



**EGYPTAIR** 

A STAR ALLIANCE MEMBER 

# EGYPTAIR CARGO



**Capt. Ayman Nasr**  
Chairman  
EGYPTAIR CARGO

## Chairman's Message

Since establishing EGYPTAIR CARGO in 2002 as a subsidiary of the EGYPTAIR HOLDING, We have been committed to pursuing our growth targets and achieving the final results that prove we are on the track towards our long term goals.

EGYPTAIR CARGO continues to grow with the success of each passing year. At EGYPTAIR CARGO, our strategy includes protecting our liquidity, improving our efficiency, increasing our speed of delivery, sustaining quality and with service reliability, keeping our shipments secured.

The freight market showed strong growth this year. The upward trend is back on track after the global recession and the European airspace closure associated with volcanic ash plume. Financially, EGYPTAIR CARGO has experienced significant improvement and further gains are expected.

With freight volumes increasing 12% over the previous year's level, target revenue was achieved and an 8% profit margin was recorded.

Total revenue of cargo loaded in passenger planes achieved increase by 12% as well, with import cargo load factor high at variance of 25% over previous year. Our budget was excellently exceeded. Freighter utilization increased by 4% over the previous year.

At EGYPTAIR CARGO, we aim to exceed benchmarked levels of customer satisfaction and place the highest priority on flight safety, which we regard as the single most important element of aviation.

We can only achieve our targets and face the challenges of our industry with a staff as strong and as committed to their company as ours has proved to be.

We know that challenges will always be there, but we are committed to do our business in a way that provides quality, safety, and reliability and adds value to our customers.

