

ICAO AIR TRANSPORT SYMPOSIUM

18 – 20 APRIL 2012



**Strategies and Tools for
Sustainable Air Transport**

Economic Benefits of Air Transport Asia Pacific Perspectives

Andrew Herdman

Director General

Association of Asia Pacific Airlines



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Strategies and Tools for Sustainable Air Transport

Aviation: moving the world

Air travel delivers global mobility

2,800 million passengers

Outstanding safety record

Carries 35% by value of global trade

Wider social and economic benefits





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Crisis Management Response



Humanitarian aid following earthquakes, typhoons, drought, floods, volcanic events ...



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Asia Pacific

- Diverse geographic region
- Home to more than 4 billion people
- 62% of the world's population
- Generates 27% of global GDP
- Wide range of income levels
- Dynamic economies delivering global growth
- Aviation widely recognised as a key contributor to economic and social development
- Political diversity remains challenging: need for multilateral cooperation



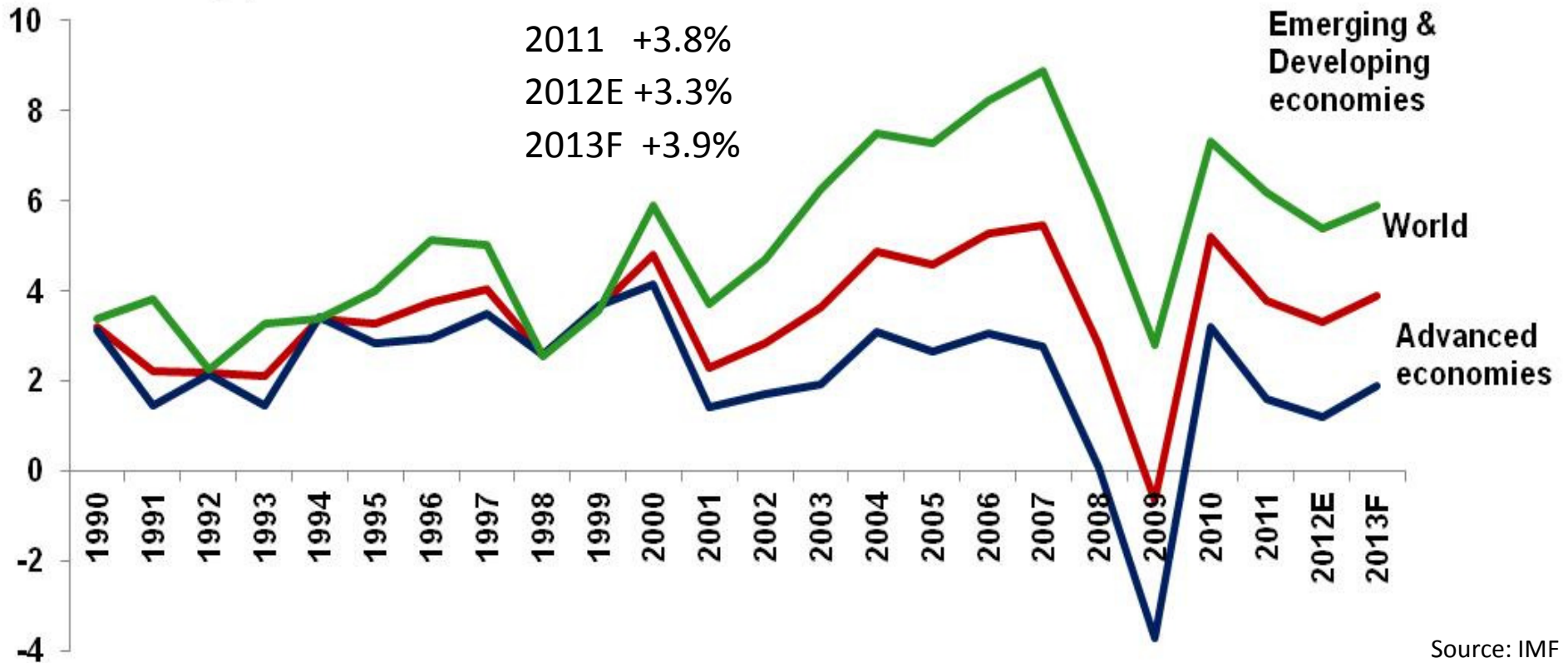
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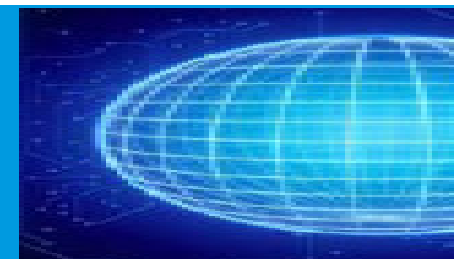
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GDP Growth
(Percent change)



