



DYNAMIC MIDDLE EAST A REGIONAL REVIEW

Conference-debat du Cercle des Economists Arabes
15 Decembre 2010

Fouad Attar
Head of Commercial
Airbus Middle East



Dynamic Middle East

- Airbus in the region
- Regional Overview
- Regional Market Forecast

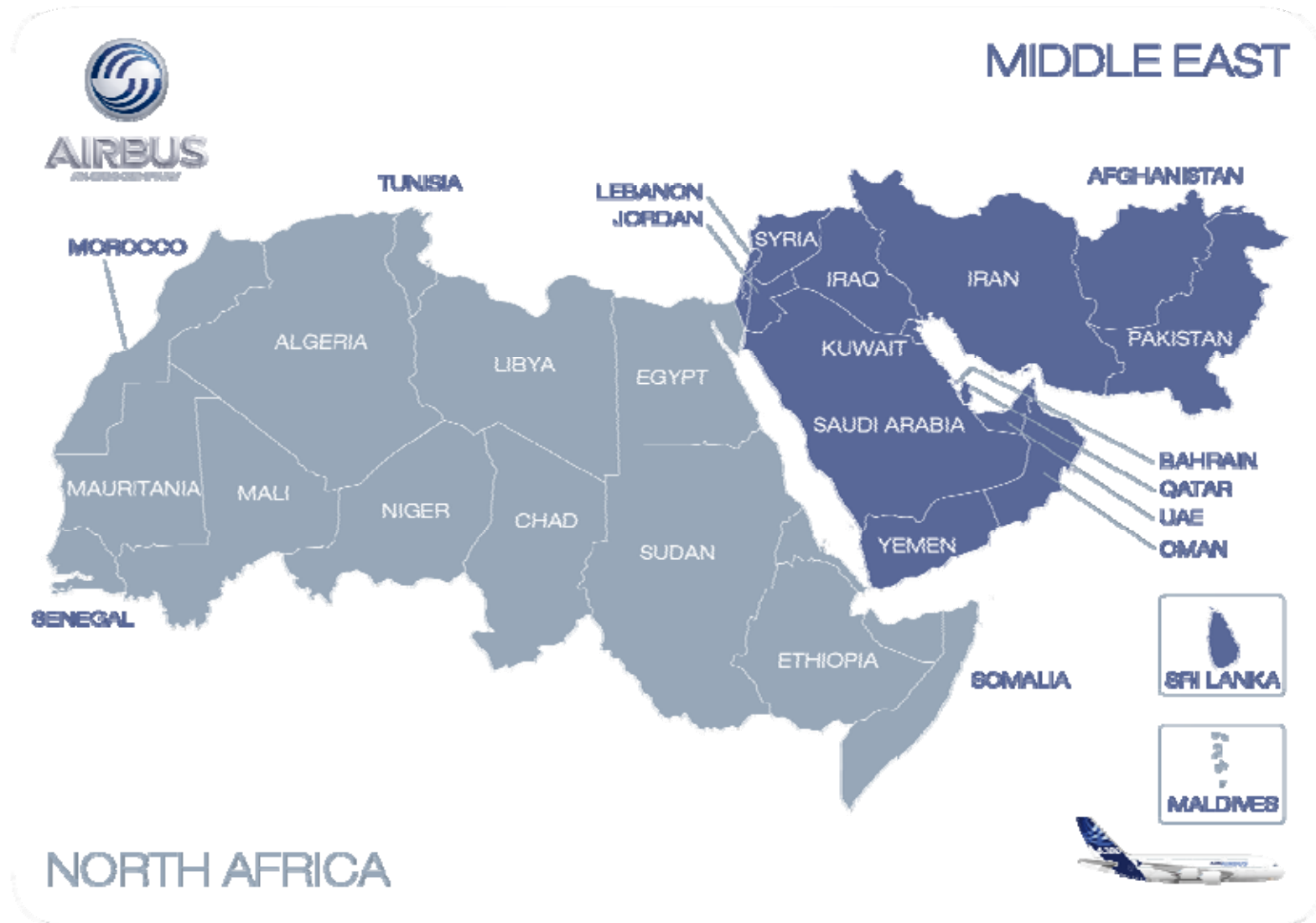


Dynamic Middle East

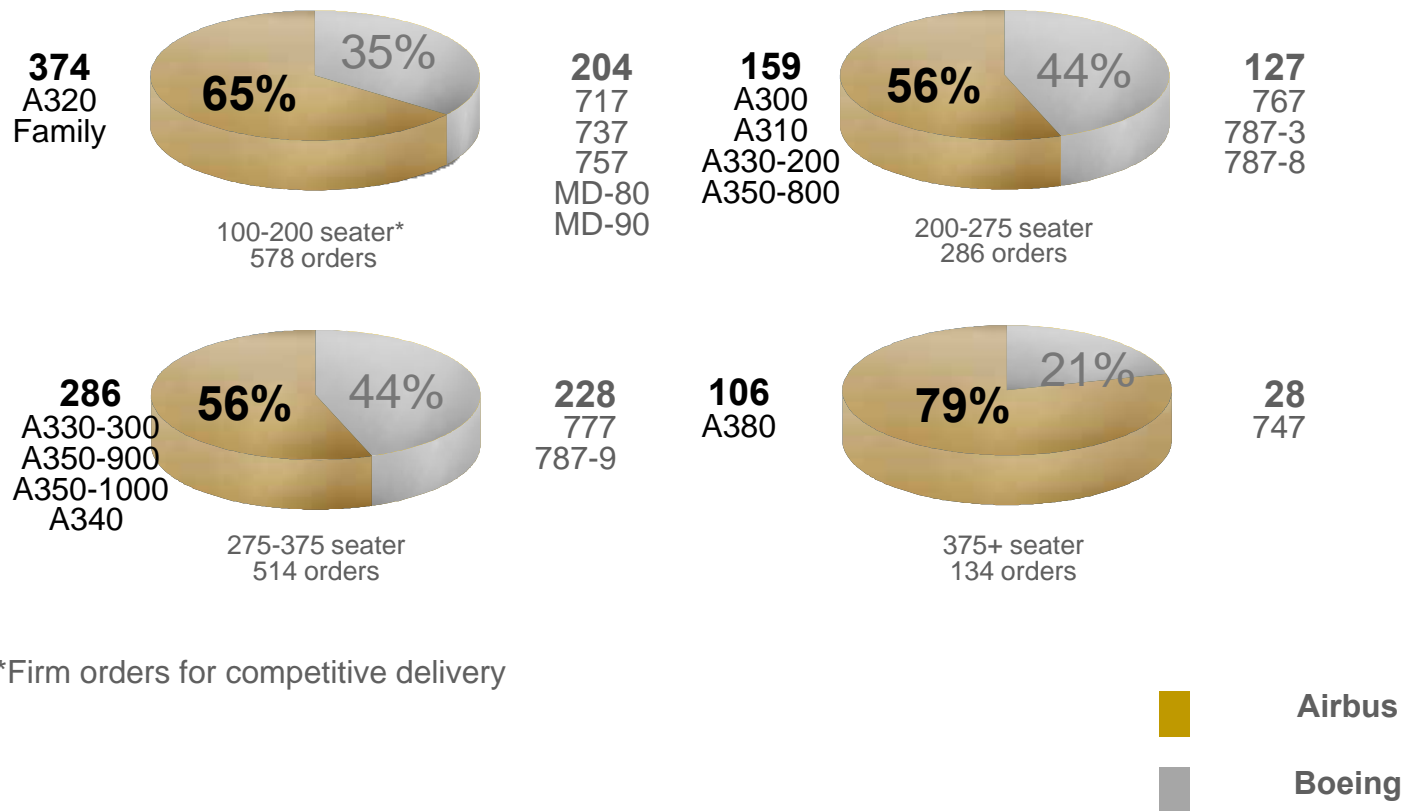


Airbus in the region

Airbus in the region | Regional Coverage



Airbus in the region | Middle East market share



Source: AIRBUS, end Sept 2010



Airbus in the region | Historical Orders

Airbus Historical Orders in MENA



Source: AIRBUS, end Nov. 2010



Dynamic Middle East



Regional Overview

What will drive Middle East in the future ?

