



FACT SHEET: INDUSTRY STATISTICS

System-wide global commercial aviation	2000	2001	2002	2003	2004	2005F
REVENUES, \$ billion	329	308	306	322	374	412
Passenger	256	239	238	249	294	326
Cargo	40	39	38	40	46	50
Traffic volume growth, %						
Passenger	9.6	-2.9	0.1	1.5	14.0	7.4
Cargo	9.2	-6.3	6.1	4.3	11.9	3.0
World economic growth, %	4.7	1.6	1.7	2.6	4.1	3.2
Yield growth%	-1.8	-2.5	-2.4	2.7	2.5	3.8
Yield growth, inflation/ex rate adjusted %	-3.0	-2.6	-4.6	-4.9	-3.8	0.4
EXPENSES, \$ billion	318	319	311	323	371	411
Fuel	46	43	40	44	63	97
% of expenses	14	13	13	14	17	24
Crude oil price, Brent, \$/b	28.8	24.7	25.1	28.8	38.3	57.0
Jet fuel price, \$/b	36.7	30.5	29.1	34.7	49.7	74.0
Gallons used/100tkp	11.33	11.83	11.35	10.99	10.62	10.27
Non-Fuel	272	276	271	280	308	314
cents per atk (non-fuel unit cost)	37.9	38.5	37.8	38.2	38.0	36.9
% change	-2.9	1.7	-1.7	1.0	-0.5	-3.0
% change, adjusted for ex rate	-0.9	4.4	-2.4	-4.3	-4.2	-4.2
Break-even weight load factor, %	61.5	63.9	62.9	63.3	63.2	64.1
Weight load factor achieved, %	61.9	59.4	60.8	61.0	62.4	63.0
OPERATING PROFIT, \$ billion	10.7	-11.8	-4.9	-1.5	3.5	0.1
% margin	3.3	-3.8	-1.6	-0.5	0.9	0.0
NET PROFIT, \$ billion	3.7	-13.0	-11.3	-7.6	-4.2	-7.4
% margin	1.1	-4.2	-3.7	-2.3	-1.1	-1.8

Note: 2000-2004 data sourced from ICAO, OEF and Platts. 2005 figures are IATA forecasts, except for the oil price which is taken from the financial market consensus. Both yields and unit costs have been distorted in 2003 and 2004 by the significant fall in the US dollar. We provide estimates that broadly correct for this distortion but should only be taken as an indication of trend.

Key points:

- Net losses forecast for the global airline industry in 2005 are revised higher from \$6 billion to \$7.4 billion, as a result of much higher than expected oil prices;
- As in 2004, US airlines are expected to lose more than this industry-wide total, with profits – considerably reduced - being achieved in Asia and Europe;
- Average oil prices this year have been revised up from \$47 a barrel to \$57, reflecting the recent situation in oil markets. On top of which the refinery spread has widened due to capacity losses, taking the average fuel price to \$74 a barrel;
- The deterioration in net profits (losses) is limited by a stronger than anticipated revenue environment, with the exception of weaker cargo volumes. Fuel surcharges have led to a significant rise in yields;
- The rise in yields needs to be put into perspective. Once adjusted for the decline in the US dollar, yields in real terms remain on a downward trend.

Financial Results

Industry net profits, US\$ billion	2004	2005 (e)
Global	-4.2bn	-7.4
Regions		
US	-9.1	Greater than -8
Europe	1.4*	breakeven
Asia-Pacific	2.6	1
Other	0.9	

Note: These are IATA estimates, except for the 2004 US that are sourced from the US DoT.

* European carrier profit subject to potential downward revision of US\$0.5 bn from forthcoming AEA revised profit data.

International Traffic Results

July 2005 over July 2004					Year to Date - 2005 over 2004				
RPK Growth	ASK Growth	PLF	FTK Growth	ATK Growth	RPK Growth	ASK Growth	PLF	FTK Growth	ATK Growth
8.5%	7.0%	79.6	2.2%	5.6%	8.8%	7.4%	74.8	3.5%	7.1%

Traffic Forecast

	Passenger Intl+Dom (TKP)	Cargo Intl+Dom (TKP)
2004	+14.0%	+11.9%
2005	+7.4%	+3.4%
2006	+3.6%	+4.0%

Note: The figures are average annual growth rates taken from IATA's August 2005 Financial Forecasts.

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