



Airlines for America[®]

We Connect the World

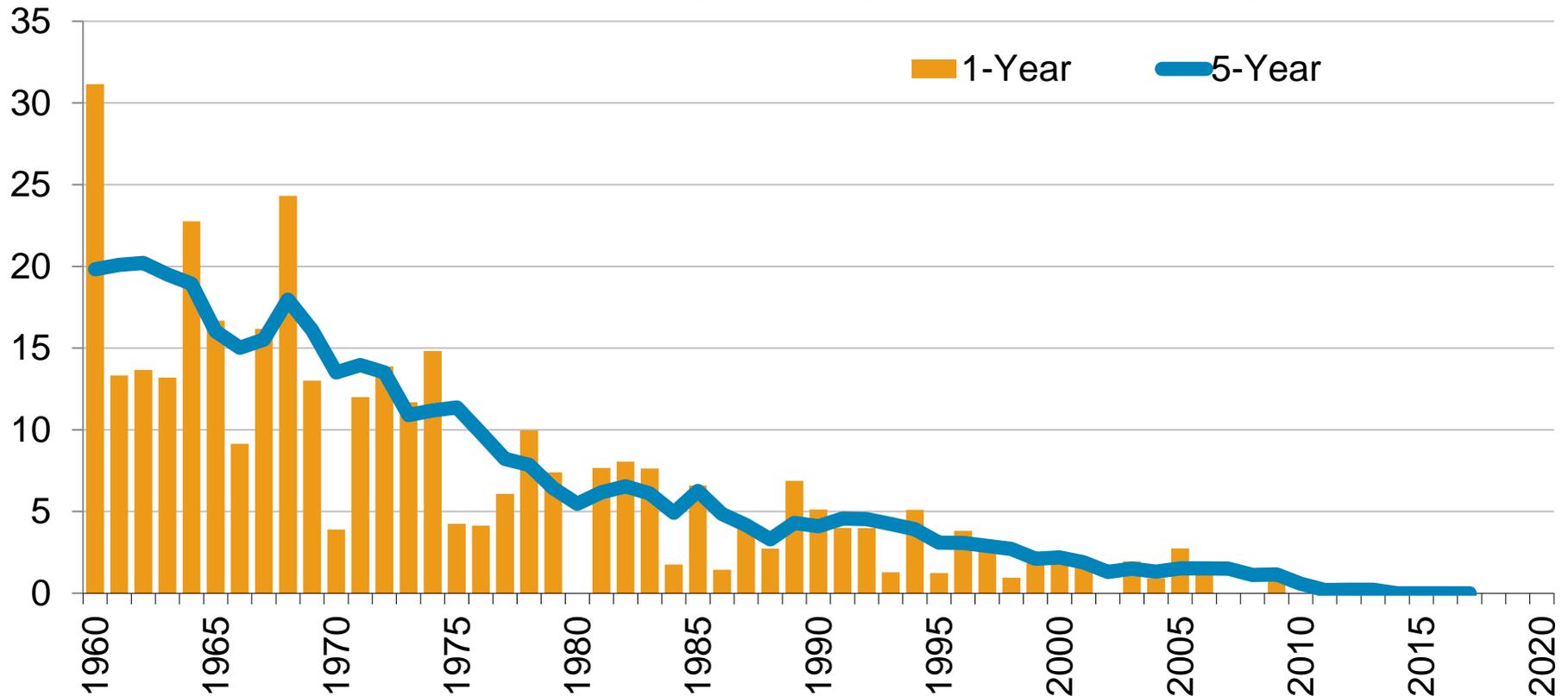
**The Air Travel Value Proposition:
Safer, Cheaper, Greener, Quieter – and Fast**

Updated June 6, 2019

U.S. Airline Industry Safety Has Improved Markedly

We're Experiencing the Safest Period in Aviation History

Fatal Accidents per 10M Aircraft Departures (Scheduled Part 121 Operations)

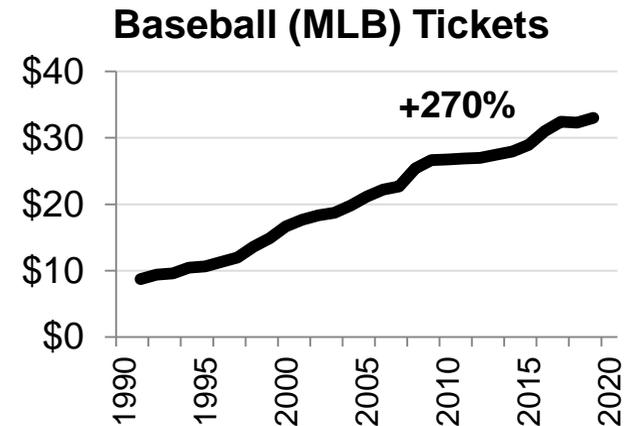
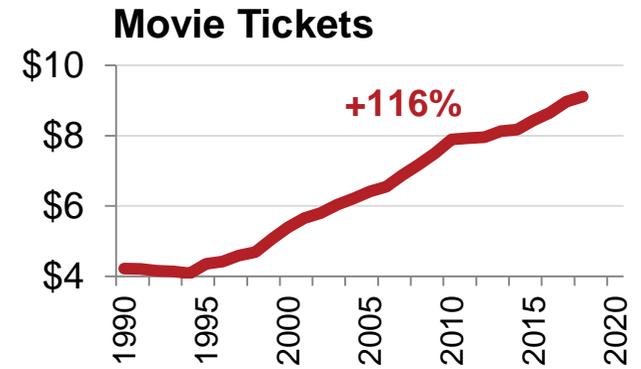
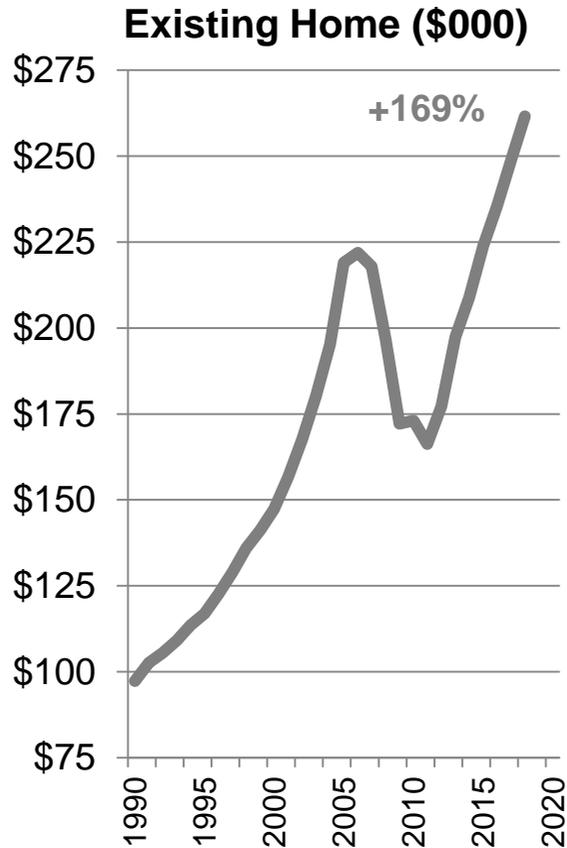
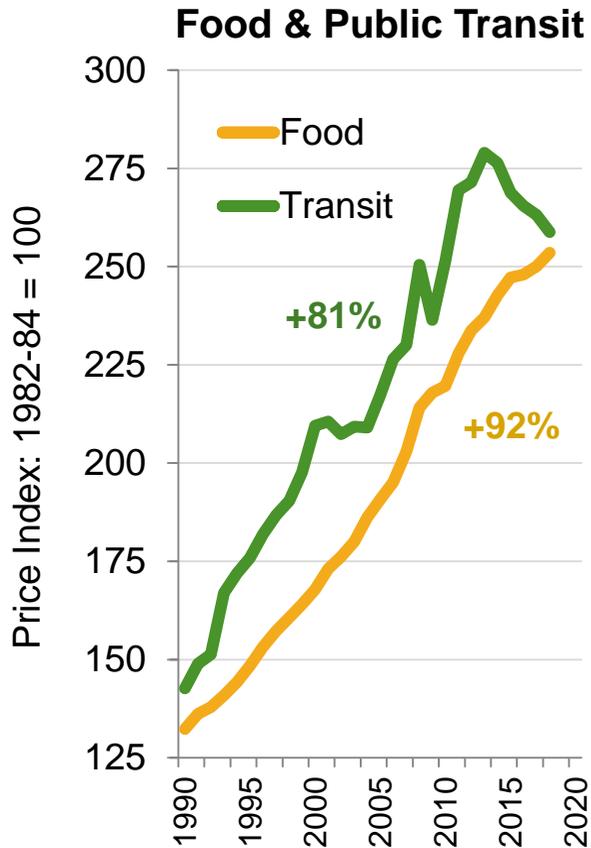


