

**Asia**

**October - December 2006 Forecast**



**Passenger Numbers by Route (millions)**

	Jul-Sept '06	Jul-Sept '05	% change	Oct-Dec '05	Forecast
Domestic	19.39	19.48	-0.43%	19.57	19.49
Intercontinental	21.52	21.47	0.20%	23.93	23.97
Total	40.91	40.95	-0.10%	43.50	43.46

Overall the passenger numbers of Domestic markets in 2006 continue to decline compared to last year. The trend of the intercontinental market shows a continued small growth.

**Passenger Numbers by Seat Class (millions)**

	Jul-Sept '06	Jul-Sept '05	% change	Oct-Dec '05	Forecast
First	2.62	2.68	-2.38%	2.59	2.53
Business	4.33	4.35	-0.47%	4.26	4.24
Coach	35.46	35.24	0.62%	34.49	34.71

In overall, there is no significant change in number of passengers in all of three seat classes. Asia continues to concentrate on Economy business, while a number of passengers in Business class and First class show a slight decline. Particularly, the trend of passenger numbers in First class shows a continual decline as the numbers have been falling continuously in 2006.

**Estimated Complimentary Meal Numbers by Route (millions)**

	Jul-Sept '06	Jul-Sept '05	% change	Oct-Dec '05	Forecast
Domestic	8.79	14.68	-40.11%	8.99	5.39
Intercontinental	34.51	35.57	-2.97%	37.99	36.86
Total	43.30	50.25	-13.82%	46.99	40.50

Forecast meals on domestic flights have decreased compared with last year because multiplication factors used by the expert panel have been return to normal. Overall, the meal numbers have been declined compared to the same quarter of last year.

## Travel Catering Research Centre Quarterly Report

### Passenger Numbers by Carrier (millions)

	Jul-Sept '06	Jul-Sept '05	% change	Oct-Dec '05	Forecast
Cathay Pacific	4.30	4.10	4.87%	3.97	4.16
Dragonair	1.49	1.32	13.10%	1.34	1.51
Japan Airlines	15.39	15.58	-1.24%	14.53	14.35
Malaysia Air	3.91	4.74	-17.45%	4.61	3.81
Qantas	6.31	6.24	0.98%	6.23	6.29
Singapore Airways	4.57	4.35	5.04%	4.36	4.58
Thai Air	4.62	4.58	0.94%	4.74	4.78
Air Asia	1.81	1.35	33.74%	1.57	2.10

Air Asia, the low-cost carrier shows the most outstanding results compared to other flag carriers in Asia. Dragonair, Singapore Airway and Cathay Pacific all show high levels of growth in this quarter compared to the same period last year. Thai Air and Qantas have begun to see a slight increase in passenger numbers. Malaysia Air, however, as their quarterly report also suggests, are approximately 17% down on passenger numbers compared to the same period last year. Japan Airlines have also seen a slight decrease in passenger numbers.

## Headlines

### Oasis Hong Kong

Oasis Hong Kong Airlines operate low-fare long haul flights from Hong Kong to London Gatwick. Under their low-fare long haul model, economy travellers will have free-in-flight entertainment and two hot meals with the option of paying for a meal upgrade. Oasis will fly to London Gatwick Airport four times a week in October, expanding to daily flights from November. The initial response in Britain and Hong Kong has been very positive since the airlines have already sold 19,000 tickets for flights up to April 2007.

Onboard Hospitality November 2006

### AirAsia

AirAsia, Asia's leading low fare airline announced that the Group has carried over 20 million guests to date. The airline has just surpassed its 20 millionth passenger mark in June 2006. AirAsia has played a key role in stimulating travel across the ASEAN region and helped boost local economies in the markets it serves.

<http://www.airasia.com/site/en/pressRelease.jsp?id=d2adaa93-ac1e00ae-1d85e850-b05ebd2e> 3 August 2006

### Qantas

Passengers on Qantas international flights from Australia can now choose from a selection of healthier choice meals, with Qantas becoming the first licensee of the National Heart Foundation of Australia's new Tick for meals eaten out.

All of their Tick meals have been independently tested to meet strict standards for serve size, saturated fat, salt and vegetable content. The initial offering of six Tick approved meals is available to all International Economy customers travelling from Australia. Tick approved meals are clearly identified on in-flight menus and with specially labelled meal lids.

<http://www.qantas.com.au/regions/dyn/au/publicaffairs/details?ArticleID=2006/nov06/3500> 06 November 2006

**Explanations****Passenger Numbers by Route**

*The data in this table is derived from the area's major individual carrier's websites. These carriers include Cathay Pacific, Japan Airlines, Korean Airlines, Malaysia Air, Qantas, Singapore Airways and Thai Air.*

*% change - This compares the last full quarter of this year with the same quarter in the previous year.*

*Forecast - The forecast is based on the trend derived from the equivalent quarter of the previous year and the percentage change in the last full quarter.*

**Passenger Numbers by Seat Class**

*The data in this table is derived from data found on Euromonitor's web pages. The seat class data is defined by country and is then applied to the major carrier for that country. Two countries are not reported on and the average seat class ratio is applied to these.*

**Estimated Complimentary Meal Numbers and Type by Route**

*The data in this table is calculated by taking the total passenger numbers by route and applying a multiplier to provide an estimate of the total meals provided to passengers. The multipliers used are based upon consensus meal values agreed upon by a panel of experts and are subject to change on a monthly basis.*

*% change – Please see above.*

*Forecast – Please see above.*

**Passenger Numbers by Carrier**

*The data in this table is derived from the individual carrier's websites. The Association of Asia Pacific Airlines (AAPA) data is derived from Monthly International Statistics as found on their website.*

*% change – Please see above.*

*Forecast – Please see above.*