

PRESS RELEASE

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Association of Asia Pacific Airlines

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Asia Pacific Airlines Traffic Results – April 2017

Kuala Lumpur, Malaysia – Preliminary traffic figures for the month of April released today by the Association of Asia Pacific Airlines (AAPA) showed encouraging expansion in both international air passenger demand and international air cargo markets, on the back of sustained growth in the global economy.

Collectively, the region's airlines carried an aggregate total of 25.6 million international passengers for the month, representing a 5.3% increase compared to the same month last year. Reflecting solid growth in long-haul travel markets, demand as measured in revenue passenger kilometres (RPK) grew by 9.2%. The growth in demand, coupled with a 6.2% expansion in available seat capacity, led to a 2.3 percentage point increase in the average international passenger load factor to a high of 80.4% for the month.

On the back of strong international demand, business conditions continued to improve across Asian economies, in turn lending support to international trade activity. This helped underpin further growth in air cargo volumes in April, with demand in freight tonne kilometre (FTK) terms registering a 9.0% increase compared to the same month last year. Offered freight capacity grew more modestly, by 2.8% for the month. As a result, the average international freight load factor increased by 3.7 percentage points to reach 65.1%.

Commenting on the results, Mr. Andrew Herdman, AAPA Director General said, "The broad-based expansion in global economic activity, coupled with renewed demand on selected routes, particularly between Europe and Asia, has contributed to growth in long-haul travel markets in recent months, whilst regional travel markets remain strong supported by a combination of competitive air fares and expansion in the region's economies. Overall, during the first four months of the year, Asian carriers registered a 5.2% increase in the number of international passengers carried to an aggregate total of 103 million."

Mr. Herdman added, "Within the same period, Asian airlines recorded a solid 9.5% increase in air cargo demand, supported by a pick-up in export orders across the region's economies."

Looking ahead, Mr. Herdman continued, "Business and consumer confidence indicators remain positive and underpin expectations of continued growth in air passenger and cargo markets in the coming months. However, the impact of rising fuel and staff costs are a concern, particularly as airfares have remained low in an intensely competitive environment. Nevertheless, Asian airlines remain proactive in reviewing their operations, implementing cost-cutting measures and streamlining business processes, with the aim of improving efficiency and sustaining profitability."

TRAFFIC UPDATE – PRELIMINARY

International Scheduled Services of Asia Pacific Airlines

International	Apr-17	Apr-16	% Change	Jan-Apr 2017	Jan-Apr 2016	% Change
Passengers (Thousand)	25,576	24,297	+ 5.3%	102,891	97,808	+ 5.2%
RPK (Million)	94,220	86,288	+ 9.2%	376,973	351,804	+ 7.2%
ASK (Million)	117,249	110,442	+ 6.2%	469,338	447,941	+ 4.8%
Passenger Load Factor	80.4%	78.1%	+ 2.3 pp	80.3%	78.5%	+ 1.8 pp
FTK (Million)	5,699	5,227	+ 9.0%	21,786	19,897	+ 9.5%
FATK (Million)	8,754	8,512	+ 2.8%	34,385	33,538	+ 2.5%
Freight Load Factor	65.1%	61.4%	+ 3.7 pp	63.4%	59.3%	+ 4.1 pp

Effective April 2017, the dataset comprises aggregated traffic data from the following 32 Asia Pacific based carriers: 5J, 6E, 9W, AI, AK, BI, BR, CA, CI, CX, CZ, GA, JL, JQ, KA, KC, KE, MH, MU, NH, NZ, OZ, PG, PR, SG, SQ, TG, TR, TZ, QF, VA and VN.

- Previous year data adjusted for comparison purposes
- RPK = revenue passenger kilometres
- ASK = available seat kilometres
- FTK = freight tonne kilometres
- FATK = available freight tonne kilometres
- All figures, including estimates for missing data, are provisional

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Association of Asia Pacific Airlines (AAPA)

The AAPA is the trade association for scheduled international airlines based in the Asia-Pacific region. The AAPA permanent secretariat is headquartered in Kuala Lumpur, Malaysia with international representation in Brussels and Washington, D.C. Collectively, the region's airlines carry 1,214 million passengers and 20 million tonnes of cargo, representing one-third of global passenger traffic and two-fifths of global air cargo traffic respectively, and thus play a critically important role in the ongoing development of global aviation.

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