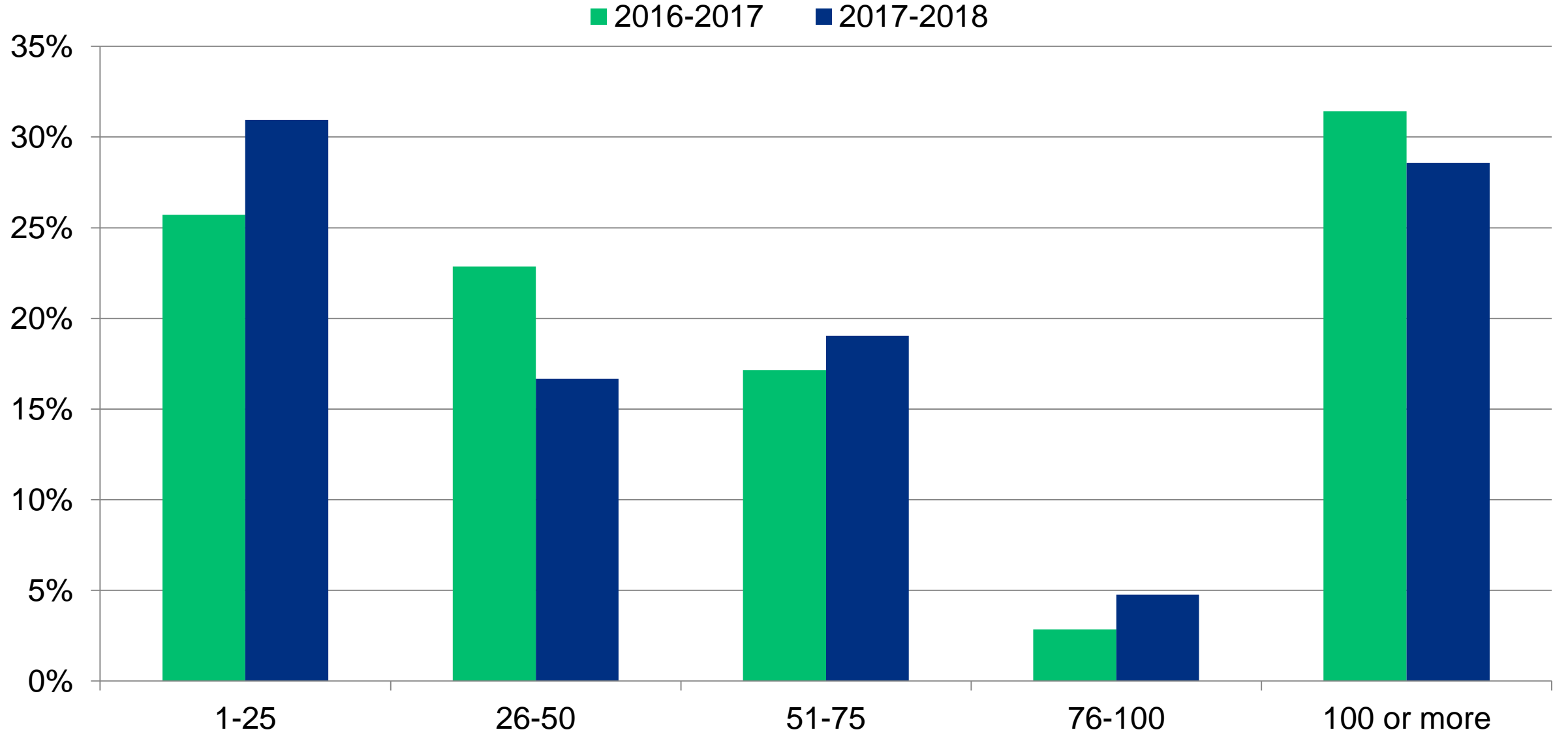


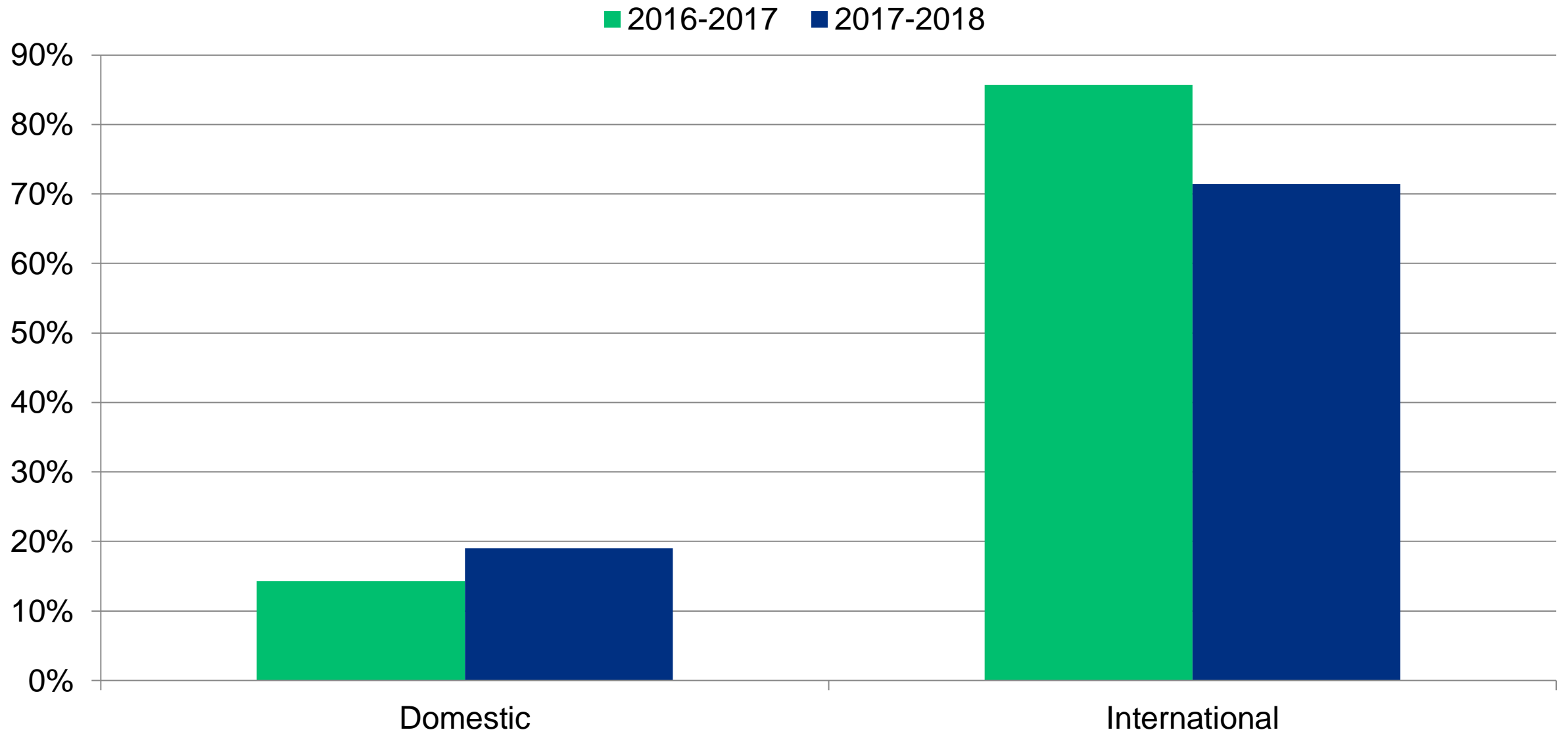
The State of Airline Fuel Hedging in 2017-2018

