



**Airlines for America<sup>®</sup>**

**We Connect the World**

## **The State of U.S. Commercial Aviation**

Updated May 9, 2026

<https://www.airlines.org/dataset/state-of-us-aviation/>

## The Street: Times Have Changed

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“**[W]e no longer believe cost structures to be the primary determinant of profitability** the way they once were, before the industry successfully de-commoditized and **product/network quality took on increased relevance** with consumers.”

Jamie Baker, J.P. Morgan (Feb. 12, 2026)

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“In the post-COVID world, the industry has been forced to adapt as **consumer preferences shifted**. Premium products, loyalty programs, and network breadth moved to the forefront, and airlines with those offerings have fared materially better... **Gone are the days when airlines could profitably operate on rock-bottom fares as industry costs have converged, and consumers are demanding a better experience.**”

Conor Cunningham, Melius Research (April 22, 2026)

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# U.S. Airlines Facilitate the Safe and Efficient Movement of People and Goods Worldwide

Data Reflects Passenger and Cargo-Only Operations\*

> 1M  
**employees**  
around the world



Powering ~28K  
**flights** per day  
across the globe



Carrying ~2.7M  
**passengers**  
per day to/from  
~85 countries



Moving ~61K  
**tons of cargo**  
per day to/from  
more than 220  
countries



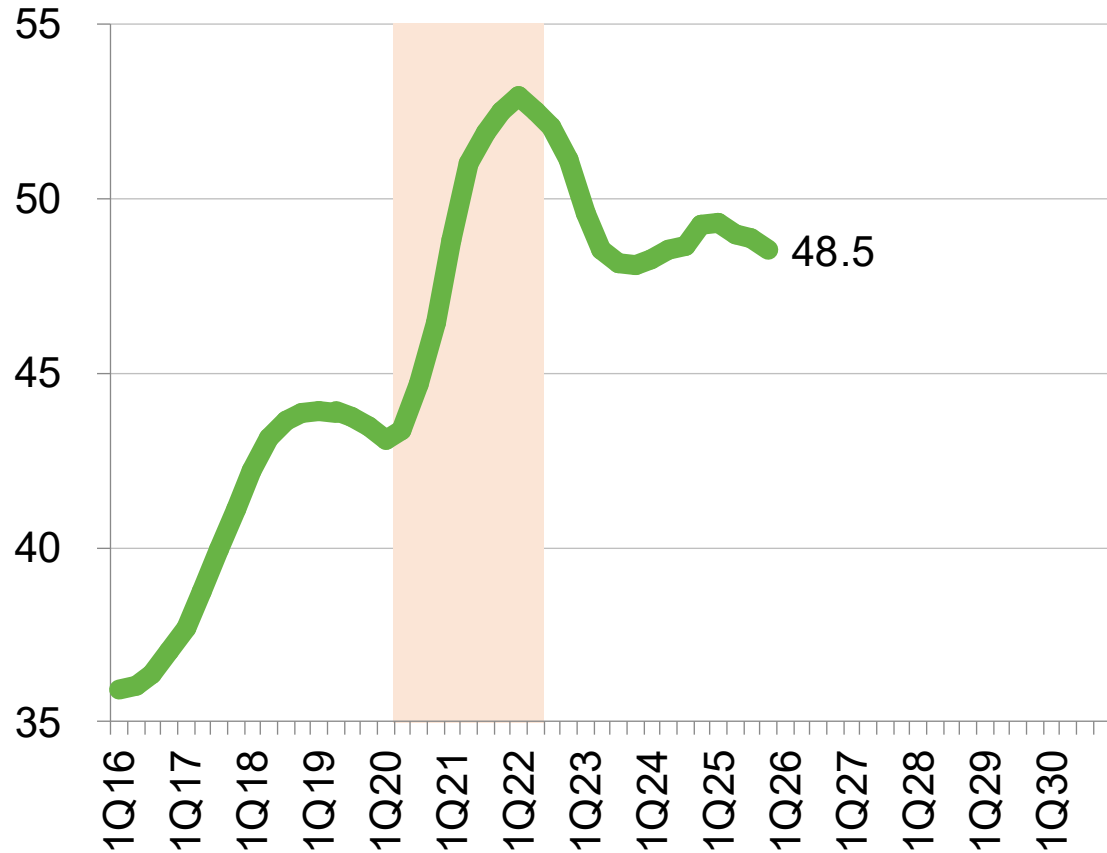
Sources: A4A, Bureau of Transportation Statistics, Diio by Cirium and company literature

\* Headcount as of Dec-2025; other statistics reflect daily average for 2025

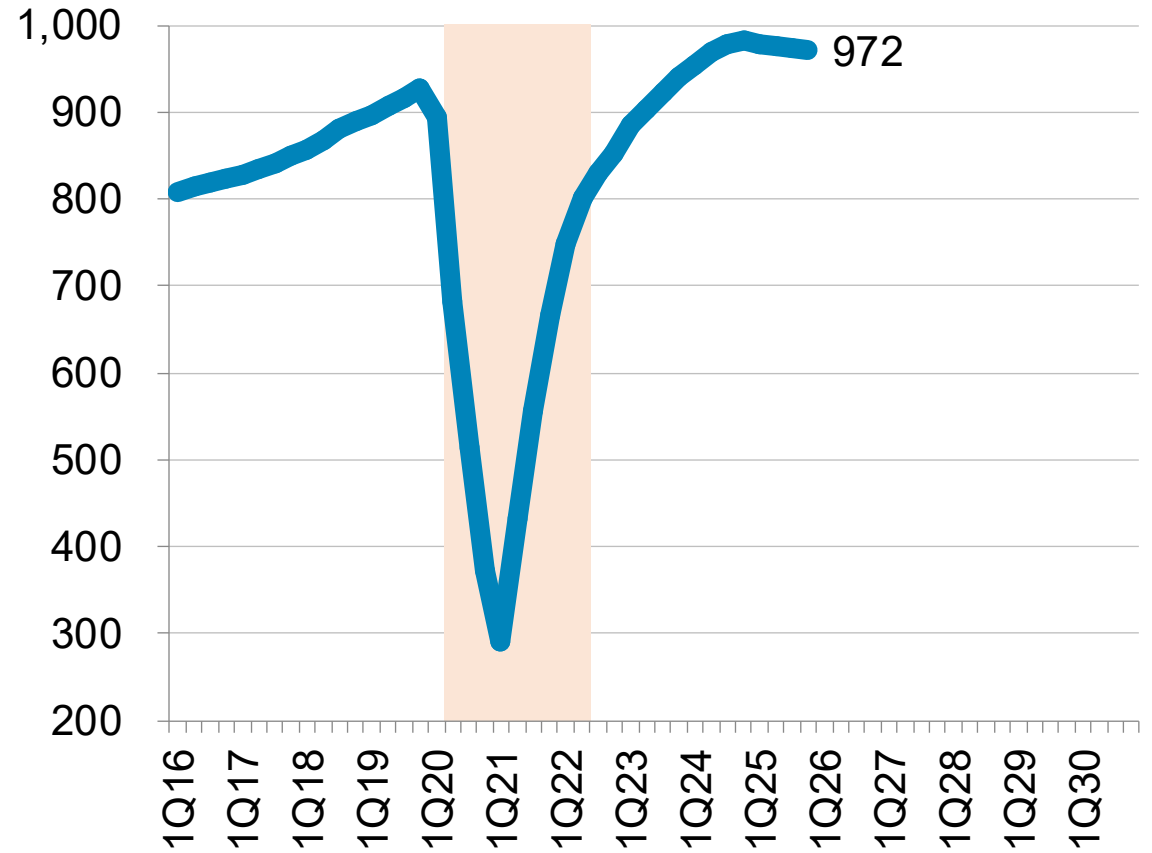
# For U.S. Airlines, Air-Cargo and Air-Travel Volumes Subsidized in 2025

Air-Cargo Demand Fell 1.4% Year-Over-Year; Passenger Enplanements Fell 1.1%

### Annualized Air Cargo Revenue Ton Miles\* (Bils)



### Annualized Scheduled-Service Passengers (Mils)



Source: Bureau of Transportation Statistics (Form 41 Schedule T1 and T100 segment data)

\* Cargo revenue ton miles (RTMs) flown on U.S. passenger and cargo-only airlines in scheduled and nonscheduled services

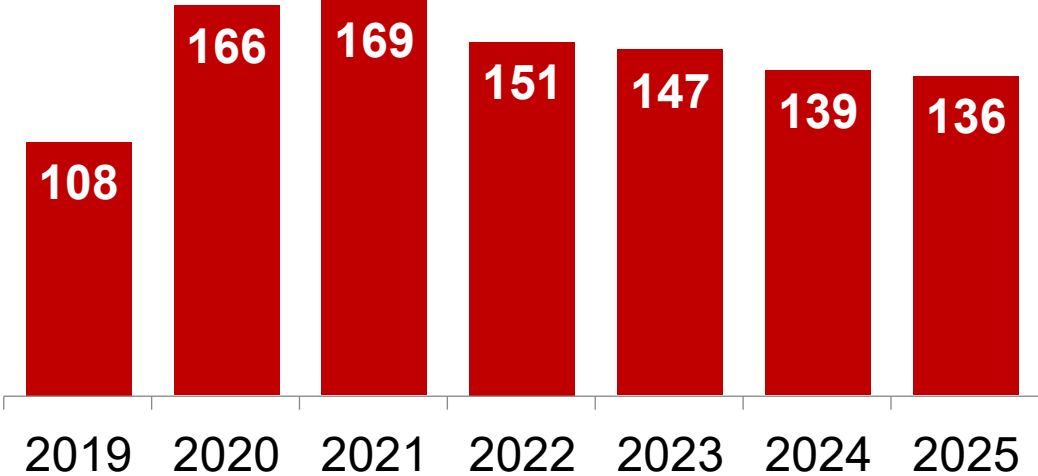
# Airlines Have Prioritized Debt Reduction, Accompanied by Heavy Cash Outlays for Interest

## Debt Levels Fell ~\$33B From 2021 to 2025, But Interest Expense Remains Elevated

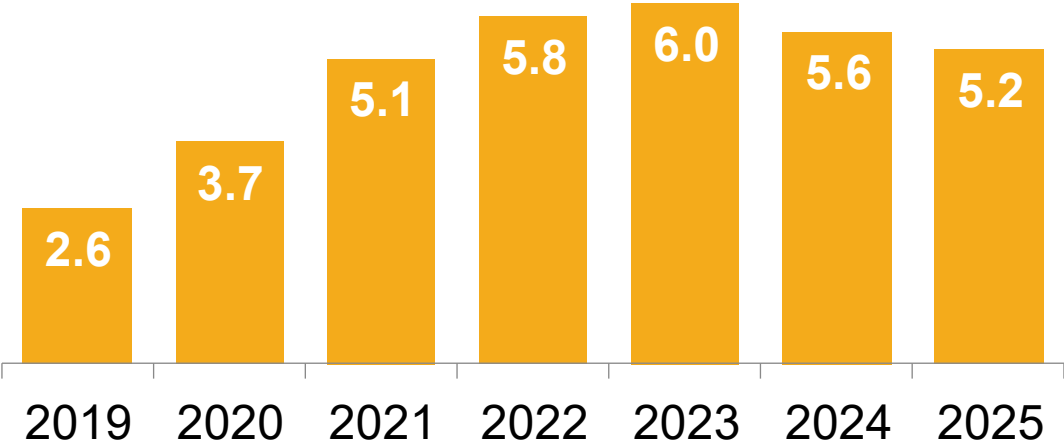
“To suggest that the airlines should have better prepared for this environment seems akin to suggesting Pompeii should have invested more heavily in firefighting technology.” (Jamie Baker, JPMorgan, March 22, 2020)

“For 2021 and beyond, we anticipate a major deleveraging cycle as **the industry will have no choice but to address its significant debt load.**” (Michael Linenberg, Deutsche Bank, July 1, 2020)

Year-End Total Debt\* (\$ Billions)



Interest Expense (\$ Billions)



Source: Alaska/Hawaiian, Allegiant, American, Delta, Frontier, JetBlue, Southwest, Spirit, Sun Country and United 10-Ks

\* Long-term debt and finance leases + operating lease liabilities + pension and postretirement benefits

# In 2025, U.S. Passenger Airlines Collectively Posted a Pre-Tax Profit Margin of 3.2%

## Profitability Fell YOY as 2.2% Higher Operating Expenses Outpaced 1.7% Higher Revenues

Financial Results: Calendar Year 2025	\$ Billions	% Chg. YOY	% of Category
Passenger (RPMs +0.3%, yield +0.7%)	212.1	1.0	88
Cargo	3.8	2.1	2
Other <sup>1</sup>	23.7	8.1	10
<b>Total operating revenues</b>	<b>239.7</b>	<b>1.7</b>	<b>100</b>
Salaries, wages and benefits	78.4	7.0	34
Aircraft fuel and taxes	44.9	(7.1)	20
Maintenance materials and repairs	13.1	1.8	6
Landing fees and airport (terminal/hangar) rents	16.3	9.8	7
Depreciation and amortization <sup>2</sup>	11.3	(1.4)	5
Regional capacity	10.6	8.4	5
Other <sup>3</sup>	53.3	1.5	23
<b>Total operating expenses</b>	<b>228.1</b>	<b>2.2</b>	<b>100</b>
Interest and other non-op expenses, net	(3.8)	(4.1)	n/a
<b>Pre-tax profit/(loss)</b>	<b>7.7</b>	<b>(8.5)</b>	<b>n/a</b>
<b>Pre-tax margin<sup>4</sup></b>	<b>3.2%</b>	<b>(0.4 pts)</b>	<b>n/a</b>

1. Sale of frequent flyer award miles to airline business partners, transportation of pets, in-sourced aircraft and engine repair, flight simulator rentals, inflight sales, etc.

2. Related primarily to ownership of aircraft, ground support equipment, information technology, etc.

3. Aircraft rents, professional fees, food/beverage, insurance, commissions, GDS fees, communications, advertising, utilities, office supplies, crew hotels, etc.

4. Pre-tax profit/(loss) ÷ total operating revenues

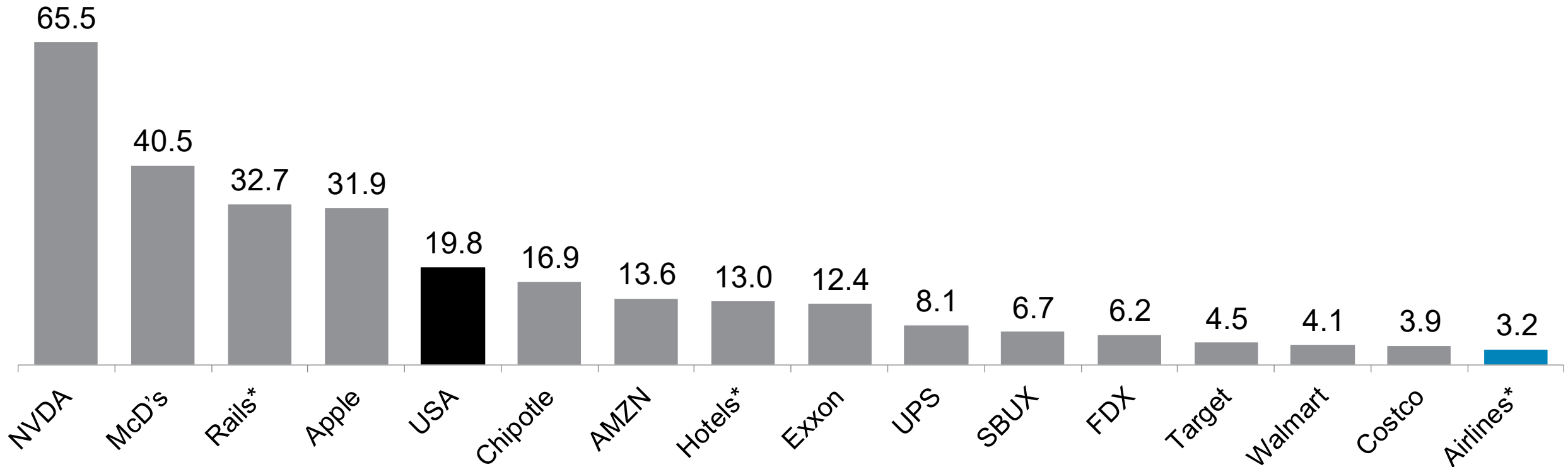
Source: SEC filings of Alaska/Hawaiian, Allegiant, American, Delta, Frontier, JetBlue, Southwest, Spirit, Sun Country and United

# Numerous Fortune 500 Brands Enjoy Significantly Higher Profitability Than U.S. Airlines

## Retaining Multiples More in Profit for Every Dollar of Revenue Generated in 2025

### Pre-Tax Profit Margin (%) for Selected U.S. Companies and Industries in Fiscal Year 2025

Note: Profit Margin = (Revenues – Expenses) ÷ Revenues



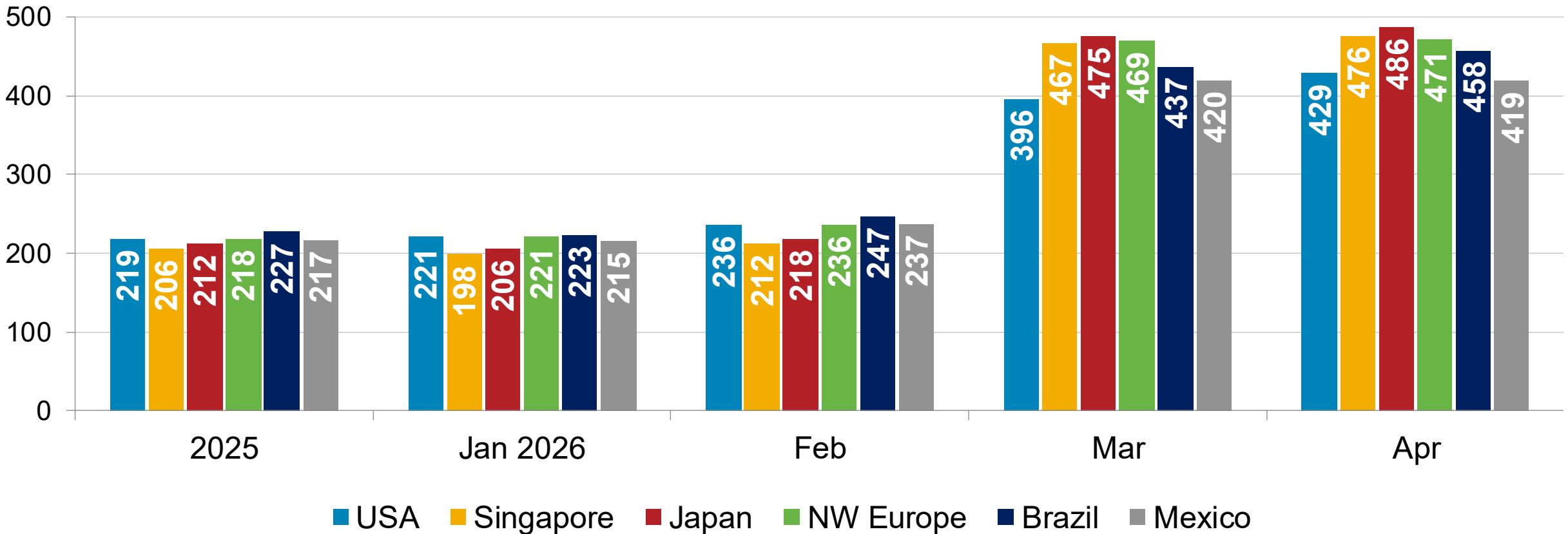
Sources: A4A, Bureau of Economic Analysis and company SEC filings

\* Airlines = U.S. passenger airlines; Hotels = Choice/Hilton/Hyatt/Marriott/Wyndham; Rails = CSX/Norfolk Southern/Union Pacific

