

A PRESS RELEASE

A WEDNESDAY – 21ST April 2004

P - *For immediate release* -

P

A

9th Floor, Kompleks Antarabangsa
Jalan Sultan Ismail
50250 Kuala Lumpur, Malaysia
Tel: +60 (3) 2145 5600
Fax: +60 (3) 2145 7500
Homepage: www.AAP Airlines.org

AAPA FEBRUARY 2004 TRAFFIC RESULTS

The AAPA member airlines' consolidated revenue passenger kilometres (RPKs) and passengers carried (PAX) grew by 3.1% and 0.7%, respectively, year-on-year in February. The traffic growth showed a strong rebound in a month with no significant holidays, but principally on the long haul routes, as demonstrated by the virtually zero growth in PAX vis-à-vis that of RPKs. Capacity grew by 2.7%, pushing the load factor up fractionally to 71.5%.

Intra-Asia Pacific traffic, in terms of passenger numbers, was down by 3.6% following a growth of the same magnitude (3.6%) last month. This was mainly due to the distortion of the Lunar Chinese New Year holidays which had a significant impact on short-haul or intra-Asia travel. Traffic within Northeast Asia, the largest sub-region, fell by 7.2% while traffic between Northeast Asia and Southeast Asia dropped 6.0%. After posting a growth of 4% in January, traffic within Southeast Asia suffered a decline of 3% this month. Traffic between China and the rest of Asia, however, maintained the growth momentum with a more encouraging 8.5% increase, following a 6.8% growth in January.

Turning to long haul routes, traffic to/from the United States fared better than in January (- 1.1%), with a growth of 4.7% in February. On the other hand, passengers between Asia and Canada, heavily influenced by Chinese migrants, posted a 4.4% decline due to the festive holiday distortion. Traffic between Asia and Europe, continuing the upward trend, recorded a 9.4% growth this month, after posting 5.2% in January.

Royal Brunei Airlines, EVA Airways, China Airlines, Cathay Pacific Airways, Garuda Indonesia, Japan Airlines, Dragonair, Korean Air, Malaysia Airlines, All Nippon Airways, Air New Zealand, Asiana Airlines, Philippine Airlines, Qantas Airways, Singapore Airlines, Thai Airways International, Vietnam Airlines.

On an individual airline basis, four carriers reported double-digit growth in RPKs – Asiana Airlines (18.1%), Malaysia Airlines (13.7%), Philippine Airlines (11.5%) and EVA Air (10.5%). Seven other carriers also emerged with positive growth, ranging from virtually flat 0.1% (Vietnam Airlines) to 9.2% (Garuda Indonesia). On the other hand, Korean Air (-9.2%), All Nippon Airways (-6.5%), and Japan Airlines (-0.1%), experienced a decline in RPKs.

The majority of the carriers boosted capacity in February but only six carriers were able to post an improvement in load factor. Among them were Malaysia Airlines (3.7 percentage points), EVA Air (2.7 p.p.), Singapore Airlines (2.6 p.p.) and China Airlines (0.9 p.p.), whose load factors rose on the back of stronger RPKs growth relative to capacity increase. The improvement in load factor of Japan Airlines (1.2 p.p.) and Korean Air (0.8 p.p.), on the other hand, was achieved on a reduced capacity against a much smaller drop in RPKs. EVA Air (76.1%) posted the highest load factor, followed by Singapore Airlines (74.6%), Philippine Airlines (73.3%), Thai Airways International (73.1%), Cathay Pacific Airways (72.7%) and China Airlines (72.4%).

Freight traffic, expressed in freight tonne kilometres (FTKs), posted an impressive 20.2% growth in February, partly because of a much lower base for the same month last year, in which the Lunar New Year holidays reduced cargo flows. Capacity grew by 13.7%, resulting in a freight load factor of 68.4%, up 3.8 percentage points.