Dubai | 4 October 2017

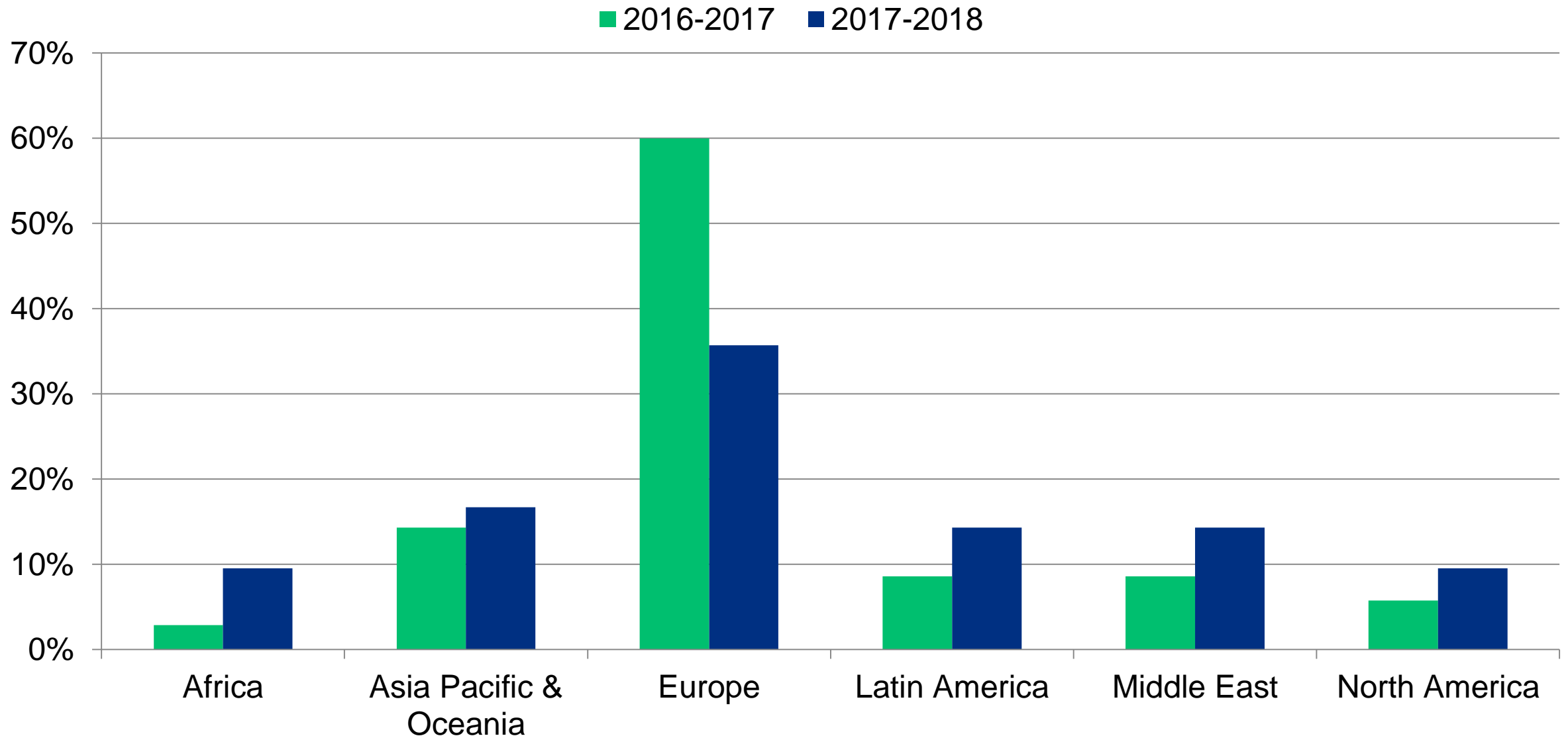
Number of Aircraft in Fleet



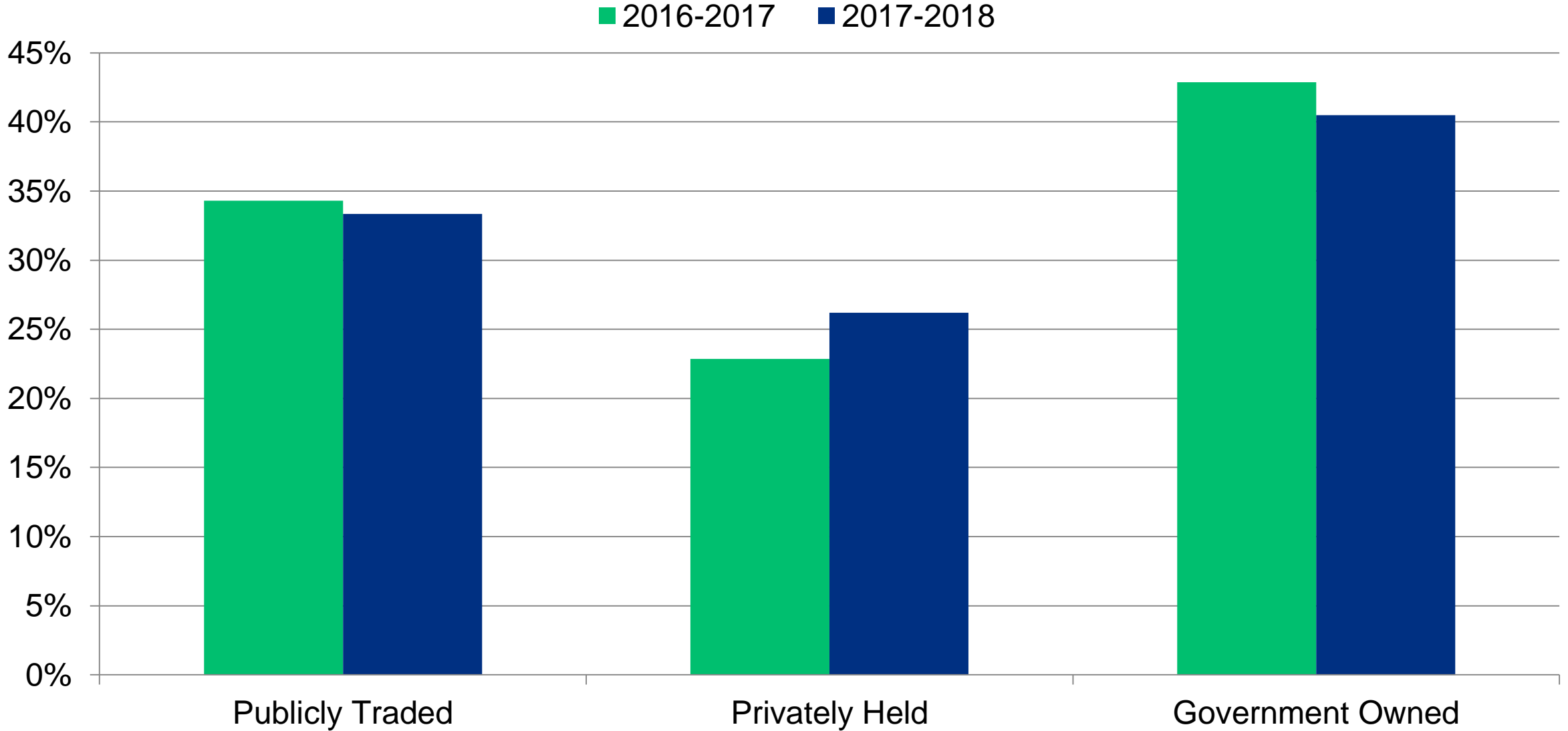
Majority of Flights Domestic or International



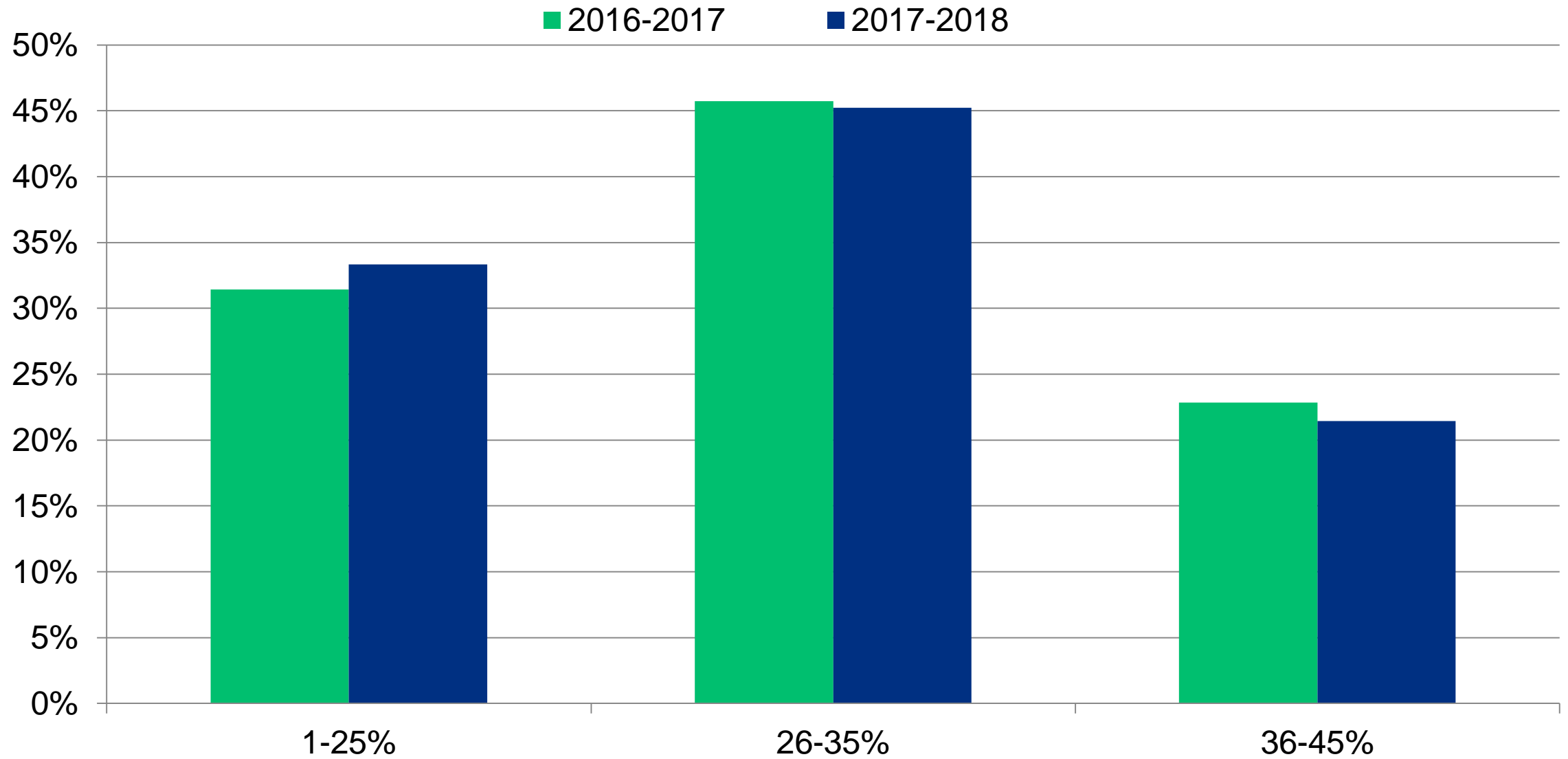
Point of Origin of Majority of Flights



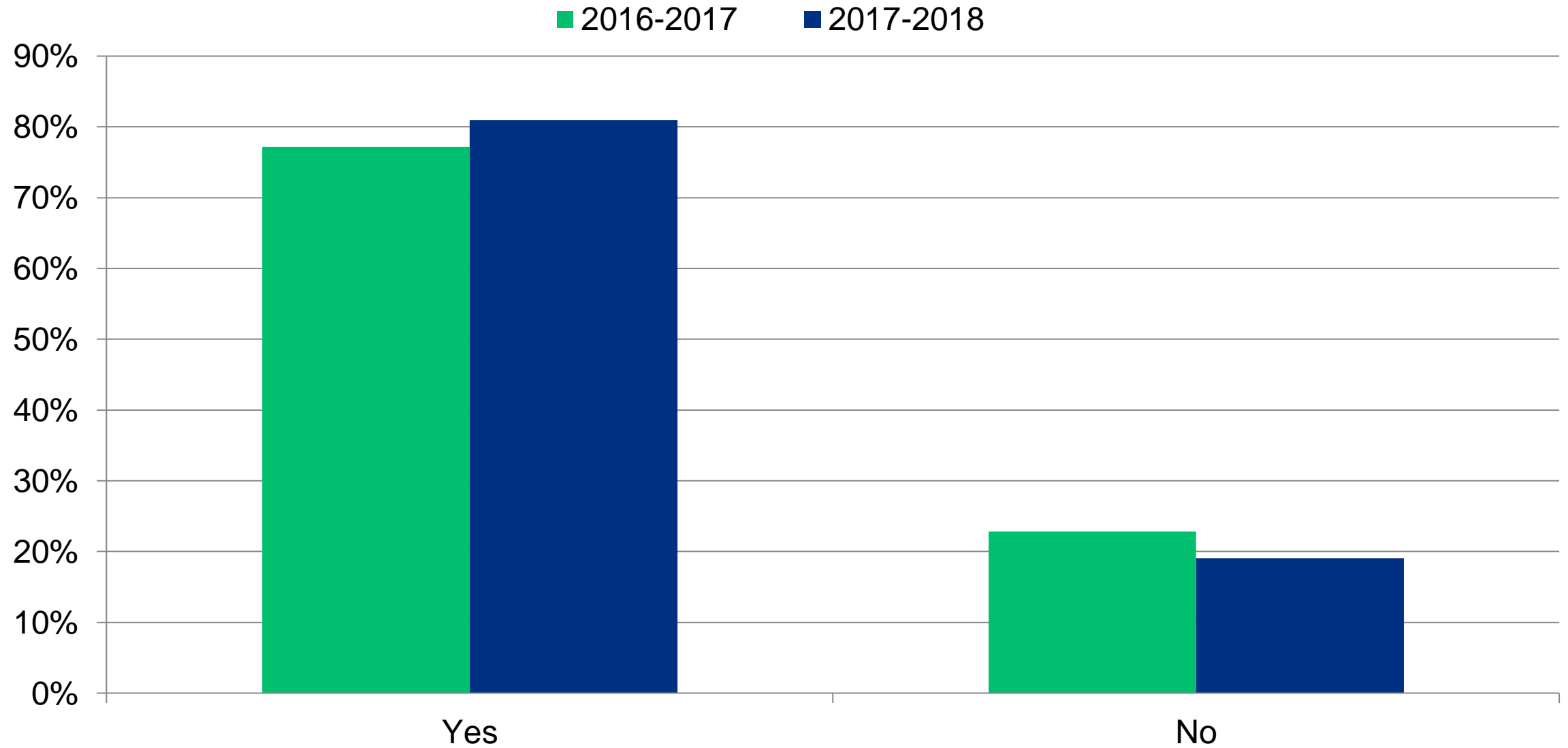
Majority of Shares are Publicly Traded, Privately Held or Government Owned



