



Ralph Anker
Editor
The ANKER Report



Georgia traffic up almost 50% in 2017

Air traffic in Georgia is booming. Passenger numbers are up 47% for the first nine months of 2017 across the country's three main airports of Batumi, Kutaisi and Tbilisi. Almost 3.2 million passengers have been handled during that period, which is already well over the 2.84 million passengers welcomed in the whole of 2016. Tbilisi Airport, which serves the country's capital, has already recorded 2.44 million passengers, an impressive increase of 41% compared with the same period last year. Batumi, on the Black Sea coast, has seen demand grow by 58% to almost 430,000 passengers, while the relatively new airport at Kutaisi is reporting traffic growth of almost 80% to 325,000 passengers.

As recently as 2010 the country's airports were handling fewer than one million passengers per annum. This year should see demand of close to four million passengers, which would exceed the country's population of around 3.7 million.

Georgian Airways now #1 carrier

Among carriers, growth has been driven by the flag-carrier Georgian Airways (with 65% more seats in 2017 than in 2016), Wizz Air (+87%) and flydubai (+70%), according to analysis of FlightGlobal schedules data. In 2016 Turkish Airlines was the biggest airline serving the country, but its growth has been only 4% this year allowing Georgian Airways to overtake it in terms of available seat capacity. Among the top 12 airlines in Georgia, both Qatar Airways and Ural Airlines have doubled their seat capacity in the country since 2016.

Russian market now bigger than Turkey

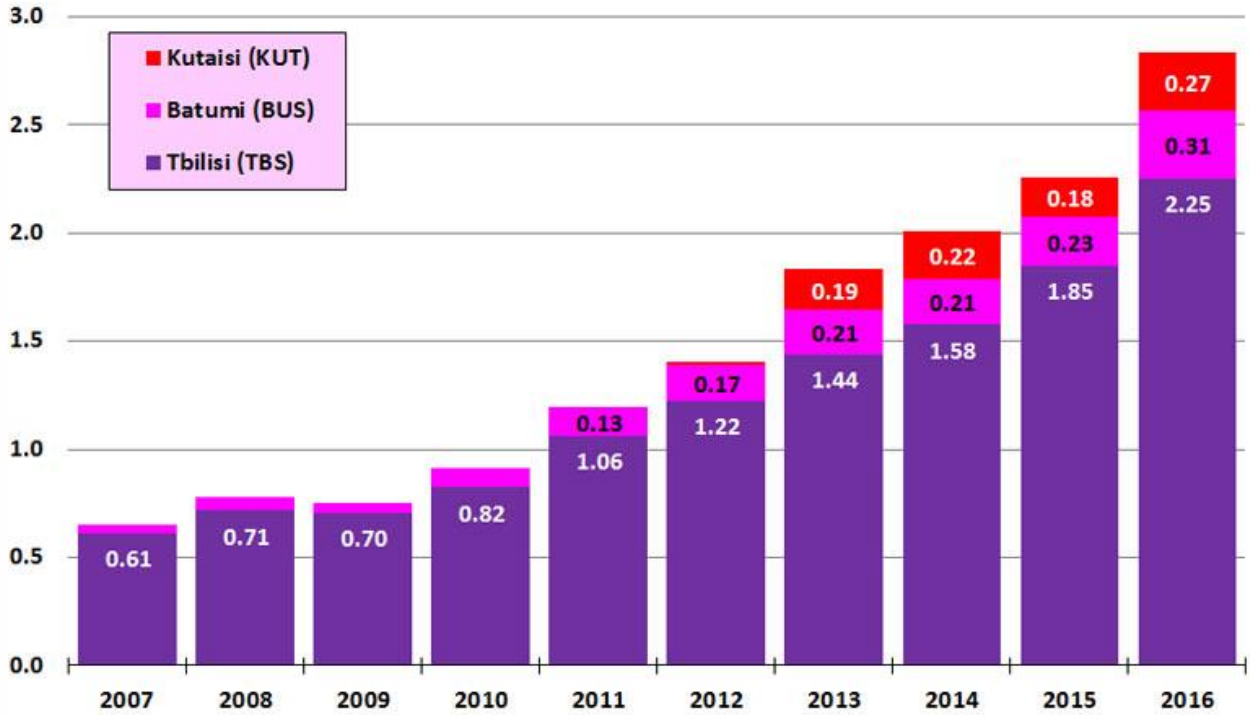
Based on scheduled traffic data, Russia overtook Turkey in 2017 to become the leading country market from Georgia. While seven of the top eight country markets grew by at least 20%, Turkey's seat capacity was up just 4%. Germany (+70%), the UAE (+59%) and Russia (+46%) have all seen impressive growth. Qatar saw massive growth as Qatar Airways once again operated its flight to Doha non-stop, rather than via Baku. The UK was a new market in 2017 with Georgian Airways beginning non-stop service in April from Tbilisi to London Gatwick, while Wizz Air has been connecting Kutaisi with London Luton since mid-June.

