

# A Profit Roller

By Perry Flint

If anything is to be learned from the past 12-18 months it is that stability and the airline industry will continue to be strangers for the foreseeable future.

**T**HE WORLD AIRLINE INDUSTRY HAS BEEN TO HELL AND BACK in a remarkably short period of time. From record losses of \$16 billion in 2008 followed by \$9.9 billion in red ink in 2009, carriers are projected to earn \$2.5 billion in 2010, according to IATA's most recent financial forecast presented at last month's AGM in Berlin (see tables, p. 28). If achieved, this will represent an \$18.5 billion profit rebound over two years after a negative swing of \$28.9 billion between 2007 and 2008. But recent history hardly inspires confidence in the next six months, let alone the next year, particularly given the known-unknowns of oil prices and terrorism and the unknown-unknowns typified by Europe's volcanic ash crisis.

# Coaster



Indeed, if anything is to be learned from the past 12-18 months it is that stability and the airline industry will continue to be strangers for the foreseeable future. To understand how thin the margins between tragedy and hope are, it is only necessary to reflect upon what the outlook for the next 12-24 months might be had Umar Farouk Abdulmutallab succeeded in detonating his bomb on Christmas Day.

It is also possible to frame volatility as a positive. In mid-2009, IATA DG and CEO Giovanni Bisignani worried that at least three years of revenue growth had been lost. Yet despite an

unprecedented decline in passenger and cargo traffic in 2009, it is apparent that the worst-case scenario did not come to pass. Industry revenues sank from \$564 billion in 2008 to an estimated \$483 billion in 2009, but IATA now projects that 2010 revenues will bounce back to \$545 billion, easily exceeding the \$510 billion in 2007 and just 3.4% below 2008.

"We thought that it would take at least three years to recover the \$81 billion [14.3%] drop in revenues in 2009. But the \$62 billion top-line improvement this year puts us about 75% on the way to pre-crisis levels," Bisignani said in Berlin.

Likewise, the fear that international premium travel was entering a sustained secular decline turned out to be overblown. The sharp drop in premium travelers bottomed in the summer of 2009 and turned positive in the fourth quarter, reaching an annualized pace of over 20% in the 2010 first quarter. Overall, IATA forecasts a 4.5% improvement in yields this year, driving a 13% rise in revenues. The cargo recovery has, if anything, been more striking: From a stunning 9.8% collapse in demand between 2008 and 2009 it is forecast to rebound 18.5%.

Although the resurgence is being driven by the macroeconomic environ-

ment, other factors are coming into play as well, lower oil prices among them. After peaking at more than \$135

per barrel in July 2008, the price of a barrel of Brent crude averaged \$62 last year, helping reduce industry fuel costs by 40% versus 2008. Unfortunately,

the price of oil has risen considerably this year, hitting \$86/barrel by late May. IATA expects it to average \$79 for the full year.

The industry is doing its part as well. By and large, carriers maintained capacity discipline during the recession with ASKs down an estimated 3% last year. By the end of 2009, load factors on international flights were at record levels, according to IATA. The 2010 forecast is for a 5.4% rise in capacity, which will be manageable in a high traffic growth environment. Still, as Bisignani noted, 1,340 aircraft will be delivered this year “and only 500 are for replacement.”

On the revenue side, fare “unbundling”—the introduction of things like baggage and preferred seat fees—has created much-needed revenue streams and

not just for LCCs. US carriers generated \$2 billion in revenue from bag fees and other ancillary charges in just the fourth quarter. Airlines also maintained cost discipline, with nonfuel costs down an estimated 3.4% in 2009. This year’s outlook is less positive, with nonfuel expenses forecast to rise nearly 6%.

Labor unrest at British Airways and Lufthansa signals growing resistance among employees to continuing austerity diets. Most major US passenger airlines are in the process of negotiating open labor contracts, and after years of belt-tightening employees are eager to dine on something a bit richer than the potatoes and gravy they have been served since the restructurings conducted earlier in the decade.

