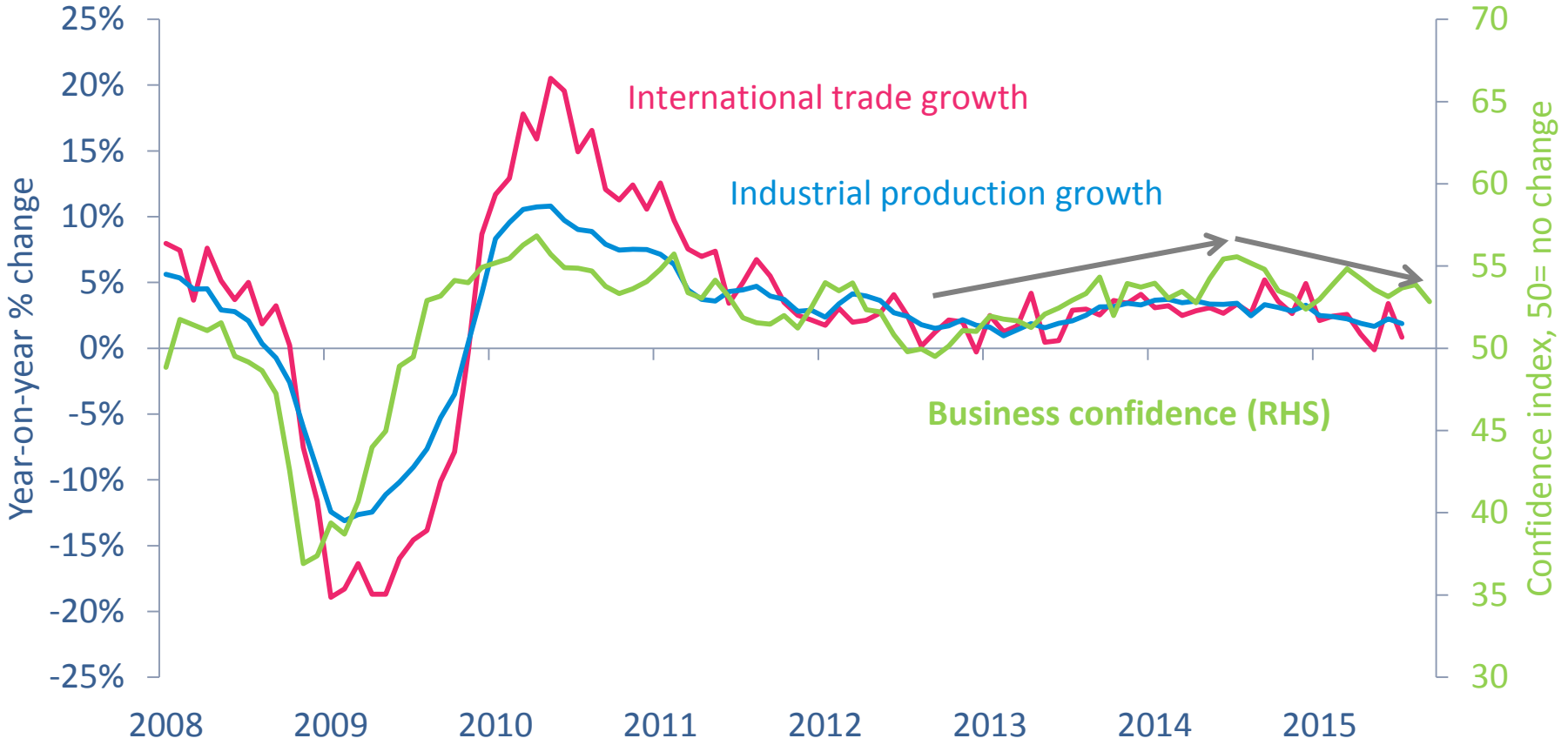
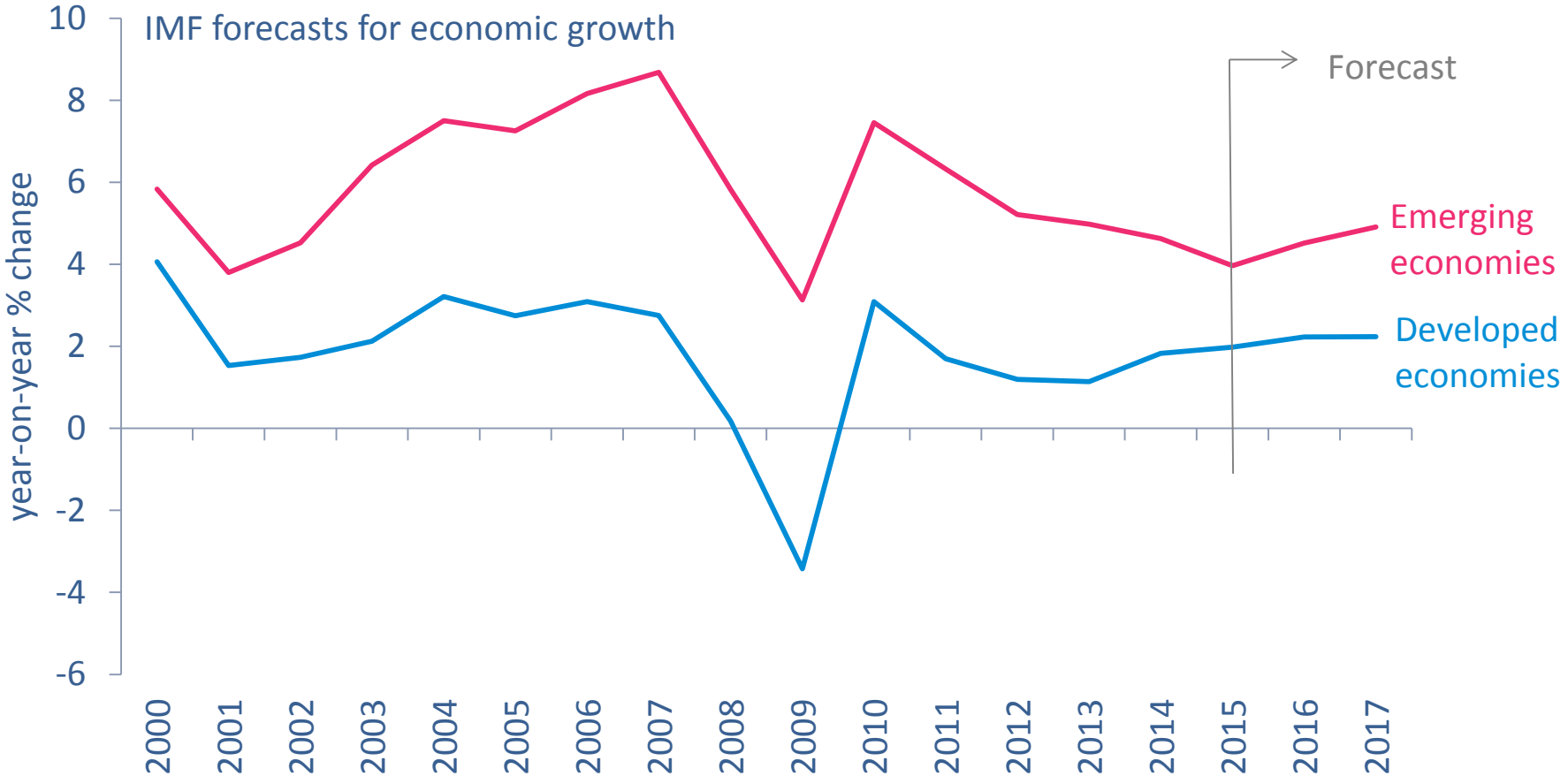
Global economic cycle has slowed



