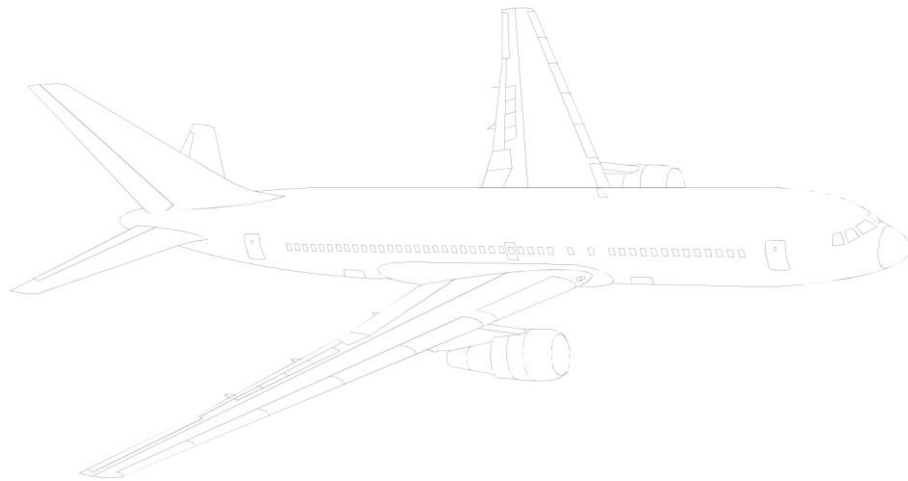


AIRLINE QUARTERLY FINANCIAL REVIEW

FOURTH QUARTER 2016

MAJORS



DEPARTMENT OF TRANSPORTATION
OFFICE OF AVIATION ANALYSIS:
COMPETITION AND POLICY
ANALYSIS DIVISION

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INTRODUCTION

This report contains tables and charts on the financial condition of the U.S. Major airlines, defined as Large Certificated Air Carriers with annual operating revenues exceeding \$1,000,000,000. All data presented in this financial and traffic review are derived from Form 41 Schedules reported to the U.S. Department of Transportation by Large Certificated Air Carriers.

The data are presented on both a carrier group and an individual carrier basis, but the primary focus is on individual carrier system entity performance. Data are presented for the most recent quarterly period compared to the prior year's quarter, as well as for the 12-month ended period for the five most recent quarters. A graphic presentation of comparative trends on a carrier group basis is made for several unit and overall financial indicators.

TECHNICAL NOTES

In the case of merged carriers, data for the carriers involved have been combined and presented under the name of the surviving carrier so that meaningful (pro forma) comparisons can be made. See report endnotes for further information regarding timing of mergers.

In some instances, a metric in the individual carrier report will show a symbol. Please see the endnotes for a glossary of symbols.

The air carrier group definitions used to categorize Large Certificated Air Carriers are as follows:

- Majors: Air carriers with annual operating revenues exceeding \$1,000,000,000
- Nationals: Air carriers with annual operating revenues from \$100,000,001 to \$1,000,000,000
- Large Regionals: Air carriers with operating revenues between \$20,000,000 and \$100,000,000
- Medium Regionals: Carriers with annual operating revenues less than \$20,000,000

Carriers can move between groupings (e.g., Majors and Nationals) over time based on the criteria listed above. Each report includes 18 quarters of data. In the instance where a carrier falls into both groupings during the 18 quarters, a carrier will appear in both reports. The data from the Majors report and the data from the Nationals report should not be combined without ensuring any duplications are removed.

Certain data in this review are classified into two broad categories: "Domestic" and "International" services. "Domestic" service encompasses operations within and between the 50 states of the United States, the District of Columbia, and United States territories. It also encompasses transborder operations to and from Canada. All other operations are considered "International" services, which include operations in the Atlantic, Latin, and Pacific regions.

While the Office of Aviation Analysis has reviewed this report for obvious errors, the data are presented as reported by the carriers to the Bureau of Transportation Statistics and have not been verified or compared to publicly filed financial documents.

QUARTERLY FINANCIAL & TRAFFIC REVIEW

SYSTEM OPERATIONS

System Passenger and All-Cargo Majors

Items	Quarter Ended		12 Months Ended				
	2016 q4	2015 q4	2016 q4	2016 q3	2016 q2	2016 q1	2015 q4
<u>FINANCIAL RESULTS: (\$Millions)</u>							
1 Operating Revenues	50,814.5	47,937.6	201,519.7	198,642.9	197,614.8	197,665.4	198,001.2
2 Operating Expenses	45,602.0	41,291.6	173,554.4	169,244.0	166,712.9	166,516.4	167,621.1
3 Operating Profit (Loss)	5,212.5	6,646.0	27,965.3	29,398.8	30,901.9	31,149.0	30,380.1
4 Net Income (Loss)	2,881.2	7,447.6	16,411.7	20,978.1	25,908.3	26,359.4	26,210.4
<u>TRAFFIC: (Billions)</u>							
5 RPMs - Scheduled Rev. Svc.	215.3	209.9	888.1	882.8	877.2	869.4	859.5
6 ASMs - Scheduled Rev. Svc.	257.7	250.9	1,061.0	1,054.2	1,045.3	1,035.9	1,023.4
7 Overall RTMs (All Svc.)	30.9	29.9	122.9	121.9	121.1	120.3	119.8
8 Overall ATMs (All Svc.)	50.5	48.3	200.6	198.4	196.7	194.7	191.8
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>							
9 Operating Revenue per RTM	164.3	160.5	164.0	163.0	163.2	164.3	165.3
10 Operating Expense per RTM	147.5	138.3	141.2	138.9	137.7	138.4	139.9
11 Operating Profit (Loss) per RTM	16.9	22.3	22.8	24.1	25.5	25.9	25.4
12 Operating Expense per ATM	90.3	85.5	86.5	85.3	84.8	85.5	87.4
13 Passenger Revenue per RPM	13.54	13.74	13.52	13.57	13.74	13.96	14.18
<u>FINANCIAL RATIOS:</u>							
14 Operating Revenues to Total Investment	*	*	1.63	1.66	1.72	1.79	1.86
15 Times Interest Earned	*	*	12.08	12.47	12.62	12.47	11.92
16 Current Assets to Current Liabilities	*	*	0.85	0.83	0.76	0.77	0.74
17 No. of Days Cash Coverage of Cash Exp.	*	*	53.6	63.3	60.0	56.4	55.1
<u>FINANCIAL PERCENTAGES: (%)</u>							
18 Operating Profit (Loss) to Operating Revenue	10.3	13.9	13.9	14.8	15.6	15.8	15.3
19 Net Income to Stockholders Equity	*	*	23.06	30.74	40.34	43.84	46.65
20 Corporate Return on Investment	*	*	15.1	19.4	24.6	26.0	26.9
21 Debt to Total Investment	*	*	41.8	42.0	42.2	43.3	43.0
<u>LOAD FACTOR: (%)</u>							
22 Passenger Load Factor (Sch. Svc.)	83.5	83.7	83.7	83.7	83.9	83.9	84.0
23 Ton Load Factor (All Svc.)	61.2	61.9	61.3	61.4	61.5	61.8	62.5
<u>Employment & Productivity:</u>							
24 Employment, Total Weighted Avg CY	594,911	529,210	572,721	556,295	539,207	526,978	522,874
25 Overall RTM's per Employee (000)	52.0	56.4	214.6	219.0	224.5	228.4	229.1
<u>CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER</u>							
26 Operating Revenues (%)	6.0	-2.1	1.8	-0.2	-1.1	-1.6	-1.2
27 Operating Expenses (%)	10.4	-11.0	3.5	-2.0	-5.8	-7.9	-8.9
28 Operating Profit (Loss) (in Millions \$)	-1,433.5	4,071.1	-2,414.7	3,089.9	8,036.9	11,143.5	13,977.4
29 Net Income (Loss) (in Millions \$)	-4,566.4	6,959.6	-9,798.7	1,727.3	12,759.2	15,055.8	17,819.2
30 RPMs (Sch. Svc.) (%)	2.5	5.9	3.3	4.1	4.9	4.9	4.3
31 ASMs (Sch. Svc.) (%)	2.7	3.8	3.7	4.0	4.3	4.5	3.9
32 Operating Revenues per RTM (%)	2.4	-5.5	-0.8	-2.8	-3.8	-4.4	-4.5
33 Operating Expense per RTM (%)	6.7	-14.1	0.9	-4.5	-8.4	-10.6	-11.9
34 Passenger Revenue per RPM (Sch. Svc.)(%)	-1.5	-6.9	-4.7	-5.9	-6.3	-6.0	-4.5

QUARTERLY FINANCIAL & TRAFFIC REVIEW

DOMESTIC OPERATIONS

Domestic Passenger and All-Cargo Majors

Items		Quarter Ended		12 Months Ended				
		2016 q4	2015 q4	2016 q4	2016 q3	2016 q2	2016 q1	2015 q4
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	36,759.0	34,862.9	144,843.8	142,947.7	141,987.0	141,417.0	141,168.0
2	Operating Expenses	31,661.8	28,940.4	120,140.3	117,419.0	115,693.8	115,223.7	115,581.3
3	Operating Profit (Loss)	5,097.3	5,922.5	24,703.5	25,528.7	26,293.2	26,193.3	25,586.7
4	Net Income (Loss)	2,954.7	7,008.6	14,196.6	18,250.6	20,846.7	21,132.7	21,145.3
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	154.4	149.4	624.8	619.8	614.0	607.1	598.2
6	ASMs - Scheduled Rev. Svc.	181.7	175.4	734.5	728.2	719.7	711.9	700.8
7	Overall RTMs (All Svc.)	19.1	18.4	75.7	75.0	74.2	73.5	72.7
8	Overall ATMs (All Svc.)	30.3	28.8	118.6	117.1	116.1	115.1	112.7
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	192.3	189.4	191.5	190.7	191.2	192.4	194.2
10	Operating Expense per RTM	165.7	157.2	158.8	156.6	155.8	156.7	159.0
11	Operating Profit (Loss) per RTM	26.7	32.2	32.7	34.1	35.4	35.6	35.2
12	Operating Expense per ATM	104.4	100.4	101.3	100.3	99.7	100.1	102.6
13	Passenger Revenue per RPM	13.83	14.10	13.80	13.87	14.02	14.21	14.38
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	**	**	**	**	**
15	Times Interest Earned	*	*	**	**	**	**	**
16	Current Assets to Current Liabilities	*	*	**	**	**	**	**
17	No. of Days Cash Coverage of Cash Exp.	*	*	**	**	**	**	**
<u>FINANCIAL PERCENTAGES: (%)</u>								
18	Operating Profit (Loss) to Operating Revenue	13.9	17.0	17.1	17.9	18.5	18.5	18.1
19	Net Income to Stockholders Equity	*	*	**	**	**	**	**
20	Corporate Return on Investment	*	*	**	**	**	**	**
21	Debt to Total Investment	*	*	**	**	**	**	**
<u>LOAD FACTOR: (%)</u>								
22	Passenger Load Factor (Sch. Svc.)	85.0	85.2	85.1	85.1	85.3	85.3	85.4
23	Ton Load Factor (All Svc.)	63.0	63.8	63.8	64.0	64.0	63.9	64.5
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	*	*	**	**	**	**	**
25	Overall RTM's per Employee (000)	*	*	**	**	**	**	**
<u>CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER</u>								
26	Operating Revenues (%)	5.4	0.1	2.6	1.3	0.8	0.3	0.7
27	Operating Expenses (%)	9.4	-8.8	3.9	-0.8	-4.2	-6.3	-7.6
28	Operating Profit (Loss) (in Millions \$)	-825.2	2,818.6	-883.2	2,760.6	6,097.3	8,096.5	10,429.4
29	Net Income (Loss) (in Millions \$)	-4,054.0	5,602.1	-6,948.7	2,707.4	8,943.5	10,429.2	12,553.2
30	RPMs (Sch. Svc.) (%)	3.3	7.3	4.4	5.4	6.0	6.1	5.4
31	ASMs (Sch. Svc.) (%)	3.6	5.0	4.8	5.2	5.3	5.6	4.8
32	Operating Revenues per RTM (%)	1.6	-5.7	-1.4	-3.2	-4.0	-4.6	-4.0
33	Operating Expense per RTM (%)	5.4	-14.0	-0.1	-5.2	-8.7	-10.8	-11.9
34	Passenger Revenue per RPM (Sch. Svc.)(%)	-1.9	-4.9	-4.0	-4.7	-4.9	-4.6	-3.2

QUARTERLY FINANCIAL & TRAFFIC REVIEW

INTERNATIONAL OPERATIONS

International Passenger and All-Cargo Majors

Items		Quarter Ended		12 Months Ended				
		2016 q4	2015 q4	2016 q4	2016 q3	2016 q2	2016 q1	2015 q4
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	14,055.5	13,074.7	56,676.0	55,695.2	55,627.8	56,248.4	56,833.2
2	Operating Expenses	13,940.3	12,351.2	53,414.1	51,825.0	51,019.1	51,292.7	52,039.8
3	Operating Profit (Loss)	115.2	723.5	3,261.8	3,870.2	4,608.7	4,955.6	4,793.4
4	Net Income (Loss)	-73.4	439.0	2,215.1	2,727.6	5,061.6	5,226.8	5,065.1
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	60.8	60.5	263.3	263.0	263.2	262.3	261.2
6	ASMs - Scheduled Rev. Svc.	76.0	75.6	326.5	326.1	325.6	324.1	322.6
7	Overall RTMs (All Svc.)	11.8	11.5	47.3	46.9	46.8	46.8	47.1
8	Overall ATMs (All Svc.)	20.2	19.4	82.1	81.3	80.6	79.6	79.1
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	119.0	114.1	119.9	118.8	118.8	120.1	120.7
10	Operating Expense per RTM	118.0	107.8	113.0	110.5	109.0	109.5	110.6
11	Operating Profit (Loss) per RTM	1.0	6.3	6.9	8.3	9.8	10.6	10.2
12	Operating Expense per ATM	69.1	63.6	65.1	63.7	63.3	64.4	65.8
13	Passenger Revenue per RPM	12.79	12.85	12.84	12.85	13.08	13.40	13.72
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	**	**	**	**	**
15	Times Interest Earned	*	*	**	**	**	**	**
16	Current Assets to Current Liabilities	*	*	**	**	**	**	**
17	No. of Days Cash Coverage of Cash Exp.	*	*	**	**	**	**	**
<u>FINANCIAL PERCENTAGES: (%)</u>								
18	Operating Profit (Loss) to Operating Revenue	0.8	5.5	5.8	6.9	8.3	8.8	8.4
19	Net Income to Stockholders Equity	*	*	**	**	**	**	**
20	Corporate Return on Investment	*	*	**	**	**	**	**
21	Debt to Total Investment	*	*	**	**	**	**	**
<u>LOAD FACTOR: (%)</u>								
22	Passenger Load Factor (Sch. Svc.)	80.1	80.1	80.6	80.6	80.8	81.0	81.0
23	Ton Load Factor (All Svc.)	58.5	58.9	57.6	57.7	58.1	58.8	59.5
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	*	*	**	**	**	**	**
25	Overall RTM's per Employee (000)	*	*	**	**	**	**	**
<u>CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER</u>								
26	Operating Revenues (%)	7.5	-7.5	-0.3	-3.8	-5.5	-6.0	-5.6
27	Operating Expenses (%)	12.9	-15.8	2.6	-4.7	-9.2	-11.4	-11.7
28	Operating Profit (Loss) (in Millions \$)	-608.3	1,252.5	-1,531.5	329.2	1,939.6	3,047.0	3,548.1
29	Net Income (Loss) (in Millions \$)	-512.4	1,357.5	-2,850.0	-980.1	3,815.7	4,626.5	5,266.0
30	RPMs (Sch. Svc.) (%)	0.6	2.5	0.8	1.2	2.4	2.2	2.0
31	ASMs (Sch. Svc.) (%)	0.6	1.1	1.2	1.3	2.1	2.1	2.0
32	Operating Revenues per RTM (%)	4.3	-7.4	-0.7	-3.4	-5.1	-5.8	-6.7
33	Operating Expense per RTM (%)	9.5	-15.7	2.2	-4.3	-8.9	-11.3	-12.8
34	Passenger Revenue per RPM (Sch. Svc.)(%)	-0.5	-11.9	-6.4	-9.0	-9.9	-9.2	-7.4

COMPARISONS AMONG PASSENGER MAJOR GROUP AIRLINES

SYSTEM ENTITY

Chart 1. Operating Profit and Net Income (Loss)
For the Quarter 2016q4

\$Millions

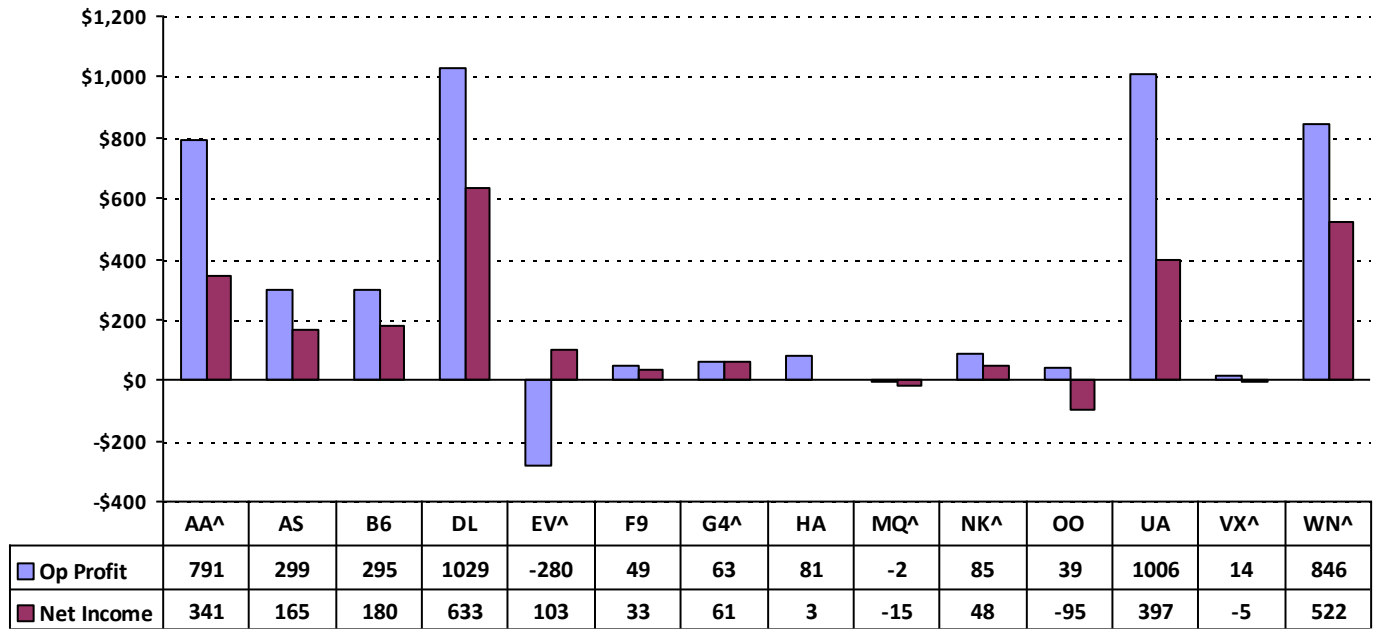
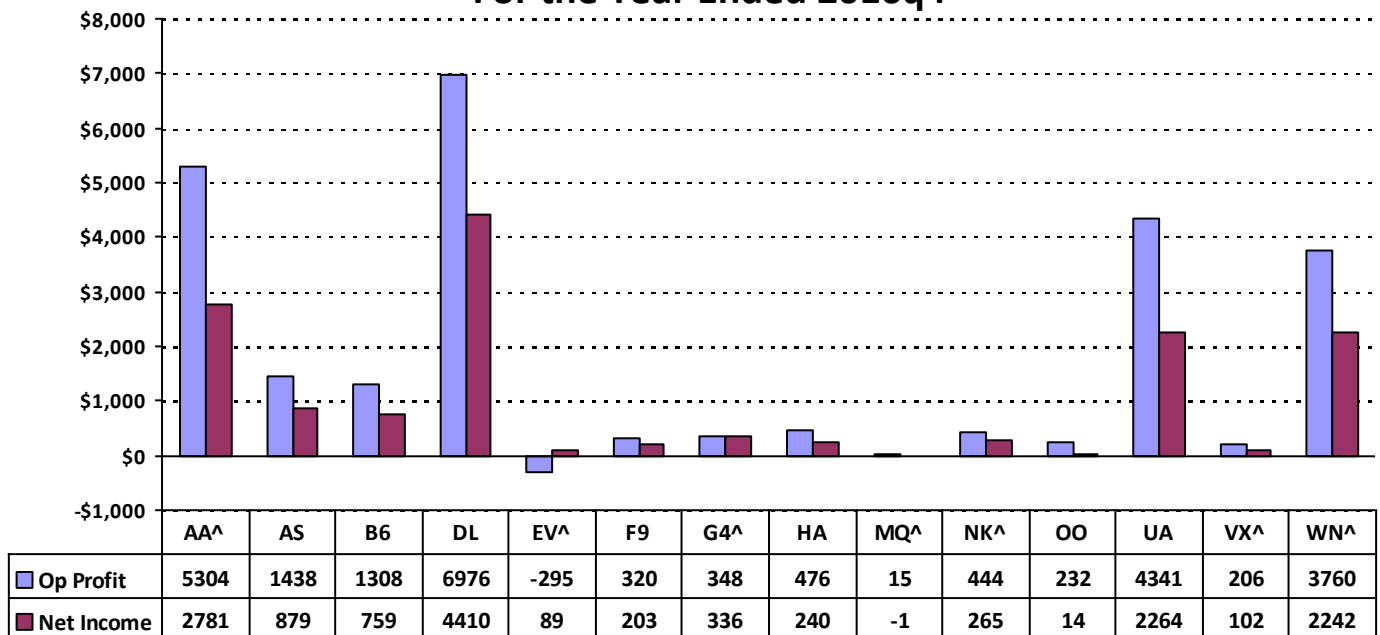


