

**KOREAN AIR**



**October 2005**

**Summary of Monthly Operating Results**

**Document No: FY 05-016**

**Date of Release : December 2, 2005**

**Korean Air Investor Relations: 822-2656-6897,3977 selabr@koreanair.co.kr**



## Passenger

Passenger unit, which has shown a steady growth since the beginning of the year, recorded revenue passenger kilometers of 4.18 billion in October, up 9.6% from 3.81 billion last year on increasing travel demand and capacity increase. The overall load factor also rose by 2.2%p.

By route, following 5.1% increase in domestic capacity, the traffic went up by 16.7% yoy resulting in a load factor increase of 7.1%p.

International passenger traffic was up 9.0% yoy and showed load factor rise of 1.7%p on strong international travel demand during the month. China, Southeast Asia, and Europe regions in particular showed double-digit growth rates over the same period in 2004. Such a steady growth in travel demand is expected to continue for the time being following the recovery of Korean economy.



## Cargo

Cargo filled 76.2% of available space in October, up 0.4%p from a year ago on account of a 5.7% capacity reduction following the decrease in traffic of 5.2%. By region, FTK for Americas and Southeast Asia was down by 9.1% and 15.1% respectively as relatively weak demand compared with those of last year. China and Europe, on the other hand, posted FTK increase of 24.4% and 3.8% respectively. As the end of this year is coming, increase in cargo traffic is expected following the growing demand of cargo space and addition of a new B747-400ERF freighter in November.



## Company Highlights

Korean Air has worked on designing a new, young and futuristic cabin interior as part of accomplishing its new vision "To be a leader in global leading airlines" and its new mission "Excellence in Flight".

The theme of designing a new cabin interior is harmony between 'comfort at home' and 'spirit of new Korea'.

In order to concretize the plan, Korean Air changed all crew uniforms in last October, and will apply new cabin environment to its whole fleet by 2007. Also, Korean Air aims to be one of the leading airlines by investing in new cabin seats, devices and state-of-the-art technology, Audio-Video on demand system and in-flight Internet service, which have already been launched on some American routes and will be fully installed to long-haul aircrafts by 2007.

Korean Air strives to be recognized as a world class airline following the launching of new cabin interior and high-technology in-flight facilities.

## October 2005 Traffic Data

Passenger		ASK (in million)			RPK (in million)			L/F		
		2005	2004	Change	2005	2004	Change	2005	2004	Change
October	Domestic	495.4	471.5	5.1%	355.0	304.3	16.7%	71.7%	64.5%	7.1%p
	Japan	400.3	359.5	11.3%	284.7	277.6	2.6%	71.1%	77.2%	-6.1%p
	China	316.0	280.2	12.8%	222.2	186.7	19.1%	70.3%	66.6%	3.7%p
	S.E Asia	839.3	777.7	7.9%	594.9	510.4	16.6%	70.9%	65.6%	5.3%p
	Oceania	507.2	533.3	-4.9%	371.9	366.2	1.6%	73.3%	68.7%	4.7%p
	Americas	2,139.2	2,030.6	5.3%	1,599.2	1,502.4	6.4%	74.8%	74.0%	0.8%p
	Europe	1,068.1	968.7	10.3%	751.2	665.1	12.9%	70.3%	68.7%	1.7%p
	Int'l Total	5,270.1	4,950.0	6.5%	3,824.2	3,508.3	9.0%	72.6%	70.9%	1.7%p
	<b>Total</b>	<b>5,765.5</b>	<b>5,421.5</b>	<b>6.3%</b>	<b>4,179.2</b>	<b>3,812.6</b>	<b>9.6%</b>	<b>72.5%</b>	<b>70.3%</b>	<b>2.2%p</b>
Year to Date	Domestic	4,902.7	5,392.5	-9.1%	3,181.1	3,308.3	-3.8%	64.9%	61.4%	3.5%p
	Japan	3,713.8	3,320.8	11.8%	2,645.2	2,479.2	6.7%	71.2%	74.7%	-3.4%p
	China	3,034.1	2,668.9	13.7%	2,143.4	1,804.6	18.8%	70.6%	67.6%	3.0%p
	S.E Asia	8,212.6	7,550.2	8.8%	5,673.0	5,220.5	8.7%	69.1%	69.1%	-0.1%p
	Oceania	5,410.7	5,926.9	-8.7%	3,968.7	3,953.2	0.4%	73.3%	66.7%	6.6%p
	Americas	22,045.4	20,297.9	8.6%	16,803.0	15,721.6	6.9%	76.2%	77.5%	-1.2%p
	Europe	10,068.7	8,665.6	16.2%	6,949.1	6,047.2	14.9%	69.0%	69.8%	-0.8%p
	Int'l Total	52,485.3	48,430.4	8.4%	38,182.4	35,226.4	8.4%	72.7%	72.7%	0.0%p
	<b>Total</b>	<b>57,388.0</b>	<b>53,823.0</b>	<b>6.6%</b>	<b>41,363.5</b>	<b>38,534.7</b>	<b>7.3%</b>	<b>72.1%</b>	<b>71.6%</b>	<b>0.5%p</b>