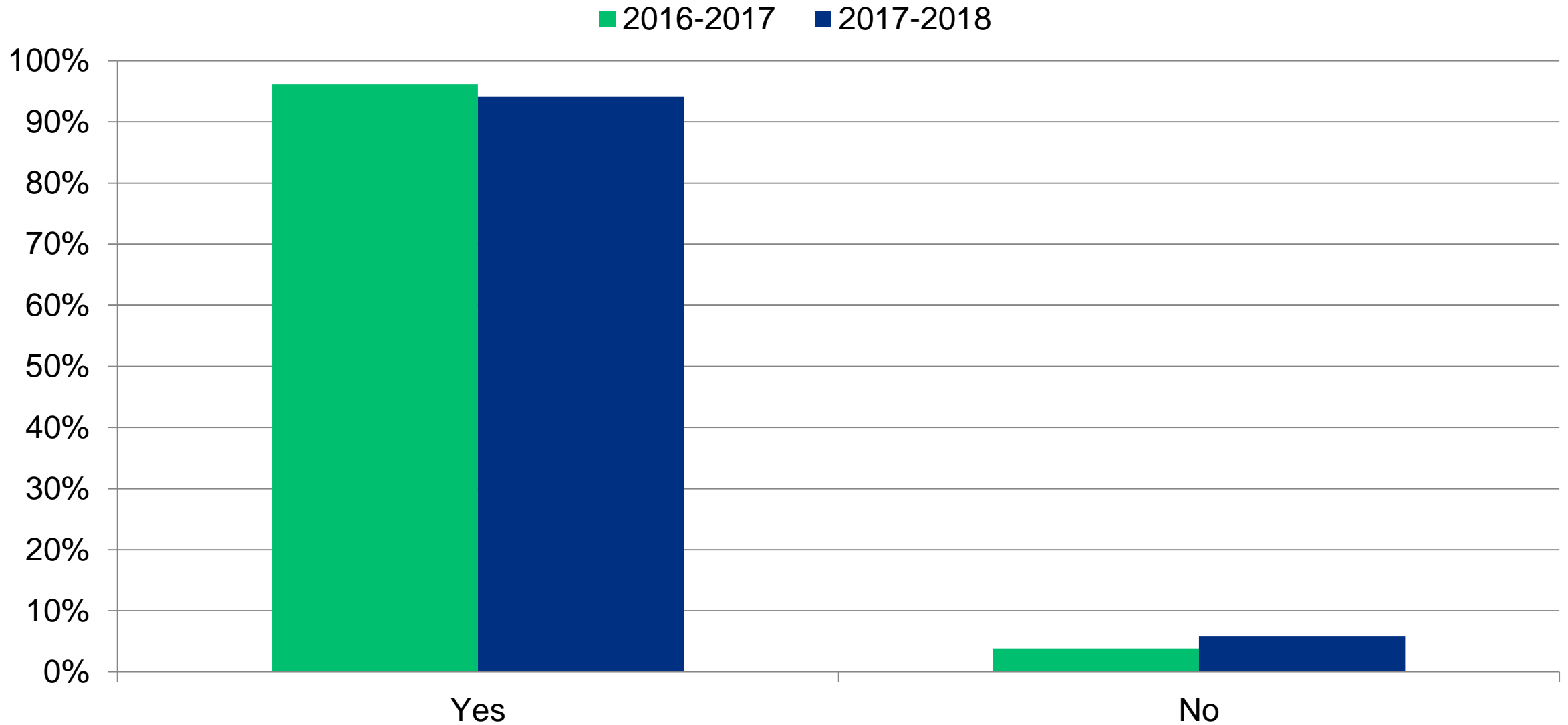
Percentage of Total Costs Attributed to Fuel Costs



