Data Bank: European Regional Fleets

European Carriers Add RJs At A Slower Pace

Europe's regional airlines are growing faster this year than last.

According to statistics maintained by the **European Regions Airline Association** (ERA), traffic as measured by revenue passenger kilometers increased by 9.9 percent in the first six months of 2005 versus 5.4 percent in 2004.

Other milestones in the first half:

- Passenger growth: 5.6 percent.
- Seat growth: 5.3 percent.
- Seat per kilometer growth: 9.3 percent.
- Hours growth: 6.7 percent.
- Landings growth: 5.3 percent.
- Average passenger load factor: 59.8 percent.

Among Europe's 10 largest regional carriers operating regional jets, seating capacity grew by 7.7 percent in 2005 over 2004, according to data compiled by **BACK Aviation Solutions** for *Regional Aviation News*. The rate of year-over-year seat capacity growth has been slowing. In 2004, the growth was 34.5 percent over 2003.

By comparison, the RJ seat capacity at the 10 largest U.S. regional carriers grew by 16.7 percent in 2005 over 2004. While the U.S. growth rate has moderated, the decline in the growth rate was not as steep. In 2004, the seating capacity grew by 27 percent.

Lufthansa CityLine remains the top carrier as measured by both seating capacity (14 percent of the market) and total aircraft (81 regional jets) *(see table, p. 6)*. While CityLine's seating capacity grew by 17.6 percent in 2005 over 2004, the fastest growing carrier was **Air Nostrum**. Its RJ seating capacity grew by 36.8 percent to 3.7 million seats. The second largest carrier, **British Airways Citiexpress**, reduced its capacity by 8.5 percent to 5.7 million RJ seats. Four out of the top 10 carriers reduced RJ seating capacity in 2005 over 2004, according to BACK's research *(see chart below)*.

While RJ use has been increasing, the turboprop remains strong in Europe.

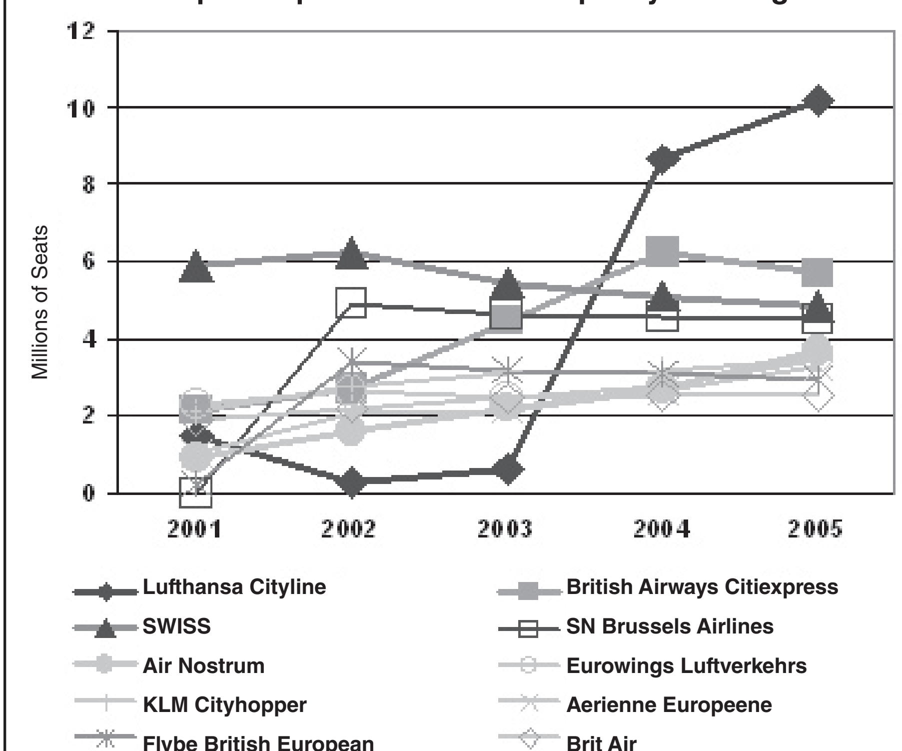
France's **ATR** turboprop remains the most popular aircraft in Europe. There are 211 of these airplanes in active service, or 14 percent of the market