Source: A4A analysis of data from the National Transportation Safety Board (Tables 6 and 12) for U.S. air carriers operating under 14 CFR 121, scheduled service



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Americans Have Seen Increases in the Average Price of Food, Shelter, Public Transportation and Entertainment Over The Past Two and a Half Decades

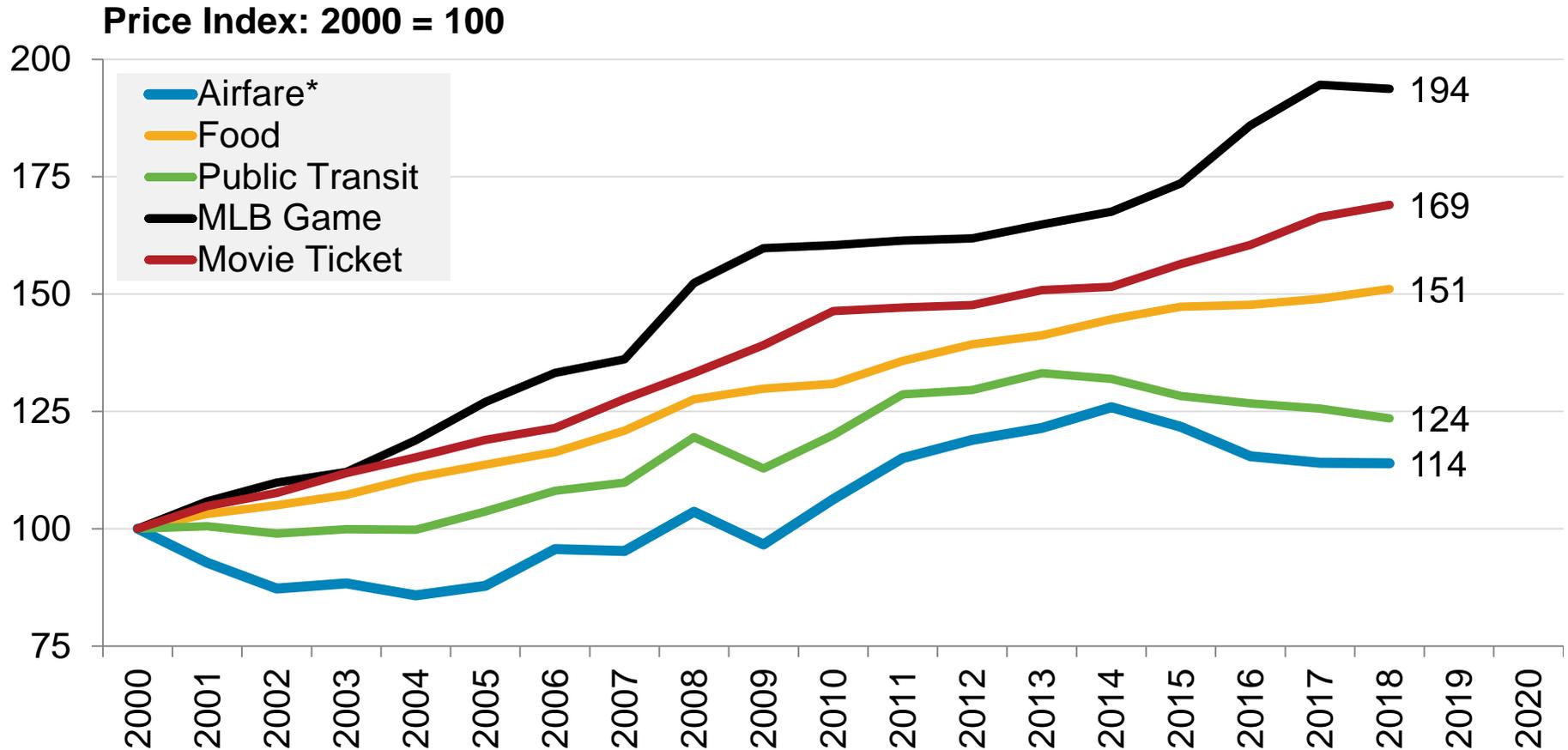


Source: Federal Reserve Bank of St. Louis, National Association of Realtors, National Association of Theatre Owners, Team Marketing Report



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Since 2000, the Price of Purchasing Food, Taking the Bus/Train, or Going to the Movies/Ballpark Has Significantly Outpaced the Price of Taking a Trip by Air



Source: A4A, BTS, FRB St. Louis, National Association of Theatre Owners, Team Marketing Report