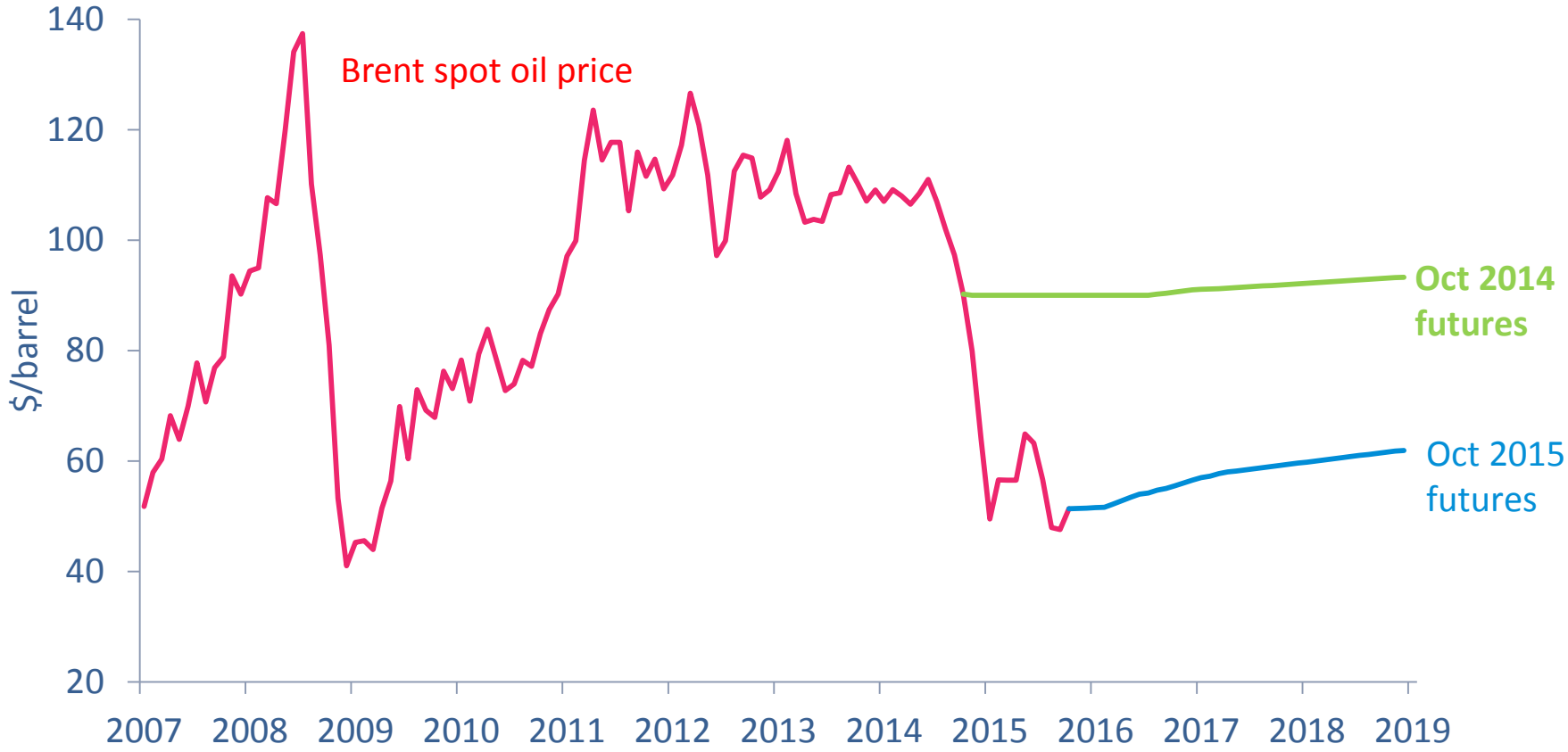
Source: Markit, Netherlands CPB

But moderately better growth is expected



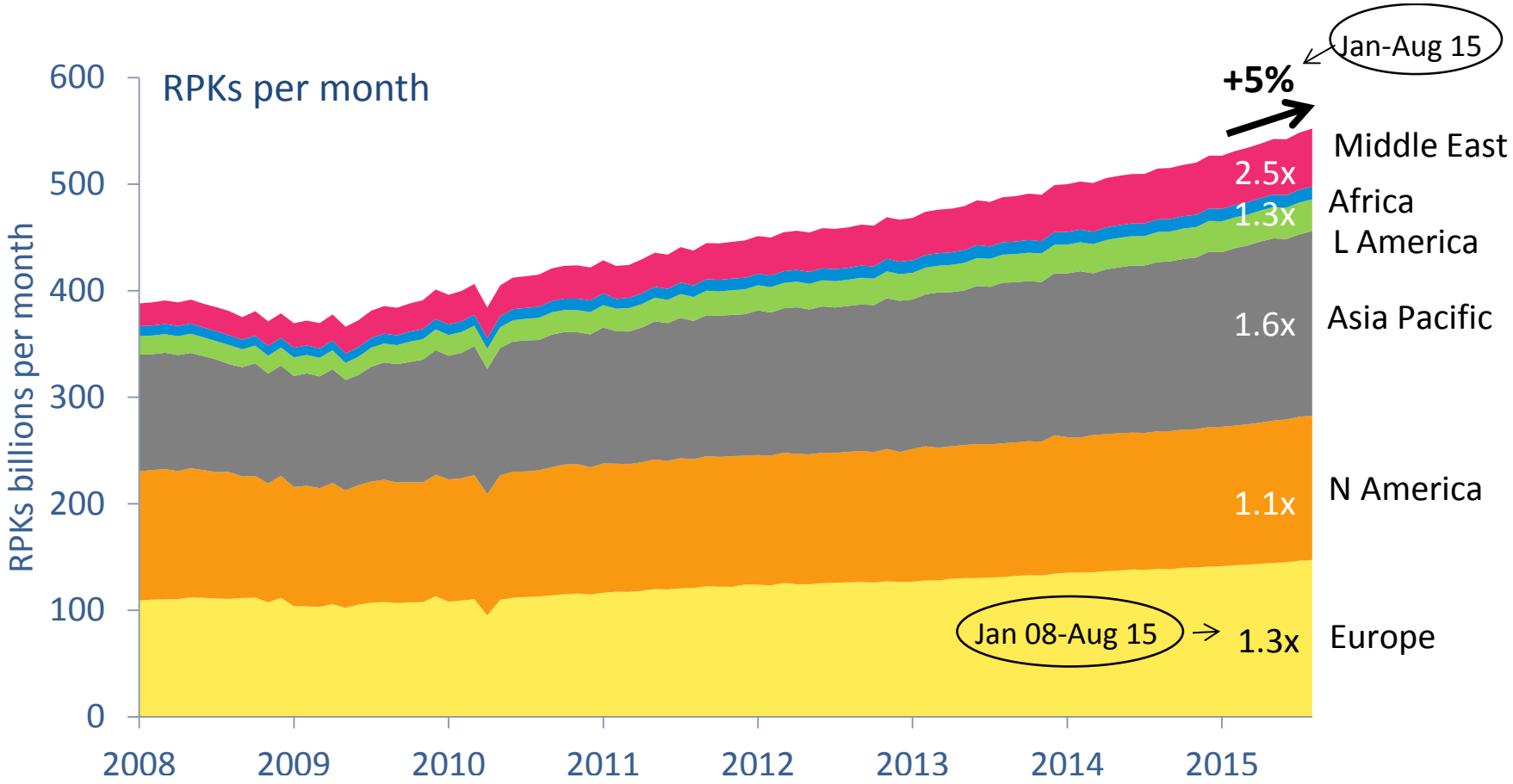
Source: IMF World Economic Outlook

Oil prices now expected to be lower for longer



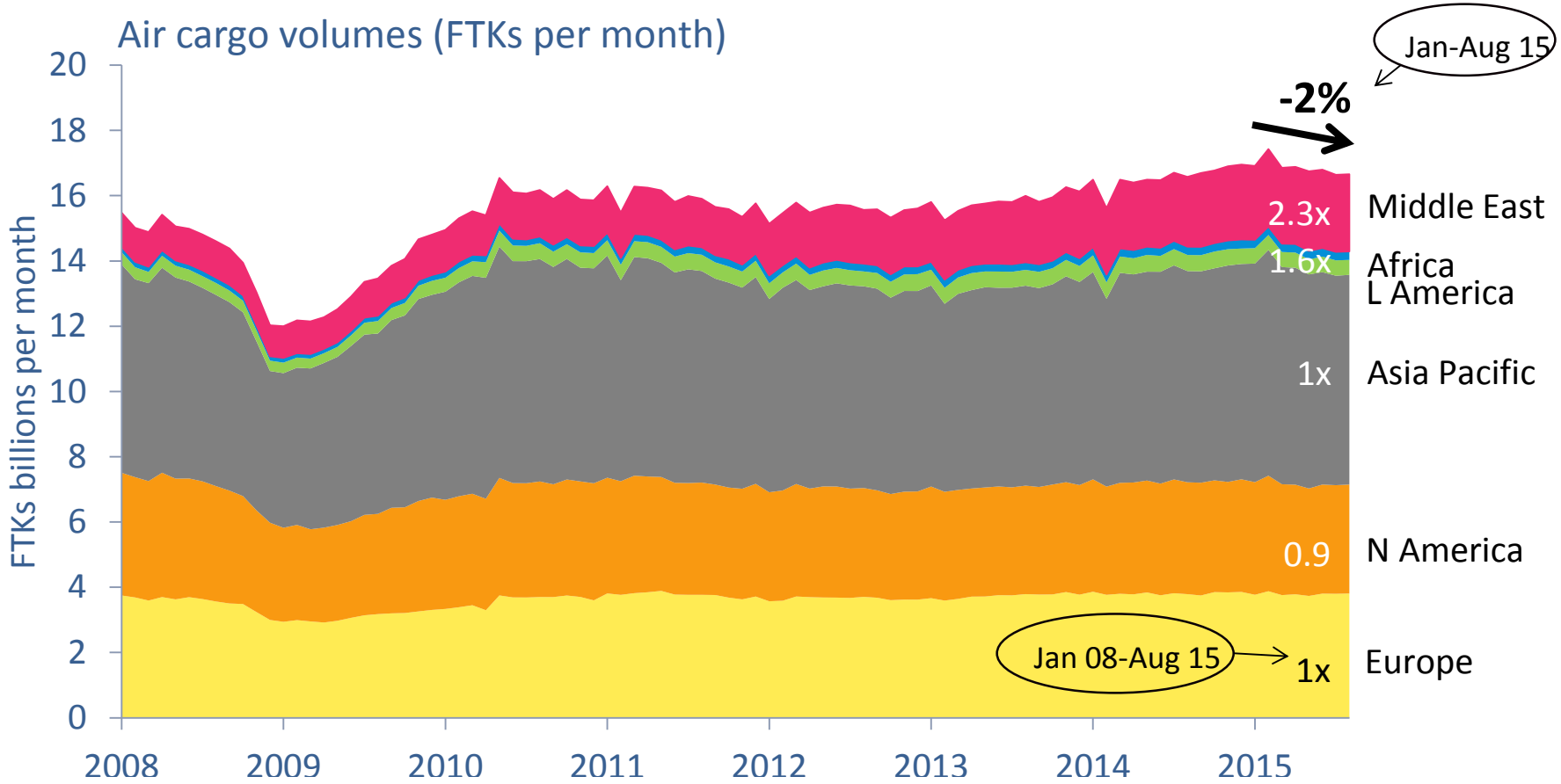
Source: Datastream