Chart 2. Operating Profit and Net Income (Loss)
For the Year Ended 2016q4

\$Millions



TOTAL ALL MAJOR GROUP AIRLINES SYSTEM ENTITY

Chart 3. Operating Profit (Loss) By Quarter

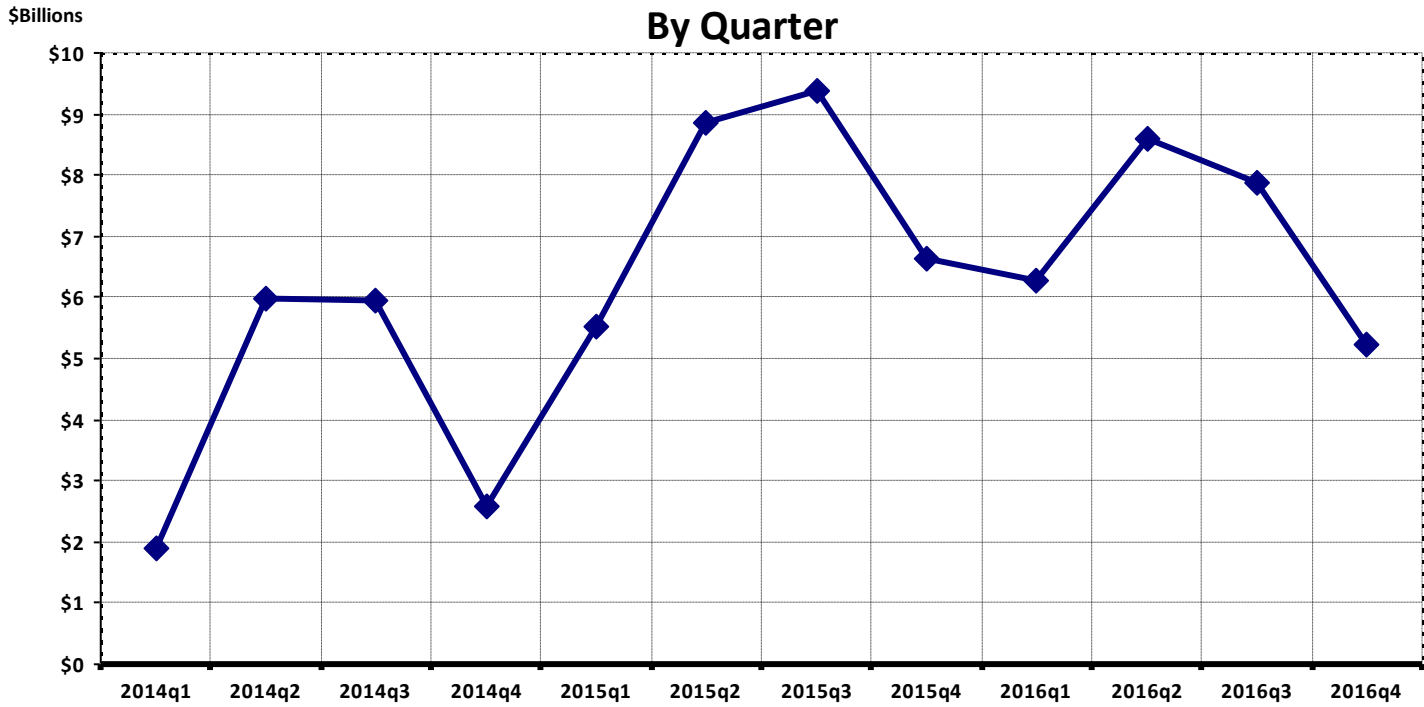
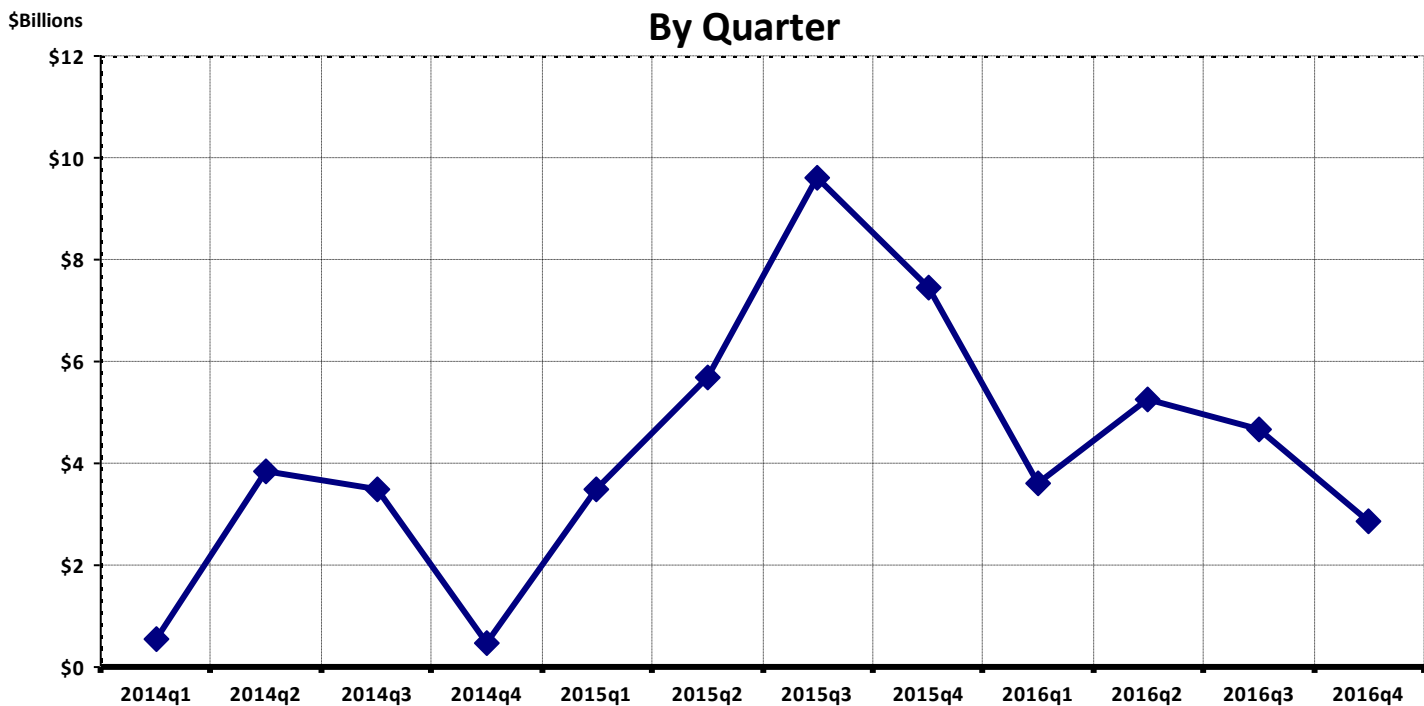
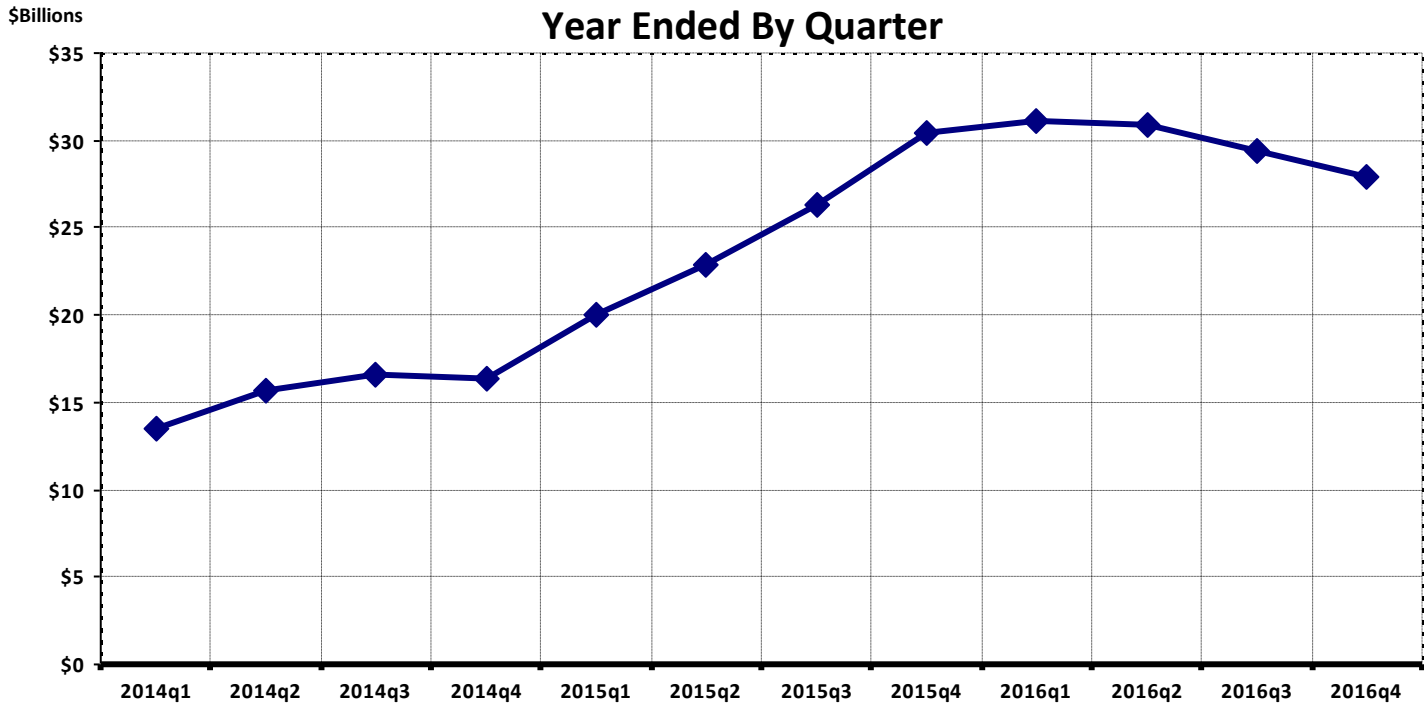


Chart 4. Net Income (Loss) By Quarter

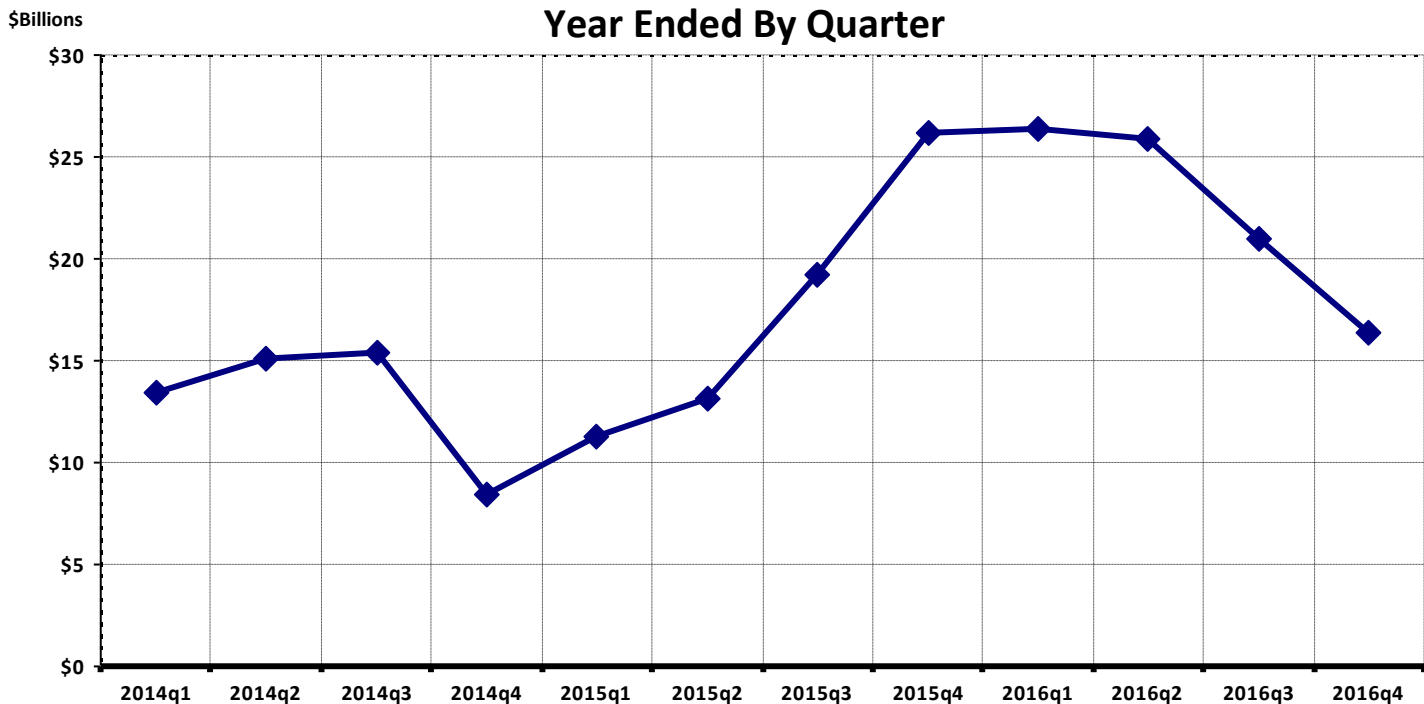


TOTAL ALL MAJOR GROUP AIRLINES SYSTEM ENTITY

**Chart 5. Operating Profit (Loss)
Year Ended By Quarter**



**Chart 6. Net Income (Loss)
Year Ended By Quarter**



TOTAL ALL MAJOR GROUP AIRLINES SYSTEM ENTITY

Chart 7. Operating Revenue Per Revenue Ton-Mile Year Over Year Percent Change

Percent Change YOY

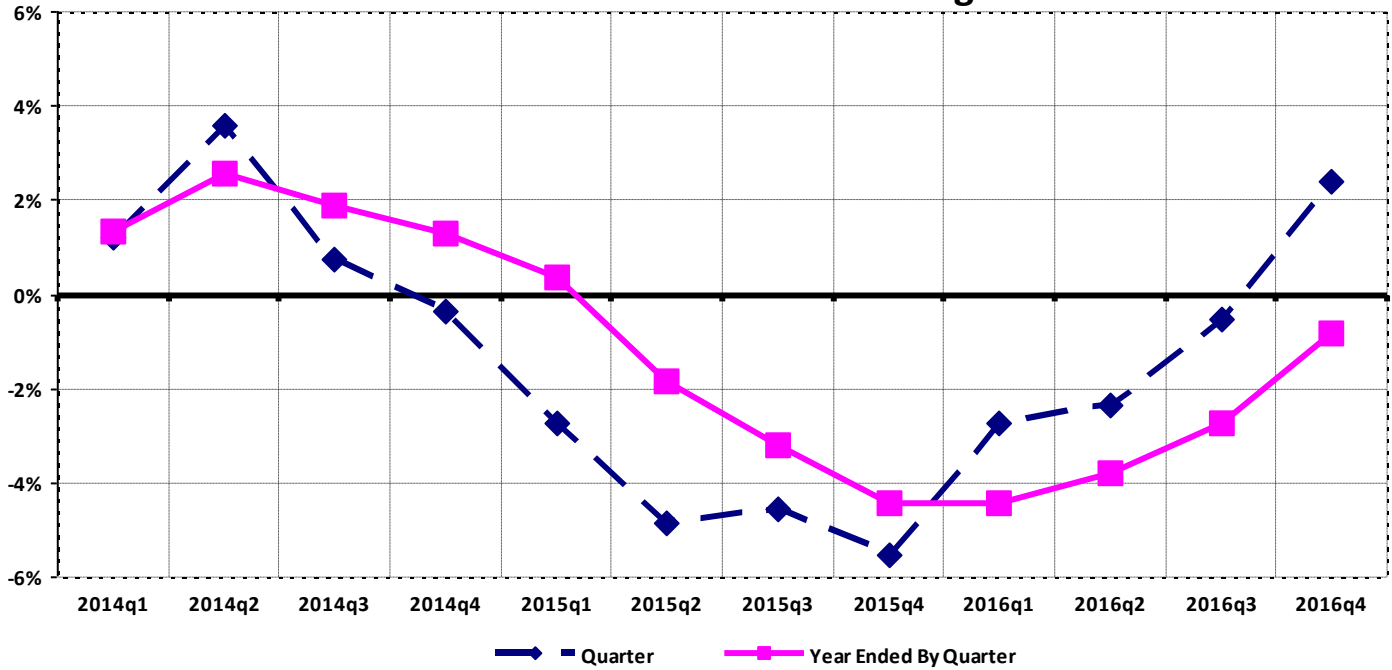
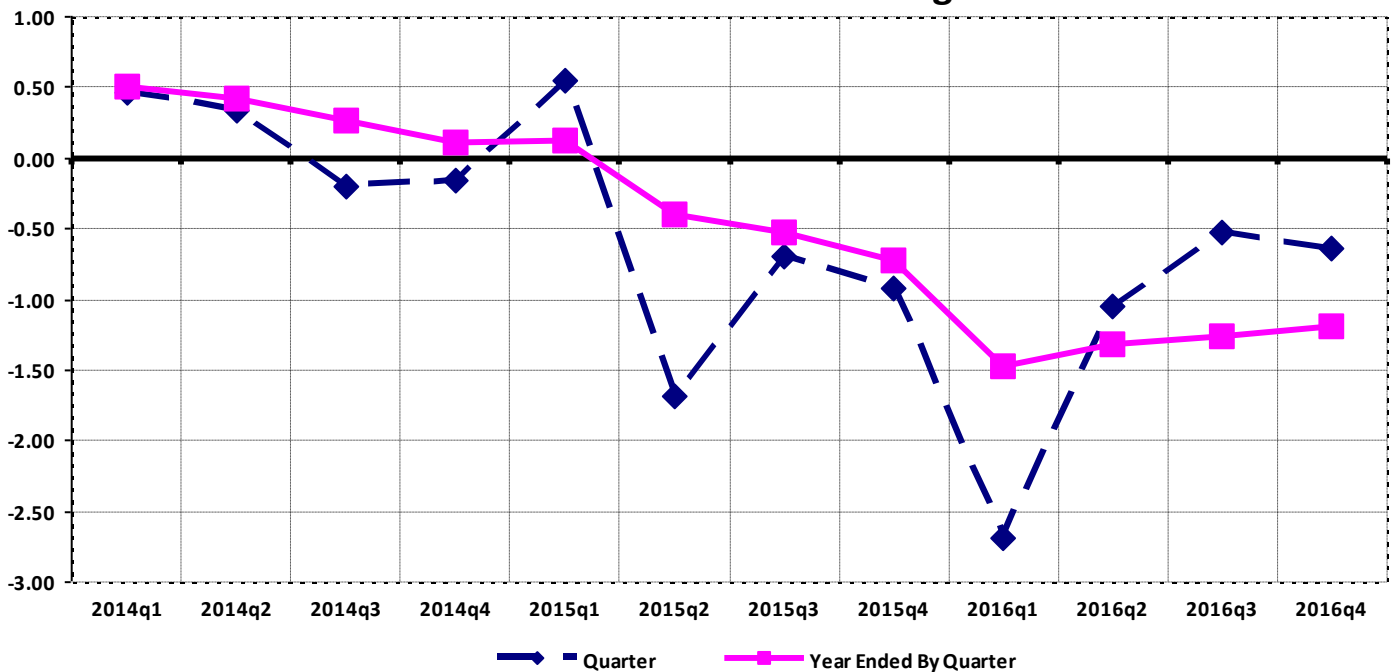


Chart 8. Ton Load Factor Year Over Year Point Change

Point Change YOY



TOTAL ALL MAJOR GROUP AIRLINES SYSTEM ENTITY

Chart 9. Operating Expense Per Revenue Ton-Mile Year Over Year Percent Change

Percent Change YOY

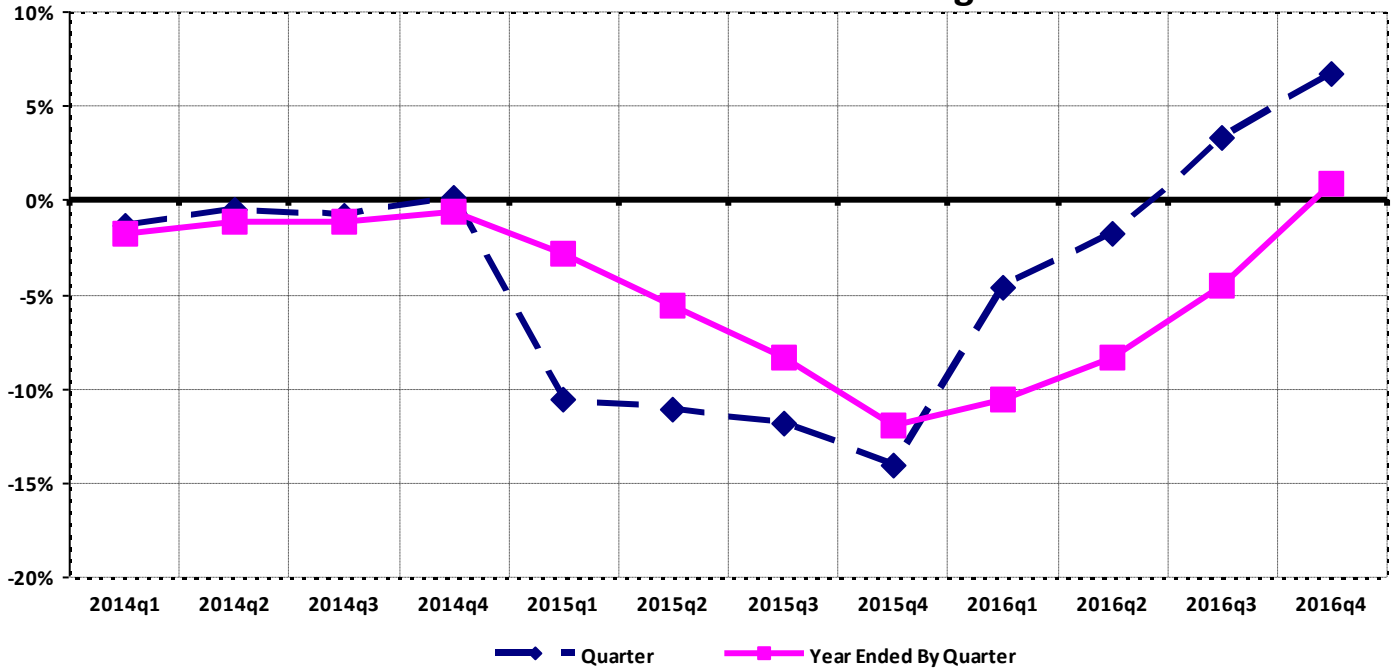
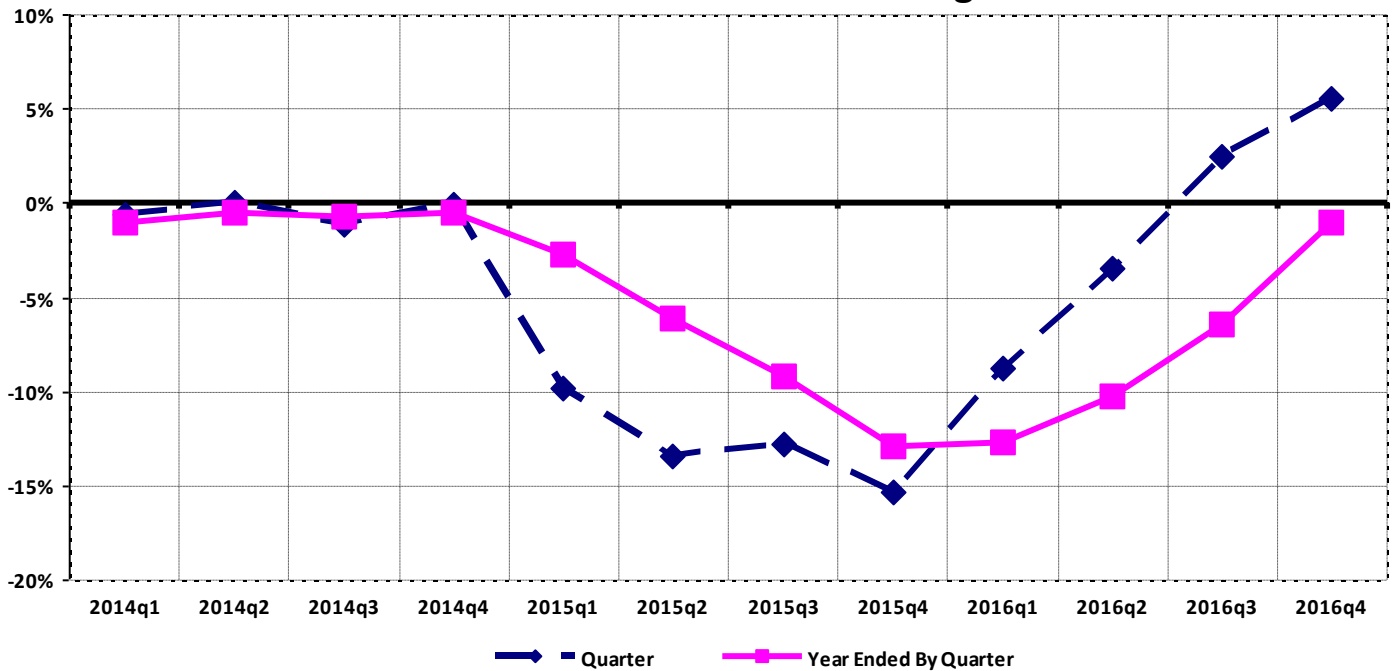


