

PRESS RELEASE

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March 2017 / Traffic / Preliminary

Association of Asia Pacific Airlines

(Reg.No. 587)

Level 27-1, Menara Prestige

1 Jalan Pinang

50450 Kuala Lumpur

MALAYSIA

Tel +603 2162 1888

Fax +603 2162 6888

www.aapairlines.org

Asia Pacific Airlines Traffic Results – March 2017

Kuala Lumpur, Malaysia – Preliminary traffic figures for the month of March released today by the Association of Asia Pacific Airlines (AAPA) showed that international air passenger demand continued to grow at an encouraging pace, whilst the expansion in air cargo markets accelerated further.

Underpinned by positive business and consumer sentiment, the region's carriers recorded a 4.2% increase in the number of international passengers carried to a combined total of 25.5 million. Encouraging growth in long haul travel markets was reflected in the 6.7% rise in demand, as measured in revenue passenger kilometre (RPK) terms. The average international passenger load factor edged 1.1 percentage points higher to 78.6%, after accounting for a 5.2% increase in available seat capacity.

In March, manufacturing production of major Asian economies expanded at a steady pace, on the back of continued rise in new business orders. This helped support export-import activity, in turn benefitting the air cargo sector. As a result, the month saw the region's carriers register a healthy 12.7% increase in international air cargo demand, as measured in freight tonne kilometres (FTK). Offered freight capacity expanded by a comparatively modest 3.0%, resulting in a significant rise in the average international freight load factor, by 5.8 percentage points to reach 67.6% for the month.

Commenting on the results, Mr. Andrew Herdman, AAPA Director General said, "During the first quarter of the year, Asian carriers reported a 4.8% increase in the number of international passengers carried to an aggregate total of 76 million. Growth in passenger traffic volumes remained relatively encouraging, supported by the widespread availability of affordable airfares."

Mr. Herdman added, "Air cargo markets experienced a strong start to the year, with a firm 9.6% increase during the first quarter of 2017. Elevated consumer and business

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confidence levels in some developed and emerging market economies translated into increased orders, thus supporting demand for air freight shipments.”

Looking ahead, Mr. Herdman continued, “The outlook for air passenger and cargo markets remains positive, against the backdrop of a broad upturn in global economic conditions. However, the airline operating environment has become increasingly challenging, with oil prices off historic lows, and increasing cost pressures due to rising input costs. Asia Pacific carriers will continue to strive for cost efficiencies whilst launching new destinations and maintaining customer service innovation.”

TRAFFIC UPDATE – PRELIMINARY

International Scheduled Services of Asia Pacific Airlines

International	Mar-17	Mar-16	% Change	Jan-Mar 2017	Jan-Mar 2016	% Change
Passengers (Thousand)	25,457	24,420	+ 4.2%	76,380	72,914	+ 4.8%
RPK (Million)	92,837	87,001	+ 6.7%	279,724	263,065	+ 6.3%
ASK (Million)	118,086	112,249	+ 5.2%	348,675	334,673	+ 4.2%
Passenger Load Factor	78.6%	77.5%	+ 1.1 pp	80.2%	78.6%	+ 1.6 pp
FTK (Million)	6,096	5,409	+ 12.7%	16,073	14,670	+ 9.6%
FATK (Million)	9,024	8,757	+ 3.0%	25,634	25,026	+ 2.4%
Freight Load Factor	67.6%	61.8%	+ 5.8 pp	62.7%	58.6%	+ 4.1 pp

Effective September 2014, the dataset comprises aggregated traffic data from the following 31 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, 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.

For further information, please contact:
Office of the Director General
Tel +603 2162 1888 Fax +603 2162 6888
Email: odg@aapa.org.my
Website: www.aapairlines.org
Twitter: @aapairlines