Does Your Company Engage in Fuel Hedging

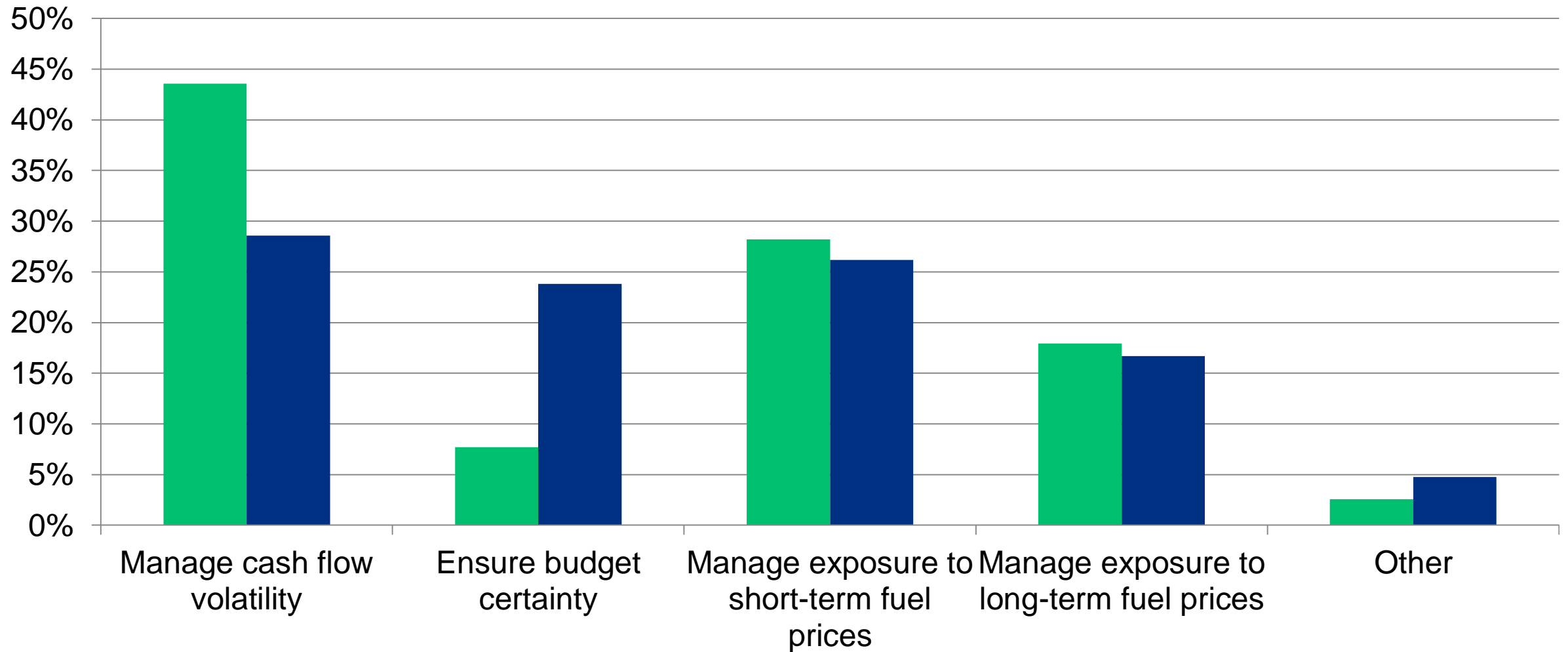


Does Your Company Have A Formal Fuel Hedging Policy

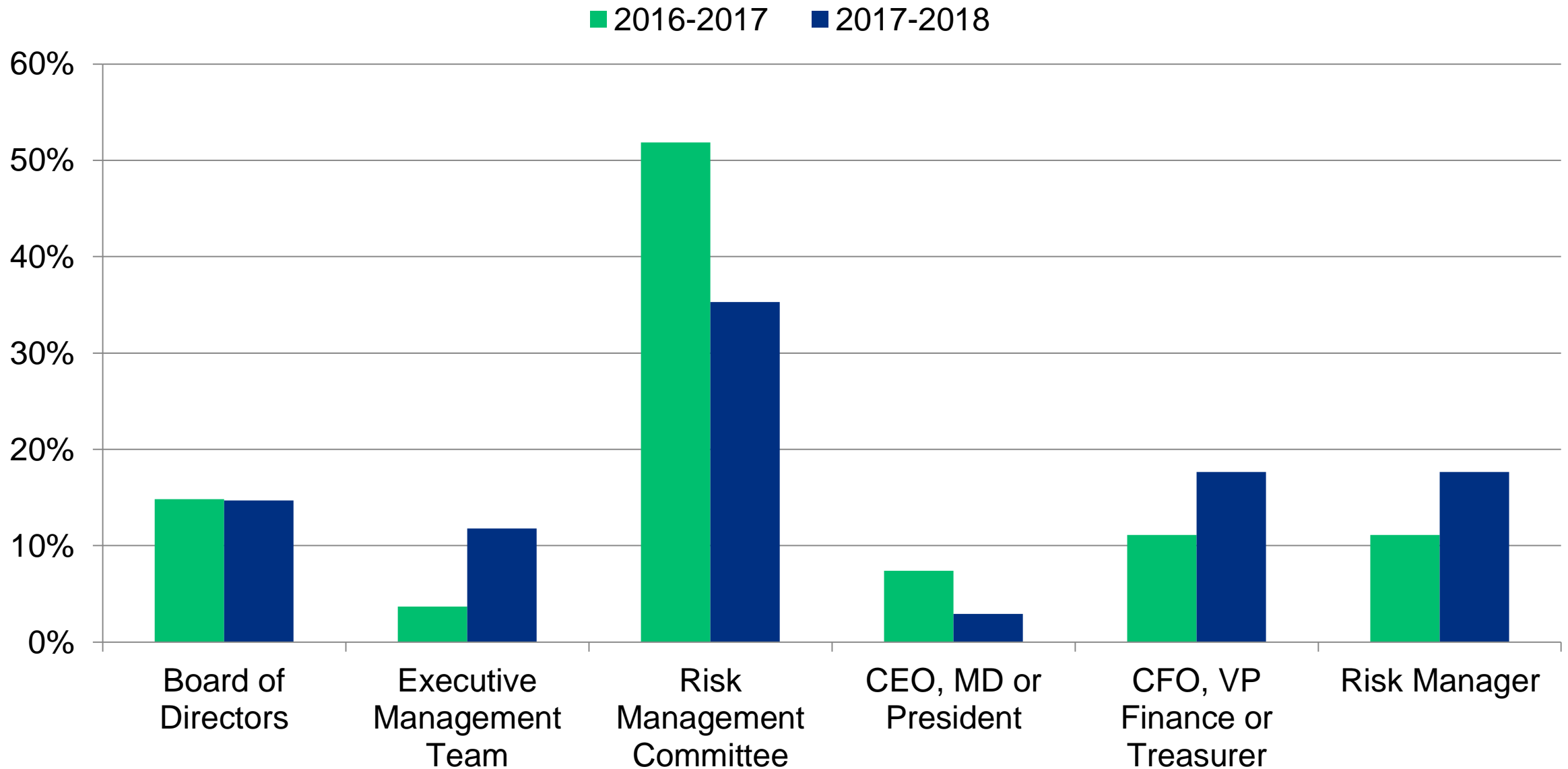


Primary Purpose of Your Fuel Hedging Program

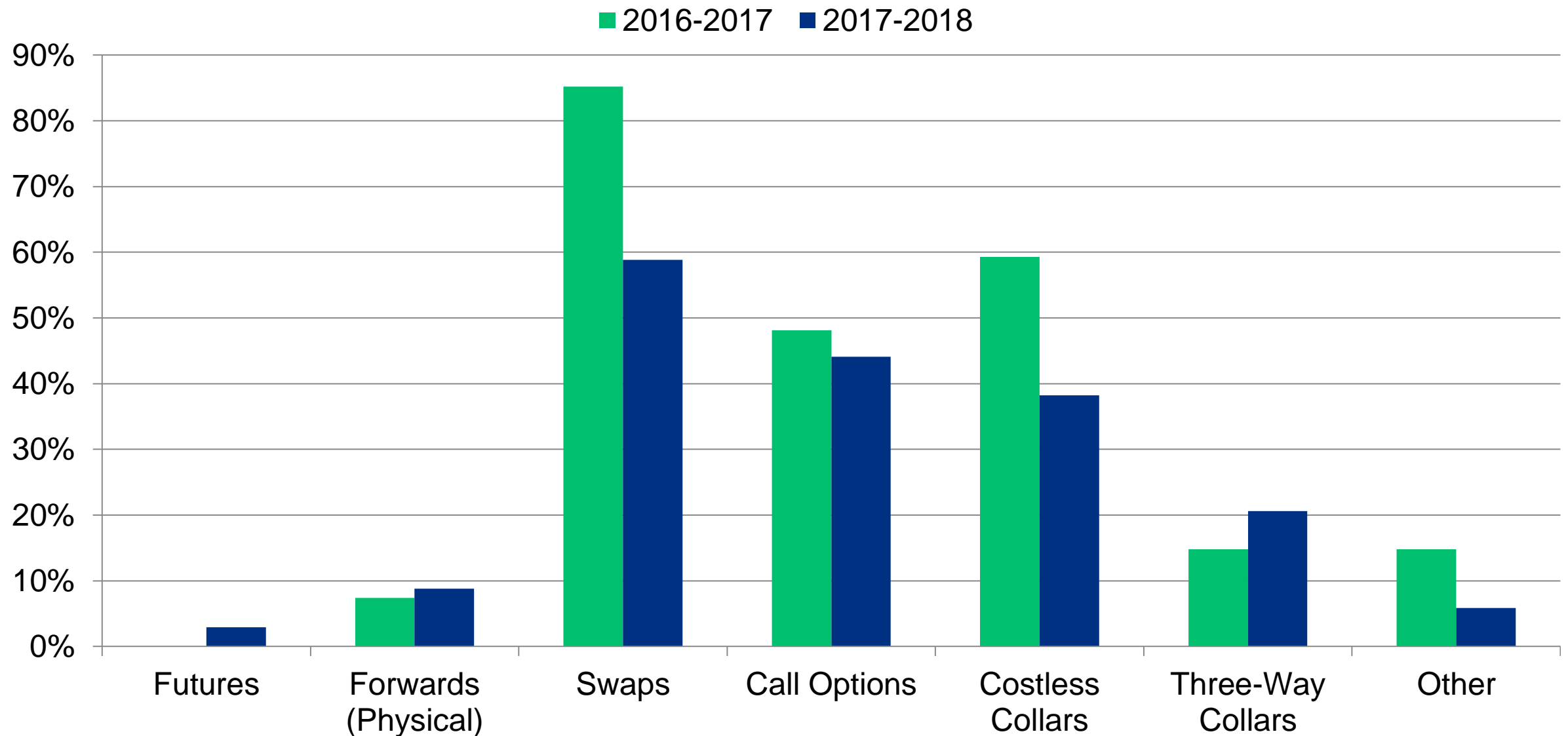
■ 2016-2017 ■ 2017-2018



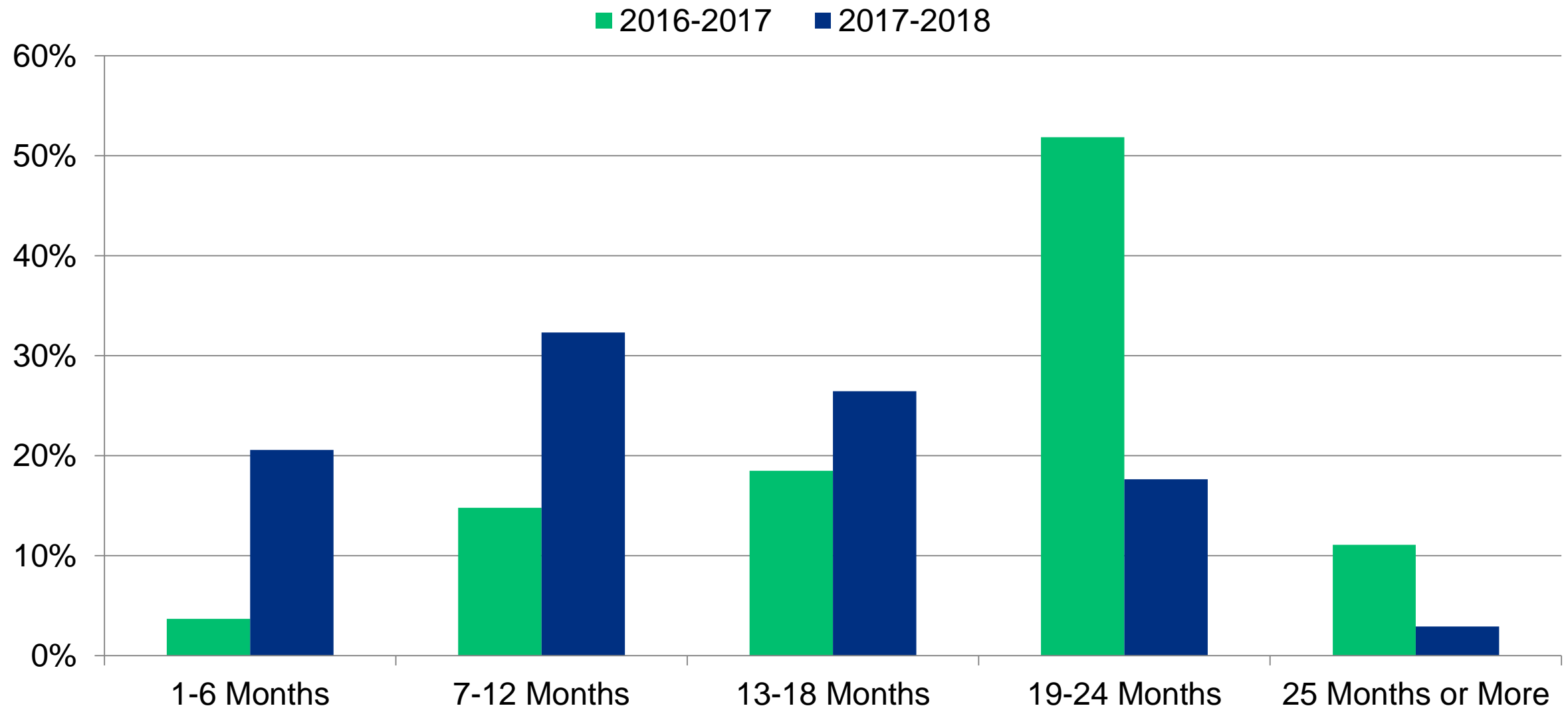
Primary Decision Maker Regarding Fuel Hedging Activities