**Capt. Ayman Nasr**  
Chairman  
EGYPTAIR CARGO

## Board of Directors

**Capt. Ayman Nasr**

Chairman  
EGYPTAIR CARGO

**Mr. Galal Abu El Fetouh**

Advisor to the Minister of Finance for Customs Affairs

**Capt. Sherif Saad El Din Galal**

Civil Aviation Expert

**Capt. Mohamed Fathy Fathallah Refaat**

Vice Chairman  
Egyptian Holding Company for Airports and Navigation

**Eng. Hussein Abdel Haleem El Refaai**

Vice Chairman  
EGYPTAIR CARGO

**Mr. Abdel Rahman Ahmed Badr El Sherif**

Senior Cargo Officer  
EGYPTAIR CARGO

**Eng. Mohamed Sabry Taha Mohamed**

GM Technical Affairs  
EGYPTAIR CARGO

**Mr. Mohamed Abdel Moneim Hassan**

GM Technical Affairs  
EGYPTAIR CARGO

**Mr. Salah Abdel Salam Abdel Razak**

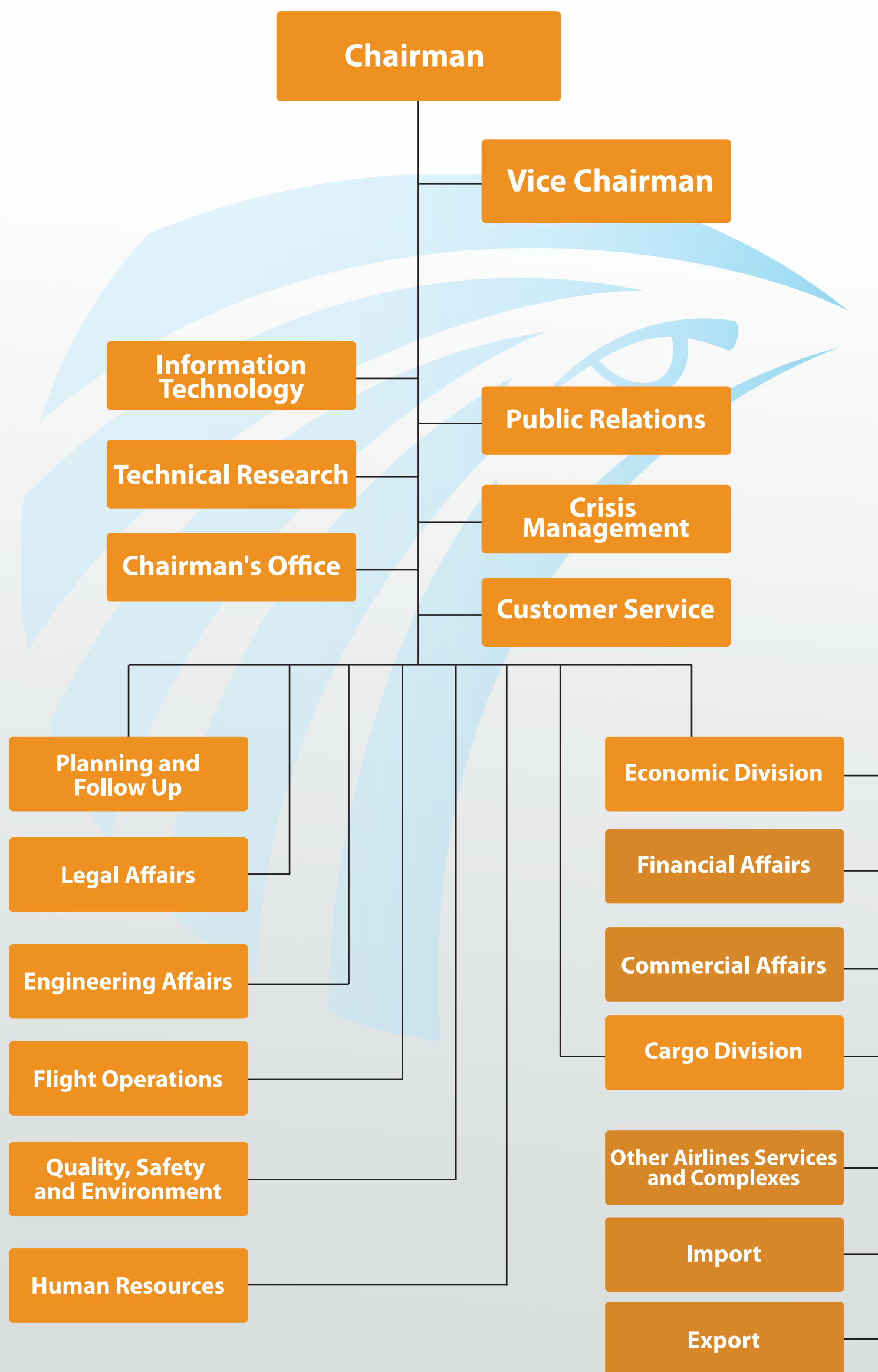
Senior Cargo Officer  
EGYPTAIR CARGO

**Mr. Hassan Mohamed Hassan Shehatah**

Syndicate Representative



## ORGANIZATION CHART



## COMPANY PROFILE

EGYPTAIR CARGO was found in 2002 as a subsidiary of EGYPTAIR HOLDING. Since its foundation, EGYPTAIR CARGO has been on the forefront of transporting and handling general and special cargo.

### Fleet/Network

The EGYPTAIR CARGO fleet is composed of four medium range wide body aircrafts: two A/C A300 B4 Freighters and two A300-600 Freighters. The existing freighter network that covers the Middle East, Europe and Africa is also supported by the significant added capacity of EGYPTAIR AIRLINES aircraft belly compartments. This added transport capacity allows us to reach destinations in the major cities in Europe, USA, Canada, Africa, Gulf Area and Far East.

### Terminals

EGYPTAIR CARGO Terminals are found in most regions of Egypt, from North to South. EGYPTAIR CARGO established its first cargo terminal in May 1961 with 50,000 sqm and a capacity of 120,000 tons/year. An additional area of 9600 sqm has since been added to Cairo's Cargo Terminal to improve the cargo flow and increase capacity as a result of the EGYPTAIR functional and performance improvement project.

