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Chief Operating Officer Customers

Global Market Forecast

2015-2034



Global Market Forecast 2015: Highlights

GMF 2015 key numbers and 20-year change

World Fleet Forecast	2014	2034	% change 2014-2034
RPK (trillions)	6.2	15.2	145%
Passenger Aircraft Fleet	17,354	35,749	106%
New passenger aircraft deliveries		31,781	
Dedicated Freighters	1,633	2,687	65%
New freighter aircraft deliveries		804	
Total New Aircraft Deliveries		32,585	

New aircraft deliveries

+1,227 aircraft

GMF 2015 vs. GMF 2014

Passenger aircraft (≥ 100 seats)

Jet freight aircraft (>10 tons)

Source: Airbus GMF2015

20-year demand for 32,600 new passenger and freight aircraft

20-year new deliveries of passenger and freighter aircraft



22,927 single-aisle aircraft

+856



8,108 twin-aisle aircraft

+322



1,550 very large aircraft

+49

32,585 new aircraft

+1,226

Market Value of

\$4.9
trillion

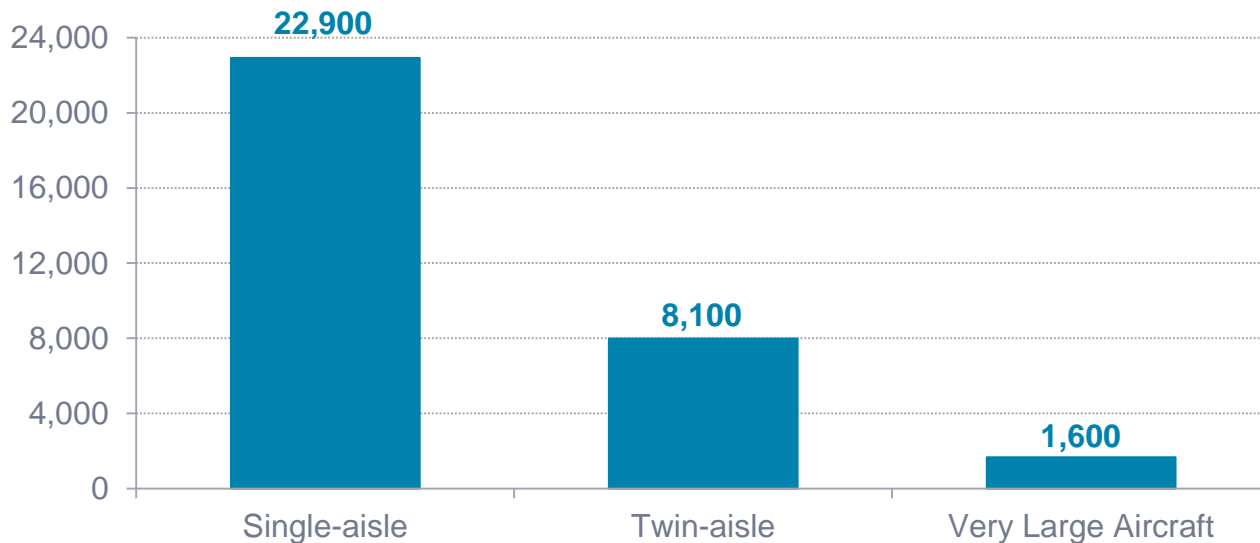
Passenger aircraft (≥ 100 seats)

Jet freight aircraft (>10 tons)

Source: Airbus GMF2015

Single-aisle: 70% of units; Wide-bodies: 55% of value

20-year new deliveries of passenger and freighter aircraft



% units	70%	25%	5%
% value	45%	43%	12%

New Deliveries

32,600

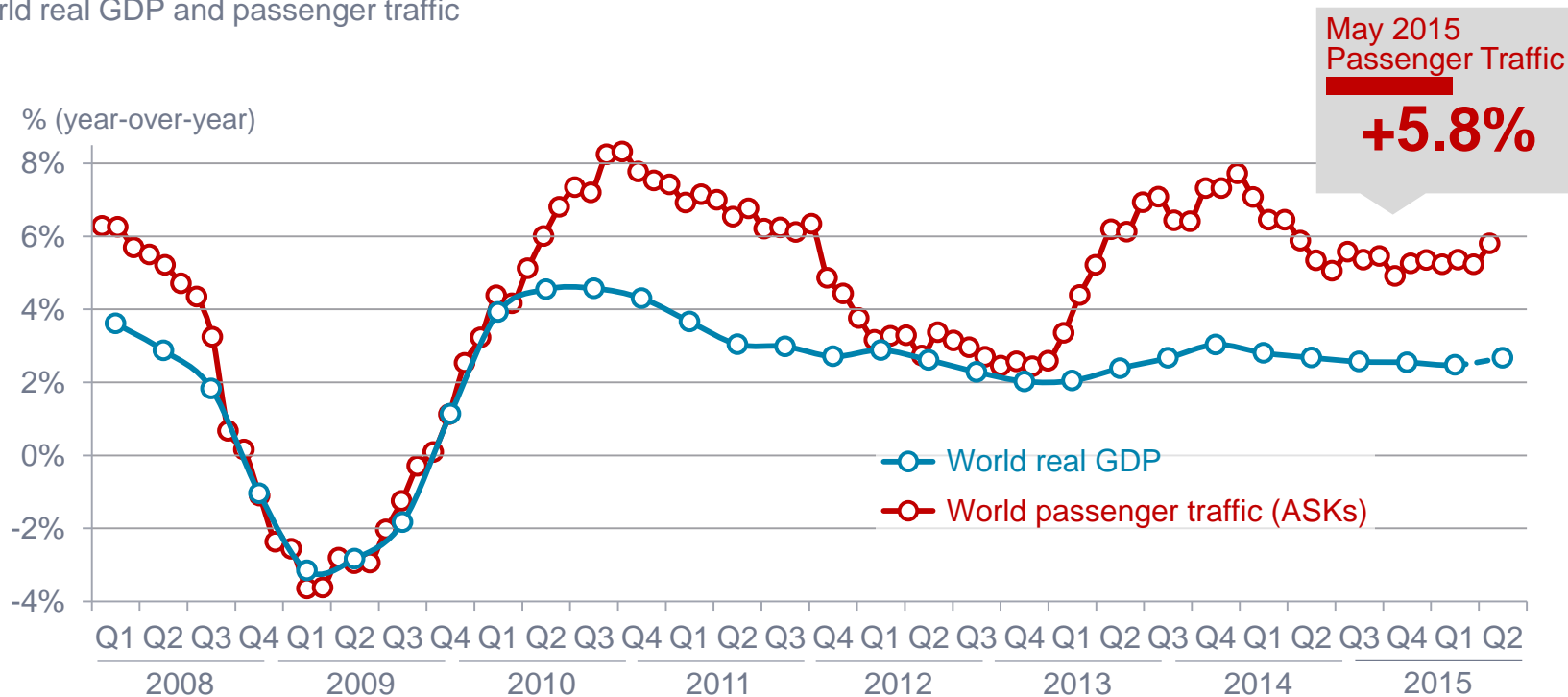
GMF 2015 -2034

Passenger aircraft (≥ 100 seats) and
jet freight aircraft (>10 tons)

