



OAG Reports Declining Seat Capacity within Central America *Recent Merger Proposals to Change North America Travel*

(Washington, DC – October 5, 2010) – Scheduled seat capacity within Central America took a severe hit in October, dropping 17%, or declining 604,228 seats to a total of three million in October 2010. Frequency declined 10%, or by 4,318 scheduled flights, to a total of 38,888 within the region. This drop in capacity and frequency is primarily due to Mexicana's recent suspension of flights, reports OAG in its monthly Frequency and Capacity Trend Statistics (FACTS) report. This and additional data is available in the October 2010 edition of OAG FACTS.

Scheduled seats to and from Central America fared better with a 1% decline in seat capacity, and a 2% reduction in scheduled flights in October 2010. Total seat capacity is 3.1 million, and 23,862 flights are scheduled. Not surprisingly, Mexico's domestic air service experienced the greatest loss in seat capacity, declining 19%; frequency was reduced 22%. International air service to and from Mexico declined 6% in seat capacity and 8% in frequency.

"Latin America has seen significant changes in its air transportation environment within the past few months. First, the proposed merger of TAM and LAN airlines, which, if approved, is poised to become the largest airline in South America; then came Mexicana Airlines' suspension of service, followed by the rapid addition of flights by competing airlines to fill the void created by the cancelations. In combination, these fast-moving developments have produced a dynamic atmosphere for airlines that operate in Central and South America or are considering entering this market," said Peter von Moltke, Chief Executive Officer, UBM Aviation.

"U.S. airlines are currently planning their winter schedules and many are now looking to fill the gap in air service created by the suspension of services by Mexicana Airlines. The current decline in international air service to Latin America will be short-lived, with many airlines willing and able to quickly schedule additional flights, travelers to the region should expect close to full service by the end of the year. Domestic service within Mexico, however, will likely take longer to reach previous levels, due to aircraft and other limitations, but will eventually adjust to meet the demand in the region," continued von Moltke.

Air service growth is reflected in every other region of the world again this month. Worldwide, seat capacity will increase 7% in October to 320.7 million seats, an increase of 20.8 million seats. Frequency is scheduled to grow 5%, to a total 2.56 million flights, an increase of 133,116 monthly flights.

The growth in capacity to and from North America is significant, increasing 7%, or adding one million seats for a monthly total of 16.2 million. Growth within North America, however, continues to move slowly with a 2% increase or an additional 1.7 million seats in October (a total of 76.7 million).

"Air service within North America will be watched closely going forward with the recent proposal of Southwest Airlines to acquire AirTran Airlines and the approval of the United and Continental merger. Although it's too early to determine the impact of the mergers, many industry observers expect United and Continental initially to reduce their aggregate capacity as they work through the process of integrating two very large systems," said von Moltke.

All other regions of the world are experiencing strong year-over-year growth. Air service to and from Europe remains strong, with capacity increasing 12% to a total of 24.6 million seats, and flights by 13%, to a total of 108,426. The Asia Pacific region increased 11% in seat capacity to and from the region growing to a total 14.8 million seats and a 12% increase in flights, to a total of 60,966.

Air service to and from Africa increased 15% in both capacity and frequency with a total of 7.8 million seats and 40,053 flights. The Middle East continues its rapid growth trend with increases to and from the region of 11% in total seats, and 12% in flights.

This data comes from the October 2010 edition of OAG FACTS (*Frequency And Capacity Trend Statistics*), a monthly report that uses interactive graphs to display performance trends of specific airports, routes, countries or regions, sourced from OAG's consolidated database of global airline schedules.

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** Please note that the October 2010 edition of OAG FACTS does not include data for Mexicana Airlines.*

About OAG

OAG provides the industry's most accurate single source for airline information, with essential aviation data, analytics and consulting services sourced from OAG's comprehensive proprietary airline Schedules, Flight Status, Fleet, MRO and Cargo Logistics databases. OAG is a UBM Aviation business. For more information, [click here](#).