* Domestic round-trip average, including bag and change fees



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Relative to Most Consumer Goods and Services, Air Travel Is a Bargain

U.S. Inflation and Personal Incomes Have Sharply Outpaced Price of Domestic Air Travel

	2000	2018	% Δ	
Real Increase	Product (Unit)			
	Public College Tuition & Fees (4-Year, In-State, Net)	\$1,159	\$3,740	223
	Jet Fuel (Gallon, Price Paid by U.S. Airlines)	\$0.81	\$2.16	167
	Disney World® Magic Kingdom (1-Day, Adult, Regular Season)	\$46	\$119	159
	National Football League Game (Nonpremium Ticket)	\$43.70	\$100.26	129
	Major League Baseball Game (Nonpremium Ticket)	\$16.67	\$32.29	94
	Prescription Drugs (BLS Index)	285.425	528.003	85
	Gasoline (Gallon, Unleaded Regular, Retail Including Taxes)	\$1.510	\$2.735	81
	Disposable Personal Income per Capita (Annual)	\$26,262	\$47,404	81
	Single-Family Home (Existing)	\$147,300	\$261,600	78
	Movie Ticket (One Adult)	\$5.39	\$9.11	69
Food (BLS Index)	167.817	253.562	51	
U.S. Consumer Price Index (CPI-U)¹	172.200	251.107	46	
Real Decrease	Vehicle (New, Retail)	\$24,900	\$35,608	43
	Public Transit	209.492	258.795	24
	Indoor Plants and Flowers	114.700	131.121	14
	Air Travel (R/T Domestic Fare + Ancillary)²	\$317.84	\$362.13	14
	Apparel: Clothing/Shoes/Jewelry (BLS Index)	129.575	125.654	(3)
Television (BLS Index)	49.925	1.966	(96)	

1. Bureau of Labor Statistics “measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services.”

2. A4A analysis of data collected by BTS via Airline Data Inc. – excludes taxes; “ancillary” includes revenue from reservation changes/cancellations and baggage



Air Transport Association Advertisement, *The Saturday Evening Post*, March 22, 1941

“Air Travel Is Not Expensive: See for Yourself...It Costs Less Than You Think”

One-way from BOS to LAX in 1941 cost \$156.42 and took 15 hours and 15 minutes with up to 12 stops

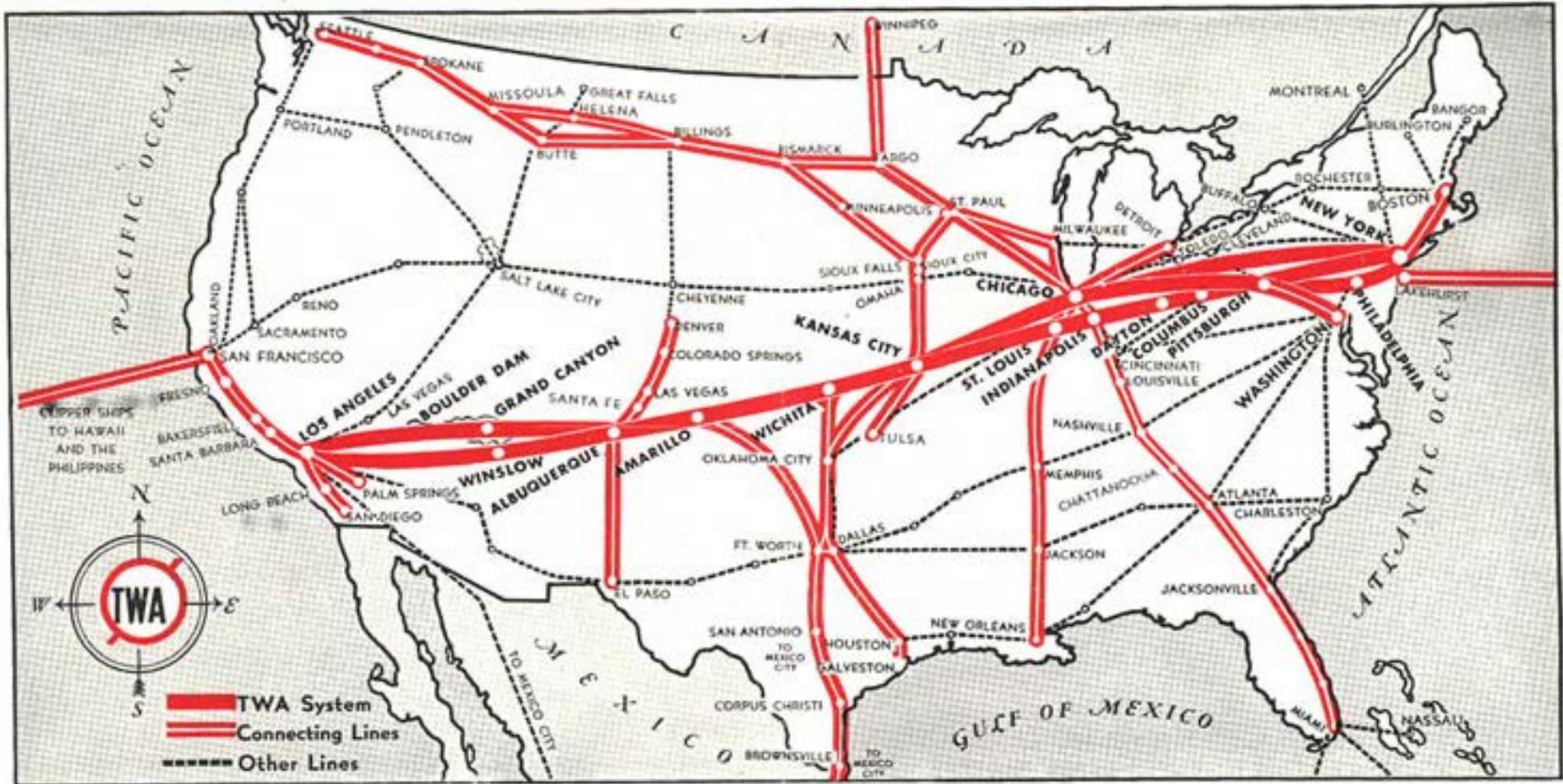
One-way Fares Elapsed Time ★ between	Atlanta	Chicago	Cleveland	Houston	Kansas City	Los Angeles	Memphis	Mexico City	Miami	Phoenix	St. Louis
Bermuda \$ ★Time	118.15 12:35	114.95 12:35	96.70 10:35	164.15 21:00	136.45 15:30	219.95 25:50	132.10 13:09	222.60 28:05	141.75 15:20	209.90 22:50	123.50 13:50
Boston \$ Time	60.10 7:47	51.42 5:03	35.17 3:37	106.10 12:25	77.92 7:26	156.42 15:15	77.05 8:10	164.55 20:40	83.70 8:47	148.57 17:10	63.37 8:01
Dallas- Ft. Worth \$ Time	38.50 5:27	46.85 6:22	64.40 8:57	14.00 1:35	27.50 3:38	69.85 7:22	27.40 2:30	70.00 7:10	75.75 10:42	57.30 6:07	33.90 4:23
Denver \$ Time	79.90 14:50	51.47 5:17	69.72 7:20	60.80 8:12	36.15 5:04	57.23 6:50	61.98 11:07	116.80 16:07	122.55 20:30	58.95 9:13	49.10 7:06
Detroit \$ Time	46.40 7:10	13.75 1:38	7.90 0:39	74.10 11:29	35.25 4:13	118.75 13:03	40.13 6:18	130.10 18:08	83.65 10:40	113.65 14:38	26.20 8:23
Minneapolis- St. Paul \$ Time	55.40 10:25	16.50 2:15	34.75 4:45	65.50 11:47	24.00 3:26	101.91 14:17	42.28 5:55	121.50 18:35	92.65 13:35	107.50 16:55	28.35 4:00
New Orleans \$ Time	25.70 2:40	46.64 6:15	63.46 8:15	20.30 2:05	46.64 3:35	99.46 16:20	19.76 2:30	80.30 9:10	47.20 6:23	86.91 14:00	33.69 4:20
New York \$ Time	48.15 5:30	44.95 3:33	26.70 2:23	94.15 11:10	66.45 6:03	149.95 13:45	62.10 5:57	152.60 18:20	71.75 8:25	139.90 14:57	53.50 5:40
Pittsburgh \$ Time	49.35 5:38	23.95 2:29	7.00 0:50	80.40 12:08	45.45 4:42	128.95 12:35	45.70 6:02	136.40 19:15	72.95 8:15	119.50 13:52	32.50 3:08
San Francisco \$ Time	126.55 16:50	105.00 11:12	123.25 13:45	102.80 12:40	94.03 11:24	18.95 2:00	115.45 13:16	128.95 18:15	168.20 14:30	42.10 4:30	105.00 14:00
Seattle \$ Time	137.90 21:50	99.00 13:05	117.25 15:40	127.23 17:40	96.24 13:08	62.93 7:00	125.88 18:16	172.93 23:15	175.15 26:50	86.08 10:00	111.95 15:19
Washington \$ Time	35.95 2:50	36.00 3:49	19.10 1:55	81.95 9:15	56.65 6:06	139.75 13:55	49.90 4:15	140.45 16:30	59.55 6:45	127.75 13:15	43.70 4:40

