

News Release

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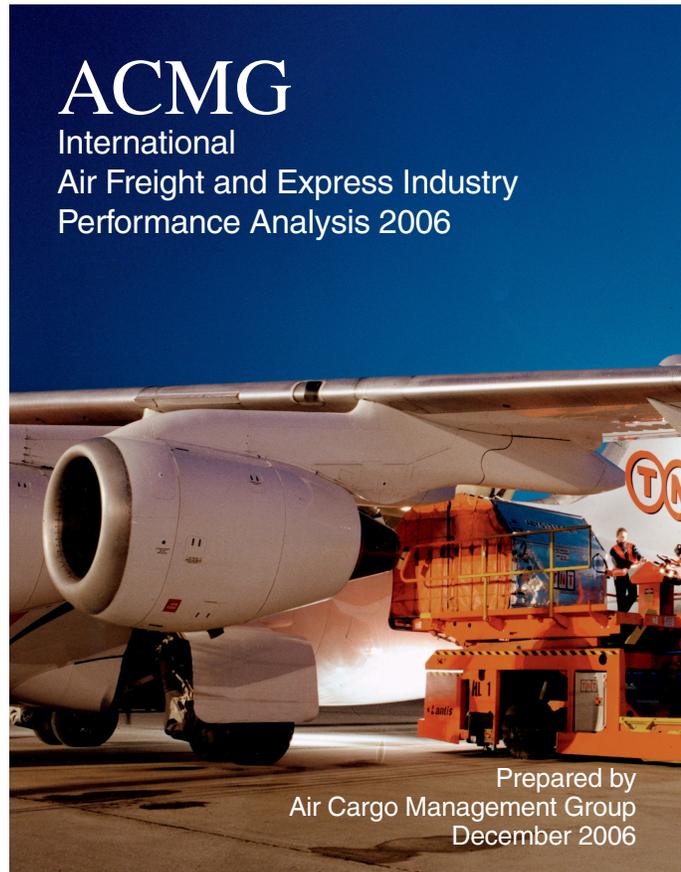
Major New ACMG Study Documents Solid Growth in the International Air Freight and Express Industry.

SEATTLE, WASHINGTON (January 3, 2007) — Air Cargo Management Group's newly-released *International Air Freight and Express Industry Performance Analysis 2006* provides a detailed assessment of the international air cargo/express industry and the companies that compete in this evolving market. Published annually since 1994, this 200-page study provides the only comprehensive quantitative and qualitative independent analysis of the \$71 billion global air cargo industry, including:

- **Trends** in international shipping services
- **Statistical analysis** of freight and express package traffic
- **Strategic reviews** of the major express companies, freight forwarders, all-cargo and combination passenger/cargo carriers
- **Up-to-date discussion** of freighter aircraft trends, and the impact of fuel prices
- **Analysis** of ongoing air freight developments in China, India, and the Middle East

ACMG's new report shows that the industry grew at a mid-single-digit rate in 2006, which means that global traffic levels are up nearly 36% since the unprecedented decline that took place in 2001. "This growth over the five-year period matches the long-term industry-wide growth rate of 6% per year," said Robert Dahl, ACMG Project Director. "Furthermore, we find that the revenue for industry participants (airlines, forwarders, and express companies) now exceeds \$71 billion per year." The revenue total was pushed up by traffic growth, higher fuel surcharges, and currency exchange rate trends.