Chart 10. Operating Expense Per Available Ton-Mile Year Over Year Percent Change

Percent Change YOY



QUARTERLY FINANCIAL & TRAFFIC REVIEW

SYSTEM OPERATIONS

System Passenger Majors

Items	Quarter Ended		12 Months Ended				
	2016 q4	2015 q4	2016 q4	2016 q3	2016 q2	2016 q1	2015 q4
<u>FINANCIAL RESULTS: (\$Millions)</u>							
1 Operating Revenues	39,915.9	39,340.4	163,349.6	162,774.1	163,577.2	164,195.4	164,360.0
2 Operating Expenses	35,600.5	33,460.9	138,476.6	136,337.1	135,588.5	135,907.4	136,652.7
3 Operating Profit (Loss)	4,315.4	5,879.5	24,873.0	26,437.1	27,988.7	28,288.0	27,707.2
4 Net Income (Loss)	2,371.7	6,913.9	14,583.3	19,125.5	24,087.7	24,825.5	24,696.2
<u>TRAFFIC: (Billions)</u>							
5 RPMs - Scheduled Rev. Svc.	215.3	209.9	888.1	882.8	877.2	869.4	859.5
6 ASMs - Scheduled Rev. Svc.	257.7	250.9	1,061.0	1,054.2	1,045.3	1,035.9	1,023.4
7 Overall RTMs (All Svc.)	23.6	23.0	96.6	95.9	95.3	94.5	93.7
8 Overall ATMs (All Svc.)	36.8	35.9	151.9	151.1	150.5	149.6	146.9
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>							
9 Operating Revenue per RTM	168.8	171.3	169.2	169.8	171.7	173.7	175.3
10 Operating Expense per RTM	150.6	145.7	143.4	142.2	142.3	143.8	145.8
11 Operating Profit (Loss) per RTM	18.3	25.6	25.8	27.6	29.4	29.9	29.6
12 Operating Expense per ATM	96.7	93.2	91.1	90.3	90.1	90.9	93.0
13 Passenger Revenue per RPM	13.54	13.74	13.52	13.57	13.74	13.96	14.18
<u>FINANCIAL RATIOS:</u>							
14 Operating Revenues to Total Investment	*	*	1.57	1.62	1.71	1.79	1.87
15 Times Interest Earned	*	*	11.84	12.11	12.42	12.30	11.79
16 Current Assets to Current Liabilities	*	*	0.86	0.85	0.77	0.72	0.71
17 No. of Days Cash Coverage of Cash Exp.	*	*	62.7	74.3	69.7	65.6	64.2
<u>FINANCIAL PERCENTAGES: (%)</u>							
18 Operating Profit (Loss) to Operating Revenue	10.8	14.9	15.2	16.2	17.1	17.2	16.9
19 Net Income to Stockholders Equity	*	*	27.09	37.25	50.49	56.41	61.06
20 Corporate Return on Investment	*	*	16.1	21.2	27.4	29.4	30.6
21 Debt to Total Investment	*	*	47.1	47.4	48.0	49.2	49.0
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>							
22 Actual	83.5	83.7	83.7	83.7	83.9	83.9	84.0
23 Breakeven	77.5	72.3	72.1	70.8	69.8	69.5	69.8
<u>Employment & Productivity:</u>							
24 Employment, Total Weighted Avg CY	391,444	377,126	386,780	383,201	379,166	375,728	372,247
25 Overall RTM's per Employee (000)	60.4	60.9	249.6	250.2	251.3	251.6	251.8
<u>CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER</u>							
26 Operating Revenues (%)	1.5	-1.0	-0.6	-1.2	-0.8	-0.8	-0.2
27 Operating Expenses (%)	6.4	-11.5	1.3	-3.3	-6.1	-8.0	-9.1
28 Operating Profit (Loss) (in Millions \$)	-1,564.0	3,961.6	-2,834.2	2,691.4	7,584.4	10,560.6	13,363.5
29 Net Income (Loss) (in Millions \$)	-4,542.2	6,683.6	-10,112.9	1,112.9	12,208.9	14,921.0	17,383.4
30 RPMs (Sch. Svc.) (%)	2.5	5.9	3.3	4.1	4.9	4.9	4.3
31 ASMs (Sch. Svc.) (%)	2.7	3.8	3.7	4.0	4.3	4.5	3.9
32 Operating Revenues per RTM (%)	-1.4	-5.7	-3.5	-4.5	-4.7	-4.7	-4.0
33 Operating Expense per RTM (%)	3.4	-15.7	-1.6	-6.6	-9.8	-11.6	-12.5
34 Passenger Revenue per RPM (Sch. Svc.)(%)	-1.5	-6.9	-4.7	-5.9	-6.3	-6.0	-4.5

QUARTERLY FINANCIAL & TRAFFIC REVIEW

DOMESTIC OPERATIONS

Domestic Passenger Majors

Items		Quarter Ended		12 Months Ended				
		2016 q4	2015 q4	2016 q4	2016 q3	2016 q2	2016 q1	2015 q4
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	30,475.3	28,866.6	121,129.0	119,520.3	118,726.1	118,215.8	118,015.7
2	Operating Expenses	26,736.2	24,252.0	101,730.4	99,246.2	97,659.5	97,174.1	97,463.9
3	Operating Profit (Loss)	3,739.1	4,614.6	19,398.6	20,274.1	21,066.6	21,041.7	20,551.8
4	Net Income (Loss)	2,120.8	6,129.1	10,786.7	14,795.0	17,408.6	17,898.1	17,961.7
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	154.4	149.4	624.8	619.8	614.0	607.1	598.2
6	ASMs - Scheduled Rev. Svc.	181.7	175.4	734.5	728.2	719.7	711.9	700.8
7	Overall RTMs (All Svc.)	15.9	15.3	63.9	63.4	62.8	62.2	61.3
8	Overall ATMs (All Svc.)	23.9	23.0	96.5	95.6	95.0	94.5	92.4
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	192.2	188.3	189.5	188.5	189.0	190.2	192.4
10	Operating Expense per RTM	168.6	158.2	159.1	156.5	155.5	156.3	158.9
11	Operating Profit (Loss) per RTM	23.6	30.1	30.3	32.0	33.5	33.9	33.5
12	Operating Expense per ATM	111.8	105.4	105.4	103.9	102.8	102.9	105.5
13	Passenger Revenue per RPM	13.83	14.10	13.80	13.87	14.02	14.21	14.38
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	**	**	**	**	**
15	Times Interest Earned	*	*	**	**	**	**	**
16	Current Assets to Current Liabilities	*	*	**	**	**	**	**
17	No. of Days Cash Coverage of Cash Exp.	*	*	**	**	**	**	**
<u>FINANCIAL PERCENTAGES: (%)</u>								
18	Operating Profit (Loss) to Operating Revenue	12.3	16.0	16.0	17.0	17.7	17.8	17.4
19	Net Income to Stockholders Equity	*	*	**	**	**	**	**
20	Corporate Return on Investment	*	*	**	**	**	**	**
21	Debt to Total Investment	*	*	**	**	**	**	**
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	85.0	85.2	85.1	85.1	85.3	85.3	85.4
23	Breakeven	77.7	71.8	72.0	70.5	69.5	69.6	70.3
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	*	*	**	**	**	**	**
25	Overall RTM's per Employee (000)	*	*	**	**	**	**	**
<u>CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER</u>								
26	Operating Revenues (%)	5.6	0.9	2.6	1.5	1.2	0.9	1.4
27	Operating Expenses (%)	10.2	-9.3	4.4	-0.7	-4.3	-6.5	-7.9
28	Operating Profit (Loss) (in Millions \$)	-875.5	2,742.7	-1,153.2	2,465.0	5,826.9	7,834.4	10,016.6
29	Net Income (Loss) (in Millions \$)	-4,008.4	5,510.2	-7,175.1	2,343.5	8,622.8	10,389.9	12,345.5
30	RPMs (Sch. Svc.) (%)	3.3	7.3	4.4	5.4	6.0	6.1	5.4
31	ASMs (Sch. Svc.) (%)	3.6	5.0	4.8	5.2	5.3	5.6	4.8
32	Operating Revenues per RTM (%)	2.1	-5.8	-1.5	-3.5	-4.2	-4.7	-3.7
33	Operating Expense per RTM (%)	6.6	-15.3	0.1	-5.6	-9.4	-11.7	-12.5
34	Passenger Revenue per RPM (Sch. Svc.)(%)	-1.9	-4.9	-4.0	-4.7	-4.9	-4.6	-3.2

QUARTERLY FINANCIAL & TRAFFIC REVIEW

INTERNATIONAL OPERATIONS

International Passenger Majors

Items		Quarter Ended		12 Months Ended				
		2016 q4	2015 q4	2016 q4	2016 q3	2016 q2	2016 q1	2015 q4
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	9,440.6	10,473.8	42,220.7	43,253.9	44,851.1	45,979.6	46,344.3
2	Operating Expenses	8,864.3	9,208.9	36,746.2	37,090.9	37,929.0	38,733.3	39,188.9
3	Operating Profit (Loss)	576.3	1,264.9	5,474.4	6,163.0	6,922.1	7,246.2	7,155.4
4	Net Income (Loss)	251.0	784.8	3,796.6	4,330.5	6,679.1	6,927.4	6,734.5
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	60.8	60.5	263.3	263.0	263.2	262.3	261.2
6	ASMs - Scheduled Rev. Svc.	76.0	75.6	326.5	326.1	325.6	324.1	322.6
7	Overall RTMs (All Svc.)	7.8	7.6	32.6	32.5	32.5	32.4	32.4
8	Overall ATMs (All Svc.)	12.9	12.9	55.5	55.5	55.5	55.1	54.5
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	121.2	137.1	129.4	133.2	138.1	142.0	143.0
10	Operating Expense per RTM	113.8	120.5	112.7	114.2	116.8	119.6	120.9
11	Operating Profit (Loss) per RTM	7.4	16.6	16.8	19.0	21.3	22.4	22.1
12	Operating Expense per ATM	68.9	71.4	66.2	66.8	68.3	70.3	71.9
13	Passenger Revenue per RPM	12.79	12.85	12.84	12.85	13.08	13.40	13.72
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	**	**	**	**	**
15	Times Interest Earned	*	*	**	**	**	**	**
16	Current Assets to Current Liabilities	*	*	**	**	**	**	**
17	No. of Days Cash Coverage of Cash Exp.	*	*	**	**	**	**	**
<u>FINANCIAL PERCENTAGES: (%)</u>								
18	Operating Profit (Loss) to Operating Revenue	6.1	12.1	13.0	14.2	15.4	15.8	15.4
19	Net Income to Stockholders Equity	*	*	**	**	**	**	**
20	Corporate Return on Investment	*	*	**	**	**	**	**
21	Debt to Total Investment	*	*	**	**	**	**	**
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	80.1	80.1	80.6	80.6	80.8	81.0	81.0
23	Breakeven	77.4	73.6	72.7	71.8	70.8	69.4	68.8
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	*	*	**	**	**	**	**
25	Overall RTM's per Employee (000)	*	*	**	**	**	**	**
<u>CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER</u>								
26	Operating Revenues (%)	-9.9	-5.8	-8.9	-7.9	-5.8	-4.8	-4.2
27	Operating Expenses (%)	-3.7	-16.8	-6.2	-9.6	-10.6	-11.5	-12.0
28	Operating Profit (Loss) (in Millions \$)	-688.5	1,218.9	-1,681.0	226.4	1,757.5	2,726.2	3,347.0
29	Net Income (Loss) (in Millions \$)	-533.8	1,173.4	-2,937.9	-1,230.6	3,586.1	4,531.1	5,037.9
30	RPMs (Sch. Svc.) (%)	0.6	2.5	0.8	1.2	2.4	2.2	2.0
31	ASMs (Sch. Svc.) (%)	0.6	1.1	1.2	1.3	2.1	2.1	2.0
32	Operating Revenues per RTM (%)	-11.6	-6.7	-9.5	-8.3	-6.8	-5.5	-5.4
33	Operating Expense per RTM (%)	-5.5	-17.6	-6.8	-10.0	-11.6	-12.1	-13.2
34	Passenger Revenue per RPM (Sch. Svc.)(%)	-0.5	-11.9	-6.4	-9.0	-9.9	-9.2	-7.4

TOTAL PASSENGER MAJOR GROUP AIRLINES SYSTEM ENTITY

Chart 11. Passenger Revenue Per Revenue Passenger Mile

Percent Change YOY

Year Over Year Percent Change

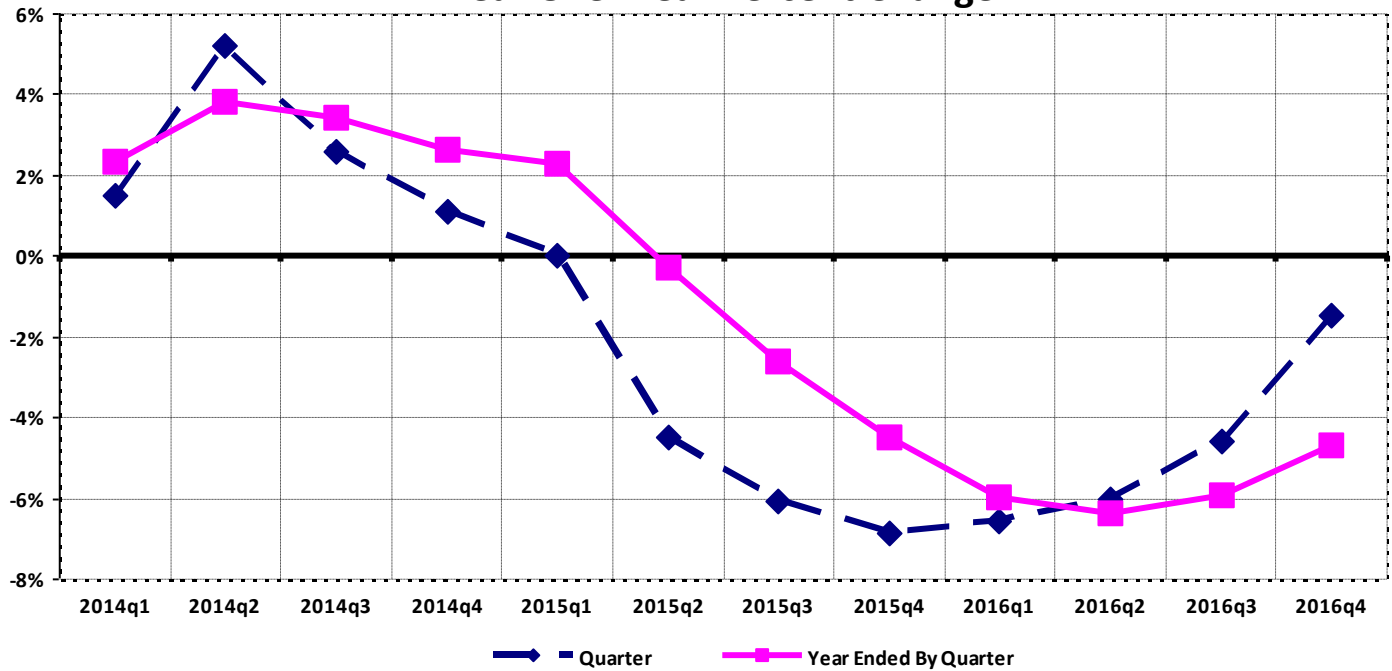
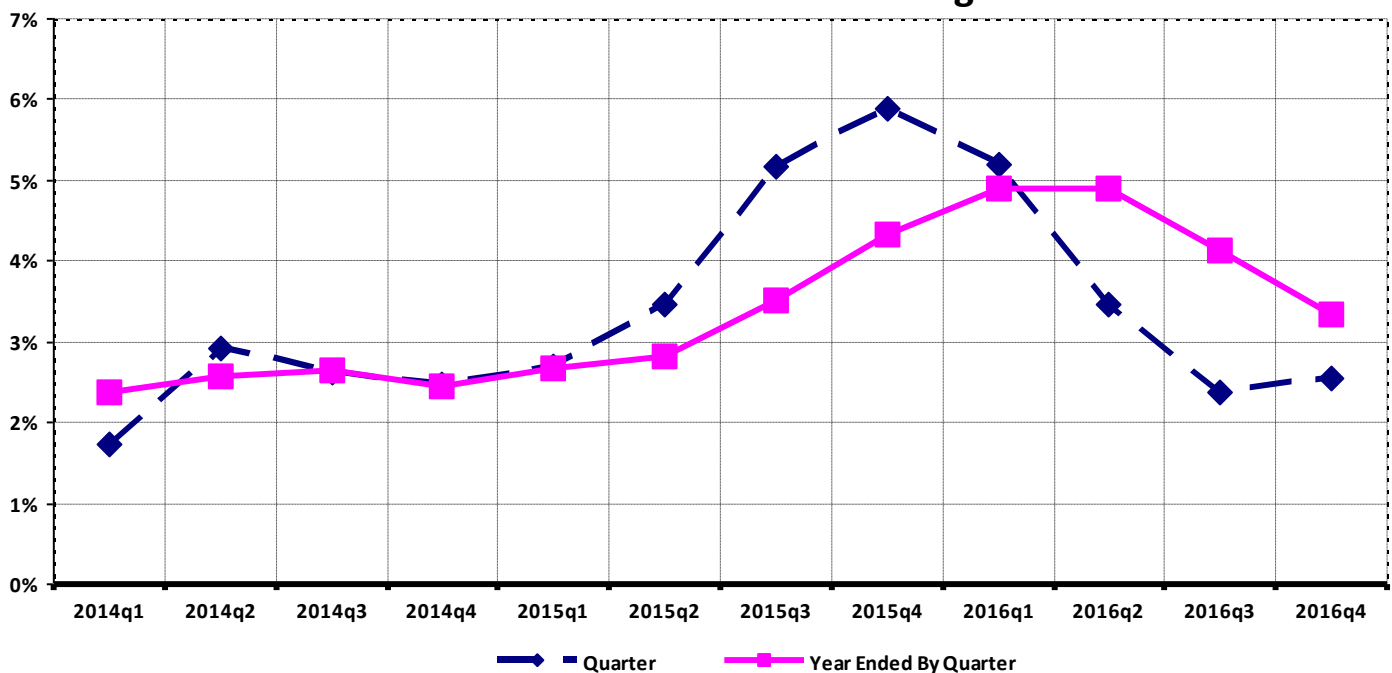


Chart 12. Revenue Passenger Miles (Scheduled Service)

Percent Change YOY

Year Over Year Percent Change



TOTAL PASSENGER MAJOR GROUP AIRLINES SYSTEM ENTITY

Chart 13. Available Seat Miles (Scheduled Passenger Service)

Percent Change YOY

Year Over Year Percent Change

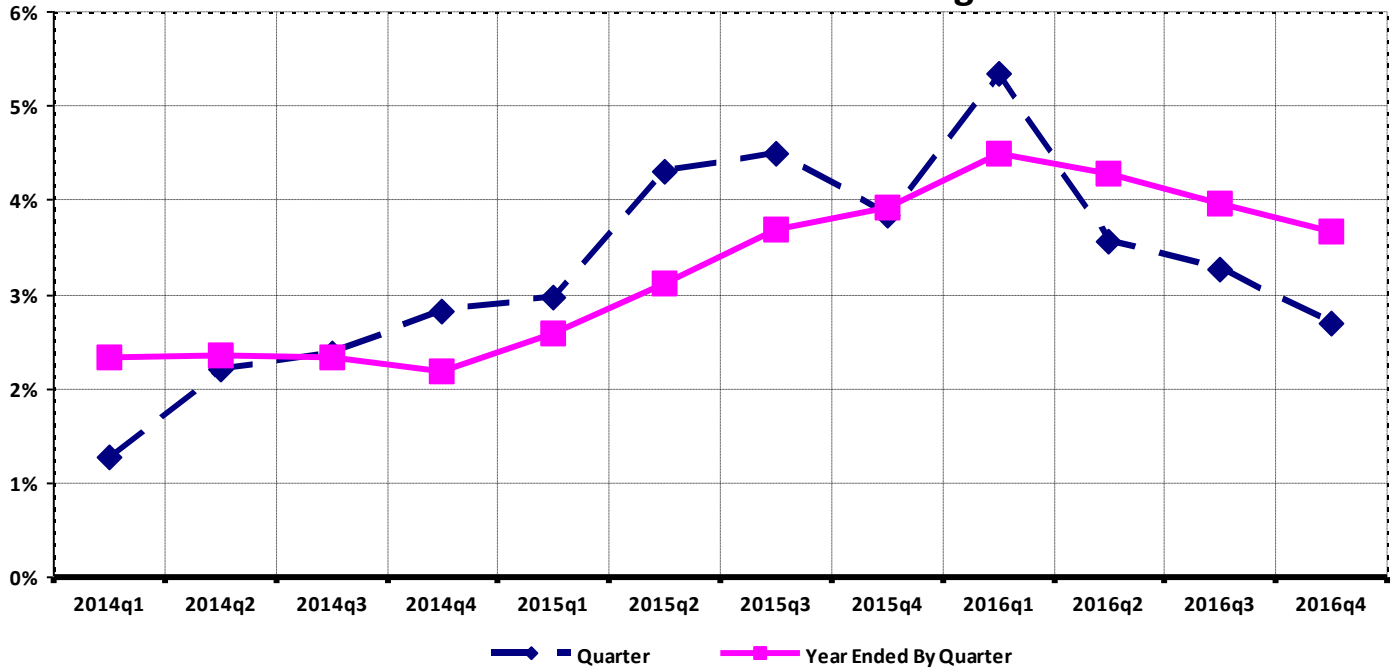
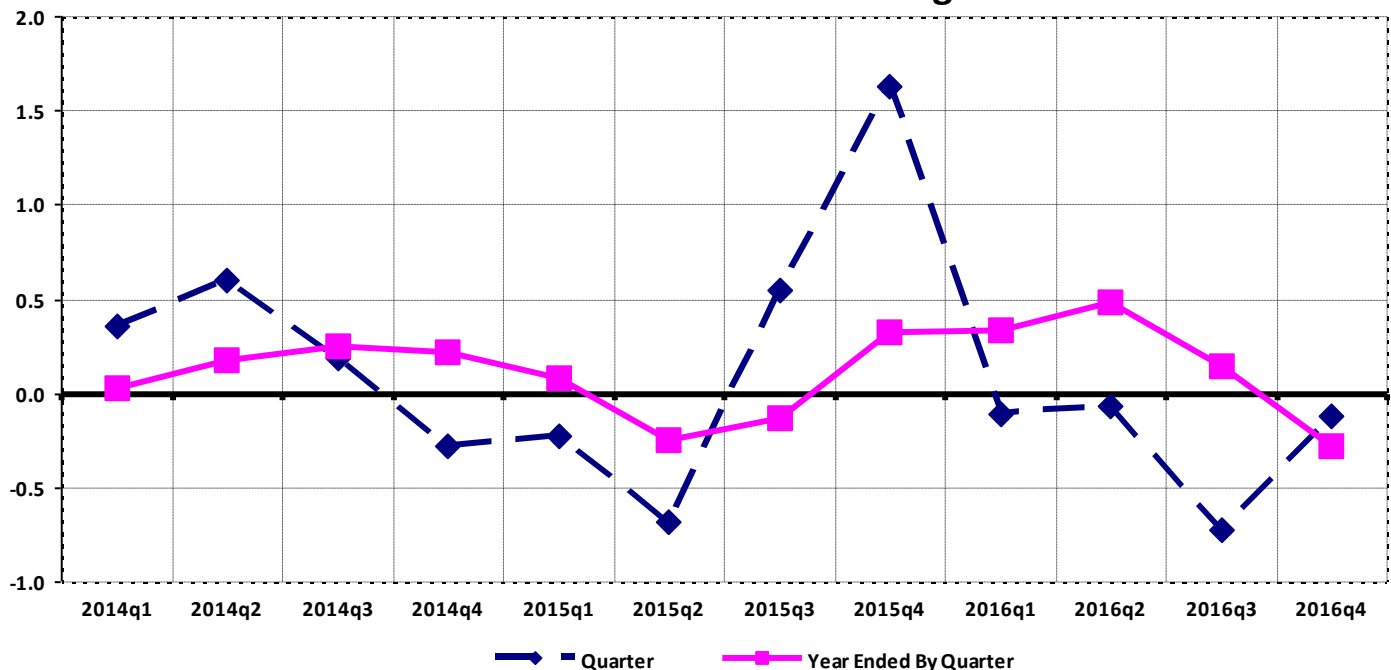