Net impact - air travel demand is strong



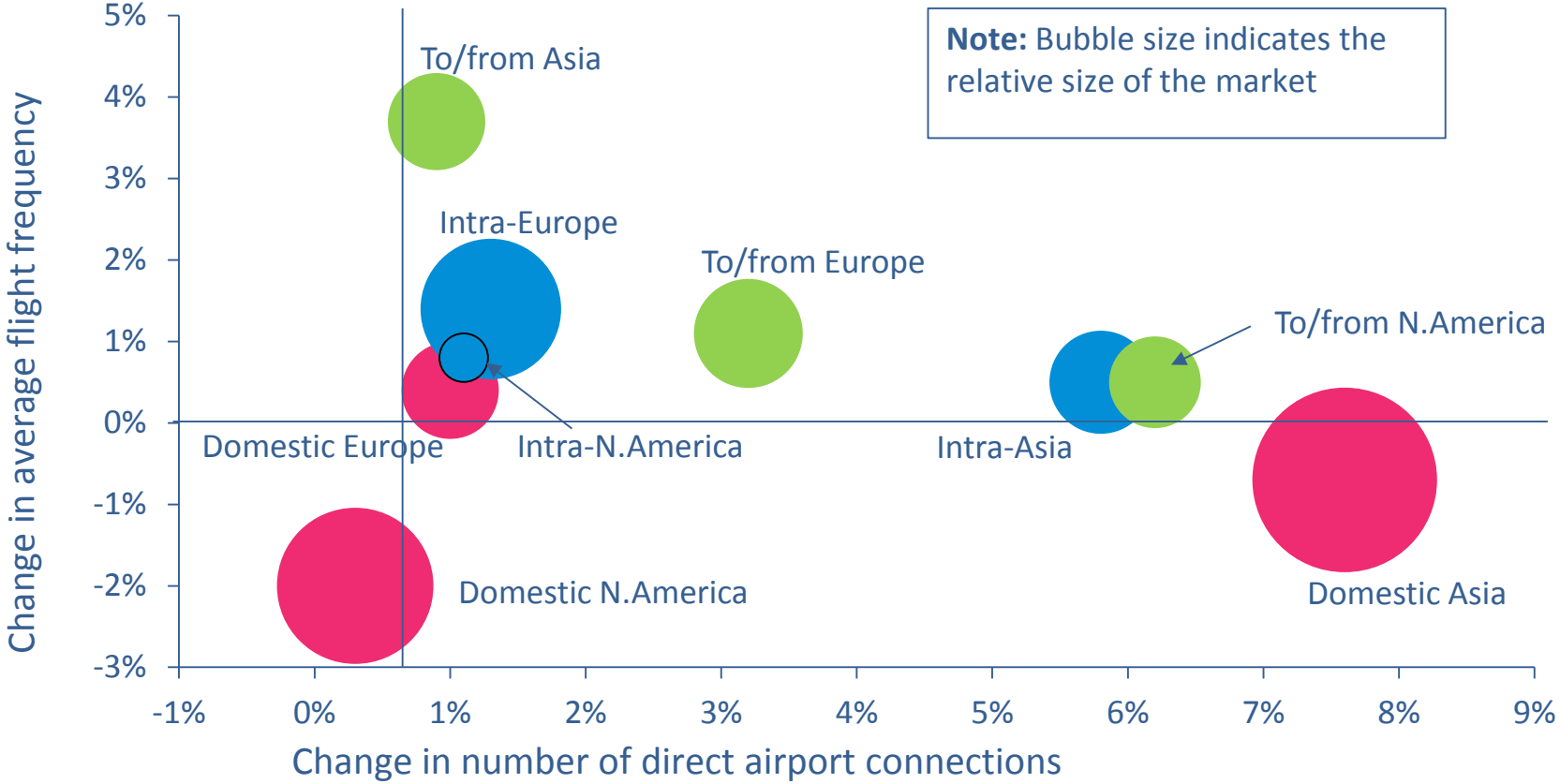
Source: IATA Monthly Statistics

Cargo is weak



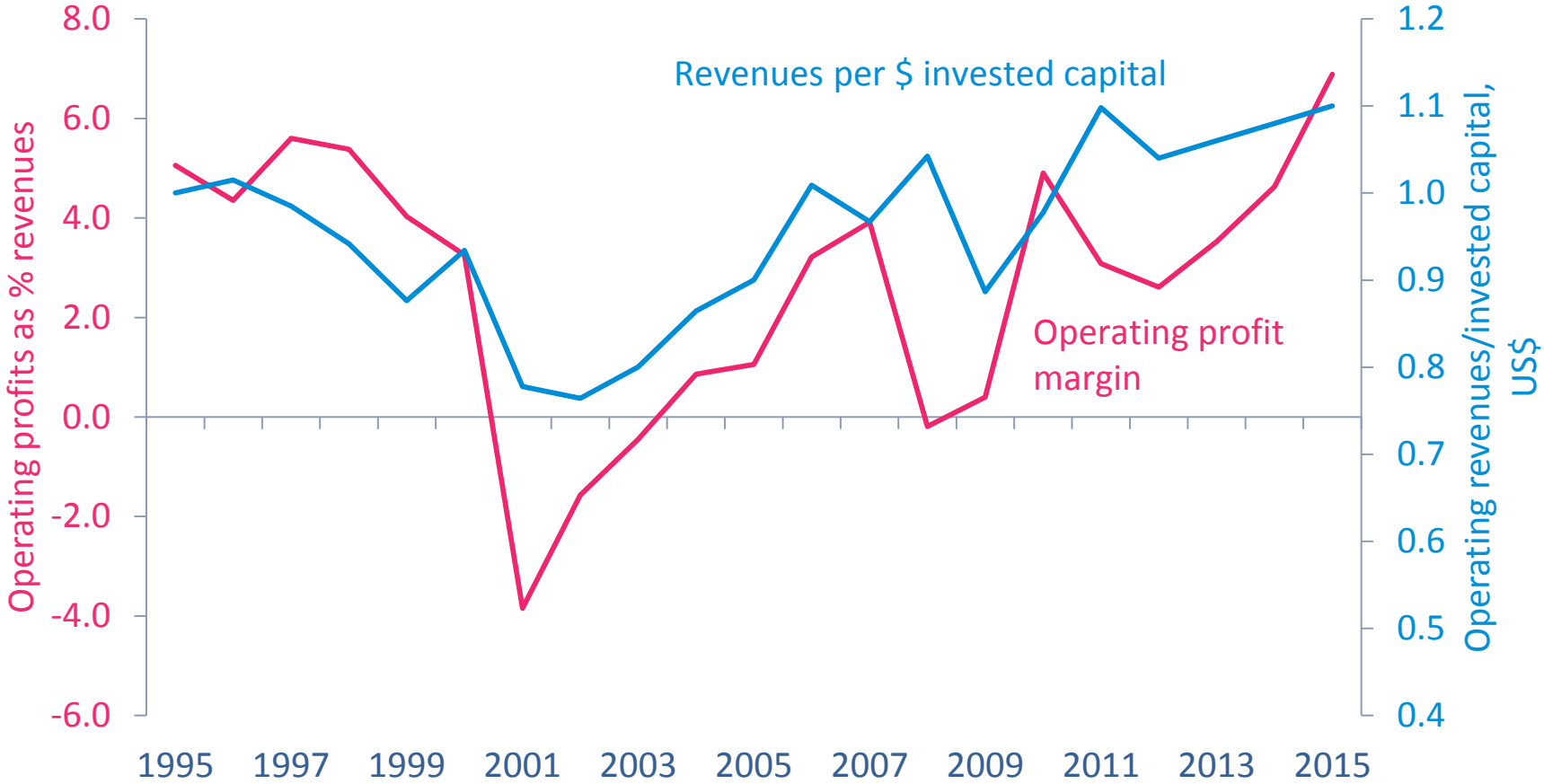
Source: IATA Monthly Statistics

New routes expanding faster than frequencies



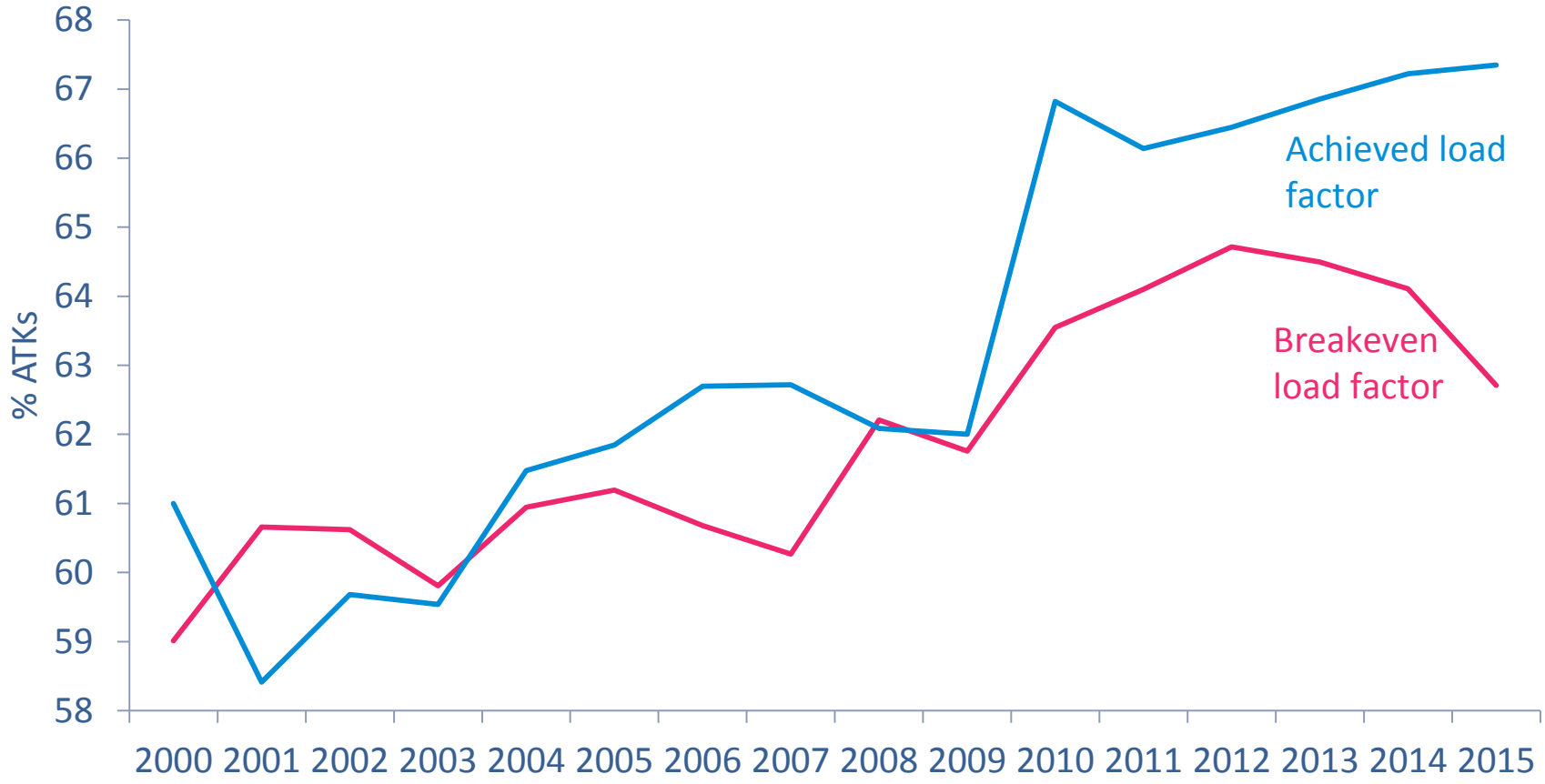
Source: SRS Analyser, IATA Economics calculations