The EGYPTAIR CARGO handling facility at Cairo International Airport is undergoing reconstruction including improvements on working environment through the optimization of infrastructure, equipment, maintenance and an increase in utilization of IT systems and networks. EGYPTAIR CARGO has changed the warehouse structure for the use of LSP, a move that will help to minimize the process time save costs. The reconstruction project will also include the installation of new storage racks and improvements in administrative areas. Since October 2007, all import cargo acceptance and export customs inspection have taken place in a new building with a better work environment.

Another cargo terminal was established at the Alexandria International Airport in September 1991. This terminal has been connected to the main cargo terminal in Cairo by ground transportation and a capacity of 20,000 tons per year to better serve Cairo and Alexandria.

Another cargo terminal was established at the Luxor International Airport in February 2006. This terminal has a capacity of 20,000 tons/year to serve region of South Egypt.

## HUB

Our main cargo hub is located at the Cairo International Airport. We have developed several regional hubs in airports in Europe and the Middle East: Ostend Airport in Belgium, Stansted Airport in the UK, Hahn Airport in Germany, Chateauroux Airport in France, Nairobi Airport in Kenya and Sharjah Airport in the UAE. These hubs offer direct access to and from the most important trading centers in Europe, Middle East and Africa.

### Services

EGYPTAIR CARGO offers airport-to-airport shipping services aimed mainly at forwarders or brokers from other freight transport companies worldwide. Whether the priority is quick service, specialized handling and transport or total logistical solutions, EGYPTAIR CARGO tailors its service accordingly and the EGYPTAIR CARGO staff ensures quality of service from beginning to end.

### Expansion in Business

EGYPTAIR CARGO has extended their business to include the managing and operating of other related projects like the Perishable Center at Cairo International Airport in Conjunction with the Horticultural Export Improvement Association (HEIA).

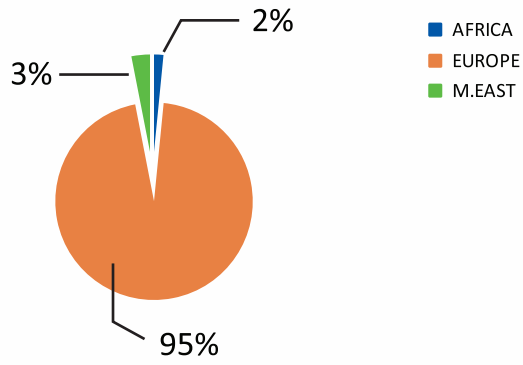
### Main Projects

- Upgrade the existing facilities and infrastructures in Cargo Village in Cairo International Airport, by increasing the storage areas and establishing new cool Rooms and special stores for dangerous goods and chemicals, this project is expected to be finished by year 2011.
- Improvement of IT infrastructure and software by applying E-freight project to the whole phases of shipping, which replaces paper documents with electronic messages reducing costs, improving transit times, accuracy and competitiveness of air freight.
- Establishing new plan to develop the whole HR system.
- Investment in establishing Borg El Arab airport at Alexandria and a 50% share in Luxor cargo facilities with Egyptian Company for Airports.



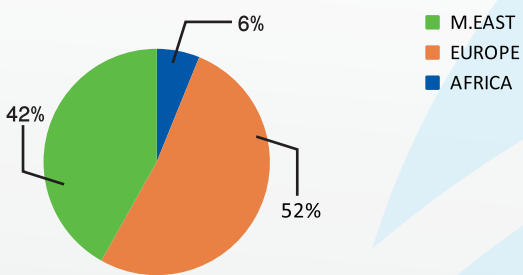
IMPORT ON FREIGHTER BY REGION 2009/2010

| IMPORT(FRTR) | LOAD(KG)   |
|--------------|------------|
| AFRICA       | 194,369    |
| EUROPE       | 12,020,246 |
| M.EAST       | 387,250    |



