



Airlines for America[®]

We Connect the World

Summer 2023 Media Briefing

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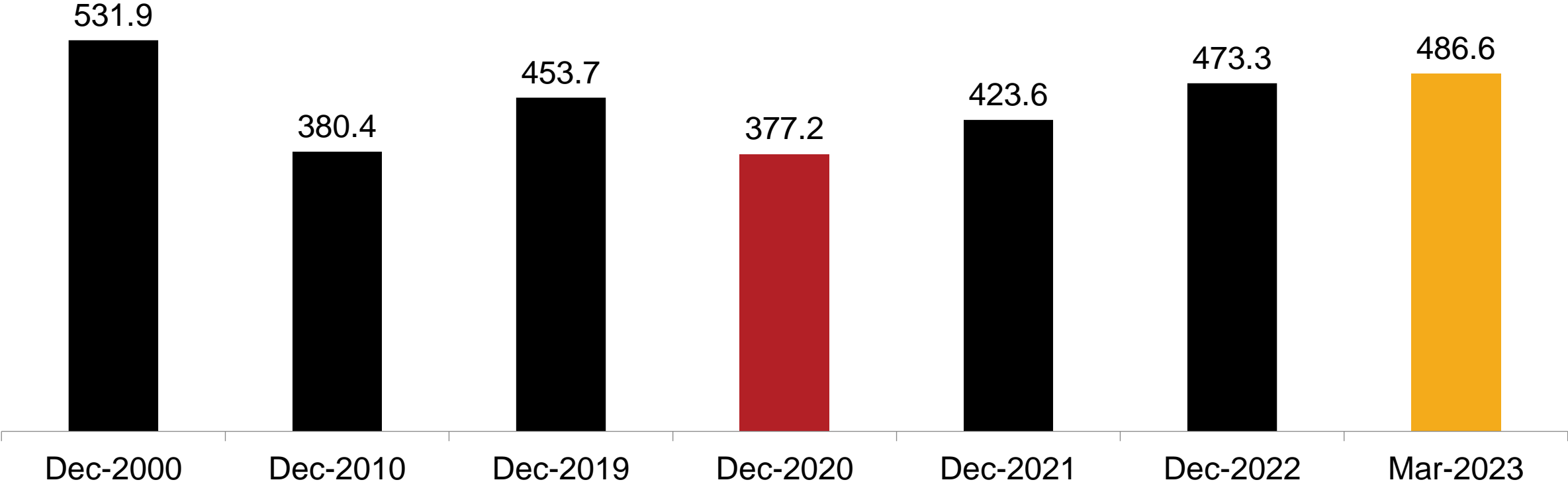
Contents

- » Preparing for the Peak
 - » Adding Workers
 - » Boosting IT
 - » Promoting Travel Flexibility
 - » Improving Operations
 - » Adjusting Flight Schedules for an ATC-Constrained Environment
- » Recent Financial Results
- » U.S Economic and Workforce Trends
- » Summer Air Travel Outlook and Highlights

U.S. Passenger Airlines Added ~109K Jobs From December 2020 to March 2023

Largest Workforce Since October 2001

U.S. Passenger Airline Full-Time Equivalent* Employees (000s)



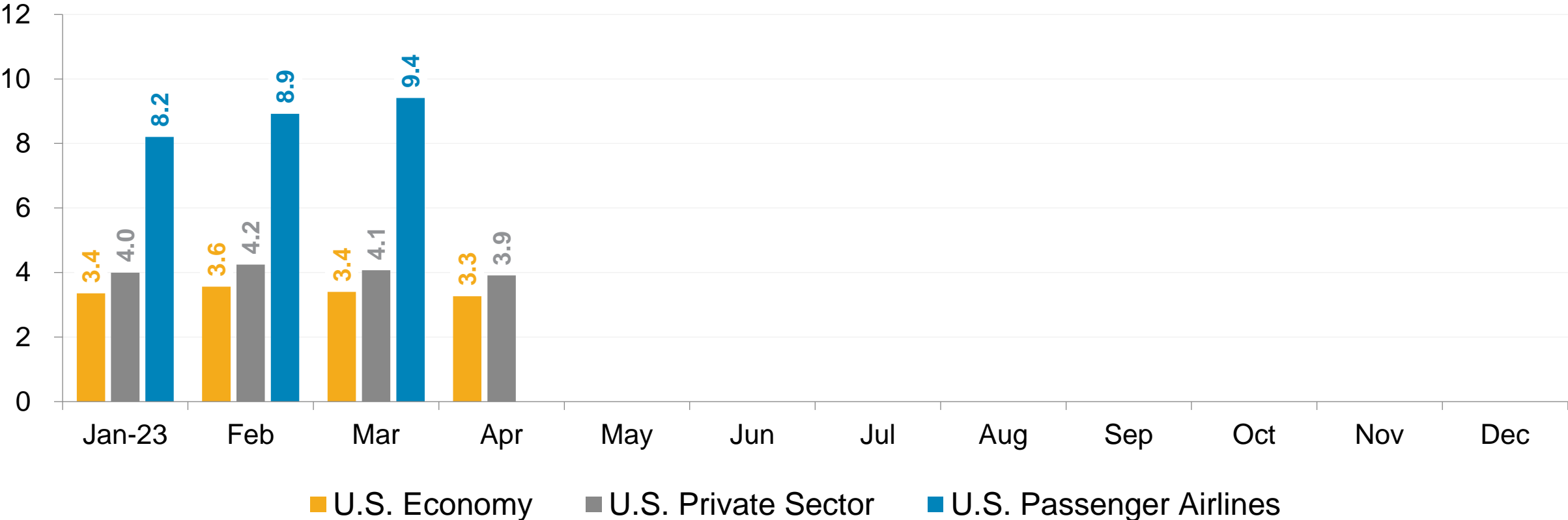
Source: Bureau of Transportation Statistics for scheduled U.S. passenger airlines (i.e., all that report scheduled passenger revenue)

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

In March, U.S. Passenger Airline Job Growth Was 2.8x Overall U.S. Job Growth

Airlines Up 9.4% From 2019 vs. Just 3.4% for the U.S. Economy and 4.1% for the Private Sector

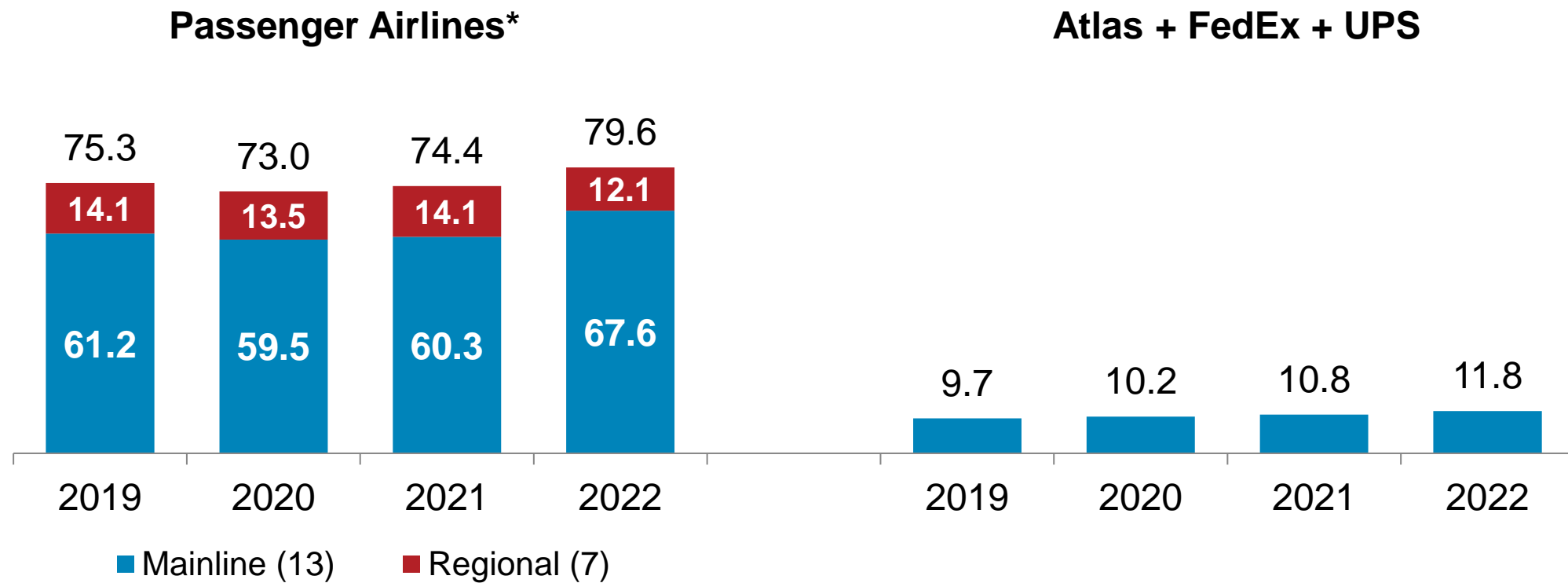
Change (%) in Employment vs. Same Month in 2019



Sources: Bureau of Labor Statistics (Series CEU0000000001 [total nonfarm, NSA] and CEU0500000001 [total private, NSA]) and Bureau of Transportation Statistics (U.S. scheduled passenger airline FTEs)

U.S. Passenger and Cargo Airlines Added ~6,400 Pilots From 2019 to 2022 — Up 7.5%
 Passenger Airline Pilots Rose 6% From 2019 to 2022; Cargo Airline Pilots Rose 21%

