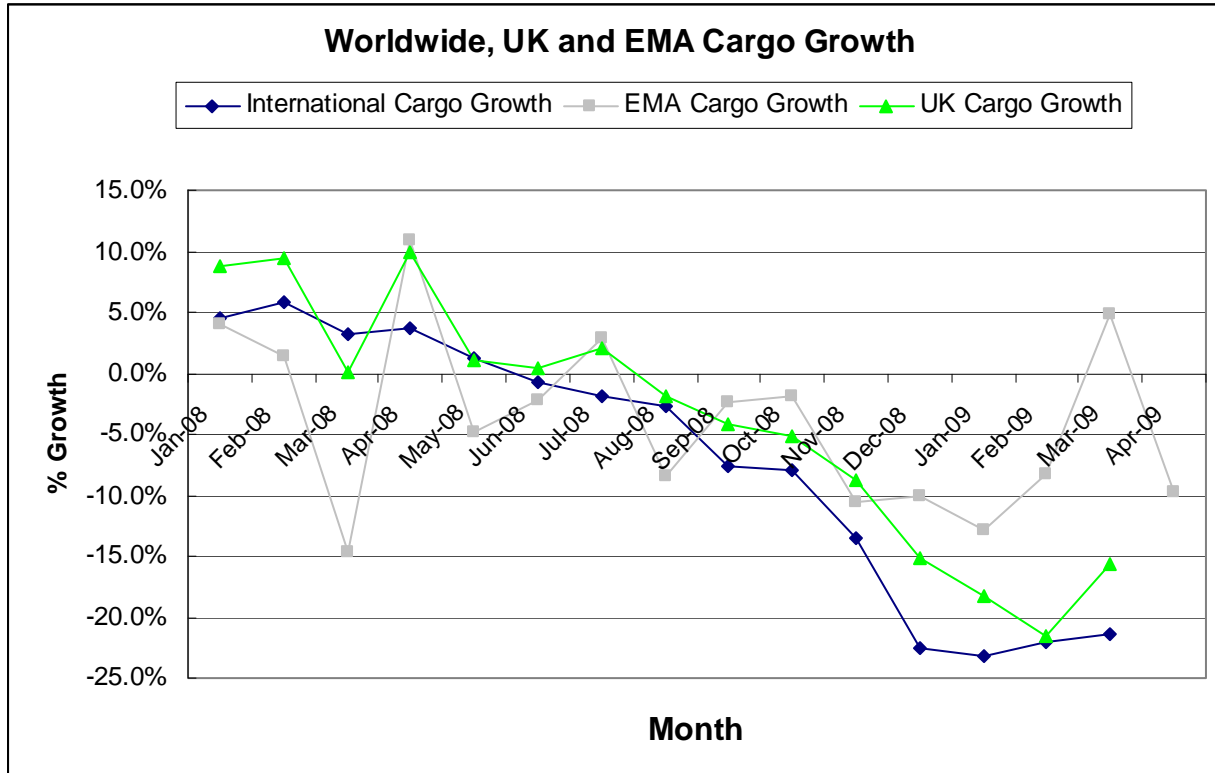


EMA Cargo Newsletter

May 2009

Suggestions of air cargo volumes having hit 'rock bottom' are now appearing in industry publications, indicating hope that there is now some stability in the declines of the global financial crisis. However uncertainty remains as to when growth will recommence, and how much the air cargo industry will have changed shape.

The following chart illustrates air cargo performance since January 2008 on global (IATA), UK (CAA) and airport (EMA) levels. Confidence can be taken from the comparison of air cargo performance at EMA compared to that at global and national levels which currently show declines in excess of 20%.