Chart 14. Passenger Load Factor

Point Change YOY

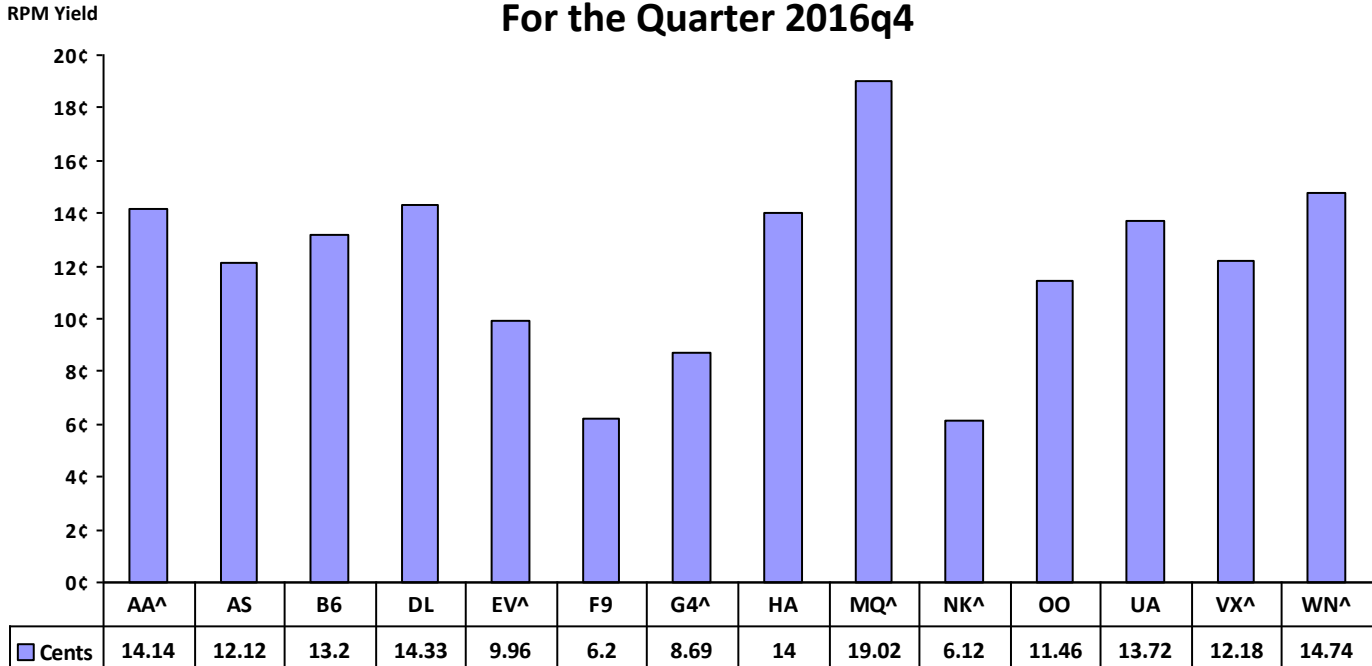
Year Over Year Point Change



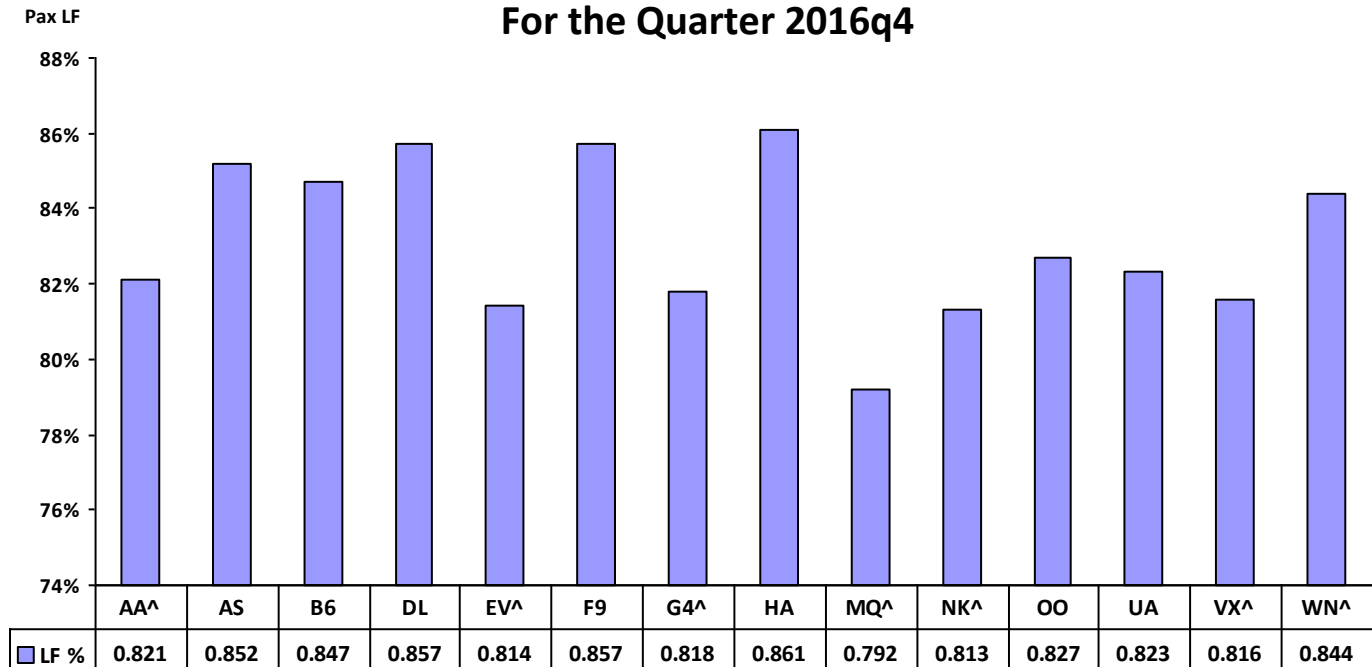
TOTAL PASSENGER MAJOR GROUP AIRLINES

SYSTEM ENTITY

**Chart 15. Passenger (RPM) Yield
For the Quarter 2016q4**



**Chart 16. Passenger Load Factor
For the Quarter 2016q4**



QUARTERLY FINANCIAL & TRAFFIC REVIEW

SYSTEM OPERATIONS

Alaska Airlines Inc. (AS)

Items		Quarter Ended		12 Months Ended				
		2016 q4	2015 q4	2016 q4	2016 q3	2016 q2	2016 q1	2015 q4
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	1,423.5	1,376.4	5,827.9	5,780.8	5,729.5	5,672.1	5,594.1
2	Operating Expenses	1,125.0	1,118.4	4,390.1	4,383.5	4,322.3	4,320.2	4,302.9
3	Operating Profit (Loss)	298.5	258.0	1,437.8	1,397.3	1,407.2	1,351.9	1,291.2
4	Net Income (Loss)	164.9	186.9	879.3	901.3	903.8	868.3	828.5
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	8.1	7.7	32.8	32.4	31.8	31.0	30.3
6	ASMs - Scheduled Rev. Svc.	9.5	9.3	38.6	38.4	37.7	36.9	35.9
7	Overall RTMs (All Svc.)	0.8	0.8	3.4	3.3	3.3	3.2	3.1
8	Overall ATMs (All Svc.)	1.2	1.2	4.9	4.9	4.8	4.7	4.5
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	172.3	175.0	173.5	174.1	176.0	178.6	180.3
10	Operating Expense per RTM	136.2	142.2	130.7	132.1	132.8	136.0	138.7
11	Operating Profit (Loss) per RTM	36.1	32.8	42.8	42.1	43.2	42.6	41.6
12	Operating Expense per ATM	92.4	95.2	89.2	89.8	90.4	92.7	95.0
13	Passenger Revenue per RPM	12.12	12.59	12.27	12.38	12.58	12.84	13.04
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	1.14	1.28	1.43	1.50	1.56
15	Times Interest Earned	*	*	58.85	134.47	160.35	155.26	243.90
16	Current Assets to Current Liabilities	*	*	2.05	2.19	1.62	1.52	1.45
17	No. of Days Cash Coverage of Cash Exp.	*	*	116.0	287.6	145.4	141.2	120.2
<u>FINANCIAL PERCENTAGES: (%)</u>								
18	Operating Profit (Loss) to Operating Revenue	21.0	18.7	24.7	24.2	24.6	23.8	23.1
19	Net Income to Stockholders Equity	*	*	21.84	23.65	25.32	26.02	26.50
20	Corporate Return on Investment	*	*	17.6	20.1	22.8	23.2	23.2
21	Debt to Total Investment	*	*	34.8	30.8	8.9	9.8	10.7
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	85.2	82.9	84.9	84.3	84.3	84.2	84.5
23	Breakeven	66.3	66.7	60.6	60.7	60.3	61.1	62.1
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	11,507	10,935	11,233	11,090	10,995	10,891	10,731
25	Overall RTM's per Employee (000)	71.8	71.9	299.1	299.3	296.0	291.6	289.2
<u>CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER</u>								
26	Operating Revenues (%)	3.4	5.4	4.2	4.7	4.7	4.9	4.3
27	Operating Expenses (%)	0.6	4.9	2.0	3.1	0.1	-0.9	-2.3
28	Operating Profit (Loss) (in Millions \$)	40.5	18.3	146.6	124.4	252.6	302.2	332.9
29	Net Income (Loss) (in Millions \$)	-22.0	39.8	50.8	112.6	190.9	217.7	230.1
30	RPMs (Sch. Svc.) (%)	5.0	11.6	8.3	9.9	9.8	9.5	9.2
31	ASMs (Sch. Svc.) (%)	2.1	13.0	7.8	10.5	10.6	10.9	10.7
32	Operating Revenues per RTM (%)	-1.6	-5.4	-3.8	-4.7	-4.5	-4.1	-4.3
33	Operating Expense per RTM (%)	-4.3	-5.8	-5.8	-6.1	-8.7	-9.3	-10.4
34	Passenger Revenue per RPM (Sch. Svc.)(%)	-3.8	-5.1	-5.9	-6.3	-5.9	-4.9	-4.4

QUARTERLY FINANCIAL & TRAFFIC REVIEW

SYSTEM OPERATIONS

Allegiant Air (G4)^

Items		Quarter Ended		12 Months Ended				
		2016 q4	2015 q4	2016 q4	2016 q3	2016 q2	2016 q1	2015 q4
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	325.2	302.3	1,317.3	1,294.4	1,262.3	1,240.6	1,221.5
2	Operating Expenses	261.9	210.3	969.0	917.4	884.0	872.6	866.4
3	Operating Profit (Loss)	63.3	92.0	348.3	377.0	378.4	368.0	355.1
4	Net Income (Loss)	60.9	90.1	336.3	365.5	366.6	356.5	344.0
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	2.4	2.2	10.2	9.9	9.5	9.2	8.9
6	ASMs - Scheduled Rev. Svc.	3.0	2.6	11.9	11.6	11.1	10.7	10.2
7	Overall RTMs (All Svc.)	0.2	0.2	1.0	1.0	1.0	0.9	0.9
8	Overall ATMs (All Svc.)	0.7	0.5	2.6	2.5	2.2	2.0	1.8
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	131.8	135.9	127.4	128.2	130.3	133.0	135.8
10	Operating Expense per RTM	106.2	94.6	93.7	90.8	91.2	93.6	96.3
11	Operating Profit (Loss) per RTM	25.7	41.4	33.7	37.3	39.0	39.5	39.5
12	Operating Expense per ATM	38.7	40.2	36.7	36.9	40.2	43.9	48.6
13	Passenger Revenue per RPM	8.69	9.18	8.44	8.54	8.76	9.02	9.28
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	0.84	0.88	0.92	0.97	1.04
15	Times Interest Earned	*	*	32.48	37.79	38.87	39.66	39.42
16	Current Assets to Current Liabilities	*	*	2.48	2.20	2.39	2.28	2.25
17	No. of Days Cash Coverage of Cash Exp.	*	*	9.1	5.9	12.9	9.3	11.5
<u>FINANCIAL PERCENTAGES: (%)</u>								
18	Operating Profit (Loss) to Operating Revenue	19.5	30.4	26.4	29.1	30.0	29.7	29.1
19	Net Income to Stockholders Equity	*	*	27.49	32.11	34.87	37.07	39.50
20	Corporate Return on Investment	*	*	22.2	25.4	27.4	28.5	29.9
21	Debt to Total Investment	*	*	20.0	22.7	20.3	22.7	24.0
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	81.8	83.5	85.5	86.0	86.0	86.3	86.8
23	Breakeven	76.5	61.6	69.4	65.7	64.2	64.7	65.5
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	3,327	2,771	3,198	3,059	2,882	2,715	2,579
25	Overall RTM's per Employee (000)	74.1	80.2	323.4	330.1	336.2	343.5	348.7
<u>CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER</u>								
26	Operating Revenues (%)	7.6	11.7	7.8	8.8	9.1	10.2	11.1
27	Operating Expenses (%)	24.5	-18.7	11.8	0.3	-4.9	-6.8	-9.9
28	Operating Profit (Loss) (in Millions \$)	-28.7	79.9	-6.8	101.8	150.9	177.7	216.9
29	Net Income (Loss) (in Millions \$)	-29.2	82.9	-7.7	104.4	153.3	178.3	216.1
30	RPMs (Sch. Svc.) (%)	11.2	20.1	14.9	16.9	17.3	17.0	14.5
31	ASMs (Sch. Svc.) (%)	13.5	25.3	16.6	19.3	20.6	21.0	17.8
32	Operating Revenues per RTM (%)	-3.0	-6.8	-6.2	-7.1	-7.0	-5.8	-3.0
33	Operating Expense per RTM (%)	12.3	-32.1	-2.7	-14.3	-19.0	-20.3	-21.3
34	Passenger Revenue per RPM (Sch. Svc.)(%)	-5.4	-11.7	-9.1	-10.5	-11.3	-11.6	-10.2

QUARTERLY FINANCIAL & TRAFFIC REVIEW

SYSTEM OPERATIONS

American Airlines Inc. (AA)^

Items		Quarter Ended		12 Months Ended				
		2016 q4	2015 q4	2016 q4	2016 q3	2016 q2	2016 q1	2015 q4
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	9,785.9	9,660.9	40,421.5	40,296.5	40,340.3	40,739.7	41,084.4
2	Operating Expenses	8,994.5	8,597.6	35,117.4	34,720.4	34,193.7	34,429.2	34,895.4
3	Operating Profit (Loss)	791.4	1,063.4	5,304.2	5,576.1	6,146.5	6,310.5	6,189.0
4	Net Income (Loss)	340.6	3,750.1	2,781.2	6,190.7	7,154.8	7,647.8	7,745.9
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	47.4	48.3	198.9	199.8	201.0	200.7	199.3
6	ASMs - Scheduled Rev. Svc.	57.7	58.1	241.5	241.9	241.6	240.9	239.2
7	Overall RTMs (All Svc.)	5.4	5.4	22.3	22.4	22.4	22.4	22.3
8	Overall ATMs (All Svc.)	9.0	9.1	37.8	37.9	37.9	37.8	37.5
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	180.8	177.9	181.0	180.3	179.8	181.9	184.5
10	Operating Expense per RTM	166.2	158.3	157.3	155.3	152.4	153.7	156.7
11	Operating Profit (Loss) per RTM	14.6	19.6	23.8	24.9	27.4	28.2	27.8
12	Operating Expense per ATM	100.4	94.5	93.0	91.6	90.2	91.1	93.0
13	Passenger Revenue per RPM	14.14	13.96	14.02	13.97	14.01	14.25	14.56
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	1.25	1.34	1.47	1.65	1.85
15	Times Interest Earned	*	*	5.90	5.70	6.48	6.89	6.86
16	Current Assets to Current Liabilities	*	*	1.20	1.15	1.08	0.91	0.83
17	No. of Days Cash Coverage of Cash Exp.	*	*	68.9	74.0	79.0	76.4	67.8
<u>FINANCIAL PERCENTAGES: (%)</u>								
18	Operating Profit (Loss) to Operating Revenue	8.1	11.0	13.1	13.8	15.2	15.5	15.1
19	Net Income to Stockholders Equity	*	*	24.32	61.32	86.13	120.04	170.69
20	Corporate Return on Investment	*	*	11.4	23.5	29.2	34.2	38.4
21	Debt to Total Investment	*	*	64.1	63.2	64.1	65.8	66.0
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	82.1	83.1	82.3	82.6	83.2	83.3	83.3
23	Breakeven	81.6	76.5	74.8	73.6	71.8	71.2	71.5
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	99,374	97,172	98,547	97,997	97,454	96,927	95,980
25	Overall RTM's per Employee (000)	54.5	55.9	226.6	228.1	230.3	231.0	232.0
<u>CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER</u>								
26	Operating Revenues (%)	1.3	-5.5	-1.6	-3.2	-4.2	-4.6	-4.2
27	Operating Expenses (%)	4.6	-8.4	0.6	-2.7	-7.3	-9.4	-9.7
28	Operating Profit (Loss) (in Millions \$)	-272.0	223.4	-884.8	-389.4	920.2	1,609.5	1,923.3
29	Net Income (Loss) (in Millions \$)	-3,409.5	3,311.3	-4,964.6	1,756.2	3,487.2	4,575.0	4,954.3
30	RPMs (Sch. Svc.) (%)	-1.9	3.8	-0.2	1.1	3.2	3.2	1.9
31	ASMs (Sch. Svc.) (%)	-0.7	0.5	1.0	1.2	1.8	1.9	0.8
32	Operating Revenues per RTM (%)	1.7	-8.4	-1.9	-4.3	-6.8	-7.1	-5.8
33	Operating Expense per RTM (%)	5.0	-11.2	0.3	-3.8	-9.8	-11.8	-11.1
34	Passenger Revenue per RPM (Sch. Svc.)(%)	1.3	-8.1	-3.7	-5.9	-8.1	-7.9	-6.0

QUARTERLY FINANCIAL & TRAFFIC REVIEW

SYSTEM OPERATIONS

Delta Air Lines Inc. (DL)

Items		Quarter Ended		12 Months Ended				
		2016 q4	2015 q4	2016 q4	2016 q3	2016 q2	2016 q1	2015 q4
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	9,511.1	9,549.6	39,849.6	39,888.1	40,478.6	40,703.8	40,815.8
2	Operating Expenses	8,481.8	7,827.9	32,873.2	32,219.3	32,566.6	32,719.3	32,971.1
3	Operating Profit (Loss)	1,029.3	1,721.7	6,976.4	7,668.7	7,912.0	7,984.5	7,844.7
4	Net Income (Loss)	632.8	987.5	4,409.8	4,764.5	4,814.4	4,749.2	4,538.5
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	44.5	44.1	191.5	191.0	191.1	189.6	188.0
6	ASMs - Scheduled Rev. Svc.	51.9	51.4	224.6	224.1	223.1	221.3	219.6
7	Overall RTMs (All Svc.)	5.0	5.0	21.2	21.1	21.2	21.1	21.0
8	Overall ATMs (All Svc.)	7.6	7.6	33.1	33.1	33.0	32.8	32.6
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	191.5	192.6	188.4	188.7	190.9	192.8	194.1
10	Operating Expense per RTM	170.8	157.9	155.4	152.4	153.6	155.0	156.8
11	Operating Profit (Loss) per RTM	20.7	34.7	33.0	36.3	37.3	37.8	37.3
12	Operating Expense per ATM	111.5	102.8	99.4	97.4	98.6	99.7	101.0
13	Passenger Revenue per RPM	14.33	14.76	14.30	14.40	14.64	14.84	15.01
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	2.03	1.98	1.98	1.95	1.92
15	Times Interest Earned	*	*	19.36	19.79	18.99	17.85	16.21
16	Current Assets to Current Liabilities	*	*	0.49	0.48	0.47	0.51	0.51
17	No. of Days Cash Coverage of Cash Exp.	*	*	37.8	37.5	34.4	33.8	39.5
<u>FINANCIAL PERCENTAGES: (%)</u>								
18	Operating Profit (Loss) to Operating Revenue	10.8	18.0	17.5	19.2	19.5	19.6	19.2
19	Net Income to Stockholders Equity	*	*	37.43	39.81	40.26	39.64	37.50
20	Corporate Return on Investment	*	*	24.3	25.5	25.5	24.9	23.6
21	Debt to Total Investment	*	*	37.3	37.6	39.8	42.7	43.4
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	85.7	85.8	85.2	85.3	85.7	85.7	85.6
23	Breakeven	77.6	70.4	68.7	67.1	67.4	67.5	67.9
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	79,679	79,197	79,782	79,661	79,414	79,021	78,351
25	Overall RTM's per Employee (000)	62.3	62.6	265.1	265.4	267.1	267.1	268.4
<u>CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER</u>								
26	Operating Revenues (%)	-0.4	-1.1	-2.4	-2.5	-1.3	-0.5	1.0
27	Operating Expenses (%)	8.4	-25.0	-0.3	-9.4	-10.7	-12.2	-12.1
28	Operating Profit (Loss) (in Millions \$)	-692.3	2,494.0	-868.2	2,318.1	3,374.4	4,327.5	4,920.1
29	Net Income (Loss) (in Millions \$)	-354.6	1,690.0	-128.6	1,916.0	2,923.7	3,538.3	3,854.0
30	RPMs (Sch. Svc.) (%)	0.9	3.6	1.8	2.5	3.7	3.9	4.0
31	ASMs (Sch. Svc.) (%)	1.1	1.0	2.3	2.3	3.0	3.4	3.9
32	Operating Revenues per RTM (%)	-0.6	-2.9	-2.9	-3.5	-3.2	-2.6	-1.7
33	Operating Expense per RTM (%)	8.2	-26.3	-0.9	-10.3	-12.4	-14.0	-14.4
34	Passenger Revenue per RPM (Sch. Svc.)(%)	-2.9	-4.2	-4.7	-5.0	-4.8	-4.3	-2.9