Year-End Active Pilots (000) at 23 U.S. Airlines

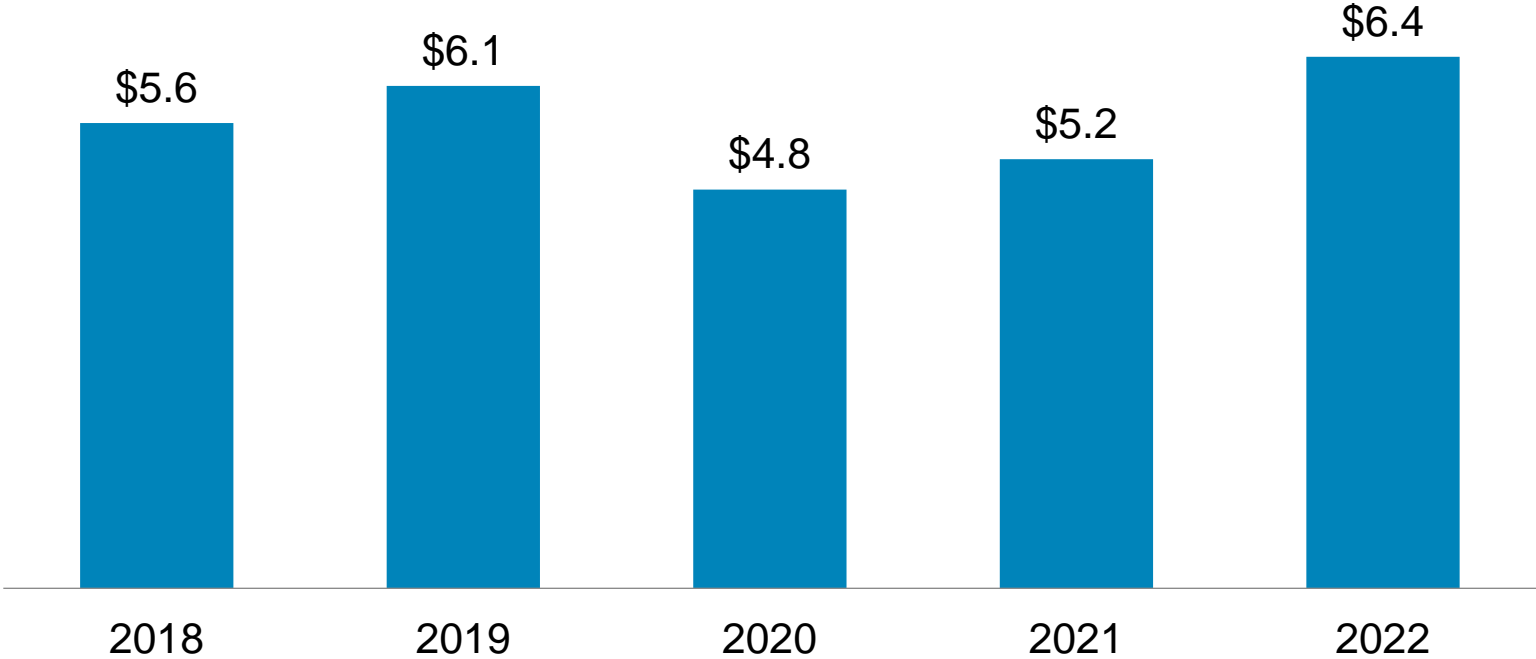


Source: Company SEC filings * Mainline = Alaska/American/Delta/Hawaiian/JetBlue/Southwest/United + Allegiant/Avelo/Breeze/Frontier/Spirit/Sun Country; Regional = Endeavor/Envoy/Horizon/Mesa/Piedmont/PSA/SkyWest

U.S. Airlines Are Investing Heavily in Technology

Financial Recovery Is Enabling System Upgrades and New Tools for Customers and Employees

Annual IT Expenditures (Billions) — A4A Passenger Airlines

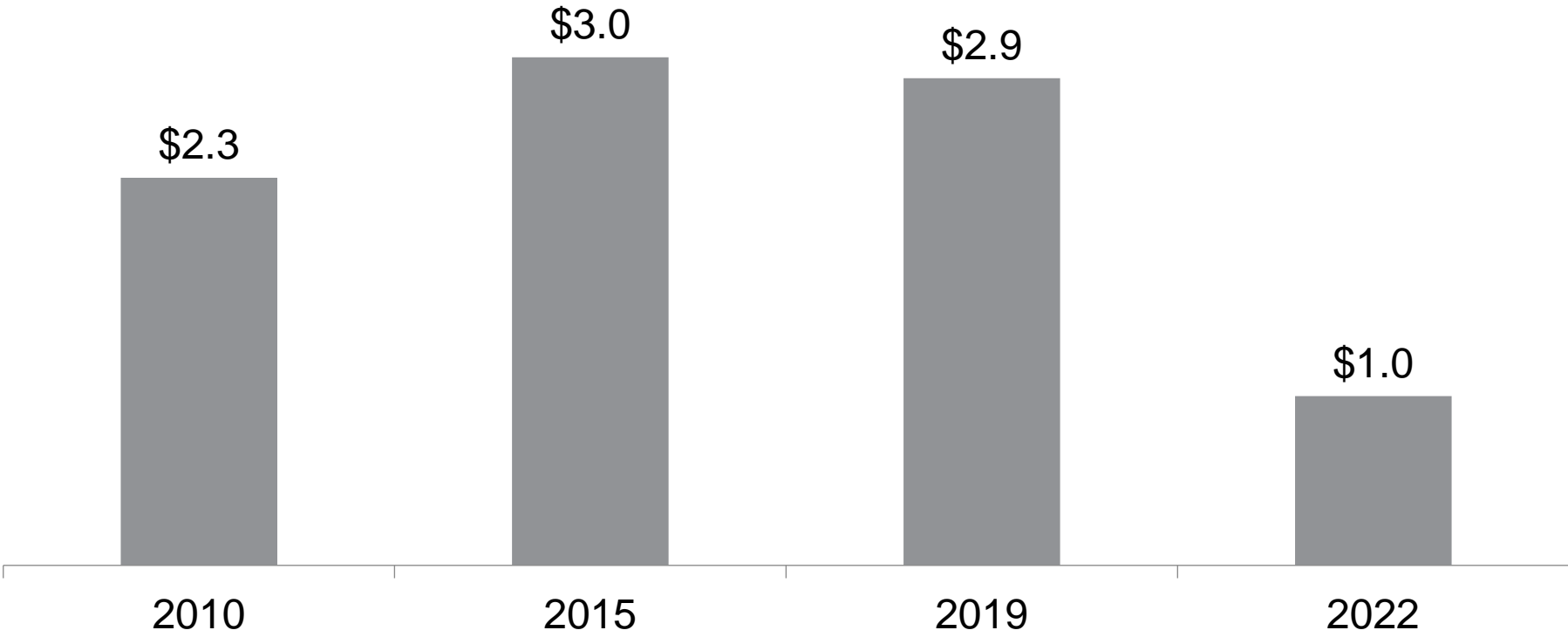


Source: Alaska, American, Delta, Hawaiian, JetBlue, Southwest and United

Revenues From Reservation Change Fees Have Fallen Sharply as Carriers Relaxed Restrictions