*Fares include meals. No tips, no extras. 10% saving on round-trip tickets.
Fares subject to change without notice*

★ Elapsed time in hours and minutes

BOS-LAX Was Not a Simple Journey in the So-Called “Golden Age” of Air Travel

SKYCLUB SERVICE BY DAY... SKYSLEEPERS BY NIGHT

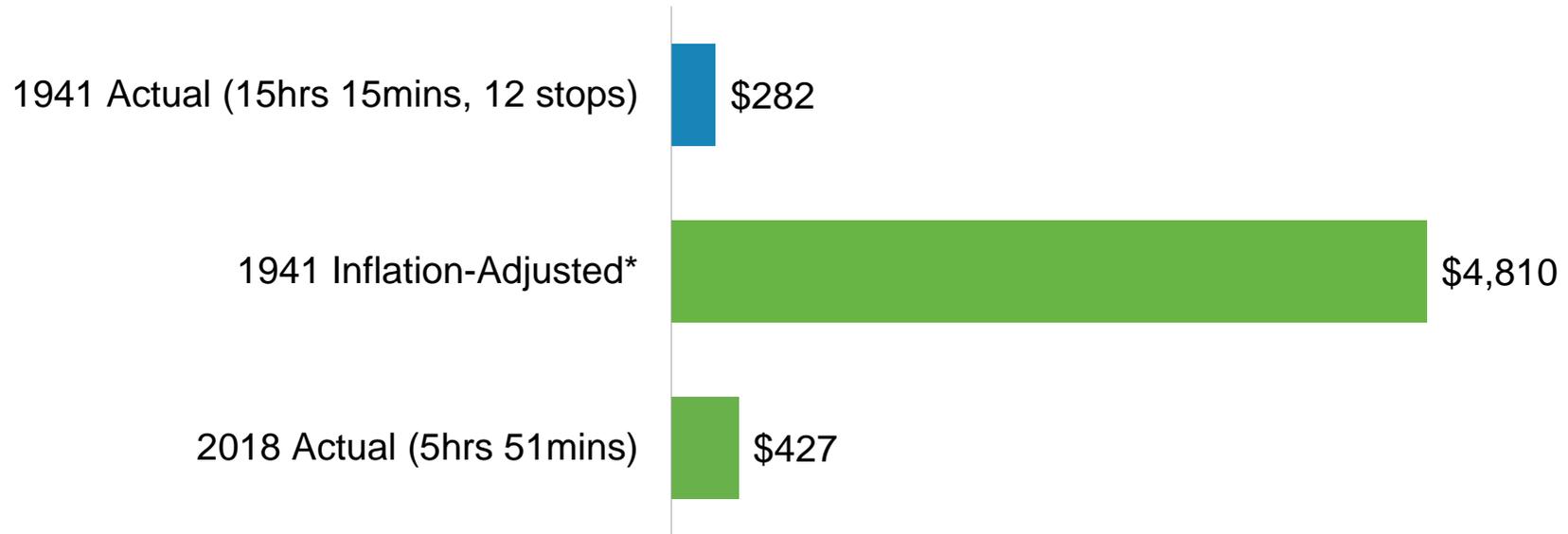


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Boston-Los Angeles Air Travel

~9.4 Hours Faster, ~90% Cheaper (in Real* Terms)

Average *Round-Trip* BOS-LAX Airfare and *One-Way* Block Time



* Adjusted using 2018 constant dollars from the Bureau of Labor Statistics (<http://www.bls.gov/cpi/#tables>)

Source: DOT Data Bank 1B via Diio Mi; "Air Travel Is Not Expensive," *The Saturday Evening Post* (Mar. 22, 1941), p. 59; Campbell-Hill Aviation Group