QUARTERLY FINANCIAL & TRAFFIC REVIEW

SYSTEM OPERATIONS

Envoy Air (MQ)^

Items		Quarter Ended		12 Months Ended				
		2016 q4	2015 q4	2016 q4	2016 q3	2016 q2	2016 q1	2015 q4
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	270.0	195.4	1,058.0	983.4	907.4	865.9	854.0
2	Operating Expenses	272.2	217.5	1,043.3	988.6	938.4	903.0	896.0
3	Operating Profit (Loss)	-2.2	-22.0	14.6	-5.2	-31.0	-37.1	-42.1
4	Net Income (Loss)	-14.6	0.0	-1.1	13.6	-9.9	-18.8	-16.9
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	1.4	1.1	5.4	5.1	4.9	5.0	5.4
6	ASMs - Scheduled Rev. Svc.	1.8	1.4	6.8	6.5	6.2	6.3	6.8
7	Overall RTMs (All Svc.)	0.1	0.1	0.5	0.5	0.5	0.5	0.5
8	Overall ATMs (All Svc.)	0.2	0.2	0.9	0.8	0.8	0.8	0.9
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	190.5	173.1	195.1	191.6	183.8	171.7	158.2
10	Operating Expense per RTM	192.1	192.6	192.4	192.6	190.1	179.1	166.0
11	Operating Profit (Loss) per RTM	-1.6	-19.5	2.7	-1.0	-6.3	-7.4	-7.8
12	Operating Expense per ATM	120.0	121.1	121.0	121.3	119.4	113.2	104.4
13	Passenger Revenue per RPM	19.02	13.14	19.41	18.14	16.31	14.20	12.30
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	5.51	5.23	4.90	4.64	4.52
15	Times Interest Earned	*	*	4,104.05	-0.14	-5.31	-4.74	-4.88
16	Current Assets to Current Liabilities	*	*	1.30	1.22	1.13	1.31	1.27
17	No. of Days Cash Coverage of Cash Exp.	*	*	0.1	0.1	0.0	0.1	0.1
<u>FINANCIAL PERCENTAGES: (%)</u>								
18	Operating Profit (Loss) to Operating Revenue	-0.8	-11.3	1.4	-0.5	-3.4	-4.3	-4.9
19	Net Income to Stockholders Equity	*	*	-0.57	7.29	-5.36	-10.08	-8.96
20	Corporate Return on Investment	*	*	-0.6	8.7	-2.3	-5.5	-4.4
21	Debt to Total Investment	*	*	7.2	3.8	0.0	0.1	0.1
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	79.2	78.9	79.4	79.3	79.0	79.3	78.8
23	Breakeven	80.2	115.8	78.8	84.3	92.1	99.8	105.6
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	10,898	10,675	10,767	10,711	10,417	10,466	10,525
25	Overall RTM's per Employee (000)	13.0	10.6	50.4	47.9	47.4	48.2	51.3
<u>CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER</u>								
26	Operating Revenues (%)	38.1	-22.6	23.9	7.9	-6.5	-14.7	-17.9
27	Operating Expenses (%)	25.2	-15.4	16.4	5.7	-3.2	-9.7	-12.6
28	Operating Profit (Loss) (in Millions \$)	19.8	-17.7	56.7	19.2	-32.2	-52.0	-56.3
29	Net Income (Loss) (in Millions \$)	-14.7	2.2	15.8	32.7	-5.5	-25.3	-22.7
30	RPMs (Sch. Svc.) (%)	25.6	-32.9	0.4	-13.8	-24.4	-28.7	-28.5
31	ASMs (Sch. Svc.) (%)	25.1	-35.3	-0.4	-15.3	-26.1	-30.9	-30.1
32	Operating Revenues per RTM (%)	10.1	15.2	23.3	25.1	23.6	19.5	14.8
33	Operating Expense per RTM (%)	-0.3	26.0	15.9	22.4	28.0	26.5	22.1
34	Passenger Revenue per RPM (Sch. Svc.)(%)	44.8	5.1	57.8	48.7	33.4	17.1	4.1

QUARTERLY FINANCIAL & TRAFFIC REVIEW

SYSTEM OPERATIONS

ExpressJet Airlines Inc. (EV)^

Items		Quarter Ended		12 Months Ended				
		2016 q4	2015 q4	2016 q4	2016 q3	2016 q2	2016 q1	2015 q4
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	250.4	273.2	1,044.8	1,067.7	1,090.3	1,129.2	1,169.9
2	Operating Expenses	530.1	280.3	1,339.6	1,089.8	1,115.7	1,146.4	1,192.1
3	Operating Profit (Loss)	-279.7	-7.0	-294.7	-22.1	-25.4	-17.3	-22.1
4	Net Income (Loss)	102.9	-5.9	89.2	-19.6	-22.7	-18.6	-23.0
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	2.5	2.9	10.5	10.8	11.4	12.1	12.7
6	ASMs - Scheduled Rev. Svc.	3.1	3.6	13.0	13.5	14.2	15.0	15.7
7	Overall RTMs (All Svc.)	0.2	0.3	1.0	1.1	1.1	1.2	1.3
8	Overall ATMs (All Svc.)	0.3	0.4	1.5	1.5	1.6	1.7	1.7
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	100.3	94.9	100.0	98.6	95.9	93.4	92.2
10	Operating Expense per RTM	212.3	97.4	128.2	100.6	98.1	94.9	94.0
11	Operating Profit (Loss) per RTM	-112.0	-2.4	-28.2	-2.0	-2.2	-1.4	-1.7
12	Operating Expense per ATM	154.4	70.3	92.0	72.1	70.7	68.9	68.5
13	Passenger Revenue per RPM	9.96	9.43	9.93	9.78	9.52	9.28	9.16
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	1.63	1.57	1.51	1.23	1.19
15	Times Interest Earned	*	*	-1.79	-4.67	-4.18	-2.58	-2.46
16	Current Assets to Current Liabilities	*	*	0.88	0.88	2.83	0.93	0.93
17	No. of Days Cash Coverage of Cash Exp.	*	*	2.7	3.4	3.2	14.1	13.5
<u>FINANCIAL PERCENTAGES: (%)</u>								
18	Operating Profit (Loss) to Operating Revenue	-111.7	-2.6	-28.2	-2.1	-2.3	-1.5	-1.9
19	Net Income to Stockholders Equity	*	*	23.27	-5.06	-5.83	-3.81	-4.43
20	Corporate Return on Investment	*	*	15.0	-2.1	-2.2	-1.2	-1.3
21	Debt to Total Investment	*	*	36.6	36.6	86.7	41.7	41.7
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	81.4	80.2	80.3	80.0	80.2	80.6	80.7
23	Breakeven	183.6	83.1	106.3	82.5	83.0	82.6	83.0
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	6,386	7,497	6,773	7,051	7,327	7,624	7,964
25	Overall RTM's per Employee (000)	39.1	38.4	154.3	153.6	155.2	158.5	159.3
<u>CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER</u>								
26	Operating Revenues (%)	-8.4	-19.8	-10.7	-13.7	-15.8	-15.1	-13.2
27	Operating Expenses (%)	89.1	-21.3	12.4	-14.1	-16.1	-17.6	-17.6
28	Operating Profit (Loss) (in Millions \$)	-272.6	8.2	-272.6	8.3	9.1	43.2	76.9
29	Net Income (Loss) (in Millions \$)	108.8	12.0	112.2	15.4	13.3	45.6	61.0
30	RPMs (Sch. Svc.) (%)	-13.3	-23.6	-17.6	-20.2	-21.7	-21.3	-20.3
31	ASMs (Sch. Svc.) (%)	-14.5	-23.6	-17.2	-19.6	-21.2	-20.9	-19.8
32	Operating Revenues per RTM (%)	5.7	4.9	8.4	8.1	7.5	7.8	8.9
33	Operating Expense per RTM (%)	118.0	3.0	36.4	7.7	7.2	4.7	3.4
34	Passenger Revenue per RPM (Sch. Svc.)(%)	5.7	4.6	8.3	7.9	7.2	7.3	8.4

QUARTERLY FINANCIAL & TRAFFIC REVIEW

SYSTEM OPERATIONS

Frontier Airlines Inc. (F9)

Items		Quarter Ended		12 Months Ended				
		2016 q4	2015 q4	2016 q4	2016 q3	2016 q2	2016 q1	2015 q4
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	434.5	404.1	1,713.6	1,683.2	1,610.1	1,602.7	1,604.0
2	Operating Expenses	385.8	364.3	1,393.3	1,371.7	1,329.2	1,315.0	1,328.1
3	Operating Profit (Loss)	48.6	39.8	320.3	311.5	280.9	287.7	275.9
4	Net Income (Loss)	32.7	19.4	202.6	189.3	145.9	153.2	145.5
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	4.2	3.6	15.9	15.2	14.1	13.4	12.6
6	ASMs - Scheduled Rev. Svc.	5.0	4.1	18.2	17.4	16.1	15.4	14.5
7	Overall RTMs (All Svc.)	0.4	0.4	1.6	1.5	1.5	1.4	1.3
8	Overall ATMs (All Svc.)	0.5	0.4	1.8	1.8	2.3	3.3	3.5
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	102.0	108.1	107.0	108.7	110.7	114.3	119.7
10	Operating Expense per RTM	90.5	97.5	87.0	88.6	91.4	93.8	99.1
11	Operating Profit (Loss) per RTM	11.4	10.6	20.0	20.1	19.3	20.5	20.6
12	Operating Expense per ATM	77.4	85.1	75.8	77.6	56.7	40.3	37.6
13	Passenger Revenue per RPM	6.20	7.67	6.83	7.20	7.87	8.62	9.50
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	2.88	2.98	3.02	3.19	3.43
15	Times Interest Earned	*	*	627.04	199.64	88.24	61.33	52.15
16	Current Assets to Current Liabilities	*	*	1.29	1.16	0.99	0.87	1.09
17	No. of Days Cash Coverage of Cash Exp.	*	*	167.3	154.4	137.6	104.9	120.1
<u>FINANCIAL PERCENTAGES: (%)</u>								
18	Operating Profit (Loss) to Operating Revenue	11.2	9.8	18.7	18.5	17.4	17.9	17.2
19	Net Income to Stockholders Equity	*	*	55.65	55.83	46.15	51.65	52.15
20	Corporate Return on Investment	*	*	34.1	33.8	27.9	31.3	32.1
21	Debt to Total Investment	*	*	34.5	35.4	40.7	45.9	39.4
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	85.7	87.5	87.2	87.7	87.6	87.2	86.7
23	Breakeven	97.0	84.5	82.6	79.6	75.9	71.2	69.5
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	3,359	2,910	3,159	3,046	2,950	2,877	2,980
25	Overall RTM's per Employee (000)	126.9	128.5	506.8	508.4	492.9	487.3	449.5
<u>CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER</u>								
26	Operating Revenues (%)	7.5	-0.2	6.8	4.9	-1.6	-0.8	1.9
27	Operating Expenses (%)	5.9	-0.5	4.9	3.1	-2.3	-4.2	-2.7
28	Operating Profit (Loss) (in Millions \$)	8.8	0.8	44.4	36.4	5.1	44.7	65.7
29	Net Income (Loss) (in Millions \$)	13.3	-6.0	57.1	37.8	-28.3	3.5	16.5
30	RPMs (Sch. Svc.) (%)	18.4	30.0	26.3	29.6	24.5	23.7	21.1
31	ASMs (Sch. Svc.) (%)	20.9	30.4	25.6	28.1	24.4	25.9	25.0
32	Operating Revenues per RTM (%)	-5.7	-22.8	-10.6	-15.0	-17.6	-17.5	-15.2
33	Operating Expense per RTM (%)	-7.1	-23.0	-12.2	-16.4	-18.2	-20.3	-19.0
34	Passenger Revenue per RPM (Sch. Svc.)(%)	-19.2	-34.6	-28.1	-31.9	-30.3	-27.1	-22.0

QUARTERLY FINANCIAL & TRAFFIC REVIEW

SYSTEM OPERATIONS

Hawaiian Airlines Inc. (HA)

Items		Quarter Ended		12 Months Ended				
		2016 q4	2015 q4	2016 q4	2016 q3	2016 q2	2016 q1	2015 q4
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	631.2	573.0	2,441.5	2,383.3	2,343.9	2,321.7	2,313.2
2	Operating Expenses	550.1	462.5	1,965.8	1,878.2	1,860.4	1,867.4	1,882.1
3	Operating Profit (Loss)	81.1	110.5	475.7	505.1	483.4	454.3	431.0
4	Net Income (Loss)	3.2	39.0	240.4	276.2	243.8	213.2	192.9
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	3.9	3.6	15.5	15.2	14.9	14.6	14.4
6	ASMs - Scheduled Rev. Svc.	4.6	4.4	18.3	18.2	17.9	17.8	17.7
7	Overall RTMs (All Svc.)	0.5	0.4	1.8	1.7	1.7	1.7	1.7
8	Overall ATMs (All Svc.)	0.8	0.8	3.2	3.2	3.2	3.1	3.1
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	137.6	136.4	137.2	136.9	137.5	138.1	138.1
10	Operating Expense per RTM	119.9	110.1	110.5	107.9	109.1	111.1	112.4
11	Operating Profit (Loss) per RTM	17.7	26.3	26.7	29.0	28.4	27.0	25.7
12	Operating Expense per ATM	67.8	59.9	60.7	58.7	58.9	59.5	60.4
13	Passenger Revenue per RPM	14.00	13.66	13.78	13.69	13.73	13.85	13.96
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	2.33	2.25	2.18	2.10	1.99
15	Times Interest Earned	*	*	12.36	12.19	9.82	8.06	7.14
16	Current Assets to Current Liabilities	*	*	0.88	0.95	0.84	0.87	0.87
17	No. of Days Cash Coverage of Cash Exp.	*	*	105.9	128.5	114.3	124.1	100.0
<u>FINANCIAL PERCENTAGES: (%)</u>								
18	Operating Profit (Loss) to Operating Revenue	12.9	19.3	19.5	21.2	20.6	19.6	18.6
19	Net Income to Stockholders Equity	*	*	35.43	45.01	45.34	45.15	46.15
20	Corporate Return on Investment	*	*	26.2	29.8	26.8	23.7	21.0
21	Debt to Total Investment	*	*	25.9	26.8	31.2	42.3	49.6
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	86.1	83.0	84.3	83.6	82.9	81.9	81.4
23	Breakeven	75.7	65.9	67.0	64.5	64.5	64.8	65.2
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	5,548	4,999	5,351	5,214	5,092	4,993	4,923
25	Overall RTM's per Employee (000)	82.7	84.0	332.5	333.8	334.8	336.8	340.3
<u>CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER</u>								
26	Operating Revenues (%)	10.2	-0.1	5.5	3.0	1.0	-0.2	0.1
27	Operating Expenses (%)	18.9	-6.8	4.4	-2.0	-5.8	-7.4	-8.7
28	Operating Profit (Loss) (in Millions \$)	-29.4	33.1	44.7	107.1	135.9	145.1	182.2
29	Net Income (Loss) (in Millions \$)	-35.8	24.0	47.6	107.3	108.0	97.8	113.1
30	RPMs (Sch. Svc.) (%)	8.1	3.9	7.4	6.4	5.0	4.5	3.8
31	ASMs (Sch. Svc.) (%)	4.1	2.6	3.7	3.3	3.0	3.4	3.6
32	Operating Revenues per RTM (%)	0.8	-2.2	-0.6	-1.4	-1.6	-2.6	-3.6
33	Operating Expense per RTM (%)	8.9	-8.7	-1.7	-6.1	-8.2	-9.6	-12.1
34	Passenger Revenue per RPM (Sch. Svc.)(%)	2.5	-4.6	-1.3	-3.1	-4.0	-4.9	-5.0

QUARTERLY FINANCIAL & TRAFFIC REVIEW

SYSTEM OPERATIONS

JetBlue Airways (B6)

Items		Quarter Ended		12 Months Ended				
		2016 q4	2015 q4	2016 q4	2016 q3	2016 q2	2016 q1	2015 q4
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	1,640.9	1,593.5	6,632.4	6,585.0	6,540.9	6,508.8	6,416.1
2	Operating Expenses	1,346.2	1,270.7	5,324.3	5,248.8	5,209.1	5,205.1	5,217.8
3	Operating Profit (Loss)	294.7	322.8	1,308.1	1,336.2	1,331.8	1,303.7	1,198.4
4	Net Income (Loss)	180.0	190.0	758.6	768.6	767.7	739.5	677.1
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	11.2	10.6	45.6	45.0	44.2	43.1	41.7
6	ASMs - Scheduled Rev. Svc.	13.2	12.7	53.6	53.1	52.3	50.9	49.3
7	Overall RTMs (All Svc.)	1.1	1.1	4.6	4.5	4.4	4.3	4.2
8	Overall ATMs (All Svc.)	1.7	1.6	6.7	6.7	6.6	6.4	6.2
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	146.6	150.6	145.2	146.1	147.7	150.4	152.9
10	Operating Expense per RTM	120.2	120.1	116.6	116.5	117.6	120.3	124.3
11	Operating Profit (Loss) per RTM	26.3	30.5	28.6	29.7	30.1	30.1	28.5
12	Operating Expense per ATM	81.3	80.0	79.1	78.7	79.3	81.3	84.1
13	Passenger Revenue per RPM	13.20	13.62	13.18	13.28	13.49	13.84	14.13
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	1.25	1.26	1.28	1.30	1.31
15	Times Interest Earned	*	*	12.84	12.61	12.19	11.46	10.19
16	Current Assets to Current Liabilities	*	*	0.70	0.80	0.80	0.72	0.60
17	No. of Days Cash Coverage of Cash Exp.	*	*	71.9	109.0	113.8	96.8	65.6
<u>FINANCIAL PERCENTAGES: (%)</u>								
18	Operating Profit (Loss) to Operating Revenue	18.0	20.3	19.7	20.3	20.4	20.0	18.7
19	Net Income to Stockholders Equity	*	*	20.93	22.44	23.88	24.42	23.75
20	Corporate Return on Investment	*	*	16.2	16.7	17.2	17.1	16.2
21	Debt to Total Investment	*	*	25.6	30.5	32.4	34.3	36.5
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	84.7	83.4	85.1	84.8	84.5	84.6	84.6
23	Breakeven	69.9	65.7	67.8	66.7	66.2	66.6	68.1
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	16,568	15,148	15,985	15,630	15,283	14,978	14,606
25	Overall RTM's per Employee (000)	67.6	69.8	285.7	288.3	289.7	288.9	287.4
<u>CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER</u>								
26	Operating Revenues (%)	3.0	10.2	3.4	5.0	7.1	8.6	10.3
27	Operating Expenses (%)	5.9	-1.1	2.0	0.3	-1.0	-1.5	-1.7
28	Operating Profit (Loss) (in Millions \$)	-28.1	162.1	109.8	300.0	482.2	595.6	690.5
29	Net Income (Loss) (in Millions \$)	-10.0	102.6	81.5	194.1	312.6	205.7	281.5
30	RPMs (Sch. Svc.) (%)	6.0	12.4	9.4	11.0	11.4	11.1	10.3
31	ASMs (Sch. Svc.) (%)	4.3	10.7	8.8	10.4	11.6	10.7	9.6
32	Operating Revenues per RTM (%)	-2.7	-1.2	-5.0	-4.7	-3.4	-1.8	0.2
33	Operating Expense per RTM (%)	0.1	-11.4	-6.2	-9.0	-10.7	-11.0	-10.7
34	Passenger Revenue per RPM (Sch. Svc.)(%)	-3.1	-3.6	-6.7	-6.9	-5.4	-2.8	0.0

QUARTERLY FINANCIAL & TRAFFIC REVIEW

SYSTEM OPERATIONS

SkyWest Airlines Inc. (OO)

Items		Quarter Ended		12 Months Ended				
		2016 q4	2015 q4	2016 q4	2016 q3	2016 q2	2016 q1	2015 q4
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	507.3	486.9	2,075.0	2,054.6	2,026.1	1,974.2	1,931.7
2	Operating Expenses	468.3	434.8	1,842.9	1,809.3	1,778.9	1,743.4	1,715.6
3	Operating Profit (Loss)	38.9	52.2	232.1	245.3	247.2	230.7	216.1
4	Net Income (Loss)	-94.6	27.6	13.5	135.6	135.5	123.9	113.3
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	4.3	4.4	17.5	17.6	17.6	17.3	17.0
6	ASMs - Scheduled Rev. Svc.	5.2	5.2	21.3	21.4	21.3	21.0	20.4
7	Overall RTMs (All Svc.)	0.4	0.4	1.8	1.8	1.8	1.7	1.7
8	Overall ATMs (All Svc.)	0.6	0.6	2.6	2.6	2.6	2.6	2.5
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	118.1	111.9	118.2	116.7	115.3	113.9	113.8
10	Operating Expense per RTM	109.1	99.9	105.0	102.8	101.2	100.6	101.1
11	Operating Profit (Loss) per RTM	9.1	12.0	13.2	13.9	14.1	13.3	12.7
12	Operating Expense per ATM	75.7	68.0	71.3	69.4	68.2	67.8	68.2
13	Passenger Revenue per RPM	11.46	10.88	11.48	11.33	11.21	11.07	11.05
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	0.62	0.64	0.65	0.66	0.67
15	Times Interest Earned	*	*	1.96	9.10	8.50	7.38	6.41
16	Current Assets to Current Liabilities	*	*	2.10	1.65	1.43	1.44	1.46
17	No. of Days Cash Coverage of Cash Exp.	*	*	117.9	118.1	109.3	98.4	105.0
<u>FINANCIAL PERCENTAGES: (%)</u>								
18	Operating Profit (Loss) to Operating Revenue	7.7	10.7	11.2	11.9	12.2	11.7	11.2
19	Net Income to Stockholders Equity	*	*	0.93	9.40	9.63	9.00	8.39
20	Corporate Return on Investment	*	*	1.2	5.1	5.3	5.2	5.1
21	Debt to Total Investment	*	*	62.5	56.9	54.9	53.8	54.1
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	82.7	82.9	82.3	82.3	82.4	82.6	83.1
23	Breakeven	76.0	73.3	72.3	71.6	71.5	72.2	73.1
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	10,732	10,303	10,663	10,556	10,381	10,196	10,001
25	Overall RTM's per Employee (000)	40.0	42.2	164.6	166.8	169.3	169.9	169.7
<u>CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER</u>								
26	Operating Revenues (%)	4.2	3.0	7.4	7.2	6.6	4.3	2.3
27	Operating Expenses (%)	7.7	-8.9	7.4	2.9	1.9	-0.7	-2.9
28	Operating Profit (Loss) (in Millions \$)	-13.2	57.1	16.0	86.3	92.3	92.9	94.1
29	Net Income (Loss) (in Millions \$)	-122.1	38.8	-99.8	61.1	66.6	67.2	66.8
30	RPMs (Sch. Svc.) (%)	-1.3	10.6	3.4	6.3	8.6	9.8	9.5
31	ASMs (Sch. Svc.) (%)	-1.1	10.4	4.4	7.3	9.5	10.5	9.9
32	Operating Revenues per RTM (%)	5.6	-6.9	3.9	0.8	-1.8	-5.0	-6.6
33	Operating Expense per RTM (%)	9.2	-17.7	3.9	-3.2	-6.2	-9.5	-11.3
34	Passenger Revenue per RPM (Sch. Svc.)(%)	5.3	-6.2	3.9	1.0	-1.3	-4.4	-6.0

