

For information

Legislative Council Panel on Economic Services

Comparison of Airport Charges

The Legislative Council Panel on Economic Services has invited the Administration and the Airport Authority (AA) to comment on a submission by the International Air Transport Association (IATA) dated 29 April 2005 concerning comparison of the airport charges at the Hong Kong International Airport (HKIA) with some other airports in the region.

2. In our paper for the Panel meeting held on 31 January 2005 (LC Paper No. CB(1) 773/04-05(06), we have pointed out that according to an independent survey by a UK-based aviation consultant, the level of airport charges at HKIA is relatively low, ranking at 46th among the 50 major international airports surveyed. The comparison in IATA's submission dated 29 April 2005 suggests that the charges at HKIA are higher than many other airports in the region because they have ignored some charges collected by other airports directly from passengers, and wrongly included our Airport Passenger Departure Tax in their comparison of airport charges. They have also adopted different assumptions in their calculations. We enclose a paper prepared by AA which analyses in detail the reasons behind the discrepancy.

Economic Development and Labour Bureau
14 June 2005

Airport Charges Comparisons

Submission to Hong Kong SAR Legislative Council Economic Services Panel

6 June 2005



Executive Summary

1. Airport charges have been a popular topic of discussions and debate in the aviation industry as it is positioned as the equivalent of competitiveness of an airport. Competitiveness, however, should be measured by total offer and solution to address customer needs in time, money and reliability. It is therefore important to evaluate the competitiveness of an airport with a comprehensive view of multiple factors and airport charges being one of them.

2. The Hong Kong International Airport (“HKIA”) has been voted as the best airport consecutively for five years for its operational efficiency, high-quality services and outstanding reliability. The continuous improvements and enhancements of the Airport Authority (“AA”) will continue to ensure HKIA’s competitive position in the rapidly changing aviation industry in the region.

3. Regarding airport charges, a total cost approach, i.e. total revenue collected by the airport including passenger charges, is more appropriate for the objective of benchmarking. Collection method of the charges, whether it is through airlines or directly from passengers, should not be the focus as this does not affect the competitiveness to an airport.

4. With the total cost approach, HKIA is not only competitive in terms of service standards and reliability, but also in terms of airport charges. Airport charges of HKIA are the lowest among the five comparable airports that compete for the same traffic flow, namely Incheon, Bangkok, Singapore Changi, Guangzhou and Shanghai. Even including the two airports, Taipei and Kuala Lumpur, as suggested by International Air Transport Association (“IATA”), HKIA has the second lowest airport charges. This is consistent with overall conclusion of the benchmarking results published by TRL, an UK-based independent aviation consultant who benchmarks airport charges on a continuous basis. In TRL’s 2004 review, for example, the level of airport charges at HKIA was comparatively low, ranking at 46th among the 50 major international airports surveyed.

5. Considering the result of the above independent survey and the high quality services offered at HKIA as testified by the international acclaims it has obtained, it is obvious that the existing level of airport charges at HKIA is very competitive among other major airports in the region.

6. **Departure Tax**, which is paid by passengers to the Government’s general coffer, is discussed and included in IATA’s benchmarking submission dated 29 April 2005. This is the major discrepancy between AA and IATA submissions. Departure tax is purely a fiscal measure and is fully retained by the Government. It is no different from sales tax or taxes levied on tobacco and liquor. Increase or decrease of the departure tax is purely a Government’s decision. As AA has

nothing to do with the use of the departure tax, AA's view is that it **should not be included in the airport charges benchmarking.**

Introduction

7. The AA and the IATA, together with other aviation-related stakeholders presented their views on the proposed partial privatization of AA at the Economic Services Panel on 31 January 2005. Different matters were discussed, among which comparison of airport charges of HKIA with other airports, especially the variance between that of AA's and IATA's, had raised interest and concerns of the members.

8. IATA had subsequently sent a submission to the Panel, setting out its methodologies and calculations of the airport charges comparisons. Upon the request of the Panel and EDLB, the Authority hereby prepares this paper to clarify issues and hopefully facilitate the Panel's understanding of the subject.

9. This paper explains in details the methodology adopted by AA in terms of airport charges benchmarking and to clarify the variances between AA's comparisons and IATA's submission dated 29 April 2005.

Methodology adopted by AA

10. Airport charges comparison has always been a complicated issue as it involves different components, entities and benchmarking dimensions.