- Regional economic growth



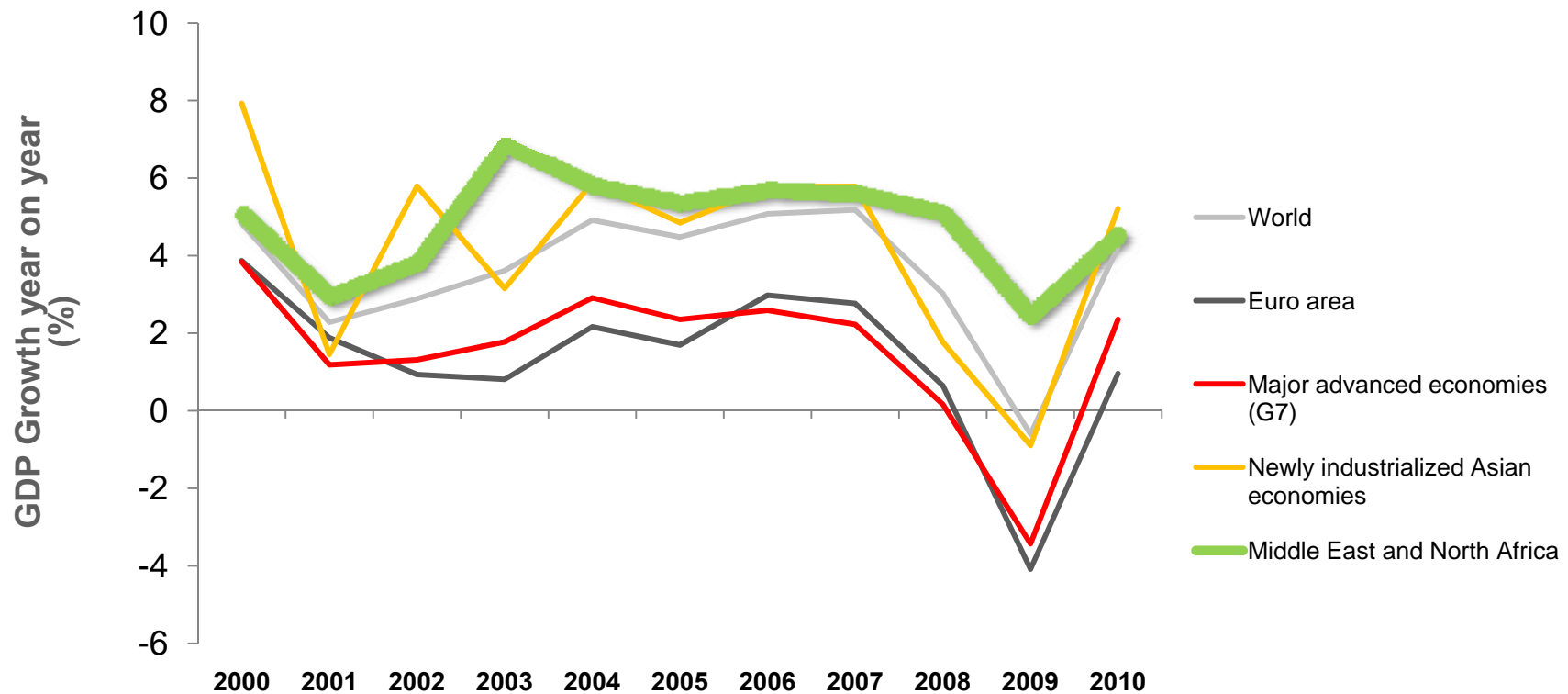
- Regional Demographics



- Location of the Middle East

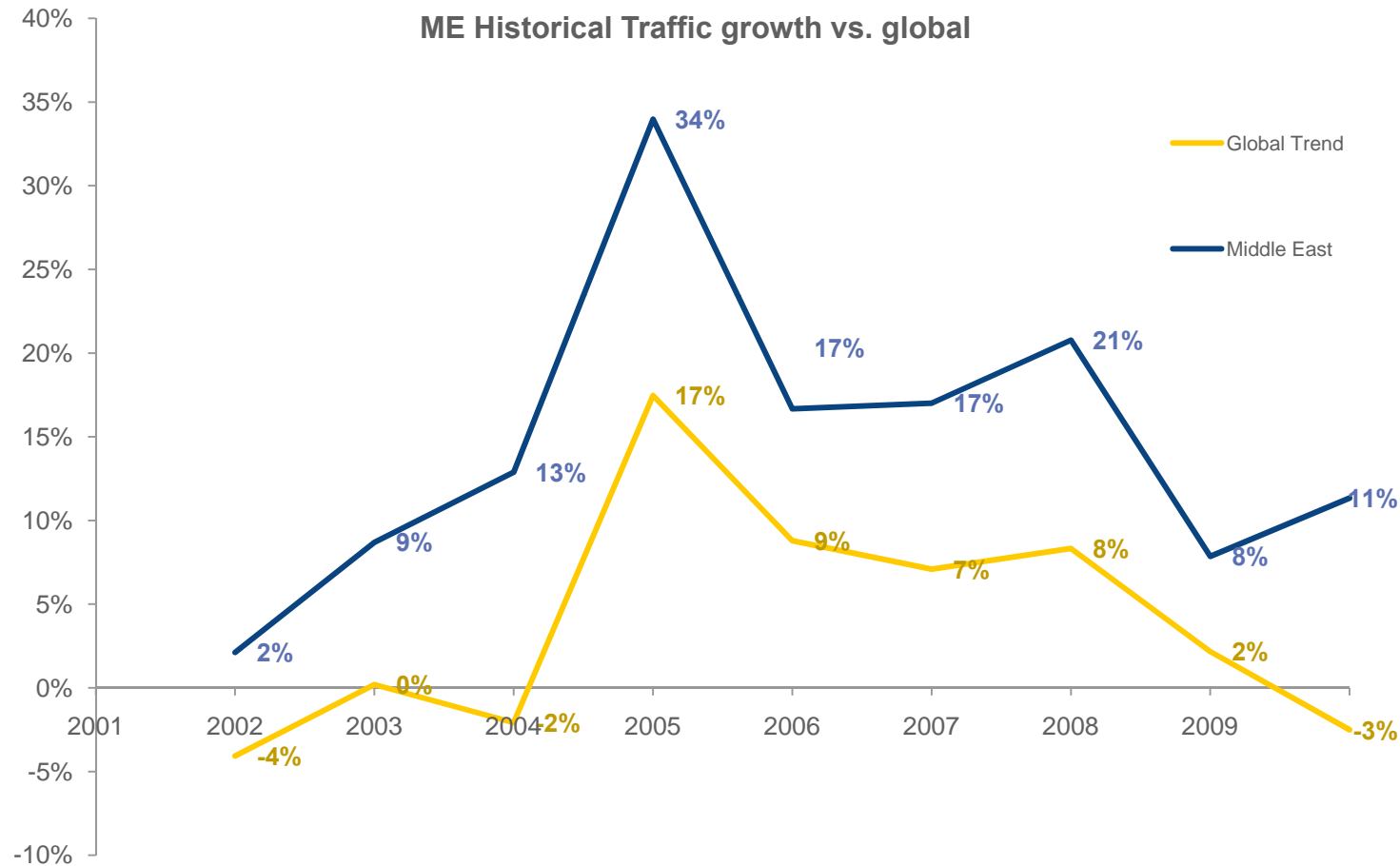


Regional Overview | GDP growth 2000-2010



- Over the past decade **MENA** has performed well and unlike the rest of the world, **avoided recession** in 2008 / 2009

Middle East Traffic outpacing global growth



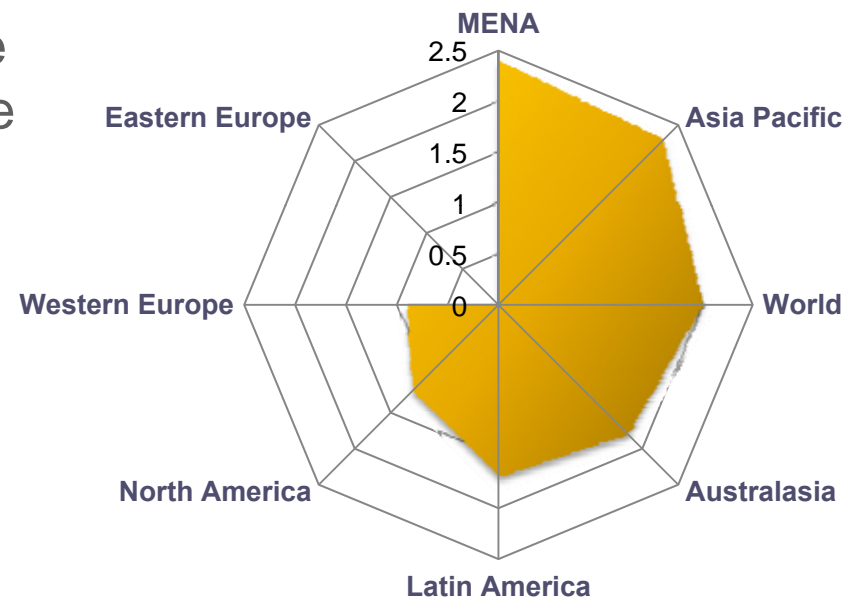
Source: IATA Carrier Tracker, Sept 2010 International Scheduled Traffic



Regional Overview | Regional Demographics

- The population of the MENA region is almost equivalent to that of the European Union, and is one and a quarter times larger than the population of the United States.
- MENA has the highest rate of urbanization in the world.
- Urban Population growth is a contributing factor to aircraft demand increase.