# Jet Fuel Prices Surged in March/April, Driven by Supply Chain Disruption and Military Demand

Prices Are Especially High in Asia and Europe

Average Spot Price (Cents per Gallon) of Jet Fuel\*



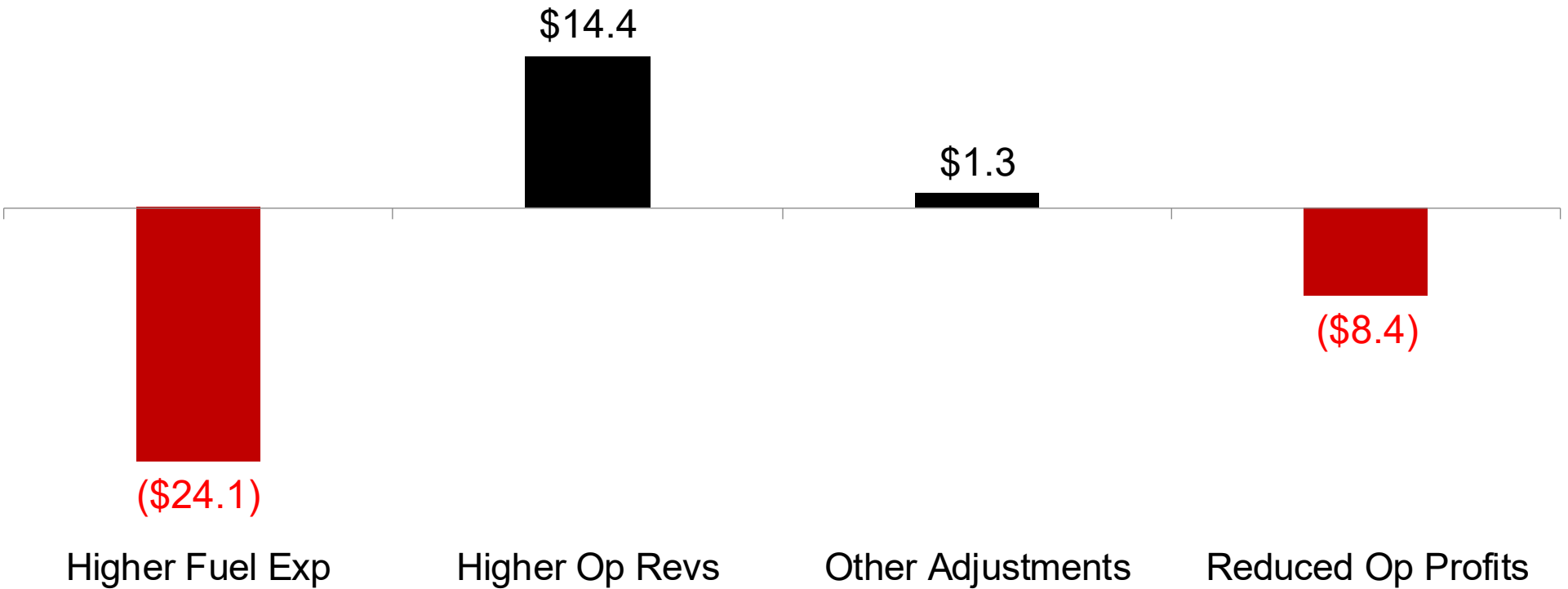
Sources: Argus Media

\* USA = Argus US Jet Fuel Index™ (<https://www.airlines.org/dataset/argus-us-jet-fuel-index/>) average of Chicago/Houston/Los Angeles/New York refining centers

# Deutsche Bank Projects That U.S. Airlines Will Recapture ~60% of the Incremental Fuel Bill

Revised Forecast (April 7) Projects \$14.4B More Revenue Against \$24.1B Higher Fuel Expense

Change in Deutsche Bank's 2026 Forecast (in Billions) for U.S. Airlines (April 7 vs. Late Feb)

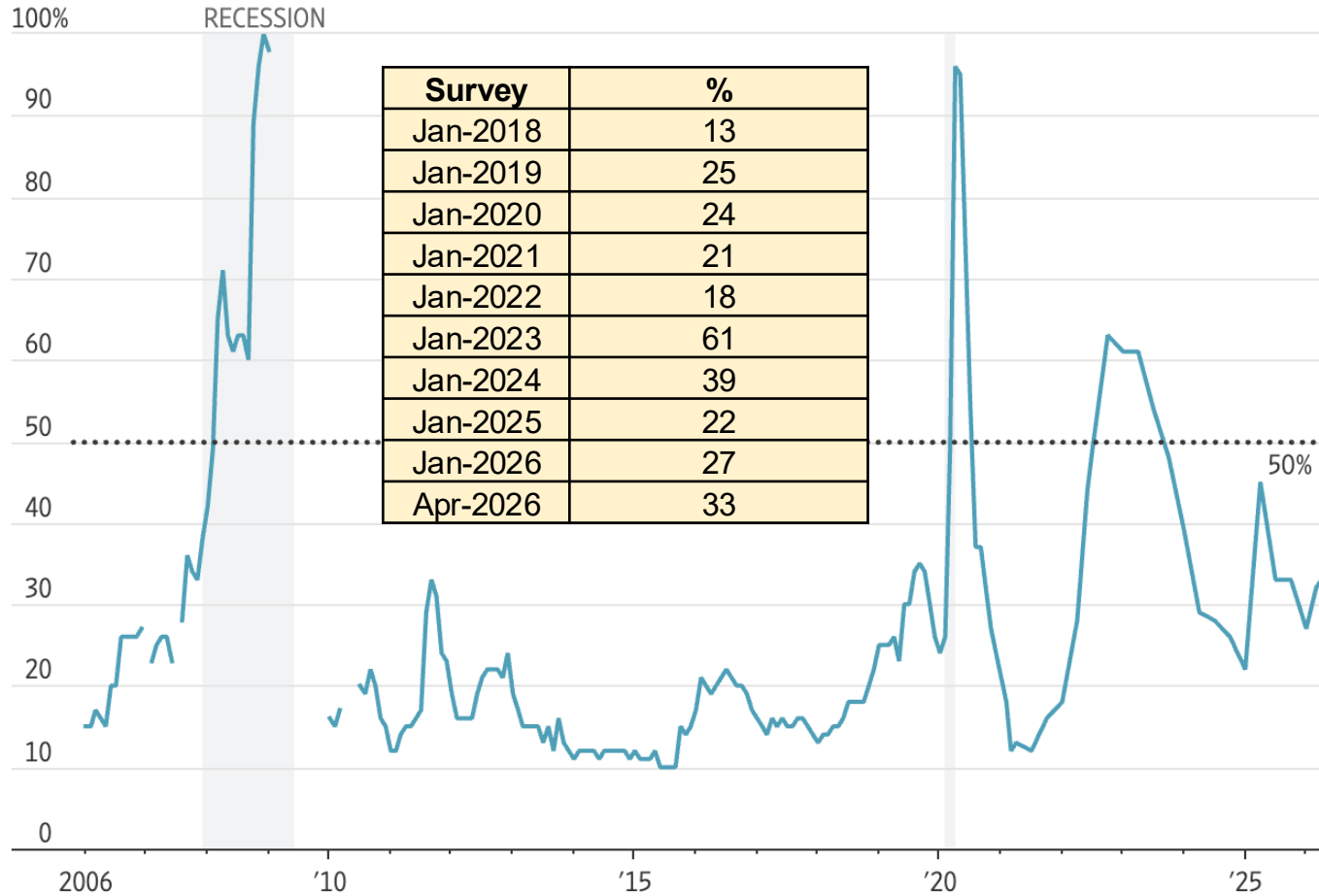


Source: Deutsche Bank Research, "Airlines: Mar Q '26 Preview/Jun Q '26 Outlook - A crude reality: airlines face \$40 billion fuel bill," (April 7, 2026)

# Economists Remain Downbeat, But Perceived Risk of U.S. Recession Has Subsided

WSJ Survey: Probability of Recession Over Next 12 Months: 33% (as of April)

Probability the U.S. is in a recession in next 12 months, including today



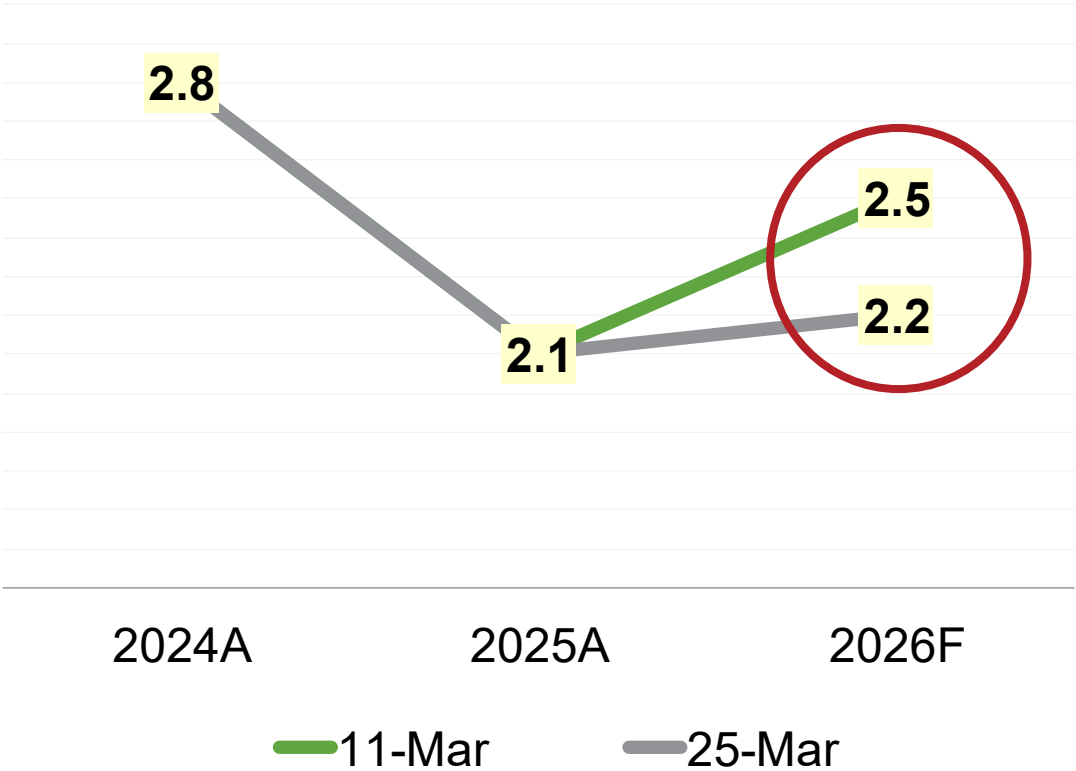
“Recent months have been marked by **slower growth, stubborn inflation** and a **weaker job market**. **Economists worry that the war in Iran could exacerbate all three.** [A] group of economists regularly surveyed by The Wall Street Journal has broadly dimmed its outlook for the year ahead, compared with their expectations earlier this year.”

Source: Anthony DeBarros and Matt Grossman, “We Asked a Panel of Economists to Forecast the War’s Impact,” *The Wall Street Journal* (April 12, 2026)

# Standard & Poor's Has Lowered Its Expectations for U.S. Economic Growth in 2026

Real GDP Growth Now Pegged at 2.2% Instead of 2.5%

### YOY Change (%) in Real U.S. GDP



“While precise estimates are premature, **the near-term macro impulse is unambiguously inflationary and growth-negative for the U.S. economy.** And we cannot summarily dismiss that we may be in the initial phase of a more significant global crisis, and **the window for a moderate, transitory outcome is closing.**”

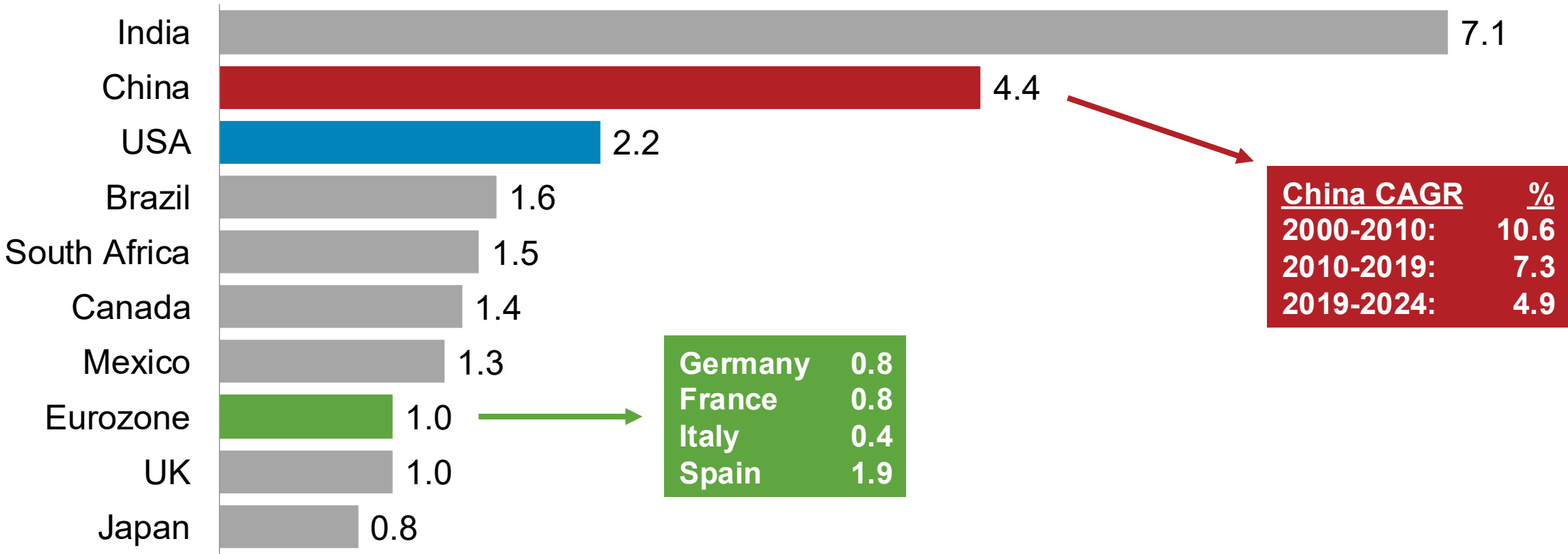
Satyam Panday, Standard & Poor's, “Economic Outlook U.S. Q2 2026: Curb Your Enthusiasm” (March 25, 2026)

Sources: U.S. Bureau of Economic Analysis (March 13, 2026), Standard & Poor's U.S. Economic Outlook (March 25, 2026)

# Standard & Poor's Expects Tepid Growth for Many Large Economies in 2026

## India's Economy to Outpace China's, With Europe, the UK and Japan Lagging Significantly

Projected Real GDP Growth (%) in 2026



Source: S&P Global Economic Outlook Q2 2026: "Middle East War Dents The Forecast" (March 31, 2026) and World Bank

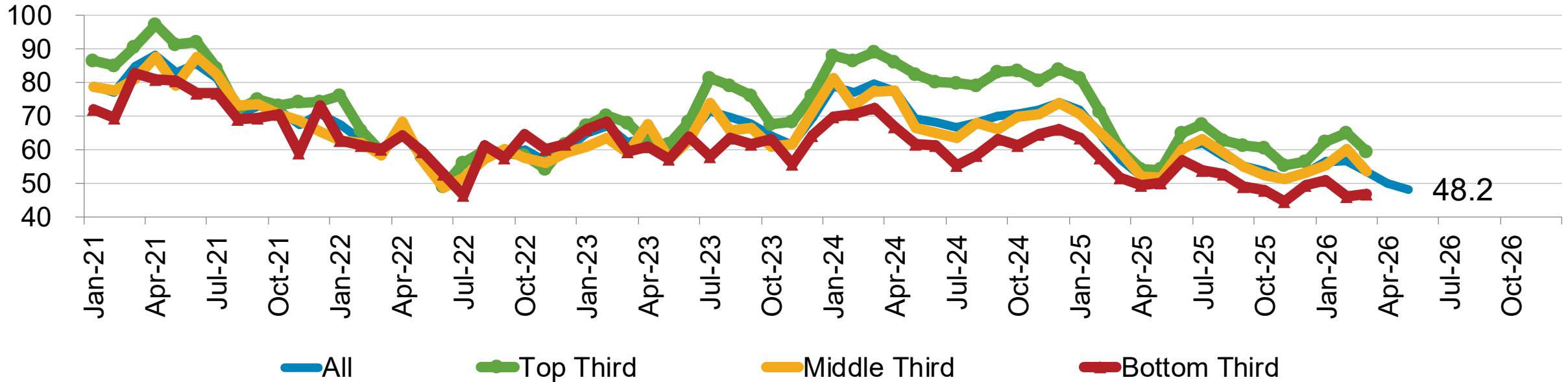
# In Early May, U.S. Consumer Sentiment Fell to Its Lowest Level Since June 2022

## Higher Levels of Sentiment Correlated With Higher Levels of Income

“Not all Americans are feeling the affordability squeeze. **The finances of the well-to-do are arguably as good as they have ever been.** They have a job, and they are enjoying sturdy wage growth. If they have any debt, it is a mortgage loan they refinanced during the pandemic at an exceptionally low rate. They have ample cash in their checking and money market accounts...and **their wealth has ballooned with the surge in home values and stock prices.**”

Mark Zandi, Chief Economist, Moody’s Analytics, “The Affordability Squeeze,” *LinkedIn* (Dec. 9, 2025)

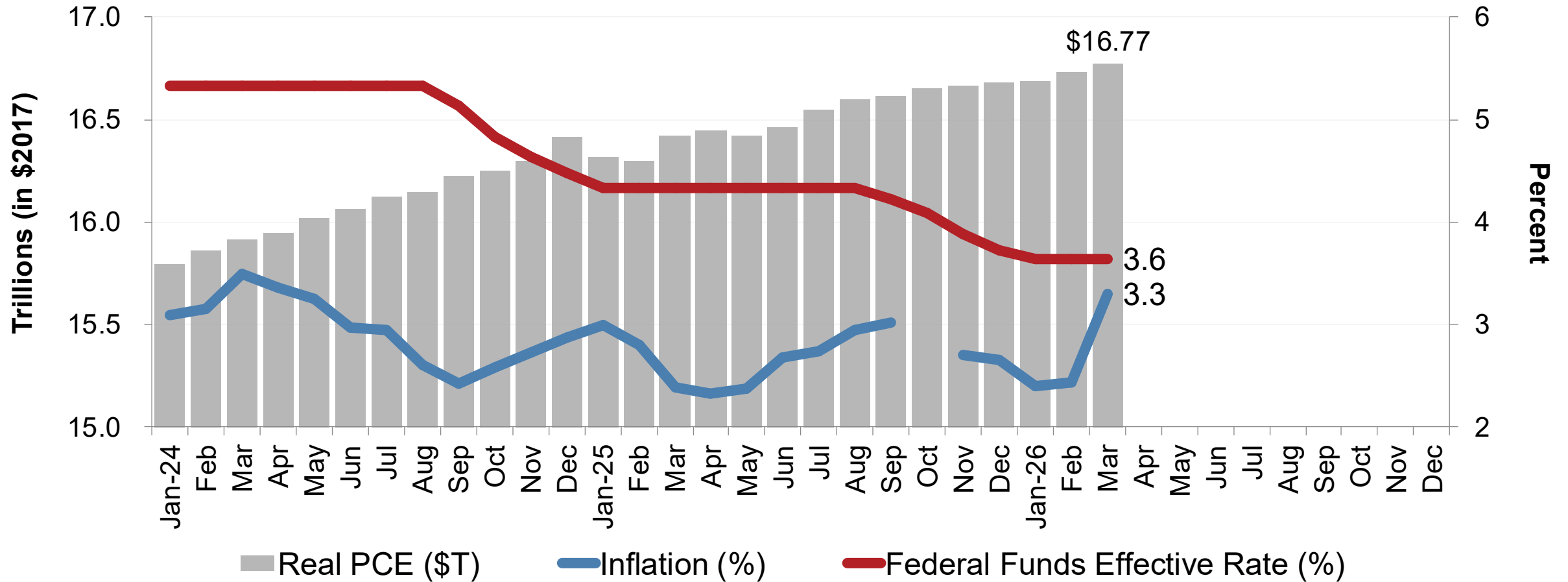
**U.S. Consumer Sentiment by Income Tier: Index: 1Q 1966 = 100**



Sources: University of Michigan and <https://www.linkedin.com/pulse/affordability-squeeze-mark-zandi-xk7re/>