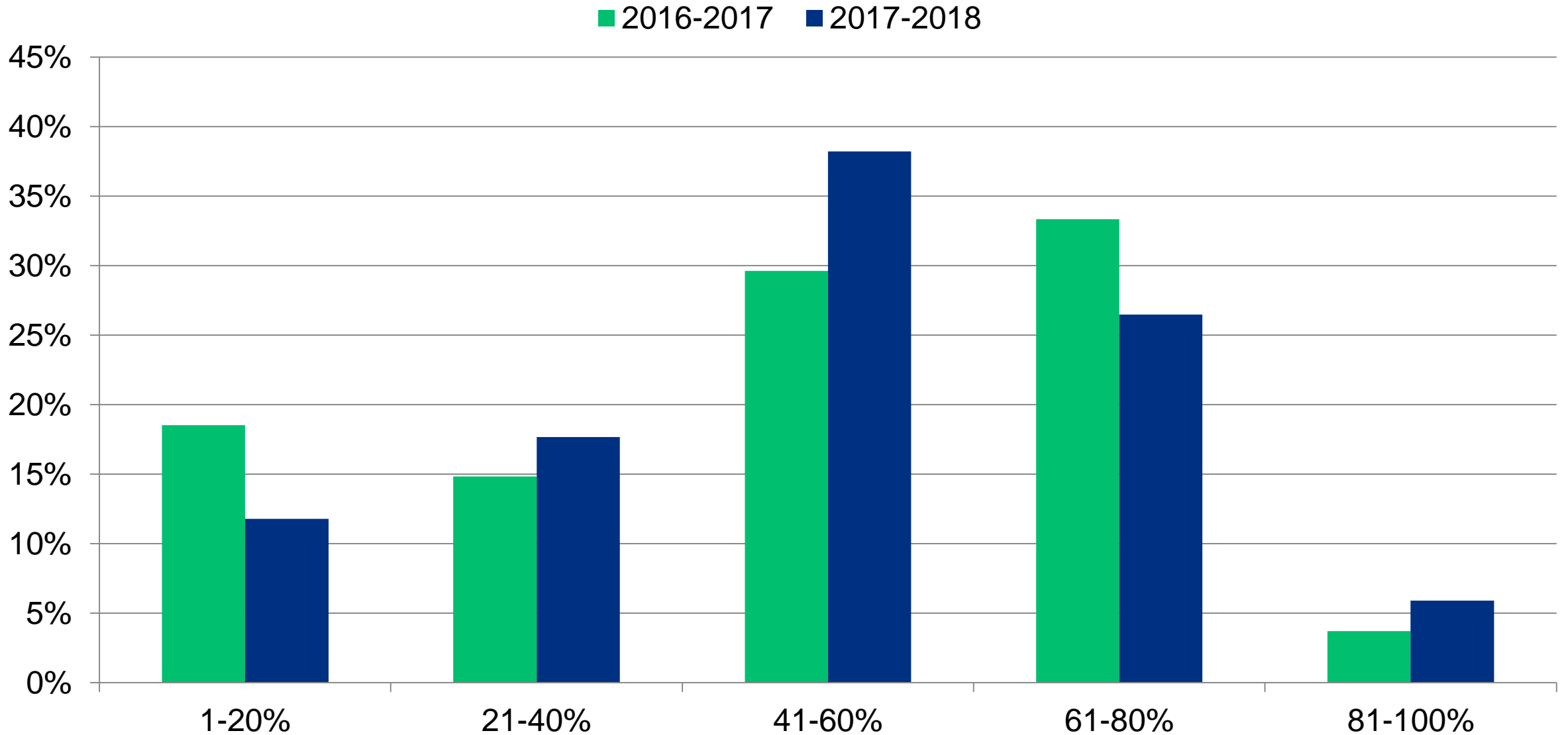
What Hedging Strategies Do You Employ On A Regular Basis



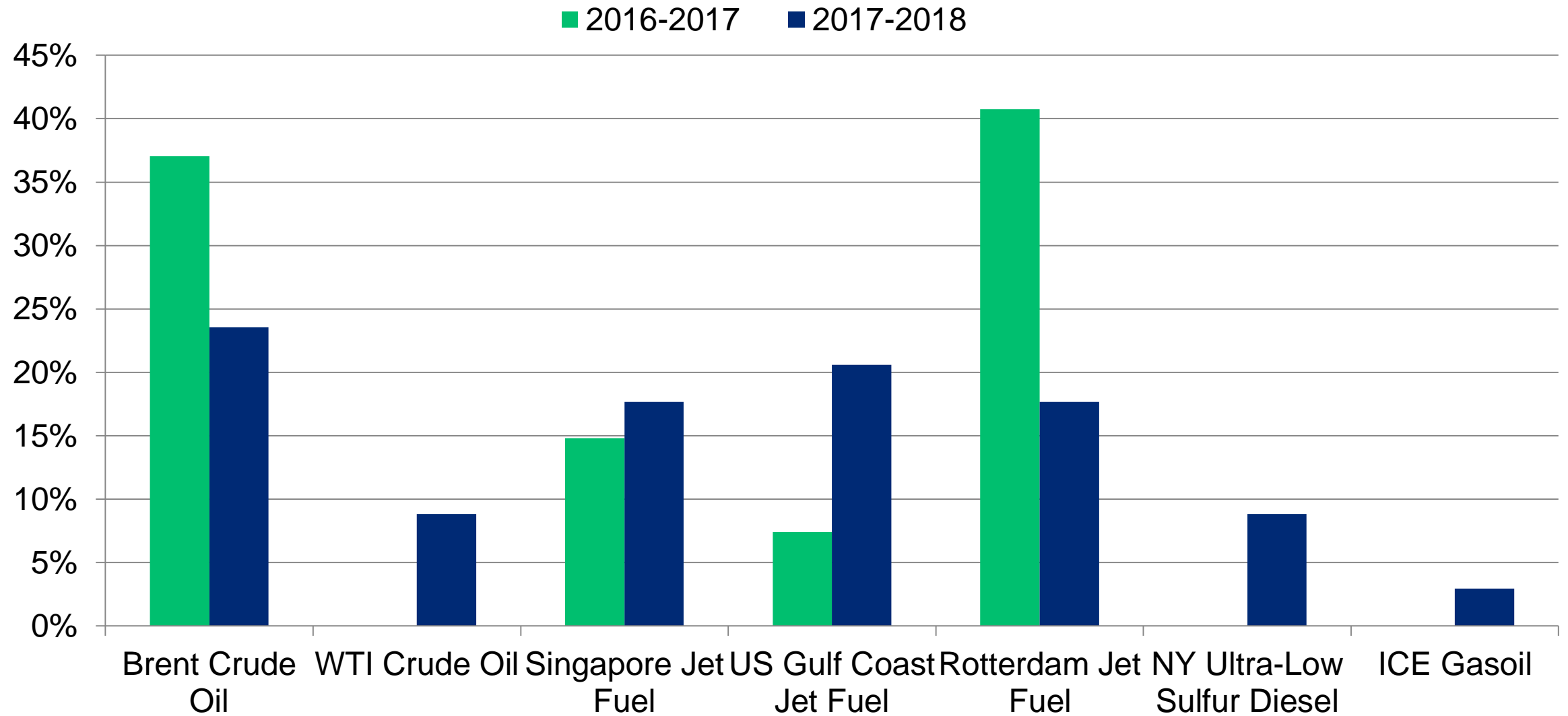
Maximum Tenor (Duration) of Your Fuel Hedging Positions



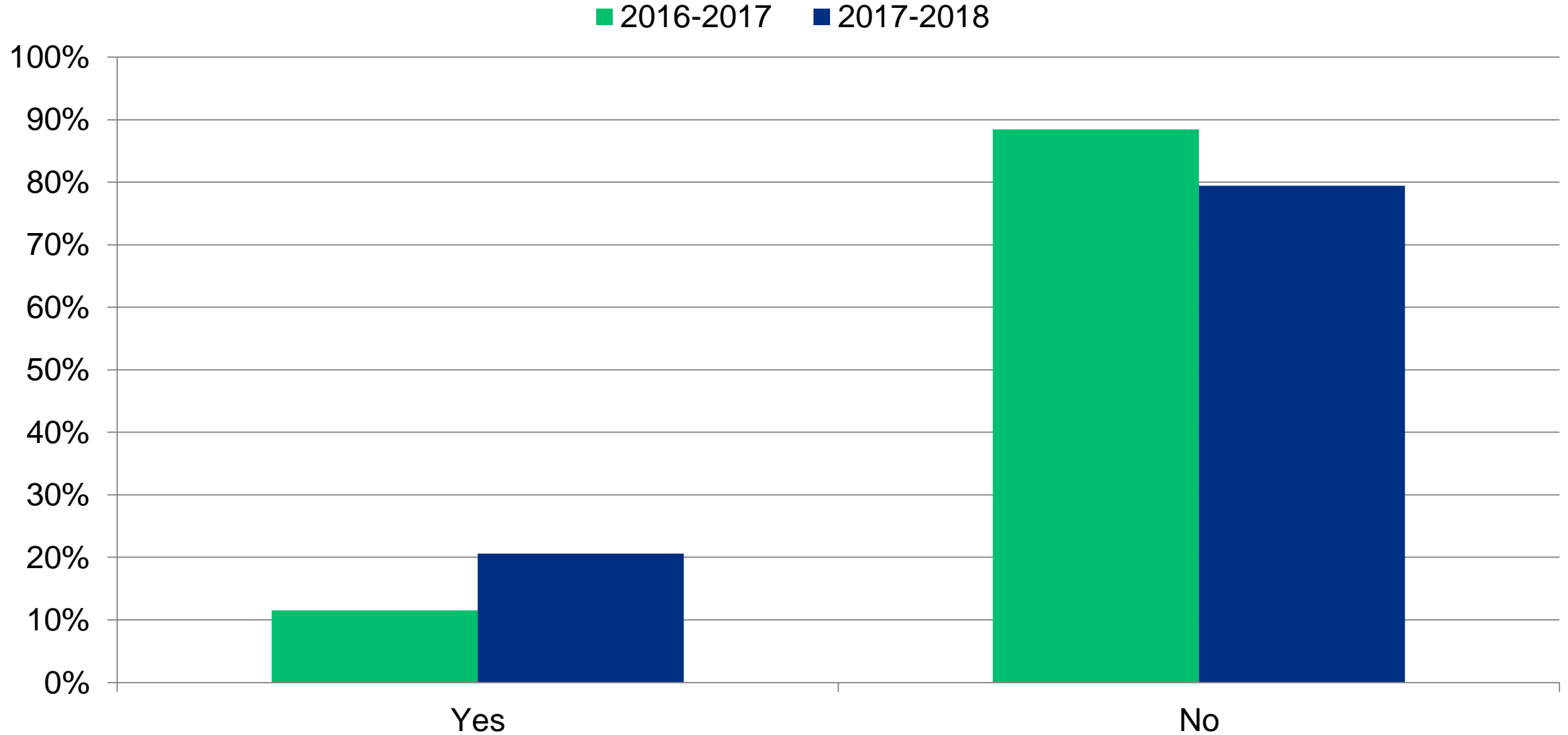
Percentage of Fuel Consumption Hedges for Upcoming 12 Months