Boston-Los Angeles* Airfare Has Declined Materially

Meanwhile, Traffic in the Popular Corridor More Than Doubled From 2000-2018



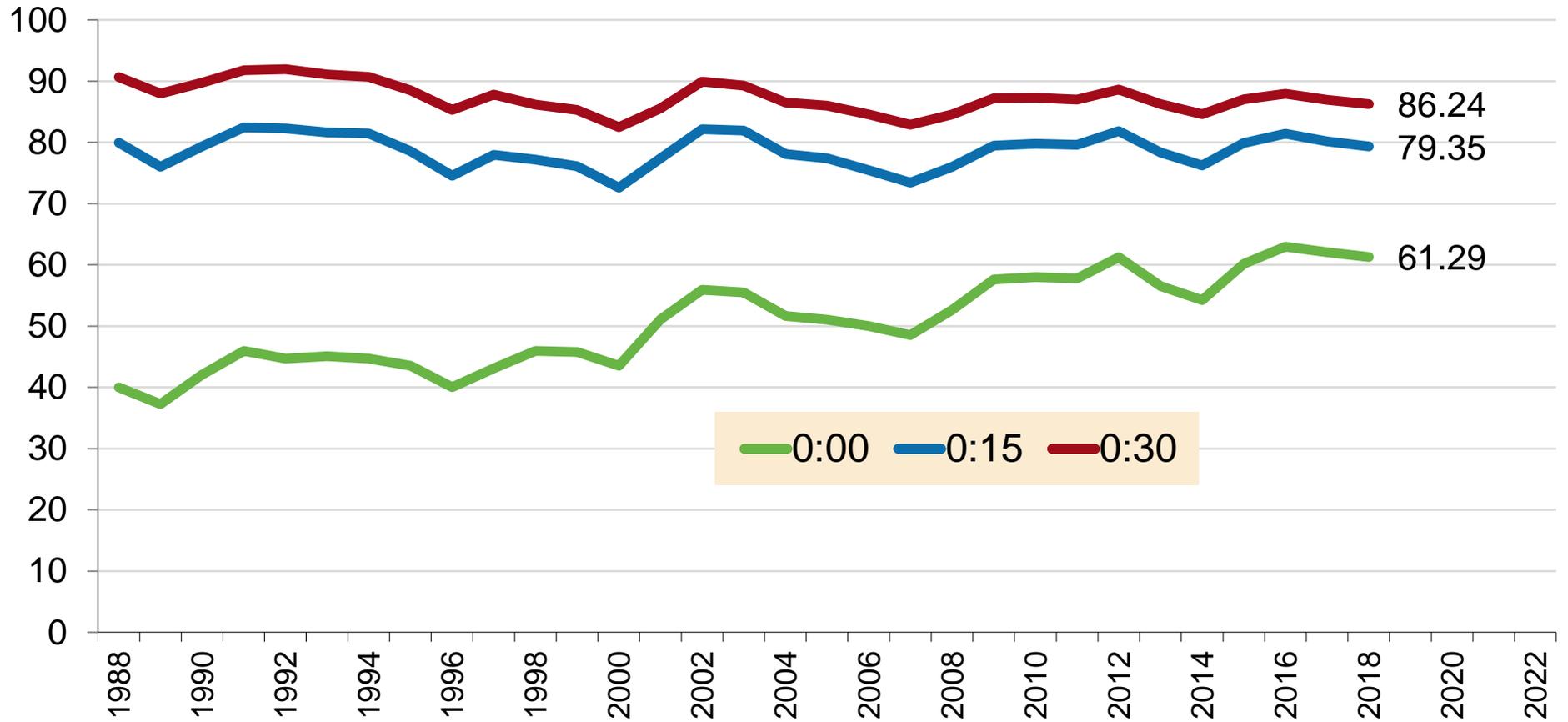
Source: DOT Data Bank 1B (Passenger Origin-Destination Survey) via Diio Mi

* BUR/LAX/LGB; 91% of BOS-LAX* passengers flew nonstop in 2018



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The Share of Flights Arriving Early or on Schedule Has Risen Steadily Over the Past Few Decades, Whereas On-Time 0:15 and 0:30 Have Been Relatively Flat



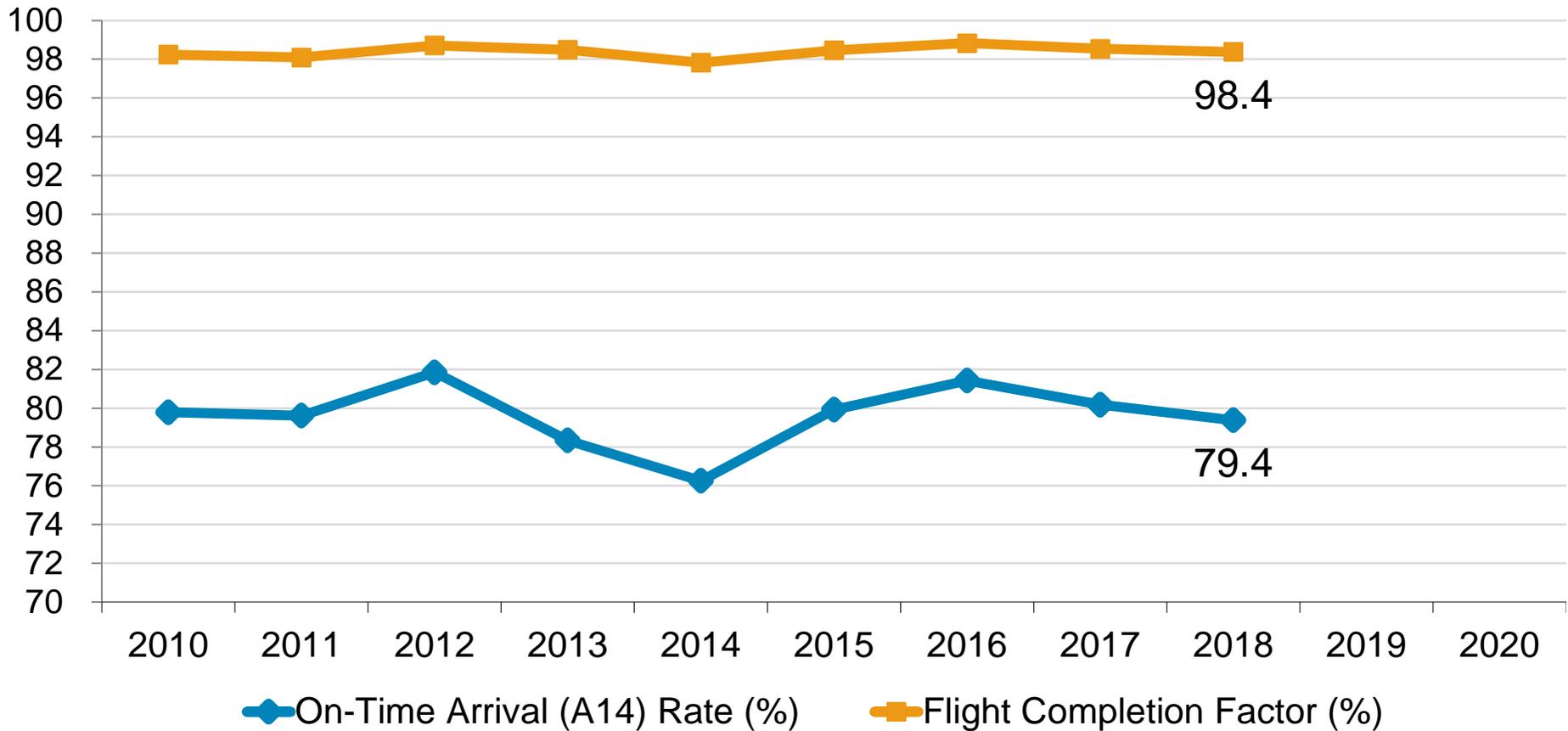
Source: Bureau of Transportation Statistics