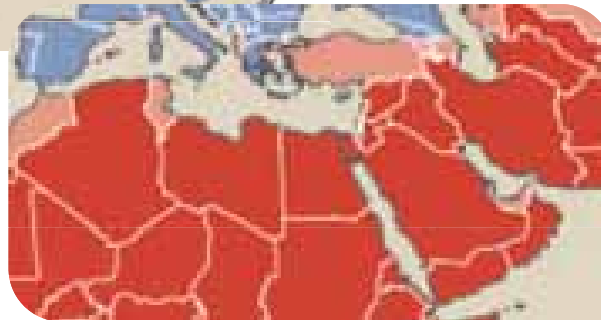
Urban Population YoY Growth By Region (2005-2009)



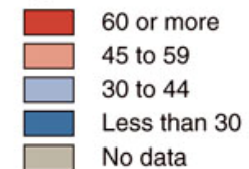
Regional Overview | Regional Demographics



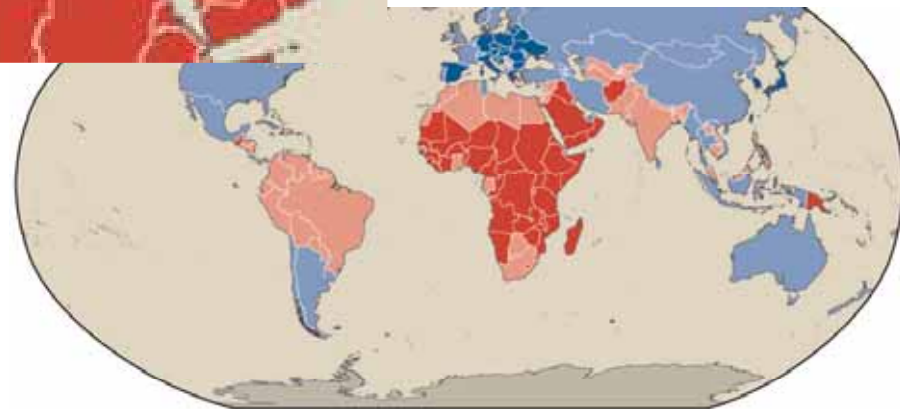
2005



Percentage of Population
Younger Than 30 Years Old

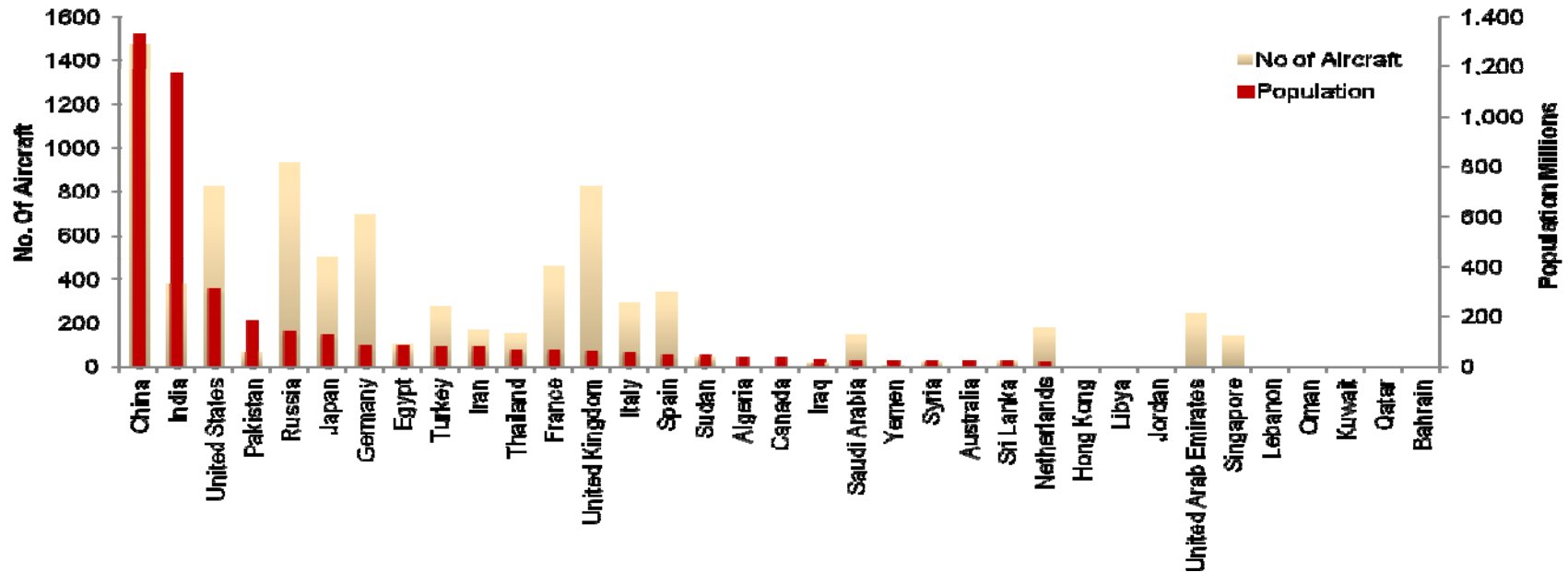


2025



- MENA enjoys a **very young** population.
- In **15 years**, MENA will still have a relatively **young** population.

