

Airline Industry Revenue - Cost Analysis

AirlineFinancials.com

Clicking tab at bottom will pull up data sheet for specific airline.

Note: To use the interactive functions will require the Excel version of this report.

User input changes to the yellow boxes will re-calculate historical metrics and provide projections for year 2010 and/or the next quarter. (Note: Plus or minus changes can be made).

General Information-

Unless noted, data is from parent company. Calculations do not consider unknown and potential changes to debt and financing metrics.

Moving the mouse over some labels and data will provide additional clarification.

The projections for year 2010 and current quarter are based on company guidance and estimates from AirlineFinancials.com.

The earnings per share summary provides estimates and projections that may or may not prove to be accurate.

Glossary of Terms-

[SEC--](#) U.S. Securities and Exchange Commission

[BTS--](#) Bureau of Transportation Statistics

ASM— Available Seat Mile. A measure of capacity. ASM's equal the total number of seats available for transporting passengers during a reporting period multiplied by the total number of miles flown during that period.

RPM— Revenue Passenger Mile. One revenue-paying passenger transported one mile. RPM's equal the number of revenue passengers during a reporting period multiplied by the number of miles flown by those passengers during that period, RPM's are also referred to as "traffic".

Yield— The amount of passenger revenue earned per RPM during a reporting period.

RASM— Operating Revenue per ASM. The amount of operating revenue earned per ASM during a reporting period. RASM is also referred to as "unit revenue."

PRASM— Passenger Revenue per ASM. The amount of passenger revenue earned per ASM during a reporting period. Passenger RASM is also referred to as "passenger unit revenue."

CASM— (Operating) Cost per Available Seat Mile. The amount of operating cost incurred per ASM during a reporting period, also referred to as "unit cost".

LF-- Passenger Load Factor — A measure of utilized available seating capacity calculated by dividing RPMs by ASM's for a reporting period.

Average fare-- Represents the average one-way fare paid per flight segment by a revenue passenger that is kept by the airline.

EBITDAR- Earnings before, interest, taxes, depreciation, amortization, aircraft rent & special charges.

[c] May be calculated or estimated from other data.

Disclaimer: Data source includes DOT41, SEC and Corporate Reports. Delta reports most of their data in consolidated form and as such may not be analogous with other carriers. Capital expenditures and debt servicing metrics are not reconciled in these charts. For analogous comparisons, some data may be estimated.