A further challenge comes from revenue-hungry treasuries eager to cover budget deficits with new taxes on aviation. As the AGM was underway, the German government announced plans to impose a new “green” departure tax intended to raise €1 billion (\$1.19 billion). “We never had a €1 billion tax gift from a government during an IATA AGM,” Bisignani commented sourly. The government says it will be in place until the Emissions Trading Scheme begins in 2012, but such taxes often have a habit of sticking around long after their ostensible purpose has been fulfilled. Rising air navigation charges are also a concern in Europe, with IATA claiming that rate hikes at 19 ANSPs added \$413 million to airline costs.

And what will be the ultimate cost to airlines of Europe’s questionable handling of the volcanic ash crisis that stranded an estimated 10 million passengers and lost airlines an estimated \$2.2 billion in the first week alone? Even if one accepts that safety regulators were justified in closing airspace for six days, is it reasonable that the EU passenger rights legislation contains no force majeure clause to absolve carriers of the costs of feeding, housing and in some cases babysitting and entertaining stranded passengers while the airlines were not permitted to fly?

**In Review** A look back at 2009 reveals that, as expected, Europe bore the brunt of the recession. Aggregate airline losses there are estimated at \$4.3 billion. Six years of profitability came to an end for Lufthansa Group as it posted a net loss of €112 million (\$160.5 million), largely owing to problems in

## FACT FILE

## Airline Industry Performance

	2007	2008	2009E	2010F
<b>Revenues, \$ billion</b>	<b>510</b>	<b>564</b>	<b>483</b>	<b>545</b>
Passenger	398	439	369	414
Cargo	59	64	49	61
<b>Traffic volumes</b>				
Passenger (mil.)	2,281	2,271	2,224	2,382
Freight tonnes (mil.)	41.8	40.5	36.5	43.3
World economic growth (%)	3.8	1.7	-2.2	3.1
Passenger yield, %	3.0	9.9	-14.0	4.5
<b>Expenses, \$ billion</b>	<b>490</b>	<b>573</b>	<b>484</b>	<b>533</b>
Fuel (\$ bil.)	134	189	113	140
% of expenses	27	33	23	26
Crude oil price, Brent, \$/b	73.0	99.0	62.0	79.0
Nonfuel (\$ bil.)	356	384	371	393
Cents per ATK (nonfuel unit cost)	39.6	42.4	43.1	43.3
% chg.	-1.4	7.2	1.6	0.5
<b>Operating Profit, \$ billion</b>	<b>19.9</b>	<b>(8.9)</b>	<b>(1.2)</b>	<b>12.7</b>
% margin	3.9	-1.6	-0.3	2.3
<b>Net Profit, \$ billion</b>	<b>12.9</b>	<b>(16.0)</b>	<b>(9.9)</b>	<b>2.5</b>
% margin	2.5	-2.8	-2.1	0.5

Source: ICAO data to 2008. IATA 2009 estimates and 2010 forecasts. Excludes exceptional accounting items and mark-to-market fuel hedging losses from net profits.

