

PRESS RELEASE

KENYA AIRWAYS OPERATING PERFORMANCE, 3rd QTR 2005 – OCT to DEC

Kenya Airways releases its operating results for the third quarter ended 31st Dec.2005.

The airline put into the market place a capacity of 2,326m seat kilometres during the quarter ending December 2005. This represents a growth of 25% over prior year comparative period in which 1,867m seat kilometres were achieved. Capacity put into the European routes grew by 32% arising from 8 weekly flights to London and 7 to Amsterdam all primarily operated on the B777 with some additional capacity coming from the newly introduced Mombasa-London service in December.

Capacity in the Middle East and Asia region grew by 16% over prior year driven by the introduction of 2 weekly operations to Guangzhou in China via Dubai. Northern Africa achieved a capacity growth of 36% mainly as a result of the additional operations to Cairo extending to Istanbul. Southern Africa's capacity grew by 19% due to increased frequencies that are now double daily to Johannesburg, the deployment of the larger B767s in place of the B737s on Lusaka-Lilongwe route and the introduction of two weekly frequencies to Lubumbashi and Maputo both through Harare. West Africa achieved a 37% growth again due to the replacement of some flights on the B737 to Kinshasa, Accra and Abidjan with the larger B767s, increased operations to Cameroon and Lagos and the introduction of Bamako – Dakar service in July. Capacity in the domestic market grew by 23% mainly due to the increase in operations to Mombasa, Kisumu and Malindi attributable to the withdrawal of some of the competition from the routes and the increase of tourist traffic to the coast.

Take up of capacity in the quarter at 1,675m revenue passenger kilometres represents a 20% increase over prior year level of 1,402m in the same period. Total passenger uplift at 605,441 in the quarter represents a 17% increase on prior year's level of 518,844.

Cargo uplift at 15,457 tonnes was 27% better than prior year with major growths registered in Europe, Southern Africa and the West and Central Africa regions. The improved cargo volume growth has been the result of increased belly space provided by the additional two B777s in the network.

During the quarter, the recent capacity increases this year have been maintained, with the normal seasonal decline in passenger carryings having the corresponding effect of reducing the overall cabin factor from 75.1% to 72.0%. On the upside, the marked improvement in cargo performance resulted in a better overall load factor of 66.4% up from 63.7% achieved last year.

Passenger uplift to Europe grew by 20% over prior year mainly from a positive passenger response to the introduction of the B777 capacity. The region however achieved a cabin factor of 72.9% which compared to 80.3% achieved in the same period last year.

In the Mid-East and Asia region, passenger traffic grew by 6% against prior year arising from the launch of Dubai-Guangzhou operation in mid-October. The resultant cabin factor achieved of 72.5% was some 4.8 percentage points lower than prior year level.

Passenger traffic within Africa, but excluding Kenya, at 423,889 rose by 18% compared to last year's level of 358,217. The growth is the result of increased capacity in the region from increased operations of the larger aircraft and the expanded network in the region. The region achieved a higher cabin factor of 70.9% compared to last year's level of 68.5%.

The domestic traffic uplift grew by 20% mainly due to increased capacity, reduced competition and improved tourist loads. The average cabin factor of 82.3% compares to 83.5% achieved last year.

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