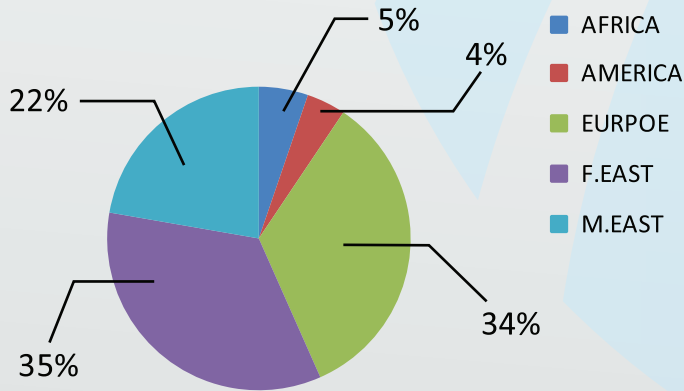
EXPORT ON FREIGHTER BY REGION 2009/2010

| EXPORT(FRTR) | LOAD(KG)   |
|--------------|------------|
| AFRICA       | 1,219,359  |
| EUROPE       | 10,332,896 |
| M.EAST       | 8,312,941  |



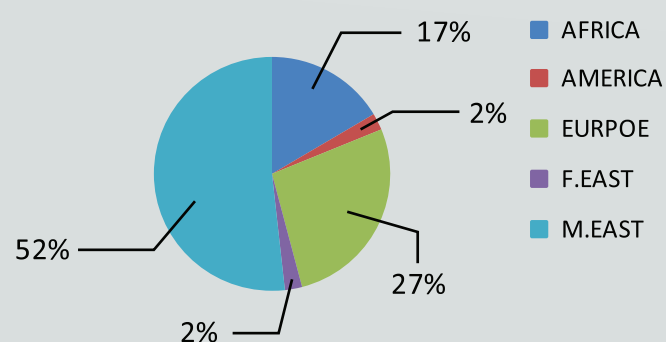
IMPORT ON BOARD PASSENGER PLANES BY REGION 2009/ 2010

| IMPORT(PAX) | LOAD(KG)  |
|-------------|-----------|
| AFRICA      | 1,323,902 |
| AMERICA     | 1,049,279 |
| EURPOE      | 8,580,588 |
| F.EAST      | 8,685,155 |
| M.EAST      | 5,624,248 |