QUARTERLY FINANCIAL & TRAFFIC REVIEW

SYSTEM OPERATIONS

Southwest Airlines Co. (WN)^

Items		Quarter Ended		12 Months Ended				
		2016 q4	2015 q4	2016 q4	2016 q3	2016 q2	2016 q1	2015 q4
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	5,075.7	4,977.3	20,425.2	20,326.9	20,505.7	20,232.2	19,820.1
2	Operating Expenses	4,229.8	3,951.1	16,665.1	16,386.5	16,034.8	15,952.2	15,703.6
3	Operating Profit (Loss)	845.9	1,026.2	3,760.1	3,940.4	4,470.9	4,280.0	4,116.5
4	Net Income (Loss)	522.3	536.0	2,242.0	2,255.6	2,451.7	2,239.7	2,181.3
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	31.4	29.7	124.8	123.2	121.9	120.1	117.5
6	ASMs - Scheduled Rev. Svc.	37.1	35.4	148.5	146.8	145.2	143.5	140.5
7	Overall RTMs (All Svc.)	3.2	3.0	12.6	12.4	12.3	12.1	11.9
8	Overall ATMs (All Svc.)	4.5	4.3	18.0	17.8	17.6	17.4	17.0
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	160.0	165.3	162.2	163.5	166.6	166.9	166.5
10	Operating Expense per RTM	133.4	131.2	132.4	131.8	130.3	131.6	131.9
11	Operating Profit (Loss) per RTM	26.7	34.1	29.9	31.7	36.3	35.3	34.6
12	Operating Expense per ATM	94.0	92.3	92.7	92.3	91.3	91.9	92.5
13	Passenger Revenue per RPM	14.74	15.32	14.90	15.04	15.24	15.43	15.57
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	1.83	1.90	1.97	2.01	2.02
15	Times Interest Earned	*	*	47.82	46.92	49.04	44.56	39.90
16	Current Assets to Current Liabilities	*	*	0.66	0.62	0.57	0.55	0.54
17	No. of Days Cash Coverage of Cash Exp.	*	*	78.1	82.6	83.5	87.8	75.8
<u>FINANCIAL PERCENTAGES: (%)</u>								
18	Operating Profit (Loss) to Operating Revenue	16.7	20.6	18.4	19.4	21.8	21.2	20.8
19	Net Income to Stockholders Equity	*	*	28.63	29.92	33.31	31.21	31.02
20	Corporate Return on Investment	*	*	20.8	21.8	24.4	23.0	23.1
21	Debt to Total Investment	*	*	28.6	29.0	30.0	30.6	30.2
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	84.4	84.0	84.0	83.9	83.9	83.7	83.6
23	Breakeven	67.1	62.9	65.0	64.0	61.4	62.1	62.7
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	53,564	49,442	52,176	51,145	49,998	48,889	47,975
25	Overall RTM's per Employee (000)	59.2	60.9	241.3	243.1	246.1	248.0	248.1
<u>CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER</u>								
26	Operating Revenues (%)	2.0	7.6	3.1	4.4	8.2	7.3	6.5
27	Operating Expenses (%)	7.1	-1.4	6.1	4.0	1.1	-0.7	-4.1
28	Operating Profit (Loss) (in Millions \$)	-180.3	405.9	-356.4	229.9	1,371.0	1,489.8	1,891.2
29	Net Income (Loss) (in Millions \$)	-13.6	345.7	60.7	420.0	871.7	802.7	1,044.8
30	RPMs (Sch. Svc.) (%)	5.5	11.1	6.2	7.5	8.8	9.4	8.8
31	ASMs (Sch. Svc.) (%)	5.0	8.3	5.7	6.5	7.3	7.9	7.2
32	Operating Revenues per RTM (%)	-3.2	-3.0	-2.6	-2.5	-0.2	-1.6	-2.0
33	Operating Expense per RTM (%)	1.6	-11.1	0.3	-2.9	-6.7	-8.9	-11.8
34	Passenger Revenue per RPM (Sch. Svc.)(%)	-3.8	-7.0	-4.3	-5.1	-5.2	-5.4	-4.7

QUARTERLY FINANCIAL & TRAFFIC REVIEW

SYSTEM OPERATIONS

Spirit Air Lines (NK)^

Items		Quarter Ended		12 Months Ended				
		2016 q4	2015 q4	2016 q4	2016 q3	2016 q2	2016 q1	2015 q4
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	578.4	519.8	2,322.0	2,263.5	2,217.0	2,186.3	2,141.5
2	Operating Expenses	493.0	399.5	1,878.3	1,784.8	1,716.3	1,685.1	1,632.3
3	Operating Profit (Loss)	85.3	120.3	443.7	478.7	500.7	501.2	509.1
4	Net Income (Loss)	48.5	78.8	264.9	295.2	316.6	320.2	327.3
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	5.4	4.7	21.6	20.9	20.1	19.1	18.0
6	ASMs - Scheduled Rev. Svc.	6.6	5.8	25.6	24.8	23.9	22.7	21.4
7	Overall RTMs (All Svc.)	0.5	0.5	2.2	2.1	2.0	1.9	1.8
8	Overall ATMs (All Svc.)	1.0	0.7	3.5	3.3	3.2	2.9	2.3
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	107.9	109.9	107.6	108.0	110.2	114.7	119.0
10	Operating Expense per RTM	91.9	84.5	87.0	85.2	85.3	88.4	90.7
11	Operating Profit (Loss) per RTM	15.9	25.4	20.6	22.9	24.9	26.3	28.3
12	Operating Expense per ATM	51.2	54.1	53.3	54.1	53.5	58.1	71.2
13	Passenger Revenue per RPM	6.12	6.21	6.08	6.10	6.28	6.67	7.04
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	1.78	1.80	1.84	1.88	1.94
15	Times Interest Earned	*	*	18.72	34.81	125.97	-890.28	-141.89
16	Current Assets to Current Liabilities	*	*	1.82	1.92	1.94	1.88	2.19
17	No. of Days Cash Coverage of Cash Exp.	*	*	164.5	200.1	227.6	205.6	188.2
<u>FINANCIAL PERCENTAGES: (%)</u>								
18	Operating Profit (Loss) to Operating Revenue	14.8	23.1	19.1	21.1	22.6	22.9	23.8
19	Net Income to Stockholders Equity	*	*	20.26	23.46	26.25	27.60	29.59
20	Corporate Return on Investment	*	*	22.1	24.5	26.6	27.6	29.3
21	Debt to Total Investment	*	*					
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	81.3	82.2	84.2	84.5	84.0	84.1	84.3
23	Breakeven	58.2	44.8	52.8	49.5	47.2	47.3	46.7
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	5,495	4,617	5,230	5,010	4,772	4,535	4,336
25	Overall RTM's per Employee (000)	97.6	102.4	412.7	418.1	421.6	420.1	415.0
<u>CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER</u>								
26	Operating Revenues (%)	11.3	9.6	8.4	8.0	8.6	10.0	10.9
27	Operating Expenses (%)	23.4	3.9	15.1	10.4	6.0	6.5	3.6
28	Operating Profit (Loss) (in Millions \$)	-35.0	30.4	-65.5	-0.1	79.0	96.6	153.9
29	Net Income (Loss) (in Millions \$)	-30.3	21.0	-62.4	-11.2	46.1	61.6	100.0
30	RPMs (Sch. Svc.) (%)	13.4	27.6	19.9	23.4	26.8	28.0	27.1
31	ASMs (Sch. Svc.) (%)	14.7	29.7	20.1	23.8	29.1	30.6	30.2
32	Operating Revenues per RTM (%)	-1.9	-14.1	-9.6	-12.5	-14.4	-14.0	-12.8
33	Operating Expense per RTM (%)	8.8	-18.5	-4.1	-10.6	-16.4	-16.8	-18.5
34	Passenger Revenue per RPM (Sch. Svc.)(%)	-1.4	-21.2	-13.7	-18.2	-20.8	-20.3	-18.4

QUARTERLY FINANCIAL & TRAFFIC REVIEW

SYSTEM OPERATIONS

United Air Lines Inc. (UA)

Items		Quarter Ended		12 Months Ended				
		2016 q4	2015 q4	2016 q4	2016 q3	2016 q2	2016 q1	2015 q4
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	9,051.7	9,036.3	36,555.9	36,540.4	36,933.1	37,450.9	37,864.1
2	Operating Expenses	8,045.6	7,954.9	32,215.2	32,124.5	32,242.4	32,374.9	32,696.8
3	Operating Profit (Loss)	1,006.2	1,081.4	4,340.7	4,415.9	4,690.8	5,076.0	5,167.3
4	Net Income (Loss)	396.9	823.6	2,263.9	2,690.6	6,501.1	7,106.0	7,301.4
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	45.5	44.4	185.8	184.7	183.5	183.5	183.3
6	ASMs - Scheduled Rev. Svc.	55.3	53.7	224.2	222.5	220.9	220.5	219.5
7	Overall RTMs (All Svc.)	5.4	5.1	21.4	21.2	21.0	21.0	21.0
8	Overall ATMs (All Svc.)	8.2	8.0	33.4	33.2	33.0	32.5	31.5
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	169.2	176.3	170.7	172.4	175.9	178.7	180.5
10	Operating Expense per RTM	150.4	155.2	150.4	151.6	153.5	154.5	155.9
11	Operating Profit (Loss) per RTM	18.8	21.1	20.3	20.8	22.3	24.2	24.6
12	Operating Expense per ATM	97.7	99.1	96.3	96.7	97.7	99.5	103.7
13	Passenger Revenue per RPM	13.72	13.81	13.58	13.60	13.82	14.06	14.27
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	1.84	1.83	1.93	2.04	2.17
15	Times Interest Earned	*	*	8.63	8.21	8.00	8.28	8.08
16	Current Assets to Current Liabilities	*	*	0.59	0.60	0.56	0.54	0.63
17	No. of Days Cash Coverage of Cash Exp.	*	*	54.0	59.4	57.0	47.4	61.2
<u>FINANCIAL PERCENTAGES: (%)</u>								
18	Operating Profit (Loss) to Operating Revenue	11.1	12.0	11.9	12.1	12.7	13.6	13.6
19	Net Income to Stockholders Equity	*	*	27.20	32.36	87.16	109.13	133.45
20	Corporate Return on Investment	*	*	13.9	16.1	36.8	41.8	45.2
21	Debt to Total Investment	*	*	57.6	57.6	59.5	59.7	56.7
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	82.3	82.7	82.9	83.0	83.1	83.2	83.5
23	Breakeven	80.0	78.5	79.7	79.4	78.4	76.8	76.2
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	82,020	78,723	81,001	80,177	79,413	78,904	78,649
25	Overall RTM's per Employee (000)	65.2	65.1	264.4	264.4	264.4	265.6	266.7
<u>CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER</u>								
26	Operating Revenues (%)	0.2	-3.0	-3.5	-4.2	-3.8	-3.5	-2.7
27	Operating Expenses (%)	1.1	-8.4	-1.5	-3.9	-6.3	-8.4	-10.5
28	Operating Profit (Loss) (in Millions \$)	-75.2	455.7	-826.6	-295.7	694.0	1,618.7	2,791.4
29	Net Income (Loss) (in Millions \$)	-426.7	832.3	-5,037.5	-3,778.5	3,874.2	4,902.9	6,187.6
30	RPMs (Sch. Svc.) (%)	2.6	4.3	1.4	1.8	2.1	2.5	2.6
31	ASMs (Sch. Svc.) (%)	3.0	3.1	2.1	2.1	2.4	3.1	2.8
32	Operating Revenues per RTM (%)	-4.0	-6.6	-5.5	-6.1	-5.6	-5.6	-5.4
33	Operating Expense per RTM (%)	-3.1	-11.8	-3.5	-5.8	-8.1	-10.4	-13.0
34	Passenger Revenue per RPM (Sch. Svc.)(%)	-0.7	-7.2	-4.8	-6.4	-6.3	-5.8	-4.2

QUARTERLY FINANCIAL & TRAFFIC REVIEW

SYSTEM OPERATIONS

Virgin America (VX)^

Items		Quarter Ended		12 Months Ended				
		2016 q4	2015 q4	2016 q4	2016 q3	2016 q2	2016 q1	2015 q4
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	430.1	391.5	1,665.0	1,626.4	1,592.1	1,567.2	1,529.6
2	Operating Expenses	416.1	371.1	1,459.3	1,414.3	1,396.8	1,373.5	1,352.3
3	Operating Profit (Loss)	14.0	20.3	205.7	212.1	195.3	193.8	177.2
4	Net Income (Loss)	-4.9	190.9	102.5	298.3	318.3	345.2	340.5
<u>TRAFFIC: (Billions)</u>								
5	RPMs - Scheduled Rev. Svc.	3.1	2.7	12.2	11.8	11.2	10.8	10.4
6	ASMs - Scheduled Rev. Svc.	3.8	3.4	14.6	14.2	13.6	13.1	12.7
7	Overall RTMs (All Svc.)	0.3	0.3	1.2	1.2	1.1	1.1	1.0
8	Overall ATMs (All Svc.)	0.5	0.4	1.9	1.8	1.8	1.7	1.7
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	139.9	143.8	136.7	137.5	141.6	145.1	146.6
10	Operating Expense per RTM	135.4	136.4	119.8	119.6	124.3	127.2	129.6
11	Operating Profit (Loss) per RTM	4.6	7.5	16.9	17.9	17.4	17.9	17.0
12	Operating Expense per ATM	85.7	85.0	77.3	76.9	78.9	80.4	81.9
13	Passenger Revenue per RPM	12.18	12.58	11.92	12.01	12.38	12.70	12.85
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	1.03	1.37	1.52	1.74	1.97
15	Times Interest Earned	*	*	5.67	16.16	20.61	26.90	32.36
16	Current Assets to Current Liabilities	*	*	0.98	1.55	1.34	1.28	1.26
17	No. of Days Cash Coverage of Cash Exp.	*	*	67.4	162.4	160.2	152.0	135.8
<u>FINANCIAL PERCENTAGES: (%)</u>								
18	Operating Profit (Loss) to Operating Revenue	3.3	5.2	12.4	13.0	12.3	12.4	11.6
19	Net Income to Stockholders Equity	*	*	8.47	36.40	42.77	51.96	57.83
20	Corporate Return on Investment	*	*	7.7	26.8	31.9	39.8	45.2
21	Debt to Total Investment	*	*	12.8	33.4	34.7	31.1	27.6
<u>PASSENGER LOAD FACTOR: (Sch. Svc. %)</u>								
22	Actual	81.6	81.1	83.5	83.4	82.5	82.2	82.2
23	Breakeven	81.8	78.7	73.8	72.8	72.7	72.1	72.8
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	2,983	2,733	2,910	2,847	2,781	2,706	2,641
25	Overall RTM's per Employee (000)	103.0	99.6	418.5	415.4	404.2	399.1	395.2
<u>CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER</u>								
26	Operating Revenues (%)	9.9	5.2	8.9	7.7	5.8	4.3	2.7
27	Operating Expenses (%)	12.1	2.5	7.9	5.3	2.7	-0.3	-3.0
28	Operating Profit (Loss) (in Millions \$)	-6.3	10.2	28.5	45.1	49.8	68.9	80.8
29	Net Income (Loss) (in Millions \$)	-195.8	187.0	-238.0	144.8	195.1	250.0	280.4
30	RPMs (Sch. Svc.) (%)	12.9	9.9	16.7	16.0	10.8	6.5	3.5
31	ASMs (Sch. Svc.) (%)	12.1	10.4	14.9	14.5	10.9	6.9	3.7
32	Operating Revenues per RTM (%)	-2.7	-4.3	-6.7	-7.2	-4.6	-2.1	-0.7
33	Operating Expense per RTM (%)	-0.7	-6.8	-7.5	-9.3	-7.3	-6.4	-6.2
34	Passenger Revenue per RPM (Sch. Svc.)(%)	-3.1	-4.9	-7.2	-7.7	-5.2	-2.8	-1.3

QUARTERLY FINANCIAL & TRAFFIC REVIEW

SYSTEM OPERATIONS

System Cargo Majors

Items		Quarter Ended		12 Months Ended				
		2016 q4	2015 q4	2016 q4	2016 q3	2016 q2	2016 q1	2015 q4
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	10,898.6	8,597.3	38,170.1	35,868.7	34,037.6	33,470.0	33,641.2
2	Operating Expenses	10,001.6	7,830.7	35,077.8	32,906.9	31,124.4	30,609.0	30,968.4
3	Operating Profit (Loss)	897.1	766.5	3,092.3	2,961.8	2,913.2	2,861.0	2,672.8
4	Net Income (Loss)	509.5	533.7	1,828.4	1,852.7	1,820.6	1,533.9	1,514.2
<u>TRAFFIC: (Billions)</u>								
5	RTMs - Scheduled Svc.	5.0	4.9	18.5	18.4	18.3	18.2	18.3
6	ATMs - Scheduled Svc.	8.8	8.6	32.4	32.2	32.0	31.8	31.6
7	Overall RTMs (All Svc.)	7.3	6.9	26.4	26.0	25.8	25.8	26.0
8	Overall ATMs (All Svc.)	13.7	12.4	48.7	47.3	46.2	45.1	44.9
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	149.7	124.7	144.8	138.1	132.1	129.7	129.2
10	Operating Expense per RTM	137.4	113.5	133.1	126.7	120.8	118.6	119.0
11	Operating Profit (Loss) per RTM	12.3	11.1	11.7	11.4	11.3	11.1	10.3
12	Operating Expense per ATM	73.0	63.3	72.0	69.5	67.4	67.9	68.9
13	Passenger Revenue per RPM	++	++	++	++	++	++	++
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	1.92	1.85	1.80	1.81	1.85
15	Times Interest Earned	*	*	14.54	16.97	14.76	14.64	13.64
16	Current Assets to Current Liabilities	*	*	0.79	0.75	0.72	1.45	1.18
17	No. of Days Cash Coverage of Cash Exp.	*	*	18.4	18.3	17.9	15.5	15.1
<u>FINANCIAL PERCENTAGES: (%)</u>								
18	Operating Profit (Loss) to Operating Revenue	8.2	8.9	8.1	8.3	8.6	8.5	7.9
19	Net Income to Stockholders Equity	*	*	10.54	10.96	11.02	9.52	9.62
20	Corporate Return on Investment	*	*	10.2	10.4	10.7	9.2	9.3
21	Debt to Total Investment	*	*	13.4	13.5	12.5	12.7	11.5
<u>TON LOAD FACTOR: (%)</u>								
22	Scheduled Svc.	56.5	56.5	57.1	57.1	57.1	57.2	57.8
23	All Services	53.1	55.8	54.1	54.9	55.8	57.2	58.0
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	203,466	152,084	185,940	173,094	160,040	151,250	150,627
25	Overall RTM's per Employee (000)	35.8	45.3	141.7	150.0	161.0	170.7	172.8
<u>CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER</u>								
26	Operating Revenues (%)	26.8	-7.0	13.5	4.6	-2.6	-5.5	-5.8
27	Operating Expenses (%)	27.7	-8.8	13.3	3.7	-4.2	-7.7	-8.0
28	Operating Profit (Loss) (in Millions \$)	130.5	109.5	419.5	398.5	452.5	582.9	613.9
29	Net Income (Loss) (in Millions \$)	-24.2	275.9	314.3	614.4	550.3	134.8	435.8
30	RTMS (All Svc.) (%)	5.6	-0.8	1.2	-0.4	-1.6	-0.9	1.6
31	ATMs (All Svc.) (%)	10.9	4.0	8.4	6.5	3.3	1.9	2.8
32	Operating Revenues per RTM (%)	20.1	-6.3	12.1	5.1	-1.0	-4.7	-7.3
33	Operating Expense per RTM (%)	21.0	-8.1	11.9	4.2	-2.6	-6.9	-9.4
34	Passenger Revenue per RPM (Sch. Svc.)(%)	++	++	++	++	++	++	++

QUARTERLY FINANCIAL & TRAFFIC REVIEW

DOMESTIC OPERATIONS

Domestic Cargo Majors

Items		Quarter Ended		12 Months Ended				
		2016 q4	2015 q4	2016 q4	2016 q3	2016 q2	2016 q1	2015 q4
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	6,283.8	5,996.4	23,714.8	23,427.4	23,260.9	23,201.2	23,152.3
2	Operating Expenses	4,925.6	4,688.5	18,409.9	18,172.8	18,034.3	18,049.6	18,117.5
3	Operating Profit (Loss)	1,358.2	1,307.9	5,304.9	5,254.6	5,226.6	5,151.6	5,034.9
4	Net Income (Loss)	833.9	879.5	3,410.0	3,455.6	3,438.1	3,234.5	3,183.5
<u>TRAFFIC: (Billions)</u>								
5	RTMs - Scheduled Svc.	2.7	2.6	10.1	10.0	9.9	9.8	9.8
6	ATMs - Scheduled Svc.	5.2	5.0	18.7	18.5	18.3	18.0	17.6
7	Overall RTMs (All Svc.)	3.3	3.1	11.7	11.5	11.4	11.4	11.4
8	Overall ATMs (All Svc.)	6.4	5.8	22.1	21.5	21.1	20.6	20.3
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	193.0	194.5	202.3	202.9	203.5	204.3	203.6
10	Operating Expense per RTM	151.3	152.1	157.1	157.4	157.8	158.9	159.3
11	Operating Profit (Loss) per RTM	41.7	42.4	45.3	45.5	45.7	45.4	44.3
12	Operating Expense per ATM	77.0	80.3	83.3	84.4	85.6	87.5	89.1
13	Passenger Revenue per RPM	++	++	++	++	++	++	++
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	**	**	**	**	**
15	Times Interest Earned	*	*	**	**	**	**	**
16	Current Assets to Current Liabilities	*	*	**	**	**	**	**
17	No. of Days Cash Coverage of Cash Exp.	*	*	**	**	**	**	**
<u>FINANCIAL PERCENTAGES: (%)</u>								
18	Operating Profit (Loss) to Operating Revenue	21.6	21.8	22.4	22.4	22.5	22.2	21.7
19	Net Income to Stockholders Equity	*	*	**	**	**	**	**
20	Corporate Return on Investment	*	*	**	**	**	**	**
21	Debt to Total Investment	*	*	**	**	**	**	**
<u>TON LOAD FACTOR: (%)</u>								
22	Scheduled Svc.	51.9	52.7	53.9	54.2	54.5	54.8	55.6
23	All Services	50.9	52.8	53.0	53.6	54.2	55.1	56.0
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	*	*	**	**	**	**	**
25	Overall RTM's per Employee (000)	*	*	**	**	**	**	**
<u>CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER</u>								
26	Operating Revenues (%)	4.8	-3.6	2.4	0.2	-1.7	-2.9	-3.1
27	Operating Expenses (%)	5.1	-6.0	1.6	-1.3	-3.5	-5.0	-6.0
28	Operating Profit (Loss) (in Millions \$)	50.3	75.9	270.0	295.7	270.4	262.1	412.8
29	Net Income (Loss) (in Millions \$)	-45.6	91.9	226.4	363.9	320.7	39.4	207.7
30	RTMS (All Svc.) (%)	5.6	1.3	3.1	1.9	1.1	0.9	2.4
31	ATMs (All Svc.) (%)	9.6	6.4	8.8	7.9	6.1	4.7	4.0
32	Operating Revenues per RTM (%)	-0.7	-4.8	-0.6	-1.6	-2.7	-3.8	-5.3
33	Operating Expense per RTM (%)	-0.5	-7.2	-1.4	-3.2	-4.6	-5.9	-8.1
34	Passenger Revenue per RPM (Sch. Svc.)(%)	++	++	++	++	++	++	++