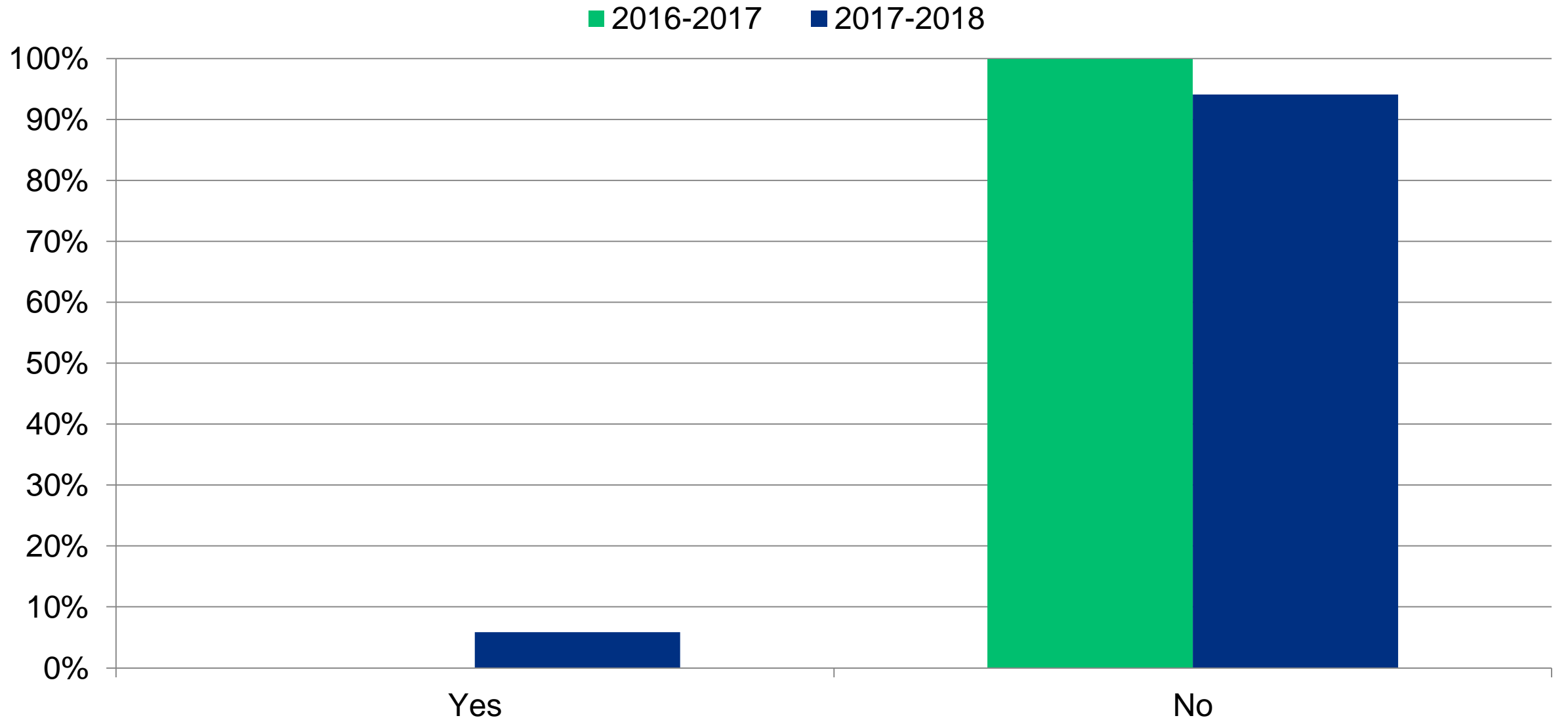
Percentage of Fuel Consumption Hedges for Upcoming 12 Months



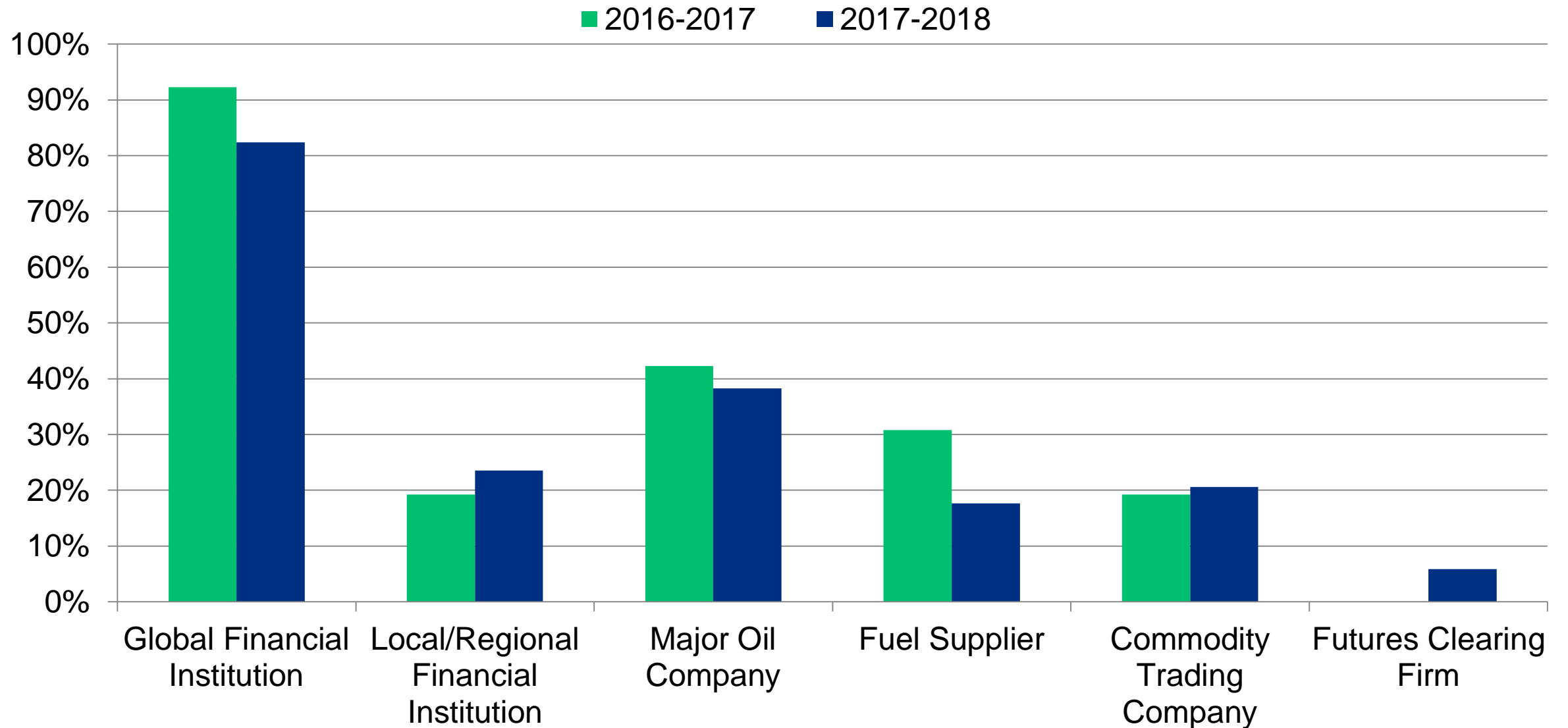
Do You Believe Credit Issues May Limit Your Ability to Hedge in Coming 12 Months



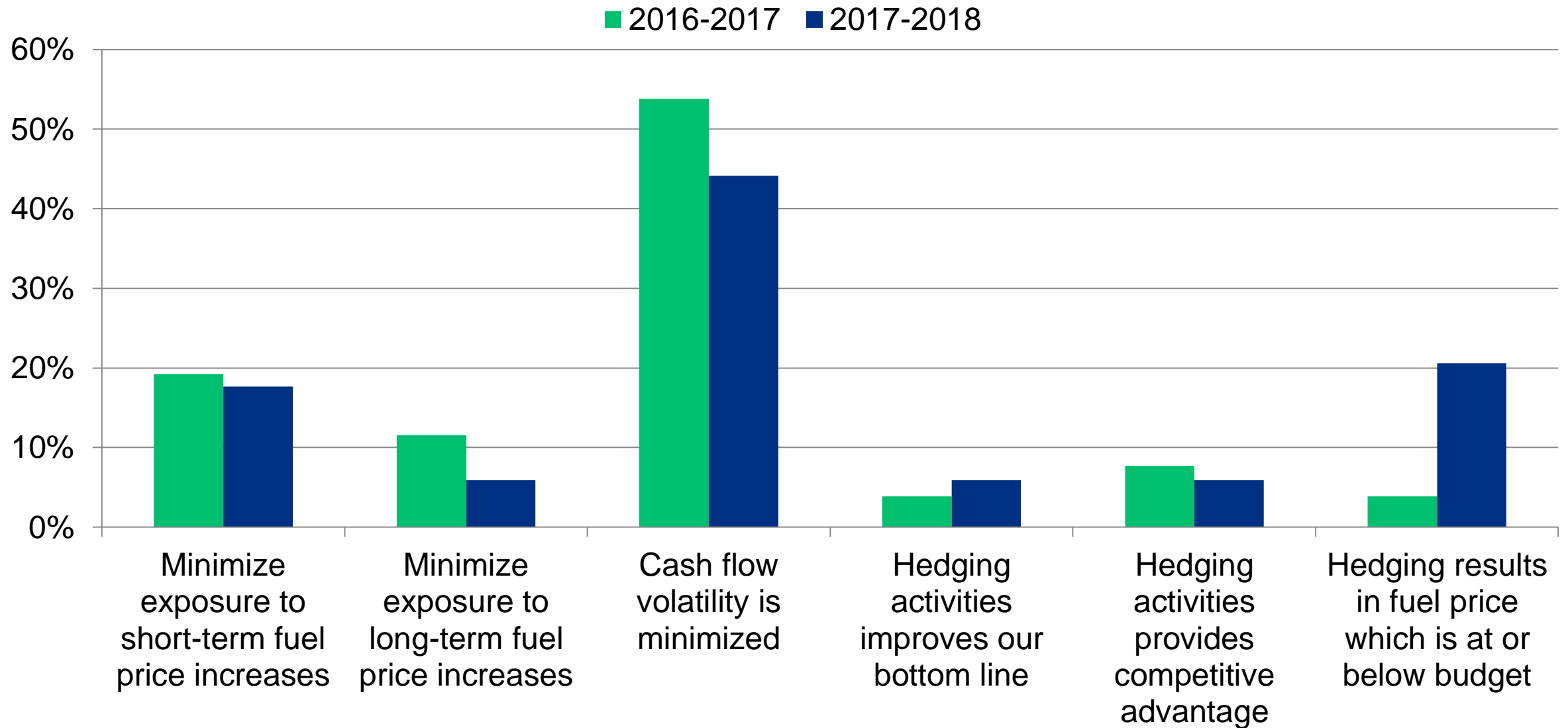
Do You Clear Any of Your Fuel Hedges with Exchanges i.e. CME, ICE?