Airline capital is more productive and margins are higher



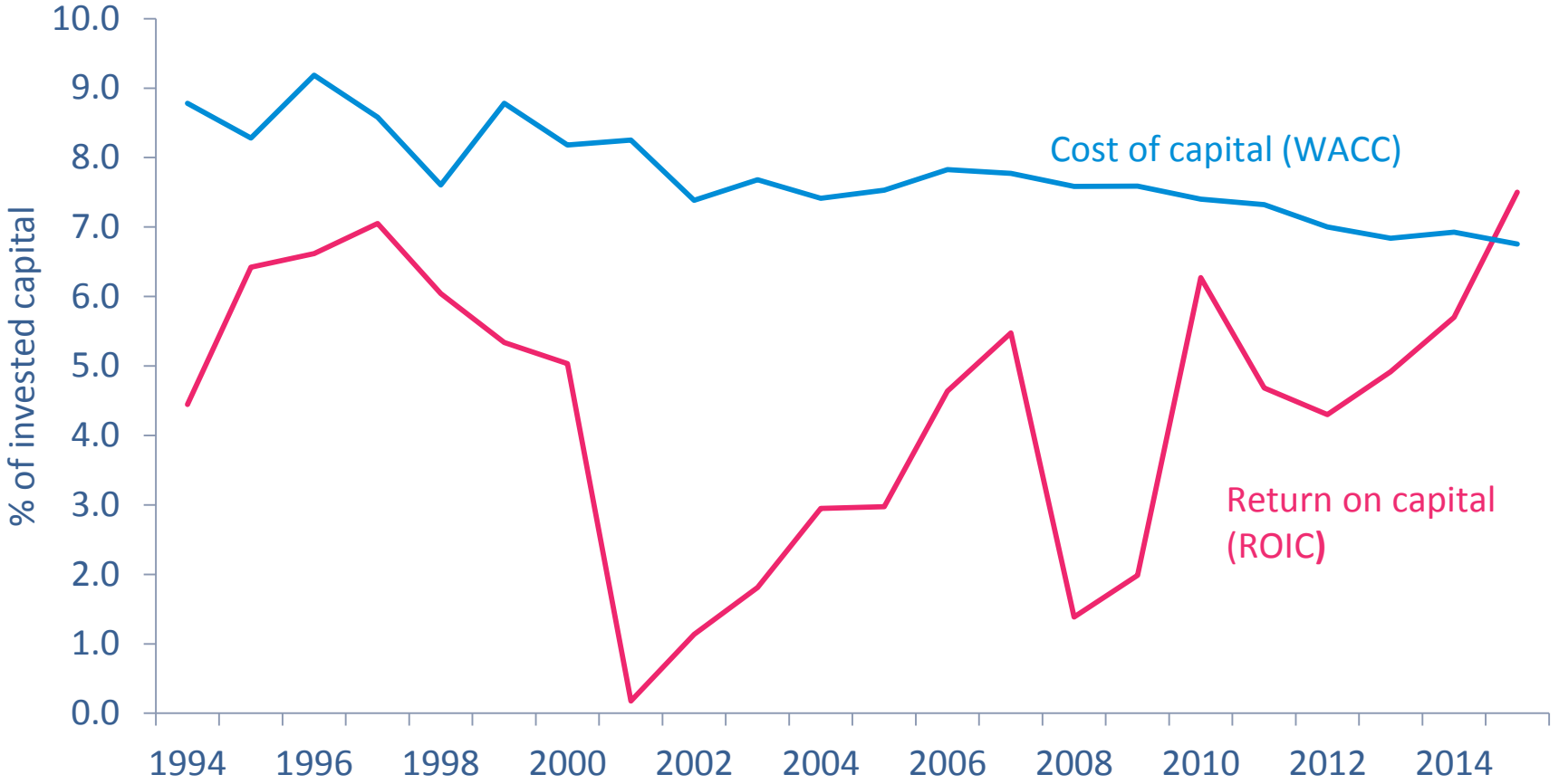
Source: IATA Economics

Profits boosted by wider gap above break-even load factors



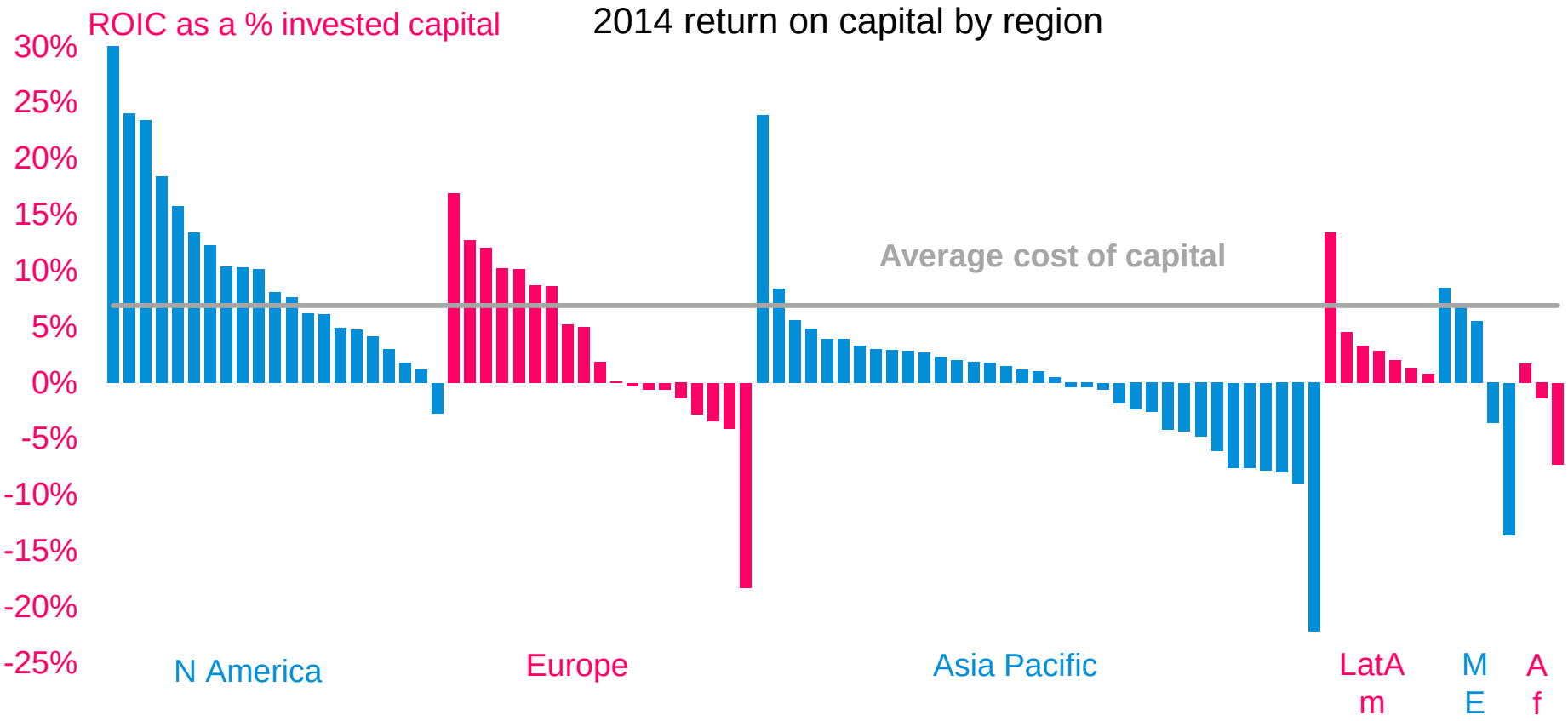
Source: IATA Economics