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Website AirlineFinancials.com			How to use this chart ** move mouse here **		Email bobh@airlinefinancials.com					
SEC 10-K 2009	2010 Projection		Allegiant Air		SEC 10-Q 2nd qtr '09	SEC 10-Q 3rd qtr '09	SEC 10-Q 4th qtr '09	SEC 10-Q 1st qtr '10	2nd qtr 2010 Projection	
\$122.3	\$133.7		Operating income/loss (million)(excludes special charges)		\$37.8	\$21.9	\$18.1	\$36.2	\$32.9	
\$231.5	\$298.6	12.0%	Unrestricted cash & equivalents (million)		\$228.2	\$222.4	\$231.5	\$249.2	\$266.6	7.0%
\$360.8	\$457.3		Cash flow from operations (estimated daily average) (000)		\$82.8	\$145.7	\$246.6	\$756.1	\$449.0	
Revenues (million)										
\$346.2	\$448.6		Passenger (scheduled service)		\$89.7	\$81.1	\$85.2	\$110.4	\$105.9	
\$205.9	\$230.6	12.0%	Fixed fee contract revenue		\$54.0	\$51.6	\$49.2	\$58.9	\$57.8	7.0%
\$5.8	\$6.2	7.0%	Other		\$4.2	\$0.5	\$0.3	\$0.3	\$4.2	0.0%
\$557.9	\$685.5		Total consolidated operating revenue		\$148.0	\$133.1	\$134.7	\$169.6	\$168.0	
Expenses (million)										
\$90.0	\$112.5	25.0%	Wages, salaries & benefits		\$23.6	\$22.3	\$20.7	\$25.9	\$26.7	13.0%
\$165.0	\$236.9		Fuel & oil		\$41.8	\$43.8	\$46.0	\$57.4	\$59.2	
\$54.0	\$60.5		Station Operations		\$13.9	\$13.9	\$13.1	\$15.7	\$15.3	
\$0.0	\$0.0		Commissions/booking fees, credit card & distribution		\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	
\$29.6	\$33.2		Depreciation/amortization		\$7.3	\$7.6	\$7.9	\$8.7	\$8.0	
\$52.9	\$59.3	12.0%	Maintenance materials/repairs		\$12.8	\$13.0	\$16.1	\$12.8	\$14.0	10.0%
\$1.9	\$2.2		Aircraft rentals		\$0.5	\$0.5	\$0.5	\$0.5	\$0.6	
\$16.5	\$18.4		Sales and marketing		\$4.4	\$3.9	\$3.7	\$5.1	\$4.8	
\$25.7	\$28.8		Other operating expenses		\$5.9	\$6.2	\$8.8	\$7.4	\$6.5	
\$435.7	\$551.7		Total consolidated operating expenses		\$110.2	\$111.2	\$116.7	\$133.4	\$135.1	
-\$1.7	-\$1.7	0.0%	Other non operating Income/expense		-\$0.2	-\$0.5	-\$0.6	-\$0.5	-\$0.2	0.0%
-\$44.2	-\$50.9	15.0%	Other income/expense (taxes/misc)		-\$13.7	-\$7.7	-\$6.9	-\$13.2	-\$13.7	0.0%
\$131.7	\$166.9		Cash flow from operations (million)		\$7.5	\$13.3	\$22.4	\$68.8	\$40.9	
Operational data (mainline)										
46	54	18.0%	Operating aircraft (mainline)		43	44	46	47	50	6.0%
94	109	17.0%	Fuel consumption (gallons) (million)		25.2	23.3	22.2	26.4	27.2	8.0%
\$1.760	\$2.165	23.0%	Fuel price/gallon		\$1.660	\$1.880	\$2.070	\$2.170	\$2.175	31.0%
4,762	5,691	19.5%	RPM's (millions)		1,297	1,174	1,125	1,374	1,418	9.3%
5,449	6,430	18.0%	ASM's (millions)		1,470	1,350	1,297	1,557	1,601	8.9%
