



Presentation : Pegasus Lecture
15th March 2011

With this presentation we have tried to give you an overview of Martinair Cargo over the past 53 years. We are proud of the fact that since Martinair was founded in 1958 by J. Martin Schröder as a (passenger) charter airline, cargo has increased its significance for the company to such an extent that now over 80% of the airline's revenue is generated by Martinair Cargo.

From transporting newspapers and flowers within Europe during the night with DC3's to carrying cargo to and from some 35 destinations all over the world with Boeing 747's and MD11 aircraft we have come a long way. We are still very much involved in numerous activities to improve our performance to satisfy our customers needs.





Photo © Michael Frost

Plane spotters.net

- **Facts & Figures Martinair Cargo**
- Over 54 years of experience
- Offers a competitive, full freighter based service
- Operates a fleet of 747-400 ERF/BCF and MD-11F full freighter aircraft
- Network covers over 250 destinations, 22 serviced by own aircraft, others by MP controlled trucking services or by partner airlines
- Extensive special service offering, with specializations in live animals, perishables, automotive, dangerous goods, and pharma
- Offer (part-) charters to both online and ad hoc destinations
- As per December 31, 2008 Martinair has become part of the KLM Group



Martinair Fleet

- **Martinair Boeing 747**
- Martinair Cargo operates 4 Boeing 747-400 ERF's and 1 Boeing 747-400 BCF. These are all full freighters meaning they can only be used as a cargo aircraft.
The B747-400 ERF can transport up to 113 tons of cargo, the B747-400 BCF up to 107 tons.
- **Martinair MD-11**
- Martinair has 7 MD-11F aircraft in its fleet. All MD-11 aircraft are full freighters that are exclusively used for the transportation of cargo. The MD-11F can transport approximately 90 tons of freight.





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- Air France-KLM Cargo and Martinair Cargo have gradually intensified cooperation since the KLM Group became sole shareholder of Martinair Holland NV. Initially, the group focused on maintaining and further enhancing our customer service levels and at the same time worked on reducing costs. Where Martinair Cargo was previously represented by external general sales agents, AF-KL Cargo took sales and customer service activities.
- The expertise of Martinair Cargo as a dedicated full freighter cargo operator is kept intact within the joint cargo group, making it an integral part of commercial steering, but also giving it separate focus in the groups' senior commercial management. The network is jointly designed by Air France-KLM Cargo and Martinair Cargo. We can ensure quick response times to changing requirements of the cargo industry and/or specific customer requests.

- Martinair Cargo has an established international reputation as one of the largest transporters of perishables: mainly fresh flowers, vegetables and fruit. Inflight climate control ensures that the flowers arrive at their destination in perfect condition.
- In addition to flowers, vegetables and fruit, we transport all kinds of cargo: cows to the Middle East, horses to international events, the latest models of cars, computers, pharmaceuticals and so much more.
- Scheduled services are offered from Amsterdam to North and South America, the Middle and Far East, and Africa using Boeing 747 and MD-11 freighters

- Automotive

Martinair offers its automotive clients a total service concept, which allows car attendants to accompany the cars during transport. This is another area where our people really make the difference. They are trained on an ongoing basis so that their knowledge level is always one step ahead and they can come up with solutions before problems even have a chance to arise. This means that your cargo will arrive at its destination in tip-top shape.