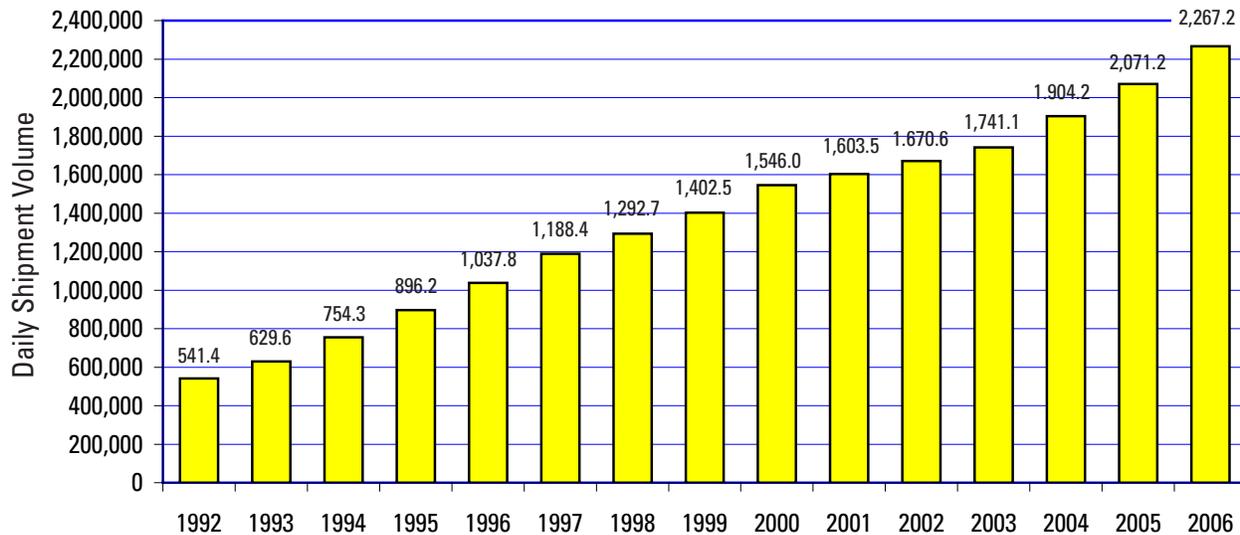
"Looking forward, ACMG believes a long-term air freight growth rate of 6% is achievable, leading to significant future growth in air freight traffic and the use of large-capacity freighter aircraft. The backlog for new and converted widebody freighters stands at over 250 units, which is indicative of the optimism of the companies involved in this industry," Dahl added. However, ACMG is concerned that high oil prices and uncertainty regarding the global economy will keep air freight growth at 4%-to-6% in 2007, and only slightly better, at 5%-to-7%, in 2008.



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Not surprisingly, ACMG finds that express companies continue to play a more prominent part in the international air freight market. The latest analysis shows international express volumes grew 9.5% from mid-2005 to mid-2006 to reach 2.267 million shipments per day. The leading participants in terms of market share are DHL, FedEx, UPS, and TNT. As shown in the chart below, the current express shipment volume is more than four times as much as the level recorded in 1992.

International Air Express Shipment Growth



Source: ACMG's International Air Freight & Express Industry Performance Analysis 2006

Notes:

The above chart is based on ACMG market research in mid-year 1992 through mid-year 2006.

Average growth rate was 17.0% per year over five years from 1992 through 1997.

Average growth rate was 7.4% per year over nine years from 1997 through 2006.

Average growth rate was 10.7% per year over fourteen years from 1992 through 2006.

Trends to watch in the industry in the coming year include continuing consolidation in the air-line, express, and freight forwarding segments, although shippers are showing resistance to the idea of the one-stop-shop, preferring to use multiple suppliers for their global transportation and logistics needs. Another concern is the potential shift of high-value goods to ocean transport as shippers seek ways to avoid the high fuel surcharges for air freight. "The US domestic market has seen a significant modal shift from air to ground, but a shift from air to ocean has not yet become a major factor for international shipments," noted Dahl.

The 200-page ACMG report provides extensive coverage of the performance of the express companies, all-cargo and combination carriers, and freight forwarders that serve the international air freight market, and describes the strategies being employed by more than 50 individual market participants. Additional commentary and analysis is provided on a wide range of related topics, including airline alliances, open-skies pacts, and freighter aircraft trends, among others. The 2006 edition also includes a discussion of high oil prices, and rapid changes taking place in the air freight industry in China, India, and the Middle East.

To order, or to obtain more information, visit ACMG's website at www.cargofacts.com, or call Robert Dahl at 1-206-587-6537.

Founded in 1978, ACMG is a specialized aviation consulting firm, which focuses on freighter aircraft and all aspects of the worldwide air freight and express industry.