Widespread Elimination of Change Fees Has Boosted Traveler Flexibility

U.S. Airline Revenues (in Billions USD) From Reservation Change Fees

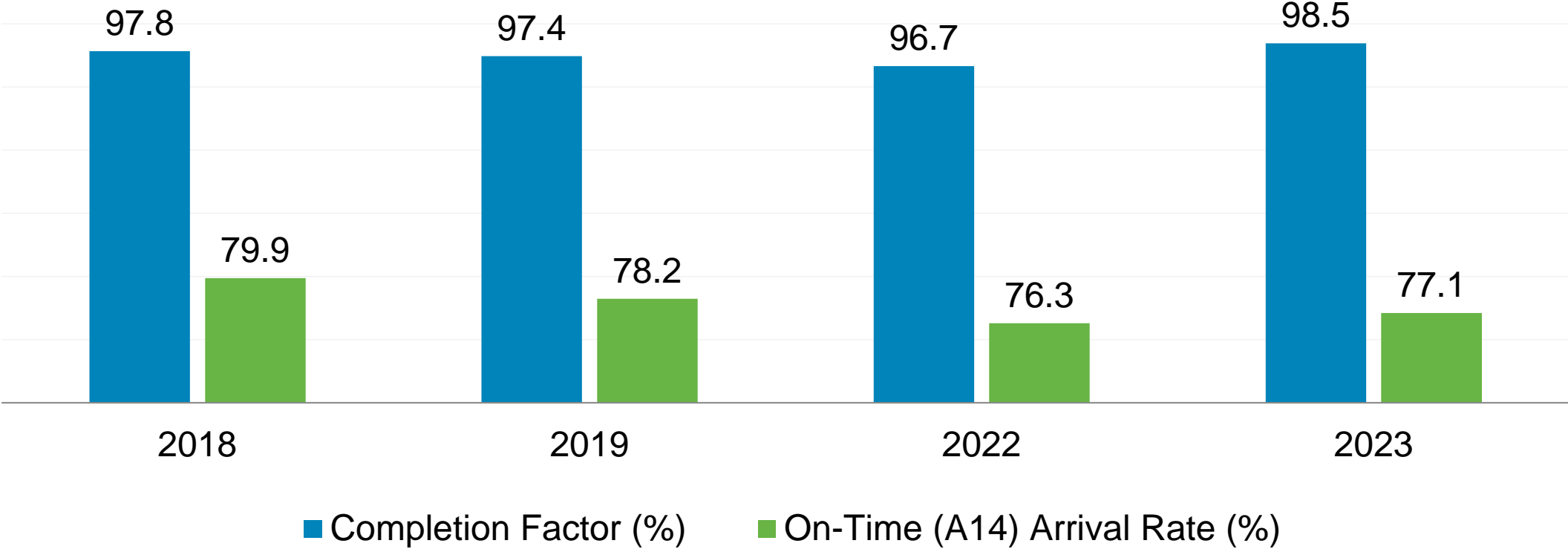


Source: Bureau of Transportation Statistics Form 41

Through May 21, 2023, Flight Completion Factor Outperformed 2018/2019/2022

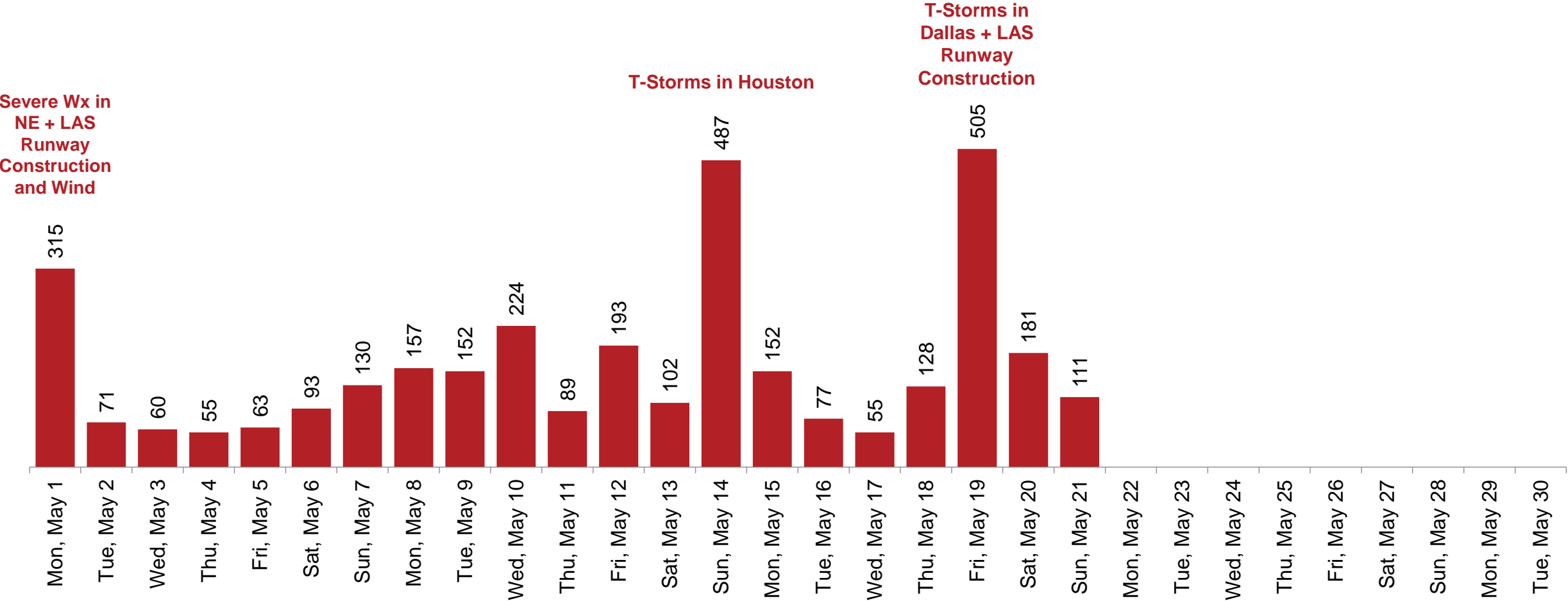
On-Time Arrival Performance Exceeded 2022

Performance (%) for U.S. Airline Flights Arriving at U.S. Airports, YTD May 21



Source: Anuvu

May Flight Cancellations at U.S. Airports Linked to Severe Weather and Runway Construction



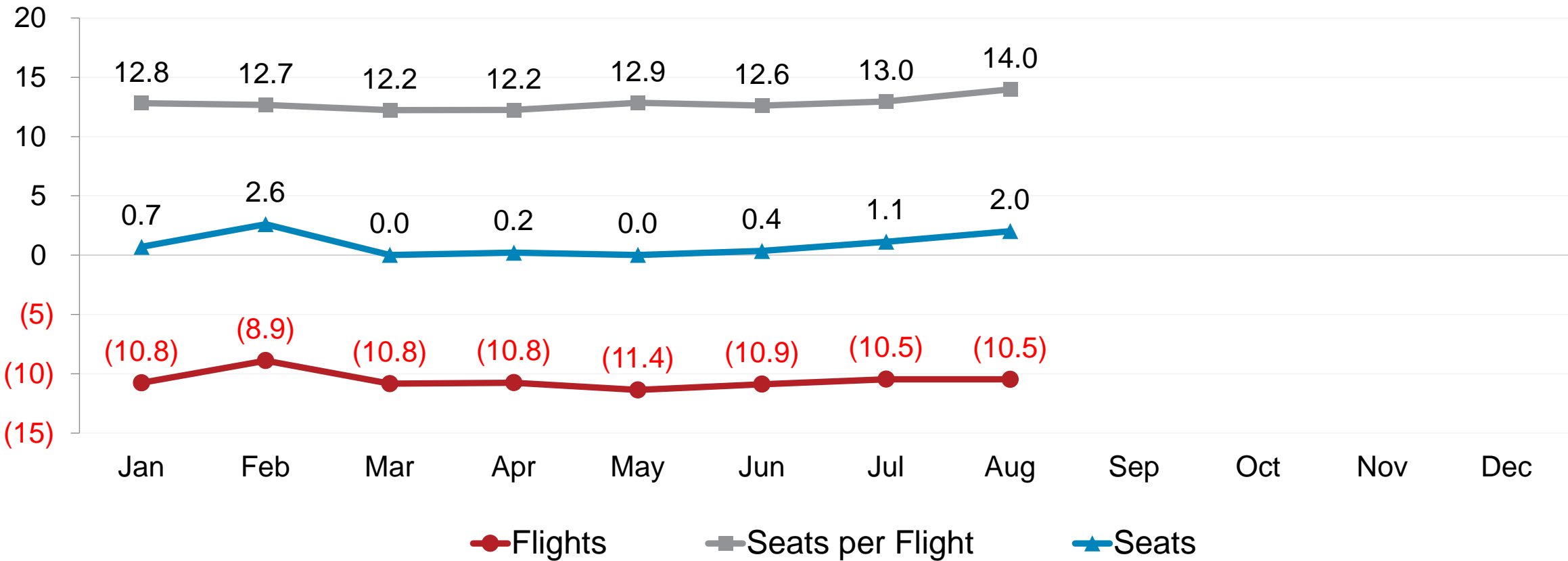
Source: Anuvu

Note: Performance (%) for U.S. airline flights arriving at U.S. airports

Compared to 2019, U.S. Airports Are Seeing 10-11% Fewer Scheduled Flights

But U.S. and Foreign-Flag Carriers Are Offering More Seats Thanks to 12-14% Larger Aircraft

Change (%) vs. 2019 in Scheduled Passenger Service Departing U.S. Airports

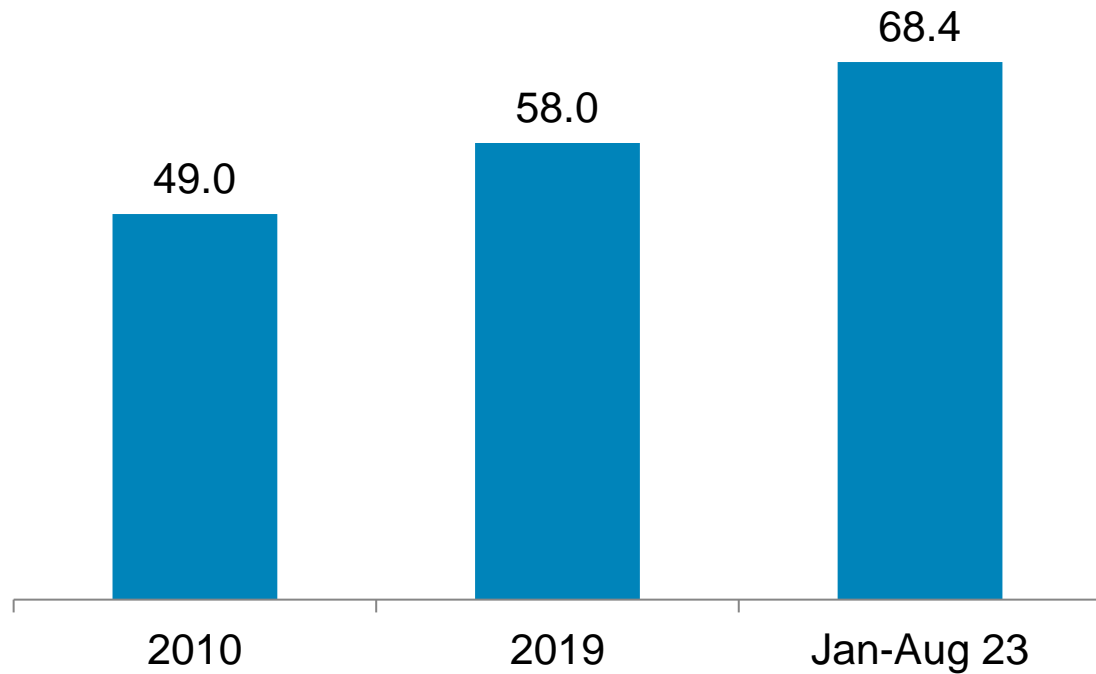


Source: Cirium published schedules (May 19, 2023) for all U.S. and foreign-flag airlines departing U.S. airports for all destinations