European Regional Aircraft Still Dominate Europe

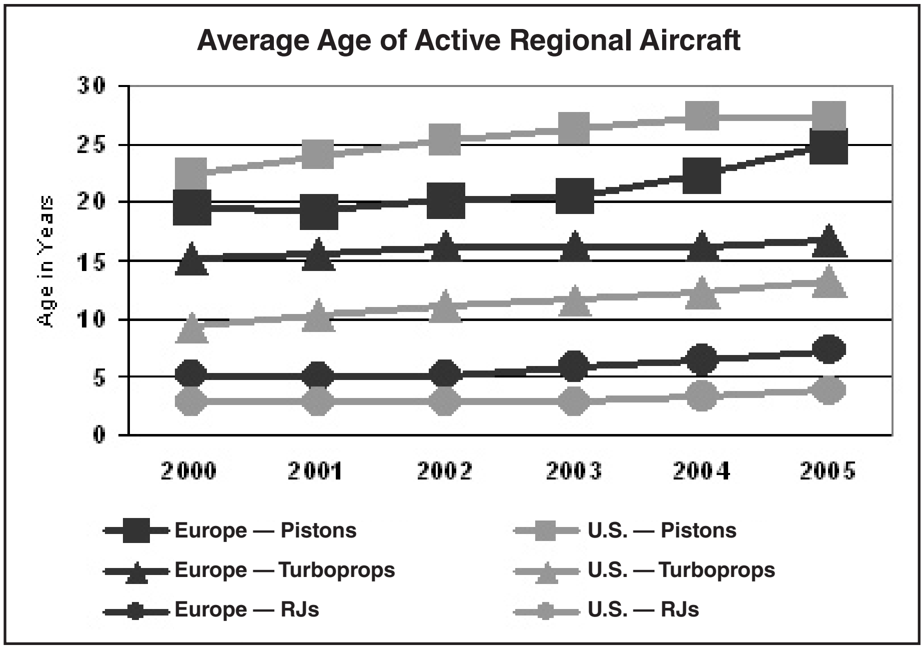
	Europe			United States		
	Aircraft	In Service	Market Share	Aircraft	In Service	Market Share
1.	ATR (all)	211	13%	CRJ (all)	943	38%
2.	CRJ (all)	177	11%	ERJ 145	650	26%
3.	BAe 146	170	10%	B1900	158	6%
4.	Antonov 24	167	10%	Dash 8 (all)	148	6%
5.	Dash 8 (all)	155	10%	Saab 340	139	6%
6.	ERJ 145	145	9%	Embraer 120	81	3%
7.	Fokker 27	79	5%	ATR (all)	55	2%
8.	Antonov 26	60	4%	Embraer 170	52	2%
9.	Saab 340	53	3%	BAe 146	51	2%
10.	Saab 2000	49	3%	B99	38	2%

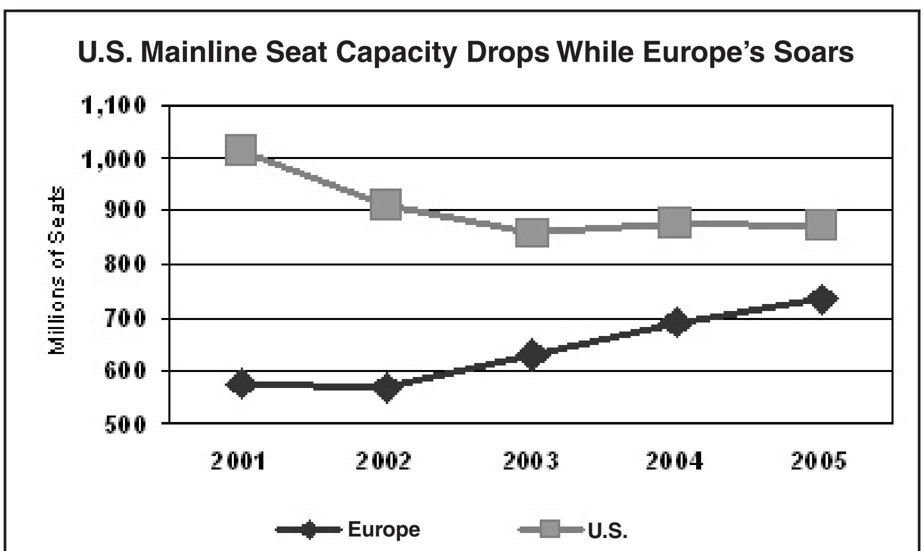
Based on October 2005 fleets

European Operators' RJ Seat Capacity Growing



Top European RJ Operators October 2005 Share of Seat Capacity		
Airline	Seats	Share
1. Lufthansa Cityline	835,843	14%
2. British Airways Citiexpress	480,772	8%
3. Swiss	411,922	7%
4. SN Brussels Airlines	399,538	7%
5. Eurowings Luftverkehrs	358,752	6%
6. Air Nostrum	326,700	5%
7. KLM Cityhopper	303,680	5%
8. Flybe British European	275,774	5%
9. Aerienne Europeene	275,496	5%
10. City Jet	218,416	4%





European

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share.

Of the 1,069 planes flown by ERA members, there are 598 RJs in operation compared to 471 turboprops *(see table on p. 5)*. European-built aircraft continue to dominate the business. Of the 1,266 regional aircraft in operation, only 332 are the Canadian-built **CRJ** or **Dash** models built by **Bombardier** [BBD] and 145 are Brazilian-built **Embraer** [ERJ] 145s.

In the United States, 75 percent of the aircraft are made in Canada or Brazil. Ten percent of the planes are made in Europe.

In purchasing decisions, 45 out of the 118 airplanes on order are turboprops. By comparison, only one of the 303 regional aircraft on order with U.S. carriers is a turboprop, according to BACK data. Britain's **FlyBe** has the largest turboprop order – 27 Q400s. Air Nostrum's order for 19 CRJ 200s is the largest order placed for RJs.