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Flight Completion Factor Continues to Exceed 98 Percent Amid Difficult Weather

On-Time Arrival Rate Hovering Just Below 80 Percent; Should Improve in 2019



Source: Bureau of Transportation Statistics -- for U.S. airlines

* Jan-Oct

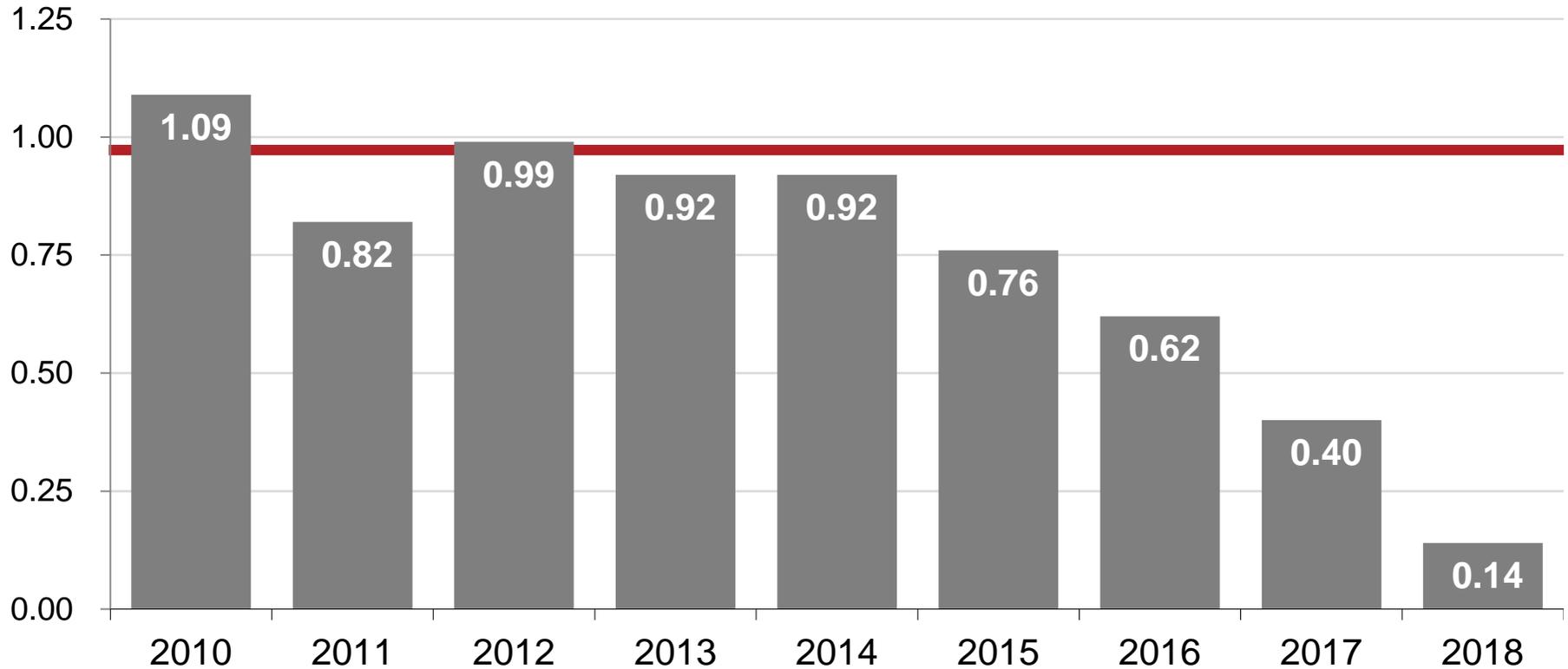


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U.S. Airlines Continue to Reduce the Rate of Involuntary Denied Boardings

2018 = Best-Ever Recorded by DOT

Involuntary Denied Boardings per 10,000 Passengers



Sources: DOT *Air Travel Consumer Report* (<http://www.dot.gov/airconsumer/air-travel-consumer-reports>)

