

Cargo Newsletter

February 2008

Welcome again to the Cargo Newsletter, a publication by East Midlands Airport aimed at all stakeholders in EMA's cargo business. This is the second edition of the newsletter, designed to bring you up to date on cargo performance at EMA, and in particular, our performance through the month of January.

It was another record year at EMA in 2007, having seen 304,920 tonnes handled (excluding 11,309 tonnes of transit freight), and January showed a positive start to 2008 with a throughput of 25,363 tonnes. This represents an improvement on January 2007 of 964 tonnes, equating to a growth of 3.95%. 2008 promises to be another challenging year for the air cargo industry as oil prices continue to rise, and while the US economy may be close to recession, there remains some confidence on the other side of the pond that it will strengthen in 2008. Elsewhere, China and India continue to show strong global growth, while the Middle East excelled with 10.1% economic growth in 2007.

EMA performance:

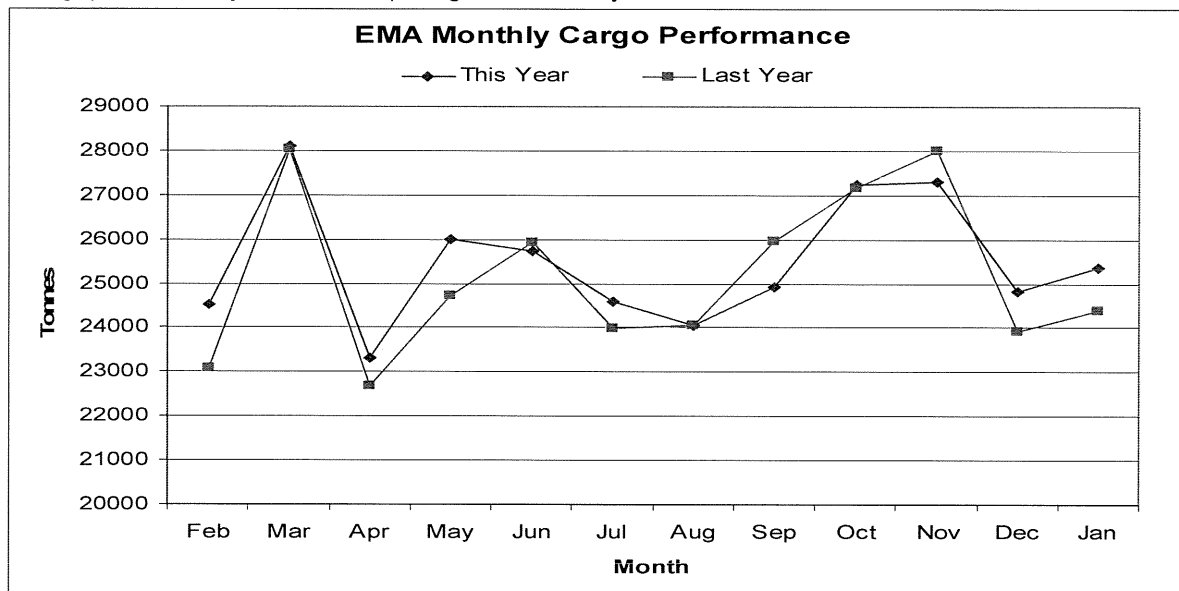
Monthly Cargo Throughput (Last 12 months)

	Of this year	Of last year	Difference
Feb '07	24506	23091	6.13%
Mar '07	28094	28019	0.27%
Apr '07	23311	22681	2.78%
May '07	25990	24730	5.10%
Jun '07	25717	25938	-0.85%
Jul '07	24597	23976	2.59%
Aug '07	24035	24057	-0.09%
Sep '07	24917	25939	-3.94%
Oct '07	27237	27158	0.29%
Nov '07	27300	27997	-2.49%
Dec '07	24817	23920	3.75%
Jan '08	25363	24399	3.95%
Total	305884	301905	1.32%

January '08 Imports/Exports by country

Imports (Tonnes)		Exports (Tonnes)	
3174	Germany	2746	Germany
2429	USA	2073	USA
1565	Belgium	1092	Belgium
707	Italy	851	Ireland
640	Ireland	555	Italy
507	France	500	Spain
358	Spain	351	Denmark
291	Denmark	257	Sweden
128	Sweden	240	France
39	Portugal	167	Azerbaijan

January showed another year-on-year improvement up by 3.95%, taking EMA's rolling annual throughput past the 305,000 tonne mark. Germany remains EMA's primary trading partner with nearly 6,000 tonnes shipped between the two countries. The chart below shows EMA's total cargo throughput month by month, comparing the last two years.



