

# BIG NEWS



INTERACTIVE BUSINESS NEWS FROM THE HEAVYWEIGHT IN AIRFREIGHT

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## Group sales from charter and scheduled operations rise 75% to US\$1,265 million in first nine months of 2008

Volga-Dnepr Group achieved a 75% increase in sales in the first nine months of 2008 with total revenue from its charter and scheduled cargo transportation services of \$1,265 million compared to the same period a year ago.

- Total cargo tonnage was up by 51% to 210,000 tons
- Cargo carried onboard the Groups AN-124-100 fleet grew by 56% to 52,000 tons

- Volga-Dnepr's IL-76's fleet carried over 60,000 tons, 71% more than in the previous year
- Revenues from charter services increased by 80% to \$882.9 million.
- Sales for AirBridgeCargo Airlines' scheduled cargo services achieved an increase of 68% to \$344.1 million.

Commenting on the Group's nine-month, Alexey Isaikin, President of Volga-Dnepr stated: "Volga-Dnepr continues to actively promote its growth strategy. Our customers from 150 countries worldwide have demonstrated the long-term demand for our services and this again proves the

solid competitive position of Russian AN-124 and IL-76 freighters. In the scheduled cargo market, characterized by extremely high levels of competition from the world's largest operators, the Group has also shown positive dynamics. We have managed to build a strong marketing, operational and financial base and all this, combined with our proven ability to deliver unique logistics solutions, will allow us to take advantage of further development opportunities even in the current challenging economic environment."



Alexey Isaikin



## Regional jet hitches a ride onboard AN-124

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## Volga-Dnepr provides logistics support for new Sukhoi Superjet-100 program



This fuselage for a Sukhoi Superjet-100 (SSJ-100) passenger aircraft was delivered by a Volga-Dnepr Airlines' AN-124-100 from Komsomolsk-na-Amure in Khabarovsk to Novosibirsk on November 3rd.

The Sukhoi Company (JSC) has implemented its most ambitious civil programme to date with its family of RRJ regional passenger airliners. The Sukhoi Superjet-100 aircraft family is being developed on the principle of maximum standardization of frame assemblies and systems, notably wings, fins, chassis, engine unit, crew cabin, basic aeroplane

systems and component parts. To broaden the aircraft's customer base, each of the two standard sizes – to carry 75 and 95 passengers - has a basic and a long-range modification designed for use on a network of various-length routes, making it possible for airlines to improve the economic performance of their operations through a more balanced composition of their fleets based on route structure and passenger flows.

The Sukhoi Superjet-100 aeroplane family conforms to the current and long-range requirements of the Russian and global market for commercial aircraft.



## Flying dolphins head for new home in Japan

Three polar beluga dolphins have been transported from Vladivostok to Narita in Japan on board one of Volga-Dnepr Airlines' IL-76TD-90VD freighters.

The marine mammals were transported for the Yokohama oceanarium in Japan because their former home is moving to a new location that isn't due to open until 2012.

The dolphins were loaded aboard at Vladivostok Airport. Each weighing 800 kilos, they were placed into special containers half-filled with water for their flight and accompanied throughout by marine specialists from the Japanese oceanarium.

## AirBridgeCargo participates at OFS Forum

**AirBridgeCargo Airlines delivered a speech at the 7th Oilfield Services Market conference looking at trends, opportunities and future prospects for the industry.**

Elena Gorina, Regional Director European Russia and CIS, focused on the benefits of delivering oil & gas equipment by air cargo, based on the airline's expertise as a leading supplier of fast, reliable and cost efficient logistics solutions to major corporations in the oil and gas industry.

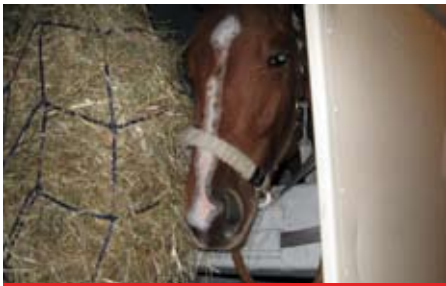
With the support of its sister airline, Volga-Dnepr Airlines – the world's largest carrier of outsize and heavyweight air cargo – ABC offers secure and timely deliveries of oil and gas equipment, even to the most remote



regions with poor transport infrastructure. ABC also has the added advantage of operating trans-polar routes, reducing transit times and costs for its customers.