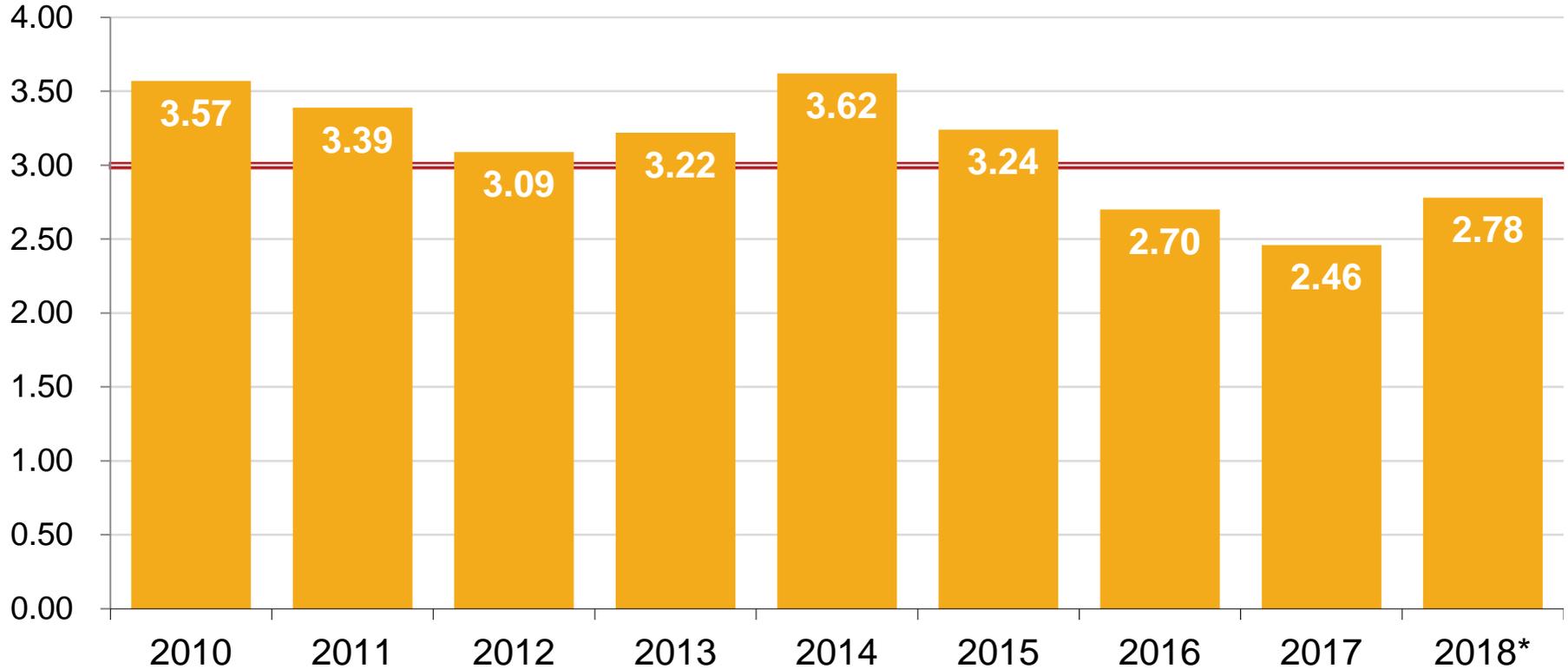


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Baggage-Handling Much Improved Over Past Few Years

Rate of Mishandling Remains Low Despite More Frequent/Severe Storms

Reports of Mishandled (Lost/Delayed/Damaged/Pilfered) Bags per 1,000 Passengers



Sources: DOT *Air Travel Consumer Report* (<http://www.dot.gov/airconsumer/air-travel-consumer-reports>)

* Jan-Nov

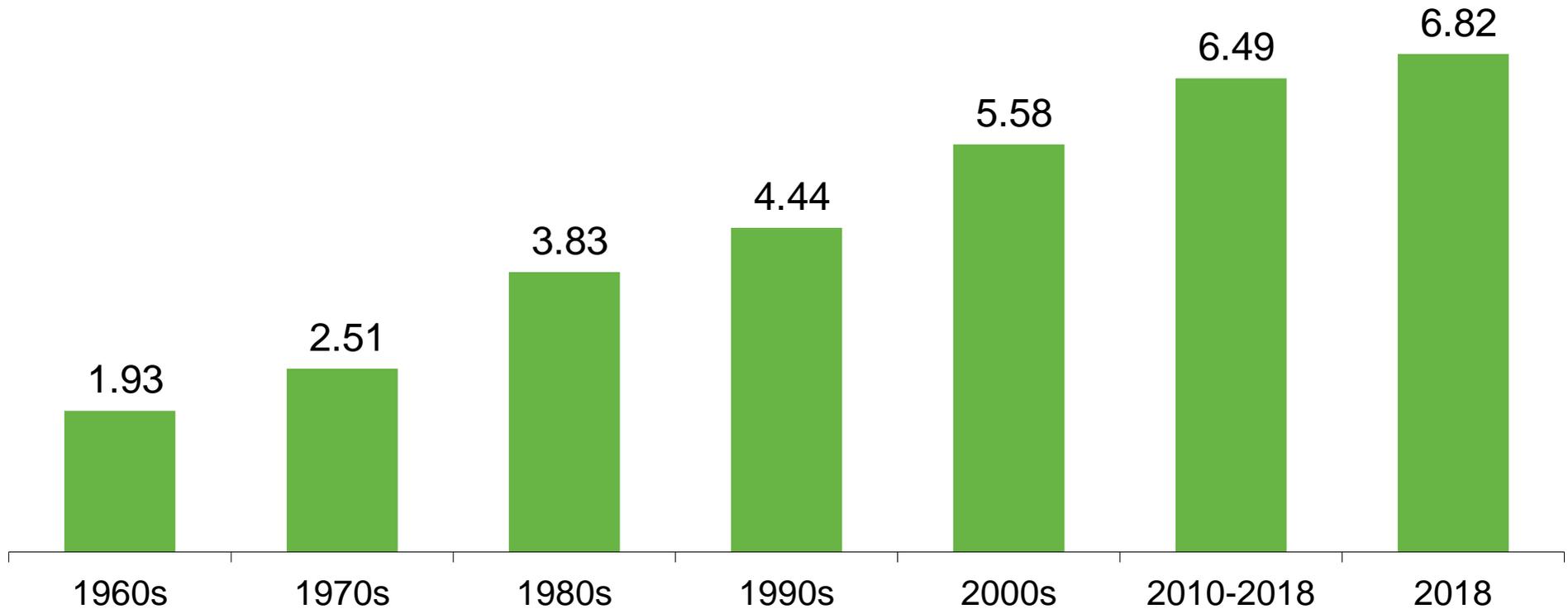


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With Each Decade, U.S. Airline Fuel Efficiency Has Improved