Intra-Asia Pacific cargo traffic grew by a robust 25%, mainly attributed to the high 33% growth for traffic within Northeast Asia. Traffic between Northeast Asia and Southeast Asia, the largest sub-region, grew by a remarkable 26%, while traffic within Southeast Asia also posted double-digit growth, at 21%. Cargo flown between China and the rest of Asia saw an astounding 73.4% growth in February. The traffic for Southwest Pacific (-19.6%), being the smallest region, continues to decline, as it has for more than two successive quarters since August 2003.

Trans-Pacific traffic shows encouraging trends, with 30.6% growth to the world's largest economy, while traffic to Canada grew by 17.6%. Cargo traffic to European countries also posted higher growth of 9.9% this month.

With the exception of Royal Brunei Airlines (-17.7%), all the carriers enjoyed positive growth in tonne-kilometres flown. Ten of the carriers posted a double-digit growth rate, led by Vietnam Airlines (58.6%), China Airlines (40.0%), Korean Air (27.7%), EVA Air (27.4%) and Cathay Pacific Airways (25.1%). The majority of the carriers also reported an improvement in load factor, with Korea Air (8.8 percentage points) and Japan Airlines (7.6 p.p.) reporting the biggest gain.

Cargo traffic is expected to remain bullish for the first half-year with the U.S. economy recovering and the Chinese economy driving the growth.

***** END *****

About the AAPA

The AAPA is a grouping of 17 scheduled international airlines based in the Asia-Pacific region. It is the trade association of the region's airlines, created to represent their interests and to provide a forum for all members to exchange information and views on matters of common concern. For more information about the AAPA, please visit the web site at www.AAPAAirlines.org.

The 17 members comprises Air New Zealand, All Nippon Airways, Asiana Airlines, Cathay Pacific Airways, China Airlines, Dragonair, EVA Air, Garuda Indonesia, Japan Airlines, Korean Air, Malaysia Airlines, Philippine Airlines, Qantas Airways, Royal Brunei Airlines, Singapore Airlines, Thai Airways International and Vietnam Airlines.

For further information, please contact :

Ms Usha Veeriah
Executive Assistant to the Director General
Tel: 603-2145 5600, Fax: 603- 2145 2500
Email: ushav@aapa.org.my

TRAFFIC UPDATE

International Scheduled Services of AAPA Member Airlines

FEBRUARY 2004

	Feb 2004	Feb 2003	% Change
Passengers Carried (000)	8,623	8,563	0.7 %
Revenue Passenger Kilometres (000)	37,153,992	36,047,708	3.1 %
Available Seat Kilometres (000)	51,938,636	50,558,304	2.7 %
Passenger Load Factor	71.5%	71.3%	0.2 points
Freight Tonne Kilometres (000)	3,659,559	3,044,068	20.2 %
Avail. Freight Tonne Kilometres (000)	5,352,815	4,707,741	13.7 %
Freight Load Factor	68.4%	64.6%	3.8 points

JANUARY-FEBRUARY 2004

	Jan-Feb 2004	Jan-Feb 2003	% Change
Passengers Carried (000)	18,561	18,005	3.1 %
Revenue Passenger Kilometres (000)	80,663,470	77,841,366	3.6 %
Available Seat Kilometres (000)	109,206,306	106,900,154	2.2 %
Passenger Load Factor	73.9%	72.8%	1.1 points
Freight Tonne Kilometres (000)	6,938,722	6,193,346	12.0 %
Avail. Freight Tonne Kilometres (000)	10,762,803	9,882,818	8.9 %
Freight Load Factor	64.5%	62.7%	1.8 points

Royal Brunei Airlines, EVA Airways, China Airlines, Cathay Pacific Airways, Garuda Indonesia, Japan Airlines, Dragonair, Korean Air, Malaysia Airlines, All Nippon Airways, Air New Zealand, Asiana Airlines, Philippine Airlines, Qantas Airways, Singapore Airlines, Thai Airways International, Vietnam Airlines.