11. Notwithstanding the complexity of airport charges benchmarking, the rationale behind AA's calculation is to the extent possible, making an "apple-to-apple" comparison against its relevant peers. Furthermore, it should be noted that this is simply a pure quantitative analysis on the level of airport charges without necessarily taking into account the quality of services provided or value added to its users. The quality of services offered is also a critical element in gauging the competitiveness of an airport. In this regard, it should be noted that HKIA has just been voted again, for the fifth year in a row, the world's best airport, a Skytrax poll of 5.5 million international air travelers. AA will continue to monitor and improve service standards at HKIA while ensuring its charges are always offering value for money.

12. What constitute airport charges varies from one airport to another. For instance, the cost of lighting is charged separately at some airports while it is aggregated into a single landing charge in other airports. In this respect, charges at airports of Singapore, Bangkok, Kuala Lumpur and HKIA are simpler with 4 to 5 charges only while Guangzhou, Shanghai, Incheon and Taipei are relatively more

complex with 7 different charges. It is important therefore to aggregate all the relevant charges in order to make it a comparable analysis.

Components of Airport Charges	HKIA	Incheon	Taipei	Bangkok	Singapore	Kuala Lumpur	Guangzhou	Shanghai
Landing	X	X	X	X	X	X	X	X
Lighting		X					X	X
Parking	X	X	X	X	X	X	X	X
Terminal navigation		X		X			X	X
Noise			X					
Passenger Charge	X	X	X	X	X	X	X	X
Security	X		X		X		X	X
Aerobridge		X	X	X	X	X	X	X
Baggage handling		X	X					

Source: IATA Airport & En Route Aviation Charges Manual as of 11 March 2005; airports.

13. AA considers that the level of total airport charges received by the airport irrespective of the payee a fairer measure as it reflects the total costs (include infrastructure and operating) of providing the necessary airport facilities and service. On this basis, a total of 9 common charging items are identified and included in our calculation, namely landing, lighting, terminal navigation, noise, parking, passenger charge, security, aerobridge, and baggage handling.

14. Confusion often occurs when it comes to terminal navigation charge, the approach and aerodrome air traffic control services are usually rendered by the government and are recovered, as in the case of HKIA, via landing charge of the airport. As essential for an “apple-to-apple” comparison, this charge is included in our calculation if it is treated by the charging airport as a separate charge, as the case in Incheon and Bangkok.

15. Passenger charge is another cause of complication. At many airports, this charge is levied on passengers directly on a per passenger basis, either collected on behalf of the airport by the airlines on ticket or at the point of check-in. Passenger charge, called Terminal Building Charge (“TBC”) at HKIA, is payable by airlines. This explains the major discrepancy between AA’s and airlines’ claims in which the latter often takes into account those airport charges payable by airlines only and therefore puts AA into an unfavorable position by excluding passenger charge paid directly by passengers in other airports for comparison. As mentioned above, to better reflect the competitiveness of an airport as a whole, AA uses the total cost approach irrespective of who is payable for the charge. If all airport charges at HKIA were directly levied on passengers, from an airline point of view, at a stroke, HKIA would become the most competitive airport in the world, as airlines would pay nothing. Nevertheless, from Hong Kong’s perspective, the competitiveness of the airport has not changed as the passengers, to whom airlines serve, will still be paying. Based on this rationale, both passenger and security charges should be included in the total cost computation even though they

may not often be part of the airline's out-of-pocket cost for airports where passengers pay those charges directly.

Airport	PAX Charges payable by PAX on ticket	PAX Charges payable by PAX at check-in	PAX Charges payable by airline
HKIA			TBC
Incheon	Passenger Charge		
Taipei	Passenger Charge		
Bangkok		Passenger Charge	
Singapore	Passenger Charge		
Kuala Lumpur	Passenger Charge		
Guangzhou / Shanghai	Airport Construction Fee		

Source: IATA Airport & En Route Aviation Charges Manual as of 11 March 2005; airports.

16. Five airports in the region considered as comparables to HKIA based on traffic flow and are selected for comparison. They are Incheon, Bangkok, Singapore Changi, Guangzhou and Shanghai. All of them are competing with HKIA for traffic flow. Since IATA's submission includes Taipei and Kuala Lumpur in its comparison, we have included these two airports for easy reference even though they are not considered as comparables and competitors of HKIA, based on the profiles of traffic flows.