Source: Airbus GMF May 2015

Passenger traffic is outperforming GDP growth

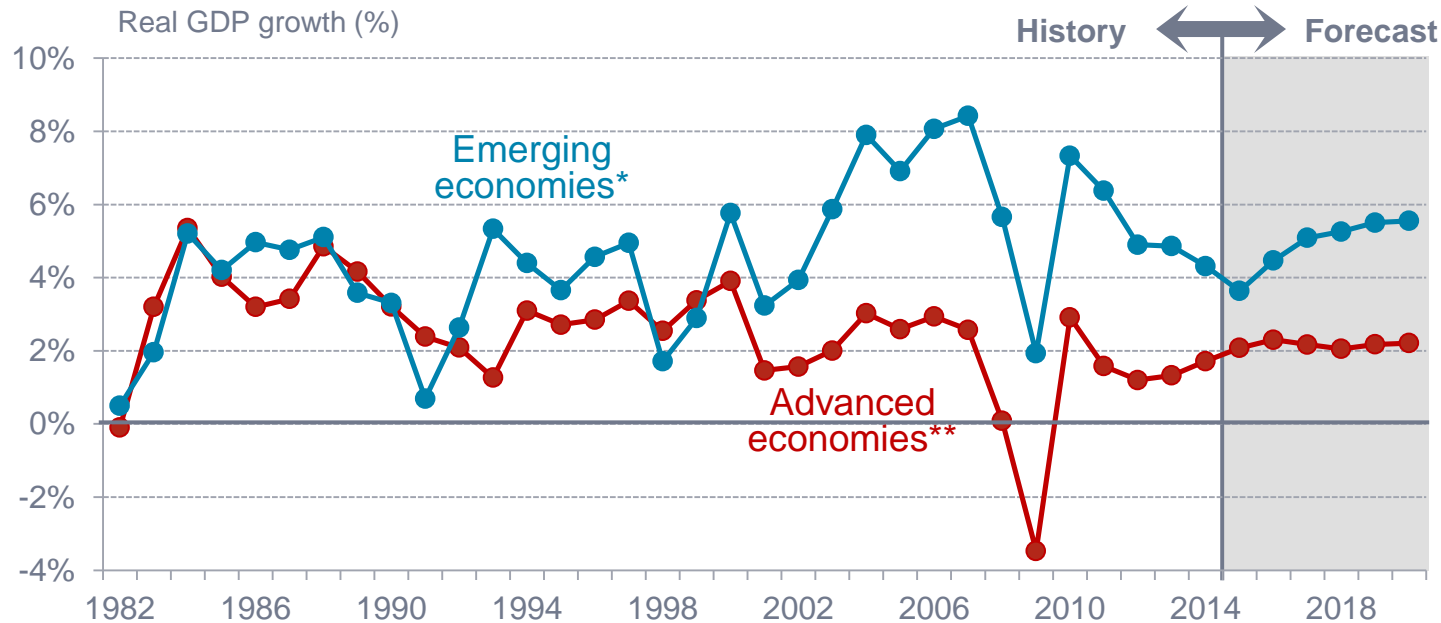
World real GDP and passenger traffic



Source: IHS Economics, OAG, Airbus GMF2015

A two-speed economic world

Comparison of year-over-year GDP growth



Emerging economies will continue to lead the pack

* 54 emerging economies

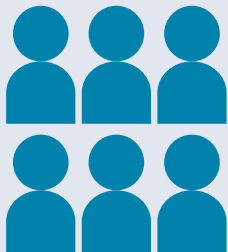
** 32 advanced economies

Source: IHS Global Insight, Airbus GMF2015

Air transport growth is highest in expanding regions

Emerging/
Developing

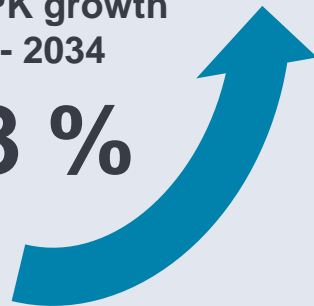
China
India
Middle East
Asia
Africa
CIS
Latin America
Eastern Europe



6.3
billion
people
2014

Yearly RPK growth
2015 - 2034

+5.8 %



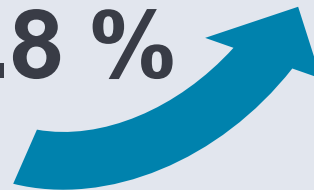
Advanced

Western Europe
North America
Japan



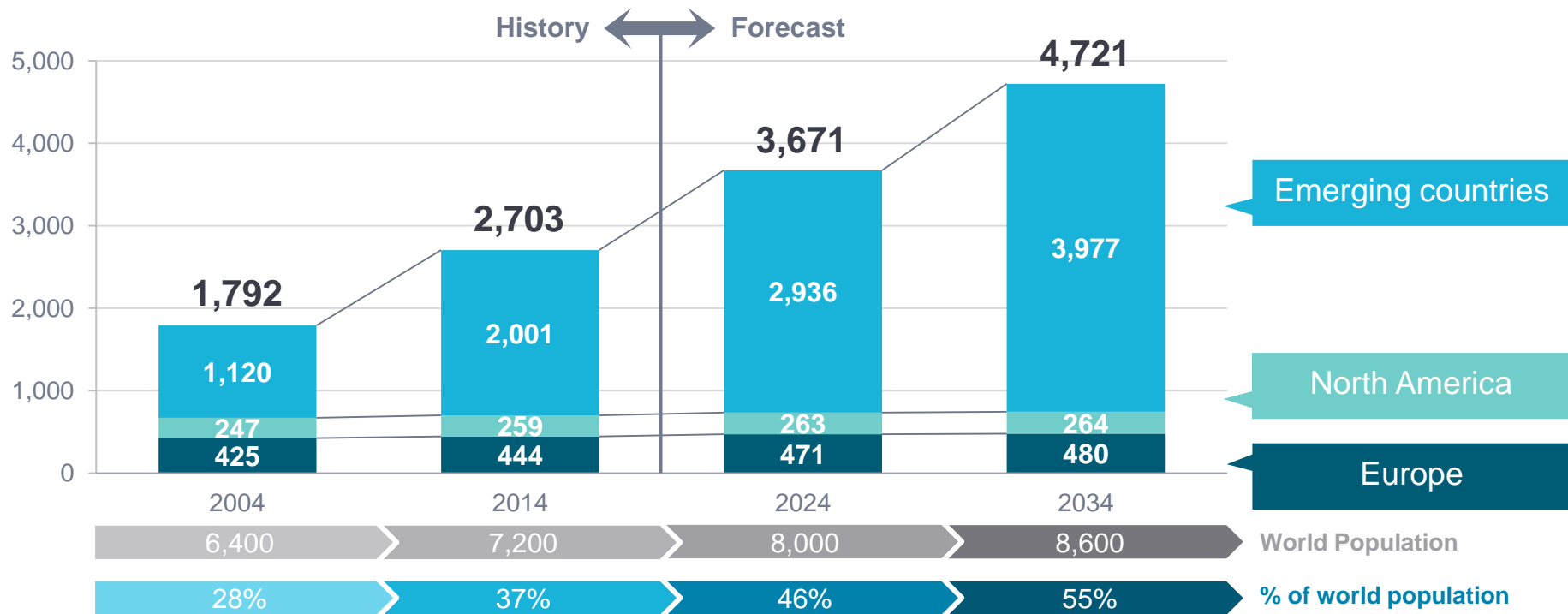
1
billion
people
2014

+3.8 %



Middle Class to grow, doubling in emerging countries...

Middle Class*, millions of people

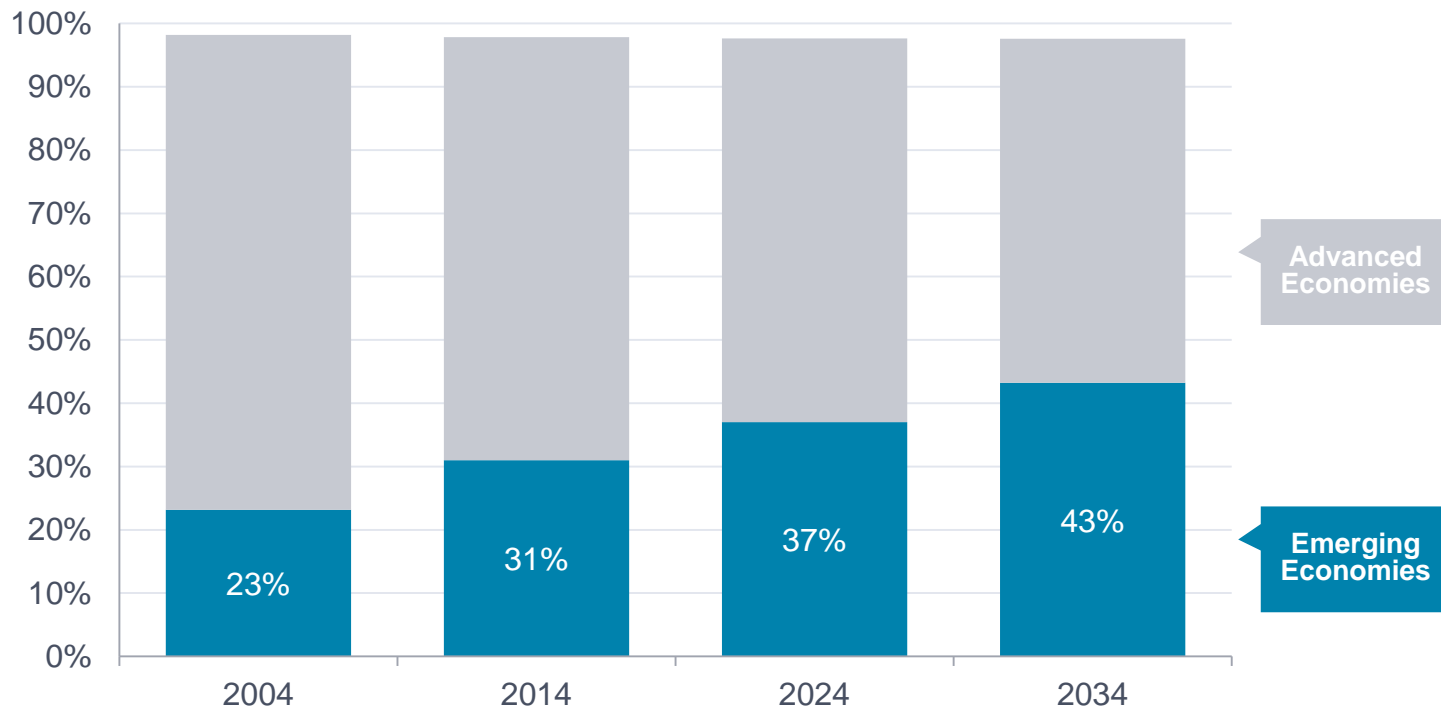


Source: Oxford Economics, Airbus GMF2015

* Households with yearly income between \$20,000 and \$150,000 at PPP in constant 2014 prices

