

**ROUTE PROFITABILITY ANALYSIS**

ROUTE	Annual Demand	Prorated Average One-way revenue	Total Revenue
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DEMAND AND AIRFARE ESTIMATES FOR ONE YEAR

Total MSY-DEN local Passengers (both directions)	102,000		
Expected market share for one daily flight (%)	70		
Local MSY-DEN passengers on new flight	59,740	\$450	\$26,883,000

Additional Traffic

Connections behind MSY to/from DEN	24,000	\$425	\$10,200,000	
Connections to/from MSY beyond DEN	12,000	\$400	\$4,800,000	100240
Connections behind MSY to/from destinations beyond DEN	4,500	\$375	\$1,687,500	59740

Total Passengers all Directions

100,240	\$43,570,500
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Additional Cargo Revenue (=10% of pax revenue)

\$4,357,050
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**TOTAL REVENUES**

\$47,927,550
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**INPUTS AND ASSUMPTIONS**

Aircraft Type	A320
Number of Seats	149
Total Annual Flights each direction (=98% completion of daily)	358
Block Hours MSY to DEN	8:00
Block Hours DEN to MSY	9:00
Non-stop miles (MSY to DEN)	1383

Aircraft Operating Costs per Block Hour

Crew Costs	\$477
Fuel/Oil	\$2,413
Ownership	\$730
Maintenance	\$523
<b>Total per Block Hour</b>	<b>\$4,143</b>

Indirect Operating Cost	\$0.02	per RPM
Traffic Servicing	\$22	per Enplanement
Aircraft Servicing	\$1,800	per Departure
Promotion and Sales	9.00%	of Passenger Revenues
G&A	\$0.002	per ASM

**CALCULATIONS**

Annual Flights	716
Annual Block Hours	6086
Avg Pax per Flight	140
RPMs	138,631,920
Passenger Yield	0.31428909
ASMs	147,543,972
Seat Departures	106,684
Passengers Enplaned	100,240
Average Load Factor	0.939597315

DIRECT OPS COSTS	\$25,214,298
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PAX SERVICE	\$2,079,478.80
TRAFFIC SERVICE	\$2,205,280
AIRCRAFT SERVICE	\$1,288,800
PROMOTIONS AND SALES	\$3,921,345.00
G&A	\$295,087.94

OPERATING COSTS	\$35,004,290
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OPERATING PROFIT	\$12,923,260
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OPERATING MARGIN (%)	36.92
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