AA' s Benchmarking Result

17. AA has been consistently using the same approach and assumptions on airport charges benchmarking. All these assumptions are strongly supported by objective facts and information from manufacturers' manuals, IATA Charging manual and communication with individual airports. AA believes that comparison it provided based on these assumptions provide an equitable and reliable picture of airport charges to the Administration and the Panel Members.

18. The result shows that airport charges at HKIA are in fact competitive relative to its 7 peer airports. For a typical wide body passenger aircraft movement such as a Boeing 747-400, HKIA is **cheaper** than Singapore, Bangkok, Taipei, Incheon, Guangzhou and Shanghai by 9%, 12%, 18%, 39%, 53% and 53%, respectively. While for a small Airbus 320-200 passenger aircraft movement, charges at HKIA are 9%, 10%, and 27% **cheaper** than Taipei, Singapore and Bangkok, respectively and 41% to 48% below Incheon, Guangzhou and Shanghai (row A).

19. However, if one excludes all passenger and security charges that are payable by the passengers from the calculation (row B), HKIA might appear to be less competitive. As mentioned, this approach nevertheless is inconsistent with the total cost principle, the latter of which is a more accurate way to measure the competitiveness of an airport.

Airport Charges for a Typical B747-400 PAX Aircraft Movement (HKD/flight)	HKIA	Incheon	Taipei	Bangkok	Singapore	Kuala Lumpur	Guangzhou	Shanghai
Paid by Airlines								
Landing	25,961	25,789	25,026	11,980	16,360	8,726	34,090	34,090
Lighting	-	889	-	-	-	-	3,409	3,409
Parking	2,496	599	1,844	644	1,055	467	5,114	5,114
Terminal navigation	-	1,853	-	5,575	-	-	22,373	22,373
Noise	-	-	2,324	-	-	-	-	-
Passenger	6,233	-	-	-	-	-	-	-
Security	-	-	818	-	-	-	780	780
Aerobridge	-	1,027	1,025	3,909	3,074	236	4,992	4,992
Baggage handling	-	4,094	352	-	-	-	-	-
Terminal building services	-	-	961	-	-	-	-	-
Total payable by airline (B)	34,690	34,251	32,351	22,107	20,489	9,430	70,758	70,758
HKIA more/(less) expensive		1%	7%	57%	69%	268%	(51)%	(51)%
Paid by Passengers								
Passenger	-	36,725	20,671	27,588	19,525	25,030	22,997	22,997
Security	8,943	-	-	-	7,810	-	-	-
Total	8,943	36,725	20,671	27,588	27,336	25,030	22,997	22,997
Total received by airport (A)	43,633	70,976	53,021	49,695	47,825	34,460	93,755	93,755
HKIA more/(less) expensive		(39)%	(18)%	(12)%	(9)%	27%	(53)%	(53)%
Total received by airport (USD)	5,594	9,100	6,798	6,371	6,132	4,418	12,021	12,021

Airport Charges for a Typical A320-200 PAX Aircraft Movement (HKD/flight)	HKIA	Incheon	Taipei	Bangkok	Singapore	Kuala Lumpur	Guangzhou	Shanghai
Paid by Airlines								
Landing	5,612	4,922	3,831	1,855	2,571	1,276	6,002	6,002
Lighting	-	889	-	-	-	-	600	600
Parking	1,248	-	-	-	-	-	-	-
Terminal navigation	-	1,853	-	3,801	-	-	4,138	4,138
Noise	-	-	243	-	-	-	-	-
Passenger	2,530	-	-	-	-	-	-	-
Security	-	-	327	-	-	-	624	624
Aerobridge	-	1,027	769	1,018	793	174	1,248	1,248
Baggage handling	-	1,662	352	-	-	-	-	-
Terminal building services	-	-	412	-	-	-	-	-
Total payable by airline (B)	9,390	10,353	5,934	6,674	3,363	1,450	12,612	12,612
HKIA more/(less) expensive		(9)%	58%	41%	179%	547%	(26)%	(26)%
Paid by Passengers								
Passenger	-	14,907	8,390	11,198	7,925	10,160	9,335	9,335
Security	3,630	-	-	-	3,170	-	-	-
Total	3,630	14,907	8,390	11,198	11,096	10,160	9,335	9,335
Total received by airport (A)	13,020	25,259	14,324	17,872	14,459	11,610	21,947	21,947
HKIA more/(less) expensive		(48)%	(9)%	(27)%	(10)%	12%	(41)%	(41)%
Total received by airport (USD)	1,669	3,239	1,836	2,291	1,854	1,489	2,814	2,814

Key differences in assumptions between AA and IATA

20. AA has always adopted consistent assumptions for the comparison for all airports. All parameters and assumptions are based on objective sources such as IATA Airport and Air Navigation Services Charges Manual or industry practices.