Private consumption to become important growth driver in emerging markets

Share of total world private consumption (%)



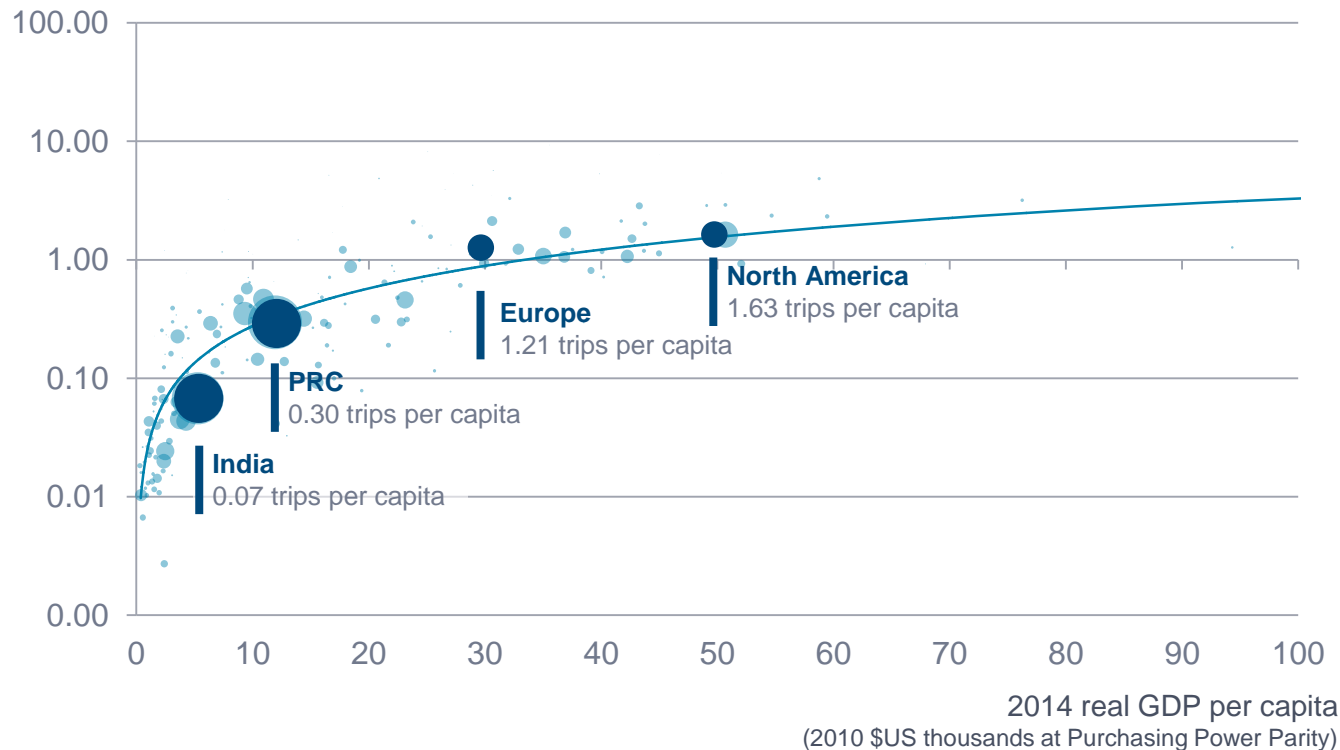
Emerging markets to represent

43% of the world private consumption by 2034, up from **31%** today

Source: IHS Economics, Airbus GMF2015

Europeans and North American are the most willing to fly...