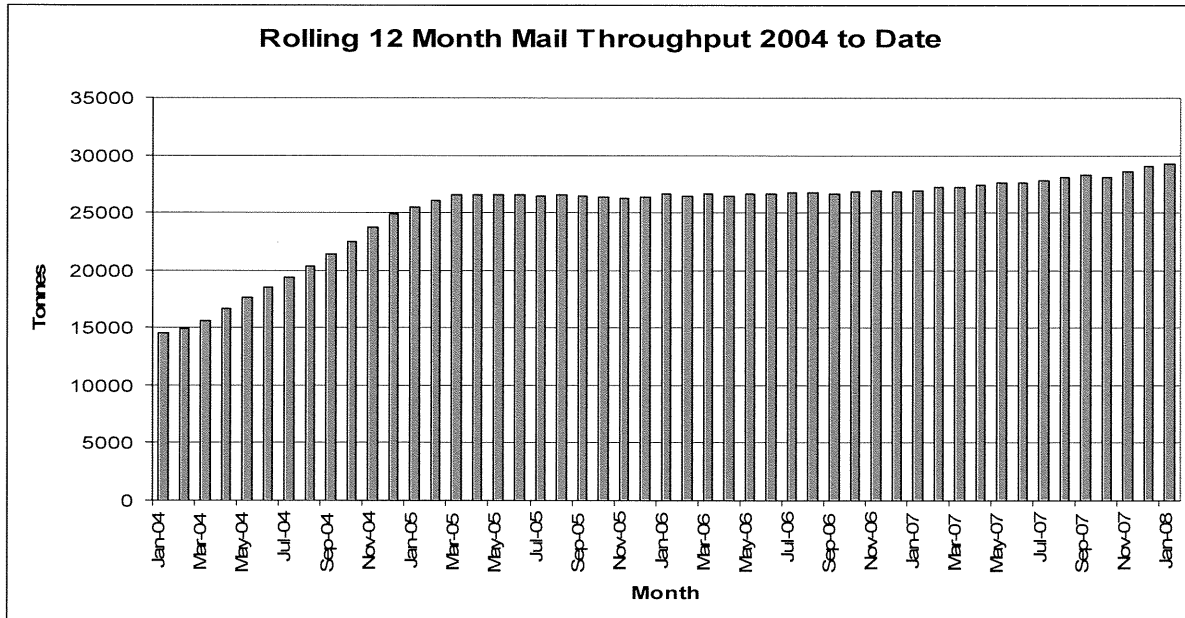
The imports : exports ratio for freight was effectively a 50:50 split, with only 2 tonnes the difference from a total of nearly 23,000 tonnes, while mail remained stronger on departing sectors at 56.4% compared to 43.6% inbound.

Total Pure Freight and Pure Mail:

	Movements	Freight	Mail
Arrivals	993	11,383	1,129
Departures	995	11,385	1,461
Total	1988	22,768	2,590

January was an excellent month for mail, showing 9.1% growth on January 2007, helping to illustrate how EMA's mail throughput has doubled since only 2003. Below you will see a table illustrating EMA's Mail throughput on a rolling 12 month total basis:

EMA mail performance from Jan '04 to date:



Following a strong period of growth throughout 2004 and early 2005, mail throughput had levelled off, however since early 2007 it has picked up again, and we are hoping to hit 30,000 tonnes per year handled annually through East Midlands Airport in the coming months. See below for a breakdown of Royal Mail's origin / destination performance.

To EMA (Tonnes)		From EMA (Tonnes)	
362.6	Edinburgh	465.6	Edinburgh
293.8	Belfast	422.1	Belfast
141.7	Exeter	158.4	Exeter
121.0	Bournemouth	154.5	Bournemouth
100.3	Newcastle	110.5	Isle of Man
80.3	Isle of Man	108.5	Newcastle
29.8	Aberdeen	41.4	Aberdeen

Finally, TNT have recently become the first express and logistics operator to achieve ISO 14001 accreditation on a company-wide basis. This is an official acknowledgement that TNT is making significant strides towards reducing its carbon footprint and CO2 emissions (Source: Air Cargo News Website, 26/02/2008). This comes at a time when numerous aircraft operators and manufacturers are trying to incorporate bio fuels into everyday aviation – all efforts which will help make air cargo a more sustainable industry.

Cargo and Passenger Route Development:

- bmi regional have launched a new service to Cologne/Bonn, operating every weekday and Sunday. With fares starting at only £49 each way, visit <http://www.flybmi.com/bmi/en-gb/index.aspx> for more details
- The inaugural First Choice flight to Goa departed on 7th Feb, commencing a weekly winter service to the popular Indian destination

Air Cargo India and the East Midlands Airport / Sharjah International Airport Alliance

East Midlands Airport attended the bi-annual Air Cargo India 2008 Networking Conference and Exhibition held at the World Trade Centre, Mumbai in India during January. The purpose of this visit was to build links with major operators in one of the fastest growing cargo markets in the world, with the three day event being attended by some of the most influential businesses in the Air Cargo industry. India is fast emerging as a global leader in the Air Cargo market, with exports expected to reach USD150 billion by 2008/09.

Trade between India and the United Kingdom is of great importance to the UK, and particularly to the East Midlands region where Leicester is developing a significant banking industry and, of course, the Indian foods industry.

The Platinum Sponsor of Air Cargo India 2008 was Sharjah International Airport, a key business partner of East Midlands Airport in the development of cargo and passenger links with the Middle East and India. EMA and Sharjah International Airport have recently formed an alliance which will see cooperation in promoting the route, and the ideal onward connections to airlines, passengers and freight forwarders. This alliance is a powerful tool in providing valuable passenger and cargo capacity between the UK and one of the World's fastest growing economies.

With a runway measuring 4060m x 45m, and a wide range of air freight facilities, 2007 saw Sharjah International Airport handle over 3.5 million passengers and 281,284 tonnes of air cargo, not including the 233,255 transit tonnes that passed through the airport.

We welcome feedback on the newsletter, and if you have any comments or suggestions for items which you think should be included please let us know. In particular, as we look to strengthen our route network at EMA, we would be interested to know if you have a demand for destinations such as the Middle East and India. We are dedicated to making sure that everyone's cargo needs are catered for, and if there are routes which you would like to see offered from East Midlands Airport please feel free to contact us, and we can discuss your cargo needs along with the potential synergies of joint approaches to airlines etc.