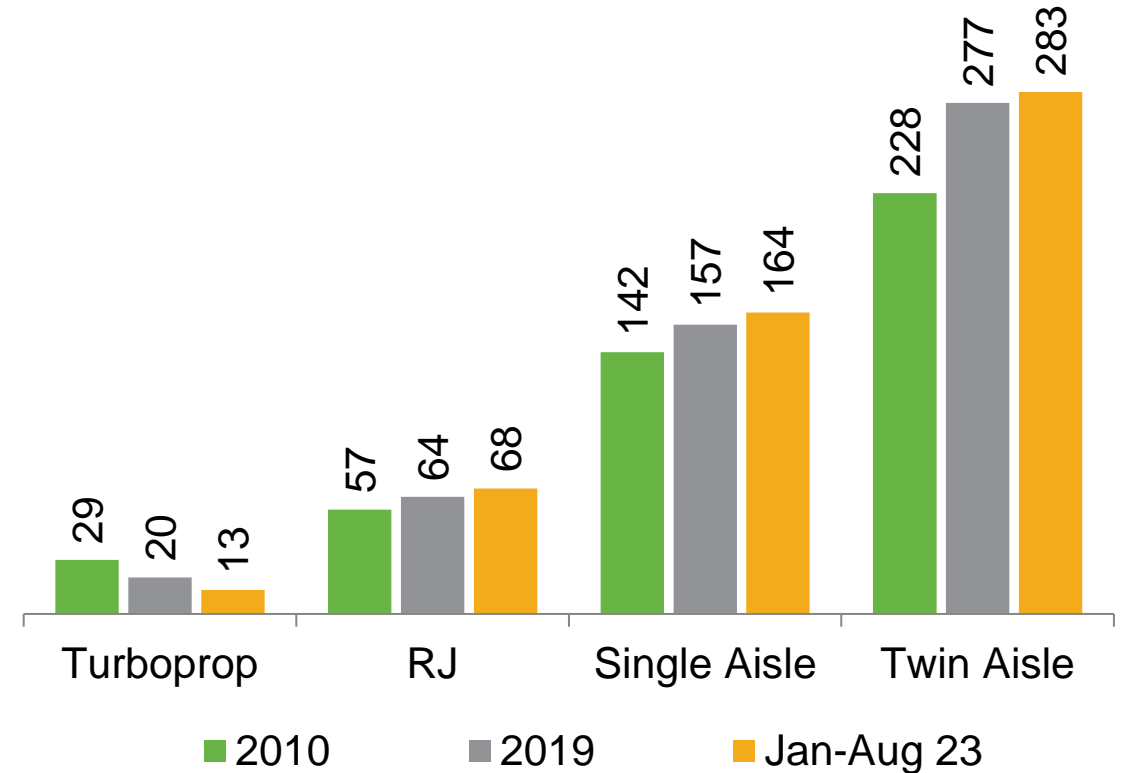
Increases in Mainline Flying *and* in Aircraft Size Have Fueled Domestic Upgauging

Mainline Now Accounts for 68% of Domestic Flights, Up From 49% in 2010

Mainline % of Domestic U.S. Scheduled Flights



Seats per Domestic U.S. Scheduled Departure

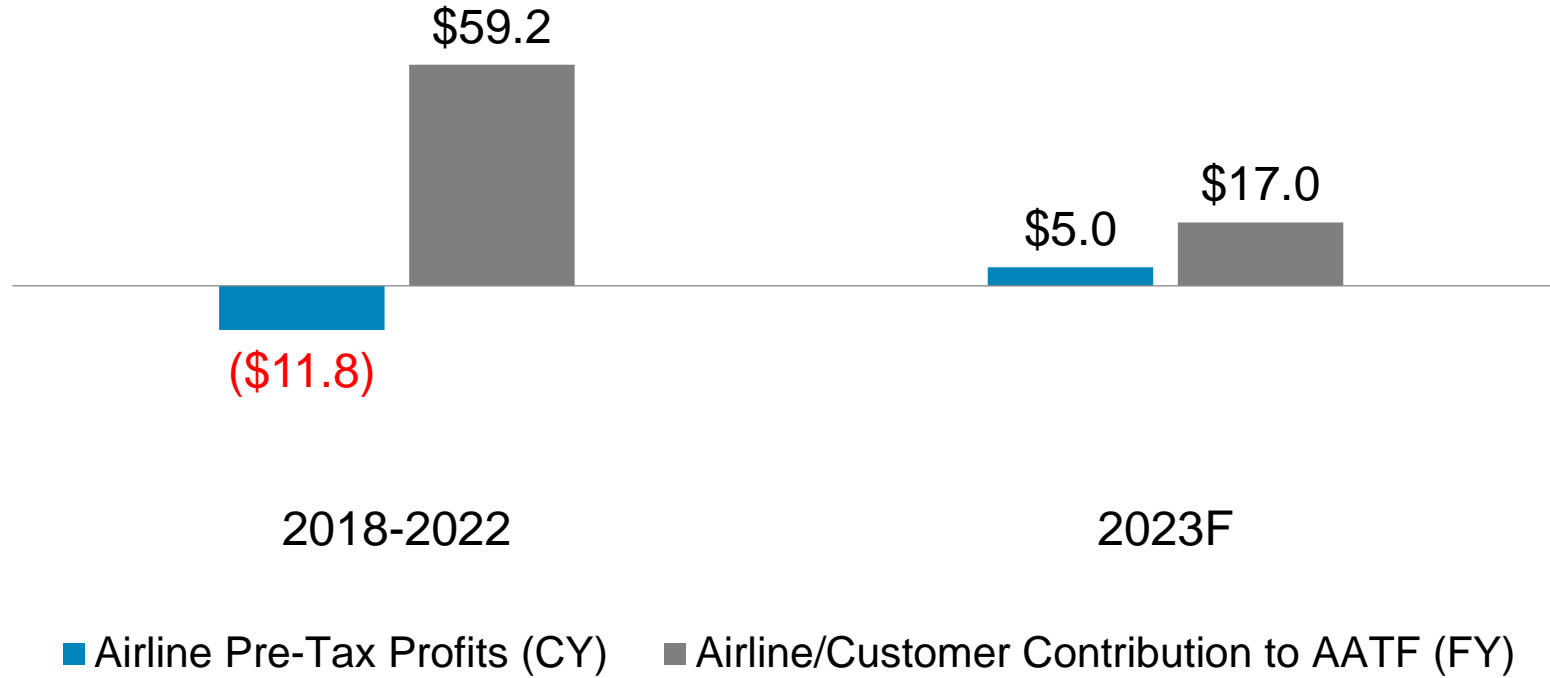


Source: Cirium published schedules (May 19, 2023)

Note: Mainline = operated by the marketing airline itself rather than a regional airline codeshare partner

From 2018-2022, Airlines Recorded \$12B in Losses While Helping Generate \$59B for the Federal Trust Fund That Supports the FAA Budget; \$17B More in Ticket/Fuel Taxes Expected in 2023

Airline Profits and Support of FAA Budget (in Billions), 2018-2023F



Source: A4A, Bureau of Transportation Statistics, FAA, U.S. Treasury and Congressional Budget Office

New York TRACON and New York Center Were Significantly Understaffed as of March 25, 2023

N90 Was 57% Staffed; ZNY Was 66% Staffed

Facility	CPC Authorized Total Based on 2014 CRWG	CPC Actual on Board (AOB) as of 3/25/23	Trainees as of 3/25/23	AOB % of Authorized
LGA	34	33	1	97
HPN	15	14	3	93
EWR	34	31	4	91
JFK	34	31	3	91
TEB	20	16	3	80
ZNY	296	196	95	66
N90	226	129	67	57
Total	659	450	176	68

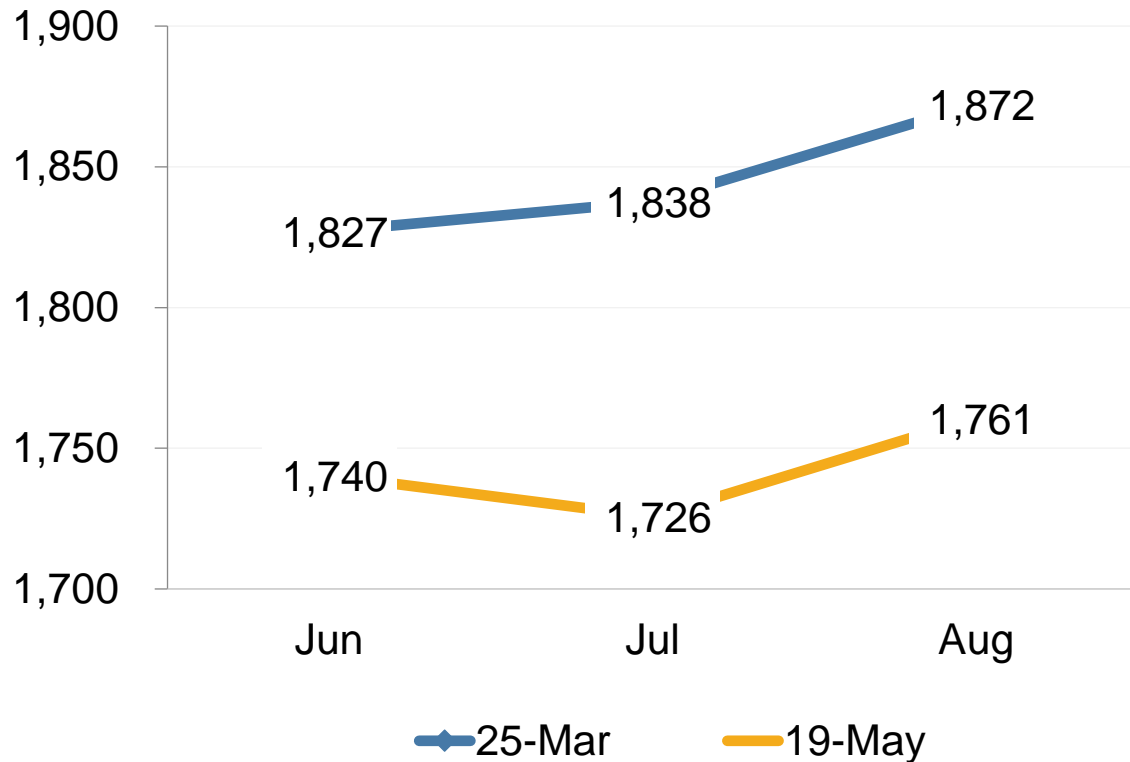
Source: FAA

Note: AOB = Actual on Board; CPC = Certified Professional Controller; CRWG = Collaborative Resource Workgroup