87.4%	88.5%		Load Factor		88.2%	86.9%	86.7%	88.2%	88.6%	
11.59	7.88	-32.0%	Yield (total system) (cents) [c]		6.92	6.91	7.58	8.04	7.47	8.0%
10.24	10.66		RASM (operating unit revenue)(cents)		10.07	9.86	10.39	10.89	10.49	
10.13	6.98		PRASM (passenger unit revenue) (cents) [c]		6.10	6.00	6.57	7.09	6.62	
8.00	8.58		CASM (unit cost)(cents)		7.50	8.23	8.99	8.57	8.44	
5.328	6.234	17.0%	Passengers (million)		1,474	1,339	1,220	1,437	1,542	4.6%
\$103.61	\$108.95		Average one way passenger fare (revenue to airline)		\$97.51	\$99.03	\$110.14	\$117.77	\$106.17	
\$16.89	\$18.05		Average wage/salary/benefit expense per passenger fare		\$16.03	\$16.65	\$16.93	\$18.01	\$17.32	
\$30.97	\$38.00		Avg fuel expense per passenger fare		\$28.38	\$32.68	\$37.69	\$39.91	\$38.37	
\$89.29	\$95.93		Avg net expense per passenger		\$81.32	\$88.74	\$101.50	\$102.05	\$93.88	
Miscellaneous										
\$499.6			Total assets (millions)		\$494.1	\$487.1	\$499.6	\$550.6		
\$22.5			Long-term debt and capital lease obligations (millions)		\$34.2	\$28.7	\$22.5	\$18.0		
-\$209			Net debt (long term debt - cash/equivalents)		-\$194	-\$194	-\$209	-\$231		
\$90.6			Air traffic liability/Advance ticket sales (millions)		\$90.0	\$84.2	\$90.6	\$121.7		
[c] May be calculated or estimated										
SEC 10-K 2009	2010 Estimates		Earnings & Projections by Allegiant Air		SEC 10-Q 2nd qtr '09	SEC 10-Q 3rd qtr '09	SEC 10-Q 4th qtr '09	SEC 10-Q 1st qtr '10	2nd qtr 2010 Estimates	
	Airline Financials .com	Industry Analyst estimates	Allegiant Air (millions except EPS)						Airline Financials .com	Industry Analyst estimates
\$557.9	\$685.5	\$680.1	Total consolidated revenue		\$148.0	\$133.1	\$134.7	\$169.6	\$168.0	\$162.9
\$481.6	\$604.3	\$682.7	Operating expense without special charges		\$124.1	\$119.3	\$124.2	\$147.0	\$149.0	\$167.5
			Special charges & one time items							
\$481.6	\$604.3		Total consolidated expense		\$124.1	\$119.3	\$124.2	\$147.0	\$149.0	
\$76.3	\$81.2		GAAP income/loss		\$23.9	\$13.8	\$10.5	\$22.6	\$19.0	
\$3.76	\$4.08		GAAP earnings per share		\$1.17	\$0.68	\$0.52	\$1.12	\$0.95	
			Special charges & Impairment charge adjustment							
20.3	19.9		Share count (diluted weighted average)		20.3	20.1	20.1	20.2	19.9	
\$76.3	\$81.2	\$78.2	Net income/loss (excludes special items/charges)		\$23.9	\$13.8	\$10.5	\$22.6	\$19.0	\$17.7
\$3.76	\$4.08	\$3.93	Earnings per share * (excludes special items and charges)		\$1.17	\$0.68	\$0.52	\$1.12	\$0.95	\$0.89
	+\$3.65 to +\$4.22		* Industry analysts EPS estimates and range as of 7/13/10						+\$0.79 to +\$1.05	