1978-2018: Up 134%; 2000-2018: Up 38%

Revenue Ton Miles* Flown per Gallon



Source: A4A and BTS, for all U.S. passenger and all-cargo airlines

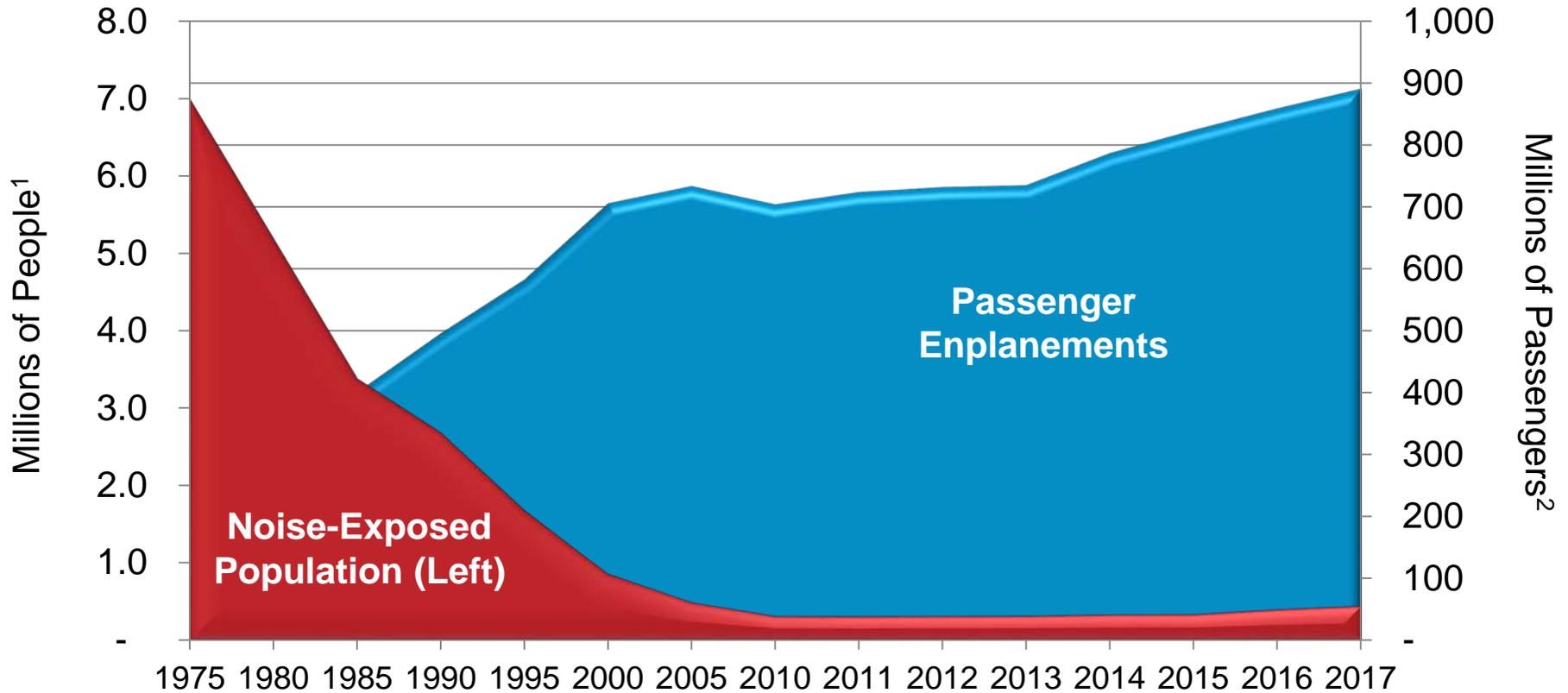
* An RTM is a single ton of payload (passengers or cargo) carried one mile in revenue service



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Commercial Aviation Has Gotten Markedly Quieter

From 1975-2017, the Number of U.S. Residents Exposed to Significant Aircraft Noise Fell 94% While Enplanements Rose 341%; 48% from 2000-2017 (Enplanements Rose 26%)



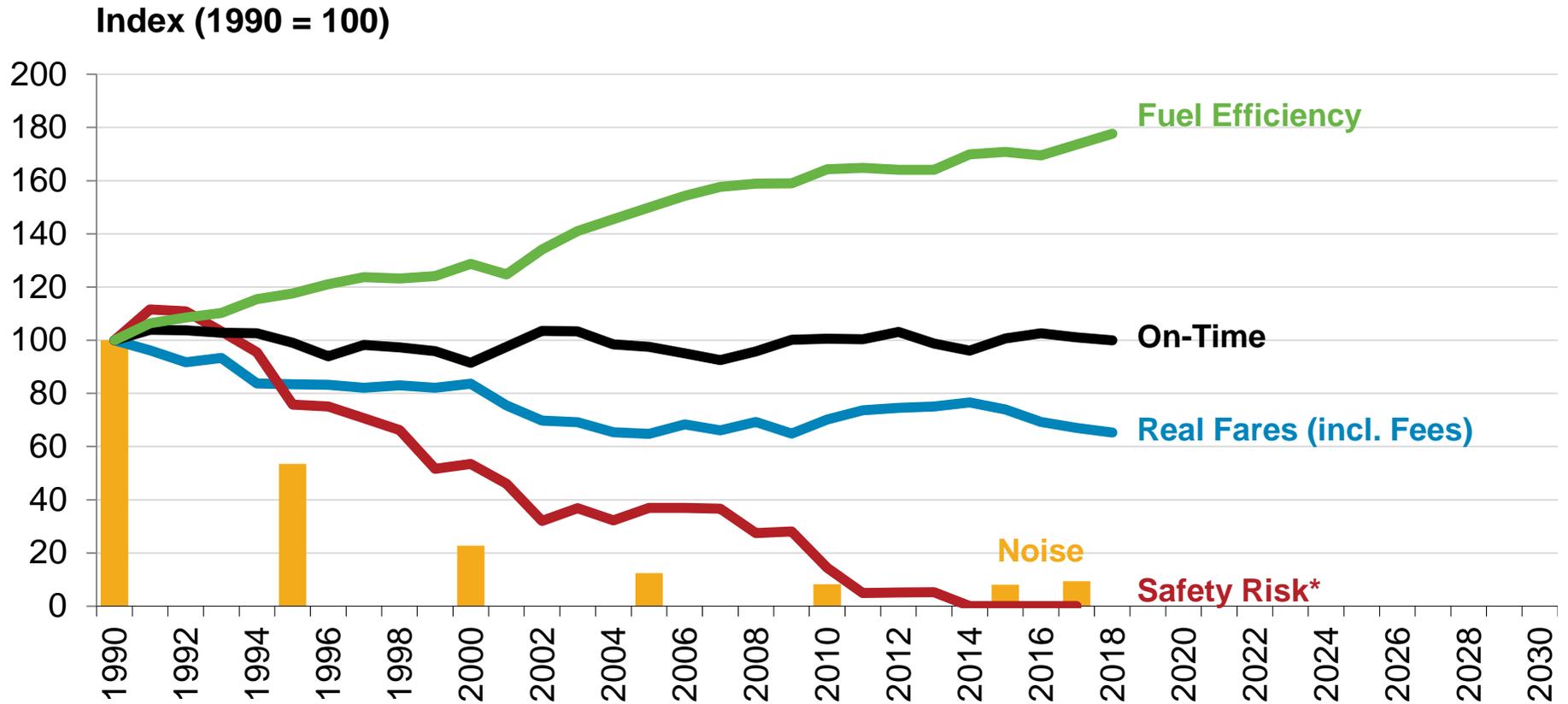
1. U.S. residents exposed to significant (65 dB DNL) noise levels from all aviation operations within U.S. airspace

2. Passengers enplaned on U.S. and foreign flag carriers as captured in the FAA Terminal Area Forecast (TAF)



The Value Proposition for U.S. Air Travelers Is Alive and Well

It's Safer, It's Greener, It's Quieter, It's ~80 Percent On-Time and It's Still a Bargain



* Five-year-moving-average fatal accident rate for U.S. air carriers operating under 14 CFR 121 scheduled service





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