Global recovery moderates

Pattern of two-speed growth maintained





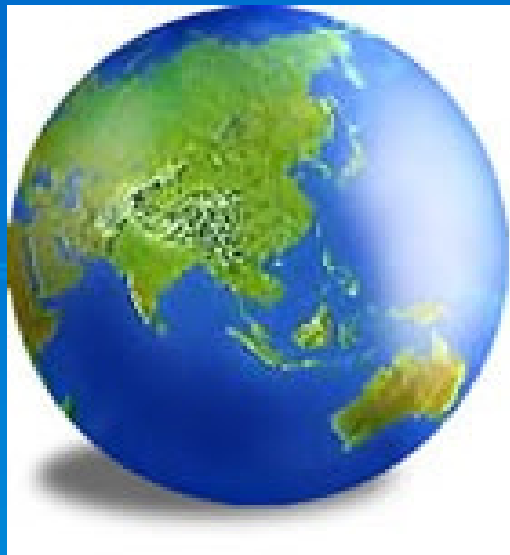
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Asia Pacific Aviation



US\$173 billion revenue

732 million passengers

517 million domestic

215 million international

19 million tonnes of cargo

5,200 aircraft

Asia Pacific carriers overall market share:

27% of global passenger traffic

40% of global cargo traffic



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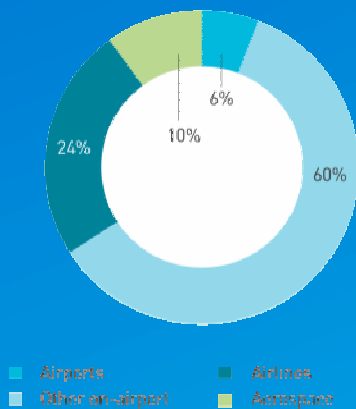
Aviation as a catalyst for economic growth

ASIA-PACIFIC

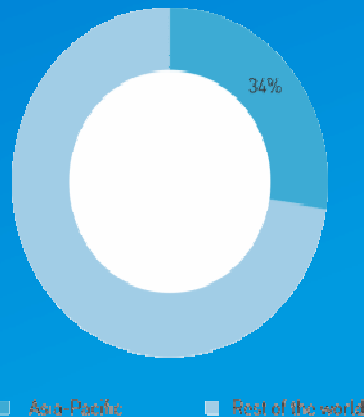
Air transport supports 24.1 million jobs and \$470 billion in GDP in Asia-Pacific



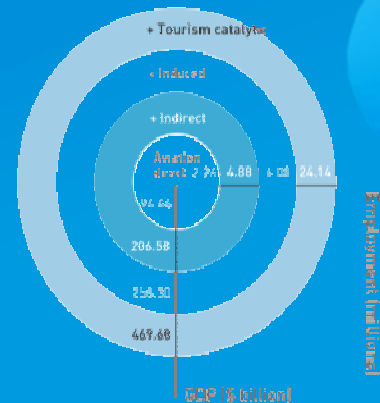
Direct jobs generated by air transport, 2010



Asia Pacific's share of global passenger traffic, 2010



Asia Pacific's jobs and GDP generated by air transport, 2010



- 779,565,798 passengers
- 1,460,893 million revenue passenger km
- 181,420 million revenue tonne km
- 6,247,000 flights
- 1,207 commercial airports
- 359 airlines
- 5,886 aircraft in service
- 40 air navigation service providers