# Real Consumer Spending Rose to Record Level in March

Boosted in Part by Low Federal Funds Rate

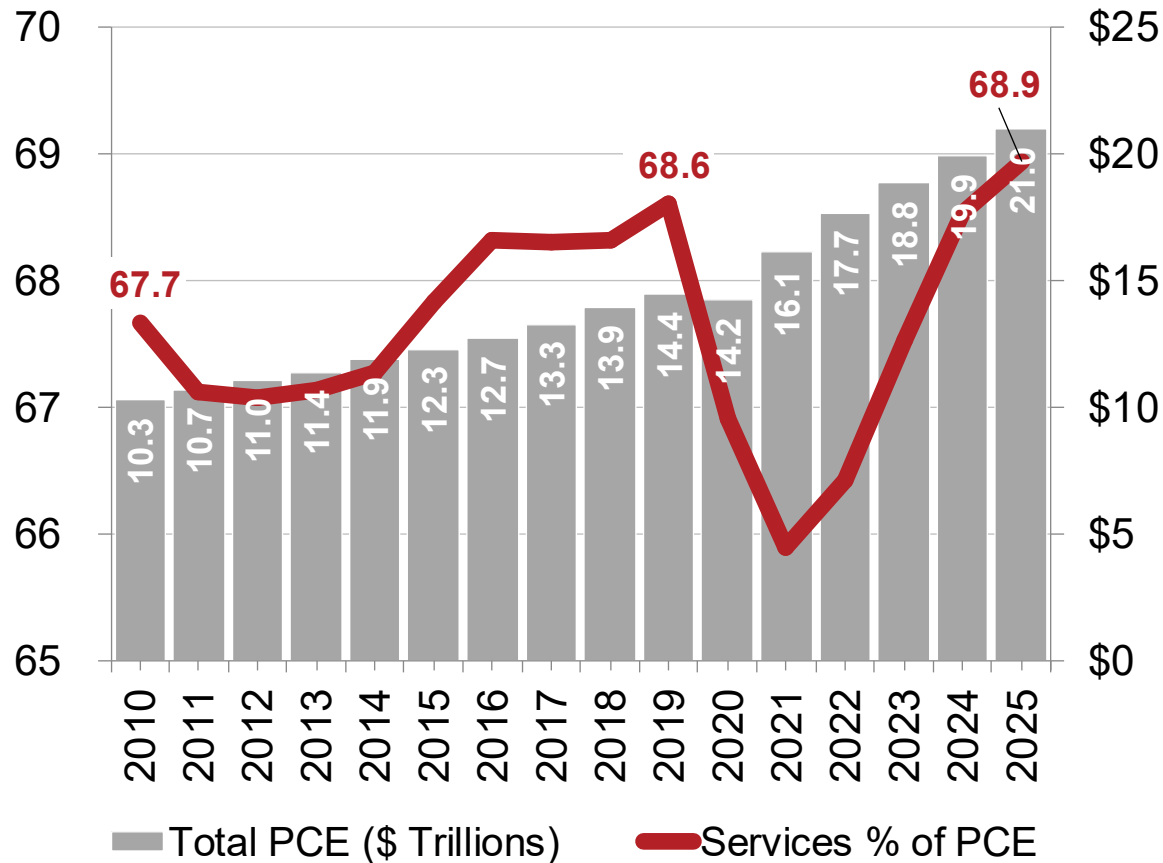


Source: U.S. Bureau of Economic Analysis and Bureau of Labor Statistics via Federal Reserve Bank of St. Louis

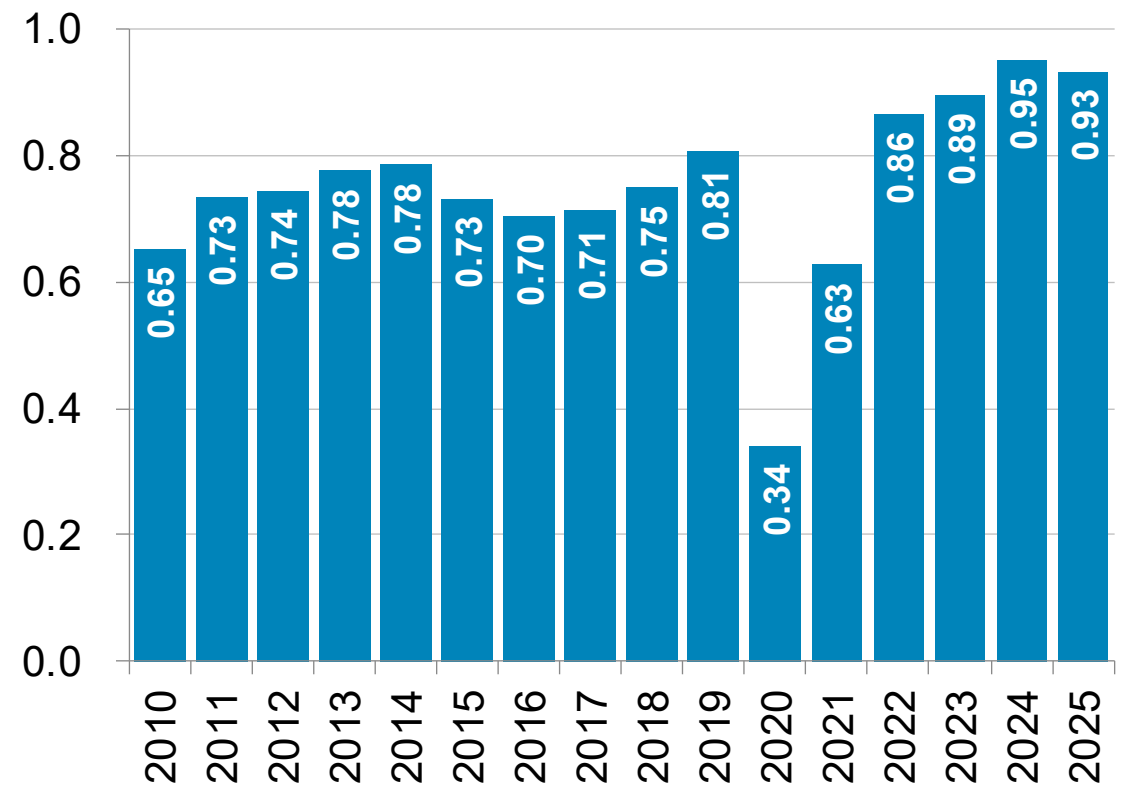
Note: Personal consumption expenditures (PCE) and inflation are seasonally adjusted and annualized

# Once Again, U.S. Consumers Are Allocating 69% of Total Spending (\$21T) to Services And They Have Increasingly Prioritized Air Travel, Albeit With a Small Retrenchment in 2025

### Services Share (%) of Personal Consumption



### Air Travel Share (%) of Personal Consumption



Source: U.S. Bureau of Economic Analysis

Note: PCE = personal consumption expenditures

# “Top 10% of Earners Drive a Growing Share of US Consumer Spending”

Highest-Income Americans Behind 46% of Spending, Up From 36% in 1990

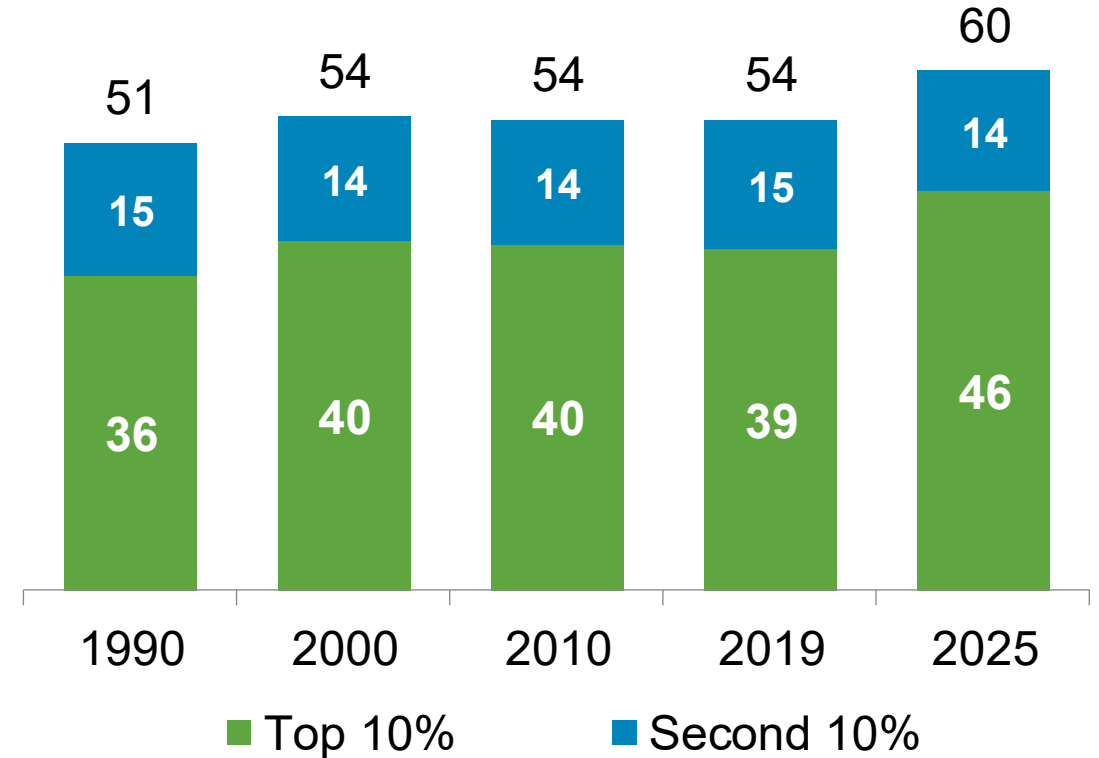
“The economy’s prospects are tethered to the fortunes and spending of the well-to-do,” [Moody’s Analytics Chief Economist Mark] Zandi said.”

*Bloomberg Government* (Sept. 16, 2025)

“Not surprisingly, the well-to-do are thus spending with gusto. Those in the top 10% of the income distribution, who are making more than \$275,000 annually, account for an estimated nearly one-half of all personal outlays, and their spending has significantly outpaced inflation since the pandemic. Those in the next highest 10% of the income distribution...have also spent at a pace measurably greater than inflation during this period.”

“The Affordability Squeeze,” *LinkedIn* (Dec. 9, 2025)

### Share (%) of U.S. Consumer Spending by Top 20% of Earners

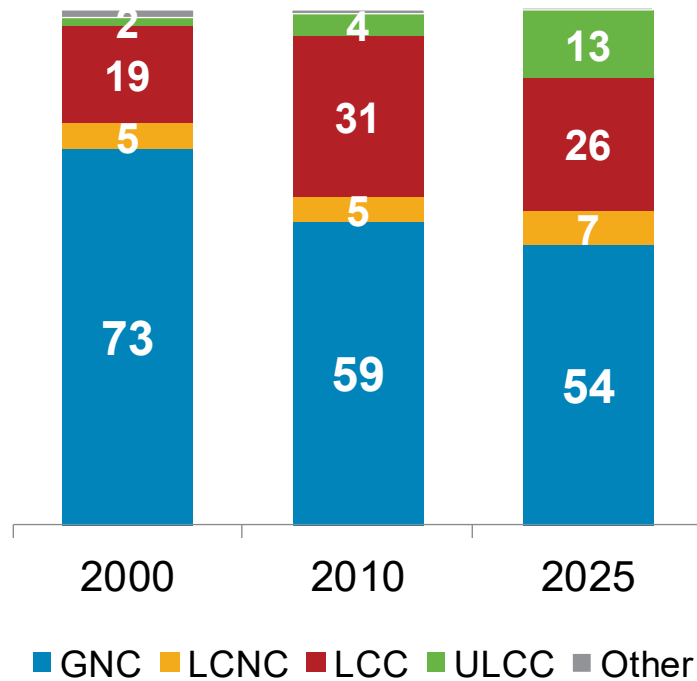


Source: Moody’s Analytics review of Federal Reserve data and Jonnelle Marte, “Top 10% of Earners Drive a Growing Share of US Consumer Spending,” *Bloomberg Government* (Sept. 16, 2025)

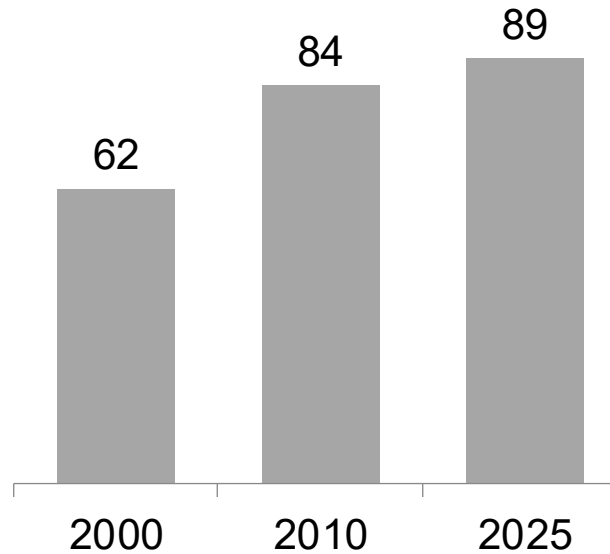
# From 2000-2025, the Number of Competitors per Domestic Air Trip Rose From 3.33 to 3.47

## Global Network Carrier Share of Domestic Passengers Fell From 73% in 2000 to 54% in 2025

**% of Domestic O&D Pax by Airline Business Model**

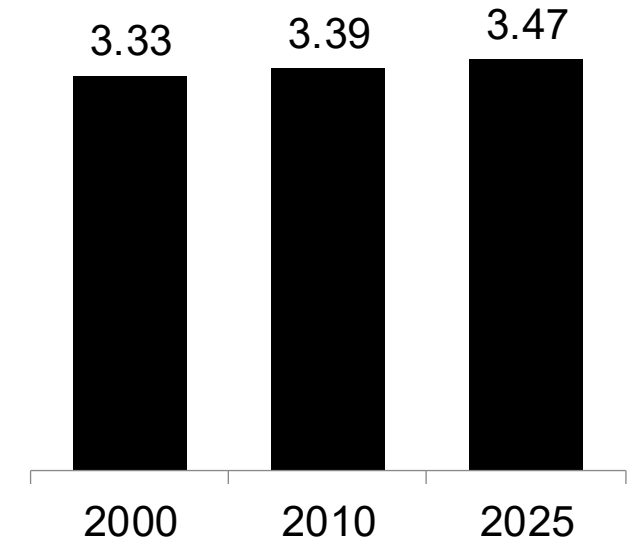


**% of Domestic O&D Pax With Access to Lower-Cost Carriers**



**Average # of Competitors\* in Domestic O&D City Pairs**

\* Per DOT and GAO, carrying at least 5% of O&D passengers in the city pair; average is passenger-weighted across city pairs.

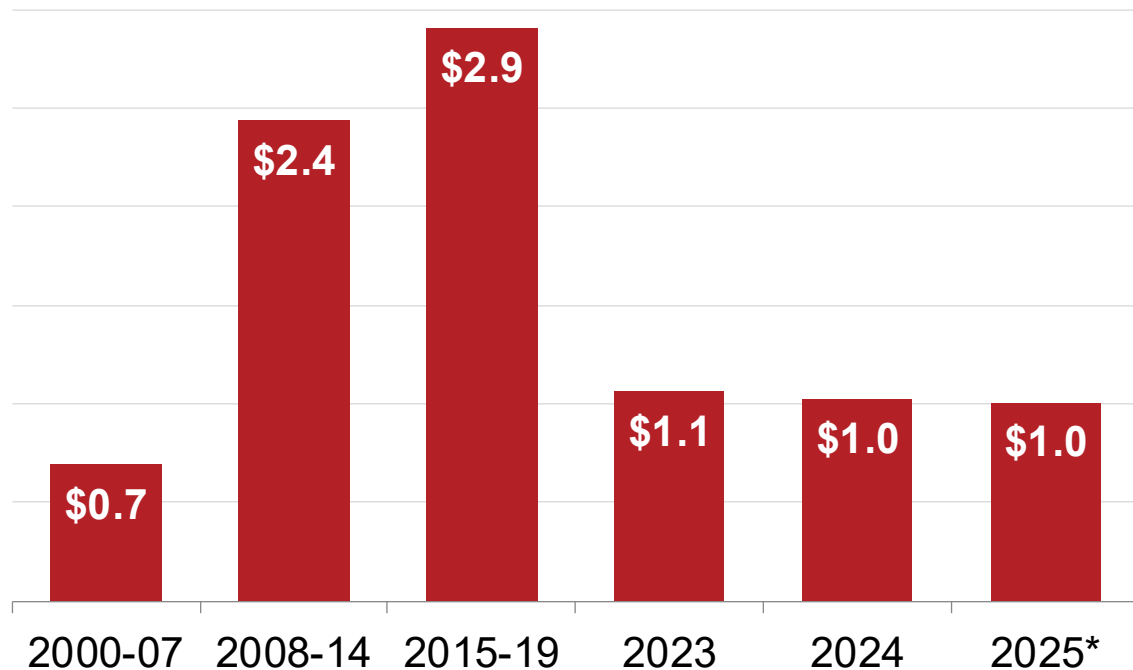


Source: Eonic Partners analysis of DOT Data Bank 1C. Global network carriers (GNCs) include AA/DL/UA and predecessor airlines (e.g., US Airways, America West, TWA, Northwest, Continental) and defunct legacy network carriers (e.g., Eastern, Braniff). Low-cost carriers includes Southwest, JetBlue, Breeze, Reno Air, Midway, Pro Air, Kiwi International, AirTran, Accessair, Independence, Eastwind, National, ValuJet, ATA, Skybus, People Express, Vanguard, Virgin America, Western Pacific, Air South, and Morris Air). Lower cost network carriers include Alaska, Hawaiian and Aloha. Ultra low-cost carriers (ULCCs) include Allegiant, Frontier, Spirit, Sun Country, and Avelo.

# Post Pandemic, Airline Revenues From Reservation Change Fees Have Fallen Sharply

## Widespread Elimination of Change Fees and Same-Day Standby Fees Has Boosted Travel Flexibility

**U.S. Airline Change-Fee Revenues**  
Annual Average, in Billions



Aug. 30-31, 2020: United/Alaska/American/Delta announce widespread elimination of change fees.