Regional Overview | Aircraft vs. Population

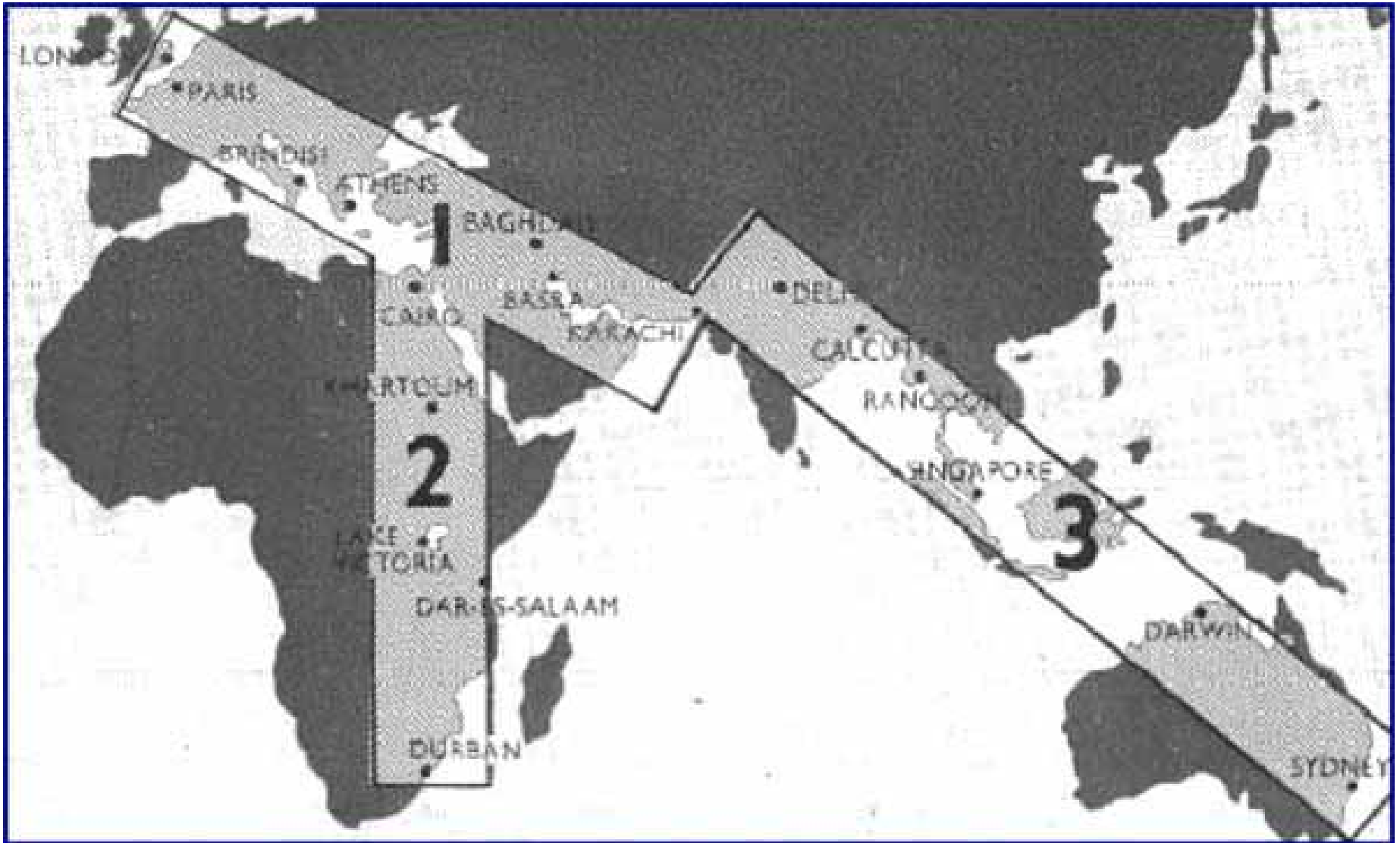


**HIGH
POTENTIAL**

- Except in the UAE and Qatar, aircraft Penetration is **much less** in emerging or Middle Eastern countries than in developed and western countries.

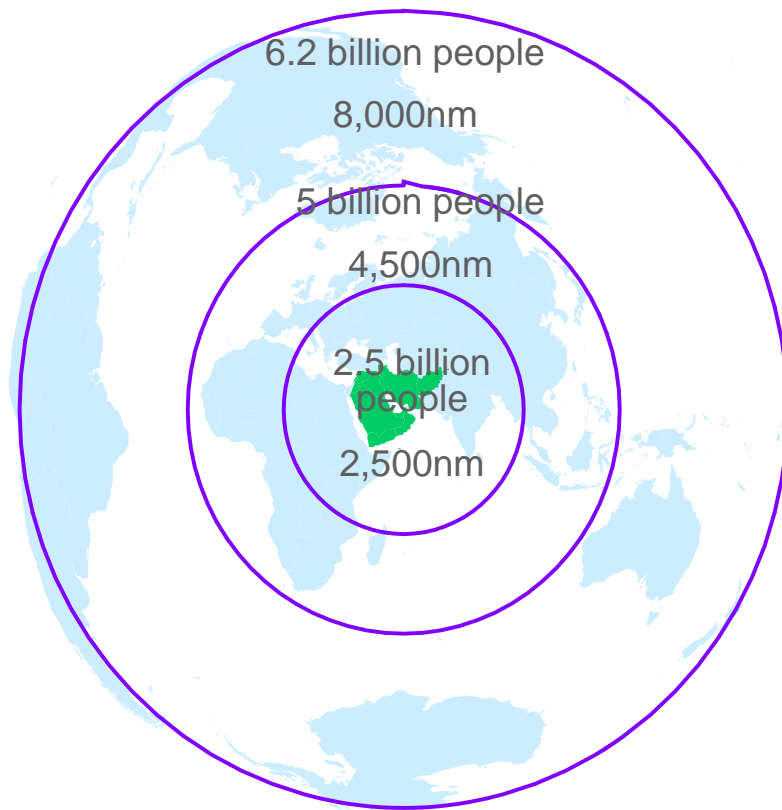
Source: Airbus, ASCEND

Middle East, a natural crossroads



Location, Location, Location

The Middle East is located at the equivalent of a global roundabout rather than being stuck at the end of the road



