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**BTS Releases First-Quarter 2003 Airline Financial Data;
 Many Passenger Airlines' Domestic Operations Below Break-Even**

All but five of the large, major and selected low-cost U.S. passenger airlines' operating ratios were below the break-even point in the first quarter of 2003, the Bureau of Transportation Statistics (BTS) of the U.S. Department of Transportation reported today in a release of preliminary data.

Jet Blue, American Eagle, Air Tran, Southwest and Spirit reported positive operating ratios in the first quarter. Four of these airlines — all except Spirit — were the only ones of the selected group to report positive operating ratios in the fourth quarter of 2002.

The first-quarter financial report for ATA Airlines is not currently available. BTS will issue industry totals when the ATA numbers are available.

Operating ratio compares unit revenues to unit costs and compares the ratio to the break-even point, a ratio of 1.0, which represents a \$0 profit or loss. Domestic unit revenues are calculated using total domestic operating revenues and dividing by domestic available seat miles. Domestic unit costs are calculated using total domestic operating expenses and dividing by domestic available seat miles.

**Table 1: Airline Domestic Revenue-Cost Ratios
 Major Passenger Airlines and Other Selected Airlines
 Ranked by 1st Quarter 2003 Ratio
 (Domestic Operating Revenue/Operating Expenses per Available Seat Mile)**

Rank	Carrier	1st Quarter 2002	2nd Quarter 2002	3rd Quarter 2002	4th Quarter 2002	1st Quarter 2003	Operating Profit/Loss \$(Millions)
1	Jet Blue	1.21	1.23	1.16	1.20	1.19	34.5
2	American Eagle	0.93	1.06	0.81	1.09	1.11	26.1
3	Air Tran	0.98	1.07	1.04	1.08	1.04	8.4
4	Southwest	1.04	1.15	1.07	1.07	1.03	45.5
5	Spirit	1.04	1.00	0.94	0.96	1.01	1.2
6	America West	0.84	0.99	0.92	0.93	0.91	-46.4
7	Northwest	0.94	1.00	0.97	0.86	0.89	-172.6
8	Delta	0.90	0.97	0.94	0.94	0.89	-338.6
9	Frontier	1.06	0.97	0.96	0.95	0.88	-15.8
10	Alaska	0.91	1.00	1.04	0.89	0.88	-52.1
11	US Airways	0.81	0.89	0.86	0.88	0.88	-183.6
12	Midwest Express	0.99	1.02	0.89	0.93	0.87	-11.7
13	Continental	0.81	0.83	0.87	0.88	0.84	-221.3

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14	American	0.82	0.84	0.70	0.82	0.80	-734.9
15	United	0.83	0.87	0.82	0.74	0.77	-608.1
16	ATA	1.07	0.89	0.91	0.88	n/a	n/a

(1.00=Break-even point)

Table 2. Airline Domestic Unit Revenue
Major Passenger Airlines and Other Selected Airlines
(Domestic Operating Revenue per Available Seat Mile in cents)

Carrier	1st Quarter 2002	2nd Quarter 2002	3rd Quarter 2002	4th Quarter 2002	1st Quarter 2003	Operating Revenue \$(Millions)
Air Tran	8.8	9.1	8.5	9.0	8.9	208.0
Alaska	9.6	9.9	10.0	9.3	9.4	385.0
America West	7.5	7.8	7.1	7.4	7.5	495.7
American	9.4	9.2	8.5	8.8	10.1	2,899.0
American Eagle	19.8	21.9	20.9	19.5	18.3	272.3
ATA	6.9	7.1	6.7	6.2	n/a	n/a
Continental	9.8	10.2	9.4	9.7	9.9	1,158.2
Delta	9.6	9.9	9.4	10.4	11.9	2,798.1
Frontier	9.2	8.2	7.6	7.9	7.9	120.7
Jet Blue	8.3	7.7	7.4	7.6	7.4	217.1
Midwest Express	11.7	11.6	10.3	10.6	10.2	79.6
Northwest	10.5	11.0	10.6	10.9	10.5	1,452.3
Southwest	7.6	8.6	7.9	8.0	7.8	1,351.3
Spirit	7.9	7.3	6.7	7.2	7.6	118.1
United	9.9	10.2	9.1	9.2	9.2	2,005.0
US Airways	13.0	14.0	12.4	13.9	13.8	1,319.4