Airlines paying investors a ‘normal’ return for 1st time



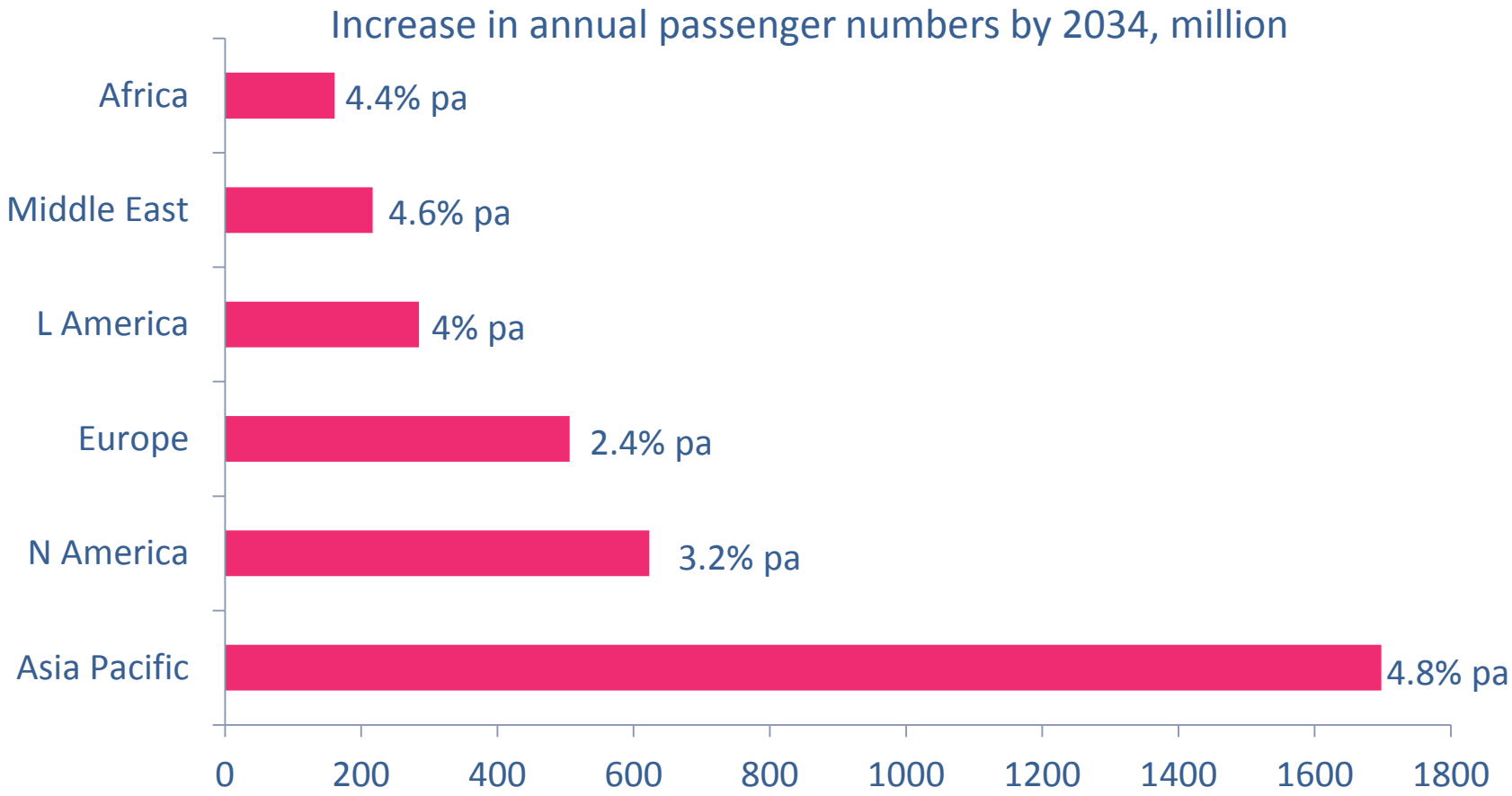
Source: McKinsey & Company, IATA Economics

But good performance is not widespread



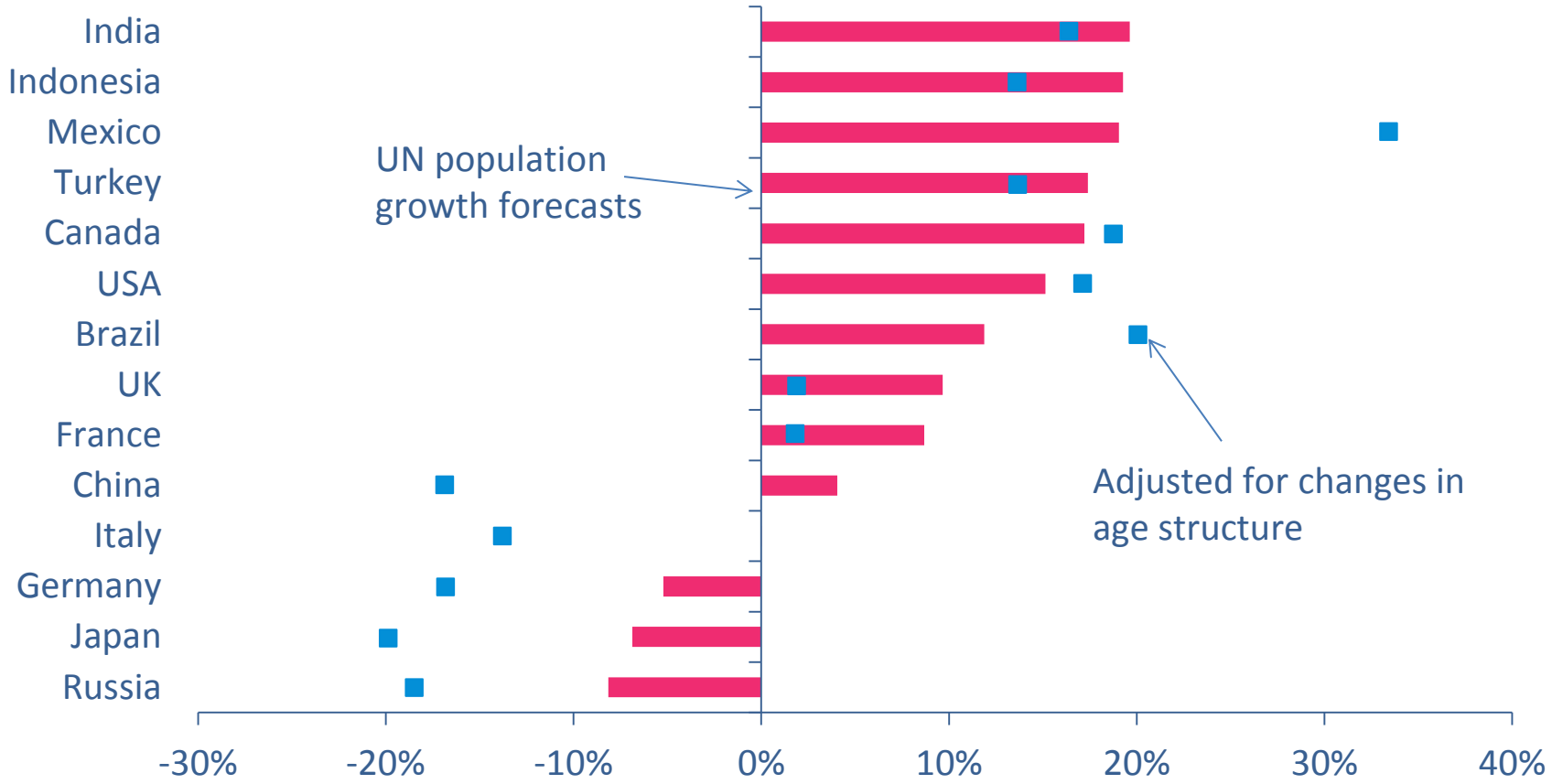
Source: The Airlines Analyst, IATA Economics