21. In general, the assumptions used in AA's comparisons and those used by the IATA's submission are consistent, with a few exceptions. The assumptions and the differences between the two parties highlighted in the table below:

Parameters & assumptions		AA's		IATA submission dated April 29	
(a)	Aircraft types	B747-400 & A320-200		B747-400 & A320-200	
		<u>B747-400</u>	<u>A320-200</u>	<u>B747-400</u>	<u>A320-200</u>
(b)	Assumptions on (i) MTOW (tons) (ii)MAW (tons)	396.9 398.3	73.5 73.9	397 397	73 73
(c)	Passengers	271	110	271	110
(d)	Parking duration (hours)	4	2	3	3
(e)	Exchange rate	1 March 2005 Bloomberg		Not specified	
(f)	Terminal navigation charge	Included		Included	
(g)	Other commercial charges*	Excluded		Included	
(h)	Taxes	Excluded		Included	

* Including Check-in Counters, TV displays, flight announcements, etc.

(a) Based on information from the IATA Airport and Air Navigation Services Charges Manual as of 11 March 2005, 2 types of aircraft by size are chosen for conducting the benchmarking exercise, Boeing 747-400 and Airbus 320-200. Both of them are the dominated aircraft type for the large (B747-400~41%) and small (A320-200~61%) aircraft movements, respectively at HKIA. Both parties are using these two aircraft types and based on their aircraft weight, passenger number, and parking duration to compute the airport charges for the peer airports selected.

(b) The relevant maximum weights (MTOW or MAW) as published by the aircraft manufacturer are used for the calculation. Variations of the actual aircraft weight billed due to different cabin configuration and type of services provided are ignored for all airports in the comparison. AA follows the manufacturers' published data which are slightly different from the quoted assumptions in IATA's submission.

- (c) The assumed number of passengers used in AA's calculation is a multiple of the average seating capacity and the passenger load factor. The number of seats is an average of the actual seating capacity of each aircraft type of a sample of ten different airline operators (source: Review of Airport Charges 2003 by TRL). The passenger load factor of 73% is reported by ICAO, which is the average for international services worldwide in 2002. AA believes that the approach it adopted is detailed and objective. IATA has taken the same passenger numbers in its second submission dated 29 April 2005.
- (d) The four-hour and two-hour parking durations are assumed for a large and small aircraft movement, respectively in AA's comparisons, which are considered typical for a traditional scheduled service airline. IATA in its submission assumes parking durations for both aircraft types to be 3 hours, which AA finds unrealistic as turnarounds of large and small aircrafts are reasonably expected to be different. As most of the airports used in the benchmarking except for HKIA provide the first three hours of parking free, the IATA's assumption therefore lead to zero standalone parking charges for these airports. In reality of course, the parking charges for these airports are embedded in the other items of the airport charges.
- (e) These parameters are then applied to the airport charges formulae for international services at each peer airport to derive the total airport charges received by the airport in local currency. They are then converted into US dollars using the exchange rates from Bloomberg dated 1 March 2005 for comparison. The approach adopted by IATA is largely the same as AA's but the exact date of the exchange rates to USD used in the conversion is not stated in the submission.
- (f) For the underlying reason stated in paragraph 14 above, Terminal Navigation Charge is included in the assumption of both AA and IATA. AA follows strictly the details of the charging formula which are listed in a separate section under en route charges in the IATA Airport and Air Navigation Services Charges Manual.
- (g) There are differences between the components of Airport Charges chosen for the comparison between the 2 parties. In addition to the 9 airport charges IATA has included in its computation other fees including check-in counters, TV displays, and flight announcements. These fees are generally not treated as part of airport charges but commercial charges and are not included in the IATA Airport and Air Navigation Services Charges Manual per se. In addition, these commercial charges are not treated consistently across airports in IATA's submission. Check-in counter charges at Singapore, Incheon and Kuala Lumpur are not included. IATA includes only check-in counter charges for HKIA and Bangkok Airport.

(h) AA regards departure tax, which is paid by passengers to the Government's general coffer, is purely a fiscal measure. It is fully retained by the Government and is no different from sales tax or taxes levied on tobacco and liquor. Increase or decrease of the departure tax is purely a Government's decision and therefore should not be included in the airport charges benchmarking.

