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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)

May 2015 Traffic Figures

The appended press release contains combined traffic figures for May 2015 for Cathay Pacific Airways Limited (“**Cathay Pacific**”) and its wholly owned subsidiary, Hong Kong Dragon Airlines Limited (“**Dragonair**”). 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.

This announcement is issued by Cathay Pacific pursuant to Part XIVA of the Securities and Futures Ordinance.

The information in this announcement has been prepared on the basis of internal management records. It has not been audited or reviewed by external auditors.

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), James Barrington, Ivan Chu, Rupert Hogg, Martin Murray;

Non-Executive Directors: Cai Jianjiang, Fan Cheng, Martin Cubbon, Ian Shiu, Song Zhiyong, Merlin Swire, Samuel Swire, 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, 11th June 2015

11 June 2015

FOR IMMEDIATE RELEASE

**CATHAY PACIFIC RELEASES COMBINED TRAFFIC FIGURES
FOR MAY 2015**

Cathay Pacific Airways today released combined Cathay Pacific and Dragonair traffic figures for May 2015 that show both the number of passengers carried and the cargo and mail uplift growing compared to the same month last year.

Cathay Pacific and Dragonair carried a total of 2,901,558 passengers in May – an increase of 11.8% compared to the same month last year. The passenger load factor grew by 2.9 percentage points to 85.9% while capacity, measured in available seat kilometres (ASKs), increased by 7.5%. In the year to the end of May, passenger traffic grew by 9.1% while capacity was up by 6.5%

The two airlines carried 147,034 tonnes of cargo and mail last month, an increase of 6.2% compared to May 2014. The cargo and mail load factor fell by 0.9 percentage points to 62.1%. Capacity, measured in available cargo/mail tonne kilometres, rose by 11.1% while cargo and mail revenue tonne kilometres (RTKs) flown increased by 9.5%. In the year to the end of May, tonnage rose by 9.6% against a capacity increase of 9.6% and a 12.2% rise in RTKs.

Cathay Pacific General Manager Revenue Management Patricia Hwang said: “Passenger demand remained robust in most key markets during May, and the increase in passenger numbers easily outpaced the growth in capacity. Demand out of the key Hong Kong market was strong, buoyed by the public holidays at the beginning of the month. We entered the traditional slack season for Australia and New Zealand but Japan remained hugely popular as a leisure destination and we saw high loads in the Economy cabin on many other routes. A higher proportion of connecting traffic and lower-than-expected premium traffic on long-haul routes both had a negative impact on yield.”

Cathay Pacific General Manager Cargo Sales & Marketing Mark Sutch said: “Our cargo business got off to a slow start in May due to the long public holiday in Mainland China at the beginning of the month. Demand picked up steadily as factories reopened but the month’s tonnage growth could not keep pace with the increase in capacity. Our Mainland business continued to face pressure from intense competition and we saw less benefit from the congestion in the seaports on the West Coast of the USA than in previous months. Demand into and out of the Indian subcontinent was one of the bright spots in our cargo network in May.”

The full May figures are on the next page.

CATHAY PACIFIC / DRAGONAIR COMBINED TRAFFIC	MAY	% Change	Cumulative	% Change
	2015	VS MAY 2014	MAY 2015	YTD
RPK (000)				
- Mainland China	772,260	13.0%	3,671,639	5.4%
- North East Asia	1,304,881	12.2%	6,476,314	10.7%
- South East Asia	1,441,175	19.3%	7,081,460	17.0%
- India, Middle East, Pakistan & Sri Lanka	747,912	-3.3%	3,442,058	-3.1%
- South West Pacific & South Africa	1,367,088	15.2%	7,185,167	14.3%
- North America	3,044,739	9.8%	13,570,393	8.3%
- Europe	1,681,050	10.1%	8,161,619	9.4%
RPK Total (000)	10,359,105	11.2%	49,588,650	9.7%
Passengers carried	2,901,558	11.8%	13,989,739	9.1%
Cargo and mail revenue tonne km (000)	872,849	9.5%	4,271,010	12.2%
Cargo and mail carried (000kg)	147,034	6.2%	727,043	9.6%
Number of flights	6,691	6.0%	32,427	5.9%

CATHAY PACIFIC / DRAGONAIR COMBINED CAPACITY	MAY	% Change	Cumulative	% Change
	2015	VS MAY 2014	MAY 2015	YTD
ASK (000)				
- Mainland China	964,333	3.5%	4,696,295	0.8%
- North East Asia	1,613,033	6.2%	7,898,219	7.2%
- South East Asia	1,739,797	10.3%	8,535,113	13.1%
- India, Middle East, Pakistan & Sri Lanka	870,056	-8.5%	4,125,828	-10.4%
- South West Pacific & South Africa	1,589,466	10.1%	8,064,053	8.6%
- North America	3,316,892	9.9%	15,255,768	7.6%
- Europe	1,962,810	10.4%	9,362,181	8.5%
ASK Total (000)	12,056,387	7.5%	57,937,457	6.5%
Passenger load factor	85.9%	2.9pt	85.6%	2.5pt
Available cargo/mail tonne km (000)	1,406,361	11.1%	6,638,011	9.6%
Cargo and mail load factor	62.1%	-0.9pt	64.3%	1.5pt
ATK (000)	2,552,747	9.4%	12,147,206	8.1%

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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:

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