## Airline Industry Profits (US\$ bil.)

	2008	2009E	2010F		2008	2009E	2010F
<b>Operating Profits</b>				<b>Net Profits</b>			
<b>Global</b>	<b>\$(8.9)</b>	<b>\$(1.2)</b>	<b>\$12.7</b>	<b>Global</b>	<b>\$(16.0)</b>	<b>\$(9.9)</b>	<b>\$2.5</b>
				<b>Including exceptional items</b>	<b>(36.1)</b>	<b>(9.8)</b>	<b>2.5</b>
<b>Regions</b>				<b>Regions</b>			
<b>North America</b>	<b>(3.5)</b>	<b>1.9</b>	<b>5.9</b>	<b>North America</b>	<b>(9.6)</b>	<b>(2.7)</b>	<b>1.9</b>
				<b>Incl. exceptional items</b>	<b>(24.4)</b>	<b>(2.7)</b>	<b>1.9</b>
<b>Europe</b>	<b>0.2</b>	<b>(3.2)</b>	<b>(1.8)</b>	<b>Europe</b>	<b>0.0</b>	<b>(4.3)</b>	<b>(2.8)</b>
				<b>Incl. exceptional items</b>	<b>(1.0)</b>	<b>(4.3)</b>	<b>(2.8)</b>
<b>Asia/Pacific</b>	<b>(6.4)</b>	<b>0.0</b>	<b>6.8</b>	<b>Asia Pacific</b>	<b>(4.7)</b>	<b>(2.7)</b>	<b>2.2</b>
				<b>Incl. exceptional items</b>	<b>(8.7)</b>	<b>(2.6)</b>	<b>2.2</b>
<b>Middle East</b>	<b>0.3</b>	<b>(0.4)</b>	<b>0.5</b>	<b>Middle East</b>	<b>(0.3)</b>	<b>(0.6)</b>	<b>0.1</b>
<b>Latin America</b>	<b>0.6</b>	<b>0.6</b>	<b>1.1</b>	<b>Latin America</b>	<b>(1.4)</b>	<b>0.5</b>	<b>0.9</b>
				<b>Incl. exceptional items</b>	<b>(1.7)</b>	<b>0.5</b>	<b>0.9</b>
<b>Africa</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>0.1</b>	<b>Africa</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>0.1</b>

Source: ICAO data to 2008. IATA estimates for 2009 and forecasts for 2010. Exceptional items include revaluations of goodwill associated with restructuring and of mark-to-market fuel hedging.

the passenger airline business. Although this was mild compared to the losses at most other European network airlines, it signaled the depth of the crisis that cost Air France KLM €1.56 billion, Alitalia €326 million, British Airways £425 million (\$534.3 million), Iberia €273 million and SAS Group SEK2.95 billion (\$410.4 million).

Europe's legacy carriers attributed their troubles to the weak economy and collapse of high-yield long-haul business traffic as well as the residue of upside-down fuel hedges and a stronger dollar. This is certainly accurate, but if additional culprits are needed one could point to rising long-haul competition from Emirates, Etihad and Qatar Airways and perhaps to encroachment in short-haul markets from the likes of Ryanair, easyJet, Air Berlin and Norwegian, although this last factor is disputed by most former flags.

At last month's ILA Berlin Air Show, Emirates threw down a challenge to Lufthansa (and others) seeking to curb its European ambitions by ordering 32 more A380s. Political leaders in Germany and France now must manage their aviation negotiations with an eye cocked on keeping the EADS factories in Toulouse and Hamburg busy. The continent's deepening debt crisis, coupled with the fall of the euro and fallout from the volcanic ash crisis, are among the reasons that its airlines are expected to lose money again this year—\$2.8 billion, according to IATA.

**Return To Form** Airlines in the Asia/Pacific region that lost some \$4.7 billion in 2008 shed a further \$2.7 billion in 2009, but most of those losses were incurred in the first half of the year. Singapore Airlines hung onto its 38-year profit streak. Qantas and Air New Zealand, *ATW's* Airline of the Year for 2010, also found ways to make money, albeit at a reduced rate. Malaysia Airlines doubled its income year-on-year owing to profitable fuel hedges and some aggressive sales campaigns.

Tough medicine, including parking aircraft and unpaid leave for staff, helped restore Cathay Pacific, although the largest impact came from fuel hedges and asset sales. China's big three, heavily supported by government cash infusions and a resurgent domestic market, all posted profits after deep deficits the year before. India's big three are still in the red, but the big two private carriers, Jet Airways

and Kingfisher, are feeling better about the future in spite of the inroads made by successful LCCs IndiGo and SpiceJet (*ATW*, 5/10, p. 28). Air India, reeling from the crash of a 737 in May and an unsustainable cost structure, has pinned its future on a government recap that is tied to an ongoing restructuring program.

