlines	4,104
20	Wizz Air	4,036
21	Air Canada	3,588
22	Easyjet	3,426
23	Juneyao Airlines	3,132
24	Jetblue	2,877
25	Korean Air - Consol.	2,623
26	Cargojet Airways	2,160
27	Turkish Airlines	2,078
28	Copa Holdings	2,046
29	Air France-KLM	1,886
30	Allegiant Travel Company	1,878
31	EVA Airways	1,847
32	China Express	1,811
33	Air Transport Services Group	1,539
34	China Airlines	1,517
35	Atlas Air Worldwide	1,509
36	Spirit Airlines	1,506
37	SkyWest, Inc.	1,504
38	Air Arabia	1,499
39	Azul S.A.	1,476
40	PAL Holdings	1,433
41	Aeroflot	1,237
42	GOL	1,186

Rank	Airline name	Market Cap (USDm)
43	Air New Zealand	1,004
44	LATAM Airlines Group	946
45	Volaris	790
46	Asiana Airlines	769
47	Finnair	732
48	Pegasus Airlines	638
49	Hawaiian Airlines	575
50	AirAsia	536
51	Norwegian Air Shuttle	509
52	Cebu Pacific	482
53	Garuda Indonesia	449
54	SpiceJet	436
55	Jazeera Airways	381
56	Utair	355
57	Bangkok Airways	353
58	EL AL Israel Airlines	351
59	Jeju Air	319
60	Shandong Airlines	309
61	Aegean Airlines	307
62	Chorus Aviation Inc.	295
63	SAS	266
64	Jin Air	227
65	Thai Airways	222
66	Kenya Airways	206
67	Grupo Aeromexico	175
68	Air Busan	154
69	Pakistan International Airlines	149
70	Transat A.T.	147
71	Croatia Airlines	131
72	Mesa Air Group, Inc.	127
73	Tway Airlines	104
74	Enter Air	103
75	Nok Air	92
76	Regional Express Holdings	86
77	Royal Jordanian Airlines	83
78	StarFlyer	73
79	AirAsia X	70
80	Icelandair	54
81	Avianca Holdings	46
82	Jet Airways	45
83	Comair Limited	28
84	Air Mauritius	15

Source: Bloomberg and Airfinance Journal's The Airline Analyst
Values as of close on 21 August, 2020



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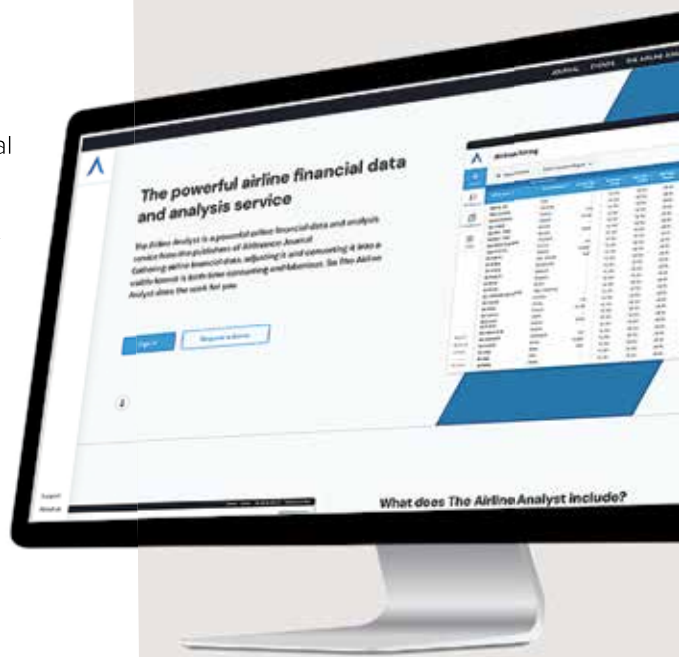
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