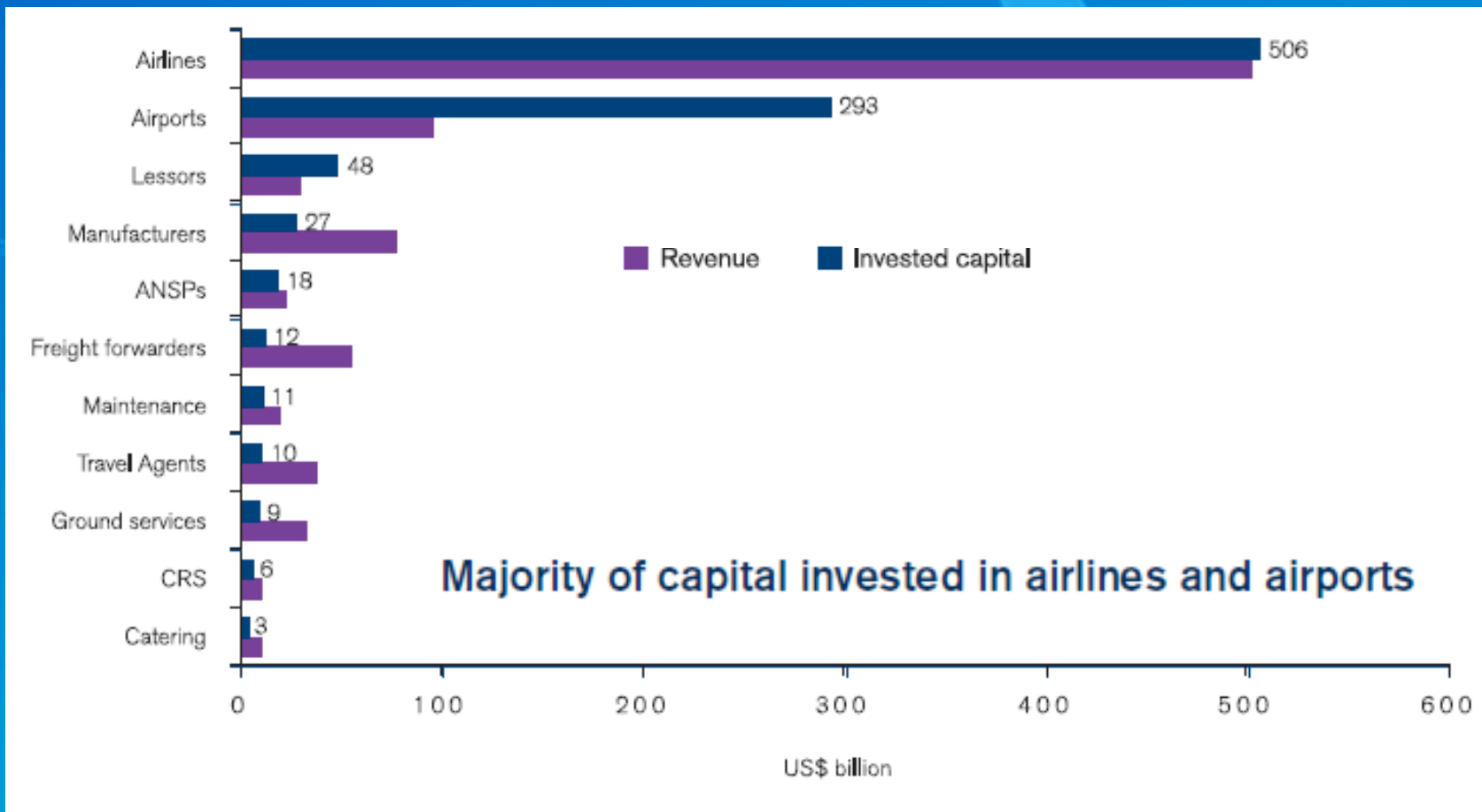
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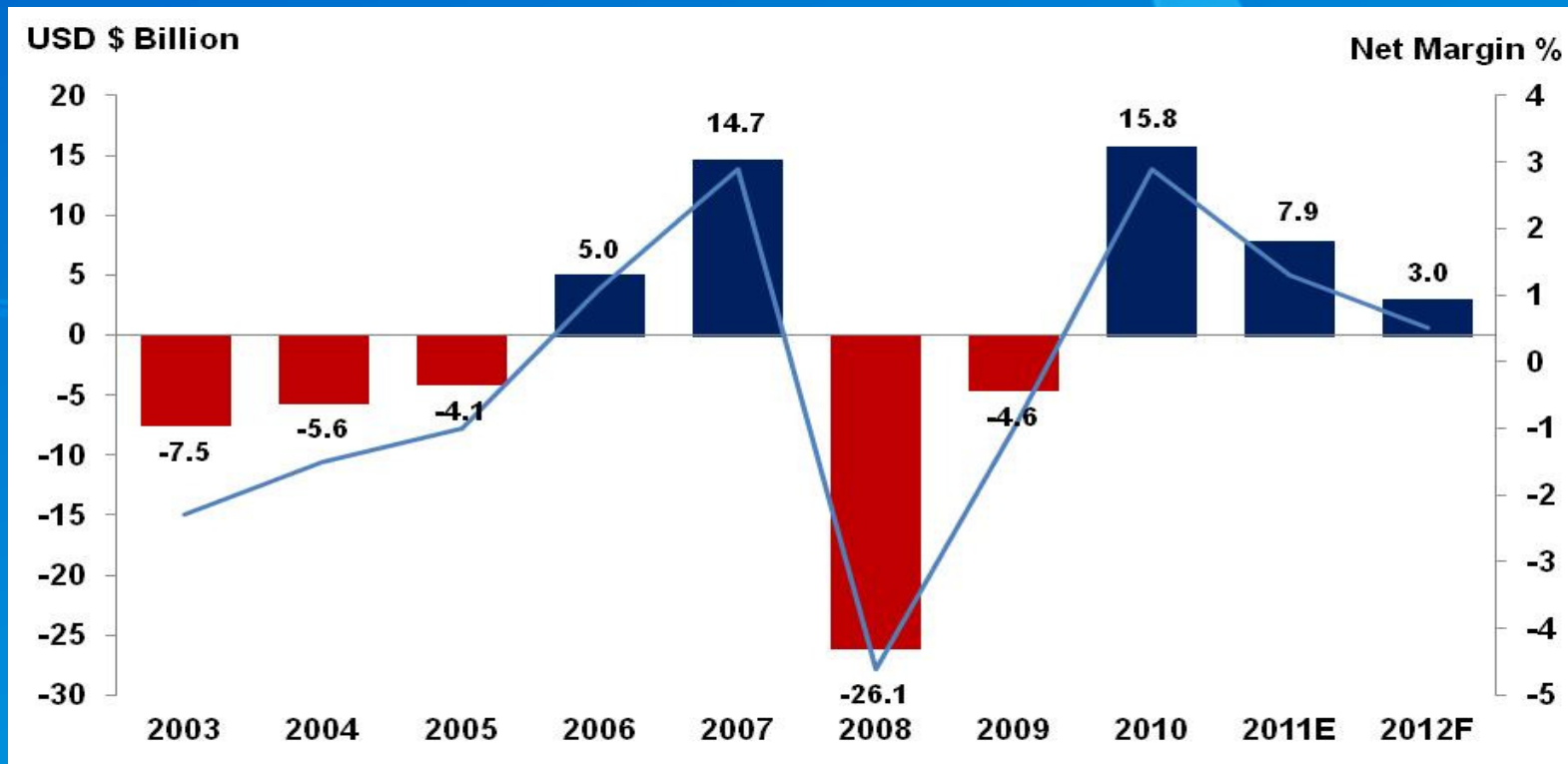
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Aviation: highly capital intensive