- The importance of the Middle East's location is set to grow as the population's of the Middle East, Africa and Asia will grow relatively faster than Europe, Australia and the Americas
- The world population is forecasted to grow to 9.1 billion by 2050 – an increase of 47%
- 1.5 billion of that increase will be in Asia, 1 billion in Africa *

Middle East | Geography



**Top 500 most
growing cities
in term of departing
passengers**

- Middle East at the crossroad of the most dynamic markets in the world


With continuing growth & urbanisation, the number of mega-cities will more than double

82 big cities where long-haul passengers will want to fly between in 20 years



In 20 years, at least 7

- Dubai
- Jeddah
- Doha
- Abu Dhabi
- Cairo
- Beirut
- Kuwait City

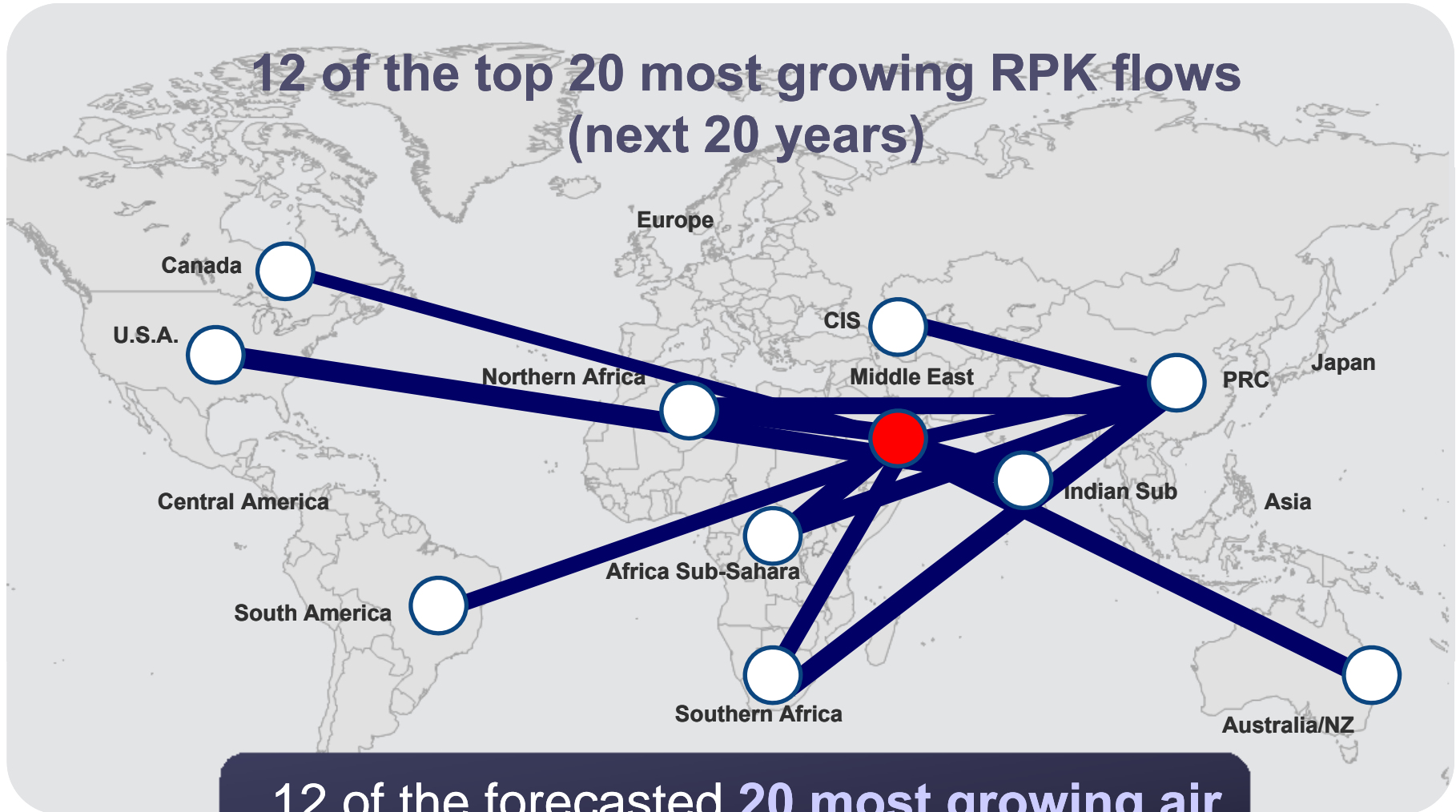
 Destinations with more than 10 000 daily long haul pax

Source: AIRBUS GMF



Middle East | Geography

12 of the top 20 most growing RPK flows
(next 20 years)



12 of the forecasted 20 most growing air flows can pass through the Middle East

Middle East | Traffic Flows

Almost **90%** of the international traffic from the main **Gulf based** airlines is generated via passengers in transit versus:

52% at Frankfurt

38% at London Heathrow

32% at Paris CDG

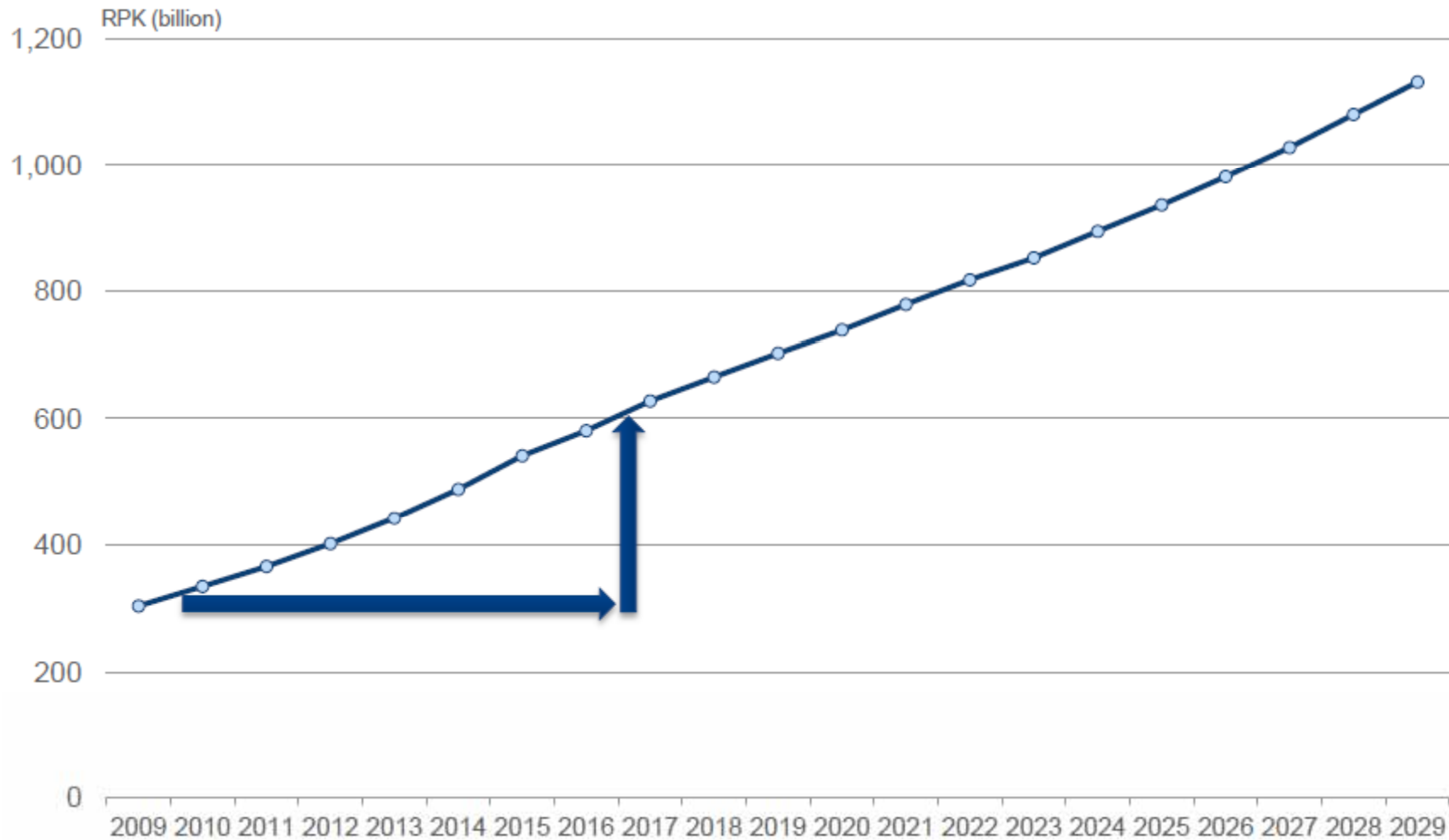


Dynamic Middle East



Regional Market Forecast

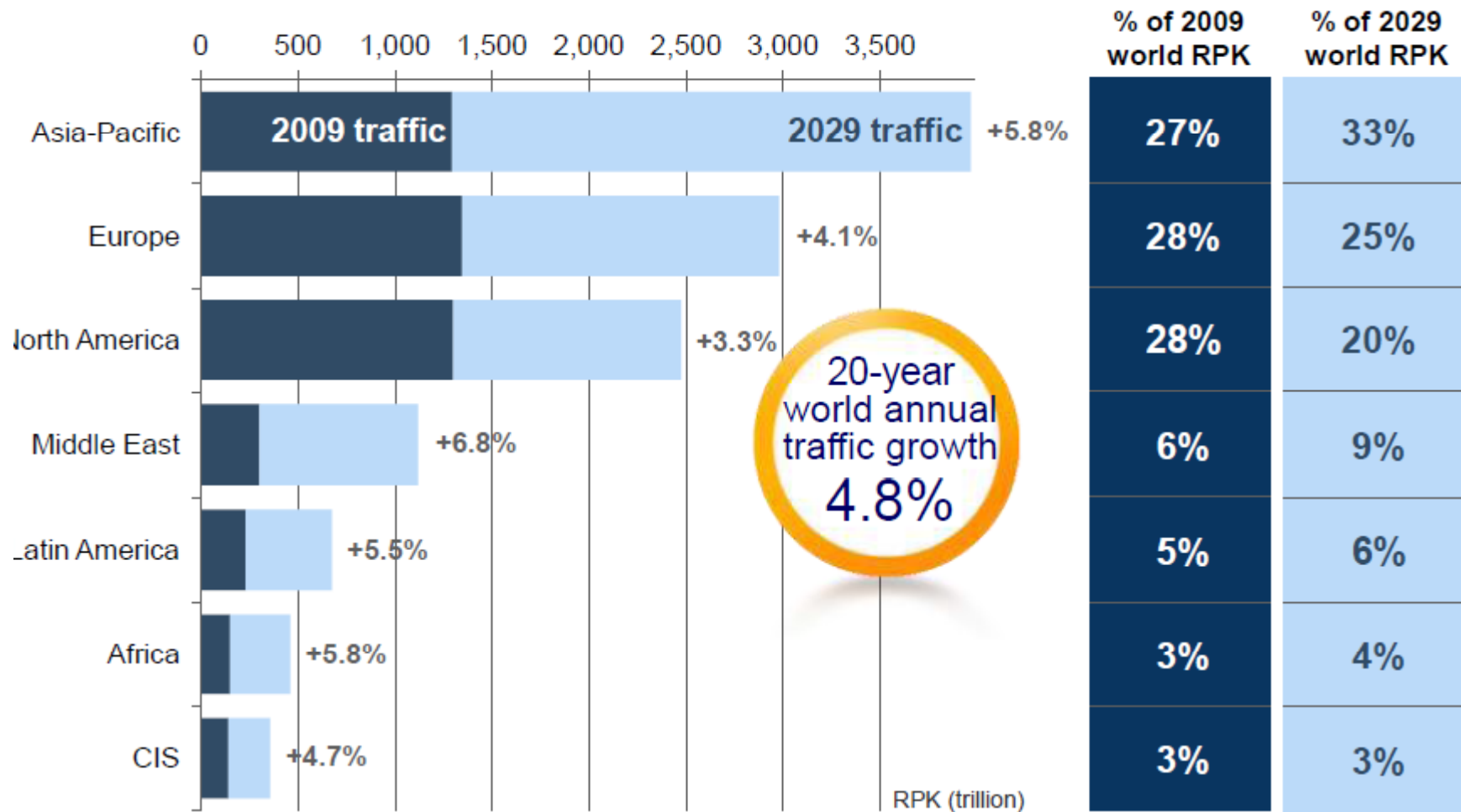
Middle East airlines traffic will double before 2017