2014 trips per capita



Propensity to travel

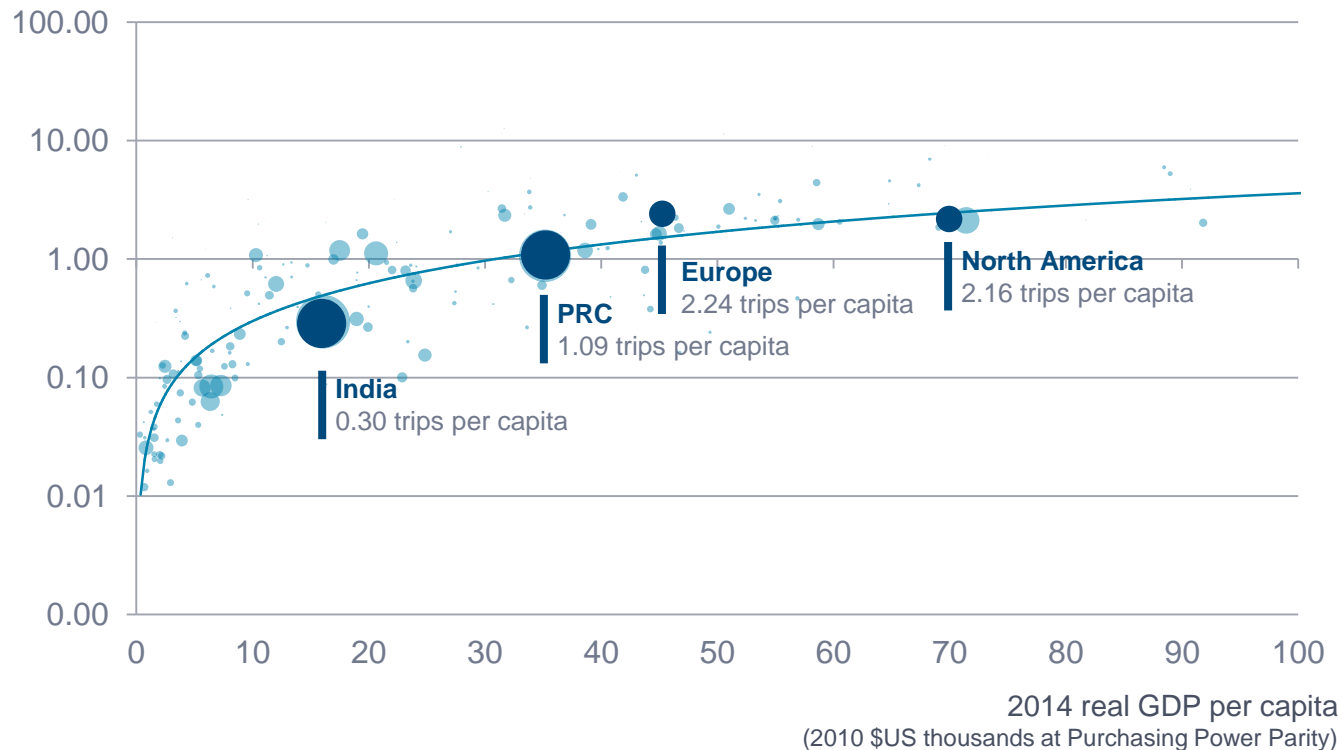
25%

of the population of the emerging countries took a trip a year in **2014**

Sources: Sabre, IHS Economics, Airbus GMF2015

...but by 2034, PRC will reach current European levels

2034 trips per capita



Propensity to travel

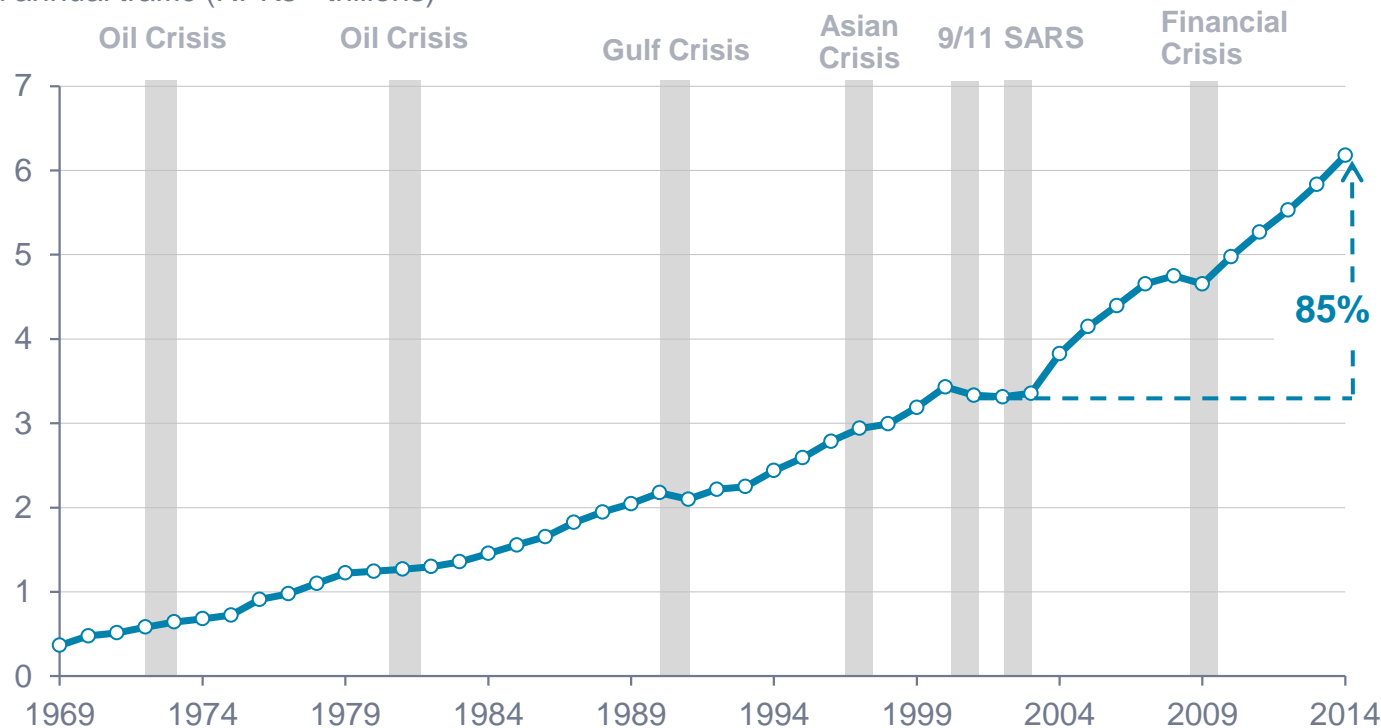
74%

of the population of the emerging countries will take a trip a year in **2034**

Sources: Sabre, IHS Economics, Airbus GMF2015

Air travel has proven to be resilient to external shocks

World annual traffic (RPKs - trillions)



World traffic

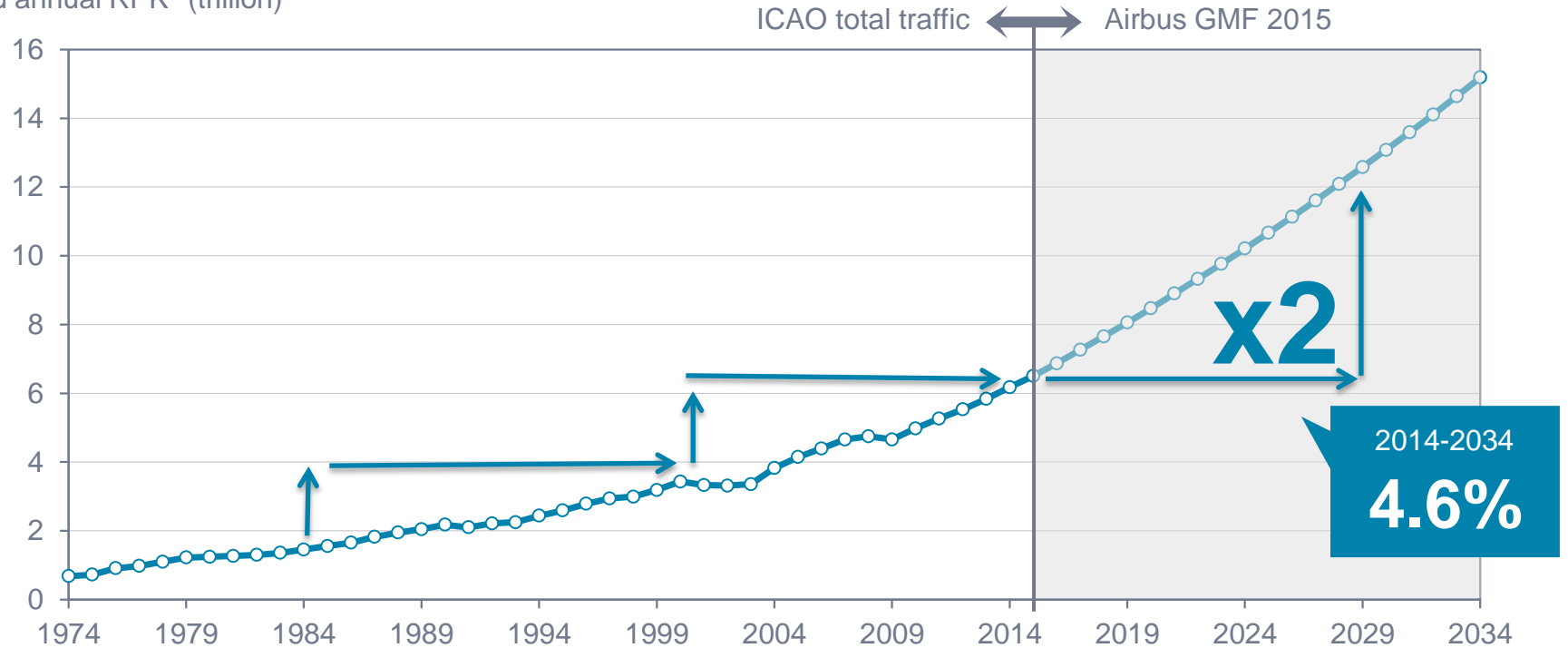
85%

growth since 9/11

Source: ICAO, Airbus

Air traffic will double in the next 15 years

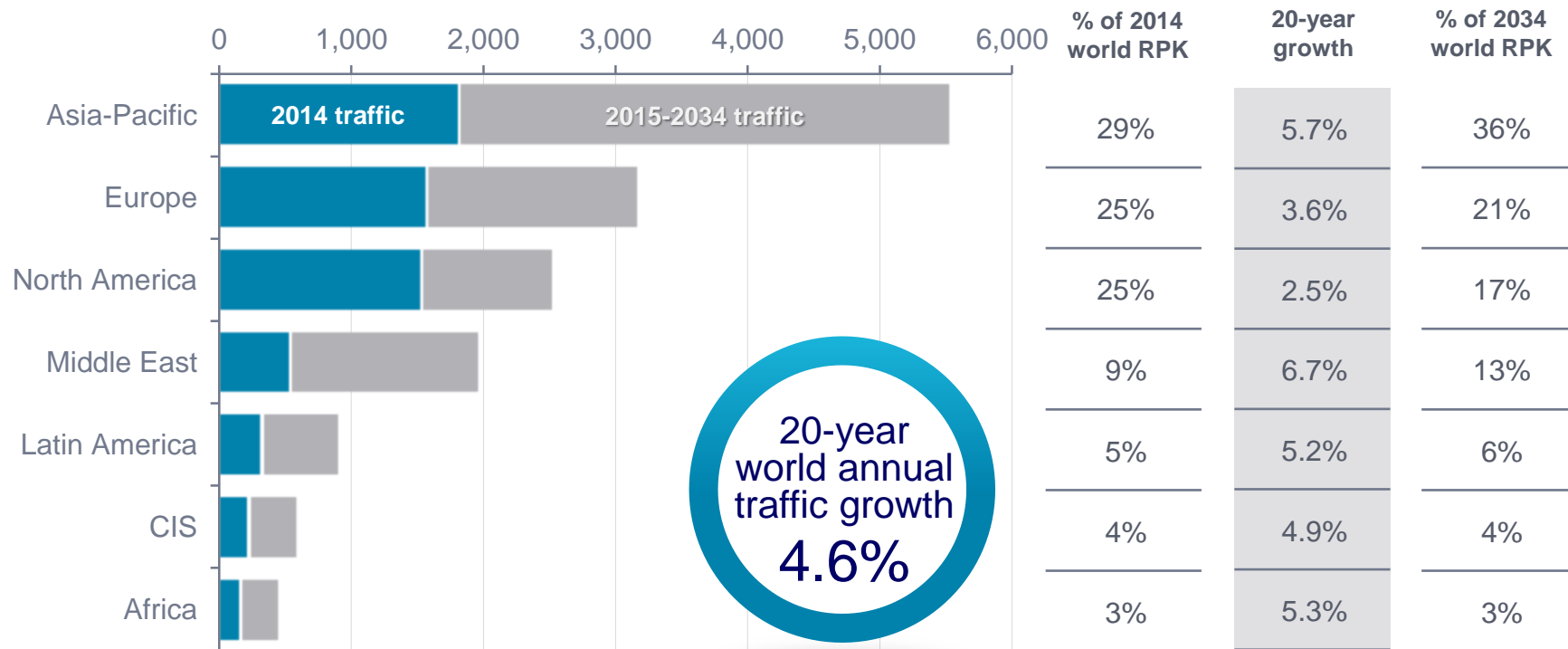
World annual RPK* (trillion)



