

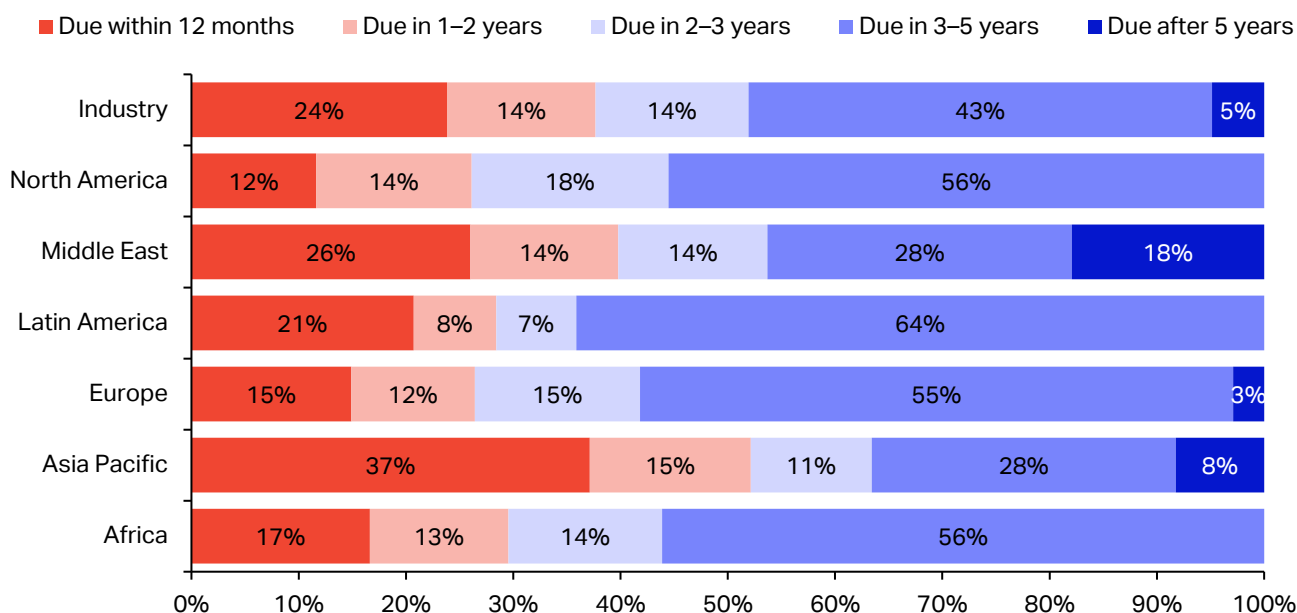


Chart of the Week

16 October 2026

Most Airline Refinancing Needs Lie Beyond the Next Two Years

Debt maturity distribution by region, % of total



Source: IATA Sustainability and Economics using data from Airfinance Global.

Note: Based on a sample of 125 airlines. Due in 3-5 years and Due after 5 years may be used interchangeably for some airlines.

- The recent policy interest rate increases by central banks in the US, Europe, and Japan, have pushed ten-year government bond yields higher and lifted the cost financing across the debt-maturity spectrum ([Chart of the Week 25 September 2026](#)).
- As existing debt matures, refinancing at higher interest rates will raise airlines' debt-servicing costs. Airline debt is relatively long-dated: around two thirds mature beyond two years. The total includes interest bearing debt and aircraft finance lease liabilities; these typically run for several years and lengthen the maturity profile of airlines' debt. While this structure is broadly comparable to that of other capital-intensive industries that finance long-lived assets, aviation is unusual in combining the characteristics of a service industry with a highly asset-intensive business model.
- Around 43% of airline debt is due to mature within three to five years, while 24% falls due within the next 12 months and may need to be refinanced at higher rates. Airlines in the Asia Pacific region have the highest proportion of debt maturing within the next 12 months at 37%. North American and European airlines, on the other hand, will have to refinance 12% and 15% respectively in the coming 12 months. Airlines carrying more debt with a shorter maturity profile as well as those with lower credit ratings will face a larger refinancing penalty. Once they have refinanced, higher interest payments will reduce the cash available for all other expenses, including deleveraging, fleet renewal, and decarbonization. This will come on top of the dramatic jet fuel price increases seen this year. While the effect will not be uniform, it will weigh on all airlines' profitability.

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