Source: Airbus GMF 2010 (Traffic of Middle East airlines)

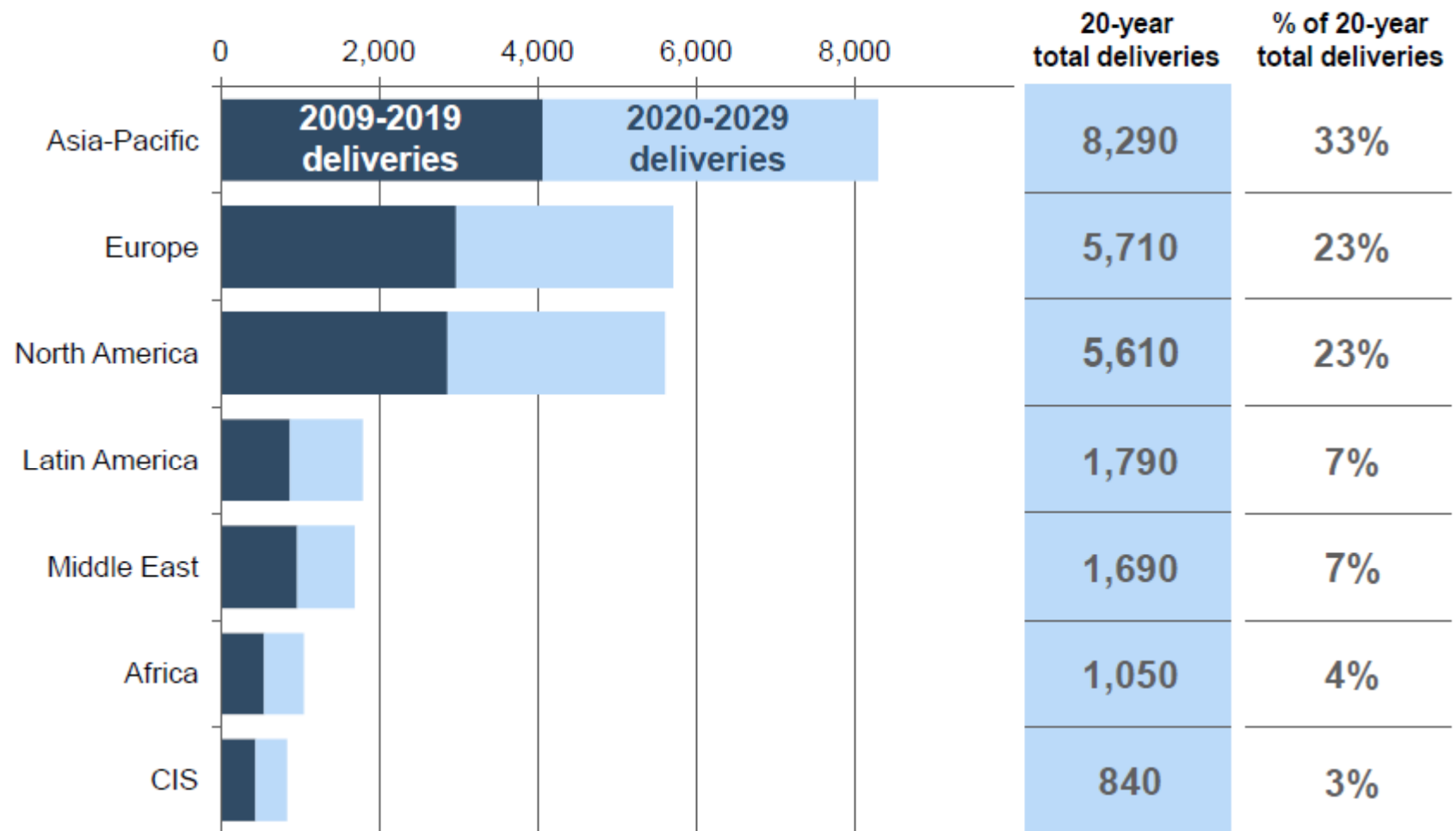


Middle East strong traffic growth



Source: Airbus GMF 2010

Forecast passenger aircraft deliveries 2009-2029

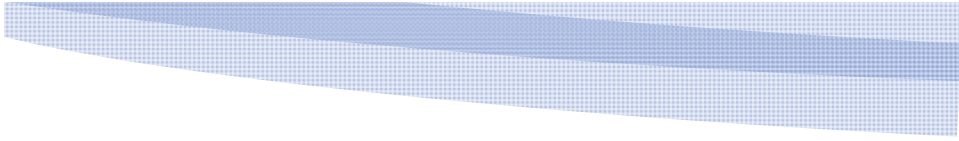


Source: Airbus GMF 2010



Conclusion

- The Middle East has prospered through the current recession
- Airline traffic remains strong
- The region will see the strongest growth over the next 20 years, with regional airlines set to benefit
- Combining a strong domestic and regional market, religious tourism with a wide network will ensure strong growth over the coming decades
- Airbus is proud to be a partner in the future of Middle East and North African airlines



MERCI
شكراً