

KAL IR Release(FY03-003)

4th March, 2003 / IR TEAM

Jan 2003 Operating Results

1. Passenger

Dom : L/F dropped as supply increased from the introduction of wide body aircraft in Jeju route.

America : Strong traffic flow in Canada route.

Both revenue and yield increased by 36% and 13% (yoy) in terms of USD.

China : Korea in-bound traffic increase by Chinese New Year's hoilday travelers.

Strong flow of Korea out-bound leisure (golf & resorts) passengers.

Supply, traffic and USD revenue increased by 41%, 47% and 40% (yoy).

Japan : In a steady recovery trend.

SEA : Traffic increase from US transit passengers and demand growth of Korea out-bound leisure travelers.

Oceania : Favorable traffic from winter high season.

Europe : Showing a steady traffic growth.

(unit : mil)

| | PAX Total | Domestic | Japan | China | S.E.Asia | Oceania | America | Europe |
|-------------|-----------|----------|--------|-------|----------|---------|---------|--------|
| RPK | 3,897 | 340.4 | 215.1 | 98.7 | 671.9 | 647.7 | 1,488 | 436.1 |
| Change(yoy) | 16.3% | -5.1% | 1.2% | 47.0% | 18.4% | 23.5% | 20.0% | 14.4% |
| L/F | 70.1% | 59.8% | 68.0% | 66.9% | 76.4% | 75.9% | 69.1% | 67.8% |
| Change(yoy) | -2.8%p | -9.0%p | -1.8%p | 2.7%p | -0.1%p | 1.9%p | -5.2%p | -1.7%p |

2. Cargo

America : Strong traffic flow during 2002 4Q continued.

Supply, traffic and USD revenue increased by 25%, 28% and 27% (yoy).

Europe : Revenue improved by responding flexibly to traffic increase.

SEA : Traffic improved from US transit freight increase.

China : Together with China region's economic growth, China route supply, traffic and revenue increased sharply by 32%, 49% and 102.4% (yoy).

(unit : mil)

| | CGO Total | Japan | China | S.E.Asia | Oceania | America | Europe |
|-------------|-----------|--------|-------|----------|---------|---------|--------|
| FTK | 477.5 | 9.3 | 3.9 | 76.9 | 14.4 | 273.9 | 89.7 |
| Change(yoy) | 28.1% | 8.4% | 49.2% | 24.5% | 13.4% | 28.1% | 39.7% |
| L/F | 69.8% | 59.9% | 63.4% | 71.3% | 66.7% | 69.3% | 74.7% |
| Change(yoy) | -0.2%p | -0.5%p | 7.2%p | -2.3%p | -6.7%p | 1.3%p | -4.7%p |

Attachment: Jan 2003 Operating Results

KAL Operating Results (FY03 Jan)