Table 3. Airline Domestic Unit Costs
Major Passenger Airlines and Other Selected Airlines
(Domestic Operating Expenses per Available Seat Mile in cents)

Carrier	1st Quarter 2002	2nd Quarter 2002	3rd Quarter 2002	4th Quarter 2002	1st Quarter 2003	Operating Expenses \$(Millions)
Air Tran	9.0	8.5	8.2	8.4	8.6	199.6
Alaska	10.5	9.9	9.6	10.4	10.7	437.1
America West	8.9	7.8	7.8	8.0	8.2	542.1
American	11.5	10.9	12.1	10.8	12.6	3,633.9
American Eagle	21.2	20.7	25.6	17.9	16.5	246.2
ATA	6.5	7.9	7.4	7.0	n/a	n/a
Continental	12.1	12.3	10.8	11.0	11.8	1,379.5
Delta	10.7	10.3	10.0	11.1	13.4	3,136.8
Frontier	8.7	8.5	7.9	8.3	9.0	136.5
Jet Blue	6.8	6.3	6.4	6.3	6.2	182.6
Midwest Express	11.8	11.4	11.6	11.4	11.7	91.4
Northwest	11.2	11.0	10.8	12.7	11.7	1,624.9
Southwest	7.3	7.5	7.4	7.5	7.5	1,305.8
Spirit	7.6	7.3	7.1	7.4	7.6	116.8
United	12.0	11.7	11.2	12.4	11.9	2,613.1
US Airways	16.1	15.7	14.3	15.7	15.7	1,503.1

Only four of the U.S. major passenger airlines and other selected passenger airlines reported a first-quarter domestic yield that was higher than the yield in the first quarter of 2002. The four airlines are Delta, Continental, Southwest and US Airways. Domestic passenger revenue yields are calculated using total domestic passenger revenues and dividing by domestic revenue passenger miles.

**Table 4. Domestic Passenger Revenue Yield
 Major Passenger Airlines and Other Selected Airlines
 (Domestic Passenger Revenue per Revenue Passenger Mile in cents)**

Carrier	1st Quarter 2002	2nd Quarter 2002	3rd Quarter 2002	4th Quarter 2002	1st Quarter 2003	Passenger Revenue \$(Millions)
Air Tran	13.0	12.4	12.4	13.3	12.8	201.2
Alaska	12.8	12.8	12.5	12.3	12.5	336.9
America West	10.1	9.7	9.0	9.6	10.1	478.5
American	12.7	12.0	11.0	11.7	12.2	2,420.2
American Eagle	32.3	31.7	30.9	29.8	30.5	270.0
ATA	7.9	7.7	7.5	7.6	n/a	n/a
Continental	12.6	12.1	11.2	12.0	12.8	1,060.3
Delta	12.4	12.1	11.2	12.5	13.0	2,134.3
Frontier	15.0	12.6	12.6	12.9	12.9	114.8
Jet Blue	9.9	8.9	8.5	9.0	8.8	209.9
Midwest Express	16.1	16.1	15.3	14.2	13.6	64.6
Northwest	12.9	12.8	12.5	13.3	12.8	1,252.1
Southwest	11.4	11.6	11.0	12.0	11.7	1,276.8
Spirit	10.3	9.5	8.5	9.0	9.9	116.1
United	12.3	12.1	10.6	10.8	10.5	1,624.1
US Airways	14.7	14.2	13.1	14.8	14.9	953.1

Table 1-4 Source: Air Carrier Statistics: Schedule T-1, Air Carrier Financial Statistics: Schedule P-12.

Additional airline financial data can be found on the BTS website at TranStats, the Intermodal Transportation Database at <http://transtats.bts.gov>. Click on “aviation”, then on “Air Carrier Financial Reports (Form 41 Financial Data)”, then click on “Schedule P-12.” Note that this data source is actually BTS Form 41 Schedule P-1.2 but the period is omitted, for technical reasons, in the TranStats data application.

Data are compiled from quarterly financial reports and monthly traffic filed with the Bureau of Transportation Statistics by commercial air carriers detailing operations and finances. Financial and traffic data are preliminary and include data received by BTS as of June 17. Data are subject to revision.

Revised fourth-quarter 2002 financial data are posted on the BTS website at <http://transtats.bts.gov>. BTS will release second-quarter financial data on Sept. 16.

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