The bankruptcy of Japan Airlines, as dramatic in Japan as was the collapse of Swissair in Switzerland, seemingly left the door wide open for rival ANA, but ANA is struggling with cost issues itself. Shorn of its former government/legacy cost structure, JAL could emerge as a leaner, more nimble competitor. In any case Japan, like the US, is a mature air transport market with the added drawback of an excellent high-speed rail network. The opening of Haneda to more international flights including long-haul is a two-edged sword; it will allow both carriers to develop a better hub function than is possible at Narita, but it also devalues their strong slot holdings at NRT. Open skies with the US means antitrust-immunized alliances for both ANA and JAL but does not eliminate the challenges posed by regional rivals happy to scoop up fifth and sixth freedom traffic if liberalization permits.

**Continental Divide** IATA data show that results for North American (US and Canada) airlines improved dramatically over 2008's \$9.6 billion deficit to a loss of just \$2.7 billion last year excluding special items. The outlook has brightened considerably for 2010, with carriers expected to earn \$1.9 billion. Standout earnings performances last year by AirTran Airways, Alaska Airlines, Allegiant Air, JetBlue and Canada's WestJet, four of which did not exist 20 years ago, stand in bold contrast to the continuing losses of the big five US legacy carriers plus Air Canada. The merger of United Airlines and Continental Airlines announced in May, if consummated, could help bring stability to the mar-

FACT FILE

Alliance Members

Star Alliance

Adria
Air Canada
Air China
Air New Zealand
ANA
Asiana Airlines
Austrian Airlines
Blue1
Bmi
Brussels Airlines
Continental Airlines
Croatia Airlines
EgyptAir
LOT Polish Airlines
Lufthansa
SAS
Shanghai Airlines
Singapore Airlines
South African Airways
Spanair
SWISS
TAM
TAP Portugal
Thai Airways
Turkish Airlines
United Airlines
US Airways

Future members:  
Aegean Airlines,  
Air India.  
SOURCE: Star Alliance

Oneworld Alliance

American Airlines
British Airways
Cathay Pacific
Finnair
Iberia
JAL
LAN Airlines
Malev Hungarian Airlines
Mexicana
Qantas
Royal Jordanian

Future members:  
Kingfisher Airlines,  
S7 Airlines.  
SOURCE: Oneworld

SkyTeam Alliance

Aeroflot
Aeromexico
Air France KLM
Alitalia
China Southern Airlines
CSA
Delta Air Lines
Korean Air

Future members:  
China Eastern Airlines,  
Vietnam Airlines.  
SOURCE: SkyTeam

ket and keep a lid on capacity—or not (*ATW*, 6/10, p. 47).

Data from the Air Transport Assn. show that domestic ASMs fell 6.9% last year, the deepest contraction since 1942. But why should a network carrier add any new domestic capacity? In 1995 dollars, the average US domestic airfare in the fourth quarter of 2009 was \$227 compared to \$288 in 1995 and \$300 in 2000, according to ATA. Meanwhile, US scheduled passenger airlines employed 4.1% fewer workers in April 2010 than in April 2009, the 22nd consecutive monthly year-

over-year decline. The total of 376,200 FTEs was the lowest since at least 1990.

Airlines need to pay much closer attention to the mood in Washington these days. The tarmac delay rule and a slew of new pro-consumer proposals show that the Obama administration intends to back up tough words with tough actions.

**Consistency** The most consistent performers during 2009-10 are the airlines of Latin America, which managed the rare feat of making a bit of money (\$500 million) last year and are expected to earn \$900 million this year owing to standout performances from carriers such as LAN Airlines, Gol, Copa, and TAM (which joined Star Alliance in May). Airlines in the region's second-largest market, Mexico, were hard hit by the H1N1 outbreak. Consolidation continues to occur, with the most recent example being the merger of Grupo TACA of El Salvador and Avianca of Colombia via a Bahamas-based holding company structure that is owned 67% by Avianca parent Synergy Aerospace Corp. and 33% by TACA parent Kingsland Holding.