Source: ICAO, Airbus GMF2015

Asia-Pacific to lead in world traffic by 2034

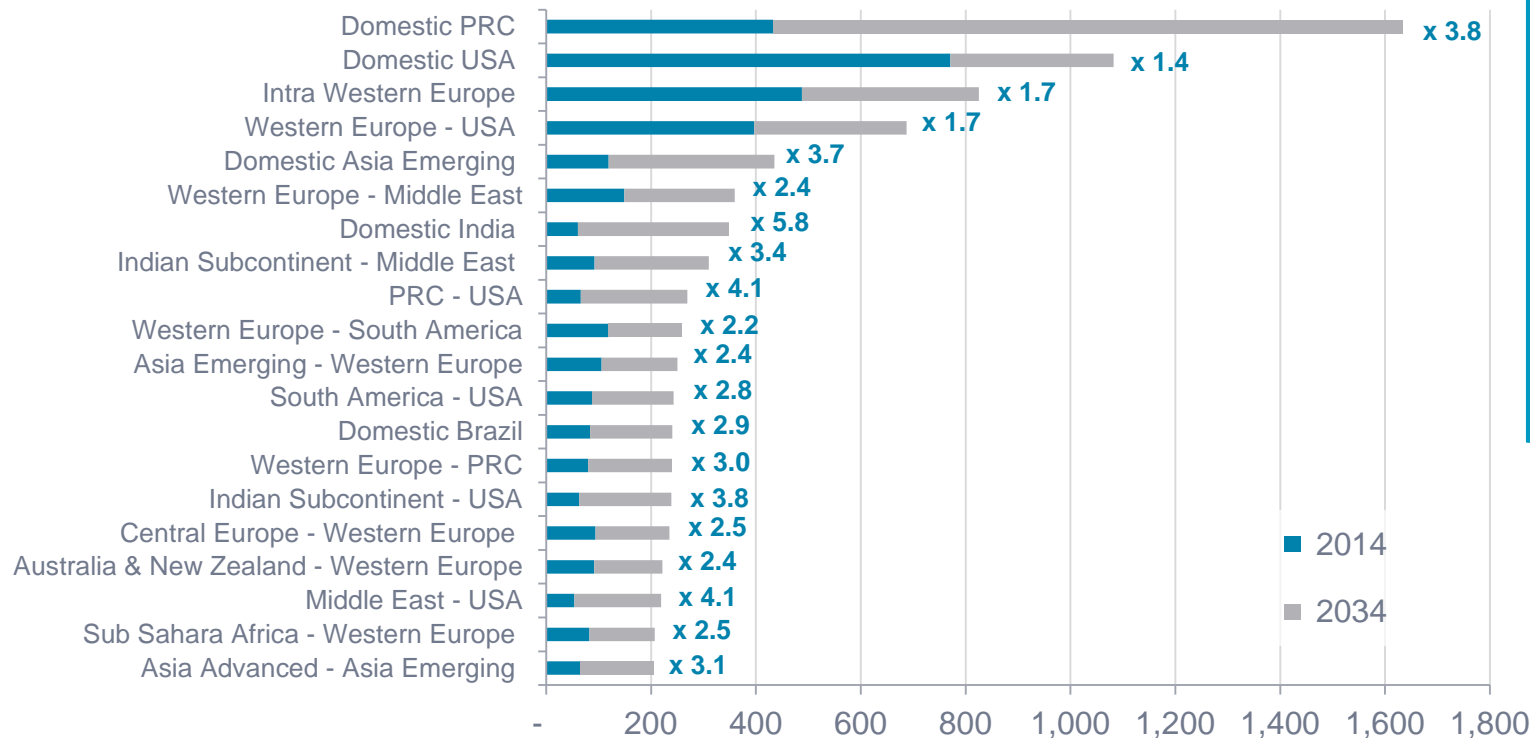
RPK traffic by airline domicile (billions)



Source: Airbus GMF2015

Domestic PRC will be the largest O&D traffic flow

Annual O&D traffic per flow (billion RPK)



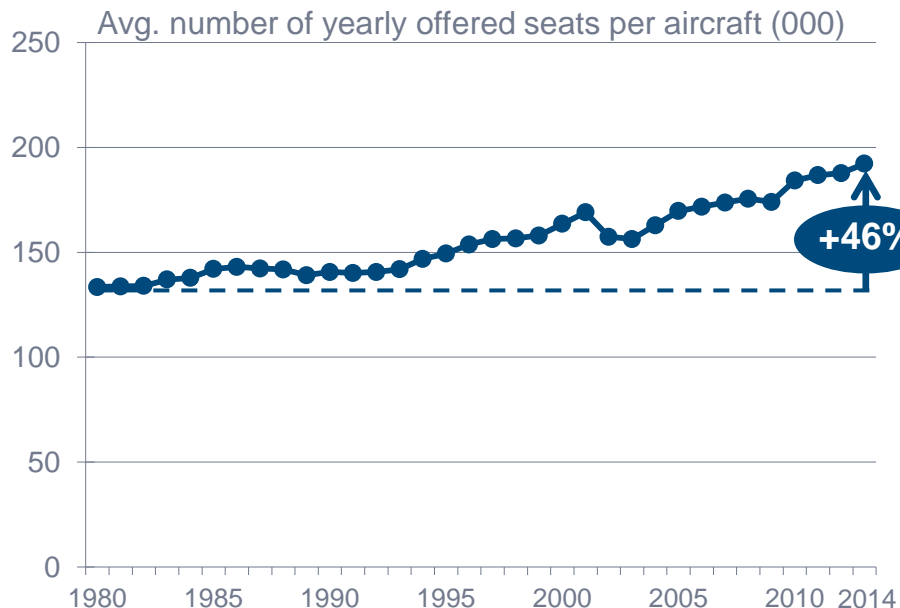
**Asia Pacific
leading growth**

50%
of the top twenty
traffic flows will
involve Asia Pacific

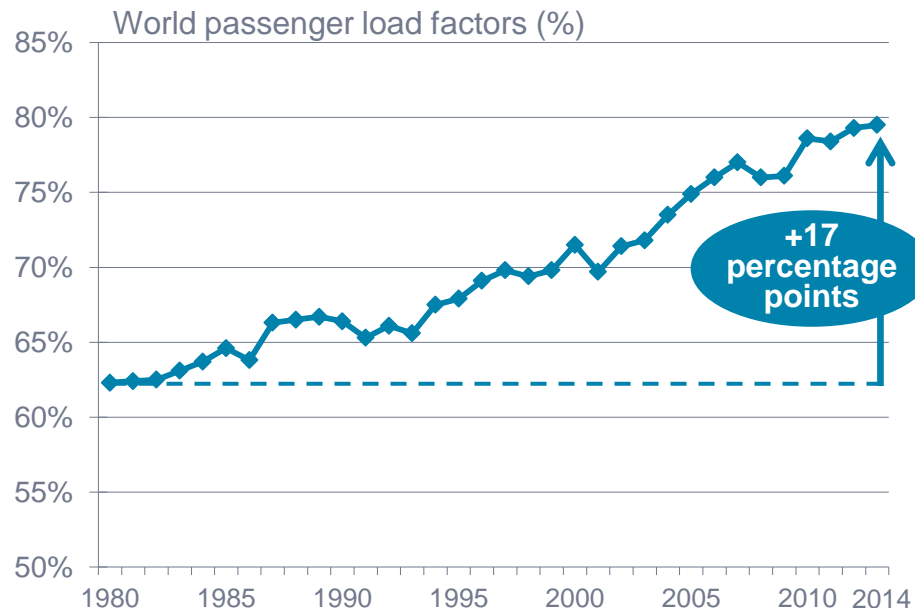
Source: Airbus GMF2015

More productive seats...