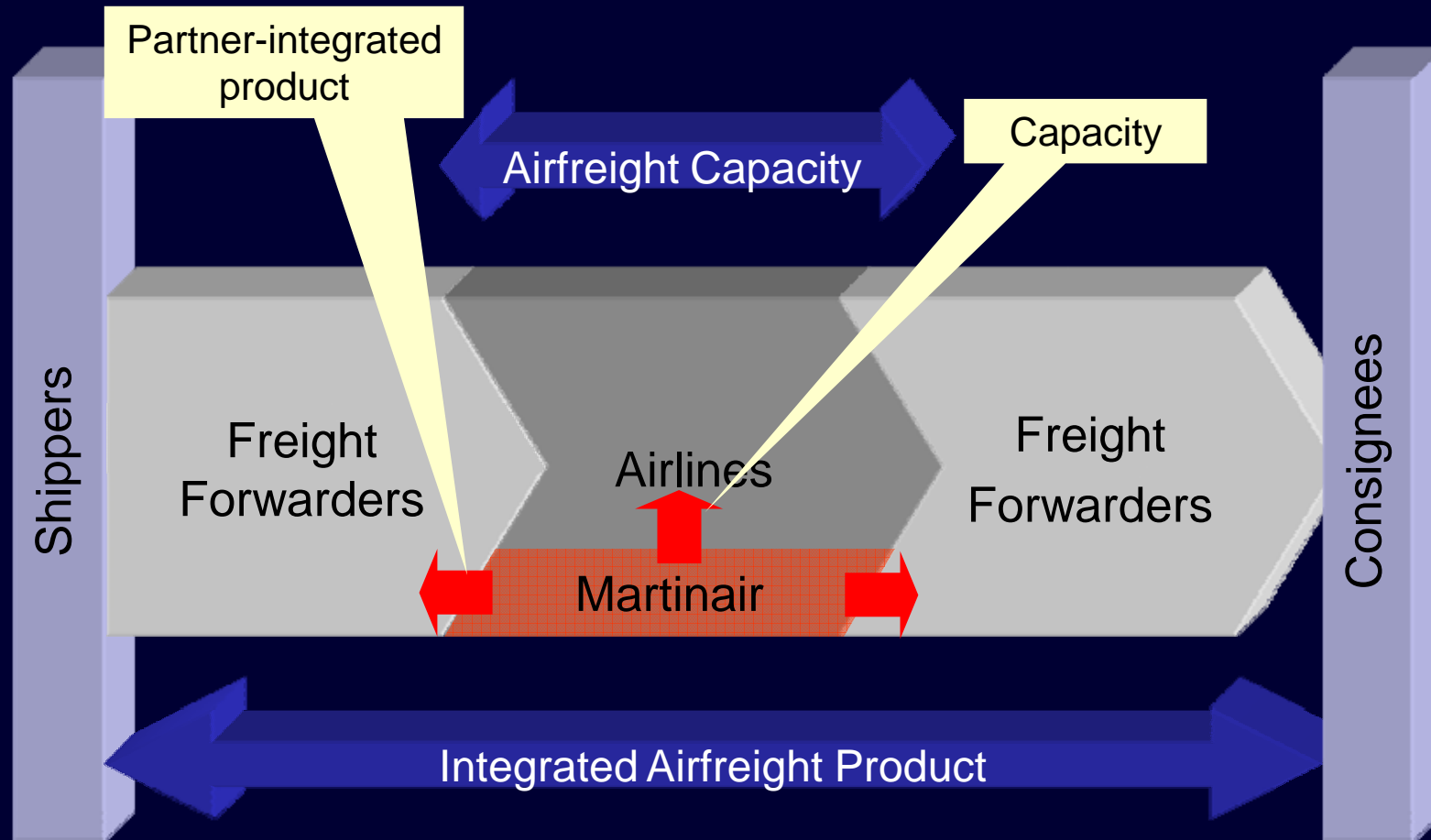
- Pharmaceuticals

Transporting pharmaceutical products like vaccines requires expertise and experience. You need to manage the precise temperature requirements and handle everything very competently, because these issues are of vital importance in this category of cargo. We realise only too well that there is only one way to approach this product group: with the same professionalism and passion that doctors show in the care of their patients.

- **Unit Load Devices**
- We use Unit Load Devices (ULDs) to ensure the safety of your load. These are specially manufactured aluminium pallets used to stack your cargo according to specific guidelines.
- **Live Animals**
Martinair believes that animals deserve a comfortable journey, and we pay special care and attention to animals on board. We have all the necessary provisions to guarantee an optimal environment for their health and safety. Of course, the animals may be accompanied by a groom or a vet during the flight. And, it goes without saying that you can count on Martinair to provide dedicated and knowledgeable people who want to make the flight as comfortable as possible for your animals.