Airlines of the Middle East lost \$600 million last year but a breakeven result is expected this year. Except for the fact that it is now larger, Emirates is the Singapore Airlines of the region, consistently profitable and determined to grow beyond the limitations of its home market if only governments in Europe, North America and Asia will permit it. Last month, Qatar Airways' outspoken CEO, Akbar Al Baker, dismissed the notion that consolidation is required among the more than half-dozen Persian Gulf airlines, saying the majority will "just disappear," leaving two dominant carriers.

Africa's industry remains as fragmented as the continent itself, with few sub-Saharan airlines in shape to compete with the influx of lift from Europe and the Middle East. There are exceptions. Those along the Mediterranean and Red Seas like EgyptAir (ATW, 3/10, p. 20), Kenya Airways and Ethiopian Airlines are well-positioned to capture flow traffic, while South African Airways will get a boost from the World Cup that exposed thousands of new visitors to the attractions of the country and its

integration into the Star Alliance network. In January, Ethiopian realized a long-sought objective to create a West African hub with the launch of ASKY Airlines, a Lome-based carrier operating a pair of 737s leased from ET, but that was overshadowed by the loss of an ET 737-800 that month, the first of two major accidents involving African carriers operating Western equipment this year. Although Ethiopian has had an excellent safety record, the accident helped to keep the spotlight on safety and training issues in the region.

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# The World's Leading Low-Cost Carriers

In Operating Revenue			In Operating Profit			In Net Profit		
Rank	Airline	(\$, 000)	Rank	Airline	(\$, 000)	Rank	Airline	(\$, 000)
1	Southwest Airlines	\$10,350,338	1	Ryanair	\$541,184	1	Gol	\$513,744
2	EasyJet	4,246,497	2	JetBlue Airways	279,000	2	Ryanair	410,902
3	Ryanair	4,021,669	3	Southwest Airlines	262,042	3	AirAsia	160,401
4	Gol	3,474,845	4	Gol	238,346	4	AirTran	134,662
5	JetBlue Airways	3,286,000	5	WestJet	200,721	5	Air Arabia	123,157
6	AirTran Airways	2,341,442	6	AirTran Airways	177,010	6	EasyJet	113,376
7	WestJet	2,174,566	7	AirAsia	130,720	7	Southwest Airlines	99,372
8	Virgin Blue	2,120,193	8	Allegiant	122,253	8	WestJet	93,592
9	Jetstar	1,489,139	9	Spirit Airlines	107,187	9	Spirit Airlines	81,493
10	Norwegian Air Shuttle	1,258,686	10	Vueling Airlines	102,236	10	Norwegian Air Shuttle	76,847

  

In RPKs		In Passengers		In Load Factor		In Operating Fleet					
Rank	Airline	(mil.)	Rank	Airline	(000)	Rank	Airline	%	Rank	Airline	No. of Aircraft
1	Southwest Airlines	120,042	1	Southwest Airlines	101,430	1	Spring Airlines	95.0	1	Southwest Airlines	541
2	EasyJet	52,285	2	Ryanair	66,500	2	Allegiant	87.4	2	Ryanair	229
3	JetBlue Airways	41,782	3	EasyJet	48,719	3	EasyJet	86.9	3	EasyJet	168
4	AirTran Airways	29,922	4	Gol	28,385	4	Tiger Airways	86.3	4	JetBlue Airways	151
5	Gol	26,096	5	AirTran Airways	23,998	5	Virgin America	82.4	5	AirTran Airways	138
6	Virgin Blue	24,409	6	JetBlue Airways	22,450	6	Ryanair	82.0	6	Gol	94
7	WestJet	22,271	7	AirAsia	18,251	7	Jet2	81.6	7	WestJet	88
8	Jetstar	17,472	8	Virgin Blue	14,253	8	Air Arabia	80.0	8	AirAsia Group	82
9	AirAsia	15,432	9	WestJet	14,039	8	IndiGo	80.0	9	Virgin Blue	68
10	Norwegian Air Shuttle	10,602	10	Norwegian Air Shuttle	10,754	8	Germanwings	80.0	10	Norwegian Air Shuttle	50

Financial rankings are based on data for the most recent fiscal year for which data are available. **SOURCE:** Ascend Online Fleets database, [www.ascendworldwide.com](http://www.ascendworldwide.com).

