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BTS Data

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4th-Quarter and Annual 2013 Airline Financial Data

U.S. scheduled passenger airlines reported a net profit of \$7.3 billion in the fourth quarter of 2013, up from a loss of \$188 million in the fourth quarter of 2012, the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported today in a release of preliminary data (Table 1).

The 26 scheduled service airlines reported an after-tax net profit for the third consecutive quarter.

In addition to the after-tax net profit based on [net income](#) reports, the scheduled service passenger airlines reported a \$2.7 billion pre-tax operating profit in the fourth quarter of 2013, up from \$557 million profit in the fourth quarter of 2012. The airlines reported a pre-tax operating profit - as a group - for the 12th consecutive quarter (Table 1).

BTS is reporting numbers for net income or loss as well as for operating profit or loss. These are two different measures of airline financial performance. Net income or loss may include non-operating income and expenses, nonrecurring items or income taxes. Operating profit or loss is calculated from operating revenues and expenses before taxes and other nonrecurring items.

Total [operating revenue](#) for all passenger airlines in the October to December fourth-quarter of 2013 was \$49.1 billion. Airlines collected \$29.3 billion from fares, 59.7 percent of total fourth-quarter operating revenue.

Total operating expenses for all passenger airlines in the fourth-quarter of 2013 were \$46.4 billion, of which \$12.1 billion, or 26.1 percent, was used for fuel and \$11.1 billion, or 24.0 percent, was used for labor (Table 1).

Passenger airlines collected a total of \$797 million in [baggage fees](#), 1.6 percent of total operating revenue, and \$675 million from [reservation change fees](#), 1.4 percent of total operating revenue. Fees are included for calculations of net income, operating revenue and operating profit or loss (Table 1).

Baggage fees and reservation change fees are the only ancillary fees paid by passengers that are reported to BTS as separate items. Other fees, such as revenue from seating assignments and on-board sales of food, beverages, pillows, blankets, and entertainment are combined in different categories and cannot be identified separately.

Fourth-Quarter 2013 Totals for 10 Largest Scheduled Passenger Airlines

The 10 largest scheduled passenger airlines, measured by the number of passengers, reported an after-tax net profit of \$7.1 billion in the fourth quarter of 2013, up from a loss of \$233 million in the fourth quarter of 2012 (Table 2). These airlines carried 82.6 percent of U.S. airlines' [scheduled service passengers](#) in the fourth quarter of 2013 and accounted for 96.2 percent of the scheduled passenger airline after-tax net profit. See [Airline Financial Data Press Releases](#) for historic data.

In addition to the after-tax net income reports, the largest airlines reported a \$2.1 billion pre-tax operating profit in the fourth quarter of 2013, up from a \$400 million pre-tax operating profit in the fourth quarter of 2012 (Table 3).

2013 Annual Results

U.S. scheduled passenger airlines reported a net profit of \$12.7 billion in 2013, up from a profit of \$98 million in 2012. The scheduled service airlines reported an after-tax net profit for the fourth consecutive year (Table 4).

In addition to the after-tax based on net income reports, the scheduled service passenger airlines reported a \$12.5 billion pre-tax operating profit in 2013, up from \$6.0 billion profit in 2012. The airlines reported a pre-tax operating profit – as a group - for the fifth consecutive year (Table 4).

Total [operating revenue](#) for all passenger airlines in the 2013 calendar year was \$199.7 billion. Airlines collected \$120.6 billion from fares, 60.4 percent of total annual operating revenue.

Total operating expenses for all passenger airlines in 2013 were \$187.3 billion, of which \$50.1 billion, or 26.7 percent, was used for fuel and \$45.0 billion, or 24.0 percent, was used for labor (Table 4).

Passenger airlines collected a total of \$3.3 billion in [baggage fees](#), 1.7 percent of total operating revenue, and \$2.8 billion from [reservation change fees](#), 1.4 percent of total operating revenue. Fees are included for calculations of net income, operating revenue and operating profit or loss (Table 4).

2013 Annual Totals for 10 Largest Scheduled Passenger Airlines

The 10 largest scheduled passenger airlines, measured by the number of passengers, reported an after-tax net profit of \$11.7 billion in 2013 (Table 5). These airlines carried 82.9 percent of U.S. airlines' [scheduled service passengers](#) in 2013 and accounted for 91.7 percent of the scheduled passenger airline after-tax net profit.

In addition to the after-tax net income reports, the 10 largest airlines reported a \$10.3 billion pre-tax operating profit 2013. These airlines collected 73.7 percent of their total of \$149.5 billion in operating revenue from fares (Table 5).

Total operating expenses for the largest airlines in 2013 were \$139.2 billion, of which \$39.6 billion, or 28.4 percent, was used for fuel and \$35.3 billion, or 25.3 percent, was used for labor (Table 6).

Reporting notes

Additional airline financial data can be found on the BTS website, including industry statistics for other individual low-cost and regional airlines. See tables for [operating profit/loss](#), [operating revenue](#) and [fuel cost and consumption](#). See the BTS [financial databases](#) for more detailed data.