Positioning

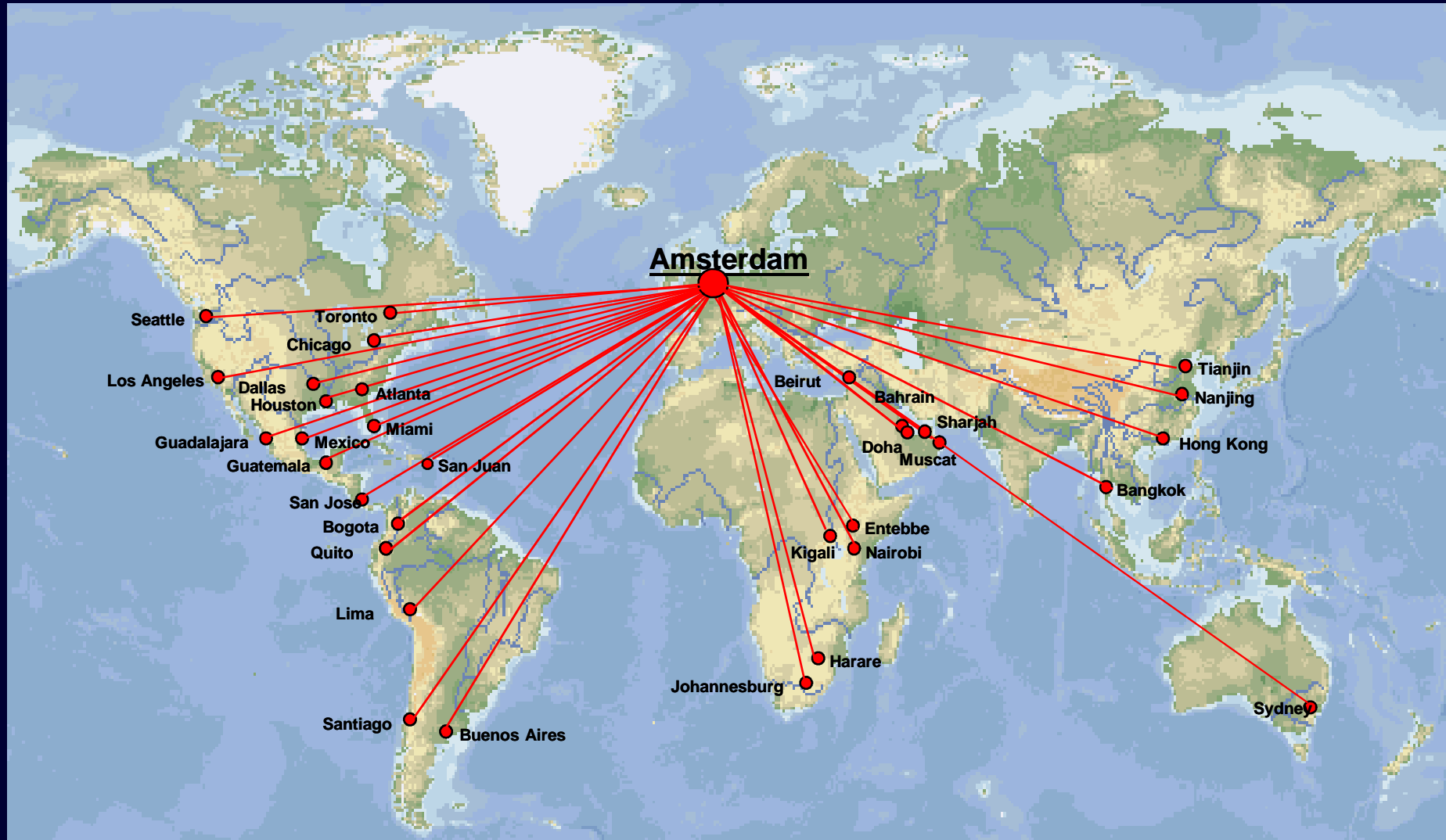


- Wholesale capacity product offered to forwarders (and shippers) via MP sales channel
- Integrated (retail) product offered with partners, managed through key account program

Hub concept



Online destinations



European Facts



- 34 European offices
- 1600+ freighter flights per year
- Export trucking:
 - 75+ drop-points
 - 3 regional consolidation hubs in UK -(LHR,MAN, DUB)
- Import trucking:
 - 100+ scheduled destinations

Key-Competencies (external)