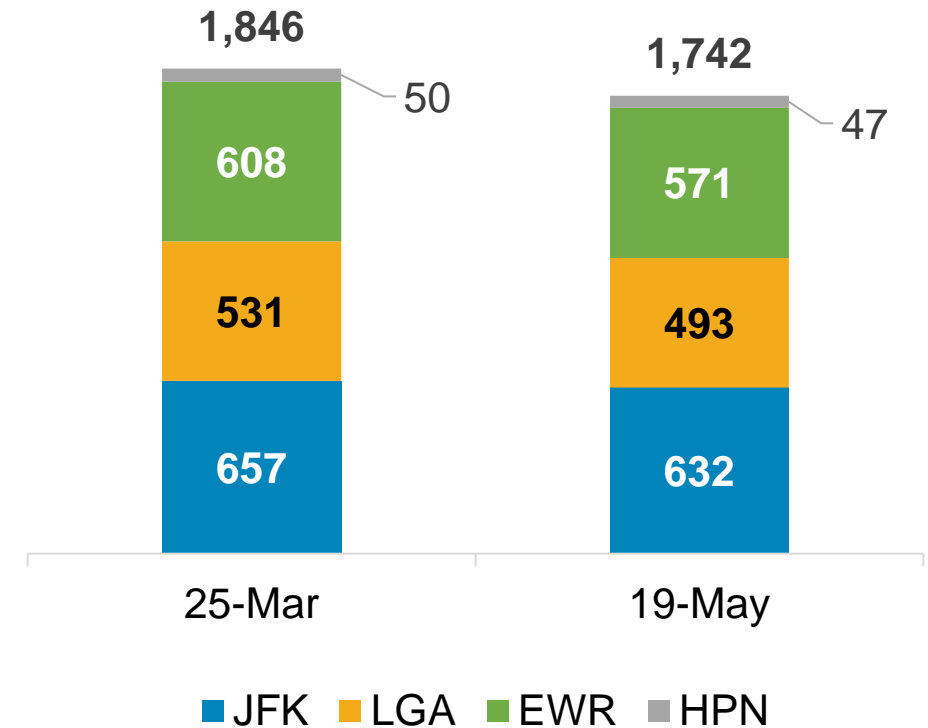
Post-FAA Warning re: Summer ATC Staffing, Airlines Have Pulled 104 Flights per Day From NYC

June Down 87 Flights/Day, July and August Down ~112 Each; LGA Down 7%, EWR Down 6%

Scheduled Pax Flights per Day
Departing NYC in Summer 2023



Scheduled Pax Flights per Day
Departing NYC in Jun-Aug 2023

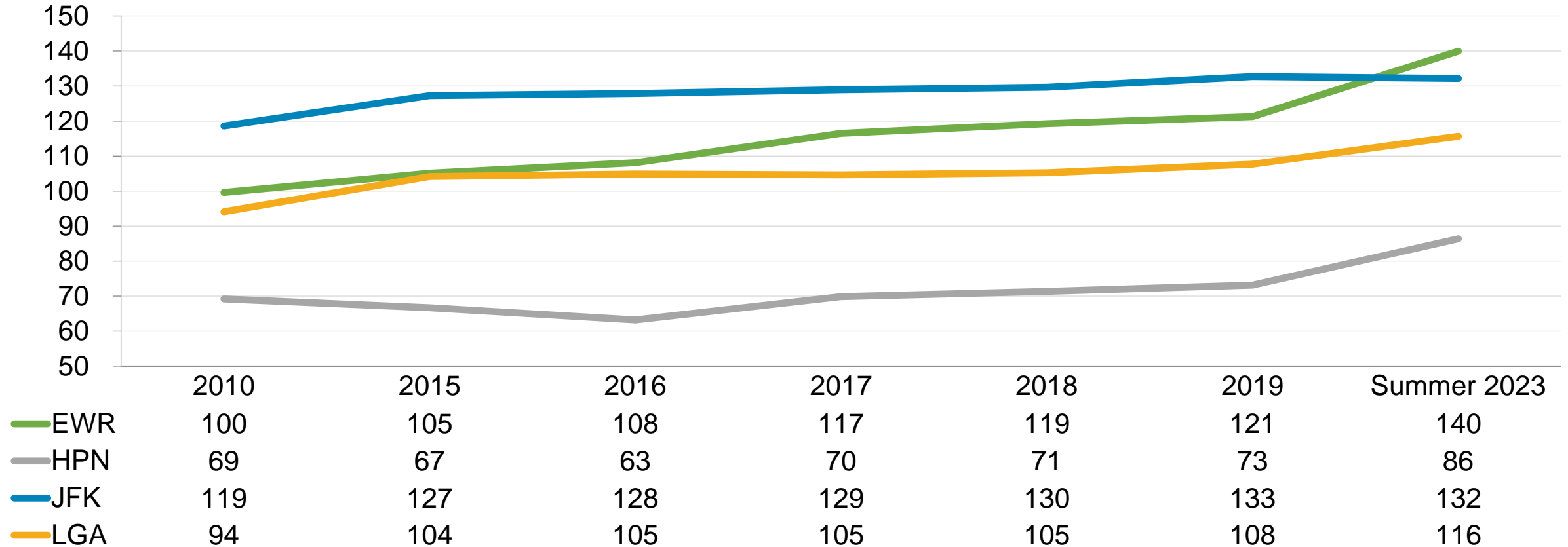


Source: Cirium published schedules for all U.S. and foreign-flag airlines departing EWR/HPN/JFK/LGA for all destinations

Airlines Have Upgauged Domestic Flying at All Four NYC Airports

Average Seats per Domestic Flight Rose 26% (Including 41% at EWR) From 2010 to Summer 2023

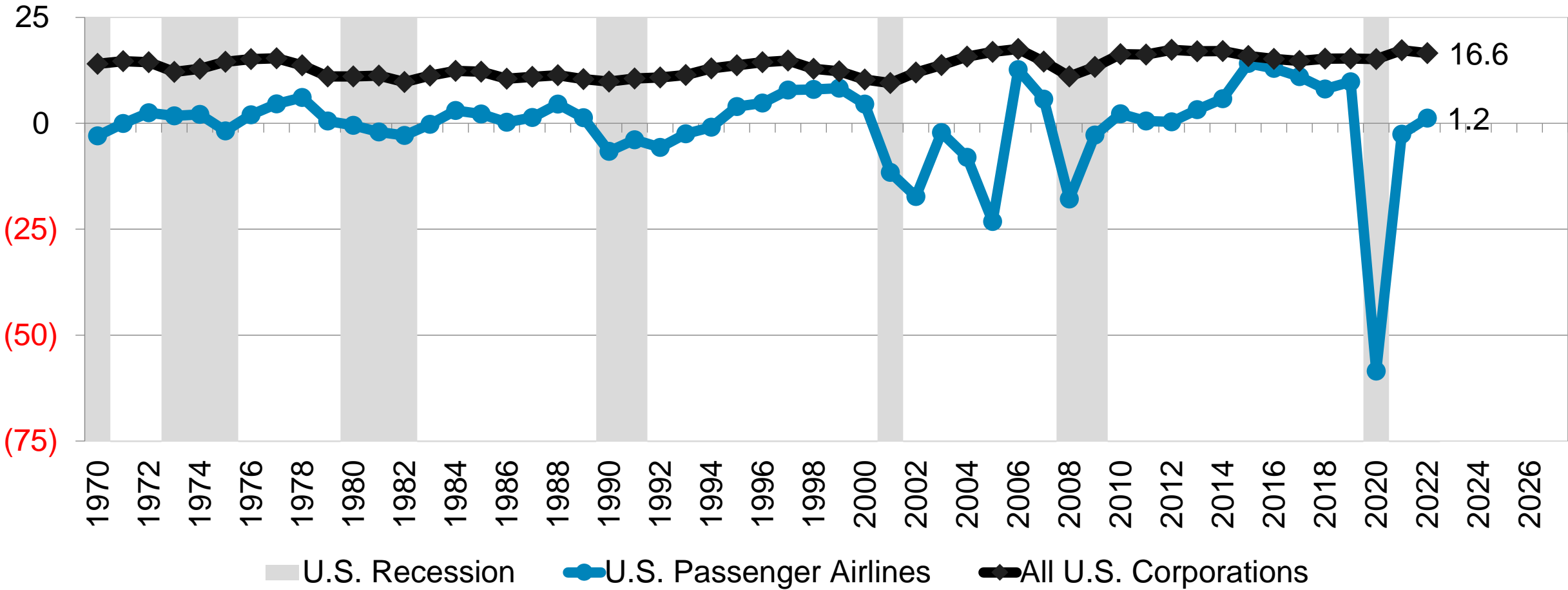
Scheduled Seats per Domestic U.S. Departure at NYC Airports



Source: Cirium published schedules (May 19, 2023)

Even in Best Years, Airline Profitability (Pre-Tax Margin) Lags the U.S. Corporate Average

