



# **August 2004 Monthly Operating Result Summary**

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Passenger traffic in August, traditionally a peak month for passenger travel, increased by 4.0% over the volume in August 2003. International passenger traffic was up by 6.6% while domestic passenger traffic, which suffered the draining of customers to Korea Express Train (KTX), was down by 18.0%. Load factor remained at the same level as the previous year.

In China, the newly launched routes between Incheon and Daegu to Shanghai, Urumchi, Qingdao, Shenyang and Beijing continue to fill up capacity and bring favorable results. In Japan, the company increased its flight frequency to cope with the Japanese Thanksgiving holiday that contributed to notable results.

On the cargo front, overall demand increased by 11.6% due to the strong demand from China and Europe, in spite of the fact that August is traditionally slow season for cargo business. Load factor was also remained at the same level as last year.

The company reaped higher-margin results in China, backed by the explosive cargo demand and combined low performing routes in South East Asia to seek more profit.

			August			Accumulated (Jan-Aug)		
			2004	2003	Change	2004	2003	Change
P A S S E N G E R	ASK (Million)	Domestic	593.9	686.1	-13.4%	4,446.7	4,638.8	-4.1%
		Japan	361.2	313.5	15.2%	2,631.1	2,336.8	12.6%
		China	225.1	136.4	65.0%	1,286.3	835.1	54.0%
		SE Asia	888.2	782.5	13.5%	6,859.9	5,241.8	30.9%
		Oceanic	476.8	618.4	-22.9%	4,672.1	4,668.9	0.1%
		America	2,437.7	2,418.7	0.8%	16,220.8	15,663.7	3.6%
		Europe & M. East	1,082.1	878.1	23.2%	6,687.9	5,342.6	25.2%
		Int'l total	5,471.1	5,147.6	6.3%	38,358.1	34,088.9	12.5%
		<b>Total</b>	<b>6,065.0</b>	<b>5,833.7</b>	<b>4.0%</b>	<b>42,804.8</b>	<b>38,727.7</b>	<b>10.5%</b>
	RPK (Million)	Domestic	378.7	461.7	-18.0%	2,722.7	2,989.2	-8.9%
		Japan	298.5	263.9	13.1%	1,952.0	1,556.8	25.4%
		China	164.4	101.5	62.0%	871.1	521.4	67.1%
		SE Asia	660.8	589.6	12.1%	4,823.8	3,625.7	33.0%
		Oceanic	336.7	413.6	-18.6%	3,116.0	3,120.0	-0.1%
		America	2,033.7	1,904.8	6.8%	12,716.1	10,737.2	18.4%
		Europe & M. East	711.4	672.0	5.9%	4,645.2	3,754.6	23.7%
		Int'l total	4,205.5	3,945.4	6.6%	28,124.2	23,315.7	20.6%
		<b>Total</b>	<b>4,584.2</b>	<b>4,407.1</b>	<b>4.0%</b>	<b>30,846.9</b>	<b>26,304.9</b>	<b>17.3%</b>
	Carried Person	Domestic	1,048,920	1,314,687	-20.2%	7,819,482	8,752,419	-10.7%
		International	1,045,358	923,484	13.2%	6,883,600	5,504,538	25.1%
		<b>Total</b>	<b>2,094,278</b>	<b>2,238,171</b>	<b>-6.4%</b>	<b>14,703,082</b>	<b>14,256,957</b>	<b>3.1%</b>

<b>C A R G O</b>	<b>AFTK (Million)</b>	Domestic	17.5	21.3	-17.8%	140.1	148.9	-5.9%
		Japan	18.0	16.7	7.8%	136.6	130.5	4.7%
		China	15.9	8.0	99.4%	88.1	52.7	67.4%
		SE Asia	146.0	149.5	-2.3%	1,109.2	995.1	11.5%
		Oceanic	16.5	19.0	-13.2%	150.5	147.7	1.9%
		America	502.9	472.5	6.4%	3,751.7	3,457.6	8.5%
		Europe & M. East	256.9	184.6	39.2%	1,768.0	1,321.0	33.8%
		Int'l total	956.2	850.1	12.5%	7,004.2	6,104.5	14.7%
		<b>Total</b>	<b>973.7</b>	<b>871.4</b>	<b>11.7%</b>	<b>7,144.3</b>	<b>6,253.3</b>	<b>14.2%</b>
	<b>FTK (Million)</b>	Domestic	7.2	7.0	3.6%	70.4	66.7	5.7%
		Japan	11.7	11.8	-0.3%	100.9	90.0	12.0%
		China	7.8	5.1	53.1%	56.5	36.4	55.1%
		SE Asia	103.0	102.3	0.6%	872.7	725.8	20.2%
		Oceanic	8.7	12.5	-30.0%	91.0	110.8	-17.9%
		America	350.9	320.1	9.6%	2,855.3	2,413.7	18.3%
		Europe & M. East	182.2	143.1	27.3%	1,388.6	1,014.4	36.9%
		Int'l total	664.4	594.9	11.7%	5,365.0	4,391.1	22.2%
		<b>Total</b>	<b>671.6</b>	<b>601.8</b>	<b>11.6%</b>	<b>5,435.4</b>	<b>4,457.8</b>	<b>21.9%</b>
	Carried Ton		161,153	146,061	10.3%	1,317,205	1,128,455	16.7%