Yearly offered seats per aircraft



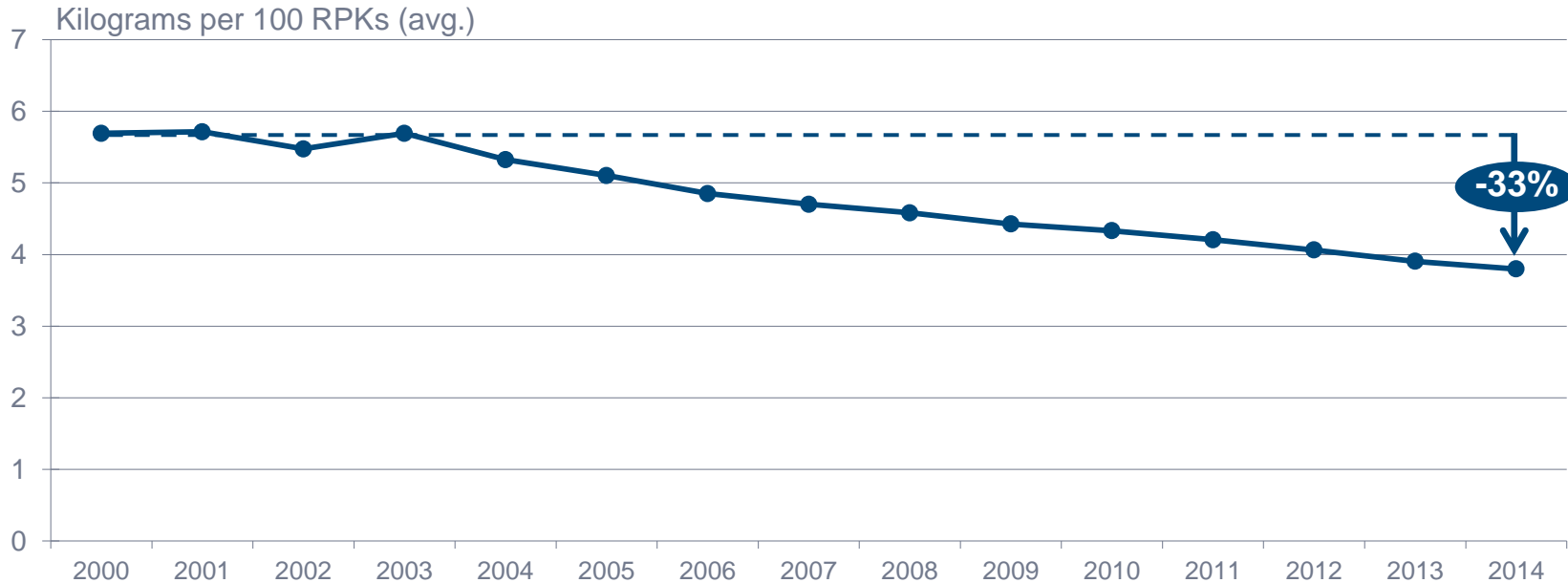
Load factors



Source: OAG, Ascend, ICAO, Airbus GMF2015

Less fuel burn, therefore less emissions...

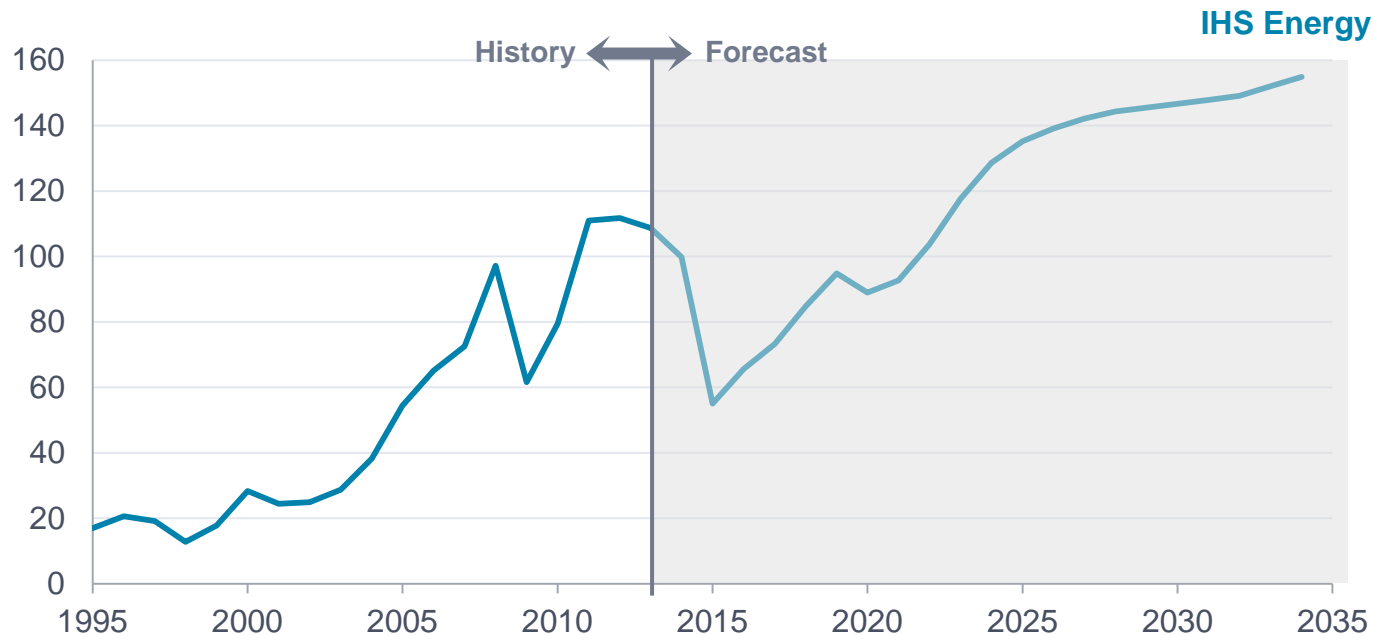
Fuel consumption



Source: ICAO, IATA, Airbus GMF2015

Short to medium term forecasts have been revised down

Brent oil price (US\$ per bbl. in nominal 2015)