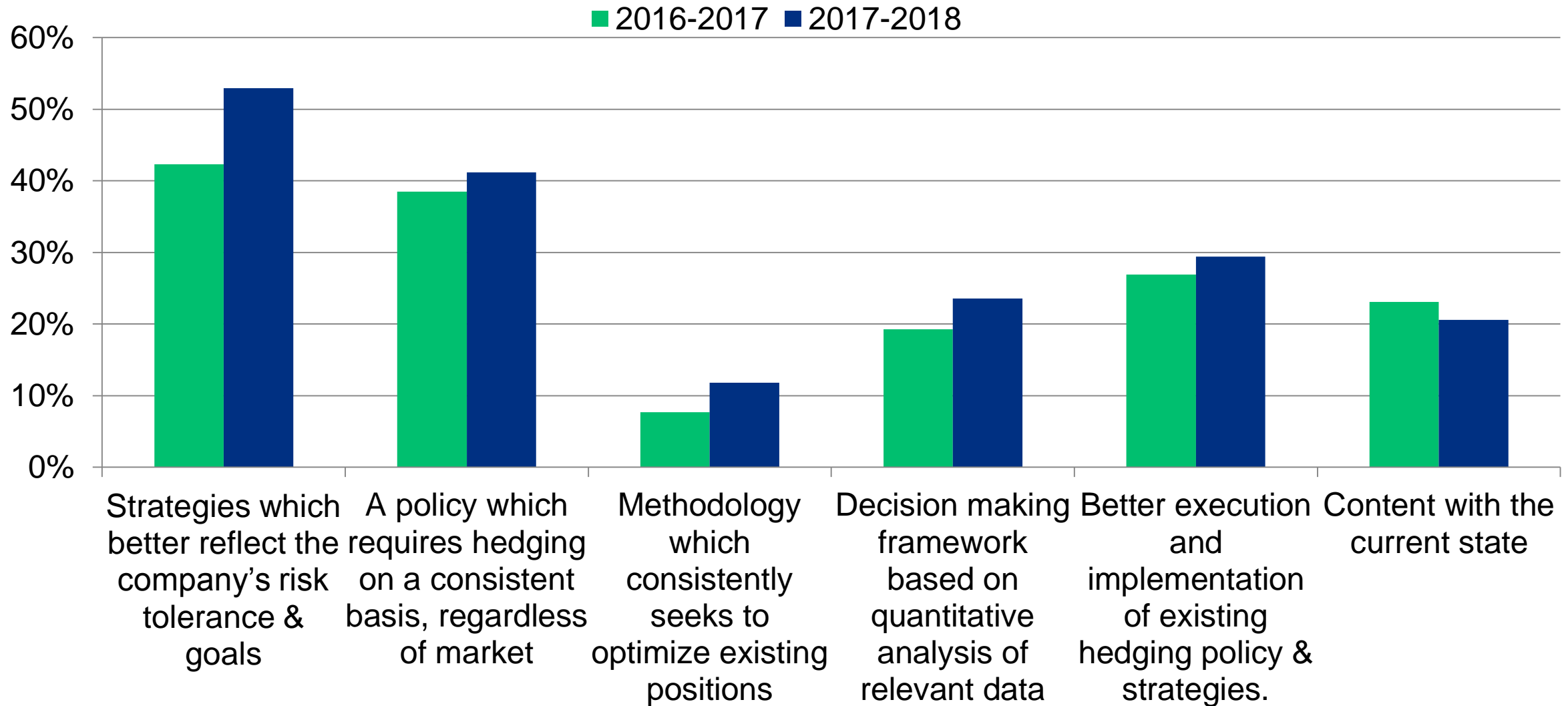
Primary Counterparty or Clearing Firm



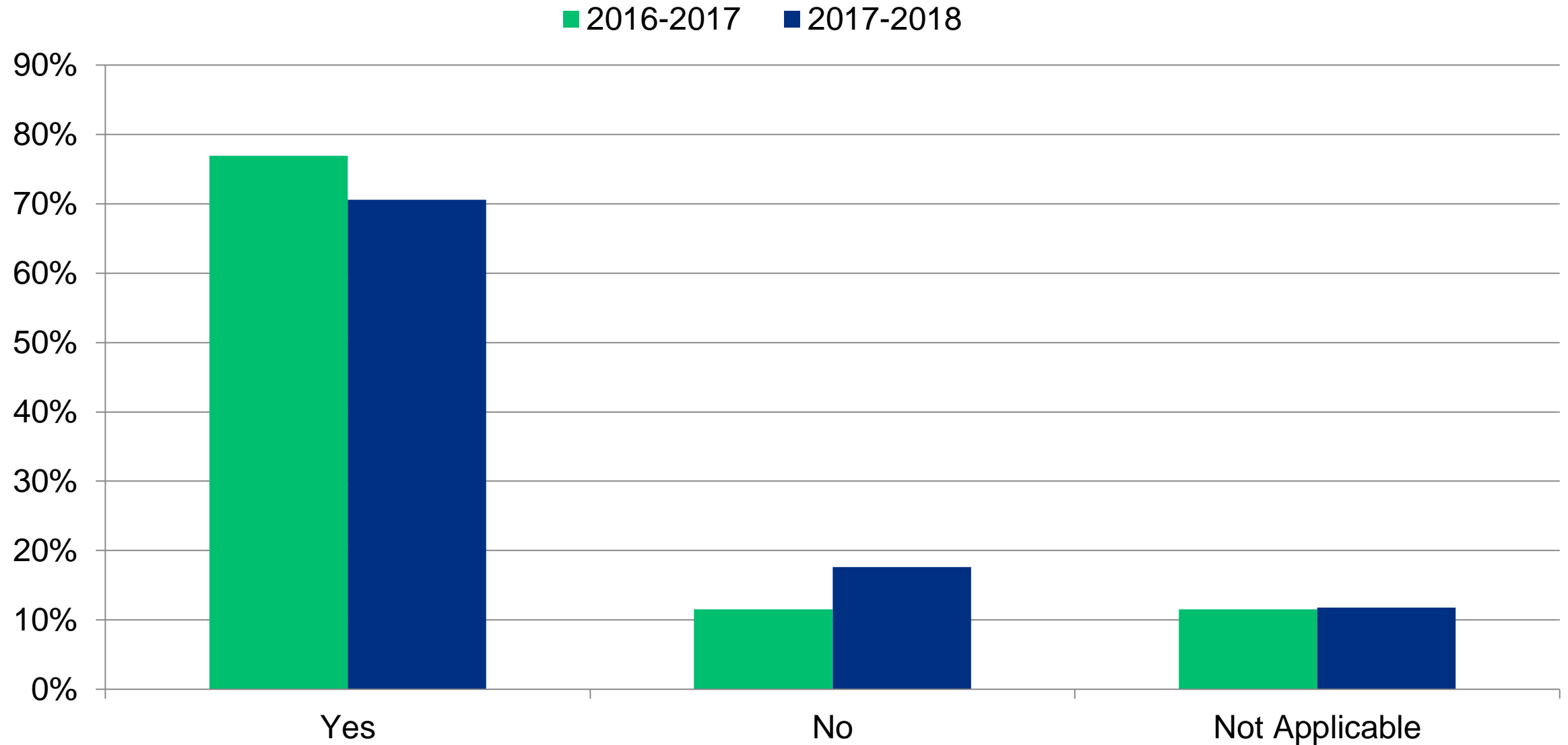
How Do Stakeholders (i.e. Board, Shareholders) Define Hedging Success



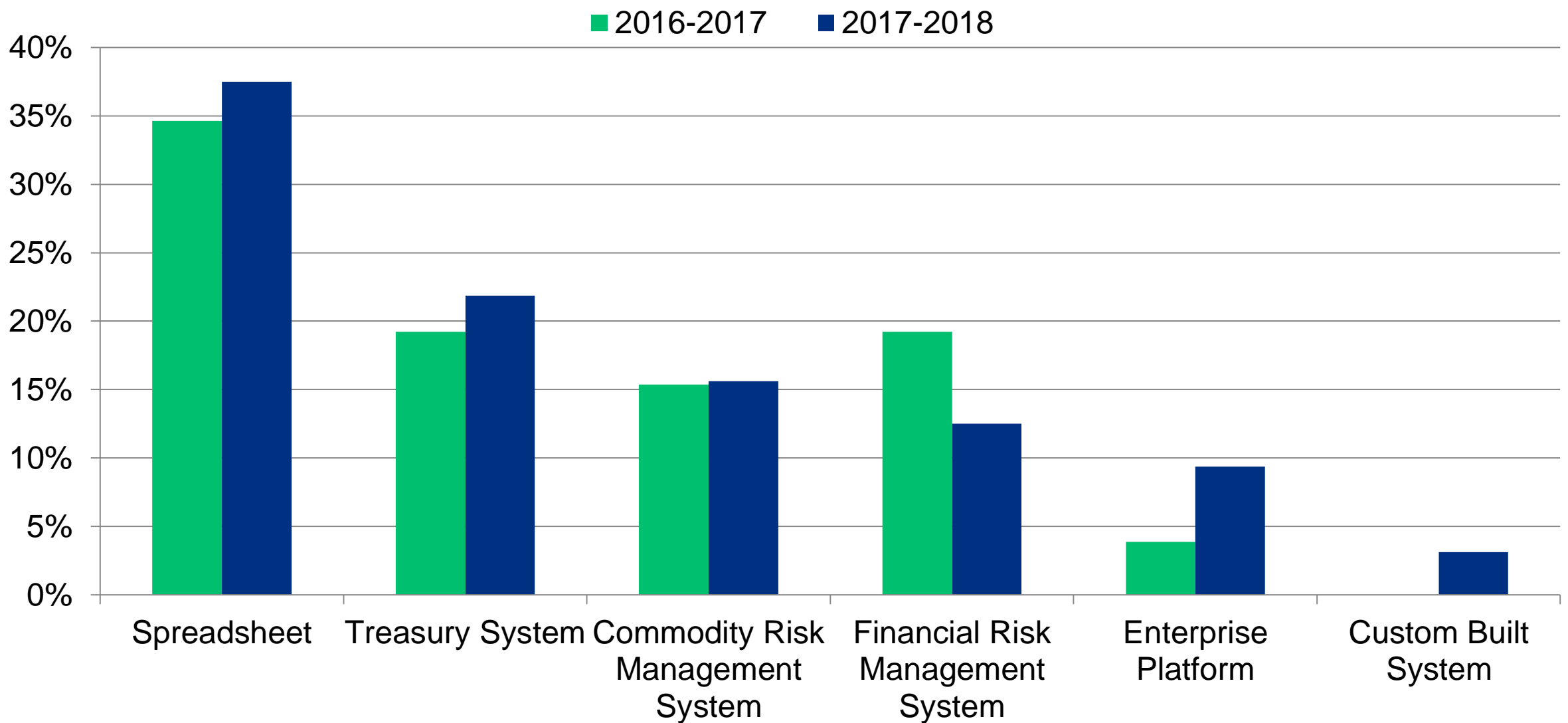
How Can Company Best Improve Hedging Results