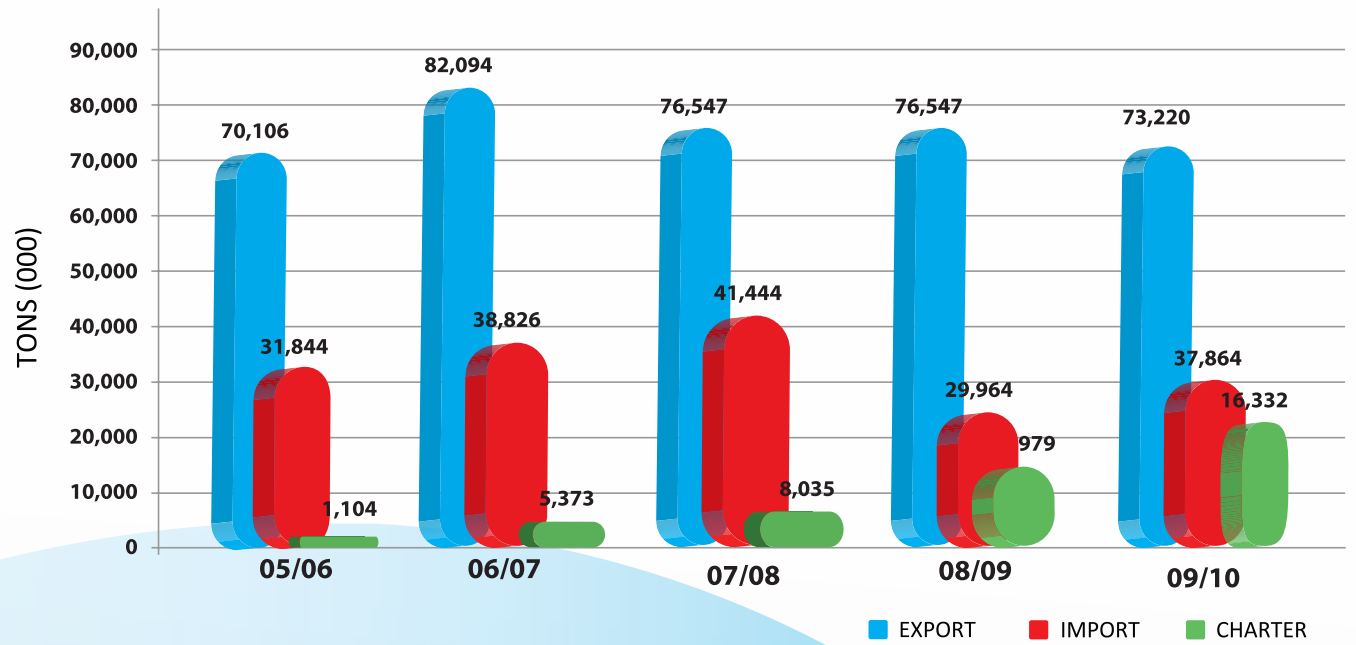


EXPORT ON BOARD PASSENGER PLANES BY REGION 2009/ 2010

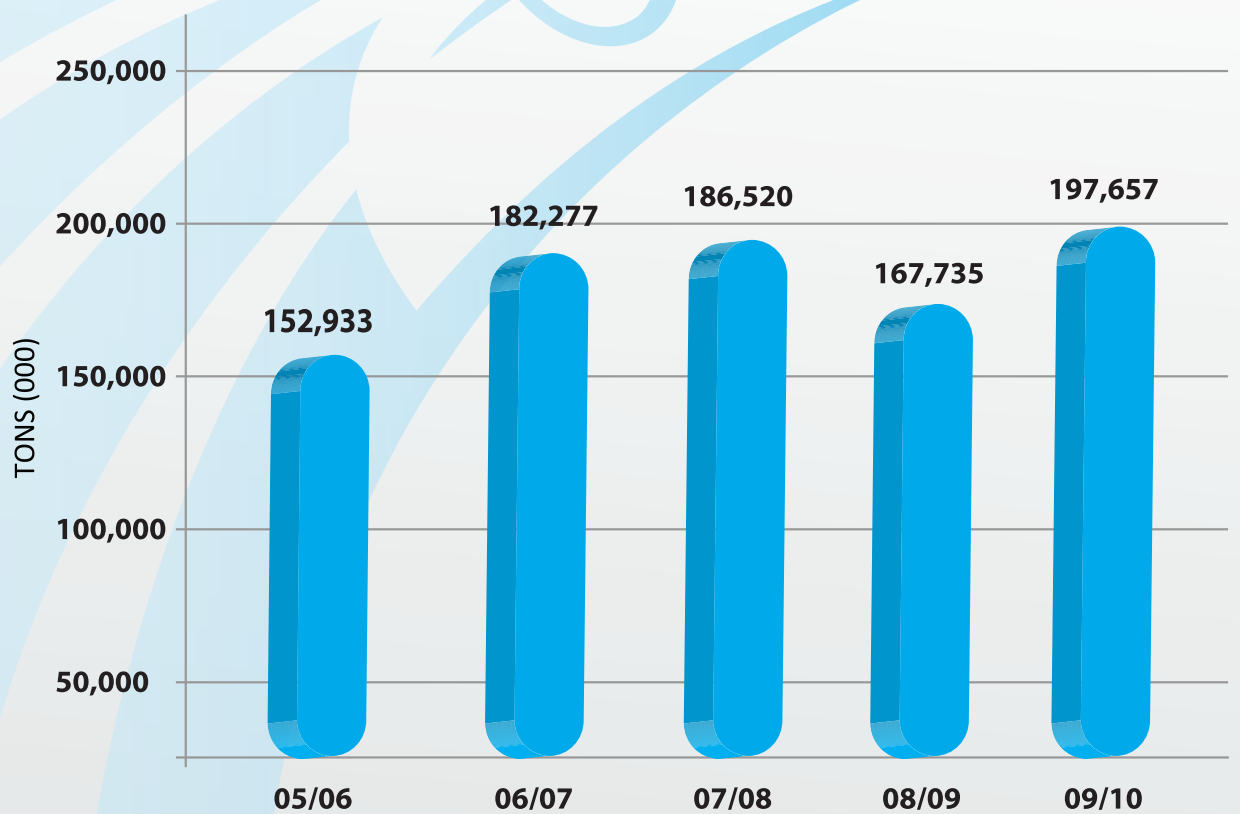
| EXPORT(PAX) | LOAD(KG)   |
|-------------|------------|
| AFRICA      | 8,828,878  |
| AMERICA     | 1,228,248  |
| EURPOE      | 14,414,921 |
| F.EAST      | 1,268,117  |
| M.EAST      | 27,615,284 |