**“It makes me feel a lot better as a consumer.** It makes me feel more willing to book something now.”

Brett Snyder, CrankyFlier.com (Aug. 31, 2020)

**“One of the best changes that the airlines made...**was to quietly get rid of change fees.”

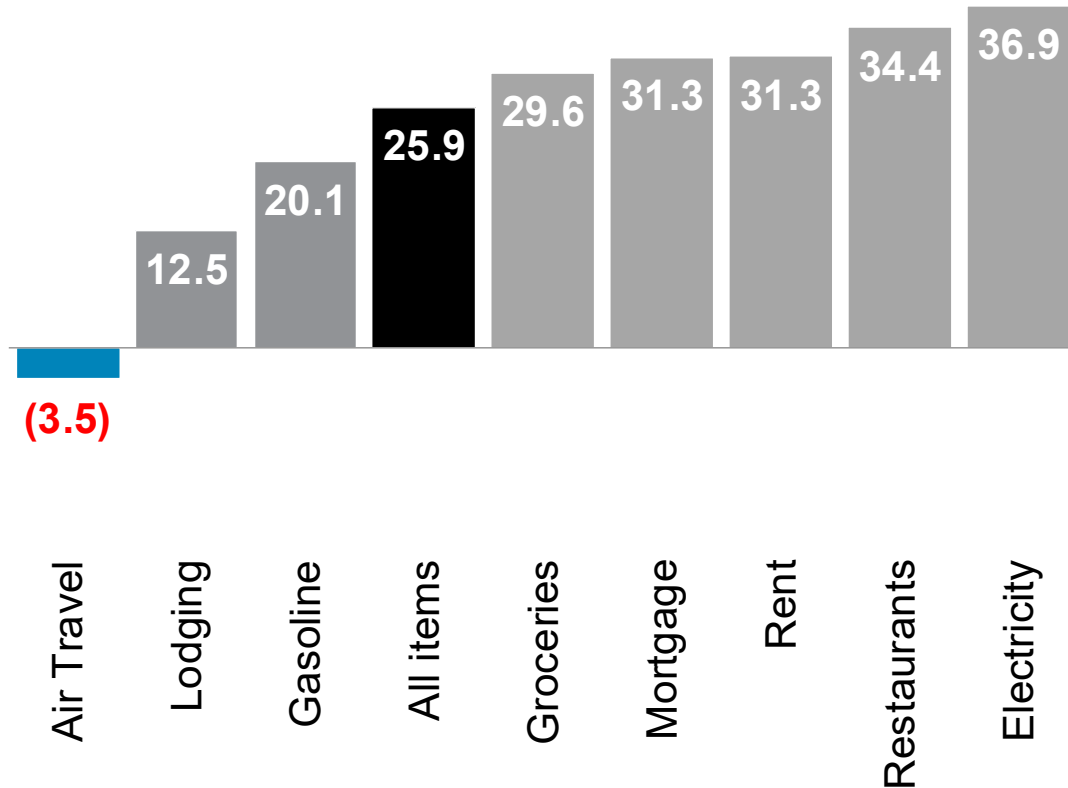
Scott Keyes, Scott’s Cheap Flights (April 4, 2022)

Sources: Bureau of Transportation Statistics Form 41; Kyle Arnold, *The Dallas Morning News* (Aug. 31, 2020); Savannah Levins, 11 Alive (April 4, 2022)

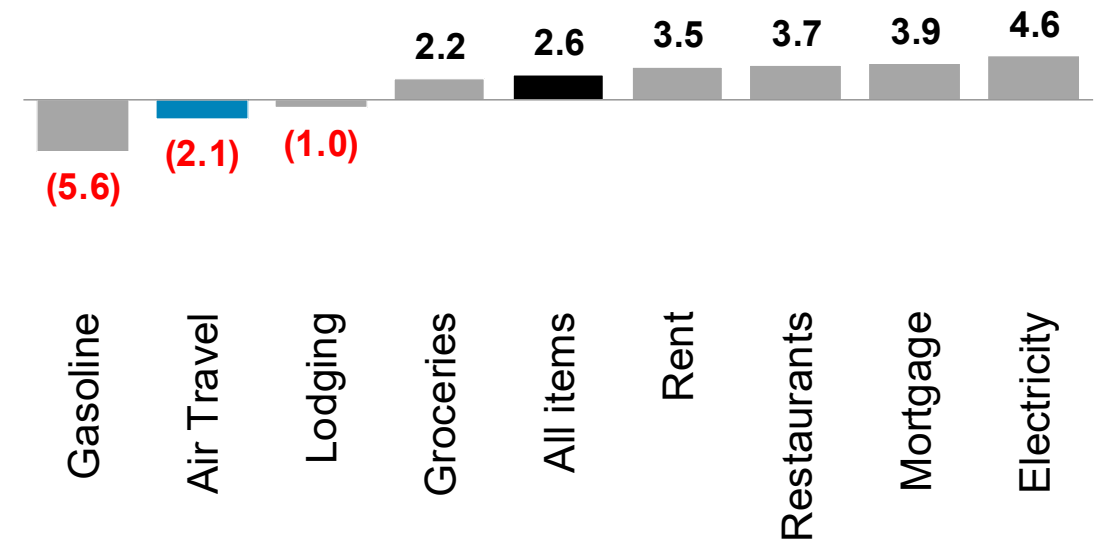
\* Four quarters ended 3Q 2025

**In Contrast to the Overall U.S. CPI (Up ~26%), the CPI for Airfares *Fell* 3.5% From 2019 to 2025**  
**From 2024 to 2025, the CPI for Airfares *Fell* 2.1% While the Overall U.S. CPI Rose 2.6%**

**% Change in CPI\* for Selected Items: 2025 vs. 2019**



**% Change in CPI\* for Selected Items: 2025 vs. 2024**



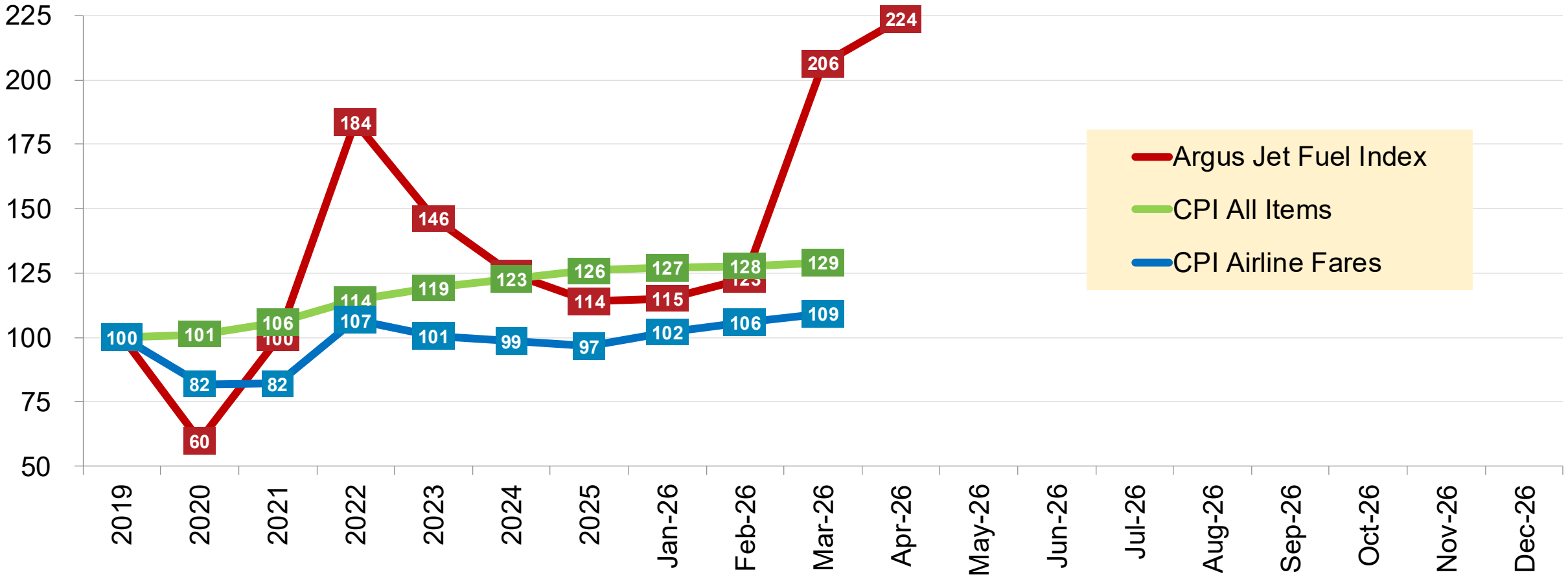
Sources: Bureau of Labor Statistics

\* U.S. Consumer Price Index

# From Jan to Mar 2026, the Jet Fuel Prices Rose 11x More Than the CPI for Airline Fares

Post-2019, Airfares Have Lagged Overall U.S. Inflation and Jet Fuel Prices

**U.S. Consumer Price Index and Airline Fares\* CPI vs. U.S. Jet Fuel (Index: 2019 = 100)**

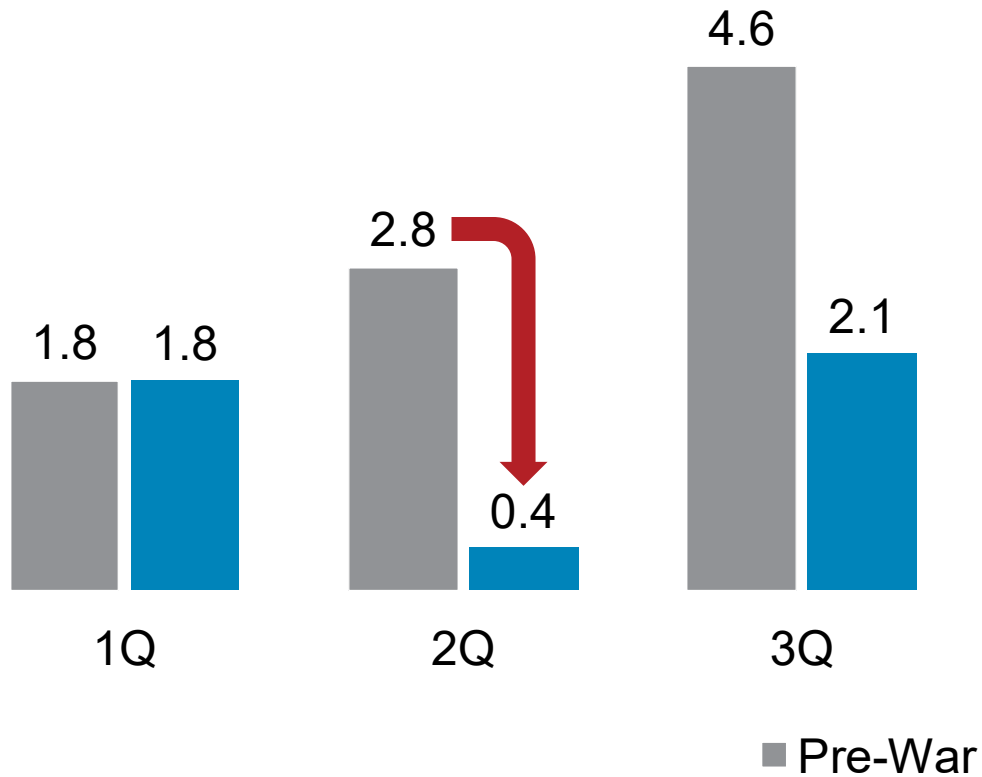


Source: Bureau of Labor Statistics and Argus Jet Fuel Index™

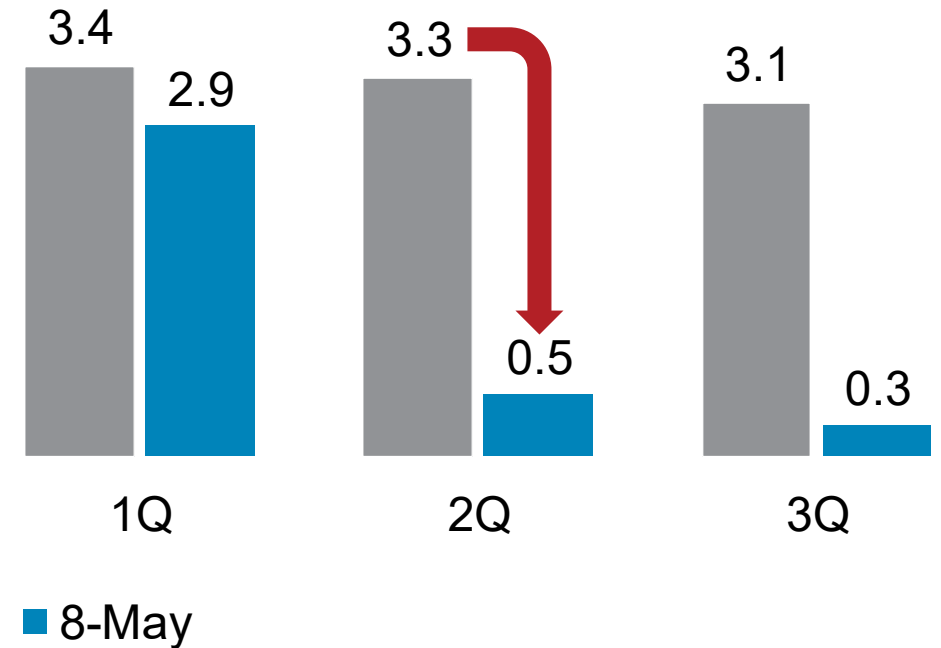
# With Fuel Prices Surging in 2026, U.S. Airlines Have Pared 2Q and 3Q Capacity Growth

## Reductions in International Flying Have Materially Outpaced Domestic Cutbacks

**Scheduled U.S. Domestic Capacity\***  
% Change YOY



**Scheduled U.S. International Capacity\***  
% Change YOY



Sources: Cirium published schedules for all airlines domestically and Alaska/American/Delta/Hawaiian/JetBlue/Southwest/United internationally

\* Available seat miles (ASMs)

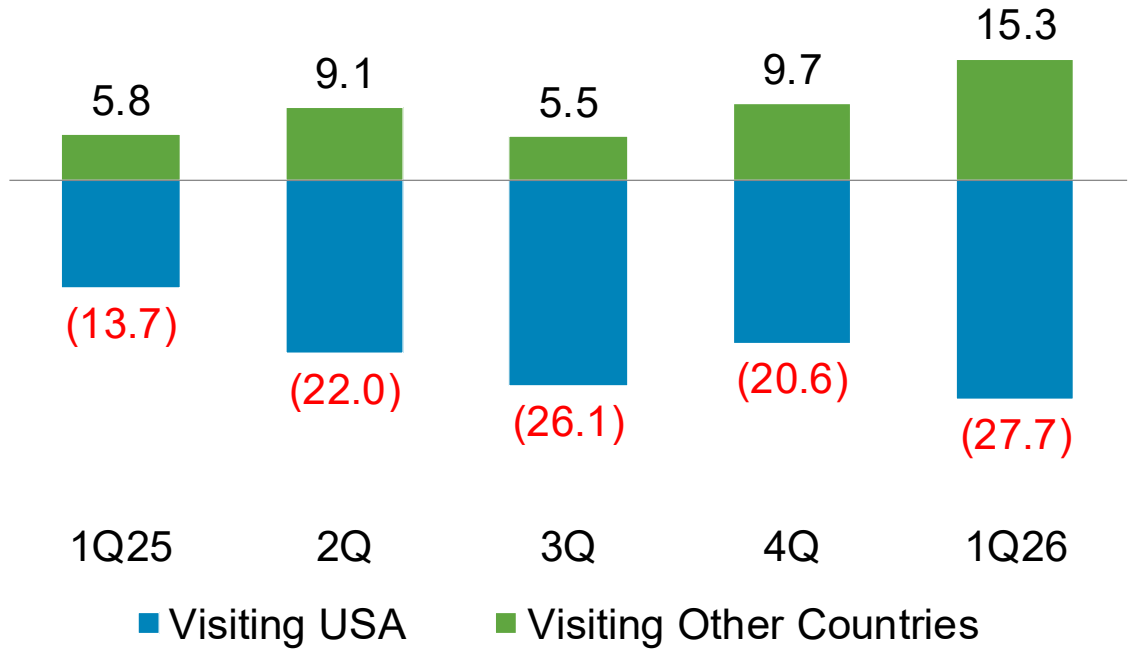
# Canadian-Resident Air Trips to the United States Have Fallen Sharply Since 2024

## In Response, Airlines Have Reduced Transborder Seats

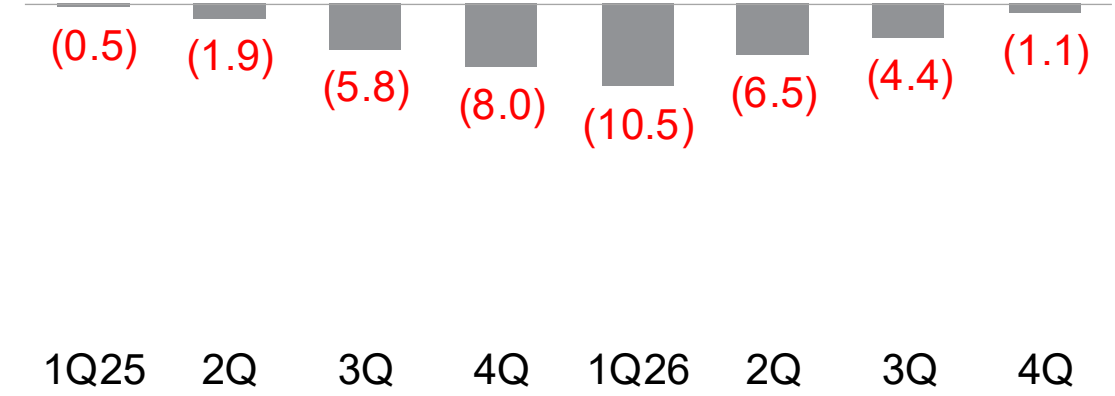
“With no near-term recovery in sight, the industry is coming to terms with the possibility that **winning back Canadians may take far longer than expected.**”

Christina Jelski, “A year into Canadian tourism backlash, there’s little sign of change,” *Travel Weekly* (April 28, 2026)

**% Change vs. 2024 in Canadians Returning by Air**



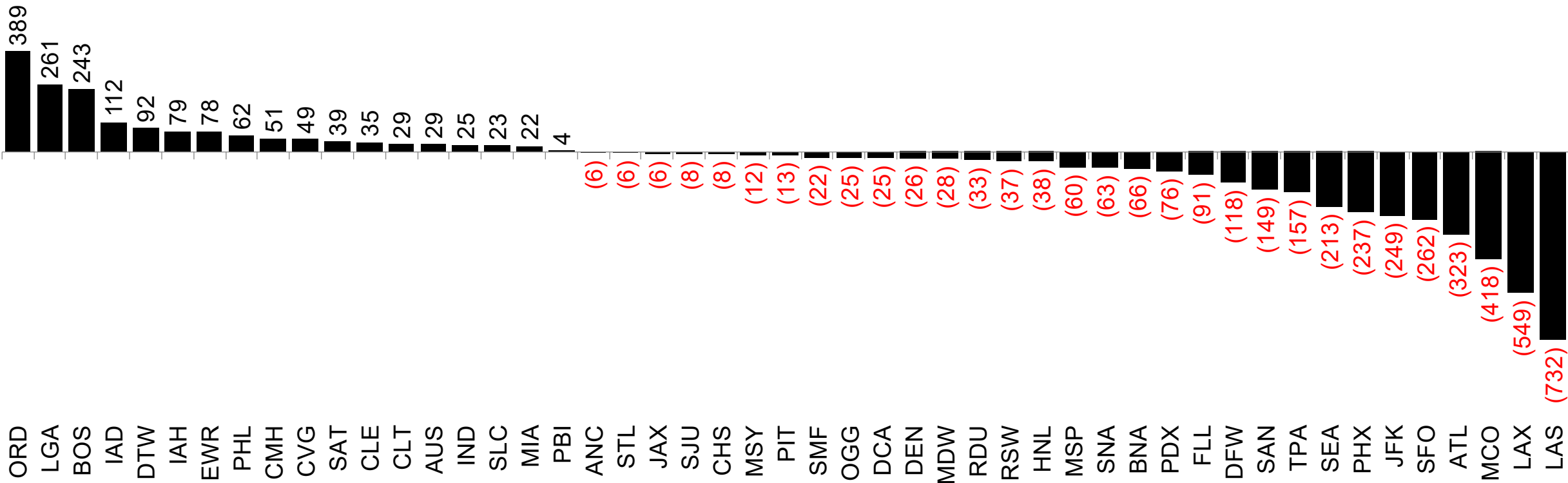
**% Change vs. 2024 in U.S.-Canada Seats**



Sources: Statistics Canada (<https://www.statcan.gc.ca/en/start>) and Cirium published schedules (May 8, 2026) for all airlines offering scheduled service from the United States to Canada

# Led by Las Vegas and LAX, Many U.S. Airports Continue to See Less Scheduled Service From Canada; Meanwhile, Chicago, New York LGA and Boston Expect the Largest YOY Gains

Change in Daily Average Scheduled Seats From Canada to U.S. Airports  
Apr-Jun 2026 vs. Apr-Jun 2025