| | | Jan | | | Jan-Jan | | |
|-------------|------------------|-----------|-----------|--------|-----------|-----------|--------|
| | | 03 | 02 | change | 03 | 02 | change |
| Dom Pax | Supply('000ASK) | 569,203 | 521,340 | 9.2% | 569,203 | 521,340 | 9.2% |
| | Traffic('000RPK) | 340,433 | 358,666 | -5.1% | 340,433 | 358,666 | -5.1% |
| | Carried(persons) | 1,101,067 | 1,087,472 | 1.3% | 1,101,067 | 1,087,472 | 1.3% |
| | L / F(%) | 59.8% | 68.8% | -9.0%p | 59.8% | 68.8% | -9.0%p |
| | Yield(KRW/KM) | 173.20 | 153.00 | 13.2% | 173.20 | 153.00 | 13.2% |
| | Yield(Cents/KM) | 14.44 | 11.55 | 25.0% | 14.44 | 11.55 | 25.0% |
| Int'l Pax | Supply('000ASK) | 4,992,356 | 4,076,463 | 22.5% | 4,992,356 | 4,076,463 | 22.5% |
| | Traffic('000RPK) | 3,556,978 | 2,991,933 | 18.9% | 3,556,978 | 2,991,933 | 18.9% |
| | Carried(persons) | 851,098 | 725,630 | 17.3% | 851,098 | 725,630 | 17.3% |
| | L / F(%) | 71.2% | 73.4% | -2.1%p | 71.2% | 73.4% | -2.1%p |
| | Yield(KRW/KM) | 72.60 | 75.10 | -3.3% | 72.60 | 75.10 | -3.3% |
| | Yield(Cents/KM) | 6.05 | 5.67 | 6.7% | 6.05 | 5.67 | 6.7% |
| Total Pax | Supply('000ASK) | 5,561,559 | 4,597,803 | 21.0% | 5,561,559 | 4,597,803 | 21.0% |
| | Traffic('000RPK) | 3,897,411 | 3,350,599 | 16.3% | 3,897,411 | 3,350,599 | 16.3% |
| | Carried(persons) | 1,952,165 | 1,813,102 | 7.7% | 1,952,165 | 1,813,102 | 7.7% |
| | L / F(%) | 70.1% | 72.9% | -2.8%p | 70.1% | 72.9% | -2.8%p |
| | Yield(KRW/KM) | 81.40 | 83.40 | -2.4% | 81.40 | 83.40 | -2.4% |
| | Yield(Cents/KM) | 6.78 | 6.30 | 7.6% | 6.78 | 6.30 | 7.6% |
| Cargo Total | Supply('000FTK) | 684,226 | 532,657 | 28.5% | 684,226 | 532,657 | 28.5% |
| | Traffic('000FTK) | 477,529 | 372,909 | 28.1% | 477,529 | 372,909 | 28.1% |
| | Carried(TON) | 101,006 | 91,931 | 9.9% | 101,006 | 91,931 | 9.9% |
| | L / F(%) | 69.8% | 70.0% | -0.2%p | 69.8% | 70.0% | -0.2%p |
| | Yield(KRW/KM) | 257.70 | 288.30 | -10.6% | 257.70 | 288.30 | -10.6% |
| | Yield(Cents/KM) | 21.47 | 21.76 | -1.3% | 21.47 | 21.76 | -1.3% |

Note : Sales commission has been excluded from yield calculation

KAL Operating Results (FY03 Jan)

| | | Jan | | | Jan-Jan | |
|-------------|------------------|-----------|-----------|--------|-----------|-----------|
| | | 03 | 02 | change | 03 | 02 |
| Dom Pax | Supply('000ASK) | 569,759 | 521,340 | 9.3% | 569,759 | 521,340 |
| | Traffic('000RPK) | 371,482 | 358,666 | 3.6% | 371,482 | 358,666 |
| | Carried(persons) | 1,101,067 | 1,087,472 | 1.3% | 1,101,067 | 1,087,472 |
| | L / F(%) | 65.2% | 68.8% | -3.6%p | 65.2% | 68.8% |
| | Yield(KRW/KM) | 158.80 | 153.00 | 3.8% | 158.80 | 153.00 |
| | Yield(Cents/KM) | 13.23 | 11.55 | 14.5% | 13.23 | 11.55 |
| Int'l Pax | Supply('000ASK) | 4,992,356 | 4,076,463 | 22.5% | 4,992,356 | 4,076,463 |
| | Traffic('000RPK) | 3,556,978 | 2,991,933 | 18.9% | 3,556,978 | 2,991,933 |
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| | Yield(KRW/KM) | 72.60 | 75.10 | -3.3% | 72.60 | 75.10 |
| | Yield(Cents/KM) | 6.05 | 5.67 | 6.7% | 6.05 | 5.67 |
| Total Pax | Supply('000ASK) | 5,562,115 | 4,597,803 | 21.0% | 5,562,115 | 4,597,803 |
| | Traffic('000RPK) | 3,928,460 | 3,350,599 | 17.2% | 3,928,460 | 3,350,599 |
| | Carried(persons) | 1,952,165 | 1,813,102 | 7.7% | 1,952,165 | 1,813,102 |
| | L / F(%) | 70.6% | 72.9% | -2.2%p | 70.6% | 72.9% |
| | Yield(KRW/KM) | 80.80 | 80.80 | 0.0% | 80.80 | 80.80 |
| | Yield(Cents/KM) | 6.73 | 6.73 | 0.0% | 6.73 | 6.73 |
| Cargo Total | Supply('000AFTK) | 684,226 | 532,657 | 28.5% | 684,226 | 532,657 |
| | Traffic('000FTK) | 477,529 | 372,909 | 28.1% | 477,529 | 372,909 |
| | Carried(TON) | 101,006 | 91,931 | 9.9% | 101,006 | 91,931 |
| | L / F(%) | 69.8% | 70.0% | -0.2%p | 69.8% | 70.0% |
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