Adjustments to IATA's Submission

22. Besides the variances driven by the differences in assumptions abovementioned, it is observed that there are other variances that are believed to be driven by different interpretations of airport charges of individual airports and potentially calculation errors.

23. In order to clarify on these variances, some of the airports included in the comparisons have been contacted to verify the formula and the applications of the airport charges as described in the IATA Charging manual.

24. Based on these discussions, it is believed that adjustments are required to correct computational errors in IATA's submitted comparisons using its assumptions in paragraph 21. These adjustments on the five airports analyzed in IATA's submission are listed out and explained in the following tables:

Table 1 - Airport Charges of HKIA (HKG)

Local currency	B747-400		A320-200		Rationale
Items	IATA Apr 29	IATA Adjusted	IATA Apr 29	IATA Adjusted	
Landing	25,835	25,961	4,982	5,549	Recalculate based on landing charge formula listed in IATA Charging manual
Parking	1,872	1,872	1,872	1,872	
Security	3,523	8,943	1,430	3,630	Recalculate based on restructured charges including Passenger Charge from Jan 05
Check-in counters	270	90	270	90	Recalculate based on assumed 3 hour turnaround vs. IATA's 9 hour
Passenger Charge	5,420		2,200		Should be reclassified as Security Charge
Terminal Building Charge	5,149	6,233	2,090	2,530	Recalculate based on restructured charges from Jan 05
Tax	32,520	32,520	13,200	13,200	
Total	74,589	75,619	26,044	26,871	
Exchange to USD	7.80	7.80	7.80	7.80	
Total in USD	9,561	9,693	3,339	3,445	

Table 2 - Airport Charges of Incheon (ICN)

Local currency	B747-400		A320-200		Rationale
Items	IATA Apr 29	IATA Adjusted	IATA Apr 29	IATA Adjusted	
Landing	3,156,600	3,236,000	598,600	613,200	Recalculate based on landing charge formula listed in IATA Charging manual
Terminal Navigation		232,410		232,410	Tariff per IATA Charging manual
Lighting	40,000	111,584	40,000	111,584	Tariff per IATA Charging manual
Baggage Handling	513,545	513,545	208,450	208,450	
Aerobridge	64,433	128,866	64,433	128,866	Tariff for a typical movement for deplaning & enplaning
Passenger Charge	4,607,000	4,607,000	1,870,000	1,870,000	
Total	8,381,578	8,829,405	2,781,483	3,164,510	
Exchange to USD	1,172.2	1,172.2	1,172.2	1,172.2	
Total in USD	7,150	7,532	2,373	2,700	

Table 3 - Airport Charges of Taipei Airport (TPE)

Local currency	B747-400		A320-200		Rationale
Items	IATA Apr 29	IATA Adjusted	IATA Apr 29	IATA Adjusted	
Landing	98,456	98,456	14,965	14,965	
Parking	248	7,255	85	2,044	Recalculate based on parking charge formula listed in IATA Charging manual
Noise	7,500	7,500	1,500	1,500	
Baggage Handling	1,384	1,384	1,384	1,384	
Aerobridge	2,304	4,032	1,728	3,024	Dual use rate for a typical movement for deplaning & enplaning
Security	3,218	3,218	1,287	1,287	
Passenger Charge	81,300	81,300	33,000	33,000	
Terminal Building Charge			1,620	1,620	
Terminal building services	3,780	3,780			
Total	198,190	206,925	55,569	58,824	
Exchange to USD	34.1	34.1	34.1	34.1	
Total in USD	5,817	6,073	1,631	1,727	

Table 4 - Airport Charges of Bangkok International Airport (BKK)

Local currency	B747- 400		A320-200		Rationale
Items	IATA Apr 29	IATA Adjusted	IATA Apr 29	IATA Adjusted	
Landing	49,210	58,855	7,495	9,040	Recalculate based on landing charge formula listed in IATA Charging manual
Terminal Navigation	7,823	27,381	5,334	18,669	Tariff per IATA Charging manual
Aerobridge	4,800	14,400	2,500	7,500	Quoted tariff should be applied to the 1 st hour or fraction thereof
Check-in counters	400	400	400	400	
Passenger Charge	135,500	135,500	55,000	55,000	
Tax	5,888	5,888	2,570	2,570	
Others	14,900	14,900	8,000	8,000	
Total	218,521	257,324	81,299	101,179	
Exchange to USD	42.02	42.02	42.02	42.02	
Total in USD	5,200	6,123	1,935	2,408	