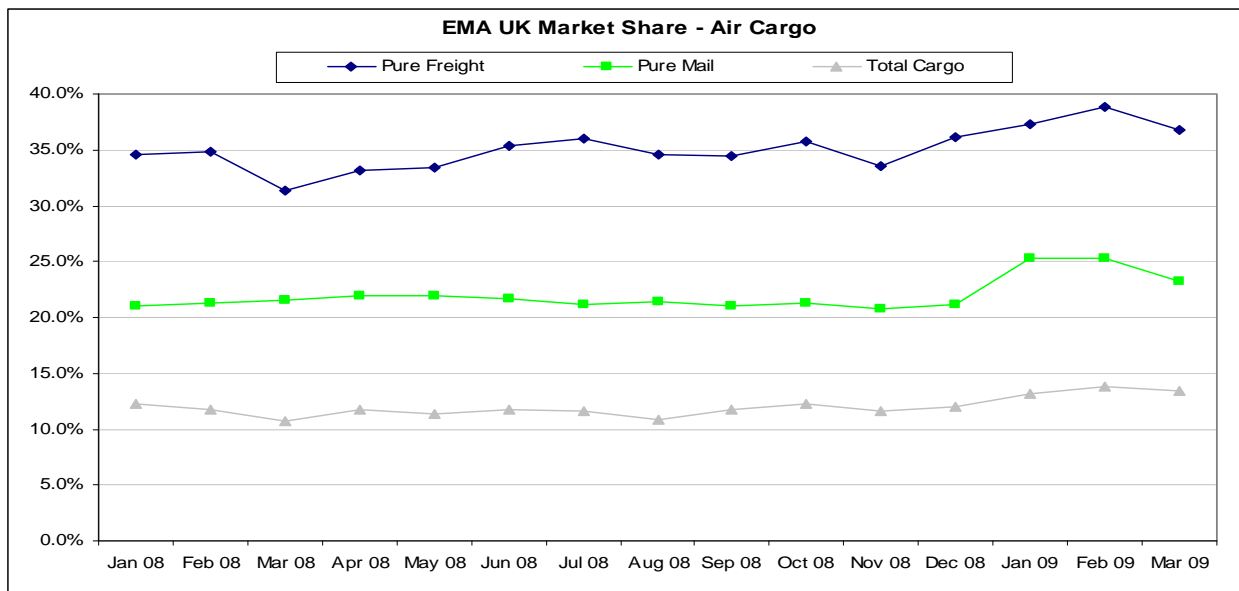
Source(s): www.iata.org, www.caa.co.uk, EMA Monthly Stats (CAA and IATA statistics will be updated once published in future editions of the EMA Cargo Newsletter).

At the time of writing of the last edition of the EMA Cargo Newsletter there was a great deal of uncertainty as to the levels of and when we would see the bottom of the economic crisis. Reflecting on March's air cargo performance, IATA's Giovanni Bisignani commented that "although we're not at the end of the recession, we may have found the floor". This does not mean however that there will be no further cuts in freighter fleets, with even high profile airlines relocating aircraft to desert storage.

As can be seen in the growth chart, worldwide air cargo seems to have stabilised around 22% lower than last year, while the CAA's March UK data showed a slight recovery to 15% down on March 2008. Again, the BAA's London Heathrow, the UK's largest air cargo hub has seen substantial drops in cargo throughput, having reported 13.7% and 23.0% contractions respectively in March and April. EMA is slowly increasing market share as can be seen in the chart on the next page, which illustrates EMA's market share of pure freight (blue) tonnes carried, pure mail (green) tonnes carried, and also the total air cargo market share (grey) across the UK which includes passenger belly-hold cargo so dominant at London's Heathrow:

whatever your
destination...





Source: www.CAA.co.uk

The chart shows a rise in EMA's market share across the board, including pure freight, pure mail and total air cargo. The increase in pure freight is particularly apparent with three consecutive months of steady growth to a peak of 38.9% in February, before dropping slightly in March to 36.8%. Mail jumped by nearly 5% during January and February, however we believe that this is due partly to some previously incorrect reporting at other airports and our share of the pure-mail market is now portrayed more accurately. Total air cargo market share has also increased steadily, due largely to the more severe declines in performance at other airports, i.e. Heathrow as mentioned previously, and Stansted having seen drops of 21.3%, 6.4% and 16.0% in the last three months.

The table below shows EMA's carried tonnes and cargo air transport movements (ATM's) performance over the last 12 months, including the very welcome burst of growth in March, although the picture is complicated by the date of Easter this year (March 2008, but April 2009):