While 55 percent of the ERA fleet is now regional jets, the routes these planes fly are still suited for the turboprop. The average RJ trip is now 1 hour 14 minutes. In some cases, ERA carriers are flying turboprops against mainline aircraft. FlyBe plans to use its growing fleet of Q400s against **easyJet**'s **Boeing** [BA] 737s on routes out of Liverpool. It has also ordered 14 Embraer 195s for its longer routes.

The conversion of mainline routes to RJ service in Europe has not taken off as it has in the United States *(see chart at left)*. BACK's data indicates that the number of mainline seats flown by all U.S. carriers has dropped 0.3 percent in 2005 after growing 2.2 percent in 2004. In Europe, all mainline seats flown have increased by 6.6 percent in 2005 after growing 9.9 percent in 2004.

The faster growing U.S. fleet means that it is a younger fleet than the one flown in Europe *(see chart at left)*. With the exception of the European piston-powered fleet, the U.S. turboprop and RJ fleets are on average younger than their European counterparts. The 29 **Britten-Norman** Trislanders flown by European carriers are collectively three years younger than the **Cessnas** flown in the U.S. ✈

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European Airlines' Regional Jet Fleets

Airline/Total Aircraft	Aircraft	In Use	Stored	On Order	Total
Adria Airways: 7	CRJ 100/200	7			7
Aegean Airlines: 6	BAe 146	6			6
Aer Lingus: 3	BAe 146-300		3		3
Air Dolomiti: 4	BAe 146-300	3			3
	CRJ 100/200	1			1
Air Nostrum: 53	BAe 146-200	1			1
	BAe 146-300	1			1
	CRJ 100/200	32		19	51
Albanian Airlines: 3	BAe 146	1			1
	BAe 146-200	1			1
	BAe 146-300	1			1
Alitalia Express: 20	Embraer 170	6			6
	ERJ 145	14			14
Atlantic Airways: 4	BAe 146-200	4			4
Austrian Airlines: 4	CRJ 100/200	1			1
	Fokker 70	3			3
Blue1: 9	BAe 146	2			2
	Avro RJ85	7			7
Brit Air: 31	CRJ 100/200	19			19
	CRJ 700	11		1	12
British Airways Citiexpress: 49	BAe 146	1			1
	BAe 146-200	3			3
	BAe 146-300	1			1
	BAe 146	16			16
	ERJ 145	28			28
British Midland Airways: 13	ERJ 135	3			3
	ERJ 145	10			10
Cimber Air: 7	CRJ 100/200	7			7
Cirrus Luftfahrt: 4	Dornier 328Jet	2			2
	Embraer 170	1			1
	ERJ 145	1			1
City Airline: 6	ERJ 135	3			3
	ERJ 145	3			3
City Jet: 17	BAe 146-200	15			15
	BAe 146-300	2			2

Airline/Total Aircraft	Aircraft	In Use	Stored	On Order	Total
Eurowings: 26	BAe 146-200	4			4
	BAe 146-300	6			6
	CRJ 100/200	16			16
FlyBe: 29	BAe 146		1		1
	BAe 146-200	6			6
	BAe 146-300	8			8
	Embraer 195			14	14
Gandalf Airlines: 4	Dornier 328Jet		4		4
KLM Cityhopper: 21	Fokker 70	21			21
Lot Polish Airlines: 27	Embraer 170	10			10
	Embraer 175			4	4
	ERJ 145	13			13
Lufthansa Cityline: 81	Avro RJ85	18			18
	CRJ 100/200	43			43
	CRJ 700	20			20
Luxair: 10	ERJ 135	2			2
	ERJ 145	8			8
Malev: 5	Fokker 70	5			5
Malev Express: 4	CRJ 100/200	4			4
Malmo Aviation: 9	BAe 146	9			9
Portugalia: 8	ERJ 145	8			8
Regional, Compagnie Aerienne Europeenne: 48	Embraer 190			6	6
	ERJ 135	9			9
	ERJ 145	28			28
	Fokker 70	5			5
SN Brussels Airlines: 14	BAe 146-200	6			6
	BAe 146	12			12
	Avro RJ85	14			14
Swiss: 59	BAe 146	15			15
	Avro RJ85	4			4
	Embraer 170			14	14
	Embraer 195			15	15
	ERJ 145	11			11
Tyrolean Airways: 22	CRJ 100/200	16			16
	Fokker 70	6			6

Includes regional jet fleets for carriers with more than two RJs.

Firm Turboprop Orders For European Airlines

Airline/Total Aircraft	Aircraft	In Use	Stored	On Order	Total
Azerbaijan Airlines: 5	Antonov 140	3		2	5
CCM Airlines: 13	ATR 72-500			6	6
	ATR 42-500	1			1
	ATR 72-100	6			6
Finnish Commuter:	ATR 72-500			8	8

Airline/Total Aircraft	Aircraft	In Use	Stored	On Order	Total
Finnish Commuter: 10	Saab 340A	1			1
	Saab 340B	1			1
FlyBe: 45	Q400	18		27	45
TAROM: 9	ATR 72-500			2	2
	ATR 42-500	7			7