TOTAL CARGO CARRIED



CARGO HANDLED BY EGYPTAIR CARGO



## EGYPTAIR CARGO

### FINANCIAL STATEMENT

EGYPTAIR CARGO Statement of financial Position at 30/6/2010(000EGP)

| PARTICULARS                                     | 2008/2009      | 2009/2010      |
|---|----------------|----------------|
| <b>Long -Term Assets</b>                        |                |                |
| Fixed assets (net)                              | 342,744        | 339,615        |
| Projects in progress                            | 24,898         | 50,790         |
| Long-term investments                           | 1,050          | 1,650          |
| Long-term loans and debit balances              |                |                |
| <b>Total long - term assets (1)</b>             | <b>368,692</b> | <b>392,055</b> |
| <b>Current assets</b>                           |                |                |
| Stock   | 3,830          | 5,232          |
| Customers,notes receivables and debits accounts | 641,392        | 637,479        |
| Cash in banks and in hand                       | 93,997         | 84,605         |
| <b>Total current assets</b>                     | <b>739,219</b> | <b>727,316</b> |
| <b>Current liabilities</b>                      |                |                |
| Provisions                                      | 5,772          | 6,420          |
| Creditor banks                                  |                |                |
| Suppliers, notes payable and credit accounts    | 719,150        | 705,681        |
| <b>Total current liabilities</b>                | <b>724,922</b> | <b>712,101</b> |
| <b>Working capital (2)</b>                      | <b>14,297</b>  | <b>15,215</b>  |
| <b>Total investment (1+2)</b>                   | <b>382,989</b> | <b>407,270</b> |
| Financed as follows:                            |                |                |
| Issued capital                                  | 40,000         | 65,000         |
| Paid up capital-reserves                        | 115,605        | 104,726        |
| <b>Total equity (3)</b>                         | <b>155,605</b> | <b>169,726</b> |
| Long -Term liabilities(4)                       | 227,384        | 237,544        |
| <b>Total financing of investment (3+4)</b>      | <b>382,989</b> | <b>407,270</b> |

### Profit and Loss Account at 30/6/2010(000EGP)

#### COSTS & EXPENDITURES

| PARTICULARS                               | 2008/2009      | 2009/2010      |
|---|----------------|----------------|
| Raw material,requisities,fuel&spare parts | 189,346        | 177,497        |
| Wages                                     | 61,168         | 77,715         |
| Expenditures                              | 204,385        | 221,315        |
| Purchases of goods for sales              |                |                |
| Burdens & losses                          | 38,531         | 70,291         |
| <b>Total cost and Expenditures</b>        | <b>493,430</b> | <b>546,818</b> |

#### REVENUES

| PARTICULARS                      | 2008/2009      | 2009/2010      |
|----------------------------------|----------------|----------------|
| Activity revenues                | 482,949        | 465,949        |
| Grants & Donations               |                |                |
| Other revenues & Profits         | 88,229         | 128,820        |
| Investments revenues & Interests | 2,296          | 1,136          |
| <b>Total Revenues</b>            | <b>573,474</b> | <b>595,905</b> |
| <b>Surplus or Deficit</b>        | <b>80,044</b>  | <b>49,087</b>  |