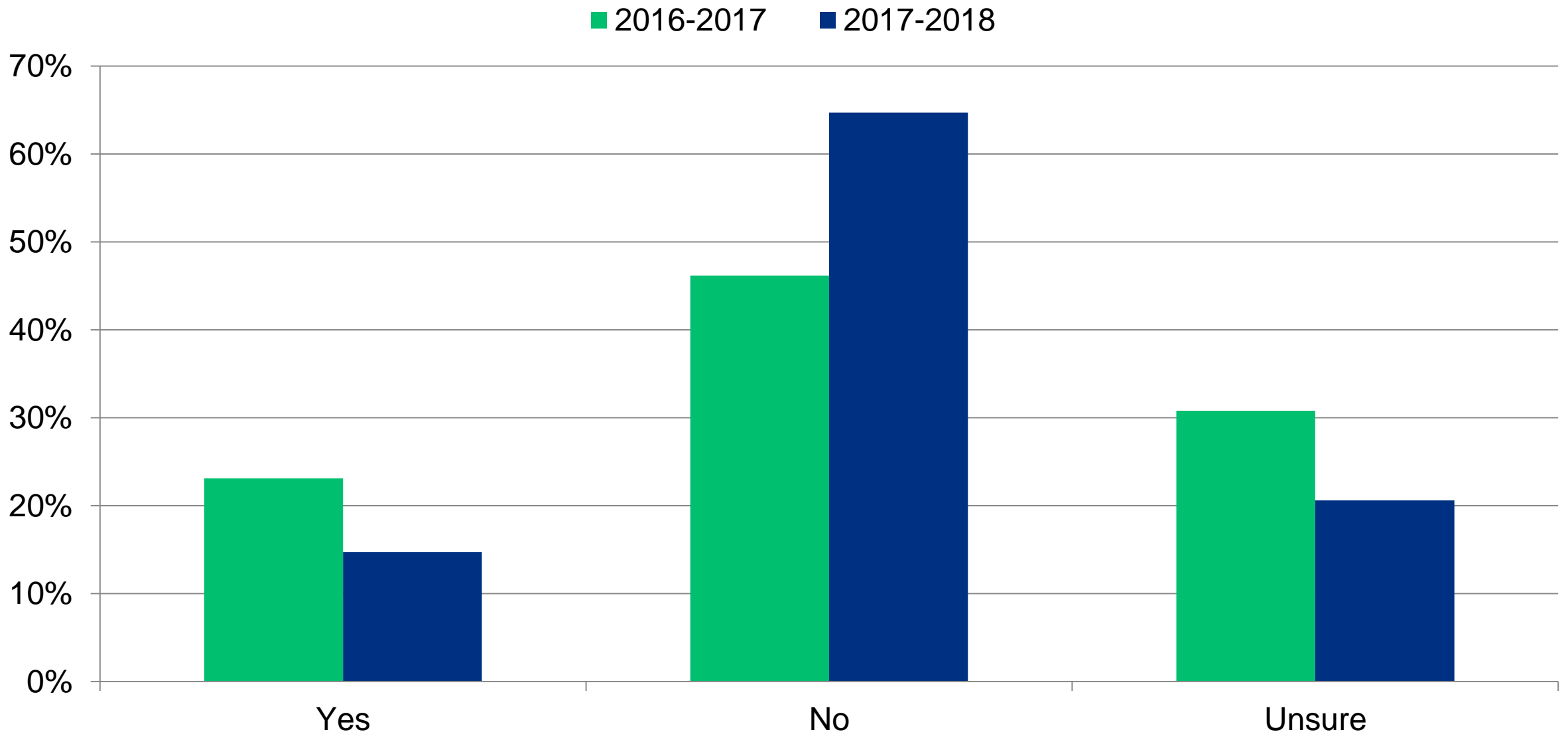
Does Your Company Utilize Hedging Accounting per IFRS or GAAP?



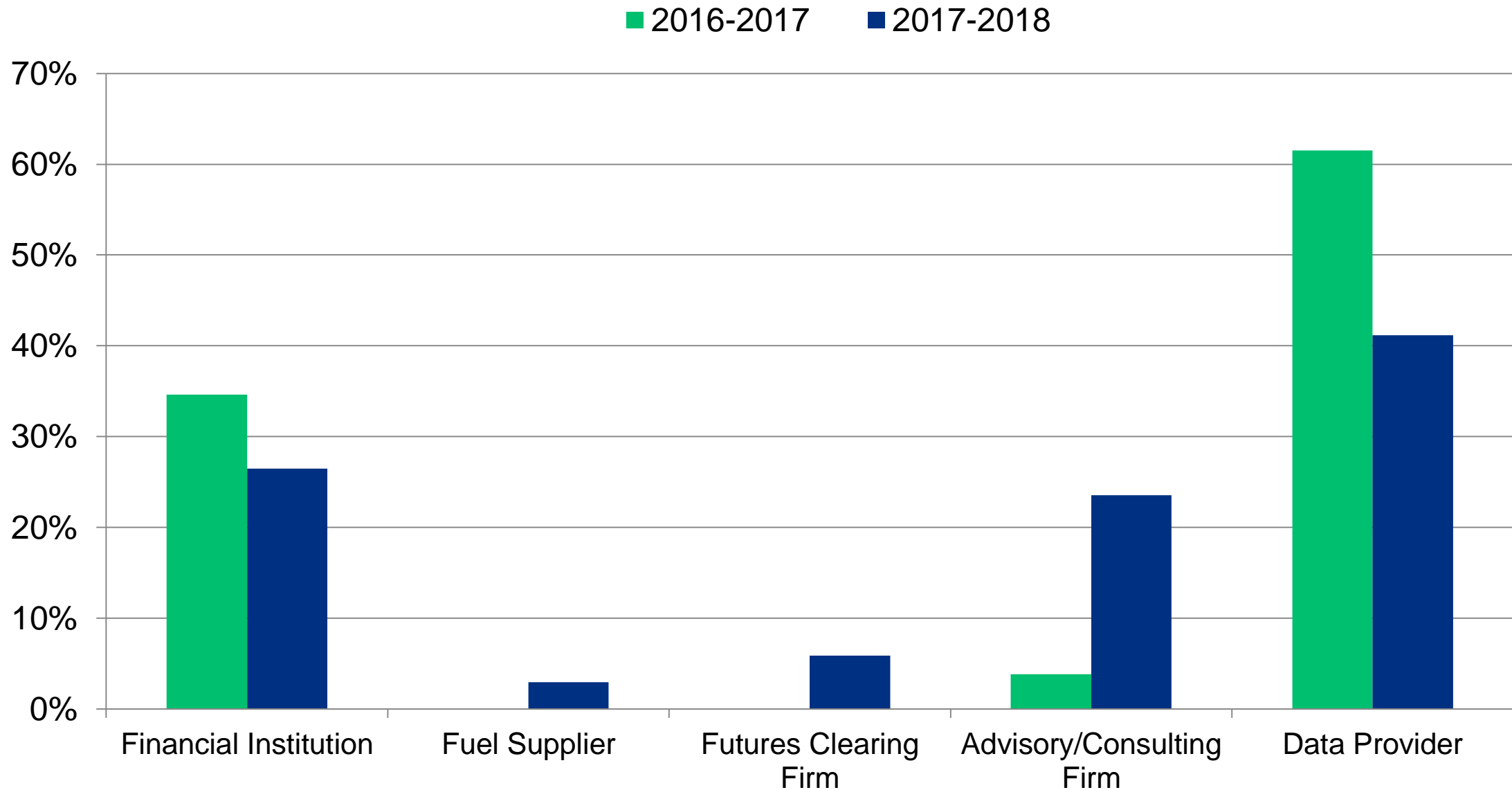
What Technology Do You Use to Manage Fuel Hedging Activities?



Will Changing Market Regulations (i.e. MiFID) Impact Fuel Hedging Activities?



Primary Source of Fuel Hedging Data and Information



What is Company's Largest Challenge As It Relates to Fuel Hedging

- Risk committee is attempting to guess market prices to determine best hedging strategies
- Mark-to-market losses associated with positions executed when prices were much higher
- Changing regulations and declining number of counterparties
- Anticipating the fuel hedging strategies being utilized by competitors
- Call option premium prices
- Board and CEO lack understanding of risk management and commodity markets
- Improve cost/benefit ratio of our fuel hedging activities
- Strategy selection i.e. swaps vs. costless collars
- Obtaining a better understanding of all strategies available to us so that we can diversify portfolio
- Optimizing current positions in light of changing market prices and volatilities

What Data & Information Would Allow You to Better Manage Fuel Hedging

- A treasury system which can natively handle fuel hedging and can integrate with our enterprise risk management system
- In-depth market analysis of FX and fuel markets
- Regional and global trends of airline fuel hedging positions
- Competitor and peer group hedge benchmarks and analysis
- Trading system which allows us to execute with many counterparties at same or similar time
- Forward market prices and volatilities
- System to conduct scenario analysis and value hedging activities
- Better access to cleared market for crude oil and jet fuel swaps and options
- Independent advice for our directors regarding best strategies to meet our hedging objectives

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