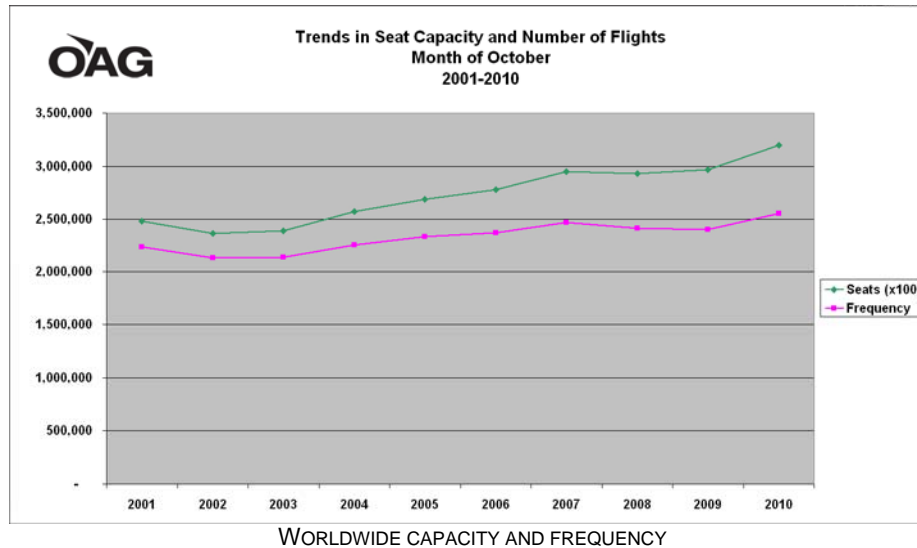
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OAG FACTS – Executive Summary October 2010

Worldwide Capacity and Frequency

- October 2010 OAG (Official Airline Guide) schedules database shows an increase in **worldwide** seat capacity of 7% and 5% in frequency, or an additional 20.79 million seats to a total of 320.7 million seats, worldwide, as compared to the same month a year ago. The number of flights increased to a total of 2.6 million operating in October 2010, an increase of 133,116 over last year.



Central and South America

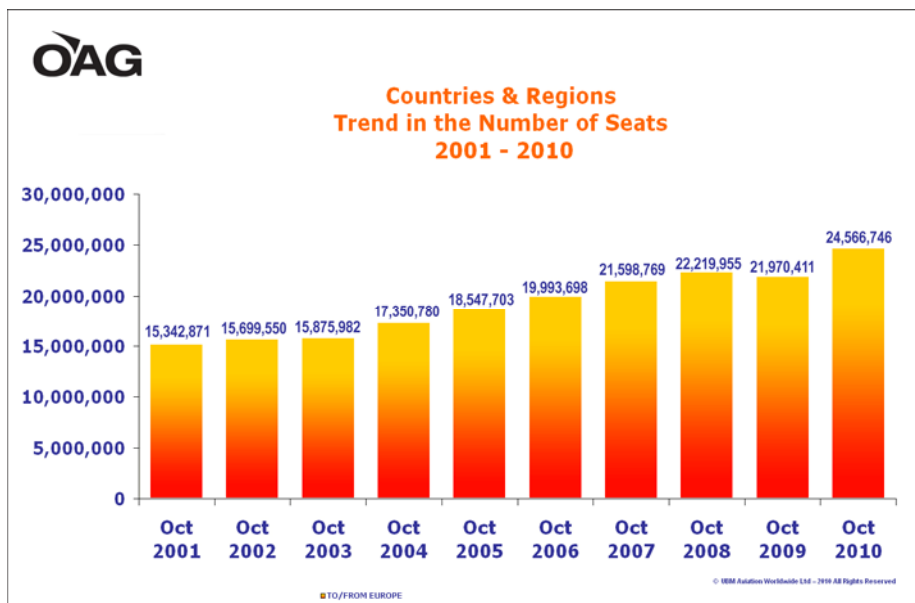
- Seat capacity **within Central and South America** increased 6%, by 1.30 million to a total of 21.7 million. Flights increased 8% to a total of 208,942, or by 15,577.
- Seat capacity **to/from Central and South America** increased 3%, to a total of 7.9 million (an increase of 262,228), and frequency by 1% with the addition of 518 flights, to a total of 46,924.
 - Scheduled seat capacity **within Central America**, alone, has declined 17% since the Mexicana suspension of service. The impact **to and from Central America** is not as significant, with a 1% decrease in seat capacity.