Global airline industry profitability



- Margins squeezed by high oil prices
- Intensely competitive industry





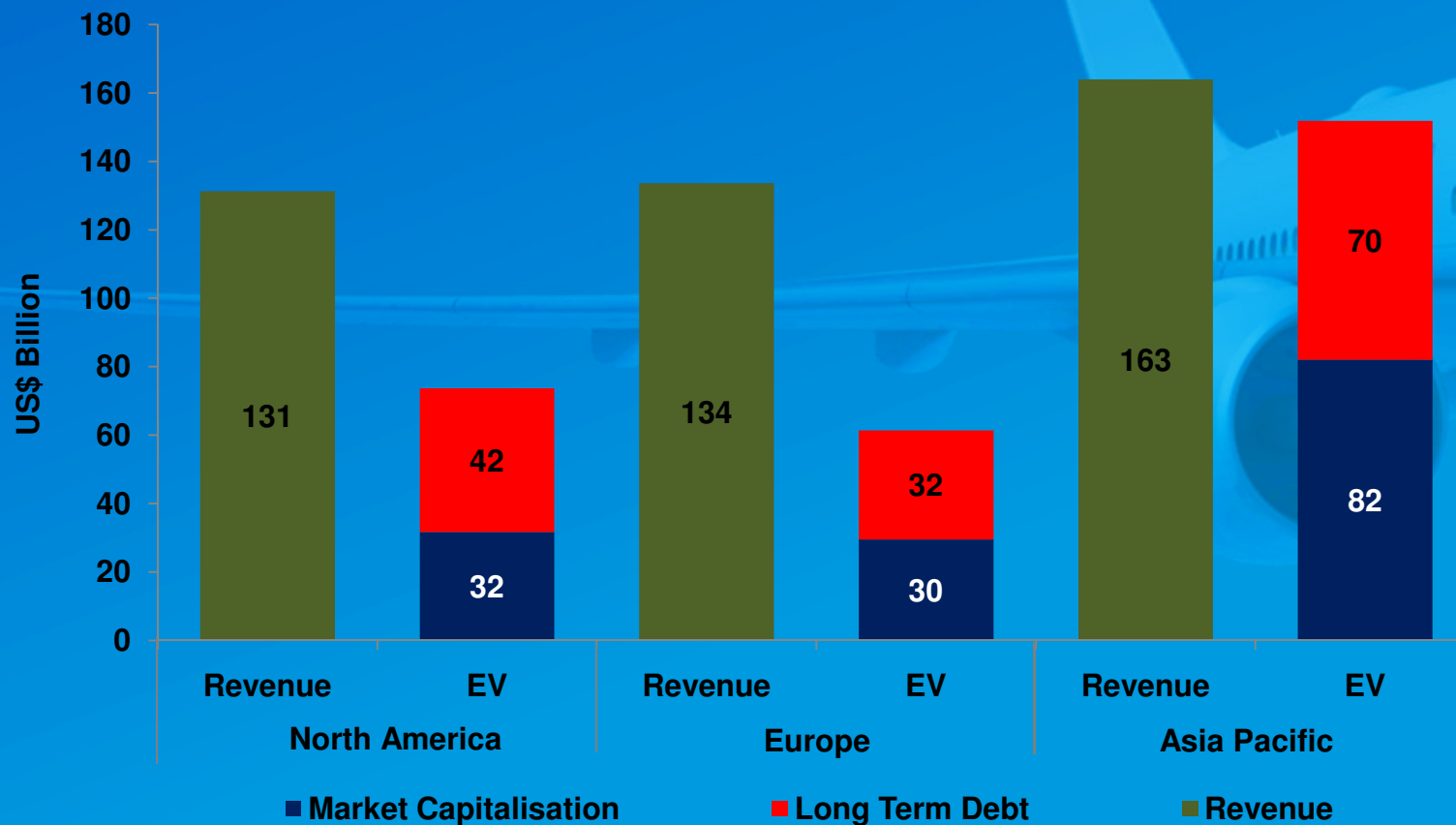
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Airline capital structure by region