Next 20 years Asia-Pacific is the leading growth region



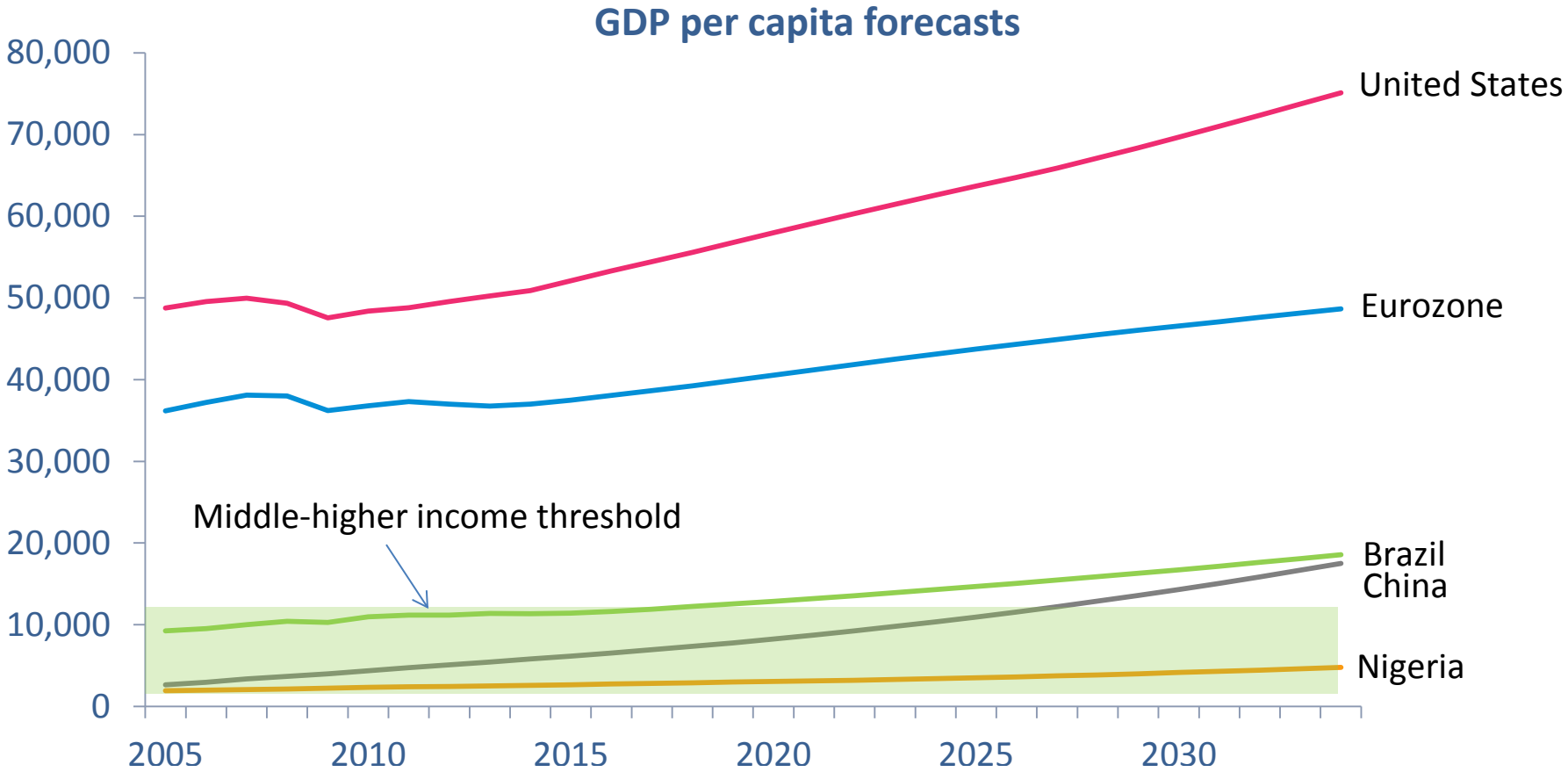
Source: IATA/Tourism Economics 'Air Passenger Forecasts, October 2015', IATA Economics calculations.

Demographics shifts are a key driver



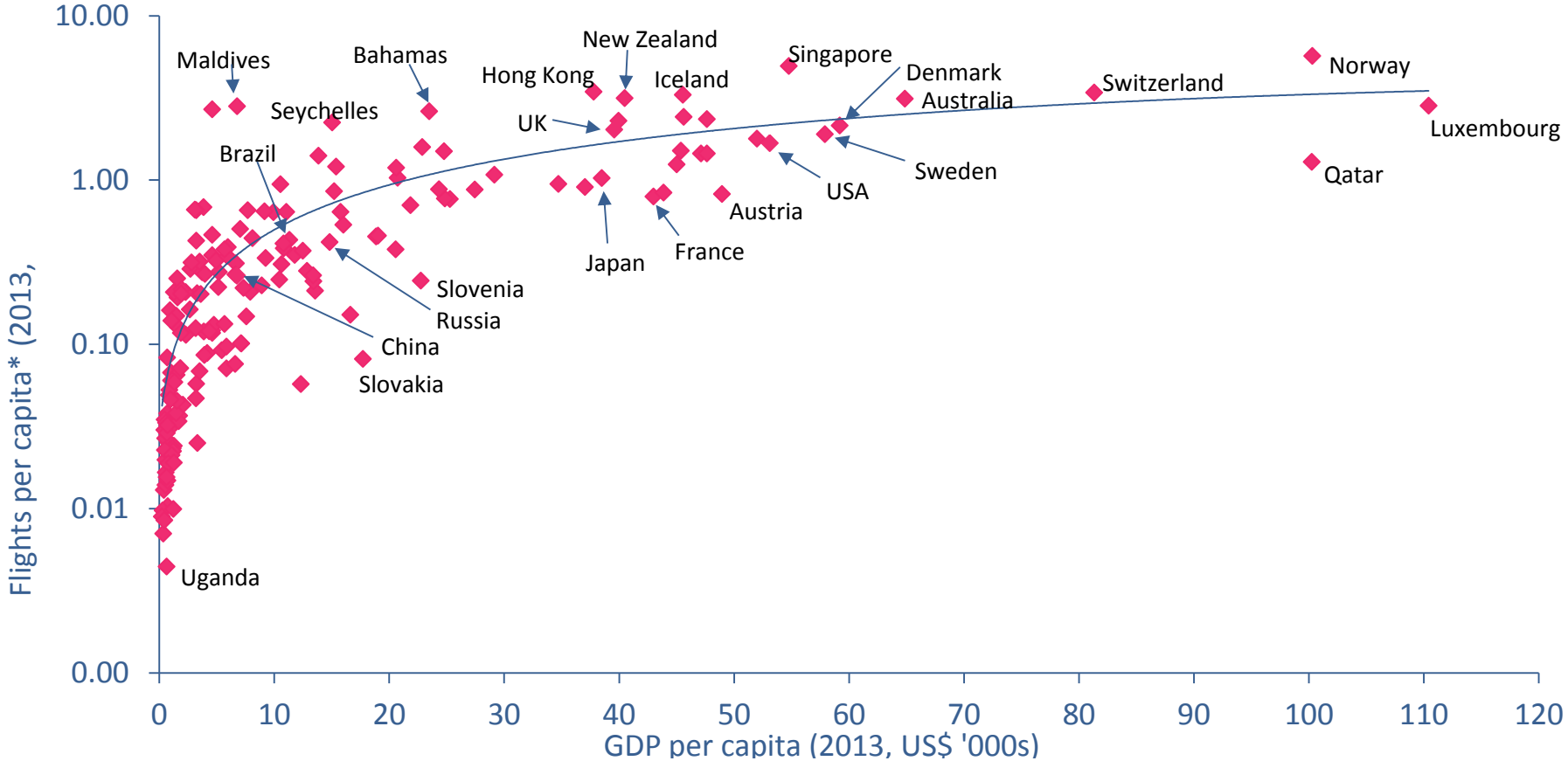
Source: IATA/Tourism Economics 'Air Passenger Forecasts, October 2015', IATA Economics calculations.