Data are compiled from quarterly financial and monthly traffic reports filed with BTS by commercial air carriers. Financial and traffic data include data received by BTS as of April 30. Revised carrier data and late data filings will be made available monthly on [TranStats](#) on the Monday following the second Tuesday of the month. All data are subject to revision. BTS will release first-quarter 2013 data on June 23.

Table 1. Quarterly Scheduled Service Passenger Airlines Financial Reports

Reports from 26 airlines in 4Q 2013

(Millions of dollars)

	4Q 2012	1Q 2013	2Q 2013	3Q 2013	4Q 2013	Dollar Change (\$ in millions) 4Q2012- 4Q2013
Net Income	-188.0	-395.2	2,269.0	3,164.8	7,346.4	7,534.4
Operating Profit/Loss	556.7	587.2	3,731.5	4,729.9	2,702.8	2,146.1
Operating Revenue*	37,116.7	37,279.7	41,340.7	43,244.4	49,052.4	11,935.7
Fares	27,288.9	27,710.0	30,983.8	32,529.7	29,304.5	2,015.6
Baggage Fees	823.3	801.0	871.1	879.7	797.1	-26.2
Reservation Change Fees	613.4	685.3	719.2	734.9	674.7	61.3
Operating Expenses	36,559.9	36,692.6	37,609.2	38,514.5	46,349.6	9,789.7
Fuel	10,715.9	10,609.3	10,907.5	10,901.9	12,085.6	1,369.7
Labor	9,014.8	9,239.5	9,479.6	9,784.7	11,135.3	2,120.5

Source: Bureau of Transportation Statistics, Form 41; Schedules P1.2 and P6

* Passenger airline operating revenue includes two other categories. Transport-related is revenue from services which grow from and are incidental to the air transportation services performed by the air carrier. Examples are in-flight onboard sales (food, liquor, pillows, etc), code share revenues, revenues from associated businesses (aircraft maintenance, fuel sales, restaurants, vending machines, etc). Miscellaneous operating revenue includes pet transportation, sale of frequent flyer award miles to airline business partners and standby passenger fees. See the [P1.2 database](#).

Table 2. Quarterly Large Airline System (Domestic + International) Net Income
Ranked by 4Q 2013 System Passengers
(Net income in millions of dollars)

4Q 2013 Passenger Rank	Airline	4Q 2012	1Q 2013	2Q 2013	3Q 2013	4Q 2013	Dollar Change (\$ in millions) 4Q2012- 4Q2013
1	Southwest*	78.3	58.5	224.0	259.4	212.5	134.2
2	Delta	-20.4	6.8	688.7	1,371.6	8,482.1	8,502.5
3	United	-574.3	-361.5	484.0	377.4	154.2	728.5
4	American	270.8	-252.8	227.8	289.8	-1,790.5	-2,061.3
5	US Airways	46.7	69.0	325.0	219.6	-130.2	-176.9
6	ExpressJet	-3.5	-15.4	-2.6	-5.4	-8.8	-5.3
7	JetBlue	0.8	13.8	36.4	70.8	47.0	46.2
8	SkyWest	19.0	14.4	24.7	30.5	17.5	-1.5
9	Alaska	38.1	33.9	102.2	285.3	75.9	37.8
10	American Eagle	-88.3	0.6	12.5	13.6	6.5	94.8
10-Carrier Total		-232.8	-432.7	2,122.7	2,912.7	7,066.2	7,299.0
All Passenger Airlines		-188.0	-395.2	2,269.0	3,164.8	7,346.4	7,534.4

Source: Bureau of Transportation Statistics, Form 41; Schedule P1.2. T100; T2 Data

* Southwest Airlines and AirTran Airways report financial data jointly but continue separate reporting of passenger data.

Table 3. Quarterly Large Airline System (Domestic + International) Operating Profit/Loss
Ranked by 4Q 2013 System Passengers
(Operating Profit/Loss in millions of dollars)

4Q 2013 Passenger Rank	Airline	4Q 2012	1Q 2013	2Q 2013	3Q 2013	4Q 2013	Dollar Change (\$ in millions) 4Q2012- 4Q2013
1	Southwest*	91.4	70.2	432.7	389.7	385.6	294.2
2	Delta	468.3	322.6	949.0	1,696.5	869.6	401.3
3	United	-455.5	-259.9	771.1	510.4	237.5	693.0
4	American	-6.0	47.0	478.0	682.6	280.7	286.7
5	US Airways	109.1	102.0	476.9	420.8	2.8	-106.3
6	ExpressJet	0.0	-20.0	1.2	-0.8	-8.3	-8.3
7	JetBlue	45.4	58.8	93.3	151.7	110.7	65.3
8	SkyWest	42.5	34.6	51.2	59.2	38.5	-4.0
9	Alaska	88.4	82.5	189.5	453.8	131.3	42.9
10	American Eagle	16.4	8.5	12.1	13.2	9.9	-6.5
10-Carrier Total		399.8	446.3	3,454.9	4,377.1	2,058.3	1,658.5
All Passenger Airlines		556.7	587.2	3,731.5	4,729.9	2,702.8	2,146.1

Source: Bureau of Transportation Statistics, Form 41; Schedule P1.2

* Southwest Airlines and AirTran Airways report financial data jointly but continue separate reporting of passenger data.