Pre-Tax Profit Margin (%) *Gap Widened in 2016-2018, But Narrowed in 2019*



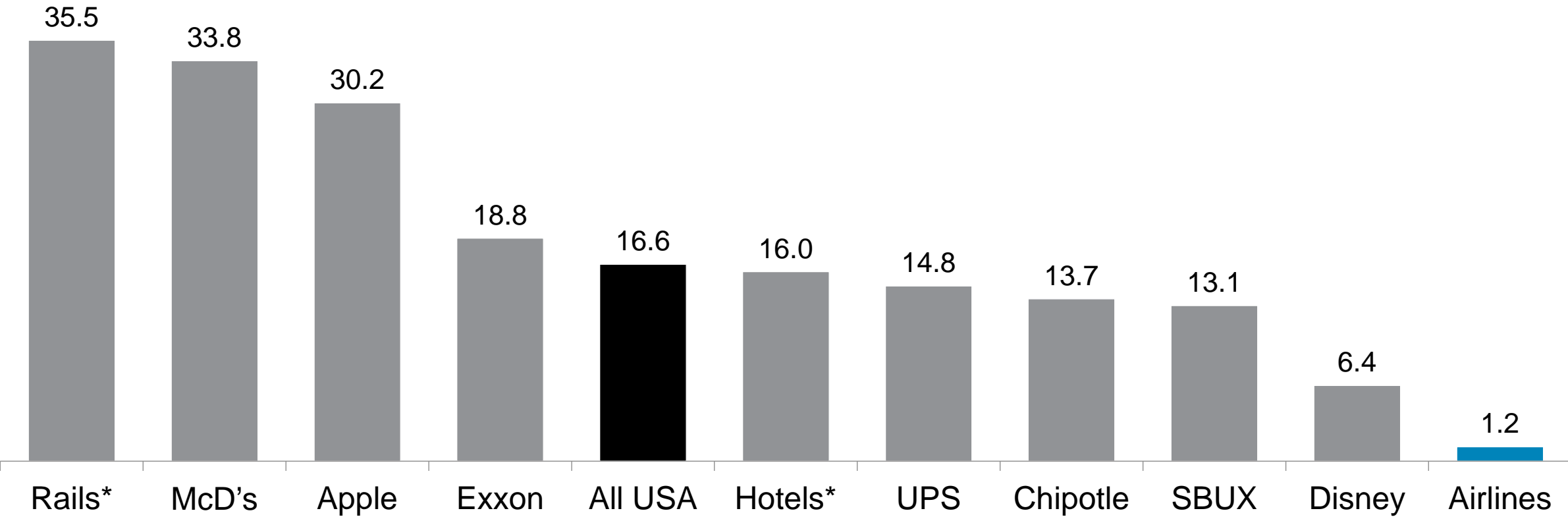
Source: ATA Annual Reports (1970-1976), A4A Passenger Airline Cost Index (1977-present); Bureau of Economic Analysis

Note: Years with at least two months in recession highlighted in gray

Unlike Many Other Industries, Airline Profitability Remained Depressed in 2022

Pre-Tax Profit Margin (% of Operating Revenues)

Pre-Tax Profit Margin (%) for Selected U.S. Companies and Industries, 2022



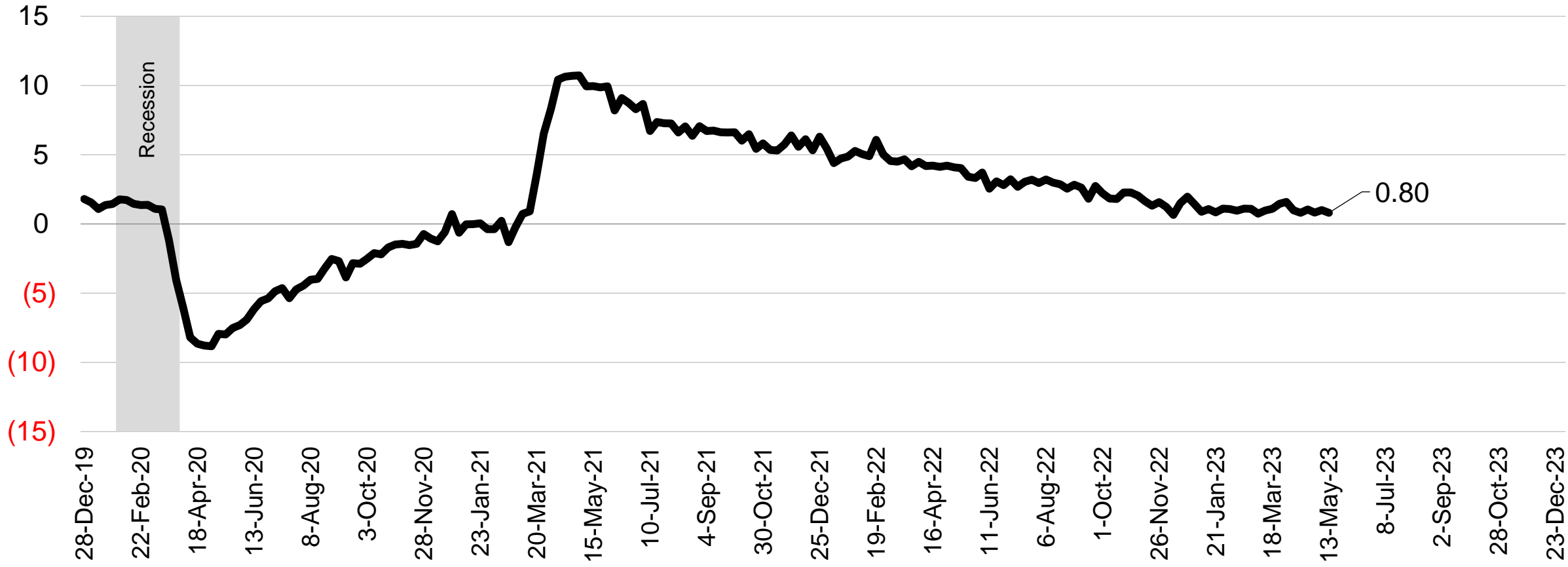
Sources: Bureau of Economic Analysis, A4A Passenger Airline Cost Index and company SEC filings

* Hotels = Choice/Hilton/Hyatt/Marriott/Wyndham; Rails = CSX/Norfolk Southern/Union Pacific

Weekly U.S. Economic Activity Has Generally Decelerated Since Spring 2021

Indicator Is Closely Correlated with Real GDP Growth

Federal Reserve Bank Weekly Economic Index (%)



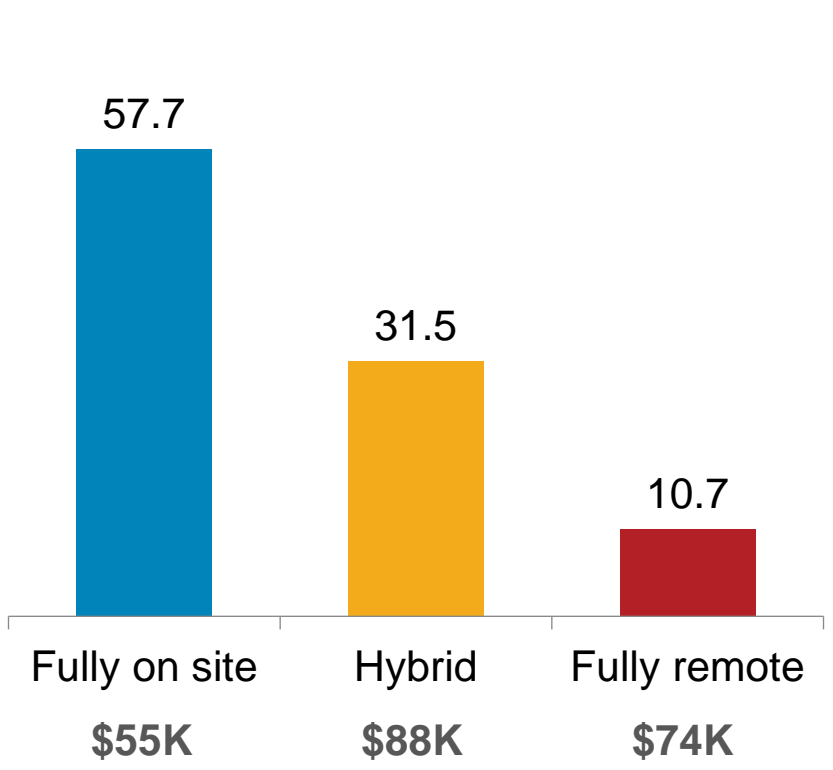
Source: Lewis, Daniel J., Mertens, Karel, and Stock, James H., Weekly Economic Index.

Note: The WEI is an index of ten indicators of real economic activity, scaled to align with the four-quarter GDP growth rate.

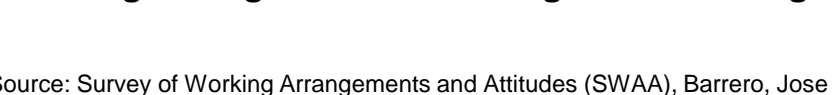
Share of Remote Work Has Stabilized at ~24 Points Above Pre-Pandemic Level