Below are calculated ratios as noted. Airlines may use different expense labels from what are listed

2009	2010 Projection	Allegiant Air	2nd Qtr '09	3rd qtr '09	4th qtr '09	1st Qtr '10	2nd qtr 2010 Projection
21.91%	19.51%	Operating margin (excludes special charges)	25.54%	16.48%	13.40%	21.37%	19.58%
13.68%	11.84%	Net earnings margin (excludes special charges)	16.12%	10.35%	7.82%	13.32%	11.29%
\$154	\$169	EBITDAR (million) (excludes special charges)	\$46	\$30	\$26	\$45	\$41
27.6%	24.7%	EBITDAR Margin (excludes special charges)	30.8%	22.6%	19.5%	26.7%	24.7%
4.97	4.90	Unit costs ex-fuel (mainline) (cents)	4.65	4.99	5.45	4.89	4.74
3.32	3.15	Unit costs ex-fuel and ex-labor (mainline) (cents)	3.05	3.34	3.85	3.22	3.07

		Year over year change						
estimates		Financial					estimates	
10.8%	23.0%	Passenger revenue		14.7%	12.0%	19.5%	13.9%	
23.2%	12.0%	Cargo & freight revenue		23.3%	16.5%	14.4%	7.0%	
-1.8%	7.0%	Other revenue		-63.2%	-86.3%	-27.7%	0.0%	
10.7%	22.9%	Total consolidated operating revenue		13.9%	10.0%	19.4%	13.5%	
-2.8%	26.6%	Total consolidated operating expenses		2.2%	24.5%	36.6%	22.6%	
25.0%	25.0%	Wage, salary & benefit expense		29.1%	1.0%	10.6%	13.0%	
-28.1%	43.6%	Fuel & oil expense		-22.9%	23.3%	71.8%	41.4%	
32.4%	29.0%	Unrestricted cash & short term investments		60.5%	32.4%	42.5%	16.8%	
17.8%		Total assets		20.9%	17.8%	11.4%		
54.4%		Net debt = (long-term debt - cash & equivalents)		113.9%	54.4%	63.4%		
31.2%		Air traffic liability/Advance ticket sales		8.3%	31.3%	17.6%		
		Operational						
21.5%	17.0%	Fuel consumption		41.4%	23.5%	15.9%	8.0%	
-40.9%	23.0%	Fuel price		-45.3%	0.0%	47.6%	31.0%	
23.3%	19.5%	Revenue passenger miles (RPM's)		36.8%	24.2%	17.7%	9.3%	
22.7%	18.0%	Available seat miles (ASM's)		42.7%	23.9%	16.9%	8.9%	
0.5%	1.3%	Passenger load factor (LF)		-4.2%	0.2%	0.7%	0.4%	
-10.1%	-32.0%	Passenger yield		-19.7%	-11.8%	4.0%	8.0%	
-9.8%	4.1%	Unit revenue (RASM)		-20.2%	-11.2%	2.1%	4.2%	
-9.6%	-31.1%	Passenger unit revenue (PRASM)		-23.0%	-11.6%	4.7%	8.4%	
-20.7%	7.3%	Unit costs (CASM)		-28.4%	0.4%	16.9%	12.5%	
24.0%	17.0%	Passengers		37.4%	20.1%	11.0%	4.6%	
1.0%	-1.5%	Unit costs ex-fuel		-9.1%	1.1%	1.3%	1.9%	
0.6%	-5.2%	Unit costs ex fuel and ex-labor		-8.9%	12.2%	5.2%	0.9%	
-10.6%	5.1%	Average passenger fare (calculated by AF)		-16.5%	-6.8%	7.6%	8.9%	
		Line item ratio of total operating costs						
20.7%	20.4%	Wages, salaries & benefits	21.4%	20.1%	17.7%	19.4%	19.8%	
37.9%	42.9%	Fuel & oil	38.0%	39.4%	39.4%	43.0%	43.8%	
12.4%	11.0%	Other rentals/landing fees	12.6%	12.5%	11.2%	11.8%	11.3%	
6.8%	6.0%	Depreciation/amortization	6.6%	6.9%	6.7%	6.5%	5.9%	
12.2%	10.7%	Maintenance materials/repairs	11.6%	11.7%	13.8%	9.6%	10.4%	
0.4%	0.4%	Aircraft rentals	0.5%	0.5%	0.4%	0.4%	0.4%	
3.8%	3.3%	Food/contracted & purchased passenger services	4.0%	3.5%	3.2%	3.8%	3.6%	
5.9%	5.2%	Other operating expenses	5.4%	5.6%	7.5%	5.5%	4.8%	
-0.4%	-0.3%	Other non operating Income/expense	-0.2%	-0.4%	-0.5%	-0.4%	-0.2%	
-10.2%	-9.2%	Other income/expense (taxes/misc)	-12.4%	-6.9%	-6.0%	-9.9%	-10.1%	
		Line item ratio of total operating revenue						
16.1%		Wages, salaries & benefits	16.0%	16.8%	15.3%	15.3%		
-37.5%		Net debt = (long-term debt - cash & equivalents) TTM*	-36.7%	-35.5%	-37.5%	-39.5%		
0.29%		Net interest expense ratio of total revenue	0.23%	0.34%	0.31%	0.20%		
16.2%		Air traffic liability/Advance ticket sales TTM*	17.0%	15.4%	16.2%	20.8%		

* TTM = Trailing twelve months