Table 4. Annual Scheduled Service Passenger Airlines Financial Reports

Reports from 26 airlines in 2013

(Billions of dollars)

	2009	2010	2011	2012	2013	Dollar Change (\$ in millions) 2012-2013
Net Income	-2.92	2.26	0.49	0.10	12.73	12.63
Operating Profit/Loss	0.93	8.31	5.25	6.00	12.46	6.46
Operating Revenue*	123.50	138.83	153.29	156.47	199.73	43.25
Fares	91.44	103.98	114.30	115.97	120.64	4.67
Baggage Fees	2.75	3.40	3.39	3.45	3.35	-0.10
Reservation Change Fees	2.38	2.30	2.39	2.54	2.81	0.28
Operating Expenses	122.57	130.52	148.05	150.47	187.26	36.79
Fuel	28.29	33.16	43.75	44.90	50.07	5.17
Labor	32.90	34.12	35.38	37.20	45.02	7.83

Source: Bureau of Transportation Statistics, Form 41; Schedules P1.2 and P6

* Passenger airline operating revenue includes two other categories. Transport-related is revenue from services which grow from and are incidental to the air transportation services performed by the air carrier. Examples are in-flight onboard sales (food, liquor, pillows, etc), code share revenues, revenues from associated businesses (aircraft maintenance, fuel sales, restaurants, vending machines, etc). Miscellaneous operating revenue includes pet transportation, sale of frequent flyer award miles to airline business partners and standby passenger fees. See the [P1.2 database](#).

Table 5. Annual Large Airline System (Domestic + International) Net Income and Revenue

Ranked by 2013 System Passengers

(Millions of dollars)

2013 Pssgr Rank	Airline	Net Income	Operating Profit or Loss	Operating Revenue	Revenue from Fares	Percent of Revenue from Fares (%)
1	Delta	10,549.2	3,837.7	37,818.2	25,800.6	68.2
2	Southwest*	754.5	1,278.3	17,699.4	16,722.4	94.5
3	United	654.1	1,259.1	38,287.1	25,853.0	67.5
4	American	-1,525.7	1,488.3	25,760.2	19,571.3	76.0
5	US Airways	483.4	1,002.5	14,935.6	9,511.1	63.7
6	ExpressJet	-32.3	-28.0	1,466.3	1,465.9	100.0
7	JetBlue	168.0	414.5	5,441.8	4,971.4	91.4
8	SkyWest	87.1	183.4	1,827.6	1,773.6	97.0
9	Alaska	497.3	857.0	5,150.8	3,498.1	67.9
10	American Eagle	33.2	43.8	1,139.0	1,018.5	89.4
10-Carrier Total		11,668.8	10,336.6	149,526.0	110,185.9	73.7
All Passenger Airlines		12,730.1	12,463.5	199,725.2	120,640.0	60.4

Source: Bureau of Transportation Statistics, Form 41; Schedule P1.2

* Southwest Airlines and AirTran Airways report financial data jointly but continue separate reporting of passenger data.

Table 6. Annual Large Airline System (Domestic + International) Expenses

Ranked by 2013 System Passengers

(Millions of dollars)

2013 Pssgr Rank	Airline	Operating Expenses	Fuel Costs	Percent for Fuel (%)	Labor Costs	Percent for Labor (%)
1	Delta	33,980.5	9,380.2	27.6	8,337.6	24.5
2	Southwest*	16,421.2	5,762.8	35.1	5,296.1	32.3
3	United	37,028.1	9,990.0	27.0	8,942.9	24.2
4	American	24,271.9	7,633.5	31.4	5,633.0	23.2
5	US Airways	13,933.0	3,465.1	24.9	2,835.3	20.3
6	ExpressJet**	1,494.3	43.9	2.9	724.8	48.5
7	JetBlue	5,027.3	1,899.5	37.8	1,201.9	23.9
8	SkyWest**	1,644.1	160.7	9.8	633.5	38.5
9	Alaska	4,293.8	1,248.8	29.1	1,057.1	24.6
10	American Eagle**	1,095.2	0.4	0.0	610.0	55.7
10-Carrier Total		139,189.4	39,584.9	28.4	35,272.2	25.3
All Passenger Airlines		187,261.7	50,070.5	26.7	45,021.6	24.0

Source: Bureau of Transportation Statistics, Form 41; Schedule P6

* Southwest Airlines and AirTran Airways report financial data jointly but continue separate reporting of passenger data.

** Regional airline fuel costs are frequently assumed under contract by mainline carriers.