On Average, Hybrid and Fully Remote Workers Out-earn Those Fully on Site

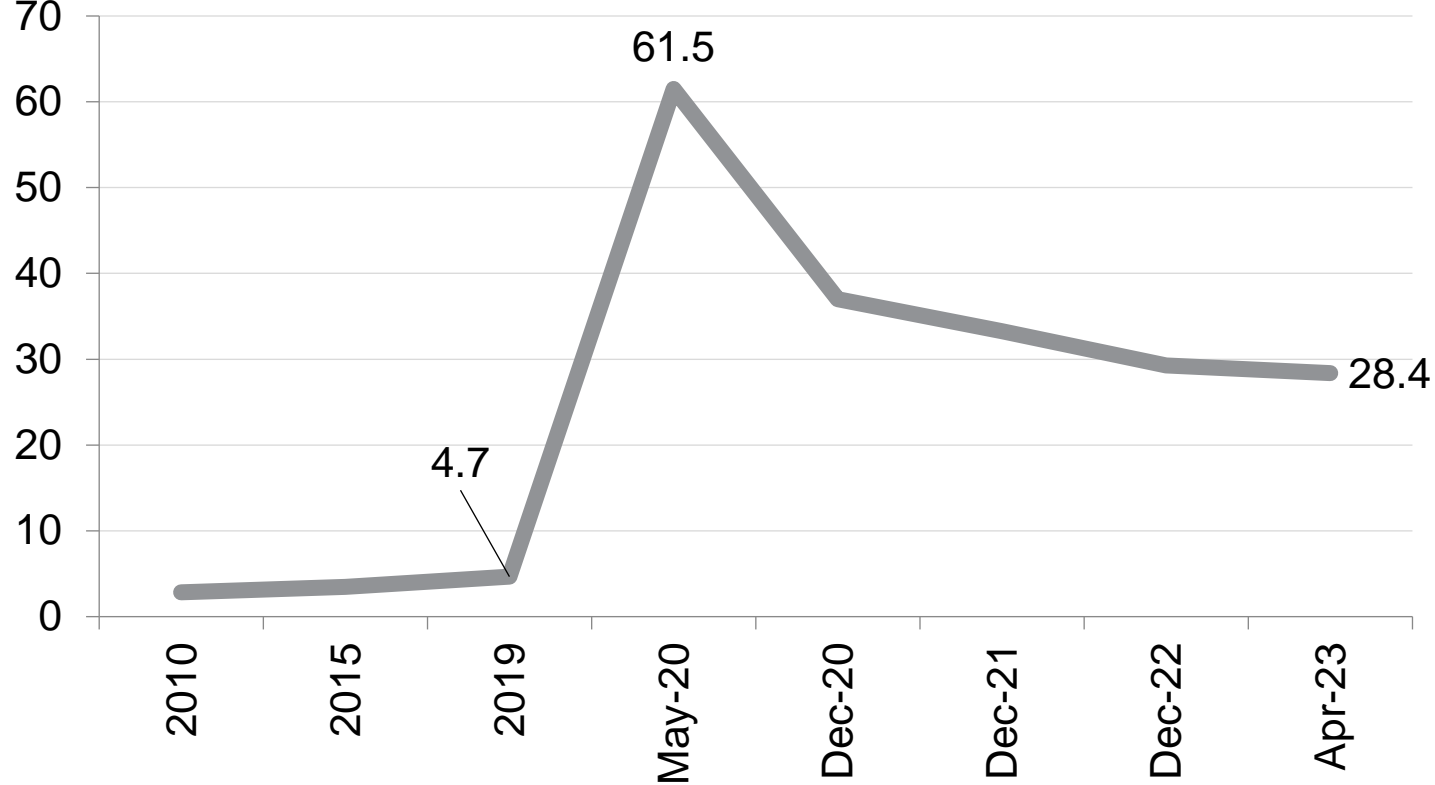
% of U.S. Resident Full-Time Employees by Working Arrangement, April 2023



Working Arrangement and Average 2021 Earnings



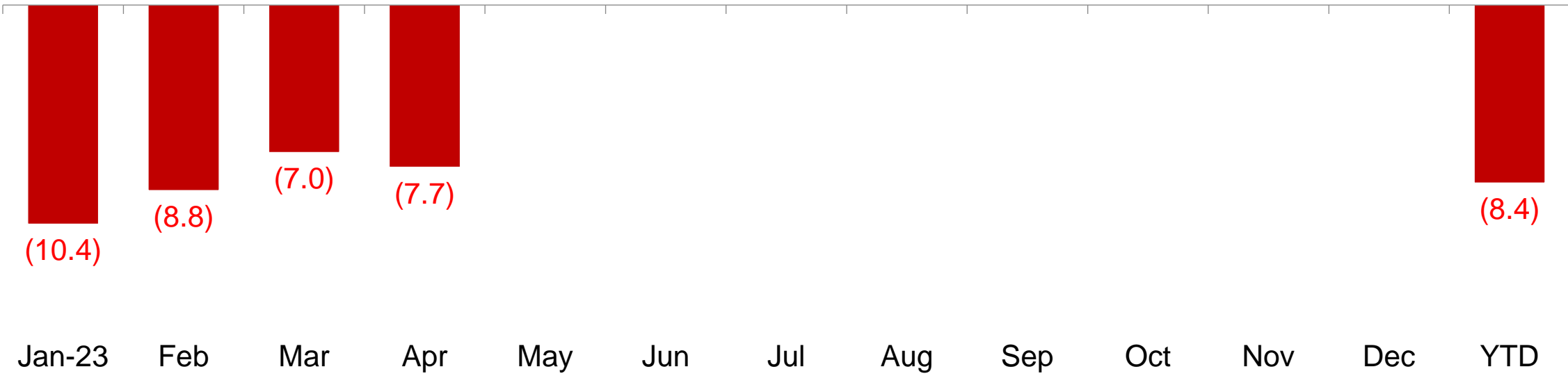
% of Days Worked Remotely



Source: Survey of Working Arrangements and Attitudes (SWAA), Barrero, Jose Maria, Nicholas Bloom, and Steven J. Davis, 2021. "Why working from home will stick," National Bureau of Economic Research Working Paper 28731.

Bureau of Labor Statistics: Real Airline Fares *Fell* 8.4% From Jan-Apr 2019 to Jan-Apr 2023
Overall U.S. Inflation of 18.8% From 2019 *Outpaced* the 8.8% Nominal Uptick in Airline Fares

Change (%) vs. 2019 in Inflation-Adjusted Consumer Price Index for “Airline Fares”

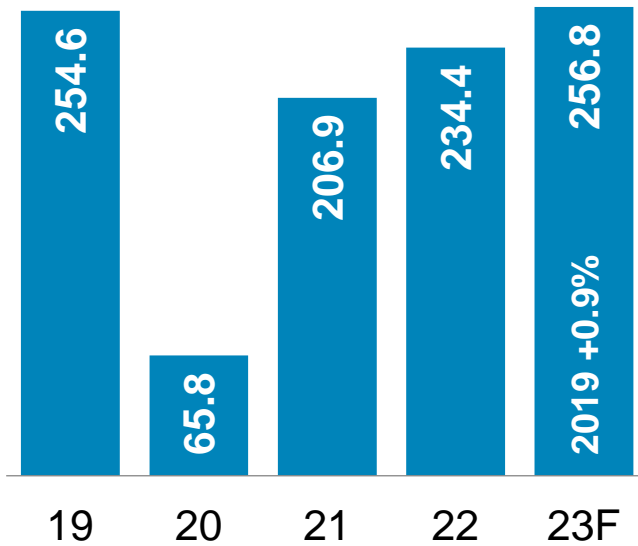


Source: Bureau of Labor Statistics (CPI series CUSR0000SETG01 and CUUR0000SA0); for information on the BLS methodology for “airline fares,” see <https://www.bls.gov/cpi/factsheets/airline-fares.htm>

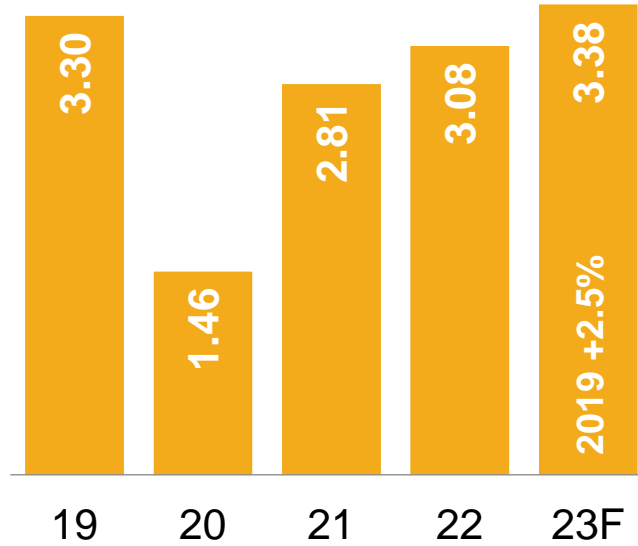
A4A Projects U.S. Airlines to Carry All-Time High 257M Passengers From June 1-August 31

Year Over Year, U.S. Airlines Will Deploy 9.6% More Seats in Part Through Use of 5.1% Larger Aircraft

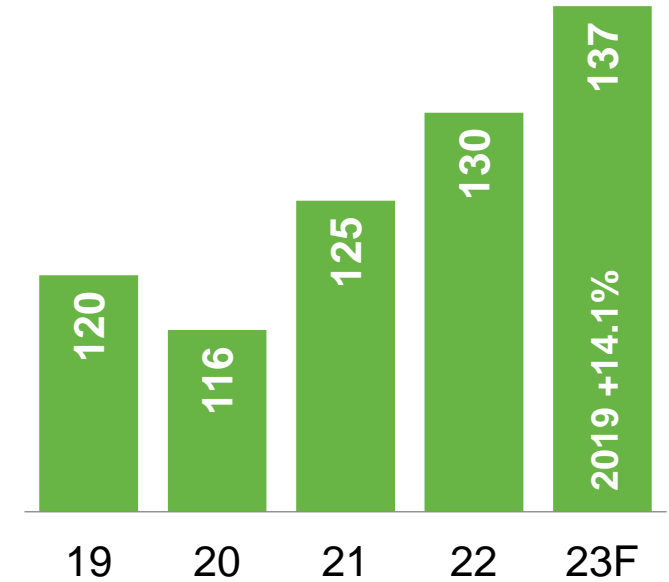
Passengers* (Mils)
Up 9.5% YOY



Scheduled Seats (Mils) per Day
Up 9.6% YOY



Scheduled Seats per Flight
Up 5.1% YOY



Year over year, U.S. airlines are adding 297K seats per day to accommodate 243K more passengers per day.