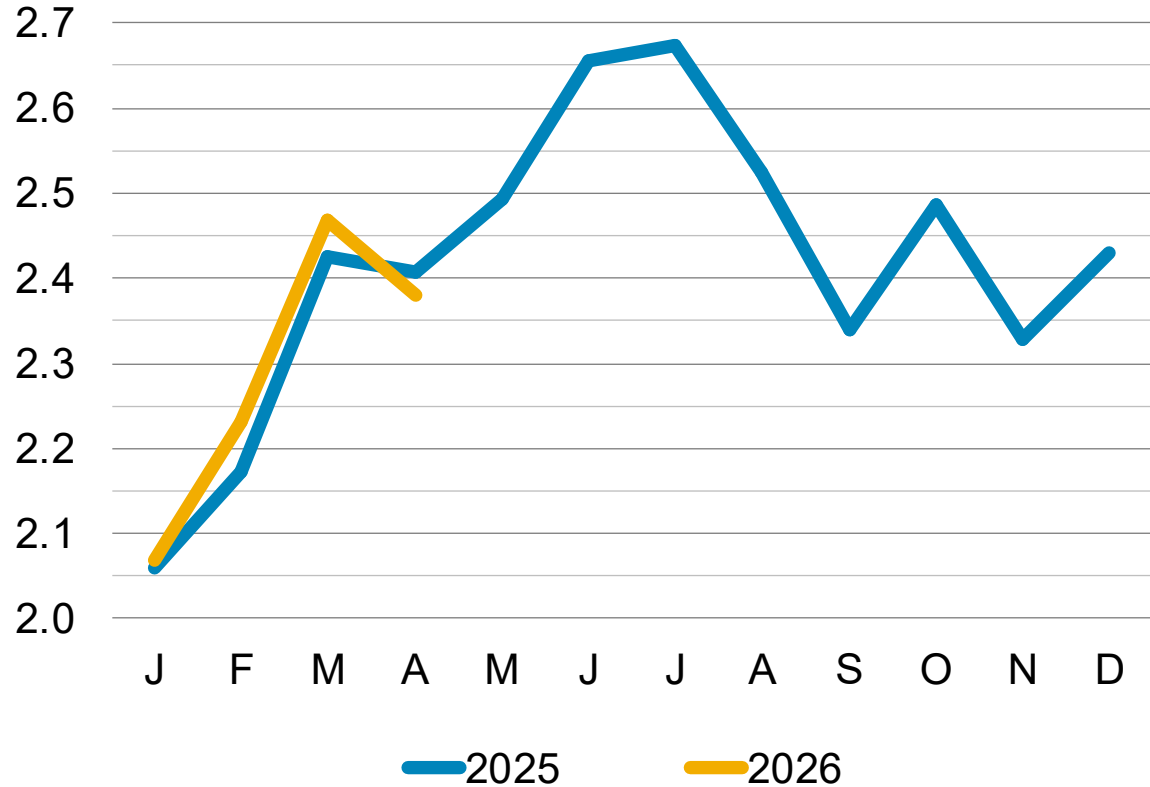


Source: Cirium published schedules (May 8, 2026) for all U.S. and non-U.S. airlines providing scheduled service

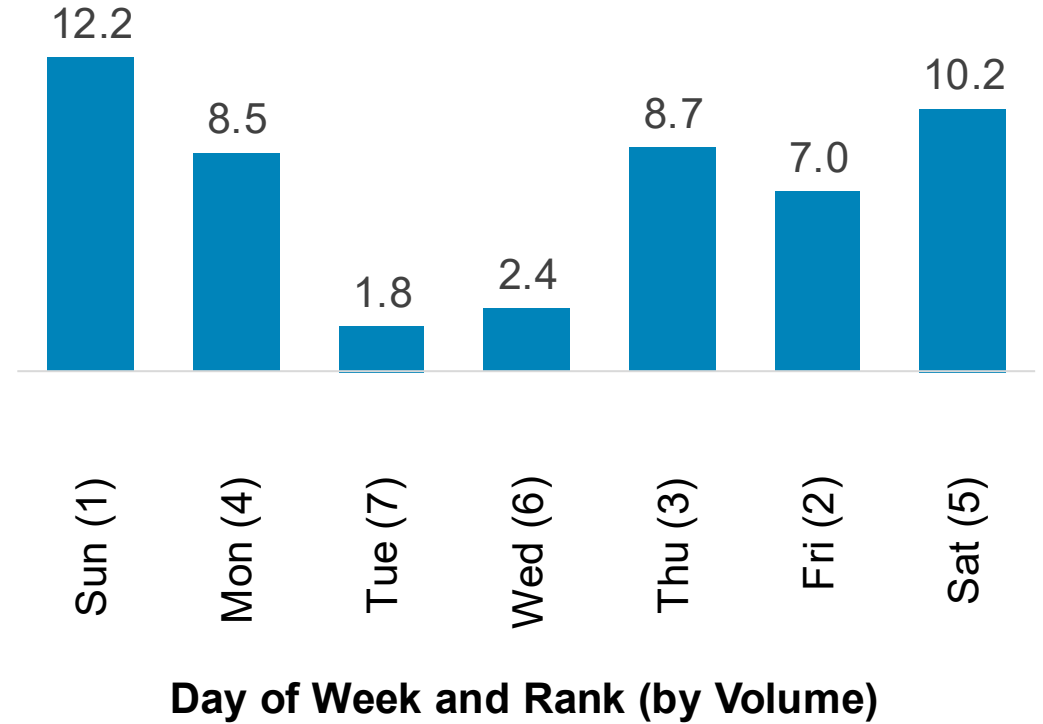
# TSA Passenger Screenings Rose 0.9% YOY in the First Four Months of 2026

## In Stark Contrast to Tuesdays and Wednesdays, Saturdays and Sundays Have Soared

Daily Average TSA Throughput\* (Millions)



Change (%) in TSA Checkpoint Volume  
Jan-Dec 2025 vs. Jan-Dec 2019



Source: A4A analysis of data from the Transportation Security Administration

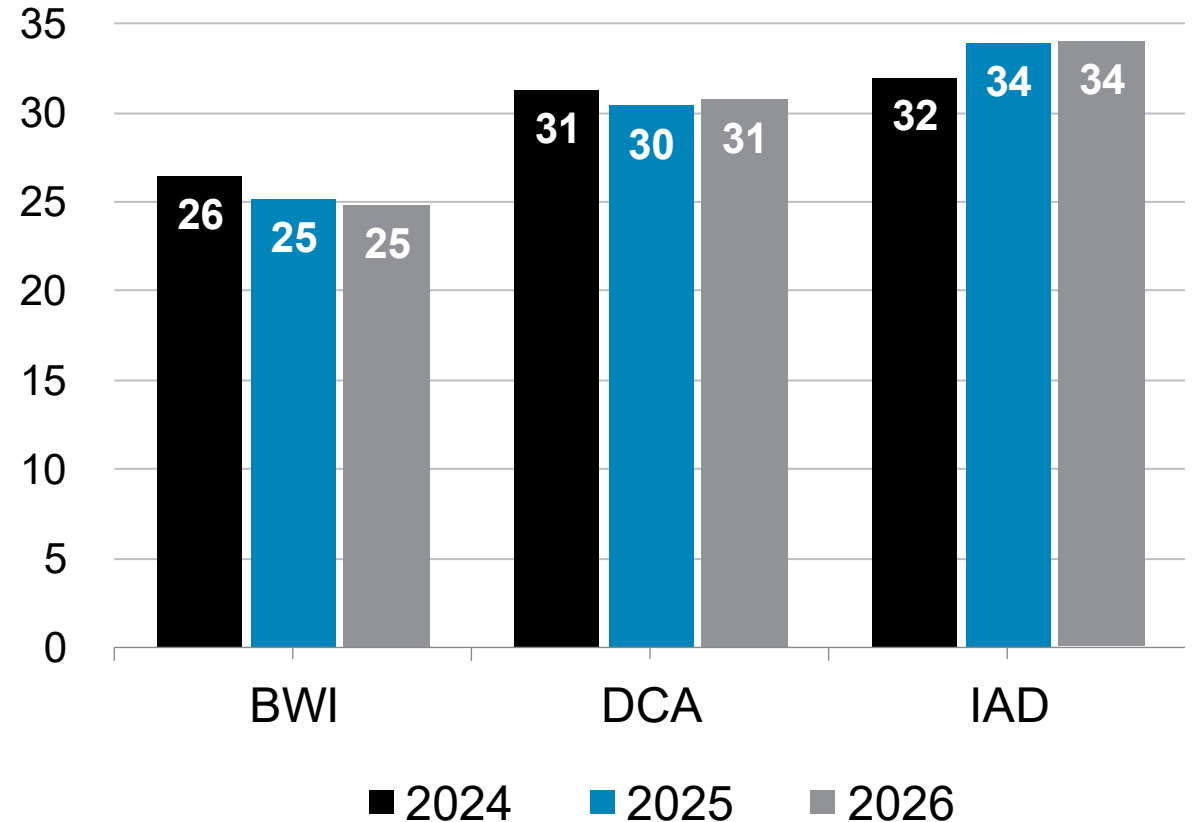
\* U.S. and foreign-carrier customers (excludes Known Crewmember® personnel) traversing TSA checkpoints

# Combined BWI/DCA Screened Passenger Volumes Fell ~2,200 per Day From 2024 to 2025 But Washington Dulles (IAD) Saw an Increase of Up ~1,900 per Day

“Enrico Moretti, an economist at the University of California, Berkeley, said **each federal job in the capital region likely creates 1.6 additional jobs in the local economy over a decade, an effect that would be reversed in the event of job cuts.**”

Paul Kiernan and Rachel Louise Ensign,  
*The Wall Street Journal* (April 19, 2025)

### Daily Average Screened Passengers\* (000)



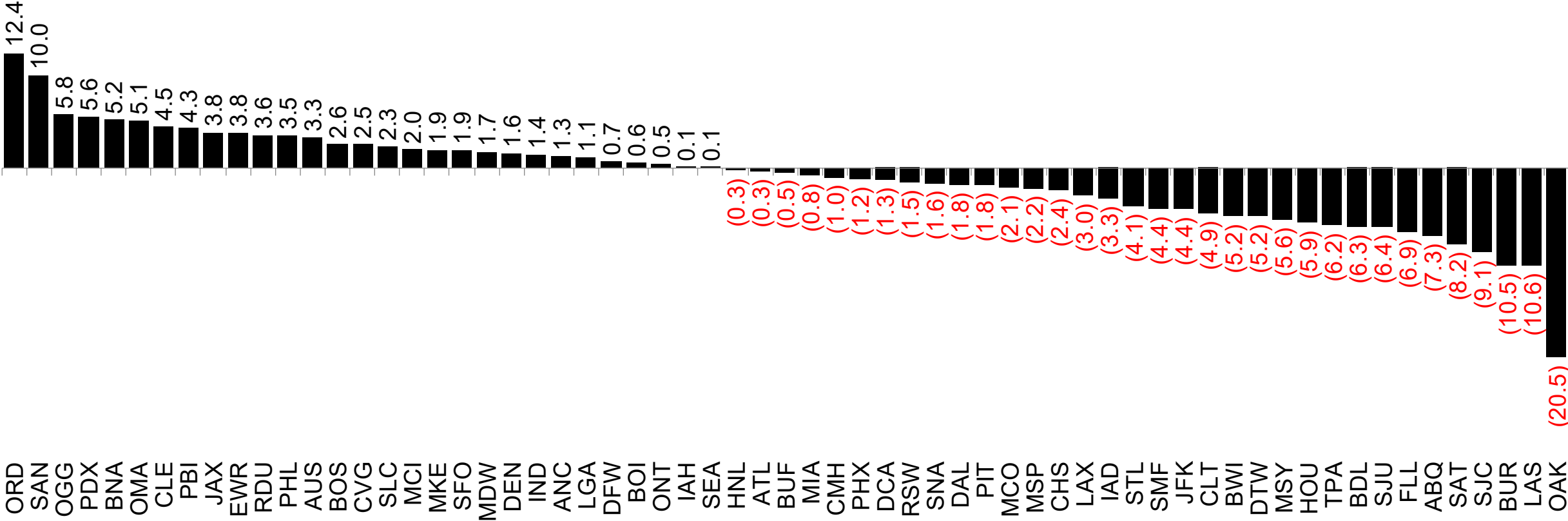
Source: Transportation Security Administration and *The Wall Street Journal* (April 19, 2025)

\* U.S. and foreign-carrier customers (excludes Known Crewmember® personnel) traversing TSA checkpoints

# Schedules for 2Q 2026 Show Chicago O’Hare Gaining the Most Seats Year-Over-Year

## Oakland Seeing the Deepest Year-Over-Year Cuts

**% Change in Systemwide Scheduled Seats\***  
Apr-Jun 2026 vs. Apr-Jun 2025



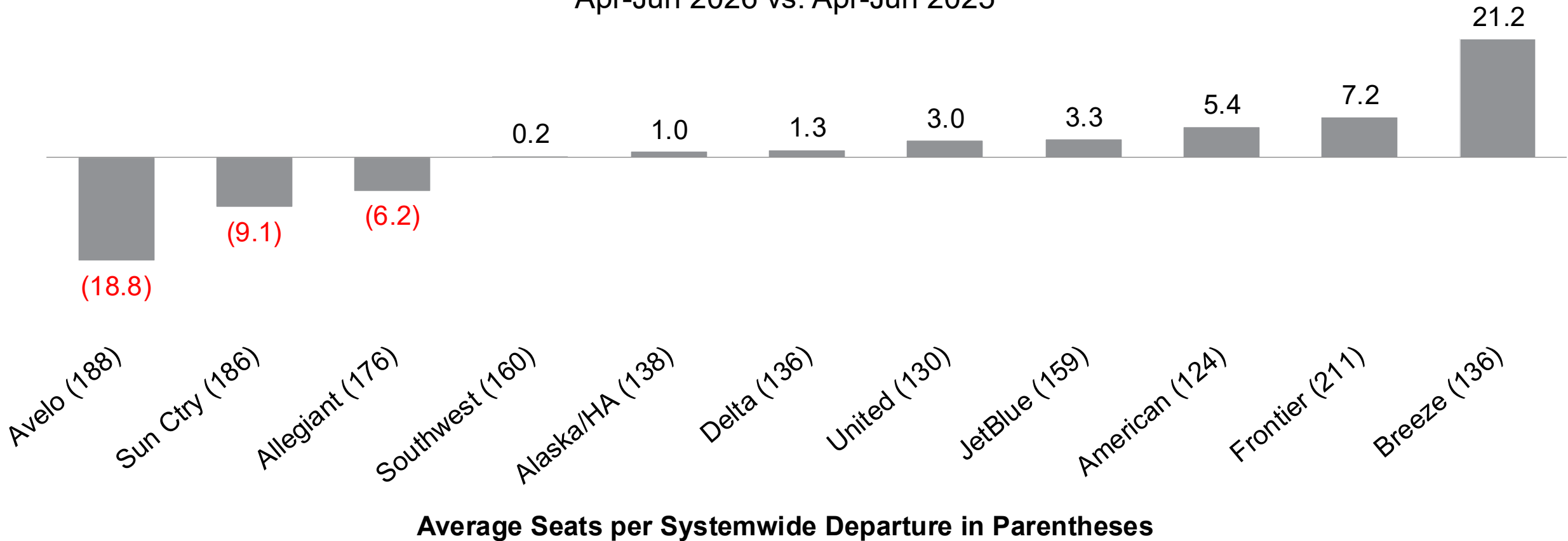
Source: Cirium published schedules (May 8, 2026)

\* All U.S. and non-U.S. airlines providing scheduled service to all U.S. and non-U.S. destinations

# Several U.S. Airlines Poised to Growth at Least 3% YOY in 2Q 2026

Avelo Cutting ~19%

**% Change in Systemwide Scheduled Available Seat Miles by Marketing Airline**  
Apr-Jun 2026 vs. Apr-Jun 2025

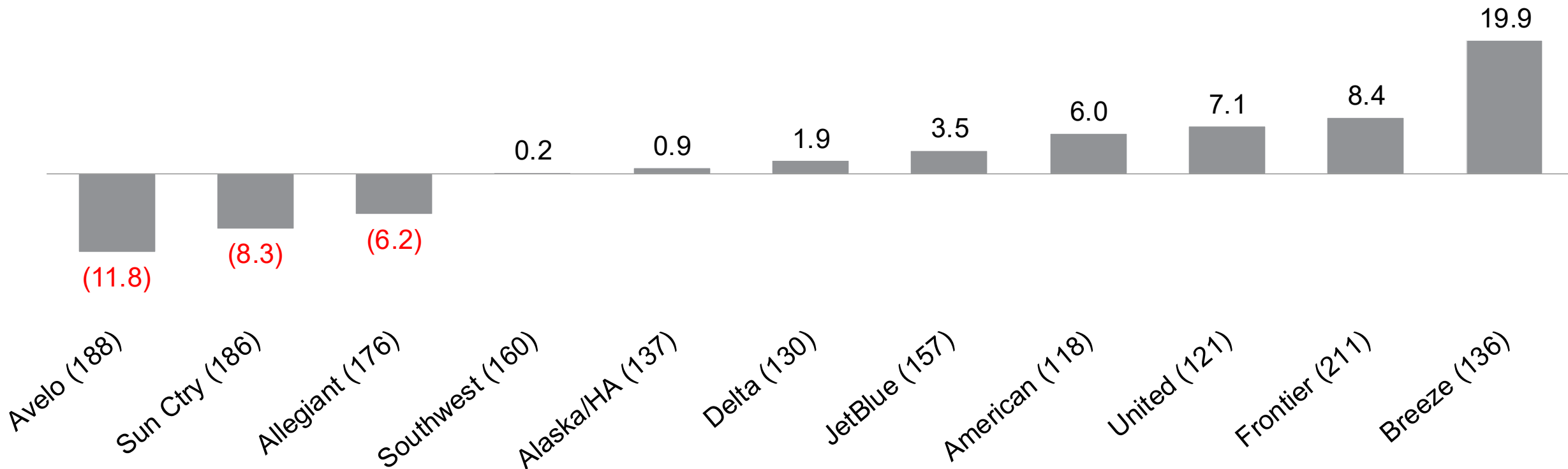


Source: Cirium published schedules (May 8, 2026) for selected marketing airlines (including regional affiliates)

# Breeze and Frontier Leading YOY Growth in Second Quarter Domestic Capacity

American and United Plan to Grow 6% and 7%, Respectively

**% Change in Domestic Scheduled Available Seat Miles by Marketing Airline**  
Apr-Jun 2026 vs. Apr-Jun 2025

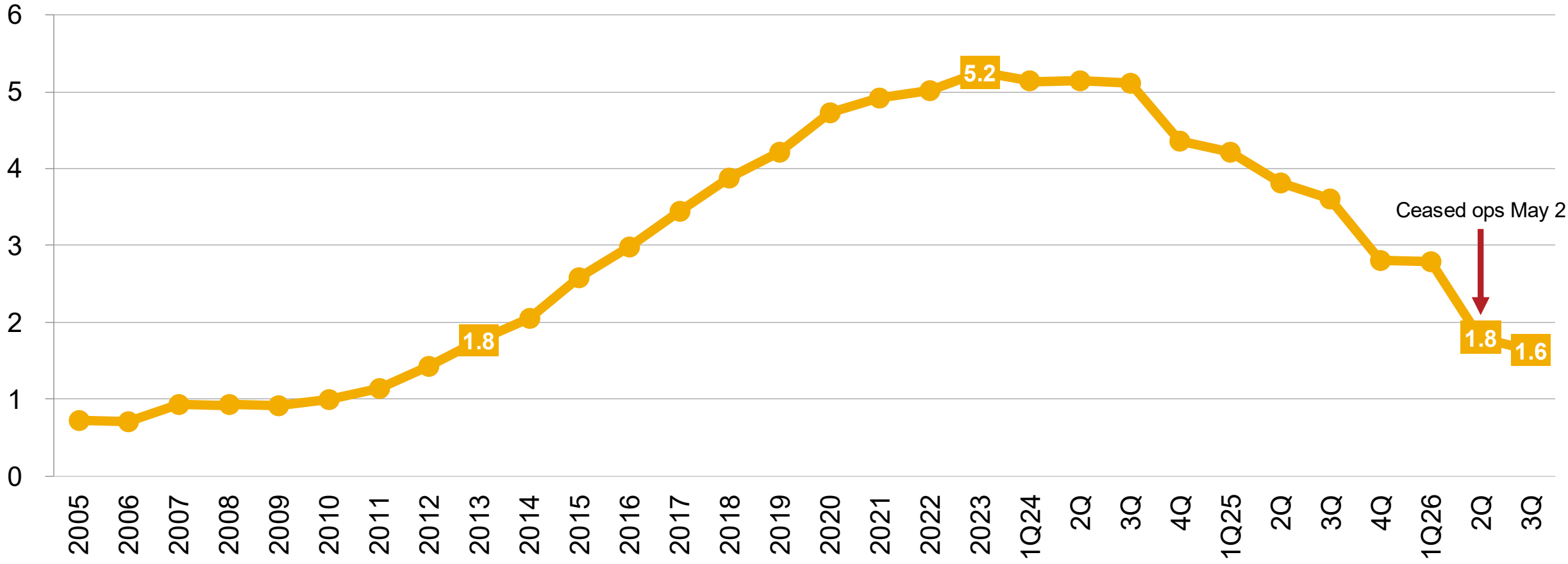


**Average Seats per Domestic Departure in Parentheses**

Source: Cirium published schedules (May 8, 2026) for selected marketing airlines (including regional affiliates)

**At the Time of Its Cessation, Spirit Airlines Was Just 1.8% of Domestic U.S. Capacity**  
 2Q Market Share Had Already Retreated to 2013 Levels and Was Poised to Shrink Further