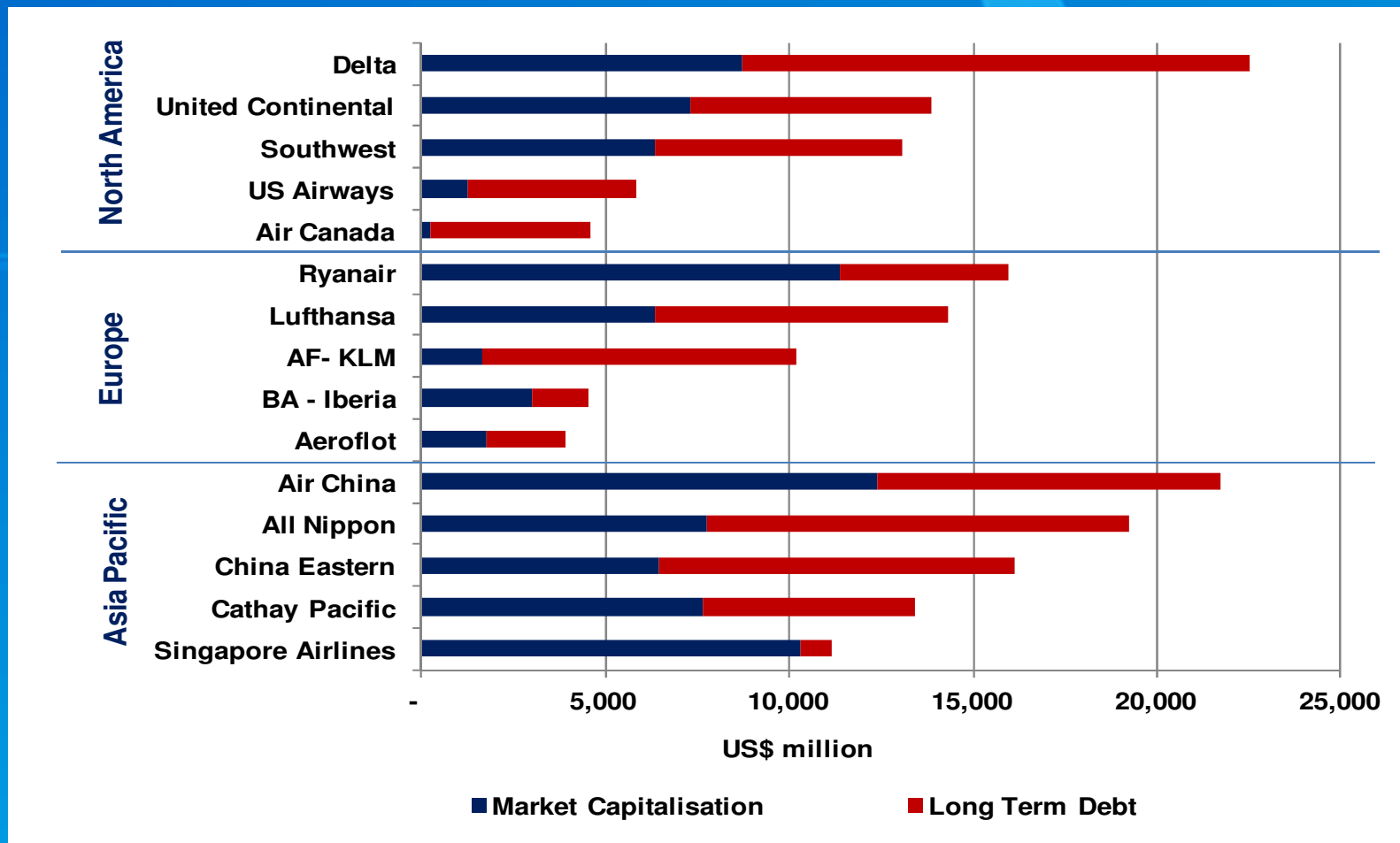


EV = Enterprise Value = Long-term Debt + Market Capitalisation
Revenues FY2011; Market Capitalisation as of 4 April 2012

