

PRESS RELEASE

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July 2010 / Traffic / Preliminary

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Asia Pacific Airlines Traffic Results – July 2010

Kuala Lumpur, Malaysia – Preliminary figures for the month of July released today by the Association of Asia Pacific Airlines (AAPA) provide further evidence of the strength of the recovery in both passenger and freight markets, with volumes surpassing pre-recession levels. Asia Pacific-based airlines carried a record 17.2 million international passengers in July, 20.4% up from the same month last year, boosted by particularly strong demand on busy regional routes. Overall international passenger traffic carried by Asia Pacific airlines, measured in revenue passenger kilometres (RPK) terms, grew by 13.6%, surpassing highs achieved prior to the downturn. Coupled with a relatively modest 6.2% expansion in available seat capacity, the average passenger load factor increased by 5.4 percentage points to reach 82.7%.

For Asia Pacific airlines, international air cargo demand measured in freight tonne kilometres (FTK) grew by 27.7% in July compared to the same month last year, underpinned by strong trade flows. Even with a 20.3% increase in freight capacity, the average international cargo load factor climbed by 4.2 percentage points to 71.6%.

Commenting on the results, Mr Andrew Herdman, AAPA Director General said, “During the first seven months of the year, Asia Pacific based airlines saw a 15.6% increase in the number of international passengers carried, reflecting growing consumer confidence across the Asia Pacific region. Commercial activity has also picked up strongly, leading to a rebound in premium passenger traffic on both regional and long haul routes. At the same time, international air cargo demand has recorded 33.7% growth in traffic for the first seven months of the year.”

Mr Herdman added, “The very high growth rates recorded in recent months, as a result of the surprisingly sharp V-shaped recovery, will obviously taper off as the economy stabilises and

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reverts to a more normal pattern of growth. Asia Pacific airlines are generally well placed to benefit from the improving business environment, and are making some measured additions to capacity and selective expansion of their route networks, although continuing uncertainties about the prospects for further growth in North America and Europe suggest a measure of caution. From a business perspective therefore, Asian airlines are still focused on careful management of capacity, tight cost controls, and ongoing efforts to achieve further productivity improvements as the industry strives to restore profitability after two years of heavy losses.”

TRAFFIC UPDATE – PRELIMINARY

International Scheduled Services of Asia Pacific Airlines

International	Jul-10	Jul-09	% Change	Jan-Jul 2010	Jan-Jul 2009	% Change
Passengers (000)	17,205	14,294	+ 20.4%	106,372	91,988	+ 15.6%
RPK (mn.)	64,077	56,395	+ 13.6%	403,009	358,825	+ 12.3%
ASK (mn.)	77,499	72,964	+ 6.2%	511,057	498,191	+ 2.6%
Passenger Load Factor	82.7%	77.3%	+ 5.4 pp	78.9%	72.0%	+ 6.9 pp
FTK (mn.)	5,733	4,490	+ 27.7%	36,995	27,675	+ 33.7%
FATK (mn.)	8,011	6,660	+ 20.3%	52,038	44,688	+ 16.4%
Freight Load Factor	71.6%	67.4%	+ 4.2 pp	71.1%	61.9%	+ 9.2 pp

- Aggregated traffic data for 23 Asia Pacific based carriers
- 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 520 million passengers and 15 million tonnes of cargo, representing one-quarter 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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