**Spirit's Share (%) of Domestic U.S. Capacity (Scheduled Available Seat Miles)**

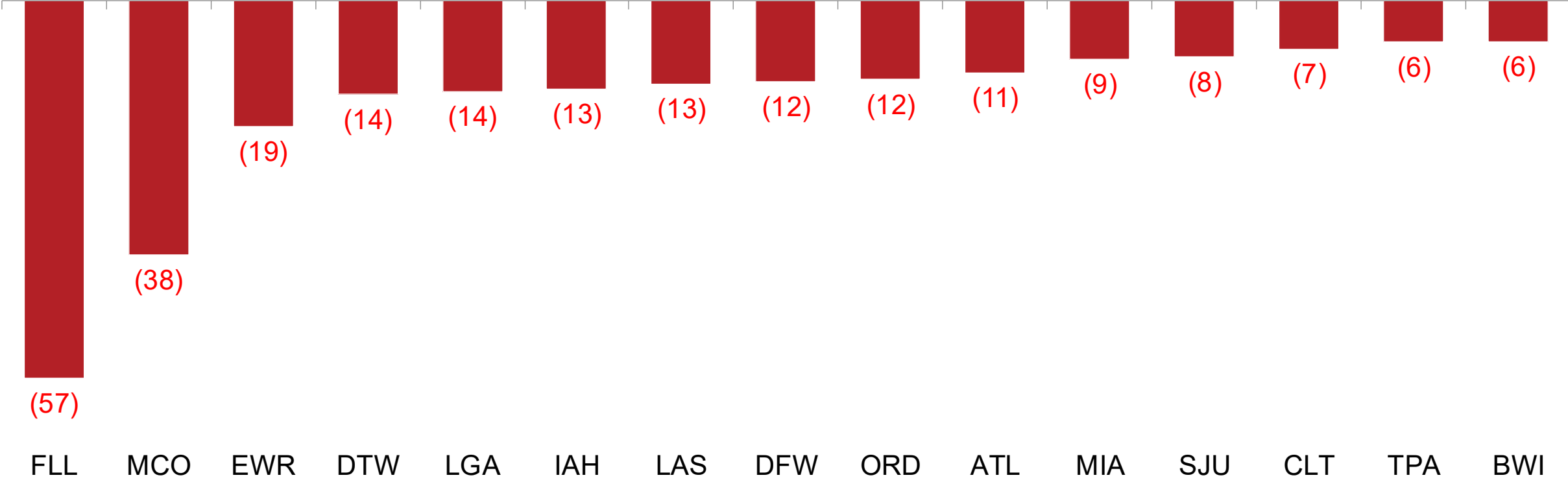


Source: Cirium published schedules (May 1, 2026)

# Spirit's Largest Locations Were Fort Lauderdale, Orlando, Newark, Detroit and LaGuardia

## Cessation of Operations Creates Numerous Opportunities for Other Airlines

**Top 15 Airports by Spirit Airlines YOY Reduction in Daily Average Scheduled Flights 2Q 2026**



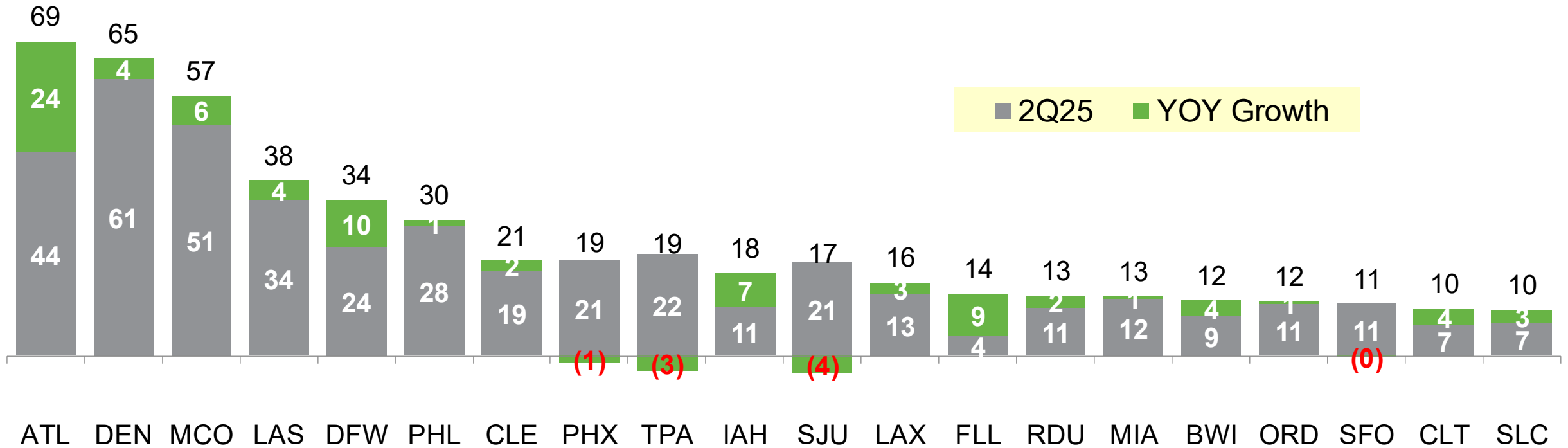
Source: Cirium published schedules (May 1, 2026)

\* All U.S. and non-U.S. airlines providing scheduled service to all U.S. and non-U.S. destinations

# Frontier Is Adding 24 Daily Flights in Atlanta in 2Q 2026, Making It the Airline's Largest Location

And the Airline Is Adding Multiple Flights at DFW (10) and FLL (9) But Cutting SJU (4) and TPA (3)

## Frontier's Largest Airports by Daily Average Scheduled Flights in 2Q 2026



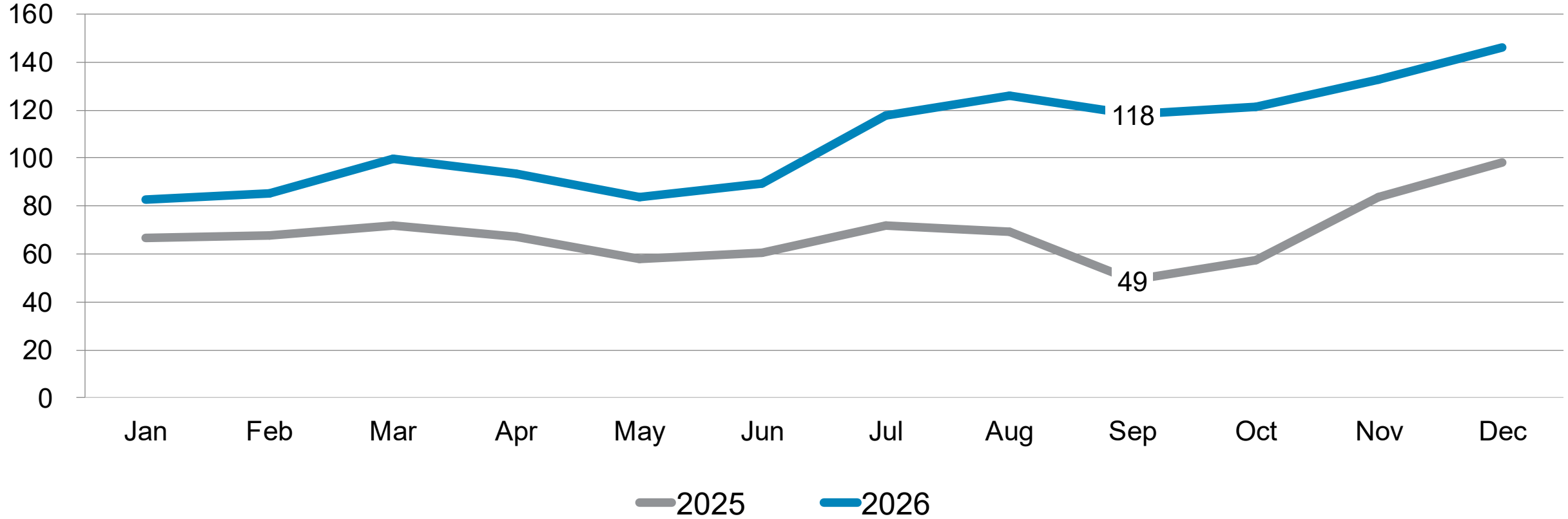
Source: Cirium published schedules (May 8, 2026)

\* All U.S. and non-U.S. airlines providing scheduled service to all U.S. and non-U.S. destinations

# JetBlue Is Accelerating Its Growth in Fort Lauderdale

Spirit's Cessation Has Created Additional Opportunities to Bolster Position in South Florida

### JetBlue Airways: Daily Average Scheduled Flights Departing FLL

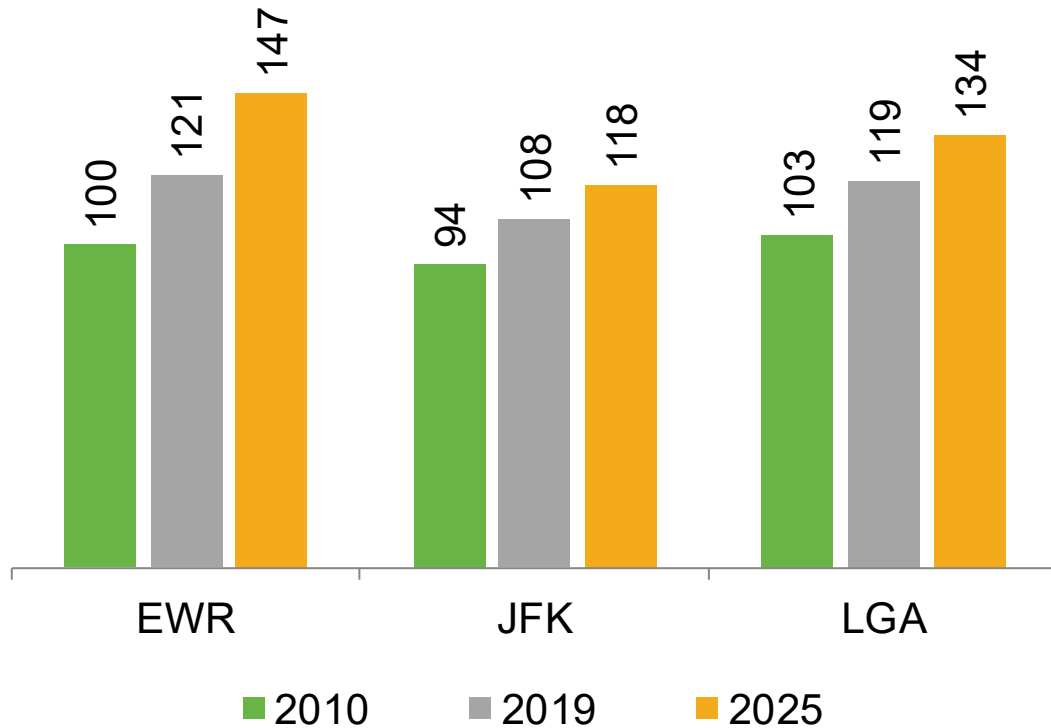


Source: Cirium published schedules (May 8, 2026)

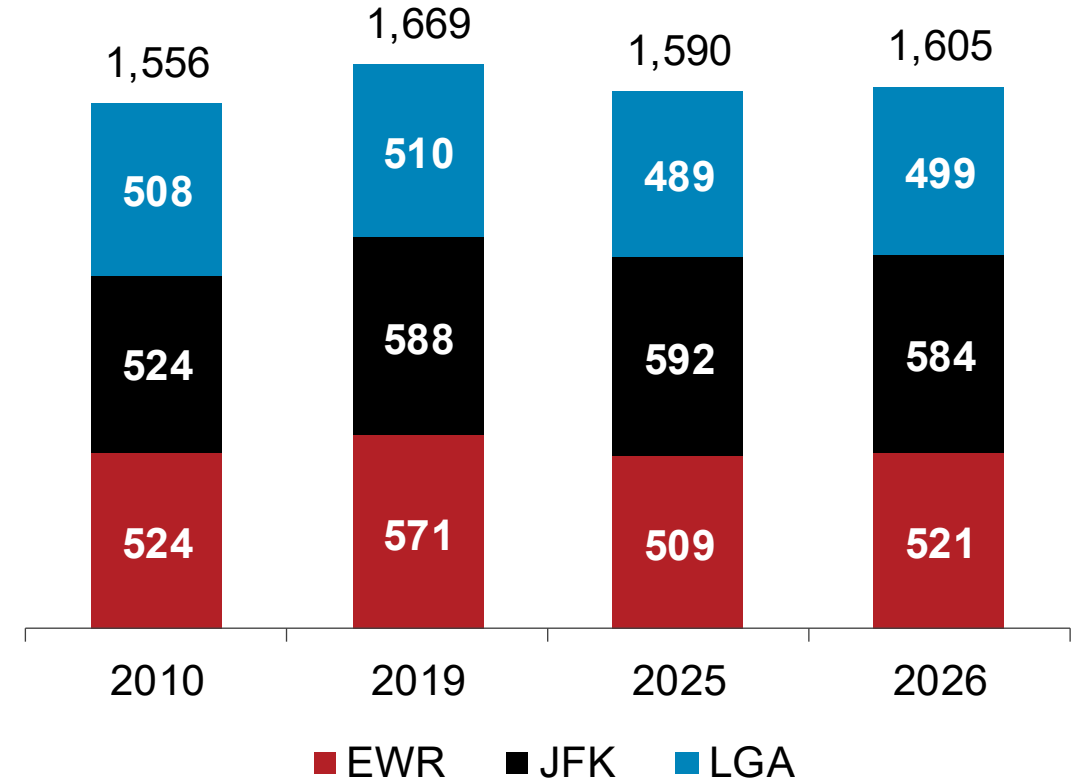
# Airlines Have Up-Gauged Domestic Flying in New York City

Published Schedules Show 2026 EWR/JFK/LGA Departures Below 2019 Levels

Scheduled Seats per Domestic Departure



Daily Average Scheduled Systemwide Departures

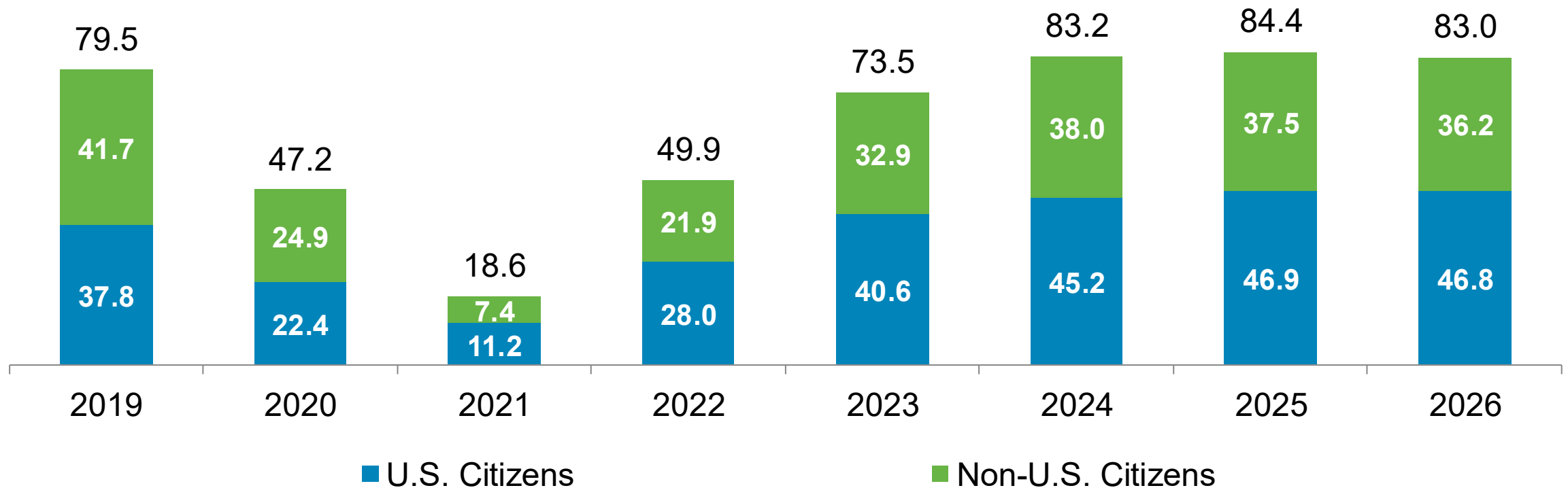


Source: Cirium published schedules (May 8, 2026)

# U.S.-International Air Passengers Subsidized 1.6% in the First Four Months of 2026 to 83 Million

U.S. Citizen Volumes Fell 0.1% While Non-U.S. Citizen Passengers Fell 3.5%

**U.S.-International Airline Passengers\*** (Millions)  
January through April

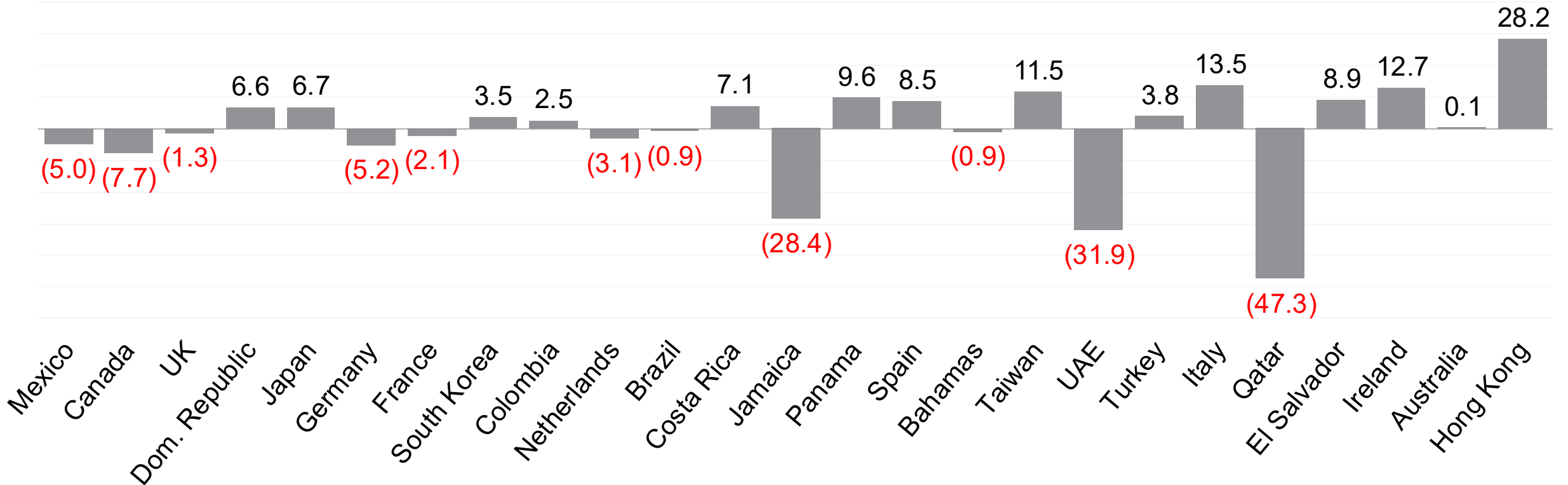


Source: DHS I-92 / APIS data compiled by U.S. Department of Commerce National Travel and Tourism Office

\* Gateway-to-gateway passengers on U.S. and foreign scheduled and charter airlines

# In Jan-Apr 2026, The Three Largest Gateway-to-Gateway Markets Saw Fewer Passengers YOY But Volumes Between U.S.-Dominican Republic and U.S.-Japan Rose 6-7%

**Change (%) YOY in Passengers\* for Top 25 Gateway-to-Gateway Markets — Jan-Apr 2026**  
Sorted Left to Right by YTD 2025 Market Size