	Tonnes Carried This Year	Tonnes Carried Last Year	Change	Cargo ATM's This Year	Cargo ATM's Last Year	Change
May-08	24,739	25,990	-4.8%	1,879	1,873	0.3%
Jun-08	25,143	25,699	-2.2%	1,855	1,761	5.3%
Jul-08	25,293	24,597	2.8%	2,015	1,796	12.2%
Aug-08	22,008	24,035	-8.4%	1,830	1,879	-2.6%
Sep-08	24,311	24,917	-2.4%	1,922	1,735	10.8%
Oct-08	26,634	27,236	-2.2%	2,025	1,906	6.2%
Nov-08	24,424	27,299	-10.5%	1,934	1,919	0.8%
Dec-08	22,297	24,816	-10.2%	1,817	1,751	3.8%
Jan-09	22,096	25,363	-12.9%	1,877	1,988	-5.6%
Feb-09	22,785	24,850	-8.3%	1,835	1,913	-4.1%
Mar-09	25,123	23,978	4.8%	2,004	1,774	13.0%
Apr-09	23,316	25,846	-9.8%	1,847	1,936	-4.6%
Total	289,554	306,207	-5.4%	22,699	22,006	3.1%

March's carried tonnage represents only the second month of positive growth in the last 12 months despite the fact that cargo air transport movements are up 3.1% on last year for the same period. Our moving 12 month carried tonnes total remains only 5.4% down on last year, which compared to many other airports can be considered exceptionally resilient.

we're the UK's
No.1 for pure cargo



March '09				April '09			
Imports (Tonnes)		Exports (Tonnes)		Imports (Tonnes)		Exports (Tonnes)	
3,694	Germany	2,943	Germany	3,485	Germany	2,897	Germany
1,889	USA	2,349	USA	1,683	USA	2,383	USA
1,183	Belgium	885	Belgium	1,282	Belgium	896	Belgium
741	Iceland	675	Ireland	599	Italy	616	Ireland
615	Italy	486	Spain	562	Ireland	388	Italy
540	Ireland	458	Italy	537	Iceland	323	Spain
320	Denmark	360	Denmark	346	UAE	313	Denmark
250	France	322	UAE	250	Denmark	187	France
146	Spain	240	France	165	France	148	Iceland
34	Sweden	197	Iceland	77	Spain	69	Sweden

Our top 3 trade partners, Germany, the USA and Belgium remain relatively stable in terms of carried tonnage to and from EMA, while the United Arab Emirates make a welcome return to the top ten. March proved a strong month for Icelandic imports while Spain traffic dropped off in April. Below are the inbound / outbound split tables which illustrate the effects of the Easter weekend, with a significantly lower number of flights in April:

Total Pure Freight and Pure Mail March 2009 (excludes belly-hold freight):

	Movements	Freight (Tonnes)	%	Mail (Tonnes)	%	Cargo (Tonnes)	%
Inbound	1,005	10,961	48.98	1,216	44.51	12,177	48.51
Outbound	999	11,416	51.02	1,516	55.49	12,932	51.49
Total	2004	22,377	100	2,732	100	25,103	100

Total Pure Freight and Pure Mail April 2009 (excludes belly-hold freight):

	Movements	Freight (Tonnes)	%	Mail (Tonnes)	%	Cargo (Tonnes)	%
Inbound	922	10,387	50.12	1,157	44.67	11,544	49.52
Outbound	925	10,336	49.88	1,433	55.33	11,769	50.48
Total	1,847	20,723	100	2,590	100	23,313	100

EMA's cargo air transport movements dropped in April, due largely to the shift of Easter weekend. However March's 2,004 movements was 13% higher than March 2008 which compensated this downfall more than adequately. March also showed a slightly higher proportion of outbound freight and mail, however this split still remains very close to 50:50.

We now look to the traditionally quieter summer months to bring us signs of a return to consumer confidence, and with a hot and dry summer forecast, maybe the recession will bring us greater inward investment in UK holidays, thus (ideally) boosting imports and enhancing consumerism within the UK.

Other News:

EMA recently exhibited at Air Cargo Europe 2009 in Munich between 12th – 15th May. The event was attended by a vast number of industry decision makers, and we were very pleased to talk to many airlines and air cargo stakeholders during the 4 day event. Understandably, there are not many airlines openly looking to commence new services, however we are pleased that everyone we talked to was well aware of the excellent facilities and services available at EMA, so we hope to see some new route development at EMA as the severity of the global financial crisis subsides.

Cargo and Passenger Business News:

bmibaby's Mahon service commenced last week, this being the latest edition to their extensive Spanish network. The service operates 3 times weekly on Fridays, Saturdays and Sundays. For further details visit www.bmibaby.com.

Ryanair are also developing their Spanish portfolio from EMA with Reus and Palma services starting in July. Reus will operate on Mondays, Wednesdays and Fridays, while Palma will be serviced on Tuesdays, Thursday and Sundays. More details can be found at www.ryanair.com.