Important thresholds reached for living standards



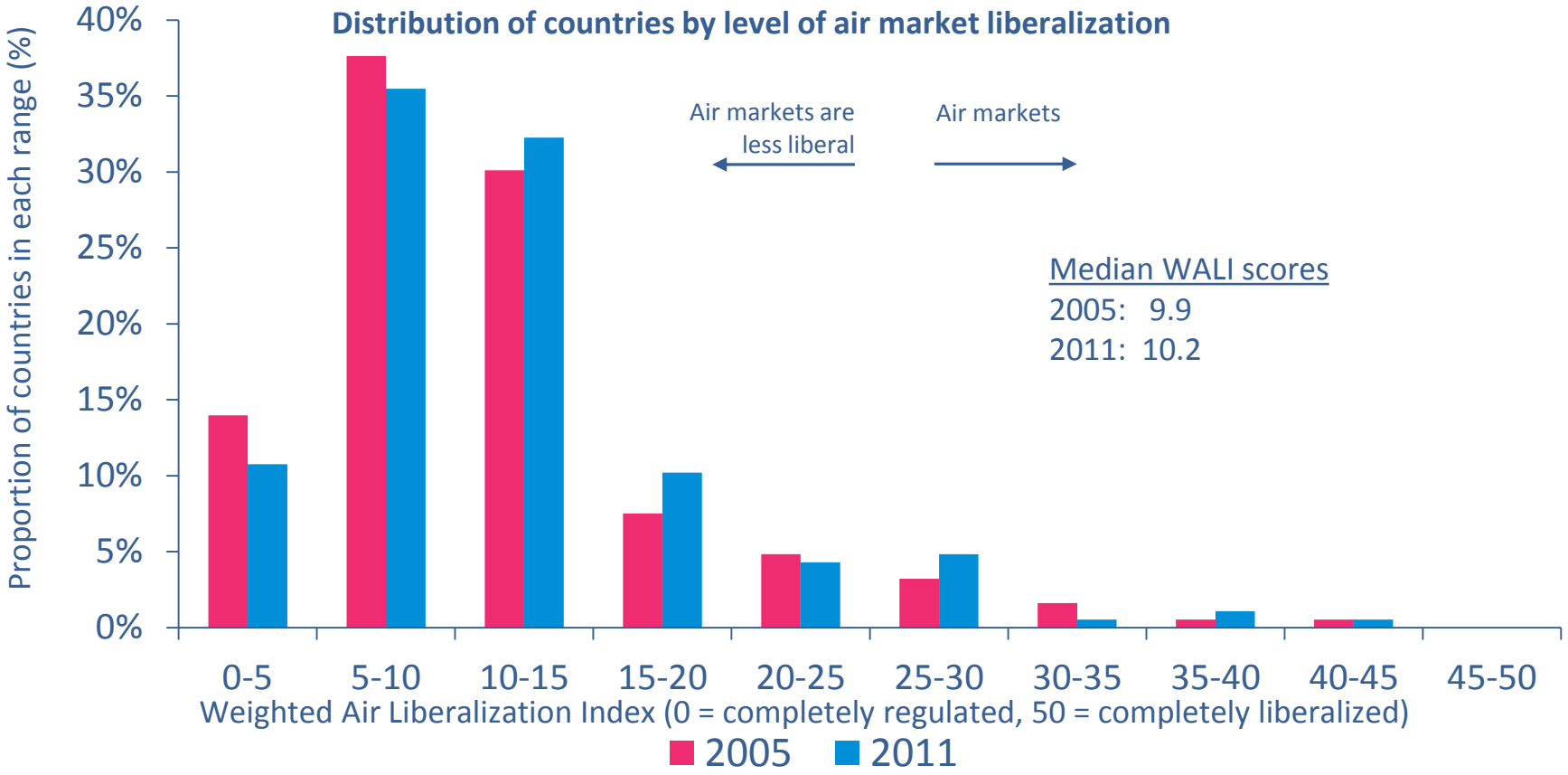
Source: IATA/Tourism Economics 'Air Passenger Forecasts, October 2015', IATA Economics calculations.

Multiplier boost to the propensity to fly



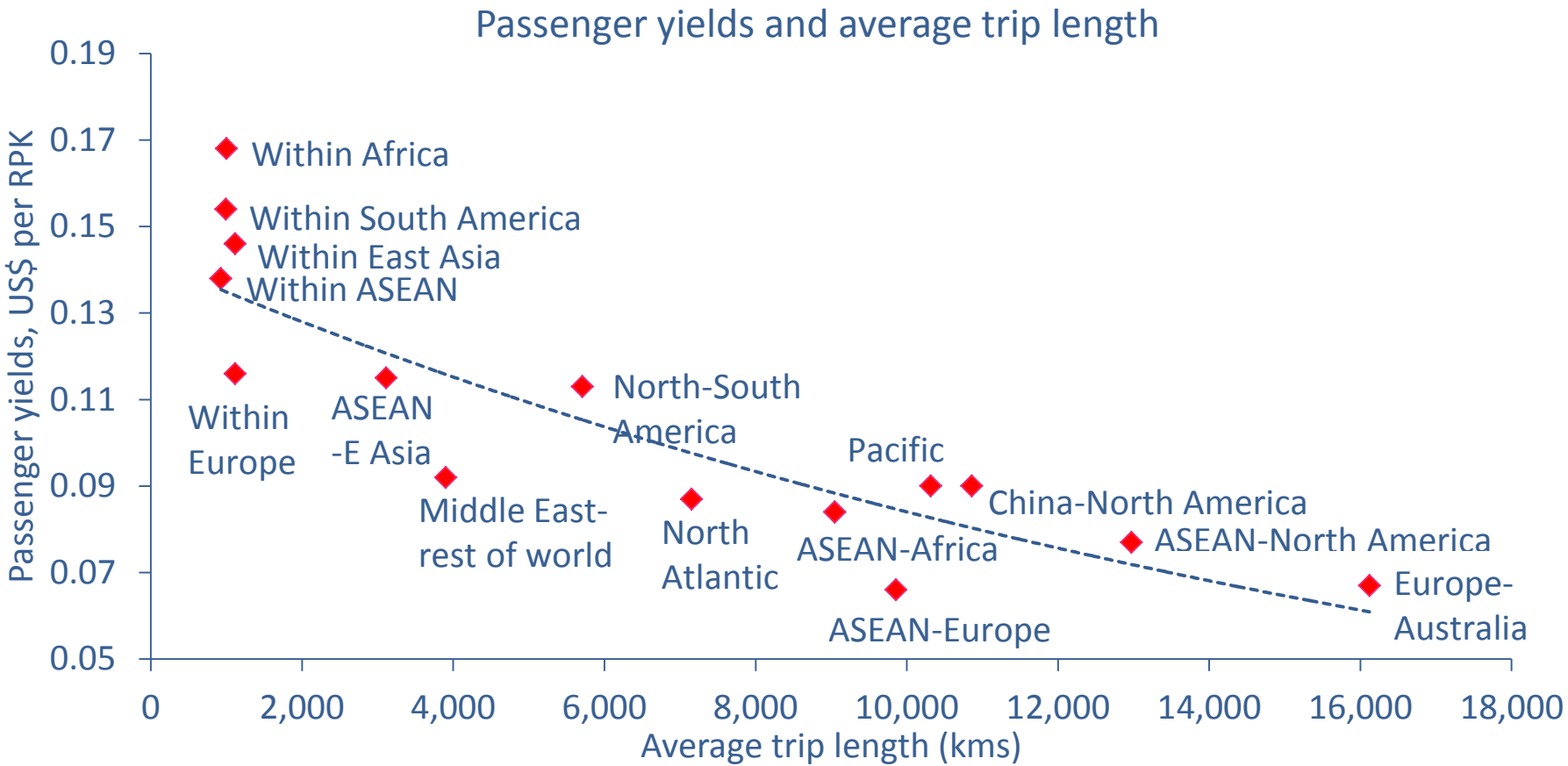
Source: IATA/Tourism Economics 'Air Passenger Forecasts, October 2015', IATA Economics calculations.

Large potential also from further market liberalization



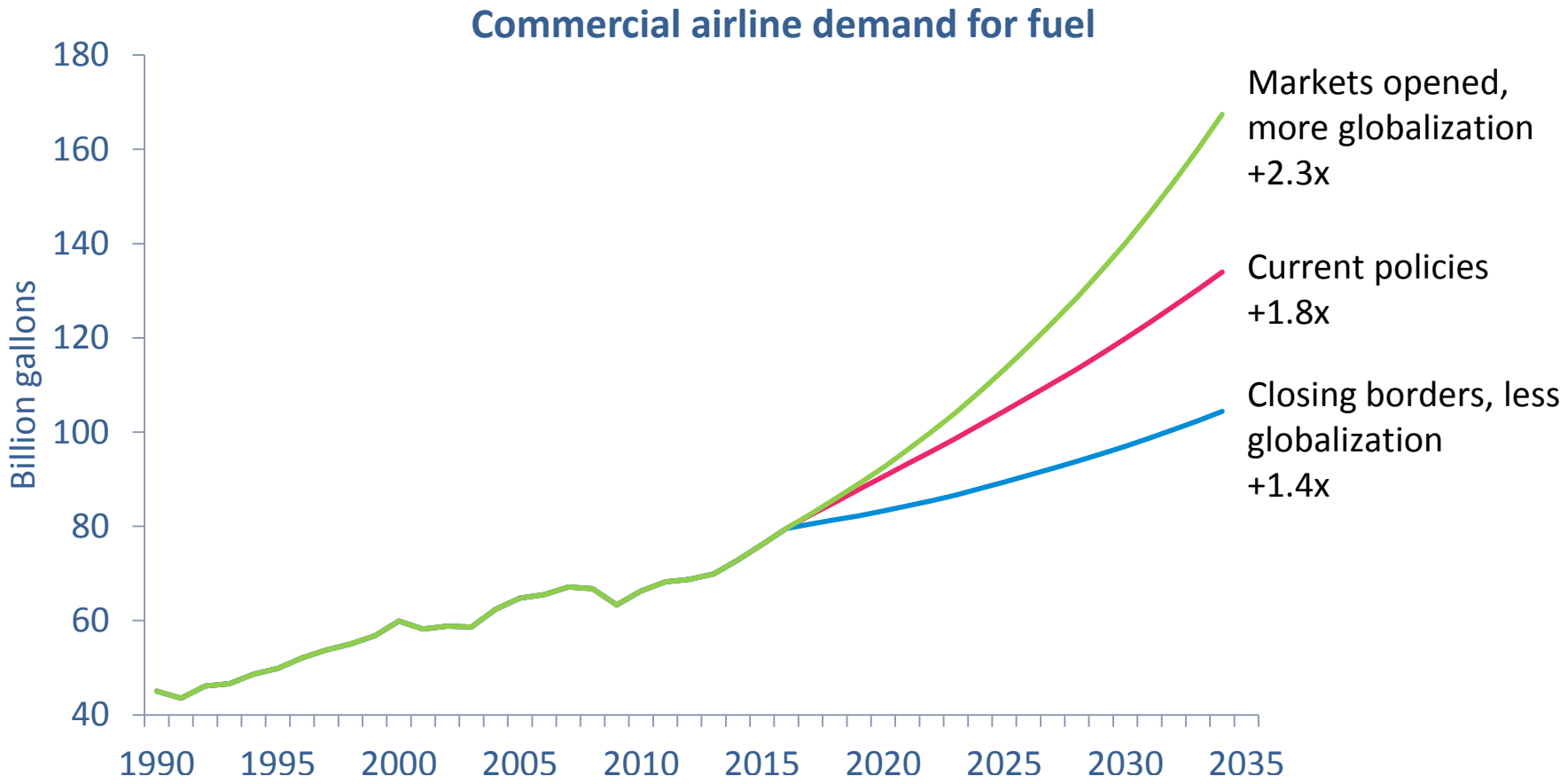
Source: IATA/Tourism Economics 'Air Passenger Forecasts, October 2015', IATA Economics calculations.

