

PRESS RELEASE

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September 2008 / Traffic / Preliminary

**Association of Asia Pacific Airlines
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AAPA September 2008 Traffic Results

Kuala Lumpur, Malaysia – Members of the Association of Asia Pacific Airlines (AAPA) reported sharply lower passenger and cargo traffic volumes in September, as the industry felt the impact of the global economic slowdown. AAPA international passenger numbers in September totaled 11.0 million, a 6.6% decline compared to the same month last year. Traffic measured in RPK terms fell by 5.1% on capacity growth of just 0.8%, resulting in a 4.5 percentage point deterioration in the average international passenger load factor, to 72.7%.

AAPA international air cargo traffic in September fared even worse, falling 9.0% in FTK terms. The average cargo load factor also fell by 1.6 percentage points to 66.4%, despite a 7% reduction in capacity.

Commenting on the results, Mr. Andrew Herdman, AAPA Director General said, “For the first nine months of the year, AAPA international passenger traffic, in RPK terms, grew by just 1.6%, while international air cargo traffic, in FTK terms, declined by 1.6% compared with the same period last year. We have seen a sharp deterioration in the operating environment in the past few months. Air cargo demand slumped in the summer and is still falling, even though this is normally the peak shipping season.”

He added: “Asia Pacific passenger traffic had been holding up relatively well, but the consequences of the global financial crisis are now being felt in the real economy, with rapidly weakening consumer confidence affecting markets across the world. Lower oil prices are certainly welcome, but will not compensate for the expected revenue shortfall. Airlines will continue to take all possible steps to stay afloat, including reviewing capacity

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adjustments and making sure that fares remain competitive to attract incremental business. Overall, however, we are braced for a very rough ride over the next few months as the global economic slowdown begins to bite hard.”

TRAFFIC UPDATE – PRELIMINARY

International Scheduled Services of AAPA Member Airlines

International	Sep 2008	Sep 2007	% Change	Jan-Sep 2008	Jan-Sep 2007	% Change
Passengers (000)	10,980	11,759	- 6.6 %	107,952	107,262	+ 0.6 %
RPK (mn.)	47,197	49,718	- 5.1 %	455,608	448,490	+ 1.6 %
ASK (mn.)	64,916	64,421	+ 0.8 %	599,094	580,446	+ 3.2 %
Passenger Load Factor	72.7 %	77.2 %	- 4.5 pp	76.1 %	77.3 %	- 1.2 pp
FTK (mn.)	4,491	4,938	- 9.0 %	40,631	41,299	- 1.6 %
FATK (mn.)	6,761	7,265	- 6.9 %	60,821	62,771	- 3.1 %
Freight Load Factor	66.4 %	68.0 %	- 1.6 pp	66.8 %	65.8 %	+ 1.0 pp

- 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

Association of Asia Pacific Airlines (AAPA)

The AAPA is the trade association of major 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 17 AAPA member airlines carry 290 million passengers and 10 million tonnes of cargo representing approximately one-fifth of global passenger traffic and one-third of global air cargo traffic respectively, and thus play a critically important role in the ongoing development of global aviation.

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