FLIGHTS WITHIN CENTRAL AND SOUTH AMERICA

Europe

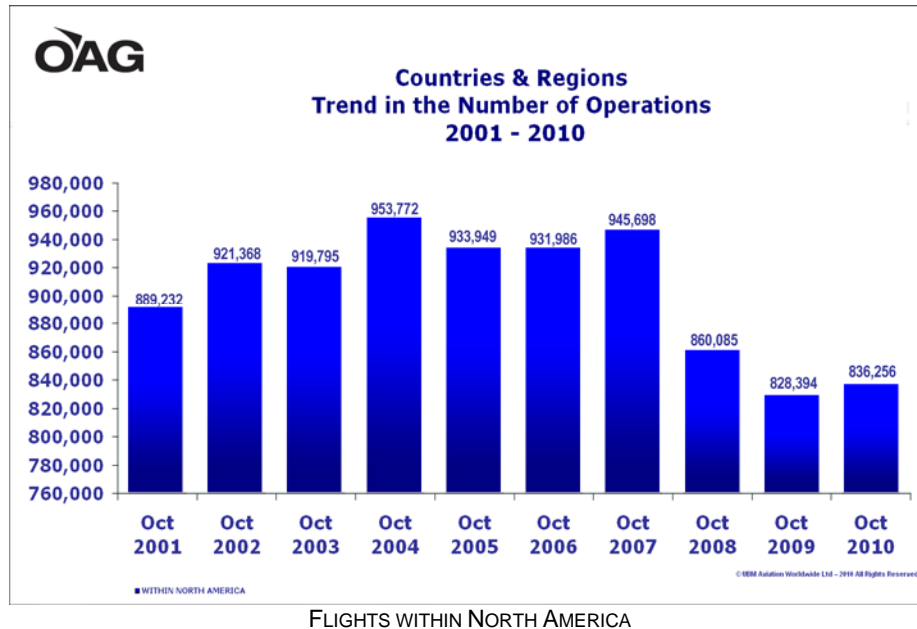
- The change in seat capacity **within Europe** increased 6% with an additional 4.6 million seats, to a total of 75.3 million, compared to same month last year. Flight operations **within Europe** have increased by 27,998 flights to 607,307 an increase of 5%.
- Seat capacity **to/from Europe** grew 12% or an additional 2.6 million, increasing to 24.6 million; frequency increased 13%, an increase of 12,284 to a total of 108,426.



SEAT CAPACITY TO/FROM EUROPE

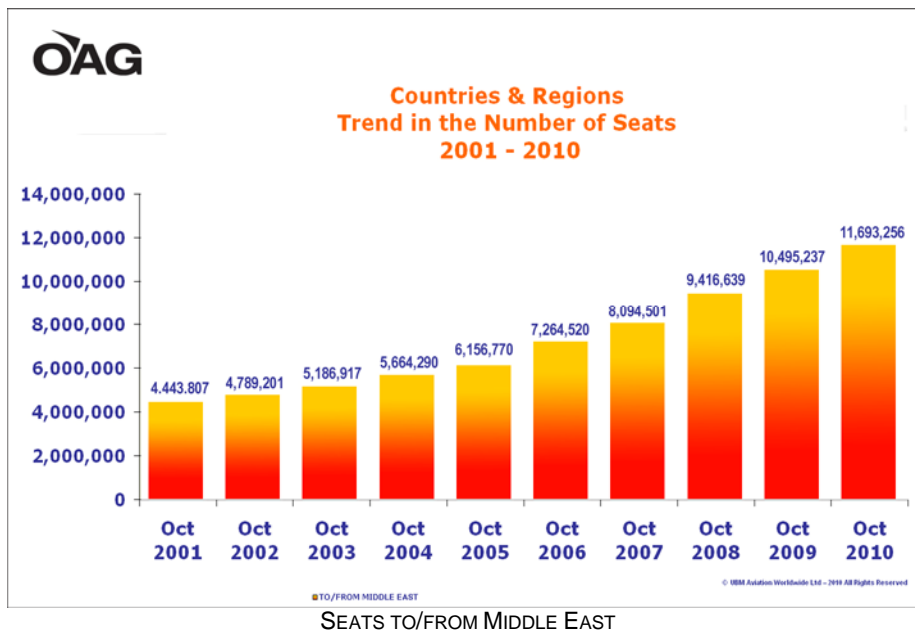
North America

- Seat capacity **within North America** grew 2% in October, to a total of 76.7 million, an increase of 1.7 million, over that in October 2009; there will be 836,256 flights, or an increase of 1% or 7,862.
- Total seat capacity increased 7% **to/from North America** to a total of 16.2 million or by just over one million. The number of flights that will operate this month grew 5% to a total of 77,197, or an additional 3,459 flights.