- Perishable traffic
- Dangerous goods
- Oversized/outside dimensions
- Animal traffic
- Pharma
- (part) Charters, special projects
- Customer specific solutions



Roadfreight to Airfreight

- Manchester used as a hub for cargo from ABZ /GLA / PIK (excluding AF) / NCL/ LBA / BFS
- Freight forwarder takes order from shipper and collects cargo
- Books cargo with airline –could be either passenger flight (belly cargo) or Freighter flight (main deck)
- Documentation prepared & cargo delivered in to the airline handling agent and is checked / security screened if necessary . Density Documentation / cargo is checked for correctness – CAO / MAS statement . Customs cleared to proceed
- Excellent facilities at MAN
- Cargo is palletised if within pallet contour or if “out of gauge” is prepared for trucking to airport of departure

Manchester Airport Cargo Centre



Cargo Centre - Airside



- Manchester has been used extensively in the past for Martinair full charters
- Cars & concert equipment to Brunei for the Royal family
- Pigs to Canada
- Ostrich to Canada and New Zealand
- Alpacas from Arica, Northern Chile
- Sheep from Australia
- Heavy machinery to the Far East
- Currently AF 5 pax flights daily to CDG & KL 5 pax flights daily to AMS

Aircraft seats to Beoing in Seattle



Heavy machinery to Muscat



Pipeline equipment to Quito, Ecuador



Unloading at Quito, Ecuador





Bentley to Miami



GE aircraft engine to Doha ,Qatar



Aircraft engine to Doha ,Qatar



Military vehicle to M East



Lamposts to Sharjah



Rigid cargo !!!!