The ULCC now operates to 12 destinations from Kutaisi, which it made a base in September 2016, having served the airport since April 2013. Wizz Air recently announced new routes from Kutaisi to Barcelona, Paris, Prague and Rome, as a result of which it will base a second A320 at the airport from May 2018.

Georgian airports traffic 2007-2016

Annual passengers (millions)

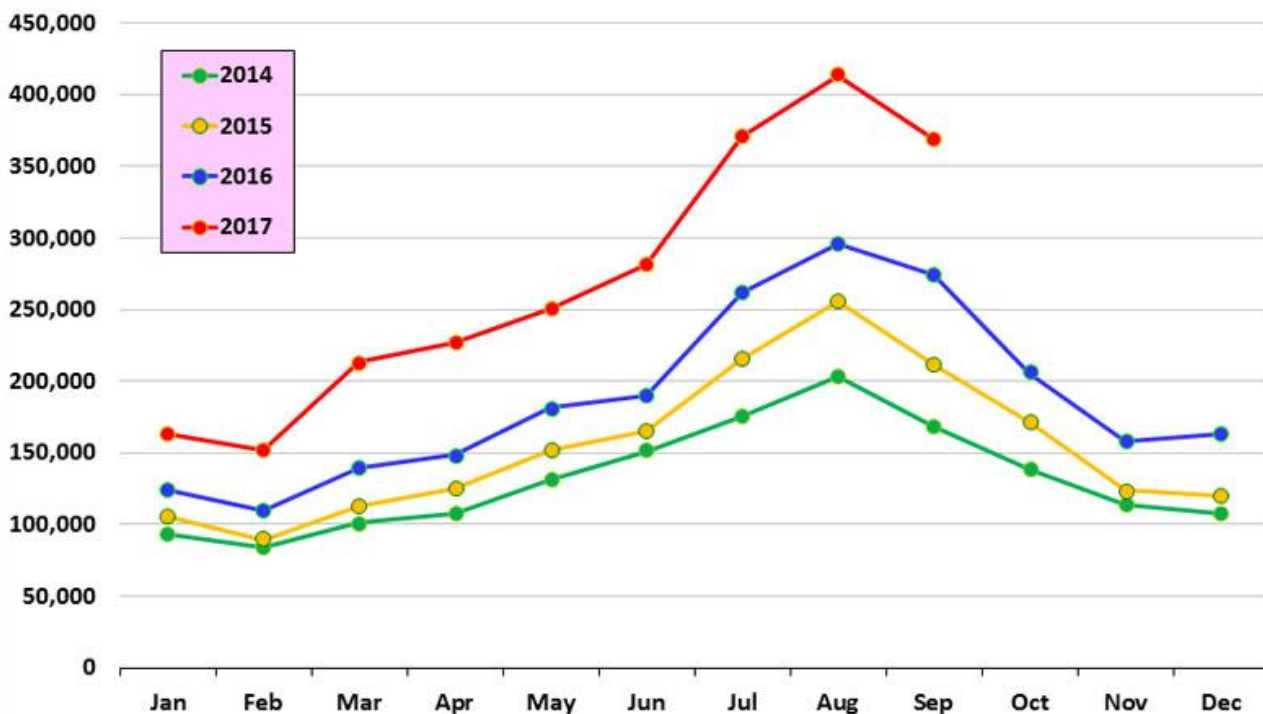
Source: TAV Georgia, Kutaisi Airport