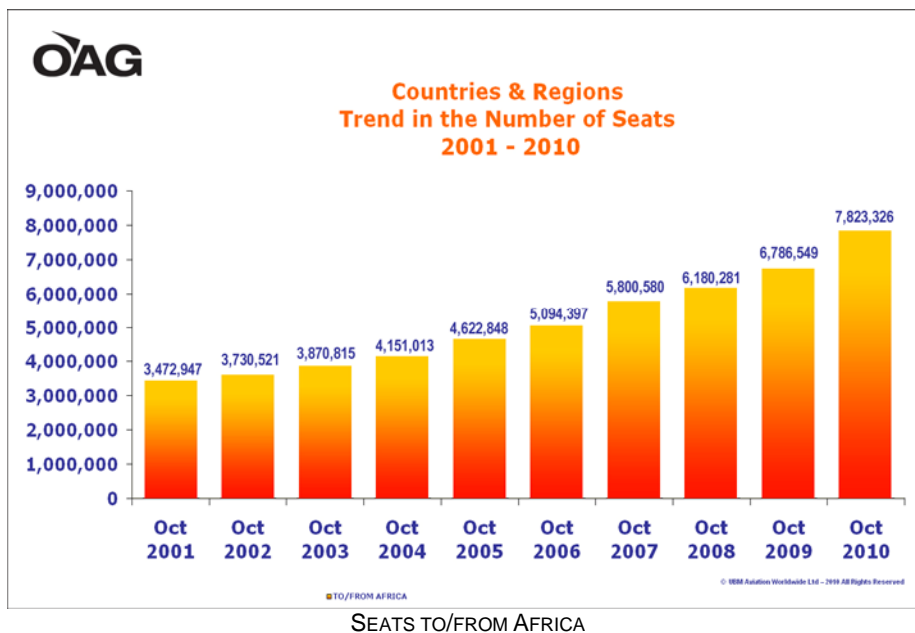
The Middle East

- Seat capacity **within the Middle East** is scheduled to rise by 8% to a total of 7 million (an increase of 510,126). Total flights scheduled to operate increased 9% to 45,553 flights, an increase of 3,710.
- The number of seats **to/from the Middle East** increased of 11% (an additional 1.2 million seats) to a total of 11.7 million; and flights increased 12% (an additional 5,791 flights), to a total of 54,126.



Africa

- Growth **within Africa** was strong, with an 8% increase in seat capacity; and a 9% increase in the total number of flight operations. Within this region there will be a total of 6.74 million seats (an additional 509,231), and 66,190 flights (an additional 5,522).
- The number of seats and flights both increased 15% **to and from Africa**, or an increase of just over one million seats and 5,274 flights, as compared to October 2009. The monthly total will be 7.82 million seats and 40,053 flights.



Asia Pacific

- **Within Asia Pacific** there will an increase of 10% in both seat capacity and frequency, with 8.4 million additional seats and 55,412 additional flights; bringing the total seat capacity to 91.8 million and 605,795 flights.
- Total seats **to/from Asia Pacific** have increased 11% to 14.8 million (an increase of 1.5 million); frequency increased 12% to a total of 60,966 (an increase of 6,744).



Key Routes and Regions

- Miami (MIA) to/from Central/Latin America – 4% increase in seat capacity
- New York (JFK) to/from Central/Latin America – 3% increase in seat capacity
- Chicago (ORD) to/from Central/Latin America – 40% reduction in seat capacity
- Los Angeles(LAX) to/from Central/Latin America – 14% reduction in seat capacity
- Mexico City (MEX) to/from USA/Canada – 15% reduction in seat capacity
- Mexico - domestic seat capacity – declined 19%
- Mexico – international seat capacity – declined 6%

Largest Airports

Twenty Largest Airports Worldwide			October 2010
(Based on seat capacity)			
1	Atlanta Hartsfield	ATL	9,355,913
2	Beijing	PEK	8,090,884
3	London Heathrow	LHR	8,088,145
4	Chicago O Hare	ORD	7,231,851
5	Tokyo Haneda	HND	7,169,371
6	Frankfurt	FRA	6,553,449
7	Paris Charles de Gaulle	CDG	6,446,848

8	Los Angeles	LAX	6,209,313
9	Dallas Fort Worth	DFW	6,073,418
10	Madrid	MAD	5,796,703
11	Hong Kong	HKG	5,703,003
12	Dubai	DXB	5,434,391
13	Denver	DEN	5,425,803
14	Bangkok	BKK	5,101,749
15	New York	JFK	4,991,708
16	Singapore Changi	SIN	4,925,981
17	Shanghai	PVG	4,805,389
18	Amsterdam	AMS	4,730,617
19	Jakarta	CGK	4,554,245
20	Munich	MUC	4,452,846