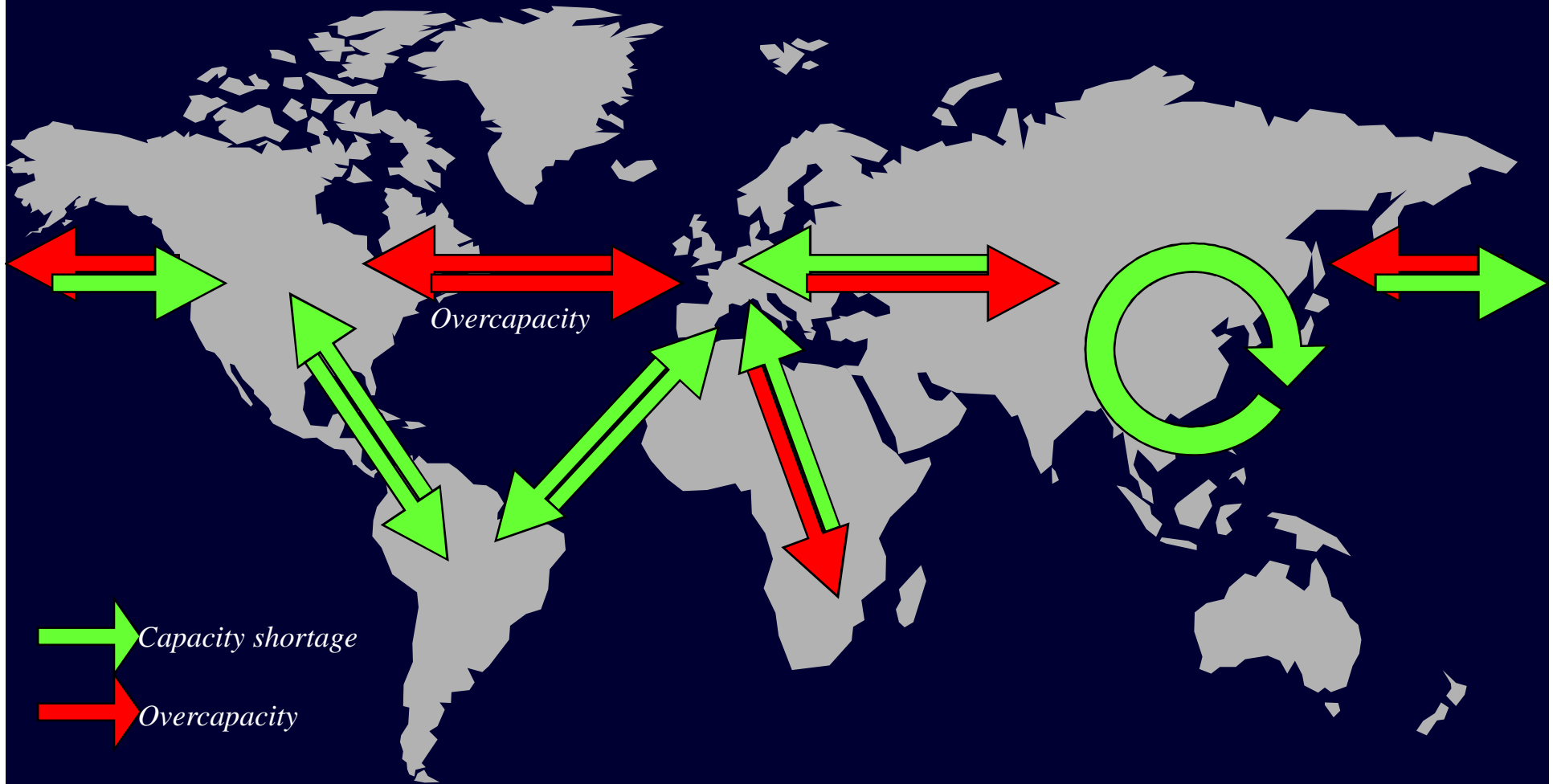
Found in shipment to Harare , Zimbabwe





- **FACTS & FIGURES AF / KL / MP GROUP**
- 16 Freighters : 5 ex Paris 11 ex Amsterdam
- Offices worldwide : over 160
- Cargo revenues : 2.44 Billion euro (2009/2010)
- Cargo transported: 1.46 million tons
- Global ranking: 1 in international air cargo FTK's (Freight Ton Kilometer)
- Network: 350 destinations in 175 countries

If only Cargo would buy return trips...



Martinair Cargo Strategy

- Sustained growth:
 - To remain a serious player in the industry by:
 - reducing seasonal fluctuation in capacity,
 - expanding the network, first frequencies, then destinations,
 - leveraging specific areas of expertise (e.g., perishables),
 - and an increased customer intimacy by being a forwarder's preferred airline, focusing on key accounts.
- Based on a foundation of "Operational Excellence":
 - An improved quality/consistency and efficiency of:
 - Cargo business processes (e.g., efficiency, benchmarked performance)
 - the Cargo organization (e.g., skills/training, responsibilities, accountability)
 - ICT capabilities (e.g., information and electronic communication systems)

Market information

- **MIDDLE/FAR-EAST**
 - Eastbound: relief goods, hard cargo, vegetables, cattle
 - Westbound: electronics, wearing apparel, consumer goods
- **AFRICA**
 - Southbound: relief goods, hard cargo, machinery, car parts
 - Northbound: mainly perishables
- **USA/NORTH- and MIDDLE AMERICA**
 - Westbound: hard cargo, livestock, cars
 - Eastbound: electronics, hard cargo, perishables
- **SOUTH AMERICA**
 - Southbound: hard cargo, livestock, “half products”
 - Northbound: some “finished goods”, perishables, livestock

Combining strengths
The Air France-KLM Group

70 million passengers

538 aircraft operated (189 by subsidiaries)

100,000 employees in the group

190 flown line haul destinations for cargo

Freighter network of 60 full freighter destinations

21.4 billion euros turnover

Nr. 2 and Nr. 4 hub's in Europe

putting you first



wherever **one** needs cargo to go

Main deck and palletized lower deck destinations



Version: July 2009

Legend

- AF-KL Cargo via AMS
- AF-KL Cargo via CDG

Please check our online schedule at www.afklcargo.com



Products



Our express products - facilitating fast, priority shipments.

Equation is our highly effective express service that meets all emergency expectations.

- Absolute **Top** priority freight on aircraft
- Extra short acceptance & availability times
- Priority warehouse handling and ramp transport
- Rates inclusive of Handling and Security



The same priority service as Equation but for shipments of larger size.

- Absolute **Top** priority freight on aircraft
- Equation Heavy Unit and Pallet rates available.
- Extra short acceptance & availability times
- Priority warehouse handling and ramp transport
- Rates inclusive of Handling and Security



Our standard product for all commodities. This product is an ideal product for consolidated shipments, offering reliable, punctual airport-to-airport delivery.