Cargo		AFTK (in million)			FTK (in million)			L/F		
		2005	2004	Change	2005	2004	Change	2005	2004	Change
October	Domestic	14.5	14.1	3.0%	8.5	9.2	-7.9%	58.8%	65.7%	-6.9%p
	Japan	17.9	19.0	-5.6%	13.7	14.6	-6.6%	76.3%	77.1%	-0.8%p
	China	39.8	30.0	32.6%	28.9	23.2	24.4%	72.5%	77.3%	-4.8%p
	S.E Asia	102.0	123.0	-17.1%	83.0	97.8	-15.1%	81.4%	79.5%	1.9%p
	Oceania	18.3	18.4	-0.7%	11.8	13.2	-10.4%	64.4%	71.4%	-7.0%p
	Americas	477.9	529.8	-9.8%	361.9	398.2	-9.1%	75.7%	75.2%	0.6%p
	Europe	293.9	288.0	2.0%	227.0	218.6	3.8%	77.2%	75.9%	1.4%p
	Int'l Total	949.7	1,008.3	-5.8%	726.2	765.6	-5.1%	76.5%	75.9%	0.5%p
	<b>Total</b>	<b>964.2</b>	<b>1,022.3</b>	<b>-5.7%</b>	<b>734.7</b>	<b>774.8</b>	<b>-5.2%</b>	<b>76.2%</b>	<b>75.8%</b>	<b>0.4%p</b>
Year to Date	Domestic	145.7	168.8	-13.7%	78.8	88.2	-10.7%	54.1%	52.3%	1.8%p
	Japan	175.7	173.7	1.2%	123.2	129.0	-4.5%	70.1%	74.3%	-4.1%p
	China	419.7	272.6	54.0%	286.4	203.2	40.9%	68.2%	74.6%	-6.3%p
	S.E Asia	1,028.9	1,225.1	-16.0%	765.3	958.8	-20.2%	74.4%	78.3%	-3.9%p
	Oceania	183.6	193.2	-5.0%	101.3	120.1	-15.6%	55.2%	62.1%	-7.0%p
	Americas	4,374.6	4,785.5	-8.6%	3,310.1	3,620.2	-8.6%	75.7%	75.6%	0.0%p
	Europe	2,681.5	2,316.2	15.8%	2,083.2	1,797.0	15.9%	77.7%	77.6%	0.1%p
	Int'l Total	8,864.1	8,966.1	-1.1%	6,669.5	6,828.2	-2.3%	75.2%	76.2%	-0.9%p
	<b>Total</b>	<b>9,009.8</b>	<b>9,135.0</b>	<b>-1.4%</b>	<b>6,748.3</b>	<b>6,916.4</b>	<b>-2.4%</b>	<b>74.9%</b>	<b>75.7%</b>	<b>-0.8%p</b>

		October			Year to Date		
		2005	2004	Change	2005	2004	Change
Persons Carried	Domestic	994,794	857,972	15.9%	8,933,234	9,474,469	-5.7%
	International	982,969	895,201	9.8%	9,463,760	8,622,727	9.8%
	<b>Total</b>	<b>1,977,763</b>	<b>1,753,173</b>	<b>12.8%</b>	<b>18,396,994</b>	<b>18,097,196</b>	<b>1.7%</b>
Tonnes Carried		178,198	186,299	-4.3%	1,645,971	1,675,783	-1.8%

\* Above table includes estimated figures and is subject to change

\* The information contained in this material has been prepared for the purpose of providing information about Korean Air. It does not constitute an offer to sell any securities and must not be relied upon in connection with any investment decision. This release includes estimated figures at the date of issuance. However, information contained herein may have changed over time and it is your responsibility to verify its continued accuracy.