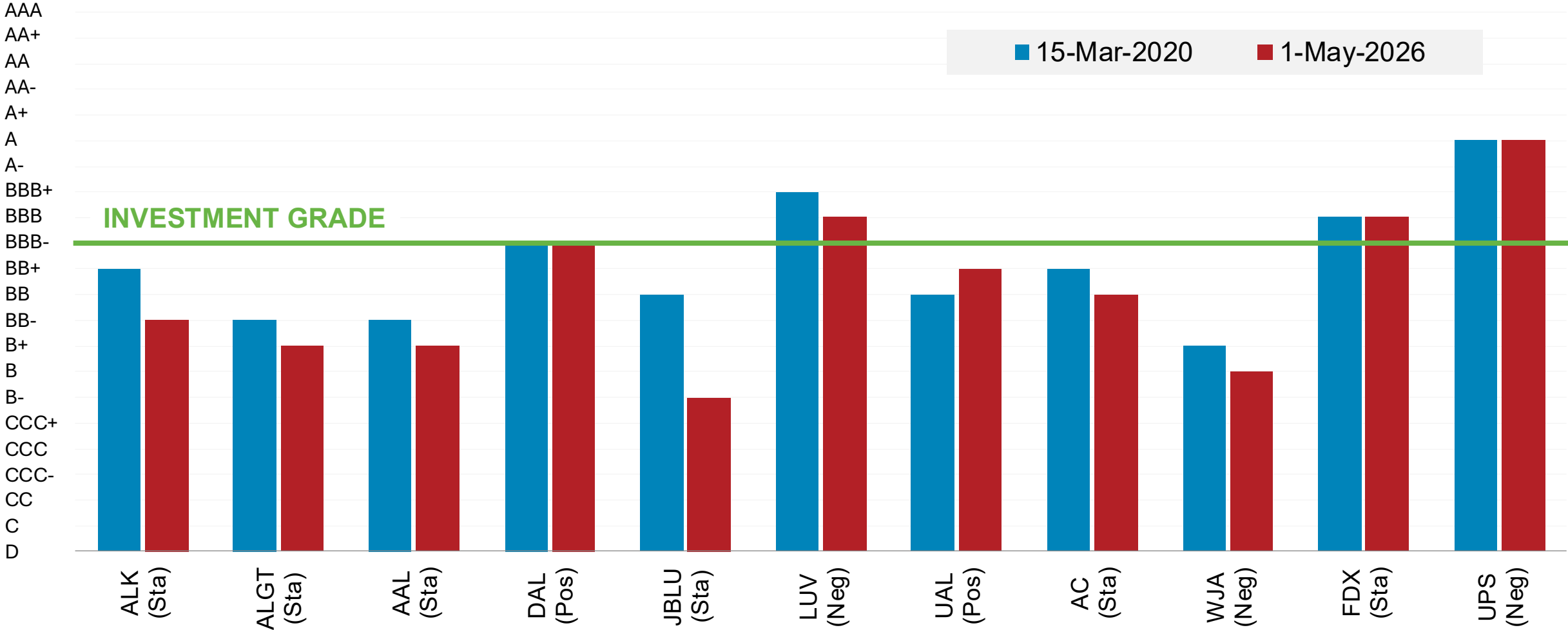


Source: DHS I-92 / APIS data compiled by U.S. Department of Commerce National Travel and Tourism Office

\* Gateway-to-gateway passengers on U.S. and foreign scheduled and charter airlines

# For Most North American Passenger Airlines, Balance Sheet Quality Remains Depressed

## Ratings Reflect Assessment of Financial Condition and Risk

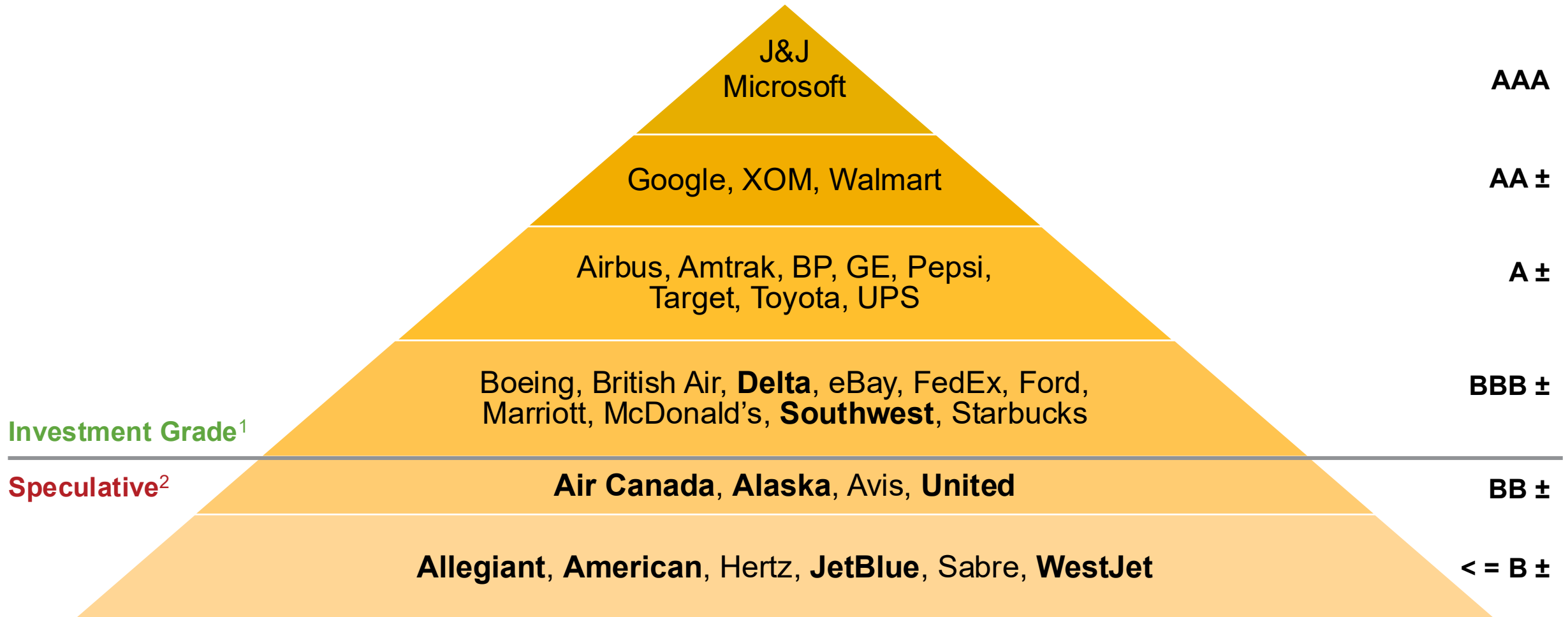


Source: Standard & Poor's issuer ratings and outlook (in parentheses) for publicly traded U.S. and Canadian carriers in the S&P coverage universe

Note: Pos = positive outlook; Neg = negative outlook; Sta = stable

# Airline Balance Sheets Continue to Lag Those of Many Fortune 500s and Amtrak

## S&P Credit Ratings Reflect Assessment of Financial Condition and Risk for Selected Companies



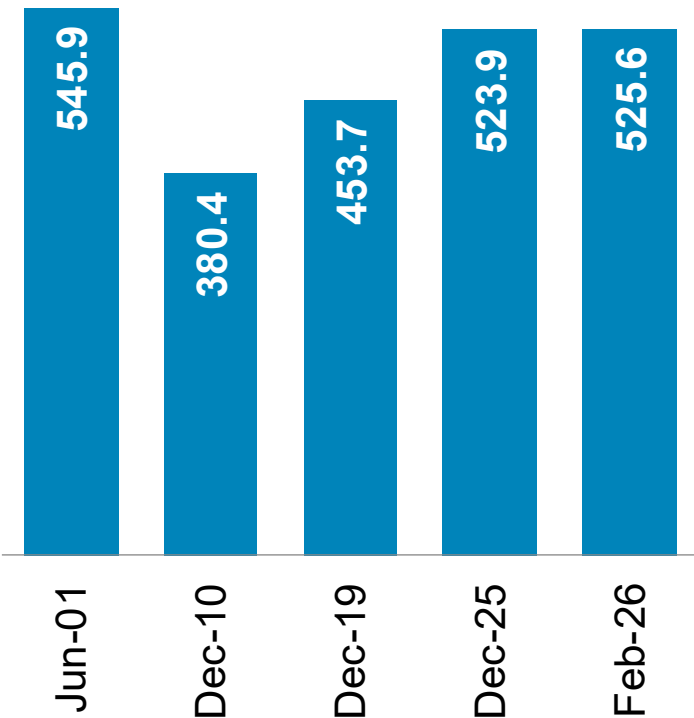
Source: Standard & Poor's (**bold** = air-only companies) as of May 1, 2026

<sup>1</sup> Issuers with relatively high levels of creditworthiness and credit quality

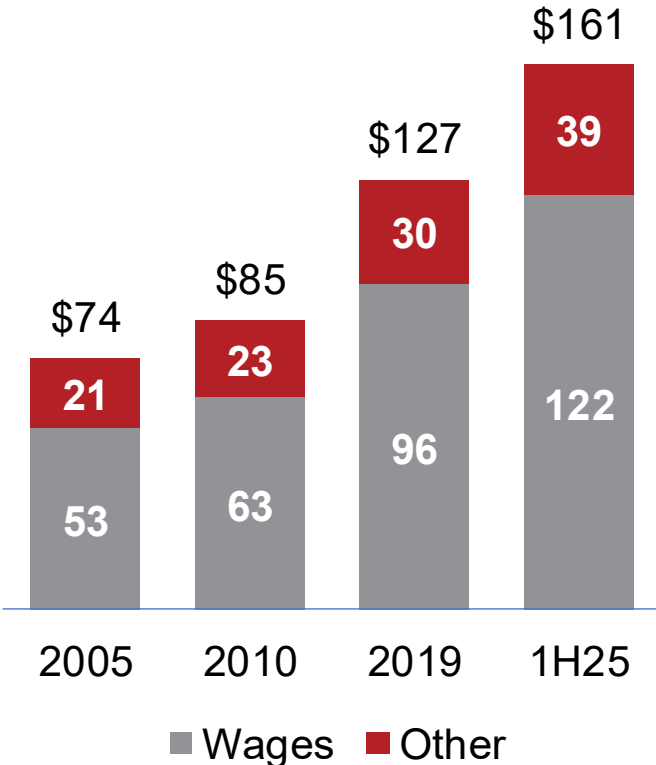
<sup>2</sup> Issuers with ability to repay but facing significant uncertainties, such as adverse business or financial circumstances that could affect credit risk

# Firmer Financial Footing Has Enabled Airlines to Reinvest in Employees, Whose Average Wage Rose 95% from 2010-1H25 (vs. 47% U.S. CPI) and Who Now Garner a Third of Airline Revenues

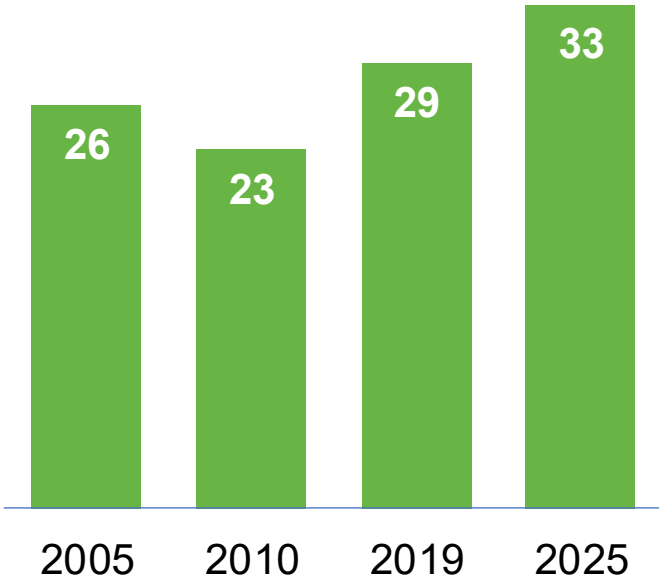
Employees (000 FTEs\*)



Average Compensation (000)



Wages and Benefits as % of Operating Revenues



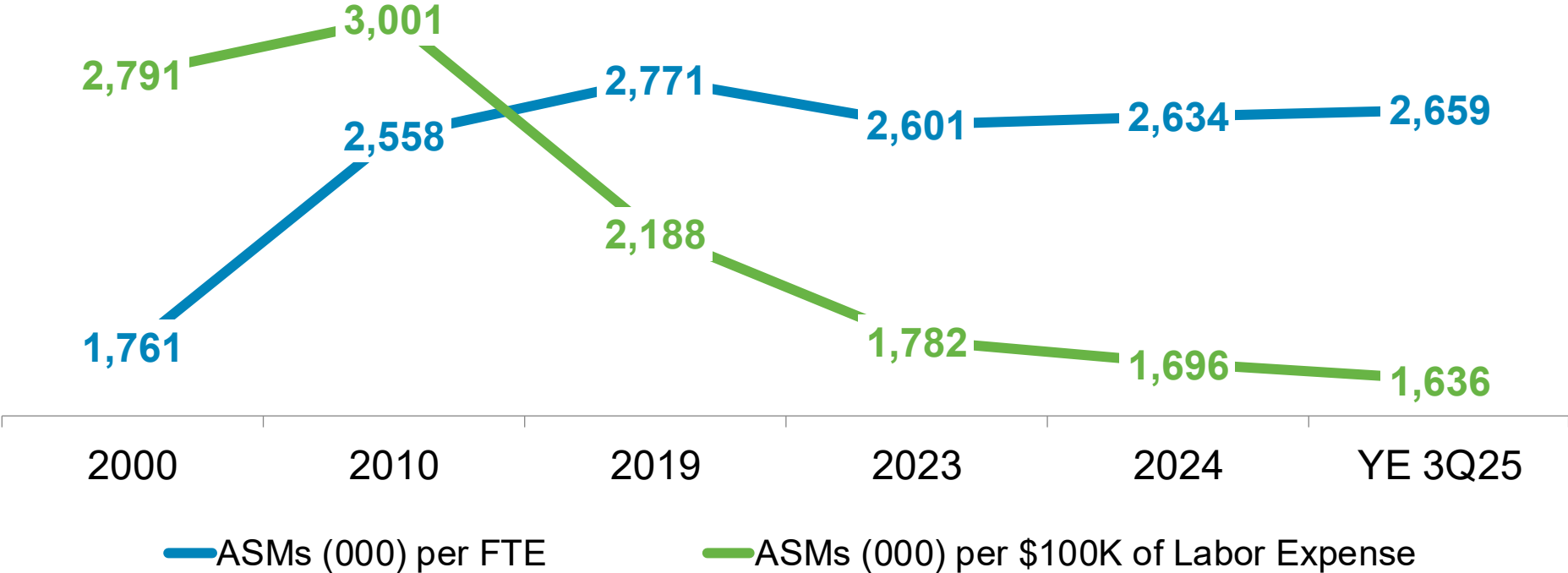
Source: Bureau of Transportation Statistics for scheduled U.S. passenger airlines and A4A Passenger Airline Cost Index

\* Full-time equivalents (FTE) = full-time workers plus 0.5 \* part-time workers

# U.S. Airline FTE Productivity Rose in 2025, But Labor-Dollar Productivity Was ~25% Below 2019

Greater Labor Expense Needed to Generate Pre-Pandemic Levels of Capacity

### Trends in U.S. Passenger Airline Productivity

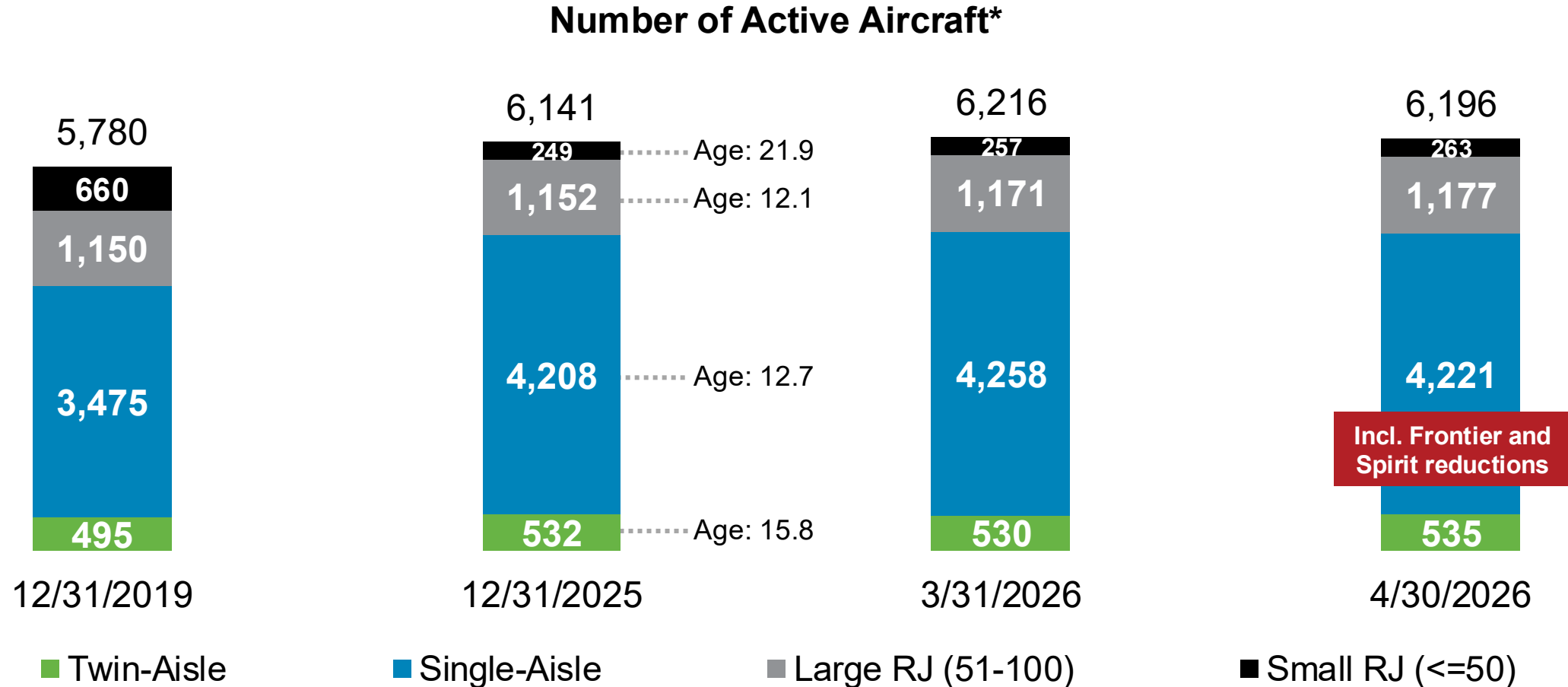


Source: A4A Passenger Airline Cost Index

Note: ASM = available seat mile (basic unit of passenger airline capacity)

# U.S. Passenger Airlines Are Operating 21% More Single-Aisle Aircraft Than at Year-End 2019

## But the Aging Fleet of *Small Regional Aircraft* Is ~60% Smaller

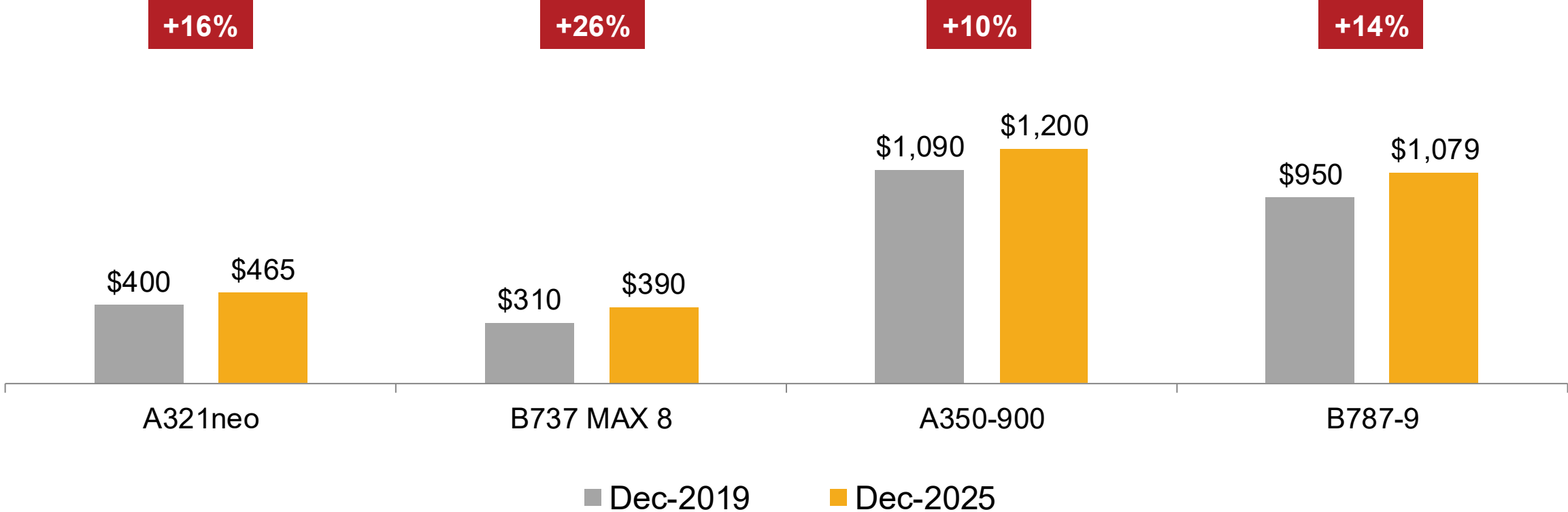


Source: Anuvu (ages as of 12/31/2025)