Oil prices

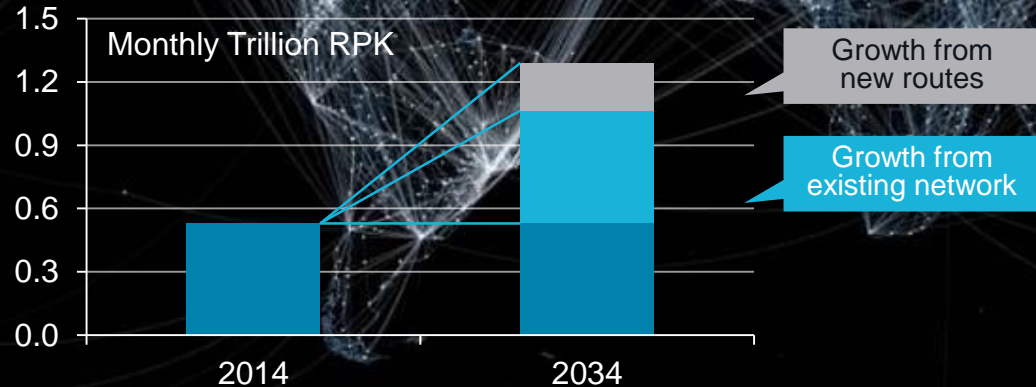
Oil price down but trend uncertain

Short-term good for airline profitability

Medium-term boost for global GDP

Source: IHS Energy, Oxford Economics

70% of traffic growth until 2034 will be coming from existing network



47 Aviation Mega-Cities in 2014

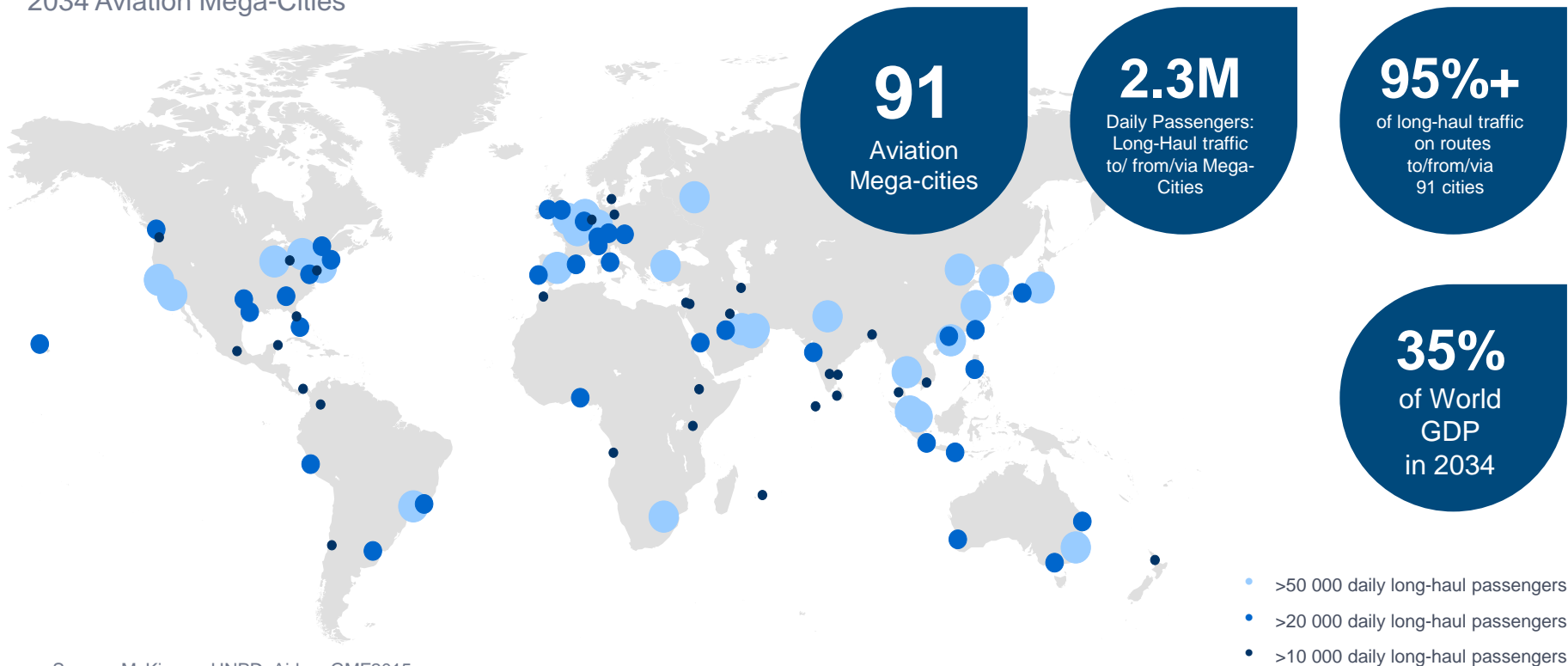
2014 Aviation Mega-Cities



Source: McKinsey, UNPD, Airbus GMF2015

... and 91 Mega-Cities by 2034

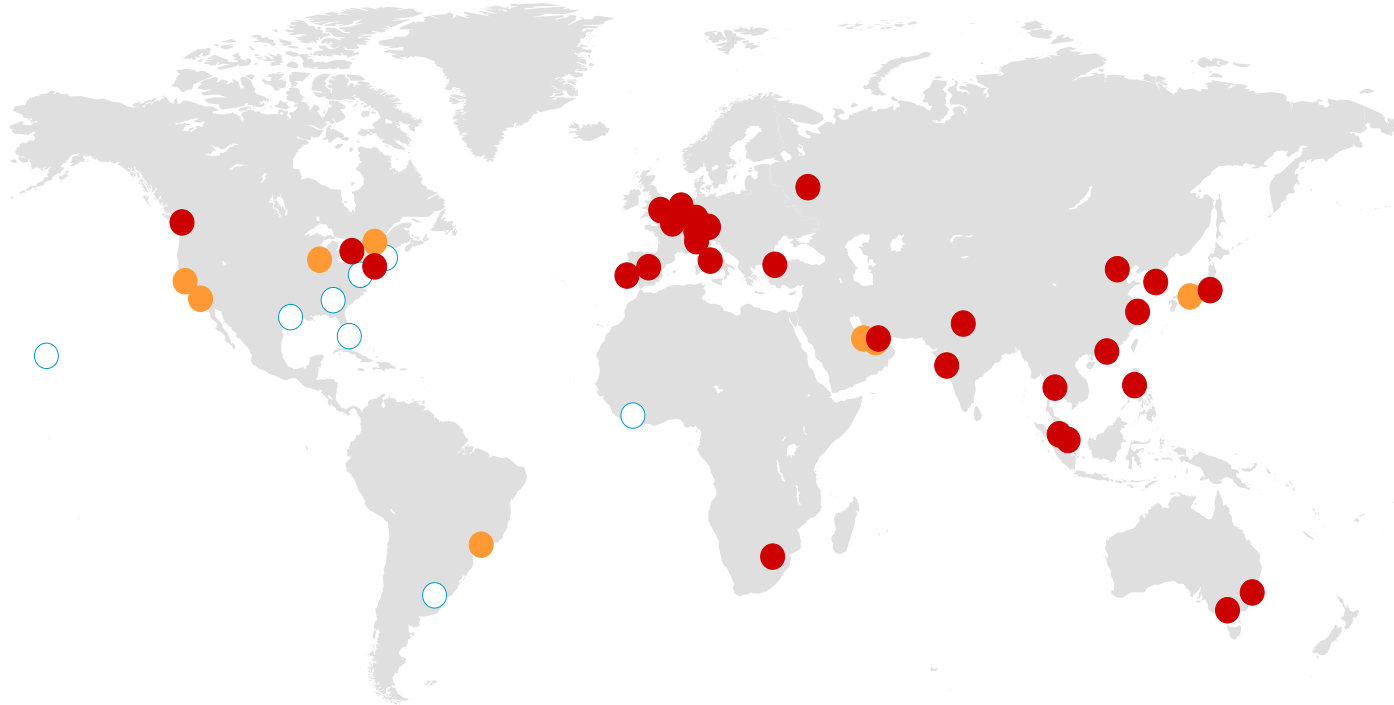
2034 Aviation Mega-Cities



Source: McKinsey, UNPD, Airbus GMF2015

These airports are already largely congested




2014 Aviation Mega-Cities



Source: IATA WSG database, Airbus GMF

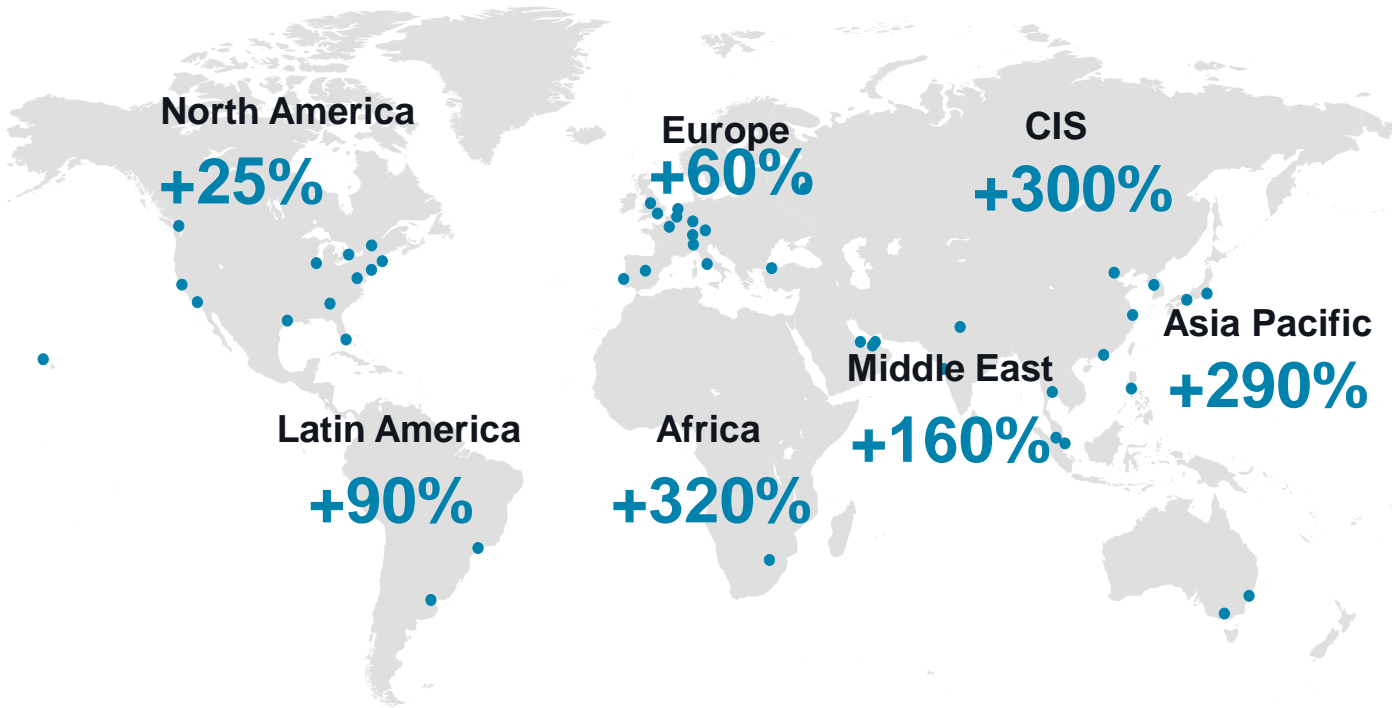
39 out of the
47 Aviation
Mega Cities are
schedule-
constrained
today

