

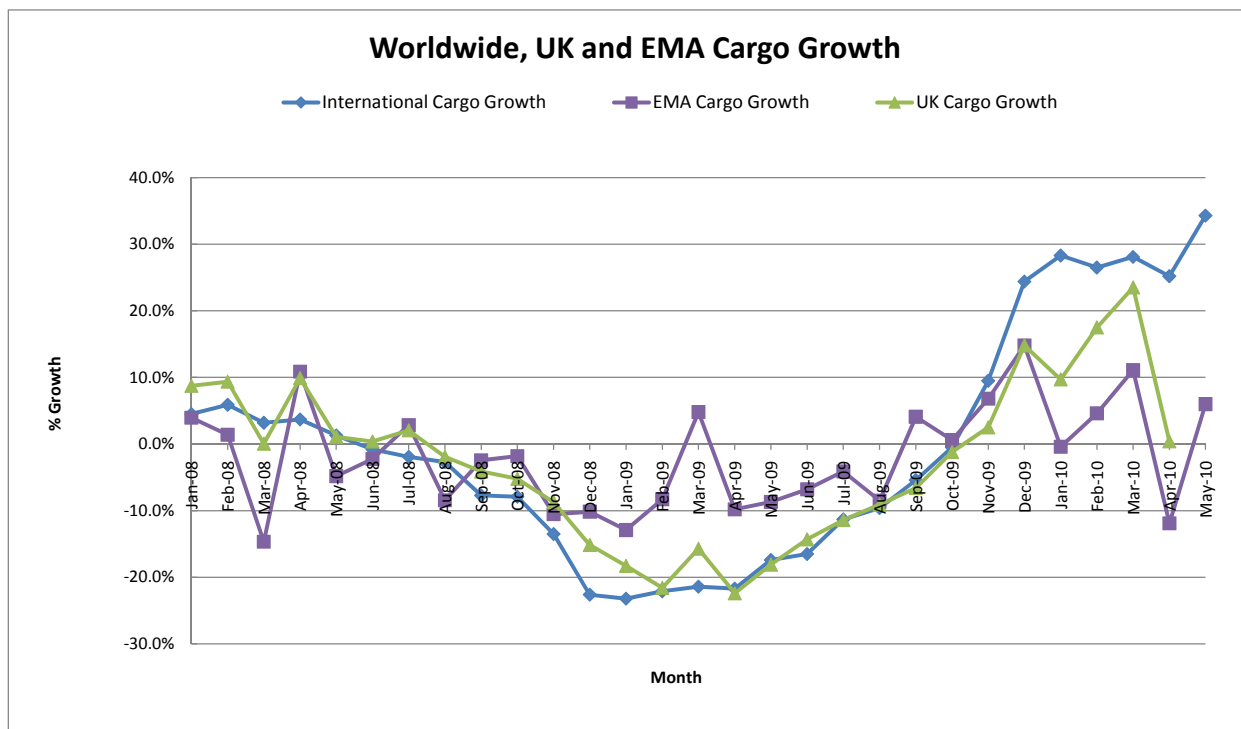
EMA Cargo Newsletter

June 2010

Welcome to the June 2010 issue of the EMA Cargo Newsletter. Every two months we update you on cargo performance at local, national and international levels, providing a general overview of the air cargo industry and keeping you up to date with significant developments at EMA.

The air cargo industry's return to growth has been greeted with huge relief, but also with a great deal of caution. Existing capacity is being utilised to increasingly efficient levels and yield from air cargo services is reported to be improving as peak season rates soar to record levels. Meanwhile, capacity shortage on the oceans is fast becoming a concern following shipping container production cutbacks in October 2008. A very rapid recovery in freight volume and a container shortfall in the region of 6 million 'boxes' vast backlogs at ports has led to record shipping rates and the imminent introduction of 'container shortage surcharge'. Whether this shortage of capacity could lead to a shift in transport modes is yet to be seen

Industry growth rates have been steadily improving during the start of 2010 however the volcanic ash cloud had severe negative effects on cargo performance in April 2010. The UK and many European airports experienced considerable disruption which saw April's year on year growth halted as airspace closures brought commercial flights to a halt. The knock on effect for worldwide cargo performance was not as significant, but year on year growth was restricted due to the closure of European airports. This is illustrated in the chart below:



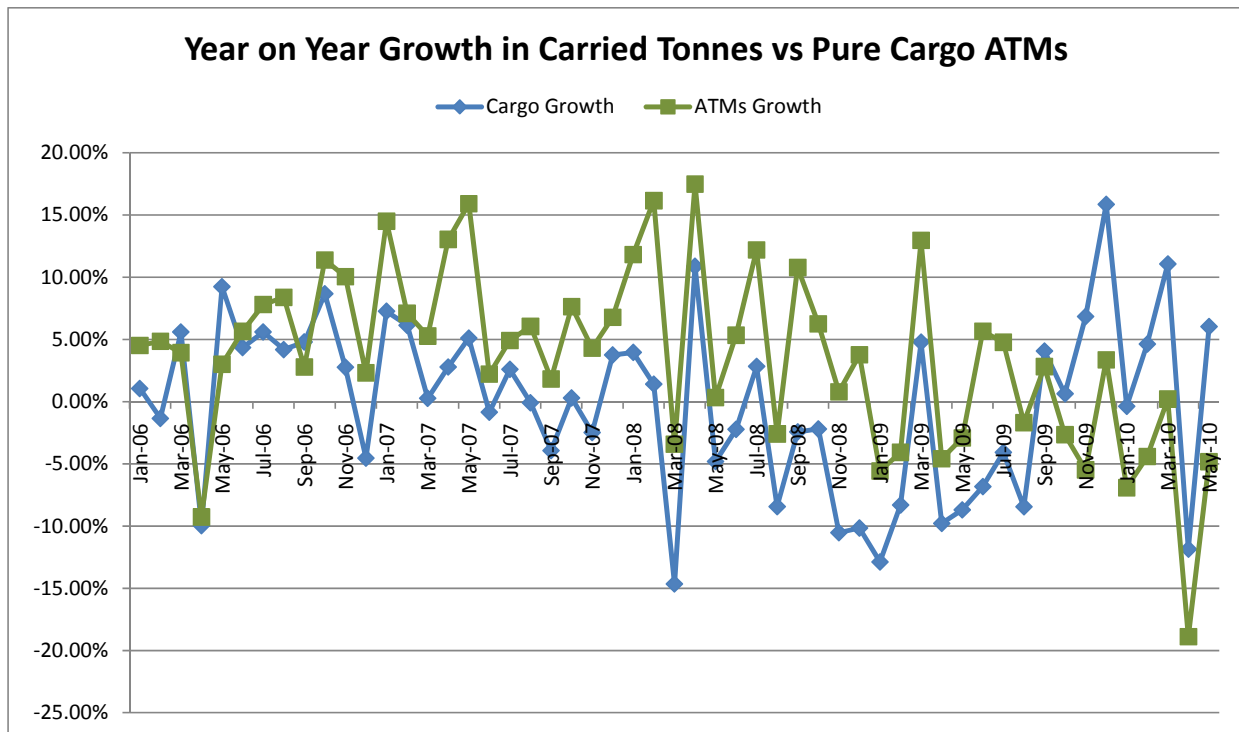
Source(s): www.iata.org, www.caa.co.uk, EMA Monthly Stats (CAA and IATA statistics will be updated once published in future editions of the EMA Cargo Newsletter).

The -11.9% year on year performance experienced at EMA in April hampered a promising return to recovery, and slowed rolling annual growth to being, effectively, flat. However May's 6% improvement on last year saw rolling annual growth increase to +1.4%, and our highest annual rolling throughput since December 2008. June's performance looks to be continuing this theme, so we hope to see our annual rolling throughput increase towards the 300,000 mark over the remainder of the year. The table on the following page illustrates EMA's rolling 12 month carried tonnes and pure cargo air transport movements and the 4,000 tonne improvement to carried tonnes over last year:

| | Tonnes Carried This Year | Tonnes Carried Last Year | Change | Cargo ATM's This Year | Cargo ATM's Last Year | Change |
|---------------|--------------------------|--------------------------|---------------|-----------------------|-----------------------|---------------|
| Jun-09 | 23,425 | 25,143 | -6.8% | 1,960 | 1,855 | 5.7% |
| Jul-09 | 24,262 | 25,293 | -4.1% | 2,111 | 2,015 | 4.8% |
| Aug-09 | 20,149 | 22,008 | -8.4% | 1,799 | 1,830 | -1.7% |
| Sep-09 | 25,299 | 24,311 | 4.1% | 1,976 | 1,922 | 2.8% |
| Oct-09 | 26,806 | 26,638 | 0.6% | 1,971 | 2,025 | -2.7% |
| Nov-09 | 26,096 | 24,426 | 6.8% | 1,828 | 1,934 | -5.5% |
| Dec-09 | 25,830 | 22,297 | 15.8% | 1,878 | 1,817 | 3.4% |
| Jan-10 | 22,012 | 22,096 | -0.4% | 1,747 | 1,877 | -6.9% |
| Feb-10 | 23,838 | 22,785 | 4.6% | 1,754 | 1,835 | -4.4% |
| Mar-10 | 27,901 | 25,123 | 11.1% | 2,008 | 2,004 | 0.2% |
| Apr-10 | 20,551 | 23,316 | -11.9% | 1,498 | 1,847 | -18.9% |
| May-10 | 23,947 | 22,587 | 6.0% | 1,736 | 1,824 | -4.8% |
| Total | 290,116 | 286,023 | 1.4% | 22,266 | 22,785 | -2.3% |

The table above demonstrates the recovery currently underway from the economic downturn and notwithstanding January's 0.4% dip, and the ash cloud affected April 2010, growth does appear to have resumed at EMA. We will soon be entering in to the peak season for air cargo and hope that this upward trend continues.

The increase in cargo throughput has however been against a reduction in air transport movements, which is a continually recurring theme during 2010, further illustrating the strides in increasing efficiency and utilisation of existing capacity that airlines are making. This emerging trend can be seen in the following chart:



Cargo and Passenger News:

The Manchester Airport Group has signed up for Air Cargo Europe 2011 which will be held in Munich between 10th – 13th May 2011. We will also be attending TIACA's Air Cargo Forum 2010 in Amsterdam in November this year. EMA is committed to attending these key events which bring together the senior leaders of the world's air cargo industry for a week of networking and business development.