# The World's Top 25 Airlines 2009

In Operating Revenue			In Operating Profit			In Net Profit		
Rank	Airline	Op. revenue (\$ 000)	Rank	Airline	Op. profit (\$ 000)	Rank	Airline	Net profit (\$ 000)
1	Lufthansa Group	31,924,069	1	Emirates Airline <sup>1</sup>	970,861	1	Emirates Airline <sup>1</sup>	963,508
2	Air France KLM <sup>1</sup>	28,262,450	2	Air China	806,953	2	Air China	704,562
3	Delta Air Lines	28,063,000	3	FedEx	714,809	3	Cathay Pacific	627,208
4	FedEx	19,962,555	4	Cathay Pacific	577,563	4	Gol Linhas Aereas	513,744
5	AMR Corp.	19,917,000	5	Ryanair <sup>1</sup>	541,184	5	Ryanair <sup>1</sup>	410,902
6	UAL Corp.	16,335,000	6	Turkish Airlines	479,398	6	Turkish Airlines	370,249
7	ANA Group <sup>1</sup>	13,255,131	7	LAN	435,691	7	TAM	251,269
8	Continental	12,586,000	8	Thai Airways	416,605	8	Copa Holdings	240,359
9	JAL Group <sup>1,4</sup>	12,411,938	9	Lufthansa Group	388,252	9	LAN	231,126
10	British Airways <sup>1</sup>	12,057,315	10	Aeroflot	359,000	10	FedEx	227,537
11	Emirates Airline <sup>1</sup>	11,834,150	11	JetBlue Airways	279,000	11	Thai Airways	223,012
12	Qantas Group *	11,707,160	12	Republic Airways Holdings	271,400	12	AirAsia	160,401
13	US Airways Group	10,458,000	13	Alaska Air Group	267,400	13	SIA Group <sup>1</sup>	154,253
14	Southwest Airlines	10,350,338	14	China Eastern Airlines	267,176	14	Malaysia Airlines	144,040
15	Air Canada	9,284,080	15	Southwest Airlines	262,042	15	AirTran Airways	134,662
16	SIA Group <sup>1</sup>	9,083,131	16	UPS Airlines	258,935	16	Ethiopian Airlines *	127,656
17	Cathay Pacific	8,636,750	17	Gol Linhas Aereas	238,346	17	Air Arabia	123,157
18	China Southern Airlines	8,330,791	18	Copa Holdings	223,326	18	Aeroflot	122,000
19	Korean Air	8,072,966	19	SkyWest Inc. <sup>2</sup>	212,195	19	Alaska Air Group	121,600
20	Air China	7,538,947	20	China Southern Airlines	211,237	20	Hawaiian Holdings	116,720
21	Iberia Group	6,316,619	21	WestJet	200,721	21	EasyJet *	113,376
22	SAS Group	6,255,989	22	South African Airways *	196,173	22	Garuda Indonesia	107,388
23	China Eastern Airlines	5,908,417	23	AirTran Airways	177,010	23	Southwest Airlines	99,372
24	TAM	5,631,776	24	Qantas Group *	163,315	24	Qantas Group *	98,954
25	Thai Airways	4,928,113	25	American Eagle	152,222	25	WestJet	93,592