Based in Moscow, ABC is today the preferred air cargo partner for oil and gas corporations working in the remote regions of Siberia and the Russian Far East where airfreight is often the only transportation option. For example, the airline has operated a scheduled IL-76 all-cargo service to Sakhalin Island from Krasnoyarsk since 2005.





## AirBridgeCargo Airlines transports 105 elite racehorses

AirBridgeCargo Airlines has safely transported 105 elite racehorses onboard five Boeing 747 cargo flights from Amsterdam in the Netherlands to Russia.

The thoroughbred horses had previously arrived in the Netherlands from America. ABC transported this special bloodstock shipment on flights between October 24th and November 10th.

The horses are being studied by the Moscow Central Hippodrome for a pedigree breeding program and will be assessed for their working capacity, strength and stamina.

Each B747 flight transported between 15-30 horses accompanied by specialist handlers. Thanks to the unique equipment on board the Boeing 747-400 freighter - enabling the optimum climate conditions for every aircraft section - the cargo bay was maintained at a comfortable temperature and air humidity throughout the flight ensuring all of the horses arrived in good health. The loading and unloading operation was performed by specially trained personnel in accordance with IATA requirements to produce minimum stress on these special, high value "passengers".



## A reel-y great delivery!

12 cable reels weighing a total of 100 tons were flown by Volga-Dnepr from Stockholm, Sweden, to Campinas in Brazil. The reels were loaded onto the AN-124 freighter by onboard cranes without any tooling. It took five hours to complete the loading procedure, which incorporated special stands manufactured by the airline's technical experts to secure the reels in the cargo cabin.



## Amsterdam Schiphol at the centre of ABC's growth strategy

Amsterdam Schiphol Airport will be at the heart of AirBridgeCargo Airlines' (ABC) development strategy as it plans to build on a record year in 2008.

Results for the first nine months of the year show an overall 68% increase in ABC sales network-wide increase to US\$344.1 million. ABC and its parent, Volga-Dnepr Group, will have their best ever year for revenues in 2008, building on three previous consecutive years of record growth. The Group exceeded \$1 billion in revenues last year while nine month 2008 Group results, just announced, were \$1,265 million.

ABC currently operates seven Boeing 747 all-cargo flights a week from Amsterdam to Moscow and onto China (Beijing and Shanghai) and Hong Kong.

Robert Song, Global Commercial Director for ABC, said: "Amsterdam is one of our main gateways in Europe and we are experiencing strong growth there. We are still a relatively new airline but we have worked hard to achieve service reliability and to meet the demands of the scheduled cargo market. ABC is gaining strong support from the forwarding industry in the Netherlands for both our services to Russia and Asia and we value the partnerships we have established.

"AirBridgeCargo has always had a great business case and important operational advantages that benefit our customers. With a strong regional management team under regional director, Ludwig Hamburger and sales and operations director, Neil Nagarkar - plus a 24/7 customer service team - we

are building a first class product based on keeping the promise we make to our customers in terms of service quality and reliability."

In the last six months, AirBridgeCargo has added three new B747-400ERF's to its fleet which have been flying almost daily to Moscow. The airline has also placed an order with The Boeing Company for five next generation B747-800 aircraft with deliveries starting in 2010. It also has options for five more of this aircraft type.

This fleet expansion will support ABC's objective of introducing daily B747 services from Schiphol to Moscow. ABC already offers a full Russian network for on-forwarding from Moscow, including the ability to handle special cargoes. It ensures full visibility of shipments as they travel throughout the Russian Federation using a security product that is fully rated and supported by the most stringent and measurable KPIs.

Tatyana Arslanova, Senior VP for commercial & strategy, added: "As well as having the right fleet to cope with today's increasing costs, it is also very important to have the right attitude and foresight to cope with tomorrow's challenges to help us grow our fleet, network and products to benefit our customers further. We are confident we can achieve this."



Tatyana Arslanova