QUARTERLY FINANCIAL & TRAFFIC REVIEW

INTERNATIONAL OPERATIONS

International Cargo Majors

Items		Quarter Ended		12 Months Ended				
		2016 q4	2015 q4	2016 q4	2016 q3	2016 q2	2016 q1	2015 q4
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	4,614.8	2,600.9	14,455.3	12,441.3	10,776.7	10,268.8	10,488.9
2	Operating Expenses	5,076.0	3,142.3	16,667.9	14,734.2	13,090.1	12,559.4	12,850.9
3	Operating Profit (Loss)	-461.1	-541.4	-2,212.6	-2,292.8	-2,313.4	-2,290.6	-2,362.0
4	Net Income (Loss)	-324.4	-345.8	-1,581.5	-1,602.9	-1,617.5	-1,700.6	-1,669.4
<u>TRAFFIC: (Billions)</u>								
5	RTMs - Scheduled Svc.	2.3	2.2	8.4	8.4	8.3	8.3	8.5
6	ATMs - Scheduled Svc.	3.6	3.6	13.8	13.7	13.7	13.8	14.0
7	Overall RTMs (All Svc.)	4.0	3.8	14.6	14.4	14.3	14.5	14.7
8	Overall ATMs (All Svc.)	7.3	6.5	26.6	25.8	25.1	24.5	24.6
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	114.7	68.2	98.8	86.3	75.2	71.0	71.5
10	Operating Expense per RTM	126.1	82.4	113.9	102.2	91.3	86.9	87.7
11	Operating Profit (Loss) per RTM	-11.5	-14.2	-15.1	-15.9	-16.1	-15.8	-16.1
12	Operating Expense per ATM	69.4	48.2	62.7	57.1	52.1	51.3	52.3
13	Passenger Revenue per RPM	++	++	++	++	++	++	++
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	**	**	**	**	**
15	Times Interest Earned	*	*	**	**	**	**	**
16	Current Assets to Current Liabilities	*	*	**	**	**	**	**
17	No. of Days Cash Coverage of Cash Exp.	*	*	**	**	**	**	**
<u>FINANCIAL PERCENTAGES: (%)</u>								
18	Operating Profit (Loss) to Operating Revenue	-10.0	-20.8	-15.3	-18.4	-21.5	-22.3	-22.5
19	Net Income to Stockholders Equity	*	*	**	**	**	**	**
20	Corporate Return on Investment	*	*	**	**	**	**	**
21	Debt to Total Investment	*	*	**	**	**	**	**
<u>TON LOAD FACTOR: (%)</u>								
22	Scheduled Svc.	63.2	61.8	61.4	61.0	60.5	60.3	60.5
23	All Services	55.1	58.4	55.0	55.9	57.1	59.1	59.6
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	*	*	**	**	**	**	**
25	Overall RTM's per Employee (000)	*	*	**	**	**	**	**
<u>CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER</u>								
26	Operating Revenues (%)	77.4	-13.9	37.8	14.0	-4.5	-11.1	-11.3
27	Operating Expenses (%)	61.5	-12.6	29.7	10.7	-5.0	-11.3	-10.7
28	Operating Profit (Loss) (in Millions \$)	80.2	33.6	149.4	102.8	182.1	320.8	201.1
29	Net Income (Loss) (in Millions \$)	21.4	184.1	87.8	250.5	229.6	95.5	228.1
30	RTMS (All Svc.) (%)	5.5	-2.4	-0.2	-2.2	-3.6	-2.3	1.0
31	ATMs (All Svc.) (%)	12.0	2.1	8.1	5.5	1.0	-0.4	1.9
32	Operating Revenues per RTM (%)	68.1	-11.8	38.1	16.7	-0.9	-9.0	-12.2
33	Operating Expense per RTM (%)	53.1	-10.5	29.9	13.3	-1.4	-9.2	-11.6
34	Passenger Revenue per RPM (Sch. Svc.)(%)	++	++	++	++	++	++	++

QUARTERLY FINANCIAL & TRAFFIC REVIEW

SYSTEM OPERATIONS

Atlas Air Inc. (5Y)

Items		Quarter Ended		12 Months Ended				
		2016 q4	2015 q4	2016 q4	2016 q3	2016 q2	2016 q1	2015 q4
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	462.6	434.9	1,600.6	1,573.0	1,604.0	1,640.1	1,662.6
2	Operating Expenses	383.3	394.2	1,508.2	1,519.1	1,520.1	1,521.5	1,510.3
3	Operating Profit (Loss)	79.2	40.7	92.4	53.9	83.9	118.6	152.3
4	Net Income (Loss)	34.7	20.4	-2.3	-16.6	-30.3	-9.8	13.5
<u>TRAFFIC: (Billions)</u>								
5	RTMs - Scheduled Svc.							
6	ATMs - Scheduled Svc.							
7	Overall RTMs (All Svc.)	1.1	0.9	3.6	3.4	3.5	3.5	3.6
8	Overall ATMs (All Svc.)	3.1	2.1	9.9	8.9	8.2	7.3	7.3
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	42.9	46.6	44.6	45.7	46.2	46.3	45.9
10	Operating Expense per RTM	35.5	42.3	42.1	44.2	43.8	43.0	41.7
11	Operating Profit (Loss) per RTM	7.3	4.4	2.6	1.6	2.4	3.3	4.2
12	Operating Expense per ATM	12.2	18.4	15.2	17.0	18.5	20.9	20.7
13	Passenger Revenue per RPM	++	++	++	++	++	++	++
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	0.72	0.73	0.75	0.77	0.78
15	Times Interest Earned	*	*	1.57	0.84	0.60	0.85	1.08
16	Current Assets to Current Liabilities	*	*	0.74	0.50	0.62	0.67	0.86
17	No. of Days Cash Coverage of Cash Exp.	*	*	10.3	7.2	17.4	23.8	43.9
<u>FINANCIAL PERCENTAGES: (%)</u>								
18	Operating Profit (Loss) to Operating Revenue	17.1	9.4	5.8	3.4	5.2	7.2	9.2
19	Net Income to Stockholders Equity	*	*	-0.33	-2.46	-4.46	-1.43	1.98
20	Corporate Return on Investment	*	*	2.6	2.2	4.7	5.8	7.0
21	Debt to Total Investment	*	*	65.7	69.3	69.4	68.7	68.8
<u>TON LOAD FACTOR: (%)</u>								
22	Scheduled Svc.							
23	All Services	34.3	43.6	36.2	38.6	42.2	48.6	49.7
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	2,273	1,962	2,175	2,098	2,015	1,935	1,858
25	Overall RTM's per Employee (000)	474.4	475.4	1,648.7	1,639.9	1,721.6	1,830.8	1,950.9
<u>CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER</u>								
26	Operating Revenues (%)	6.4	-3.8	-3.7	-6.4	-5.5	-2.4	1.7
27	Operating Expenses (%)	-2.8	-3.9	-0.1	-0.5	-0.7	-0.5	0.7
28	Operating Profit (Loss) (in Millions \$)	38.5	-1.0	-59.9	-99.4	-82.3	-33.4	17.6
29	Net Income (Loss) (in Millions \$)	14.3	-7.5	-15.8	-37.6	-104.4	-89.3	-52.8
30	RTMS (All Svc.) (%)	15.6	-8.0	-1.1	-7.2	-6.2	-3.3	-0.5
31	ATMs (All Svc.) (%)	46.7	10.3	35.8	25.6	9.3	-1.3	0.3
32	Operating Revenues per RTM (%)	-8.0	4.6	-2.7	0.9	0.8	0.9	2.2
33	Operating Expense per RTM (%)	-15.9	4.4	0.9	7.2	5.9	2.9	1.2
34	Passenger Revenue per RPM (Sch. Svc.)(%)	++	++	++	++	++	++	++

QUARTERLY FINANCIAL & TRAFFIC REVIEW

SYSTEM OPERATIONS

Federal Express Corporation (FX)

Items		Quarter Ended		12 Months Ended				
		2016 q4	2015 q4	2016 q4	2016 q3	2016 q2	2016 q1	2015 q4
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	8,661.1	6,529.6	30,188.4	28,056.8	26,145.0	25,400.8	25,367.5
2	Operating Expenses	7,936.7	5,885.6	27,476.0	25,425.0	23,583.4	22,944.4	23,164.6
3	Operating Profit (Loss)	724.4	644.0	2,712.3	2,631.8	2,561.6	2,456.5	2,202.9
4	Net Income (Loss)	415.0	438.0	1,669.2	1,692.1	1,694.3	1,431.6	1,273.4
<u>TRAFFIC: (Billions)</u>								
5	RTMs - Scheduled Svc.	2.8	2.8	10.8	10.7	10.8	10.8	10.9
6	ATMs - Scheduled Svc.	5.2	5.1	19.7	19.6	19.5	19.5	19.4
7	Overall RTMs (All Svc.)	2.8	2.8	10.8	10.8	10.8	10.8	10.9
8	Overall ATMs (All Svc.)	5.2	5.1	19.8	19.7	19.6	19.5	19.4
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	307.3	233.9	279.8	260.6	242.6	235.3	233.3
10	Operating Expense per RTM	281.6	210.8	254.6	236.2	218.9	212.6	213.1
11	Operating Profit (Loss) per RTM	25.7	23.1	25.1	24.4	23.8	22.8	20.3
12	Operating Expense per ATM	152.0	114.3	138.9	129.1	120.3	117.5	119.1
13	Passenger Revenue per RPM	++	++	++	++	++	++	++
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	2.48	2.37	2.28	2.30	2.36
15	Times Interest Earned	*	*	23.13	37.34	113.19	-313.35	-206.73
16	Current Assets to Current Liabilities	*	*	0.67	0.63	0.64	1.46	1.21
17	No. of Days Cash Coverage of Cash Exp.	*	*	20.7	21.1	20.3	16.4	15.0
<u>FINANCIAL PERCENTAGES: (%)</u>								
18	Operating Profit (Loss) to Operating Revenue	8.4	9.9	9.0	9.4	9.8	9.7	8.7
19	Net Income to Stockholders Equity	*	*	14.02	14.66	15.14	13.24	12.14
20	Corporate Return on Investment	*	*	14.6	14.9	15.0	12.9	11.8
21	Debt to Total Investment	*	*	2.3	2.5	2.5	2.1	2.2
<u>TON LOAD FACTOR: (%)</u>								
22	Scheduled Svc.	54.0	54.3	54.7	54.7	55.1	55.4	56.0
23	All Services	54.0	54.2	54.6	54.6	55.0	55.3	55.9
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	194,273	143,347	176,916	164,185	151,247	142,566	142,059
25	Overall RTM's per Employee (000)	14.5	19.5	61.0	65.6	71.2	75.7	76.5
<u>CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER</u>								
26	Operating Revenues (%)	32.6	-4.8	19.0	9.2	0.3	-3.7	-4.4
27	Operating Expenses (%)	34.8	-7.2	18.6	7.6	-2.3	-6.7	-7.1
28	Operating Profit (Loss) (in Millions \$)	80.5	125.4	509.4	554.3	609.7	689.5	626.9
29	Net Income (Loss) (in Millions \$)	-23.0	103.6	395.7	522.3	608.8	279.4	275.4
30	RTMS (All Svc.) (%)	0.9	-3.1	-0.8	-1.8	-2.2	-2.4	-1.4
31	ATMs (All Svc.) (%)	1.5	-0.5	1.7	1.1	0.3	-0.1	-0.7
32	Operating Revenues per RTM (%)	31.4	-1.8	19.9	11.2	2.5	-1.3	-3.0
33	Operating Expense per RTM (%)	33.6	-4.3	19.5	9.6	-0.1	-4.5	-5.8
34	Passenger Revenue per RPM (Sch. Svc.)(%)	++	++	++	++	++	++	++

QUARTERLY FINANCIAL & TRAFFIC REVIEW

SYSTEM OPERATIONS

Kalitta Air LLC (KAQ)^

Items		Quarter Ended		12 Months Ended				
		2016 q4	2015 q4	2016 q4	2016 q3	2016 q2	2016 q1	2015 q4
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	196.8	157.8	576.0	537.0	530.1	546.8	585.6
2	Operating Expenses	162.4	141.0	534.1	512.8	513.8	523.1	536.6
3	Operating Profit (Loss)	34.4	16.7	41.9	24.2	16.3	23.7	49.1
4	Net Income (Loss)	33.3	14.4	39.6	20.6	12.7	19.6	45.0
<u>TRAFFIC: (Billions)</u>								
5	RTMs - Scheduled Svc.							
6	ATMs - Scheduled Svc.							
7	Overall RTMs (All Svc.)	0.5	0.4	1.6	1.5	1.4	1.5	1.5
8	Overall ATMs (All Svc.)	0.7	0.6	2.4	2.3	2.2	2.3	2.3
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	41.1	39.1	37.0	36.2	36.7	36.9	38.5
10	Operating Expense per RTM	33.9	34.9	34.3	34.6	35.5	35.3	35.3
11	Operating Profit (Loss) per RTM	7.2	4.1	2.7	1.6	1.1	1.6	3.2
12	Operating Expense per ATM	21.7	22.5	22.4	22.6	23.1	22.9	23.4
13	Passenger Revenue per RPM	++	++	++	++	++	++	++
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	1.27	1.25	1.26	1.30	1.40
15	Times Interest Earned	*	*	11.25	8.00	5.00	6.75	13.11
16	Current Assets to Current Liabilities	*	*	2.10	1.60	1.78	2.15	2.21
17	No. of Days Cash Coverage of Cash Exp.	*	*	63.4	31.6	34.2	47.2	34.6
<u>FINANCIAL PERCENTAGES: (%)</u>								
18	Operating Profit (Loss) to Operating Revenue	17.5	10.6	7.3	4.5	3.1	4.3	8.4
19	Net Income to Stockholders Equity	*	*	10.15	5.44	3.39	5.30	12.41
20	Corporate Return on Investment	*	*	9.6	5.5	3.8	5.5	11.6
21	Debt to Total Investment	*	*	19.9	16.6	9.7	10.3	10.7
<u>TON LOAD FACTOR: (%)</u>								
22	Scheduled Svc.							
23	All Services	64.0	64.4	65.2	65.4	65.1	65.0	66.3
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	1,262	1,162	1,225	1,200	1,173	1,144	1,113
25	Overall RTM's per Employee (000)	379.2	347.4	1,271.2	1,235.2	1,232.4	1,296.9	1,365.0
<u>CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER</u>								
26	Operating Revenues (%)	24.7	-18.4	-1.6	-13.6	-18.3	-18.9	-11.2
27	Operating Expenses (%)	15.1	-21.2	-0.5	-10.7	-14.7	-17.4	-16.2
28	Operating Profit (Loss) (in Millions \$)	17.7	2.3	-7.1	-22.5	-29.8	-17.7	30.2
29	Net Income (Loss) (in Millions \$)	19.0	1.1	-5.4	-23.2	-30.4	-19.9	28.8
30	RTMS (All Svc.) (%)	18.6	1.6	2.5	-2.0	-4.1	3.7	14.7
31	ATMs (All Svc.) (%)	19.4	1.7	4.3	-0.5	-0.7	8.1	15.5
32	Operating Revenues per RTM (%)	5.2	-19.7	-4.0	-11.8	-14.8	-21.8	-22.6
33	Operating Expense per RTM (%)	-2.9	-22.4	-2.9	-8.9	-11.1	-20.3	-27.0
34	Passenger Revenue per RPM (Sch. Svc.)(%)	++	++	++	++	++	++	++

QUARTERLY FINANCIAL & TRAFFIC REVIEW

SYSTEM OPERATIONS

Polar Air Cargo Airways (PO)^

Items		Quarter Ended		12 Months Ended				
		2016 q4	2015 q4	2016 q4	2016 q3	2016 q2	2016 q1	2015 q4
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	294.2	270.3	1,034.4	1,010.5	1,021.5	1,060.3	1,086.9
2	Operating Expenses	294.1	270.0	1,033.0	1,008.9	1,019.3	1,056.8	1,083.1
3	Operating Profit (Loss)	0.0	0.2	1.3	1.5	2.2	3.5	3.8
4	Net Income (Loss)	0.0	0.0	0.0	0.0		0.0	0.0
<u>TRAFFIC: (Billions)</u>								
5	RTMs - Scheduled Svc.							
6	ATMs - Scheduled Svc.							
7	Overall RTMs (All Svc.)	0.8	0.7	2.7	2.6	2.6	2.6	2.6
8	Overall ATMs (All Svc.)	1.0	1.0	3.9	3.8	3.7	3.7	3.6
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	38.7	38.4	38.6	38.5	39.6	41.1	41.9
10	Operating Expense per RTM	38.7	38.3	38.5	38.4	39.5	40.9	41.8
11	Operating Profit (Loss) per RTM	0.0	0.0	0.0	0.1	0.1	0.1	0.1
12	Operating Expense per ATM	28.6	27.3	26.7	26.3	27.6	28.8	30.0
13	Passenger Revenue per RPM	++	++	++	++	++	++	++
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	66.90	65.36	66.07	68.58	70.30
15	Times Interest Earned	*	*	1.07	1.02	1.01	1.00	1.02
16	Current Assets to Current Liabilities	*	*	1.19	1.19	1.23	1.21	1.23
17	No. of Days Cash Coverage of Cash Exp.	*	*	10.4	15.2	10.3	13.3	10.2
<u>FINANCIAL PERCENTAGES: (%)</u>								
18	Operating Profit (Loss) to Operating Revenue	0.0	0.1	0.1	0.2	0.2	0.3	0.4
19	Net Income to Stockholders Equity	*	*	0.00	0.00		0.00	0.00
20	Corporate Return on Investment	*	*	5.5	5.1	5.7	6.6	7.5
21	Debt to Total Investment	*	*					
<u>TON LOAD FACTOR: (%)</u>								
22	Scheduled Svc.							
23	All Services	73.7	71.2	69.2	68.5	69.8	70.4	71.8
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	186	173	182	179	175	171	167
25	Overall RTM's per Employee (000)	4,082.3	4,073.4	14,724.9	14,666.7	14,728.6	15,099.8	15,516.2
<u>CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER</u>								
26	Operating Revenues (%)	8.8	-7.9	-4.8	-9.0	-8.5	-2.9	0.2
27	Operating Expenses (%)	8.9	-8.0	-4.6	-8.8	-8.5	-3.0	0.0
28	Operating Profit (Loss) (in Millions \$)	-0.2	0.2	-2.5	-2.1	-0.9	1.7	2.8
29	Net Income (Loss) (in Millions \$)	0.0	0.0	0.0	0.0		0.0	0.0
30	RTMS (All Svc.) (%)	7.7	19.4	3.4	6.0	8.0	16.8	32.7
31	ATMs (All Svc.) (%)	4.0	22.9	7.3	11.9	14.0	23.5	39.0
32	Operating Revenues per RTM (%)	1.0	-22.9	-8.0	-14.1	-15.4	-16.8	-24.5
33	Operating Expense per RTM (%)	1.1	-22.9	-7.8	-14.0	-15.3	-16.9	-24.7
34	Passenger Revenue per RPM (Sch. Svc.)(%)	++	++	++	++	++	++	++

QUARTERLY FINANCIAL & TRAFFIC REVIEW

SYSTEM OPERATIONS

United Parcel Service (5X)

Items		Quarter Ended		12 Months Ended				
		2016 q4	2015 q4	2016 q4	2016 q3	2016 q2	2016 q1	2015 q4
<u>FINANCIAL RESULTS: (\$Millions)</u>								
1	Operating Revenues	1,284.0	1,204.8	4,770.7	4,691.5	4,737.0	4,822.0	4,938.5
2	Operating Expenses	1,225.1	1,139.9	4,526.4	4,441.2	4,487.8	4,563.2	4,673.9
3	Operating Profit (Loss)	58.9	64.9	244.3	250.3	249.2	258.8	264.7
4	Net Income (Loss)	26.4	60.9	122.0	156.5	143.9	92.5	182.3
<u>TRAFFIC: (Billions)</u>								
5	RTMs - Scheduled Svc.	2.1	2.1	7.7	7.6	7.5	7.4	7.4
6	ATMs - Scheduled Svc.	3.6	3.5	12.7	12.6	12.4	12.3	12.3
7	Overall RTMs (All Svc.)	2.1	2.1	7.7	7.7	7.5	7.4	7.4
8	Overall ATMs (All Svc.)	3.6	3.5	12.7	12.6	12.5	12.3	12.3
<u>YIELD & UNIT COST & PROFITS: (Cents)</u>								
9	Operating Revenue per RTM	59.8	58.4	61.6	61.3	63.2	65.1	66.5
10	Operating Expense per RTM	57.1	55.2	58.5	58.0	59.9	61.6	62.9
11	Operating Profit (Loss) per RTM	2.7	3.1	3.2	3.3	3.3	3.5	3.6
12	Operating Expense per ATM	34.4	33.0	35.5	35.2	36.0	37.0	38.1
13	Passenger Revenue per RPM	++	++	++	++	++	++	++
<u>FINANCIAL RATIOS:</u>								
14	Operating Revenues to Total Investment	*	*	0.95	0.94	0.98	0.99	1.00
15	Times Interest Earned	*	*	7.15	6.41	5.55	4.68	6.31
16	Current Assets to Current Liabilities	*	*	2.24	2.48	1.84	1.76	1.08
17	No. of Days Cash Coverage of Cash Exp.	*	*	2.8	3.9	4.3	4.4	4.7
<u>FINANCIAL PERCENTAGES: (%)</u>								
18	Operating Profit (Loss) to Operating Revenue	4.6	5.4	5.1	5.3	5.3	5.4	5.4
19	Net Income to Stockholders Equity	*	*	2.82	3.64	3.38	2.18	4.35
20	Corporate Return on Investment	*	*	3.0	3.8	3.7	2.7	4.5
21	Debt to Total Investment	*	*	16.8	16.7	12.3	13.7	7.4
<u>TON LOAD FACTOR: (%)</u>								
22	Scheduled Svc.	60.3	59.7	60.9	60.7	60.2	60.1	60.6
23	All Services	60.2	59.7	60.8	60.6	60.2	60.1	60.5
<u>Employment & Productivity:</u>								
24	Employment, Total Weighted Avg CY	5,471	5,439	5,440	5,431	5,428	5,433	5,429
25	Overall RTM's per Employee (000)	392.2	379.4	1,422.9	1,410.2	1,381.2	1,363.5	1,367.9
<u>CHANGE OVER COMPARABLE PERIOD 12 MONTHS EARLIER</u>								
26	Operating Revenues (%)	6.6	-16.4	-3.4	-9.3	-12.2	-14.2	-15.1
27	Operating Expenses (%)	7.5	-16.1	-3.2	-9.2	-12.1	-14.0	-14.8
28	Operating Profit (Loss) (in Millions \$)	-6.0	-17.4	-20.4	-31.7	-44.1	-57.2	-63.6
29	Net Income (Loss) (in Millions \$)	-34.5	178.7	-60.3	152.9	76.2	-35.4	184.5
30	RTMS (All Svc.) (%)	4.0	-0.2	4.2	3.1	-1.1	-3.5	-3.3
31	ATMs (All Svc.) (%)	3.1	3.3	3.8	3.9	2.2	0.8	0.4
32	Operating Revenues per RTM (%)	2.5	-16.2	-7.3	-12.0	-11.3	-11.1	-12.2
33	Operating Expense per RTM (%)	3.4	-16.0	-7.1	-11.9	-11.1	-10.8	-11.9
34	Passenger Revenue per RPM (Sch. Svc.)(%)	++	++	++	++	++	++	++

Comparison of Operating Profit (Loss)

For Individual System Majors

2015 q4 Compared To 2016 q4

Operating Profit (Loss) (\$Billions)						
	Quarterly Data			12 Months Ended Data		
	2015 q4	2016 q4	\$ Chg	YE 2015 q4	YE 2016 q4	\$ Chg
System Passenger Majors	5,879.5	4,315.4	-1,564.0	27,707.2	24,873.0	-2,834.2
Alaska Airlines Inc. (AS)	258.0	298.5	40.5	1,291.2	1,437.8	146.6
Allegiant Air (G4)^	92.0	63.3	-28.7	355.1	348.3	-6.8
American Airlines Inc. (AA)^	1,063.4	791.4	-272.0	6,189.0	5,304.2	-884.8
Delta Air Lines Inc. (DL)	1,721.7	1,029.3	-692.3	7,844.7	6,976.4	-868.2
Envoy Air (MQ)^	-22.0	-2.2	19.8	-42.1	14.6	56.7
ExpressJet Airlines Inc. (EV)^	-7.0	-279.7	-272.6	-22.1	-294.7	-272.6
Frontier Airlines Inc. (F9)	39.8	48.6	8.8	275.9	320.3	44.4
Hawaiian Airlines Inc. (HA)	110.5	81.1	-29.4	431.0	475.7	44.7
JetBlue Airways (B6)	322.8	294.7	-28.1	1,198.4	1,308.1	109.8
SkyWest Airlines Inc. (OO)	52.2	38.9	-13.2	216.1	232.1	16.0
Southwest Airlines Co. (WN)^	1,026.2	845.9	-180.3	4,116.5	3,760.1	-356.4
Spirit Air Lines (NK)^	120.3	85.3	-35.0	509.1	443.7	-65.5
United Air Lines Inc. (UA)	1,081.4	1,006.2	-75.2	5,167.3	4,340.7	-826.6
Virgin America (VX)^	20.3	14.0	-6.3	177.2	205.7	28.5
System Cargo Majors	766.5	897.1	130.5	2,672.8	3,092.3	419.5
Atlas Air Inc. (5Y)	40.7	79.2	38.5	152.3	92.4	-59.9
Federal Express Corporation (FX)	644.0	724.4	80.5	2,202.9	2,712.3	509.4
Kalitta Air LLC (KAQ)^	16.7	34.4	17.7	49.1	41.9	-7.1
Polar Air Cargo Airways (PO)^	0.2	0.0	-0.2	3.8	1.3	-2.5
United Parcel Service (5X)	64.9	58.9	-6.0	264.7	244.3	-20.4
System All Majors	6,646.0	5,212.5	-1,433.5	30,380.1	27,965.3	-2,414.7

