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**CATHAY PACIFIC AIRWAYS LIMITED**

**國泰航空有限公司**

(Incorporated in Hong Kong with limited liability)

(Stock Code: 293)

**December 2017 Traffic Figures**

The appended press release contains combined traffic figures for December 2017 for Cathay Pacific Airways Limited (“**Cathay Pacific**”) and its wholly owned subsidiary, Hong Kong Dragon Airlines Limited (“**Cathay Dragon**”). The information in the press release may be price sensitive. This announcement containing the press release is accordingly being issued pursuant to Part XIVA of the Securities and Futures Ordinance. The information in the press release has been prepared on the basis of internal management records. It has not been audited or reviewed by external auditors.

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**Investors are advised to exercise caution in dealing in shares of Cathay Pacific.**

As at the date of this announcement, the Directors of Cathay Pacific are:

Executive Directors: John Slosar (Chairman), Rupert Hogg, Gregory Hughes, Paul Loo, Martin Murray;

Non-Executive Directors: Cai Jianjiang, Ivan Chu, Michelle Low, Song Zhiyong, Merlin Swire, Samuel Swire, Xiao Feng, Zhao Xiaohang;

Independent Non-Executive Directors: John Harrison, Irene Lee, Andrew Tung and Peter Wong.

By Order of the Board

**Cathay Pacific Airways Limited**

David Fu

Company Secretary

Hong Kong, 17th January 2018

17 January 2018

**FOR IMMEDIATE RELEASE**

**CATHAY PACIFIC RELEASES COMBINED TRAFFIC FIGURES  
FOR DECEMBER 2017**

Cathay Pacific Group today released combined Cathay Pacific and Cathay Dragon traffic figures for December 2017 that show an increase in both the number of passengers carried and cargo and mail uplifted compared to the same month in 2016.

Cathay Pacific and Cathay Dragon carried a total of 3,051,564 passengers last month – an increase of 3.1% compared to December 2016. The passenger load factor dropped 0.4 percentage points to 84.6%, while capacity, measured in available seat kilometres (ASKs), increased by 4.1%. For 2017 as a whole, the number of passenger carried increased by 1.4% while capacity rose by 2.8%.

The two airlines carried 192,190 tonnes of cargo and mail last month, an increase of 10.2% compared to the same month last year. The cargo and mail load factor rose by 2.4 percentage points to 71.9%. Capacity, measured in available cargo/mail tonne kilometres, was up by 5.7% while cargo and mail revenue tonne kilometres (RTKs) increased by 9.2%. For 2017 as a whole, the tonnage rose by 10.9% against a 3.6% increase in capacity and a 9.0% increase in RTKs.

Cathay Pacific Director Commercial and Cargo Ronald Lam said: “Business traffic prior to the holiday period continued to be strong, while frontend leisure demand over Christmas was high, especially on regional routes. The backend performance was also robust, which was partially driven by a growing demand for premium economy class travel. On 23 December 2017, we established a new record in the number of passengers carried in a single day. Routes to the UK and Europe were particularly popular during the month, while routes to Japan and Taiwan also performed well, with both volume and yield improvements recorded.

“Meanwhile, cargo’s strong momentum continued well into December, with volumes growing well ahead of capacity. We were able to sustain a high load factor and high yield during the month. As a result, revenue efficiency gains were observed in all route groups. Not only did our home market of Hong Kong perform well, strong cargo feed from across the network enabled us to achieve an all-time weekly tonnage uplift record in the week ending 9 December. In terms of the nature of commodities carried, perishables were much in demand in the lead up to the festive season.”

The full December figures are on the next page.

<b>CATHAY PACIFIC / CATHAY DRAGON COMBINED TRAFFIC</b>	DEC	% Change	Cumulative	% Change
	2017	VS DEC 2016	DEC 2017	YTD
RPK (000)				
- Mainland China	727,189	4.7%	9,056,836	1.2%
- North East Asia	1,391,782	-0.5%	15,849,797	2.0%
- South East Asia	1,613,460	1.5%	17,679,731	-0.7%
- India, Middle East, Pakistan & Sri Lanka	647,289	2.8%	7,000,750	-3.7%
- South West Pacific & South Africa	1,795,087	7.3%	17,379,839	0.4%
- North America	2,912,992	1.9%	34,349,701	0.7%
- Europe	2,088,392	7.1%	25,346,180	12.7%
RPK Total (000)	11,176,191	3.5%	126,662,834	2.6%
Passengers carried	3,051,564	3.1%	34,819,871	1.4%
Cargo and mail revenue tonne km (000)	1,103,297	9.2%	11,633,452	9.0%
Cargo and mail carried (000kg)	192,190	10.2%	2,055,808	10.9%
Number of flights	6,979	2.5%	80,231	1.8%

<b>CATHAY PACIFIC / CATHAY DRAGON COMBINED CAPACITY</b>	DEC	% Change	Cumulative	% Change
	2017	VS DEC 2016	DEC 2017	YTD
ASK (000)				
- Mainland China	1,002,131	5.3%	11,810,609	2.3%
- North East Asia	1,631,663	-1.3%	18,953,462	-1.6%
- South East Asia	1,880,301	1.8%	21,054,737	-0.4%
- India, Middle East, Pakistan & Sri Lanka	757,683	-2.8%	8,453,224	-7.8%
- South West Pacific & South Africa	2,083,238	13.0%	20,502,144	4.1%
- North America	3,390,282	0.6%	40,406,780	2.8%
- Europe	2,464,286	9.6%	28,957,159	11.6%
ASK Total (000)	13,209,584	4.1%	150,138,115	2.8%
Passenger load factor	84.6%	-0.4pt	84.4%	-0.1pt
Available cargo/mail tonne km (000)	1,535,346	5.7%	17,162,665	3.6%
Cargo and mail load factor	71.9%	2.4pt	67.8%	3.4pt
ATK (000)	2,791,413	4.9%	31,438,522	3.2%

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**Cathay Pacific website: [www.cathaypacific.com](http://www.cathaypacific.com)**

## Glossary

### Terms:

#### **Available seat kilometres (“ASK”)**

Passenger seat capacity, measured in seats available for the carriage of passengers on each sector multiplied by the sector distance.

#### **Available tonne kilometres (“ATK”)**

Overall capacity measured in tonnes available for the carriage of passengers, excess baggage, cargo and mail on each sector multiplied by the sector distance.

#### **Available cargo/mail tonne kilometres**

Cargo capacity measured in tonnes available for the carriage of cargo and mail on each sector multiplied by the sector distance.

#### **Revenue passenger kilometres (“RPK”)**

Number of passengers carried on each sector multiplied by the sector distance.

#### **Cargo and Mail revenue tonne kilometres**

Traffic volume, measured in load tonnes from the carriage of cargo and mail on each sector multiplied by the sector distance.

### Ratio:

$$\text{Passenger/Cargo and mail load factor} = \frac{\frac{\text{Revenue passenger kilometres/}}{\text{Cargo and mail revenue tonne kilometres}}}{\frac{\text{Available seat kilometres/}}{\text{Available cargo and mail tonne kilometres}}}$$