In RPKs		In Passengers		In FTKs		In Operating Fleet					
Rank	Airline	RPKs (mil.)	Rank	Airline	Pass. (000)	Rank	Airline	FTKs (mil.)	Rank	Airline	No. of Aircraft †
1	Delta Air Lines	304,025	1	Delta Air Lines	161,047	1	FedEx	14,140	1	Delta Air Lines	735
2	Air France KLM <sup>1</sup>	202,455	2	Southwest Airlines	101,430	2	Air France KLM <sup>1</sup>	11,155	2	American Airlines	612
3	American Airlines	196,997	3	American Airlines	85,719	3	UPS Airlines	9,428	3	Southwest Airlines	541
4	United Airlines	161,740	4	Air France KLM <sup>1</sup>	71,394	4	Korean Air	8,427	4	Air France KLM	362
5	Continental	128,497	5	Ryanair <sup>1</sup>	66,500	5	Cathay Pacific	8,256	5	United Airlines	359
6	Emirates Airline <sup>1</sup>	126,331	6	China Southern Airlines	66,279	6	Lufthansa Cargo	7,425	6	US Airways	347
7	Lufthansa	122,991	7	United Airlines	56,083	7	SIA Cargo <sup>1</sup>	6,659	7	FedEx	329
8	Southwest Airlines	120,042	8	Lufthansa	55,589	8	China Airlines	4,959	8	Continental	324
9	British Airways <sup>1</sup>	110,851	9	US Airways	51,016	9	Cargolux	4,800	9	China Southern	320
10	US Airways	93,190	10	JAL Group <sup>1</sup>	47,952	10	British Airways <sup>1</sup>	4,537	10	SkyWest Airlines	281
11	China Southern Airlines	93,002	11	Continental	45,573	11	EVA Air <sup>3</sup>	3,630	11	Lufthansa	263
12	Cathay Pacific	89,440	12	EasyJet *	45,164	12	Air China	3,496	12	China Eastern	250
13	Singapore Airlines <sup>1</sup>	82,883	13	ANA <sup>1</sup>	44,562	13	Atlas Air	3,477	13	Air China	245
14	Qantas *	78,118	14	China Eastern Airlines	44,043	14	JAL Group <sup>1</sup>	3,384	14	ExpressJet	244
15	JAL Group <sup>1</sup>	76,266	15	Air China	39,841	15	Delta Air Lines	3,212	15	Ryanair	229
16	Air China	73,374	16	British Airways <sup>1</sup>	31,825	16	Asiana Airlines	3,116	16	American Eagle	224
17	Air Canada	71,073	17	TAM Linhas Aereas	28,957	17	LAN Airlines	2,623	17	British Airways	223
18	China Eastern Airlines	60,942	18	Gol Linhas Aereas	28,385	18	China Eastern Airlines	2,474	18	UPS Airlines	212
19	ANA <sup>1</sup>	55,619	19	Air Berlin Group	27,911	19	American Airlines	2,418	19	Japan Airlines	199
20	Korean Air	55,127	20	Emirates Airline <sup>1</sup>	27,454	20	United Airlines	2,341	20	Air Canada	198
21	Thai Airways	52,593	21	Iberia Group	25,560	21	ANA <sup>1</sup>	2,171	21	Atlantic Southeast	171
22	EasyJet *	50,566	22	Turkish Airlines	25,099	22	Qantas <sup>1</sup>	2,144	22	EasyJet	168
23	Iberia Group	49,612	23	Cathay Pacific	24,558	23	Thai Airways	2,092	23	JetBlue	151
24	TAM	42,379	24	AirTran Airways	23,998	24	Malaysia Airlines	2,072	23	Emirates	148
25	JetBlue Airways	41,782	25	Qantas *	23,622	25	Qatar Airways	2,012	25	Pinnacle Airlines	145

\* Fiscal year. 1. Year ending March 31, 2010. 2. Includes ASA. 3. Scheduled only. 4. Partial year. † As of March 31, 2010.  
SOURCE: Ascend Online Fleets data base, www.ascendworldwide.com.