Comparison of Net Income (Loss)

For Individual System Majors

2015 q4 Compared To 2016 q4

	Net Income (Loss) (\$Millions)					
	Quarterly Data			12 Months Ended Data		
	2015 q4	2016 q4	\$ Chg	YE 2015 q4	YE 2016 q4	\$ Chg
System Passenger Majors	6,913.9	2,371.7	-4,542.2	24,696.2	14,583.3	-10,112.9
Alaska Airlines Inc. (AS)	186.9	164.9	-22.0	828.5	879.3	50.8
Allegiant Air (G4)^	90.1	60.9	-29.2	344.0	336.3	-7.7
American Airlines Inc. (AA)^	3,750.1	340.6	-3,409.5	7,745.9	2,781.2	-4,964.6
Delta Air Lines Inc. (DL)	987.5	632.8	-354.6	4,538.5	4,409.8	-128.6
Envoy Air (MQ)^	0.0	-14.6	-14.7	-16.9	-1.1	15.8
ExpressJet Airlines Inc. (EV)^	-5.9	102.9	108.8	-23.0	89.2	112.2
Frontier Airlines Inc. (F9)	19.4	32.7	13.3	145.5	202.6	57.1
Hawaiian Airlines Inc. (HA)	39.0	3.2	-35.8	192.9	240.4	47.6
JetBlue Airways (B6)	190.0	180.0	-10.0	677.1	758.6	81.5
SkyWest Airlines Inc. (OO)	27.6	-94.6	-122.1	113.3	13.5	-99.8
Southwest Airlines Co. (WN)^	536.0	522.3	-13.6	2,181.3	2,242.0	60.7
Spirit Air Lines (NK)^	78.8	48.5	-30.3	327.3	264.9	-62.4
United Air Lines Inc. (UA)	823.6	396.9	-426.7	7,301.4	2,263.9	-5,037.5
Virgin America (VX)^	190.9	-4.9	-195.8	340.5	102.5	-238.0
System Cargo Majors	533.7	509.5	-24.2	1,514.2	1,828.4	314.3
Atlas Air Inc. (5Y)	20.4	34.7	14.3	13.5	-2.3	-15.8
Federal Express Corporation (FX)	438.0	415.0	-23.0	1,273.4	1,669.2	395.7
Kalitta Air LLC (KAQ)^	14.4	33.3	19.0	45.0	39.6	-5.4
Polar Air Cargo Airways (PO)^	0.0	0.0	0.0	0.0	0.0	0.0
United Parcel Service (5X)	60.9	26.4	-34.5	182.3	122.0	-60.3
System All Majors	7,447.6	2,881.2	-4,566.4	26,210.4	16,411.7	-9,798.7

Comparison of Passenger Load Factors

For Individual System Passenger Majors

2015 q4 Compared To 2016 q4

Passenger Load Factor (Percent)						
	Quarterly Data			12 Months Ended Data		
	2015 q4	2016 q4	Pt Chg	YE 2015 q4	YE 2016 q4	Pt Chg
System Passenger Majors	83.7	83.5	-0.1	84.0	83.7	-0.3
Alaska Airlines Inc. (AS)	82.9	85.2	2.4	84.5	84.9	0.4
Allegiant Air (G4)^	83.5	81.8	-1.7	86.8	85.5	-1.3
American Airlines Inc. (AA)^	83.1	82.1	-1.0	83.3	82.3	-1.0
Delta Air Lines Inc. (DL)	85.8	85.7	-0.1	85.6	85.2	-0.4
Envoy Air (MQ)^	78.9	79.2	0.3	78.8	79.4	0.7
ExpressJet Airlines Inc. (EV)^	80.2	81.4	1.2	80.7	80.3	-0.4
Frontier Airlines Inc. (F9)	87.5	85.7	-1.8	86.7	87.2	0.5
Hawaiian Airlines Inc. (HA)	83.0	86.1	3.2	81.4	84.3	2.9
JetBlue Airways (B6)	83.4	84.7	1.3	84.6	85.1	0.4
SkyWest Airlines Inc. (OO)	82.9	82.7	-0.2	83.1	82.3	-0.8
Southwest Airlines Co. (WN)^	84.0	84.4	0.4	83.6	84.0	0.4
Spirit Air Lines (NK)^	82.2	81.3	-0.9	84.3	84.2	-0.1
United Air Lines Inc. (UA)	82.7	82.3	-0.4	83.5	82.9	-0.6
Virgin America (VX)^	81.1	81.6	0.6	82.2	83.5	1.3

Comparison of Passenger Yields (Cents)

For Individual System Passenger Majors

2015 q4 Compared To 2016 q4

	Passenger Yields (Cents)					
	Quarterly Data			12 Months Ended Data		
	2015 q4	2016 q4	% Chg	YE 2015 q4	YE 2016 q4	% Chg
System Passenger Majors	13.7	13.5	-1.5%	14.2	13.5	-4.7%
Alaska Airlines Inc. (AS)	12.6	12.1	-3.8%	13.0	12.3	-5.9%
Allegiant Air (G4)^	9.2	8.7	-5.4%	9.3	8.4	-9.1%
American Airlines Inc. (AA)^	14.0	14.1	1.3%	14.6	14.0	-3.7%
Delta Air Lines Inc. (DL)	14.8	14.3	-2.9%	15.0	14.3	-4.7%
Envoy Air (MQ)^	13.1	19.0	44.8%	12.3	19.4	57.8%
ExpressJet Airlines Inc. (EV)^	9.4	10.0	5.7%	9.2	9.9	8.3%
Frontier Airlines Inc. (F9)	7.7	6.2	-19.2%	9.5	6.8	-28.1%
Hawaiian Airlines Inc. (HA)	13.7	14.0	2.5%	14.0	13.8	-1.3%
JetBlue Airways (B6)	13.6	13.2	-3.1%	14.1	13.2	-6.7%
SkyWest Airlines Inc. (OO)	10.9	11.5	5.3%	11.0	11.5	3.9%
Southwest Airlines Co. (WN)^	15.3	14.7	-3.8%	15.6	14.9	-4.3%
Spirit Air Lines (NK)^	6.2	6.1	-1.4%	7.0	6.1	-13.7%
United Air Lines Inc. (UA)	13.8	13.7	-0.7%	14.3	13.6	-4.8%
Virgin America (VX)^	12.6	12.2	-3.1%	12.8	11.9	-7.2%

Comparison of Operating Profit Margin (Percent)

For Individual System Majors

2015 q4 Compared To 2016 q4

Operating Profit Margin (Percent)						
	Quarterly Data			12 Months Ended Data		
	2015 q4	2016 q4	Pt Chg	YE 2015 q4	YE 2016 q4	Pt Chg
System Passenger Majors	14.9	10.8	-4.1	16.9	15.2	-1.6
Alaska Airlines Inc. (AS)	18.7	21.0	2.2	23.1	24.7	1.6
Allegiant Air (G4)^	30.4	19.5	-11.0	29.1	26.4	-2.6
American Airlines Inc. (AA)^	11.0	8.1	-2.9	15.1	13.1	-1.9
Delta Air Lines Inc. (DL)	18.0	10.8	-7.2	19.2	17.5	-1.7
Envoy Air (MQ)^	-11.3	-0.8	10.5	-4.9	1.4	6.3
ExpressJet Airlines Inc. (EV)^	-2.6	-111.7	-109.1	-1.9	-28.2	-26.3
Frontier Airlines Inc. (F9)	9.8	11.2	1.3	17.2	18.7	1.5
Hawaiian Airlines Inc. (HA)	19.3	12.9	-6.4	18.6	19.5	0.9
JetBlue Airways (B6)	20.3	18.0	-2.3	18.7	19.7	1.0
SkyWest Airlines Inc. (OO)	10.7	7.7	-3.0	11.2	11.2	0.0
Southwest Airlines Co. (WN)^	20.6	16.7	-4.0	20.8	18.4	-2.4
Spirit Air Lines (NK)^	23.1	14.8	-8.4	23.8	19.1	-4.7
United Air Lines Inc. (UA)	12.0	11.1	-0.9	13.6	11.9	-1.8
Virgin America (VX)^	5.2	3.3	-1.9	11.6	12.4	0.8
System Cargo Majors	8.9	8.2	-0.7	7.9	8.1	0.2
Atlas Air Inc. (5Y)	9.4	17.1	7.8	9.2	5.8	-3.4
Federal Express Corporation (FX)	9.9	8.4	-1.5	8.7	9.0	0.3
Kalitta Air LLC (KAQ)^	10.6	17.5	6.9	8.4	7.3	-1.1
Polar Air Cargo Airways (PO)^	0.1	0.0	-0.1	0.4	0.1	-0.2
United Parcel Service (5X)	5.4	4.6	-0.8	5.4	5.1	-0.2
System All Majors	13.9	10.3	-3.6	15.3	13.9	-1.5

Comparison of Debt-to-Investment and Total Debt

For Individual System Majors

2015 q4 Compared To 2016 q4

	Debt To Investment (Percent)			Total Debt (\$Millions)		
	Quarterly Data			Quarterly Data		
	2015 q4	2016 q4	Pt Chg	2015 q4	2016 q4	\$ Chg
System Passenger Majors	49.0	47.1	-1.9	47,757.2	52,651.6	4,894.4
Alaska Airlines Inc. (AS)	10.7	34.8	24.0	429.4	2,375.6	1,946.3
Allegiant Air (G4)^	24.0	20.0	-4.0	327.8	343.3	15.5
American Airlines Inc. (AA)^	66.0	64.1	-1.9	18,826.4	22,577.0	3,750.6
Delta Air Lines Inc. (DL)	43.4	37.3	-6.1	8,328.7	7,331.9	-996.8
Envoy Air (MQ)^	0.1	7.2	7.1	0.2	14.3	14.2
ExpressJet Airlines Inc. (EV)^	41.7	36.6	-5.1	345.3	272.7	-72.6
Frontier Airlines Inc. (F9)	39.4	34.5	-4.8	221.9	237.3	15.4
Hawaiian Airlines Inc. (HA)	49.6	25.9	-23.7	529.6	279.1	-250.5
JetBlue Airways (B6)	36.5	25.6	-10.9	1,843.6	1,383.5	-460.1
SkyWest Airlines Inc. (OO)	54.1	62.5	8.3	1,659.7	2,366.7	707.0
Southwest Airlines Co. (WN)^	30.2	28.6	-1.5	3,178.2	3,386.7	208.5
United Air Lines Inc. (UA)	56.7	57.6	0.9	11,758.8	11,704.6	-54.2
Virgin America (VX)^	27.6	12.8	-14.8	307.7	379.0	71.2
System Cargo Majors	11.5	13.4	1.8	2,144.9	2,799.7	654.8
Atlas Air Inc. (5Y)	68.8	65.7	-3.1	1,515.3	1,509.2	-6.1
Federal Express Corporation (FX)	2.2	2.3	0.2	244.5	296.1	51.6
Kalitta Air LLC (KAQ)^	10.7	19.9	9.3	45.5	104.9	59.4
United Parcel Service (5X)	7.4	16.8	9.5	339.6	889.5	549.9
System All Majors	43.0	41.8	-1.2	49,902.1	55,451.3	5,549.2

ENDNOTES

- * Not Calculated on a quarterly basis.
- ** Cannot be calculated because balance sheet data not submitted on an entity basis.
Data presented only on a system basis.
- ++ Not calculated for all-cargo carriers.
- & Meaningfull calculation cannot be made.
- ^ Carrier specific note. See below.

AirTran Airways Corporation (FL)

See Southwest Airlines Co. (WN)

Allegiant Air (G4)

Effective 2016q1, Allegiant Air (G4) began reporting as a Group III Major. All Form 41 Traffic and Financial Data collected by the Department for Allegiant Air are included in this report.

American Airlines Inc. (AA)

Effective 2015q3, US Airways Inc. (US) ceased reporting financial data independently of American Airlines Inc. (AA) . All data for US Airways are now consolidated with American Airlines in this report.

Envoy Air (MQ)

Effective 2014q2, American Eagle Airlines Inc. (MQ) rebranded and changed their name to Envoy Air (MQ). All Form 41 Traffic and Financial Data collected by the Department for American Eagle Airlines are included in this report as Envoy Air.

ExpressJet Airlines Inc. (EV)

Effective 2013q1, ExpressJet Airlines Inc. (EV) was designated a Group III Major carrier.
All Form 41 Traffic and Financial Data collected by the Department for ExpressJet, formerly Atlantic Southeast (EV), are included in this report.

Kalitta Air LLC (KAQ)

Effective 2015q1, Kalitta Air LLC (KAQ) began reporting as a Group II National.
All Form 41 Traffic and Financial Data collected by the Department for Kalitta are included in this report.

Polar Air Cargo Airways (PO)

Effective 2015q1, Polar Air Cargo Airways (PO) began reporting as a Group III Major. All Form 41 Traffic and Financial Data collected by the Department for Polar Air Cargo are included in this report.

Southwest Airlines Co. (WN)

Effective 2012q2, AirTran Airways Corporation (FL) ceased reporting financial data independently of Southwest Airlines Co. (WN). All data for AirTran Airways are now consolidated with Southwest Airlines in this report.

Spirit Air Lines (NK)

Effective 2013q1, Spirit Air Lines (NK) was designated a Group III Major. All Form 41 Traffic and Financial Data collected by the Department for Spirit are included in this report.

US Airways Inc. (US)

see American Airlines (AA).

Virgin America (VX)

Effective 2013q1, Virgin America (VX) was designated a Group III Major. All Form 41 Traffic and Financial Data collected by the Department for Virgin America are included in this report.

Carrier List

Passenger

FL^	AirTran Airways Corporation
AS	Alaska Airlines Inc.
G4^	Allegiant Air
AA^	American Airlines Inc.
DL	Delta Air Lines Inc.
MQ^	Envoy Air
EV^	ExpressJet Airlines Inc.
F9	Frontier Airlines Inc.
HA	Hawaiian Airlines Inc.
B6	JetBlue Airways
OO	SkyWest Airlines Inc.
WN^	Southwest Airlines Co.
NK^	Spirit Air Lines
UA	United Air Lines Inc.
US^	US Airways Inc.
VX^	Virgin America

Cargo

5Y	Atlas Air Inc.
FX	Federal Express Corporation
KAQ^	Kalitta Air LLC
PO^	Polar Air Cargo Airways
5X	United Parcel Service

Explanation of Line Items

Line #	Reported By	Description of Line Item	Line Item Derivation
			FINANCIAL RESULTS: (\$Millions)
1	All	Operating Revenues	Total Operating Revenues (P012 Account 49990)
2	All	Operating Expenses	Total Operating Expenses (P012 Account 71990)
3	All	Operating Profit (Loss)	Operating Profit Or Loss (P012 Account 79990)
4	All	Net Income (Loss)	Net Income (P012 Account 98990)
			TRAFFIC: (Billions)
5	Combi Only	RPMS - Scheduled Rev. Svc.	Scheduled Revenue Passenger Miles (T100_K_RPM_140)
	Cargo Only	RTMs - Scheduled Rev. Svc.	Scheduled Revenue Ton Miles (T100_K_RTM_240)
6	Combi Only	ASMs - Scheduled Rev. Svc.	Scheduled Available Passenger Miles (T100_K_ASM_320)
	Cargo Only	ATMs - Scheduled Rev. Svc.	Scheduled Available Ton Miles (T100_K_ATM_280)
7	All	RTMs (All Svc.)	RTMs (All Svc.) (T100_Z_RTM_240)
8	All	ATMs (All Svc.)	ATMs (All Svc.) (T100_Z_ATM_280)
			YIELD & UNIT COST & PROFITS: (Cents)
9	All	Operating Revenue per RTM	<u>Operating Revenues (P012 Account 49990)</u> All Services Revenue Ton-Miles (T100_Z_RTM_240)
10	All	Operating Expense per RTM	<u>Operating Expenses (P012 Account 71990)</u> All Services Revenue Ton-Miles (T100_Z_RTM_240)
11	All	Operating Profit (Loss) per RTM	<u>Operating Profit (P012 Account 79990)</u> All Services Revenue Ton-Miles (T100_Z_RTM_240)
12	All	Operating Expense per ATM	<u>Operating Expenses (P012 Account 71990)</u> All Services Available Ton-Miles (T100_Z_ATM_280)
13	All	Passenger Revenue per RPM	<u>Passenger Revenues (schd service) (P012 Account 39010)</u> Scheduled Revenue Passenger Miles (T100_K_RPM_140)

Explanation of Line Items

Line #	Reported By	Description of Line Item	Line Item Derivation
			FINANCIAL RATIOS:
14	All	Operating Revenues to Total Investment	$\frac{\text{Total Operating Revenues (P012 Account 49990)}}{(\text{Current Maturities of Long-Term Debt (B010 Account 20000)} + \text{Current Obligations Under Capital Leases (B010 Account 20800)} + \text{Long-Term Debt (B010 Account 22100)} + \text{Advances from Associated Companies (B010 Account 22400)} + \text{Noncurrent Obligations Under Capital Leases (B010 Account 22800)} + \text{Net Stockholders' Equity (B010 Account 29950)})}$ (A five-quarter average is used)
15	All	Times Interest Earned	$\frac{\text{Income Before Income Tax (P012 Account 89990)} + \text{Interest on Long-Term Debt and Capital Leases (P012 Account 81810)} + \text{Other Interest Expense (P012 Account 81820)}}{\text{Interest On Long-Term Debt and Capital Leases (P012 Account 81810)} + \text{Other Interest Expense (P012 Account 81820)}}$
16	All	Current Assets to Current Liabilities	$\frac{\text{Total Current Assets (B010 Account 14990)}}{\text{Total Current Liabilities (B010 Account 21990)}}$
17	All	No. of Days Cash Coverage of Cash Exp.	$\frac{\text{Cash (B010 Account 10100)} + \text{Short Term Investments (B010 Account 11000)}}{(\text{Total Operating Expenses (P012 Account 71990)} + \text{Depreciation And Amortization (B010 Account 70000)}) / 365}$
			FINANCIAL PERCENTAGES:
18	All	Operating Profit (Loss) to Operating Revenue	$\frac{\text{Operating Profit Or Loss (P012 Account 79990)}}{\text{Total Operating Revenues (P012 Account 49990)}}$
19	All	Net Income to Stockholders Equity	$\frac{\text{Net Income (P012 Account 98990)}}{\text{Net Stockholders' Equity (B010 Account 29950)}}$
20	All	Corporate Return on Investment	$\frac{(\text{Net Income minus Interest Expense})}{\text{Total Investment}}$
		Corporate Return on Investment (Calculation Details)	$\frac{\text{Net Income (P012 Account 98990)} - (\text{Interest On Long Term Debt And Capital Leases (P012 Account 81810)} + \text{Other Interest Expense (P012 Account 81820)})}{\text{Current Maturities Of Long-Term Debt (B010 Account 20000)} + \text{Current Obligations Under Capital Leases (B010 Account 20800)} + \text{Long Term Debt (B010 Account 22100)} + \text{Advances From Associated Companies (B010 Account 22400)} + \text{Nonrecurrent Obligations Under Capital Leases (B010 Account 22800)} + \text{Net Stockholders' Equity (B010 Account 29950)}}$
21	All	Debt to Total Investment	$\frac{\text{Current Maturities Of Long-Term Debt (B010 Account 20000)} + \text{Current Obligations Under Capital Leases (B010 Account 20800)} + \text{Long Term Debt (B010 Account 22100)} + \text{Advances From Associated Companies (B010 Account 22400)} + \text{Nonrecurrent Obligations Under Capital Leases (B010 Account 22800)}}{\text{Current Maturities Of Long-Term Debt (B010 Account 20000)} + \text{Current Obligations Under Capital Leases (B010 Account 20800)} + \text{Advances From Associated Companies (B010 Account 22400)} + \text{Nonrecurrent Obligations Under Capital Leases (B010 Account 22800)} + \text{Net Stockholders' Equity (B010 Account 29950)} + \text{Long Term Debt (B010 Account 22100)}}$

Explanation of Line Items

Line #	Reported By	Description of Line Item	Line Item Derivation
			LOAD FACTOR: (%)
22	All	Actual Passenger Load Factor (Sch. Svc.)	$\frac{\text{Scheduled Revenue Passenger Miles (T100 K RPM 140)}}{\text{Scheduled Available Passenger Miles (T100 K_ASM_320)}}$
23	Combi Only	Breakeven Passenger Load Factor (Sch. Svc.)	$\frac{(\text{Total Operating Revenues (P012 Account 49990)} + \text{Transport Revenues Expenses (P012 Account 71000)} - (\text{Transport Revenues - Passenger (P012 Account 39010)} * .90) - \text{Total Operating Expenses (P012 Account 71990)} - \text{Transport Related Revenues (P012 Account 48980)}) * (\text{Scheduled Revenue Passenger Miles (T100 K RPM 140)} / \text{Scheduled Available Passenger Miles (T100 K_ASM_320)})}{(\text{Transport Revenues - Passenger (P012 Account 39010)} * .90)}$
	Cargo Only	Ton Load Factor (All Svc.)	$\frac{\text{Overall RTMs (All Svc.) (T100 Z RTM 240)}}{\text{Overall ATMs (All Svc.) (T100 Z_ATM_280)}}$
			Employment & Productivity:
24	All	Employment, Total Weighted Avg CY	$\frac{((\text{P1a Account Z f99007}) + ((\text{P1a Account Z-f99008})/2))}{\text{Months in Period (3 Quarter; 12 Month Ended)}}$
25	All	Overall RTM's per Employee (000)	$\frac{\text{Overall RTMs (All Svc.) (T100 Z RTM 240)}}{((\text{P1a Account Z f99007}) + ((\text{P1a Account Z-f99008})/2)) / \text{Months in Period (3 Quarter; 12 Month Ended)}}$
			Change Over Comparable Period 12 Month Earlier:
26	All	Operating Revenues (%)	Total Operating Revenues (P012 Account 49990) (CY/PY)
27	All	Operating Expenses (%)	Total Operating Expenses (P012 Account 71990) (CY/PY)
28	All	Operating Profit (Loss) (in Millions \$)	Operating Profit Or Loss (P012 Account 79990) (CY/PY)
29	All	Net Income (Loss) (in Millions \$)	Net Income (P012 Account 98990) (CY/PY)
30	All	RPMS (Sch. Svc.) (%)	Scheduled Revenue Passenger Miles (T100_K_RPM_140) (CY/PY)
31	All	ASMs (Sch. Svc.) (%)	Scheduled Available Passenger Miles (T100_K_ASM_320) (CY/PY)
32	All	Operating Revenues per RTM (%)	$\frac{\text{Operating Revenues (P012 Account 49990)}}{\text{System Ton-Miles (T100_Z_RT_M_240)}} (CY/PY)$
33	All	Operating Expense per RTM (%)	$\frac{\text{Operating expenses (P012 Account 71990)}}{\text{System Available Ton-Miles (T100_Z_ATM_280)}} (CY/PY)$
34	All	Passenger Revenue per RPM (Sch. Svc.) (%)	$\frac{\text{Passenger Revenues (schd service) (P012 Account 39010)}}{\text{Scheduled Revenue Passenger Miles (T100_K_RPM_140)}} (CY/PY)$