

Media Information

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FOR IMMEDIATE RELEASE

CATHAY PACIFIC RELEASES OCTOBER 2005 TRAFFIC FIGURES

Cathay Pacific Airways today released traffic figures for October 2005 which show a rise in passenger numbers and an increase in cargo tonnage over the same period last year.

The airline carried 1,306,116 passengers in October, an 11.9 percent increase on the same month last year. The passenger load factor was 76.3 percent, down 1.3 points year-on-year. Traffic was a little suppressed by fewer people travelling during the Muslim holiday of Ramadan. Yield, the amount paid for every passenger kilometre flown, remained depressed as customers continued to book late in an environment of aggressive ticket pricing.

Cathay Pacific carried 103,962 tonnes of cargo in October, up 14.8 percent year-on-year, boosted by an increase in transshipment cargo to and from Shanghai. The cargo load factor was 69.9 percent, down 1.4 points reflecting weak demand for exports from Europe and the US to Asia.

Figures for Hong Kong's air cargo market show slower underlying export growth. Hong Kong export volumes increased 5.7 percent, according to October figures issued by Hong Kong Air Cargo Terminals Limited (HACTL), while transshipments increased 20.0 percent. Worldwide cargo figures issued by industry group IATA also show a slowdown in air cargo growth.

Market jet fuel prices have increased more than 43 percent in the past year and remained high in October, at almost US\$80 a barrel, compared to US\$64 for Brent crude. Into-plane prices paid by the airline are higher still with added fuel transportation costs.

The price of jet fuel is higher than that for crude oil because it is obtained from only a small fraction of refined crude. High demand for petrol can also prompt refineries to reduce jet fuel production, further raising its cost. Analysts say jet fuel demand, and prices, have dipped slightly in the past month as fewer people travelled to and from hurricane-hit areas in the United States, yet may rebound with the peak holiday travel season in the US, starting late November with Thanksgiving.

Cathay Pacific will continue to expand its services and hopes to soon operate a daily service to Rome, following the Hong Kong SAR Government's announcement today it has secured additional flight rights to the Italian capital. The airline currently operates five Rome flights a week.

Cathay Pacific General Manager Revenue Management, Sales & Distribution Ian Shiu said: "October was not a bad month, yet still below expectations. Competition was keen on key routes and we filled flights but at reduced prices. Bookings for early November look good, but slacken off again just ahead of the year-end holiday peak."

Cathay Pacific Director & General Manager Cargo Ron Mathison said: "Even though we are now entering the busiest time of the year for air cargo, there are signs of weakening demand, most likely a result of high fuel prices dampening the economy. Yields are under pressure as a result of a large increase in competitor capacity and we remain concerned about the impact of high jet fuel prices on our business."



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TRAFFIC	Oct 2005	% Change VS Oct 2004	Cumulative Oct 2005	Cumulative Oct 2004	% Change
RPK (000)					
- North Asia	754,001	3.7%	7,690,738	6,814,395	12.9%
- South East Asia and Middle East	1,078,630	14.0%	10,636,907	9,505,325	11.9%
- Europe	1,268,080	9.1%	11,823,443	10,649,775	11.0%
- South West Pacific & South Africa	892,546	15.8%	8,832,728	7,032,117	25.6%
- North America	1,521,930	11.1%	14,652,578	12,917,880	13.4%
RPK Total (000)	5,515,187	14.5%	53,636,394	46,919,492	14.3%
Passengers carried	1,306,116	10.8%	12,743,190	11,203,428	13.7%
Cargo and mail tonne km (000)	613,547	7.7%	5,399,965	4,921,861	9.7%
Freight carried (000 kg)	103,962	14.8%	912,924	802,334	13.8%
Number of flights	2,910	11.6%	27,673	25,124	10.1%

Capacity	Oct 2005	% Change VS Oct 2004	Cumulative Oct 2005	Cumulative Oct 2005	% Change
ASK (000)					
- North Asia	1,118,946	7.4%	10,827,738	10,278,547	5.3%
- South East Asia & Middle East	1,484,488	12.2%	14,298,788	12,943,544	10.5%
- Europe	1,450,276	10.0%	13,352,685	12,699,994	5.1%
- South West Pacific & South Africa	1,211,269	18.1%	12,072,847	9,881,191	22.2%
- North America	1,966,745	15.4%	17,558,688	14,990,173	17.1%
ASK Total (000)	7,231,724	12.7%	68,110,746	60,793,449	12.0%
Pax load factor	76.3%	-1.3pt	78.8%	77.2%	1.6pt
Available cargo & mail tonne km (000)	878,380	9.9%	8,102,779	7,160,040	13.2%
Cargo and mail load factor	69.9%	-1.4pt	66.6%	68.7%	-2.1pt
ATK (000)	1,566,260	11.1%	14,581,374	12,943,440	12.7%

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*The Cathay Pacific Website can be found at www.cathaypacific.com
 Cathay Pacific named 'Airline of the Year 2006' by Air Transport World*