\* Operated by or on behalf of Alaska/Allegiant/American/Avelo/Breeze/Delta/Frontier/Hawaiian/JetBlue/Southwest/Spirit/Sun Country/United in any of the previous seven days

# Airplanes Have Gotten Significantly More Expensive, Reflecting Elevated Interest Rates, General Inflation and Supply Chain Tightness, Among Other Factors

## Monthly Market Lease Rates (in \$000) for New Builds



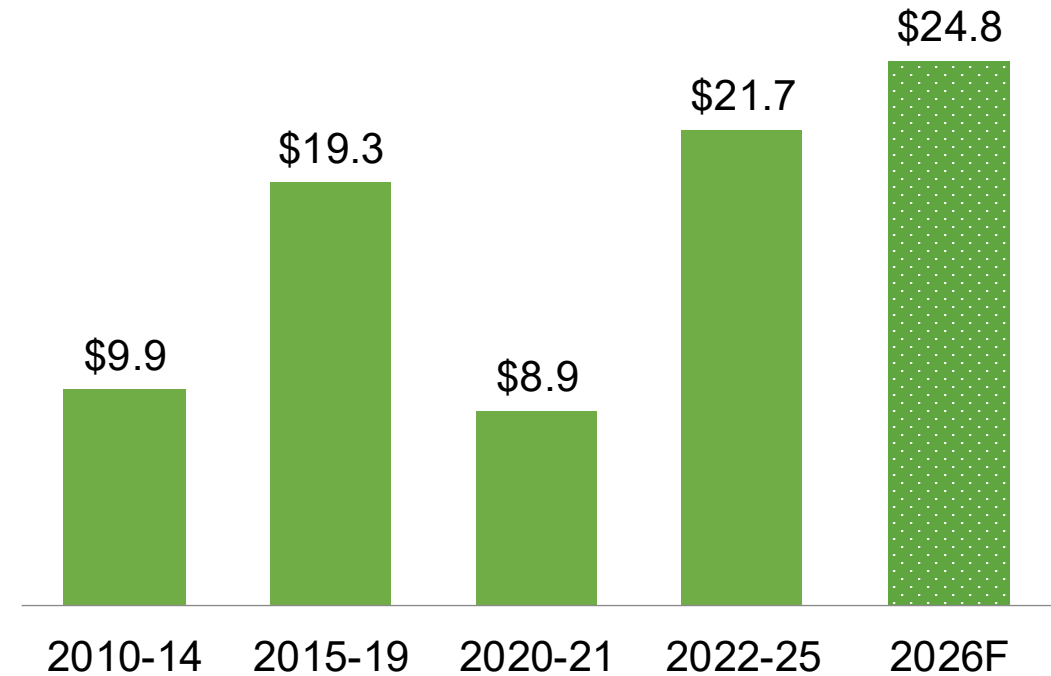
Source: Cirium and Deutsche Bank

# U.S. Airlines Are Investing Heavily in Aircraft, Ground Equipment, Facilities and Technology

## Financial Recovery Has Enabled Record Rates of Reinvestment, Exceeding \$21B Annually



**Average Annual Capital Expenditures\* (Bils)**  
U.S. Passenger Airlines



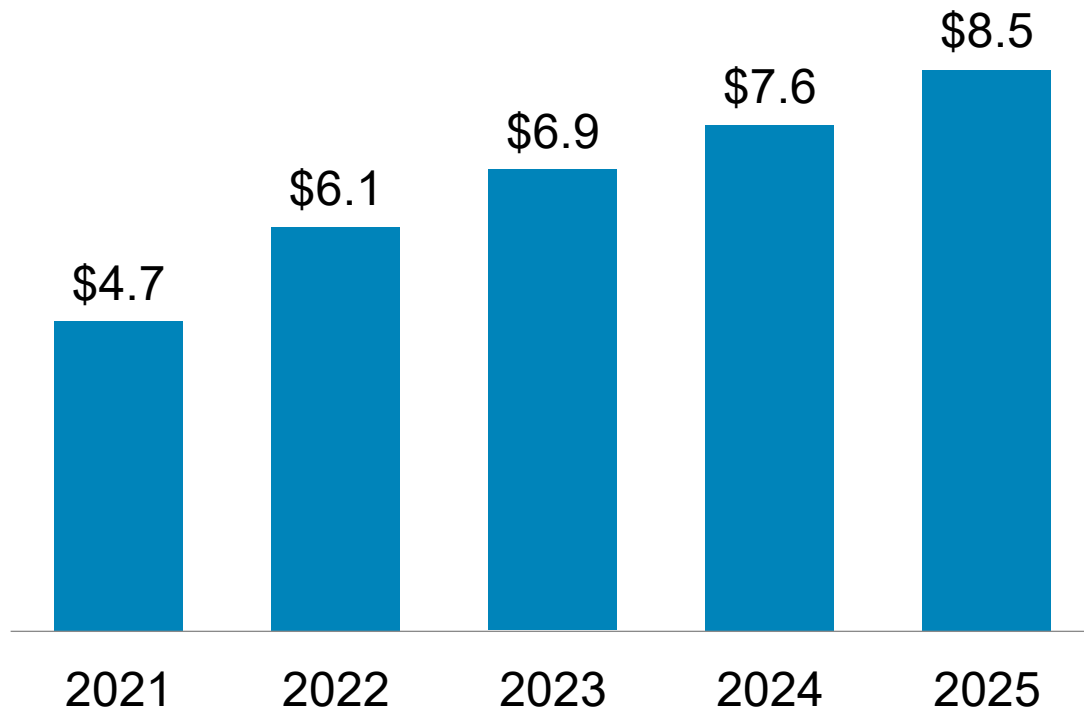
\* Includes payments made for aircraft and other flight equipment, ground and other property and equipment (e.g., baggage carts, lavatory trucks, deicing vehicles), airport and other facility construction and technology

Sources: CapEx from SEC filings of Alaska/Hawaiian, Allegiant, American, Delta, Frontier, Hawaiian, JetBlue, Southwest, Spirit, Sun Country, United and predecessors plus Republic/Mesa and SkyWest

# U.S. Passenger Airlines Have Steadily Increased IT Expenditures, Reaching ~\$8.5B in 2025

Goal: Boost Operational Resiliency/Redundancy/Security and Customer Self-Service Functionality

Annual IT Expenditures\* (Billions)  
U.S. Passenger Airlines



Making it easier for travelers to:

- Shop for tickets
- Modify itineraries
- Check in for flights
- Navigate airports
- Check and/or track bags
- Stay apprised of flight status
- Redeem vouchers/loyalty points

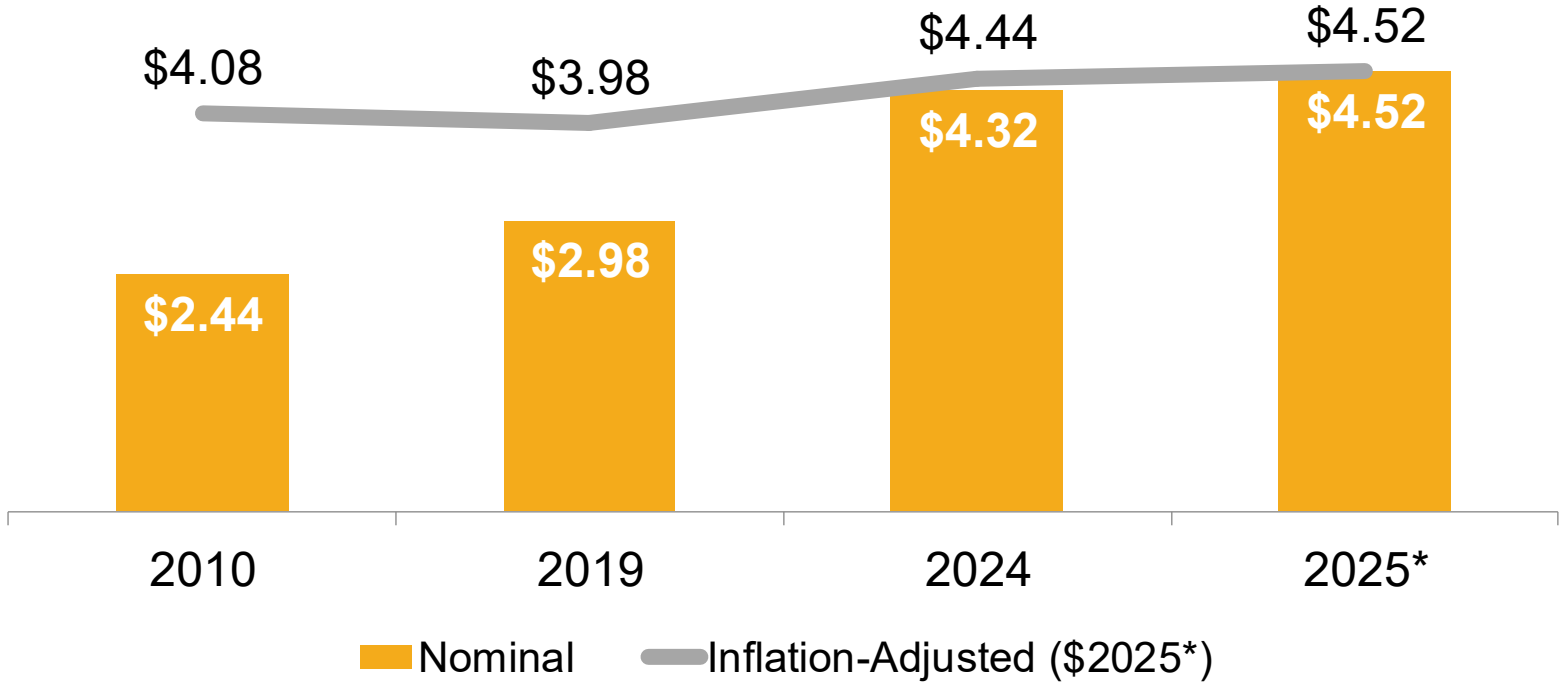
Sources: Alaska/Hawaiian, Allegiant, American, Avelo, Breeze, Delta, Frontier, JetBlue, Southwest, Spirit, Sun Country, United

\* IT operating expenses plus capital expenditures, net of depreciation (where available)

# U.S. Airlines Have Greatly Increased Spending on Inflight Food and Beverage

Drivers Include the Pursuit of Brand-Loyal and Premium Customers

### U.S. Airline Food & Beverage Expense Per Thousand Passenger-Miles Flown



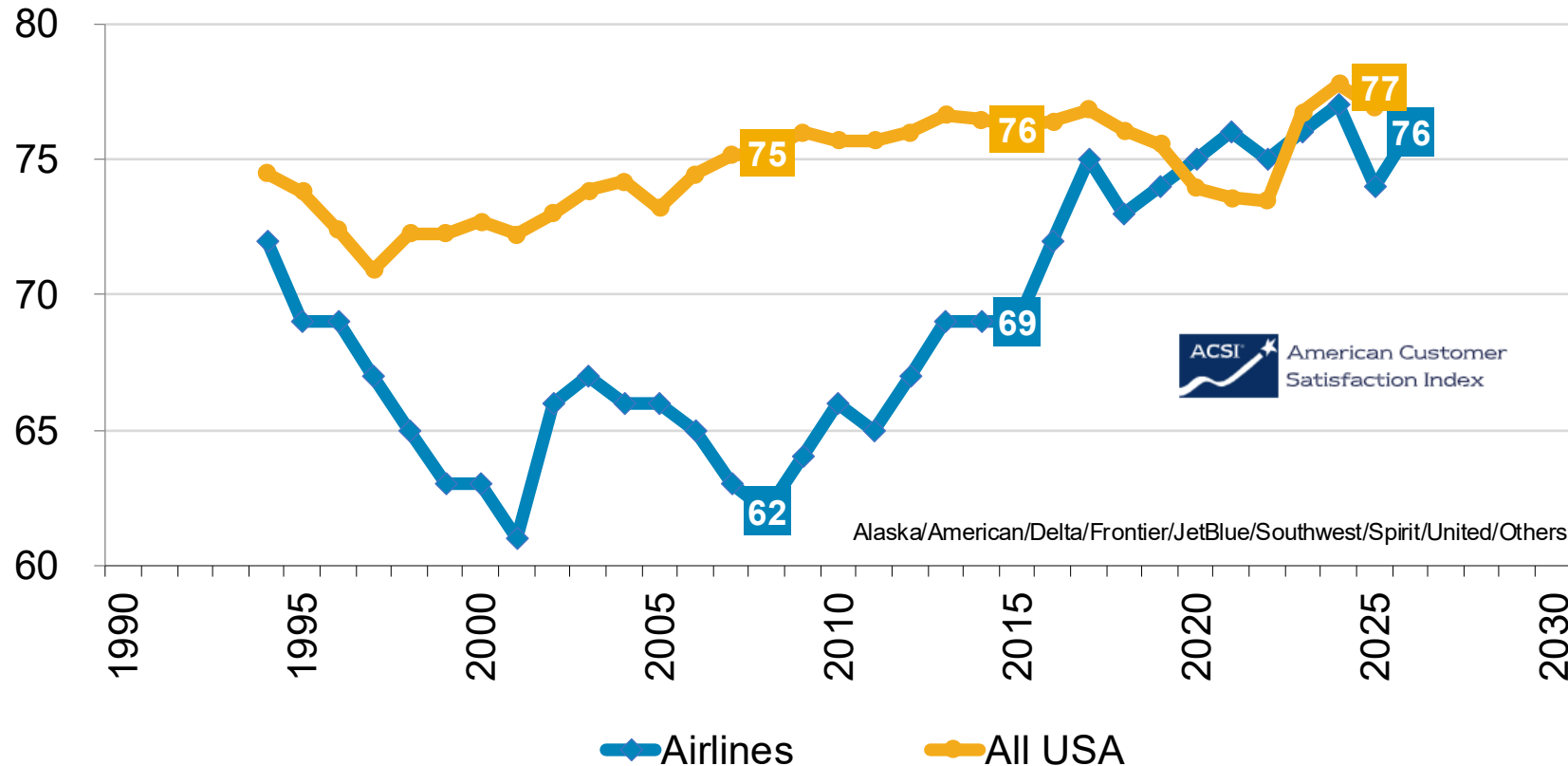
Sources: A4A Passenger Airline Cost Index and Consumer Price Index for All Urban Consumers: Food Away from Home in U.S. City Average (CUUR0000SEFV)

\* Four quarters ended 3Q 2025

# ACSI Airline Customer Satisfaction Index Now at 76, Up From 62 in 2008 and 69 in 2015

In 2026, Airlines Scored 80+ on 15 of the 21 Benchmarks

“Customer Satisfaction With Travel Industries Turns a Corner as Airlines Climb to Near All-Time High, ACSI® Data Show” (April 21, 2026)

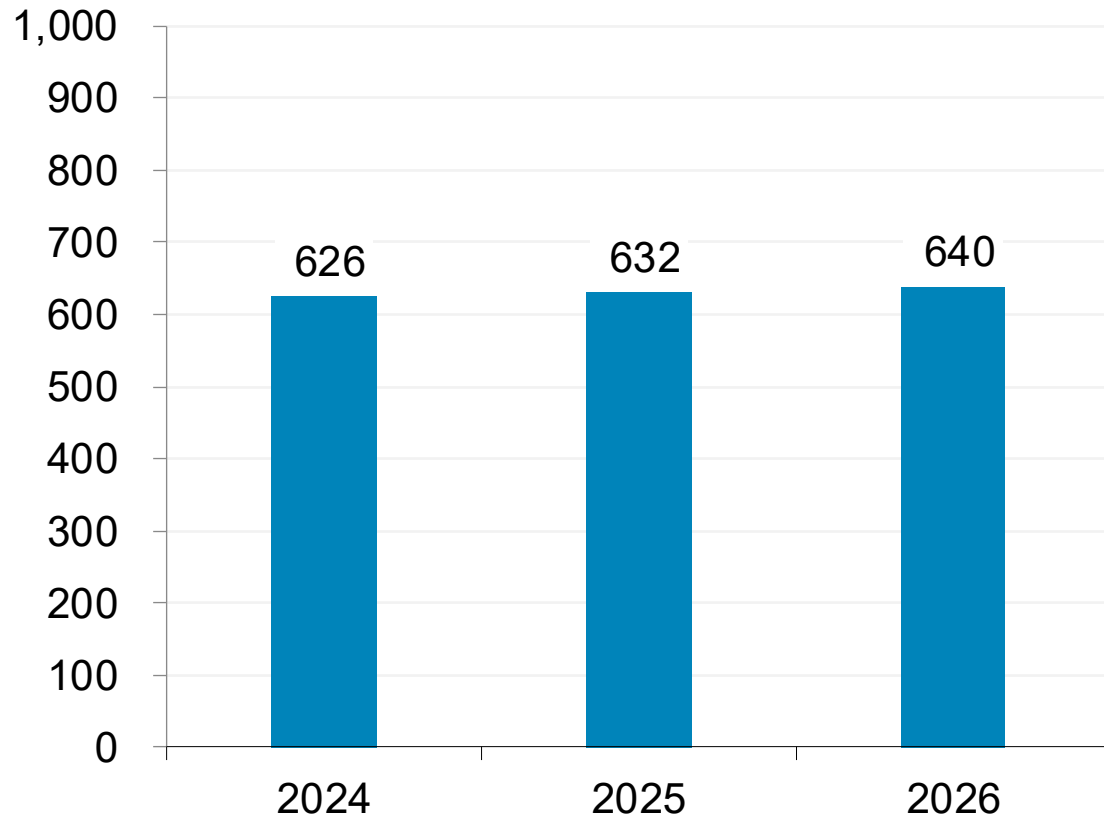


Satisfaction Benchmark	2026
Mobile app reliability	85
Mobile app quality	84
Website satisfaction	84
Ease of making a reservation	84
Ease of check-in process	82
Cleanliness of cabin and lavatory	82
Courtesy/helpfulness of gate staff	82
Courtesy/helpfulness of flight crew	82
Boarding experience	82
Timeliness of arrival	82
Usefulness of flight information	82
Baggage handling	81
Call center satisfaction	81
Loyalty program	81
Range of flight schedules	80
Availability/size of overhead storage	79
Quality of purchased food/beverage	79
Quality of comped food/beverage	79
Quality of in-flight Wi-Fi	79
Quality of in-flight entertainment	78
Seat comfort	76

Source: The American Customer Satisfaction Index (ACSI®), the only national cross-industry measure of customer satisfaction, measures the satisfaction of U.S. household consumers with the quality of products and services offered by firms with significant share in U.S. markets. The ACSI Travel Study 2026 is based on 14,910 completed surveys. Customers were chosen at random and contacted via email between April 2025 and March 2026.

# JD Power: North America Airline Customer Satisfaction Rose Eight Points in 2026

“Airlines Deliver Strong Passenger Experience, Despite Industry Challenges, JD Power Finds” (May 6, 2026)



The North America Airline Satisfaction Study measures passenger satisfaction with airline carriers in North America based on performance in **seven core dimensions** on a poor-to-perfect 6-point rating scale. Individual dimensions measured are (in alphabetical order): airline staff; digital tools; ease of travel; level of trust; on-board experience; pre/post-flight experience; and value for price paid. The study measures passenger satisfaction in **three segments**—first/business; premium economy; and economy/basic economy.

Note: JD Power study methodology changed in 2024.

Note: The 2026 study reflected responses from 10,914 passengers who flew on a major North America airline within the past month of completing a survey. The study was fielded from March 2025 through March 2026.

Source: JD Power North America Airline Satisfaction Study<sup>SM</sup>



**Airlines for America<sup>®</sup>**

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