*Aviation Mega-Cities International
Airports

-  **IATA WSG level 1:** airport infrastructure is adequate
-  **IATA WSG level 2:** airports with potential for congestion
-  **IATA WSG level 3:** airports where conditions make it impossible to meet demand

The bigger the city, the wealthier the population

GDP per capita ratio between Aviation Mega-Cities and regional average

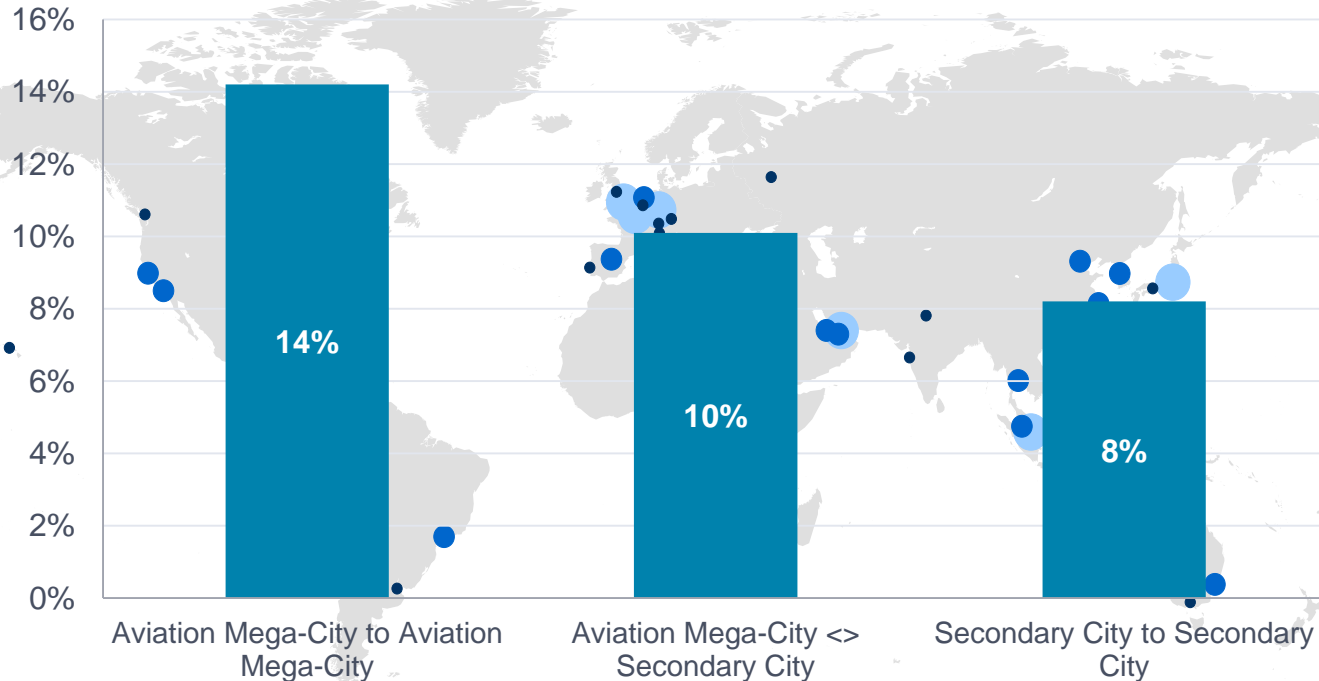


47
Aviation
Mega-cities

Source: Oxford Economics, UNPD, IHS
Global Insight, Airbus GMF2015

Routes between Aviation Mega-cities have more premium passengers

Percentage of premium passengers on routes types



Cities with more than 10,000 daily passengers, Long-haul, flight distance >2,000nm, excl. domestic traffic

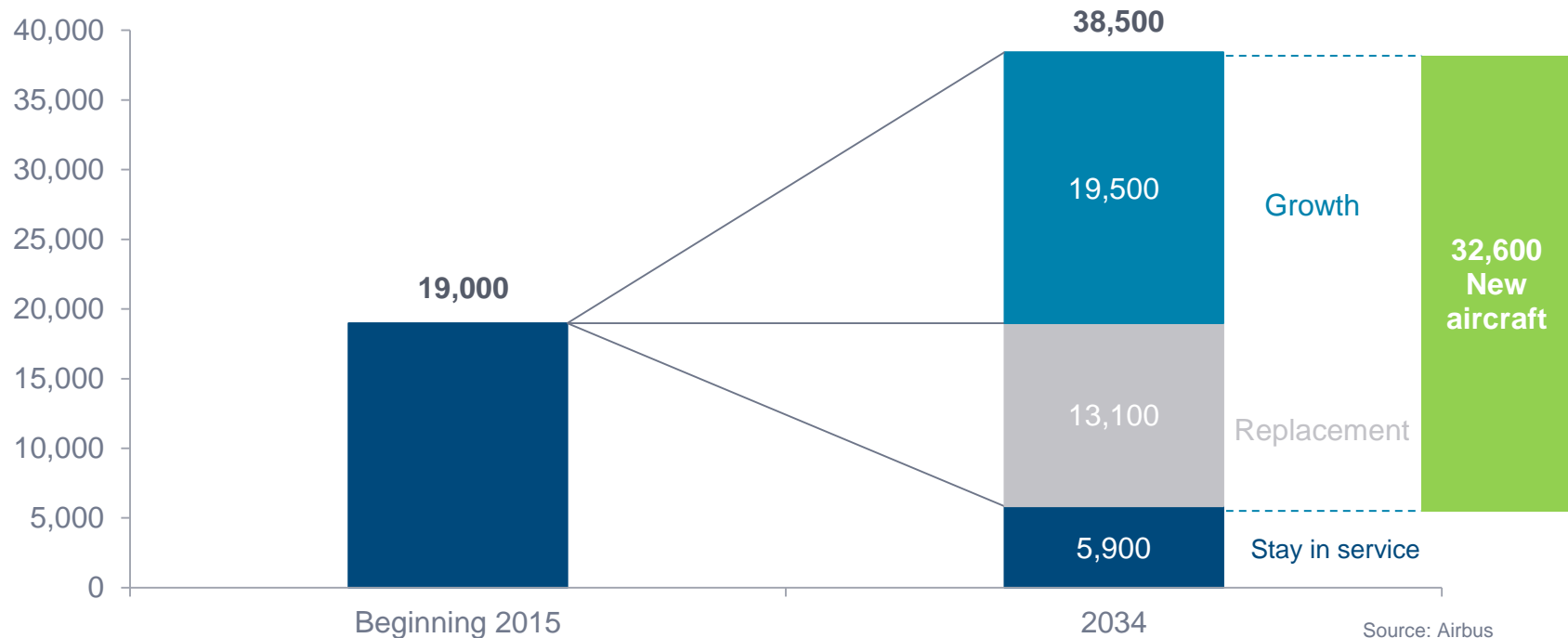
Percentage of premium between AMC 2014

14%
compared to 11% average international long-haul

Source: Sabre (September 2014 data), Airbus GMF2015

Demand for some 32,600 new passenger and freighter aircraft

Fleet in service evolution: 2015-2034



Source: Airbus

Note: Passenger aircraft ≥ 100 seats,
Freighter aircraft ≥ 10 tonnes

Summary

- **Strong and resilient passenger traffic growth**
- **Oil price down but trend uncertain**
 - Short-term good for **airline profitability**
 - Medium-term boost for **global GDP**
- **Demand for 32,600 new aircraft by 2034 – ~31,800 passenger aircraft and 800 freighters**
- **13,100 passenger aircraft needed for replacement**, largely single-aisle
- **Single-aisle represent 70% of demand in units, but wide-bodies represent 55% of value**
- **VLA demand largely concentrated on Aviation Mega-cities**
but network efficiencies will drive proliferation of new VLA destinations

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