Tbilisi Airport 2014-2017

Monthly passengers

Source: TAV Georgia



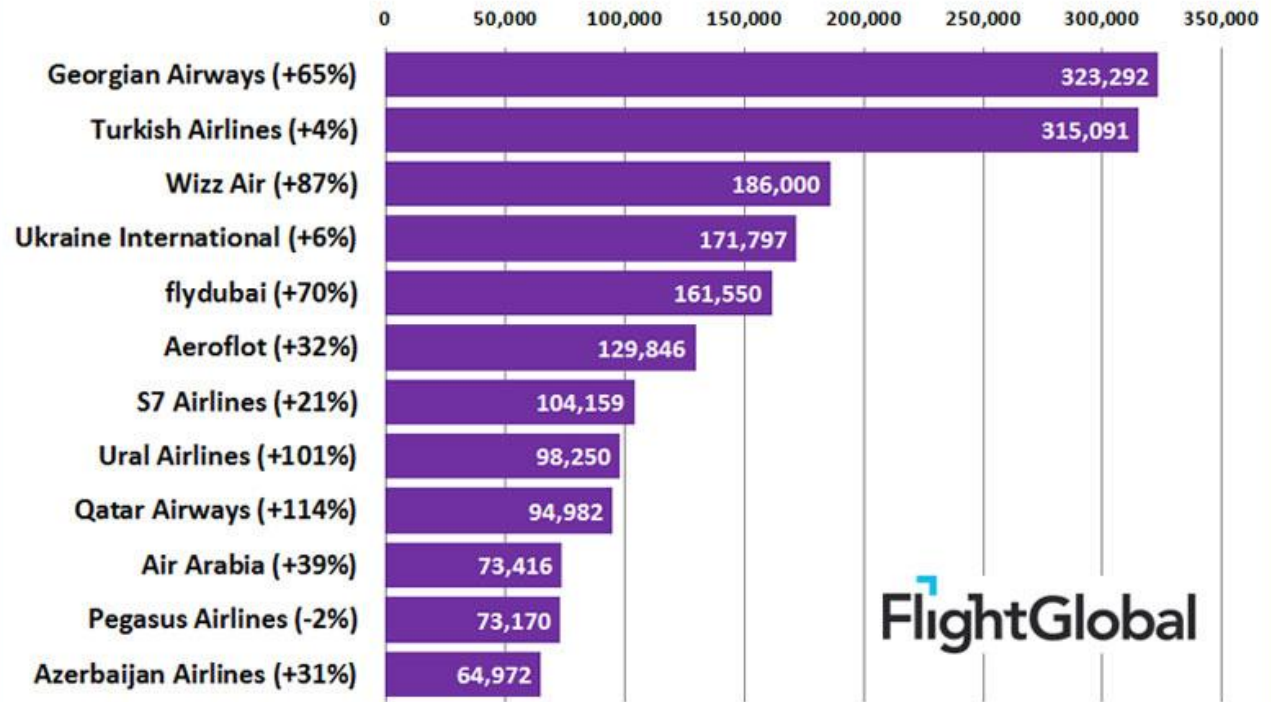
CONNECT^o

INDUSTRY INSIGHT

Top 12 airlines in Georgia in 2017

Departing seats from airports in Georgia (change versus 2016)

Source: FlightGlobal schedules data



Top 12 country markets from Georgia in 2017

Departing seats from airports in Georgia (change versus 2016)

Source: FlightGlobal schedules data