Source : AAPA estimates

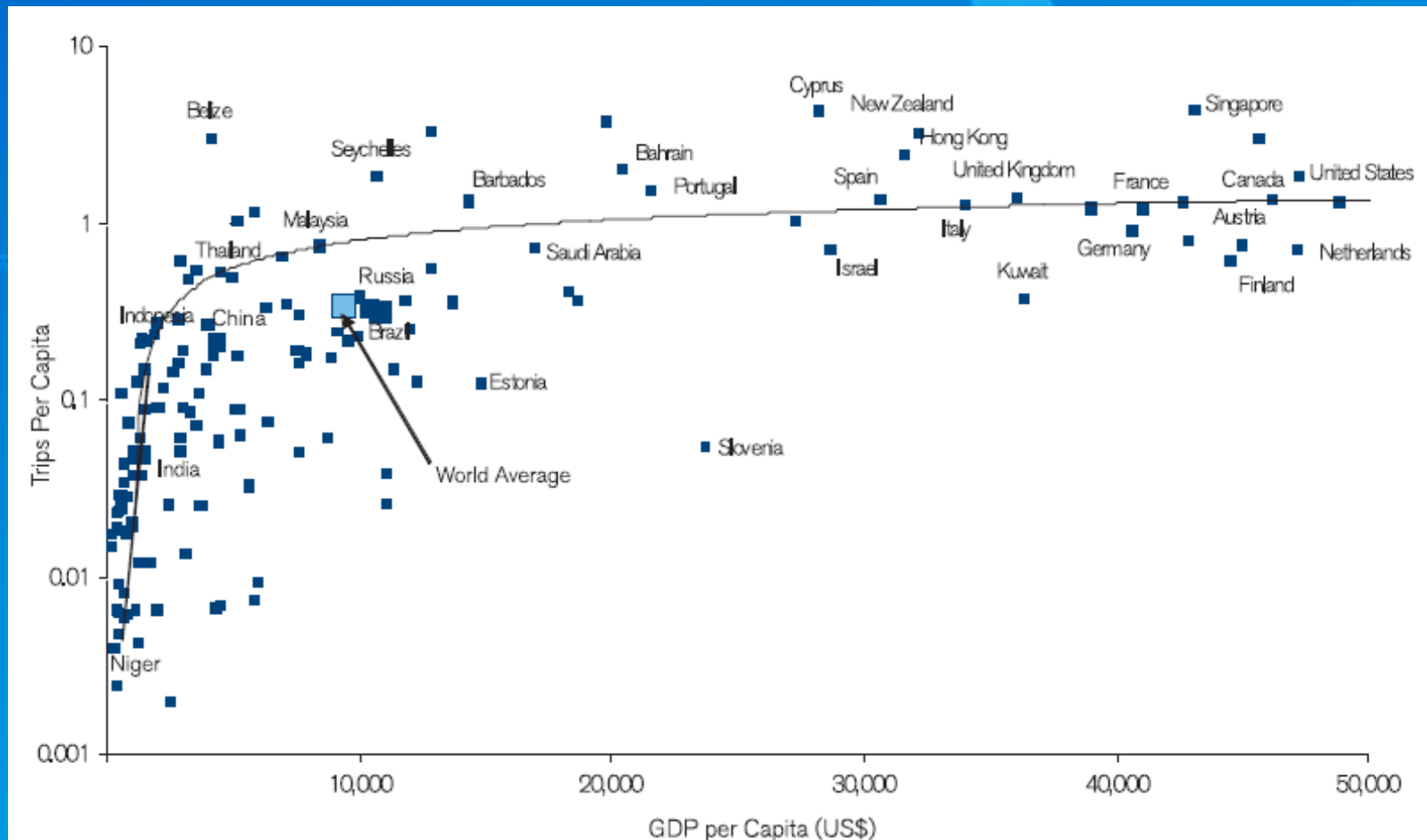


Airline Enterprise Values by Region



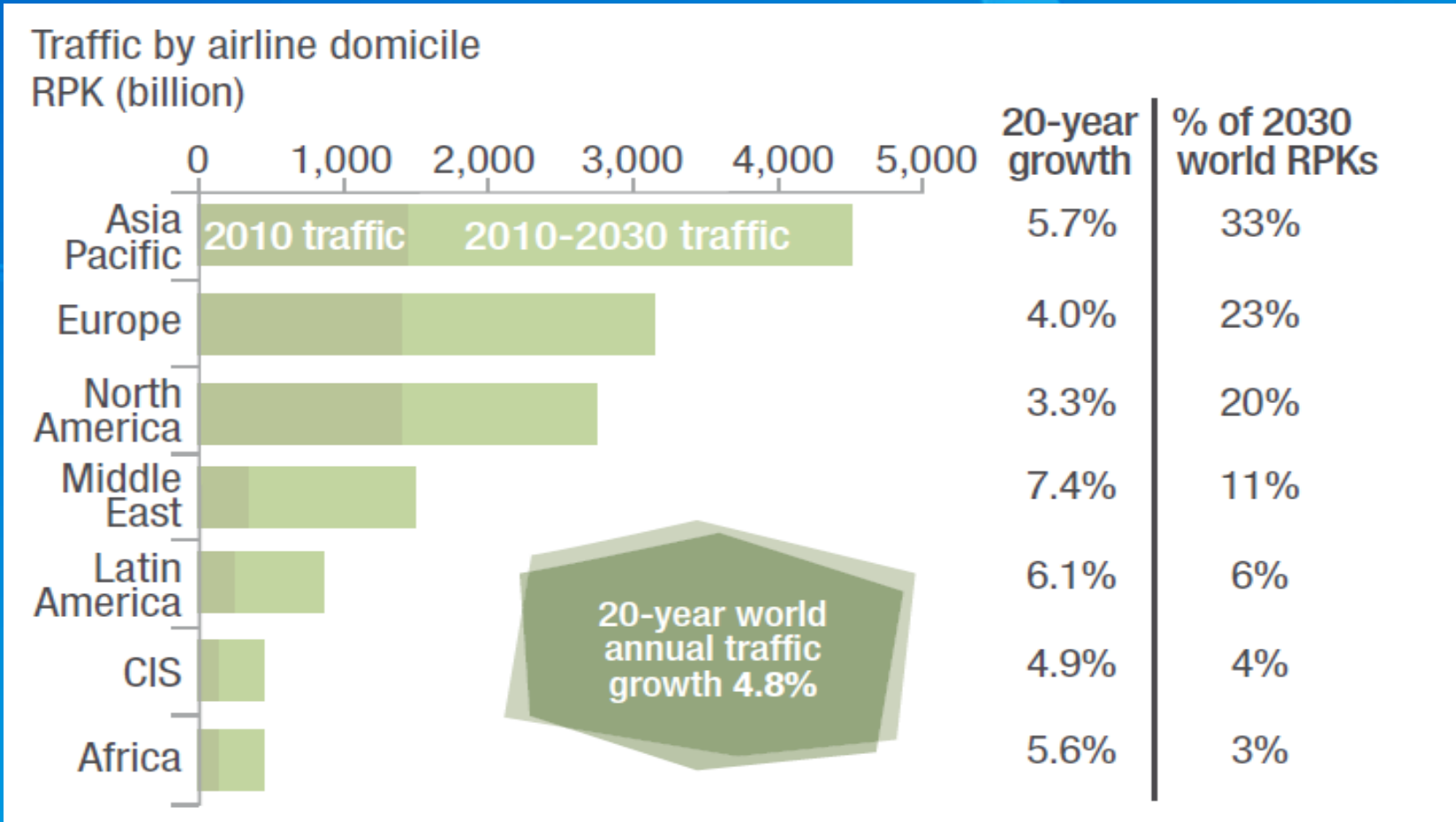


Aspirational Demand for Air Travel





Asia Pacific traffic will grow significantly





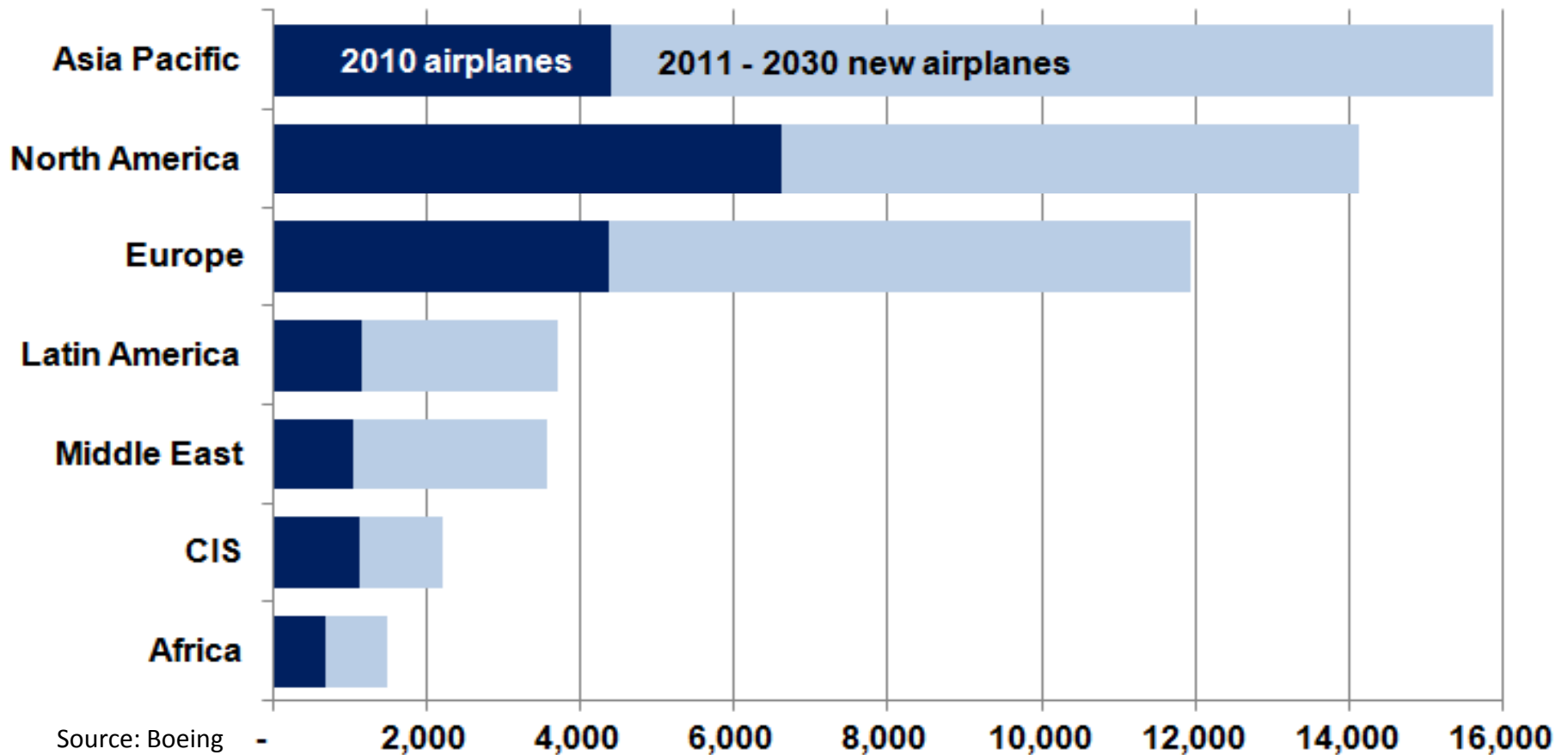
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Asia Pacific fleet expansion



Source: Boeing - CMO 2011 - 2030



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Closing Thoughts

- Aviation is widely recognised as being at the heart of global economic development
- Society relies on aviation every day, and especially in a crisis
- Continued growth in air travel is not inconsistent with environmental responsibility
- Asia Pacific airlines are pressing ahead with investments in customer service and business model innovation
- Asia Pacific keen to engage in key international policy debates

Shared commitment to sustainable aviation



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ASSOCIATION OF ASIA PACIFIC AIRLINES



www.aapairlines.org

Association of Asia Pacific Airlines
9/F Kompleks Antarabangsa
Jalan Sultan Ismail
Kuala Lumpur 50250
MALAYSIA

Tel: +60 3 2145 5600

Fax: +60 3 2145 2500