Table 5 - Airport Charges of Singapore Changi Airport (SIN)

Local currency	B747-400		A320-200		Rationale
Items	IATA Apr 29	IATA Adjusted	IATA Apr 29	IATA Adjusted	
Landing	3,454	3,394	467	528	Recalculate based on landing charge formula listed in IATA Charging manual
Aerobridge		320		165	Quoted tariff should be applied to 1 st three years; 1 st three years are not free of charge
Security	1,626	1,626	660	660	
Passenger Charge	4,065	4,065	1,650	1,650	
Total	9,145	9,405	2,777	3,003	
Exchange to USD	1.76	1.76	1.76	1.76	
Total in USD	5,184	5,332	1,574	1,703	

Table 6 - Airport Charges of Kula Lumpur International Airport (KUL)

Local currency	B747-400		A320-200		Rationale
Items	IATA Apr 29	Adjusted	IATA Apr 29	Adjusted	
Landing	4,237	4,237	482	613	Recalculate based on landing charge formula listed in IATA Charging manual
Aerobridge	85	85	85	85	

Local currency	B747-400		A320-200		Rationale
Items	IATA Apr 29	Adjusted	IATA Apr 29	Adjusted	
Passenger Charge	12,195	12,195	4,950	4,950	
Total	16,517	16,517	5,517	5,648	
Exchange to USD	3.79	3.79	3.79	3.79	
Total in USD	4,361	4,361	1,456	1,491	

25. After the adjustments, based on IATA's assumptions, airport charges of the five airports are summarized in the following table. Major variances to reconcile with AA's benchmarking results are highlighted below for easy reference.

Reconciliation of Airport Charges on B747-400: AA vs. IATA

B747-400	Incheon	Taipei	Bangkok	Singapore	HKIA	Kuala Lumpur
IATA's total Airport Charges per flight (USD)	7,150	5,817	5,200	5,184	9,561	4,361
Less: Tax	-	-	(140)	-	(4,168)	-
IATA's total Airport Charges per flight without Tax (USD)	7,150	5,817	5,060	5,184	5,393	4,361
(local currency)						
Charges per flight without Tax (local currency)	8,381,578	198,190	212,633	9,145	42,069	16,517
Add: Computational errors	447,827	8,735	38,803	260	1,030	-
Less: Commercial revenue	-	-	(15,300)	-	(90)	-
Add/(Less): Parking Charge difference	75,104	(2)	3,161	220	624	228
Add/(Less): other variances*	(800)	1,617	4,785	332	-	45
AA's total Airport Charges per flight (local currency)	8,903,709	208,540	244,082	9,957	43,633	16,789
AA's total Airport Charges per flight (USD)**	9,100	6,798	6,371	6,132	5,594	4,418

* Including different assumed aircraft weight, computation of noise (TPE) and aerobridge charges (TPE, SIN, KUL)

** Using AA's exchange rates from Bloomberg as of 1 March 2005

Reconciliation of Airport Charges on A320-200: AA vs. IATA

A320-200	Incheon	Bangkok	Singapore	Taipei	HKIA	Kuala Lumpur
IATA's total Airport Charges per flight (USD)	2,373	1,935	1,574	1,631	3,339	1,456
Less: Tax	-	(61)	-	-	(1,692)	-
IATA's total Airport Charges per flight without Tax (USD)	2,373	1,873	1,574	1,631	1,647	1,456
(local currency)						
Charges per flight without Tax (local currency)	2,781,483	78,729	2,777	55,569	12,844	5,517
Add/(Less):						
Computational errors	383,027	19,880	226	3,255	827	131
Less: Commercial revenue	-	(8,400)	-	-	(90)	-
Add/(Less): Parking Charge difference	-	-	-	(2,044)	(624)	-
Add/(Less): other variances*	4,200	(2,430)	7	(443)	63	8
AA's total Airport Charges per flight (local currency)	3,168,710	87,779	3,010	56,338	13,020	5,657
AA's total Airport Charges per flight (USD)**	3,239	2,291	1,854	1,836	1,669	1,489

* Including different assumed aircraft weight, computation of noise (TPE) and aerobridge charges (TPE, SIN, KUL)

** Using AA's exchange rates from Bloomberg as of 1 March 2005

- End-