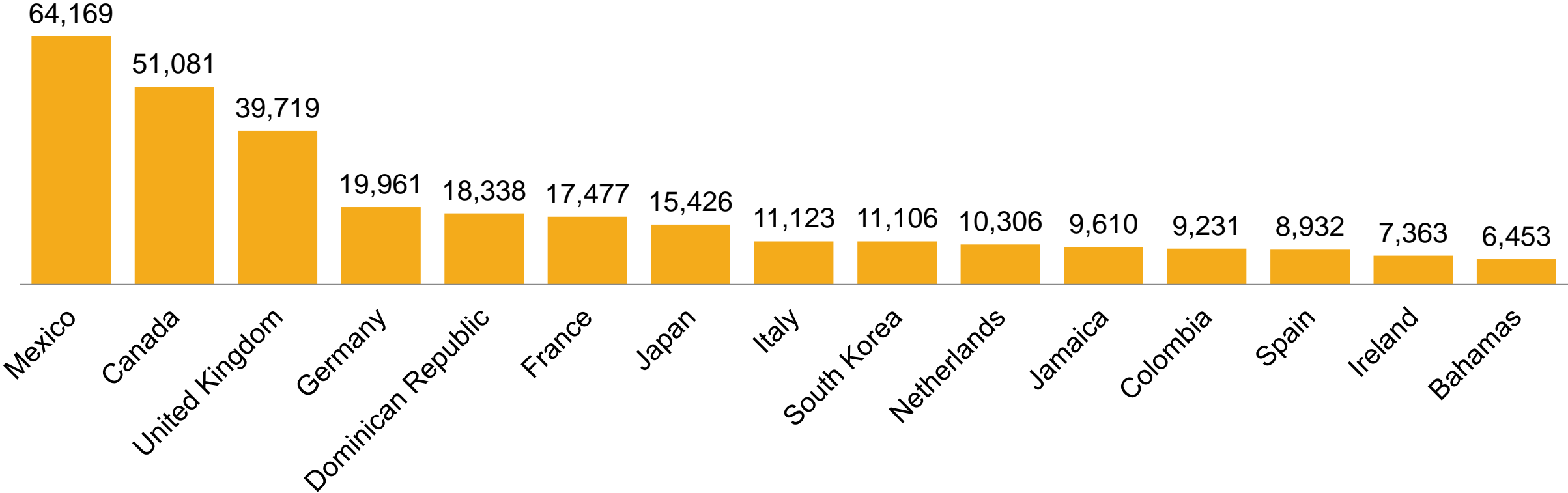
Sources: BTS Form 41 T1 reports for historical traffic and Cirium for published schedules

* Enplaned systemwide in scheduled service on U.S. airlines from June 1-August 31

This Summer, Airlines Are Deploying the Most International Seats to Mexico and Canada

The United Kingdom, Germany and the Dominican Republic Round out the Top Five

Summer 2023: Top U.S.-International Country Pairs by Average Daily Seats



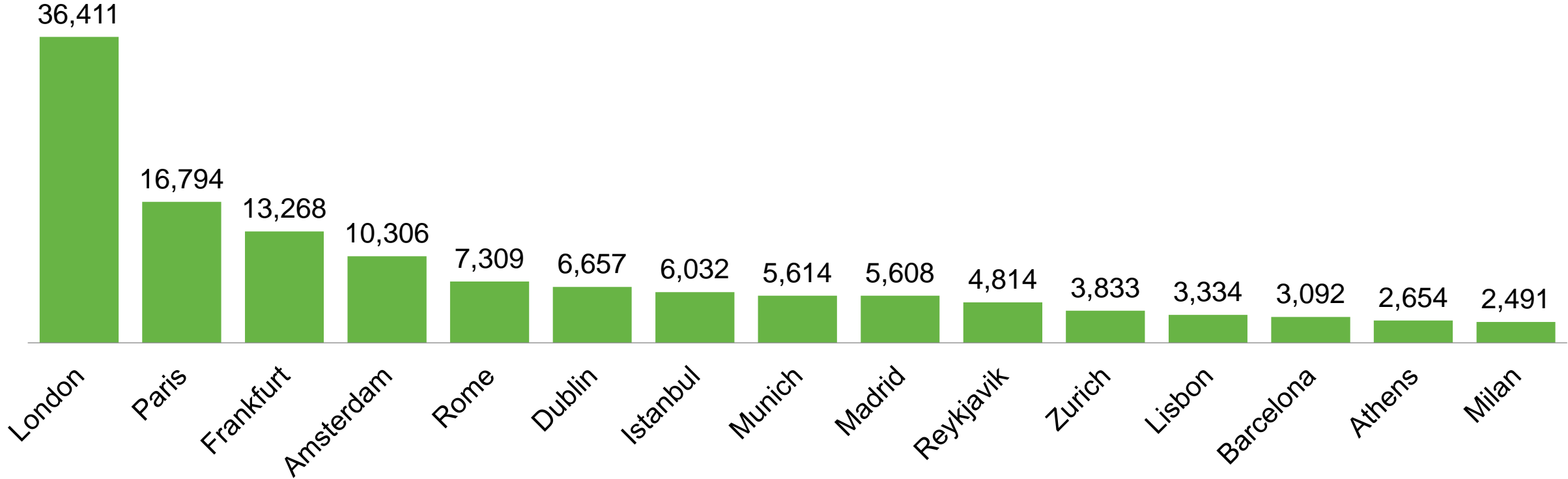
Source: Dii by Cirium published schedules (May 19, 2023) for all U.S. and non-U.S. airlines providing scheduled international service from the United States

Summer = June 1 through August 31

From the U.S. to Europe, Airlines Are Deploying the Most Seats to London and Paris

Frankfurt, Amsterdam and Rome Round out the Top Five

Summer 2023: Top U.S.-Europe Nonstop Destination Airports by Average Daily Seats



Source: Diio by Cirium published schedules (May 19, 2023) for all U.S. and non-U.S. airlines providing scheduled international service from the United States

Summer = June 1 through August 31

From the U.S. to Europe, Airlines Are Offering 14% More Flights YOY and 13% More Seats YOY

549 Daily Flights From the U.S. to Europe This Summer

Comparison of U.S.-Europe Nonstop Service Offerings by U.S. and Non-U.S. Airlines

	Summer 2022	Summer 2023	Change
Flights per Day	480	549	+ 69 (14%)
Seats per Day	129,912	147,244	+ 17,332 (13%)
Seats per Flight	271	268	- 3

21 airlines—including American/Delta/JetBlue/United—are growing U.S.-Europe seats more than 10% YOY.

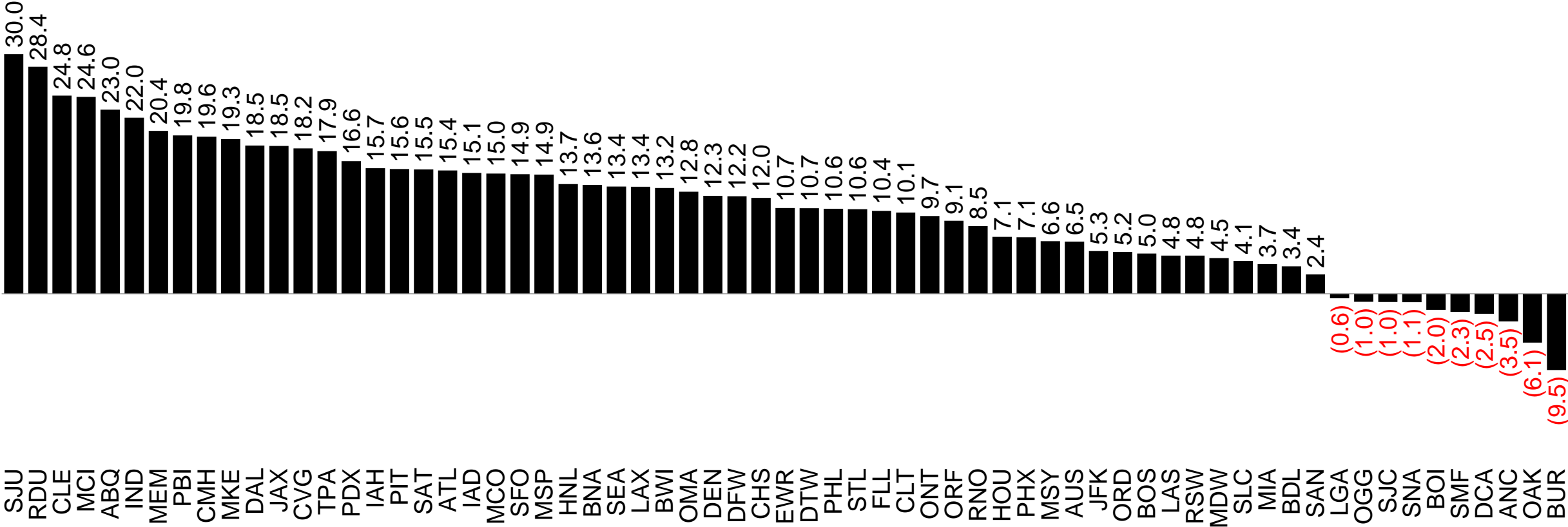
Source: Diao by Cirium published schedules (May 19, 2023) for all U.S. and non-U.S. airlines providing scheduled international service from the United States

Summer = June 1 through August 31

This Summer, 38 Large/Medium U.S. Airports Are Expecting *Double-Digit* YOY Seat Growth

55 of the 65 Locations Are Showing Growth

Change (%) in Systemwide Scheduled Seats: Summer 2023 vs. Summer 2022



Source: Diio by Cirium published schedules (May 19, 2023) for all U.S. and non-U.S. airlines providing scheduled service to all U.S. and non-U.S. destinations

Summer = June 1 through August 31

“Controllable” or “Uncontrollable” — What’s All the Buzz About???

“Delta flight delayed after massive swarm of bees latches onto plane’s wing for hours”



“The flight was initially set to leave Houston at 12:25 p.m. Eastern time today for Atlanta but was delayed until about 4:30 p.m. due to the bee swarm...”

“Dead armadillo on the tarmac delays 43 flights at Orlando International Airport”



“Following protocol, this meant the temporary closure of the runway... This closure occurred during one of the busiest times of the day at MCO, and its impact was further felt because of routine maintenance and construction on two other runways at the same time, resulting in only one operational runway for approximately 20 minutes.”



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