- Standard arrival at destination
- Standard acceptance & availability times
- Standard, efficient transit at SPL and CDG



Temperature guaranteed

- Our product for perishables requiring strict temperature control, such as frozen meat and fish.
- Transportation in temperature-controlled Envirotainers;
- Temperatures between -20°C and +7°C, according to your requirements;
- Temperature check at acceptance;
- Dedicated shipment monitoring by our Conditioning Competence Center;
- Priority ramp handling;
- Ready for pick-up within four hours after arrivals (local deviations may apply).



Temperature controlled

- Our product for temperature sensitive perishables, such as flowers and fresh fish.
- Cargo holds temperature between 5°C and 10°C;
- Thermal blankets on request or if required;
- Export acceptance check at acceptance and delivery;
- Dry-ice cooling on request;
- Dedicated shipment monitoring by our Conditioning Competence Center;
- High priority ramp handling.
- New Special Handling Code: PEC will be COL





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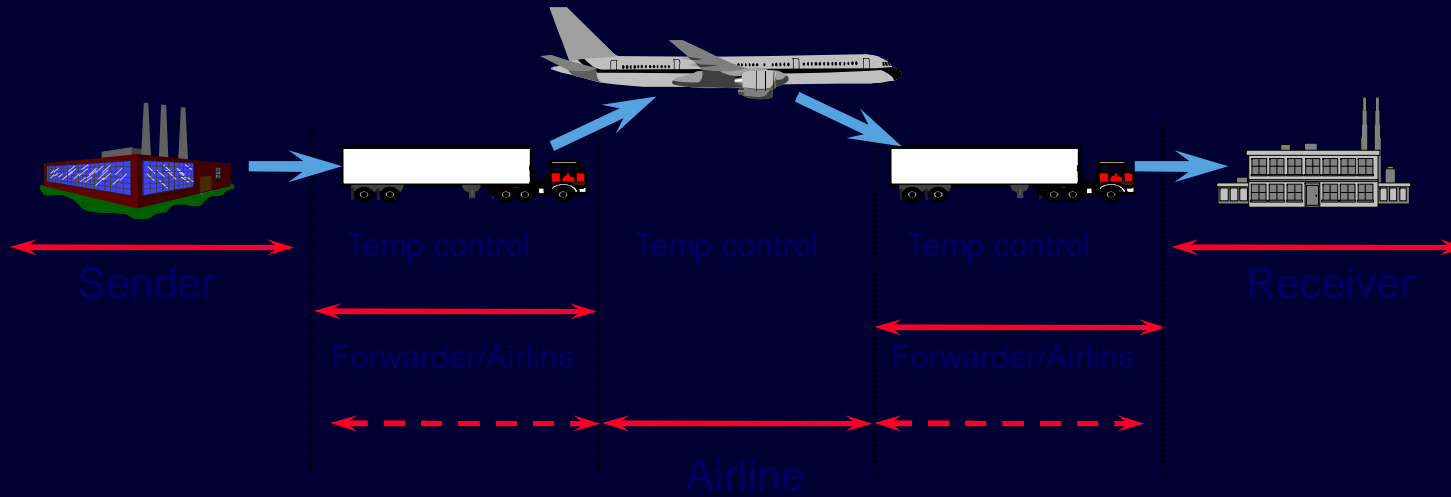
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Our new product for cars, motorcycles and other types of vehicles.

- Experts check load and secure transport;
- Specialized equipment to ensure easy airlifting of all vehicles;
- On request shipper / forwarder pre-built and loaded double car-rack can be accepted;
- Zero exterior damage and minimal vibration guaranteed during transport.



How not to unload an Aeroplane



- To recap ,MANCHESTER is used extensively by the Air France KLM Cargo Martinair Cargo Group
- Its central location in the UK makes it an ideal hub
- We get excellent service from our handling companies – Swissport and Servisair
- This is whether the cargo flies to/from MAN on the pax services or ,for heavier and larger shipments, moves by RFS to/from the European hubs in AMS & CDG
- Either way it is bringing work to the Airport

THANK YOU FOR LISTENING

ANY QUESTIONS PLEASE ?