Most obviously on short-haul markets



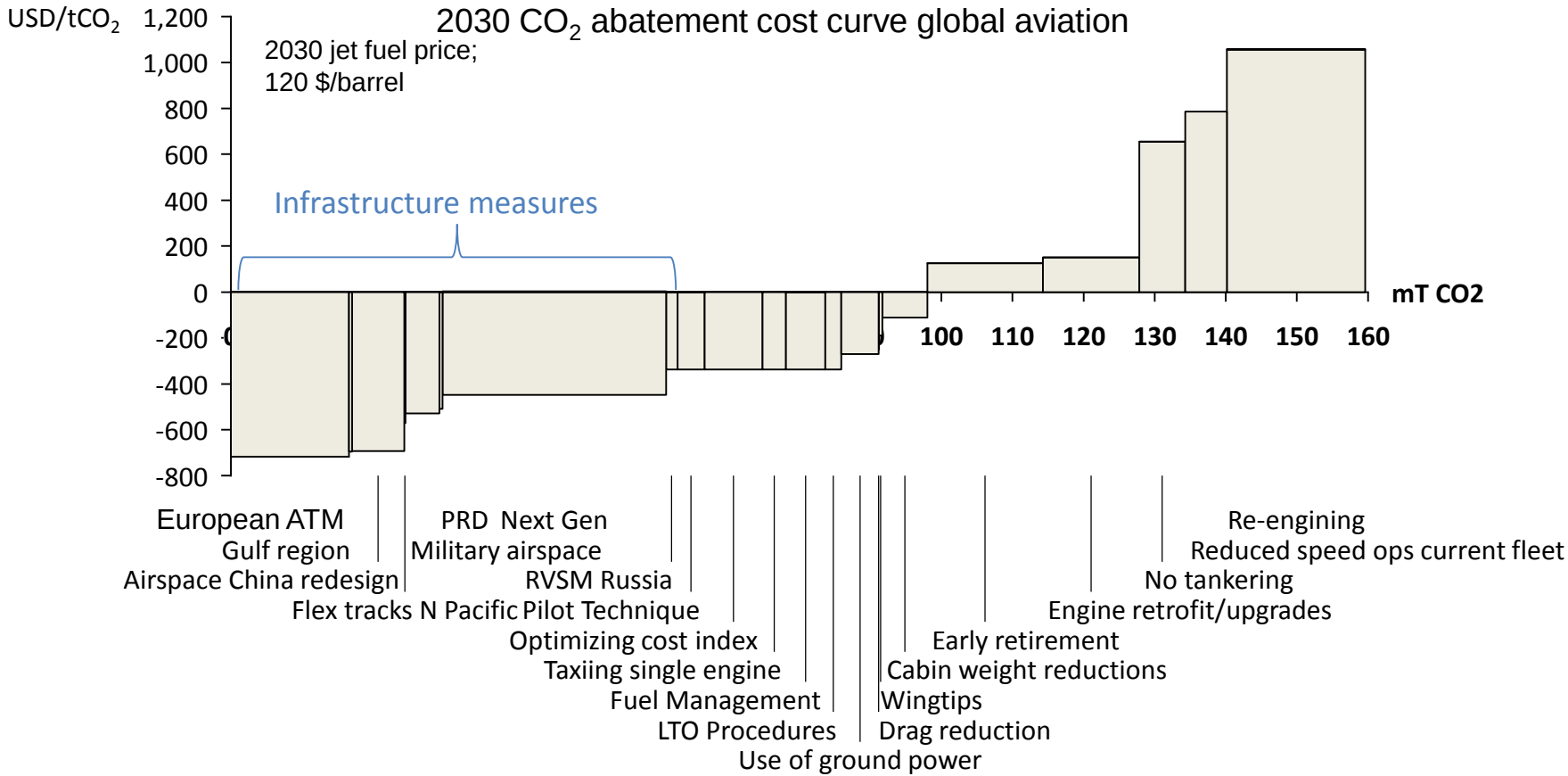
Source: IATA/Tourism Economics 'Air Passenger Forecasts, October 2015', IATA Economics calculations.

Demand for fuel will rise strongly under most scenarios



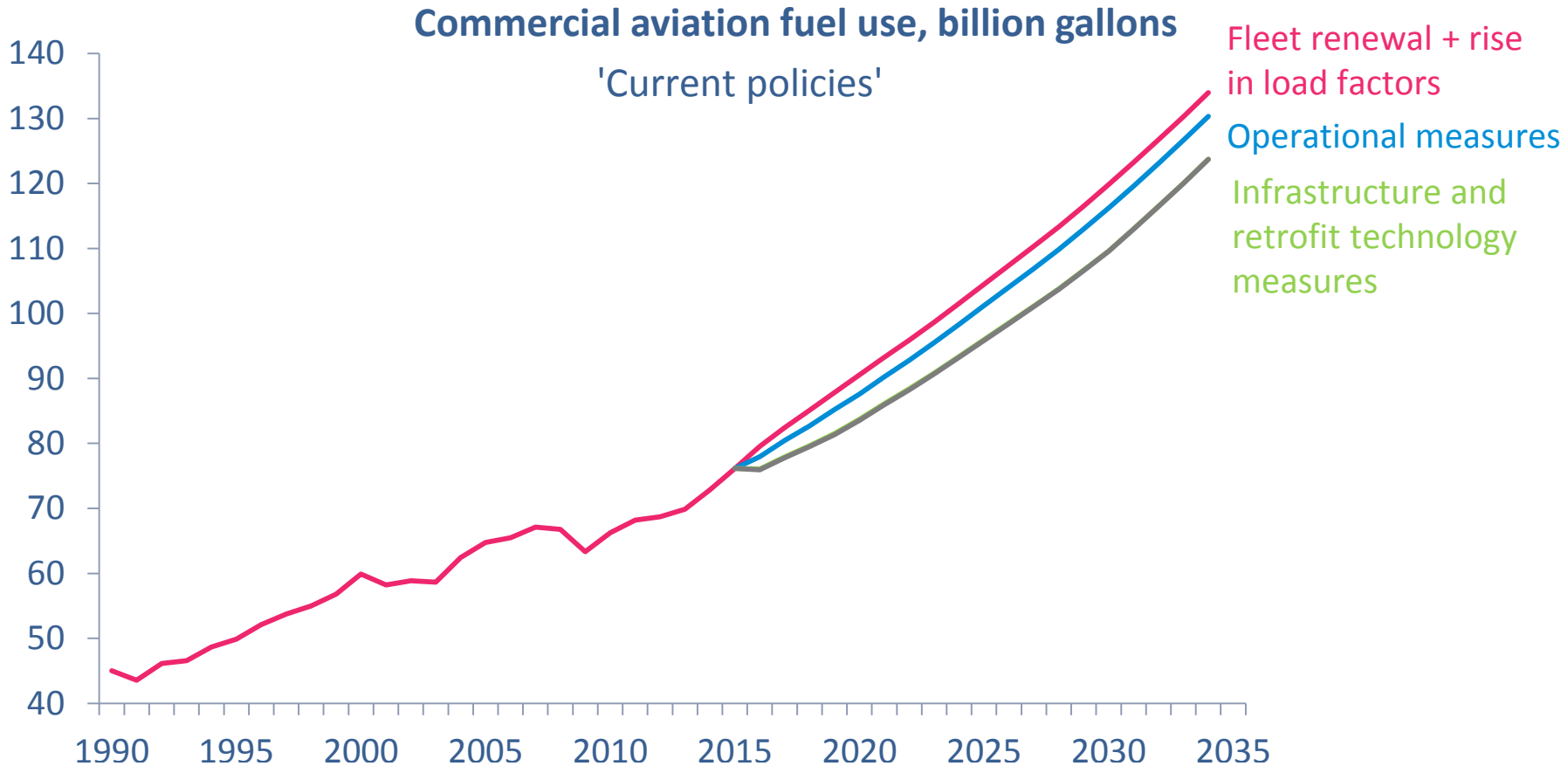
Source: IATA/Tourism Economics 'Air Passenger Forecasts, October 2015', IATA Economics calculations.

There are some cost effective fuel saving measures



Source: IATA Aviation Carbon model based on McKinsey study.

Strong rise in demand even after cost-effective measures



Source: IATA Aviation Carbon Model