



Swiss WorldCargo

Facts & Figures: The airfreight division of SWISS & the Air Cargo industry

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Vice President, Head of Central Services Cargo

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SWC

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World merchandise exports rose 2.1% to \$18.301bn in 2013...



Source: United Nations Conference on Trade and Development, 2014
Source Pictures: Wikipedia, 2013

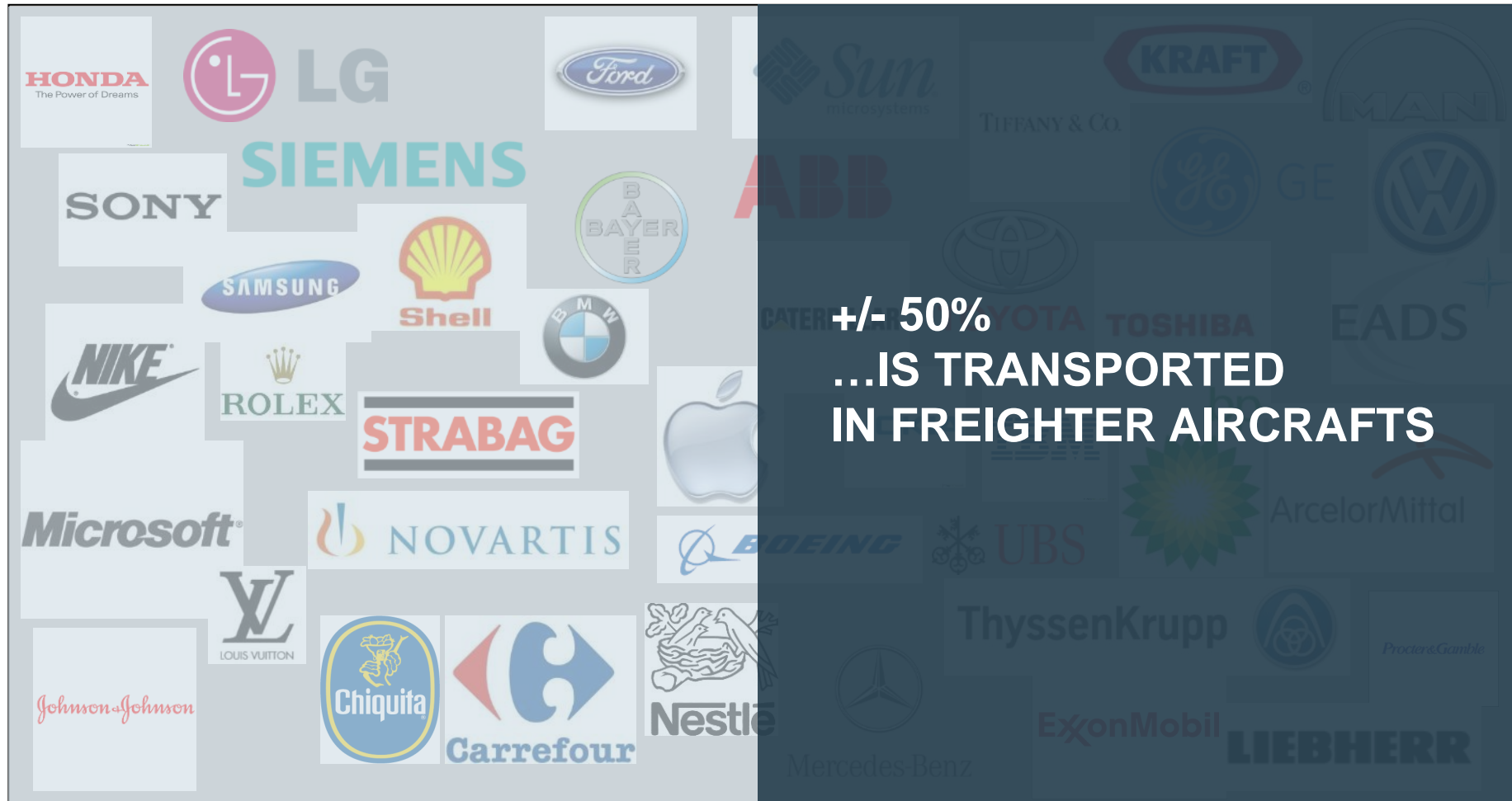
Airfreight - approximately a mere 1% of the volume of global trade



Airfreight - approximately a mere 1% of the volume of global trade but...



How is cargo transported? 50% is transported on freighter aircraft due to need of high capacity on trunk routes



How is cargo transported? But still 50% is left on belly capacity (more destinations, frequencies)

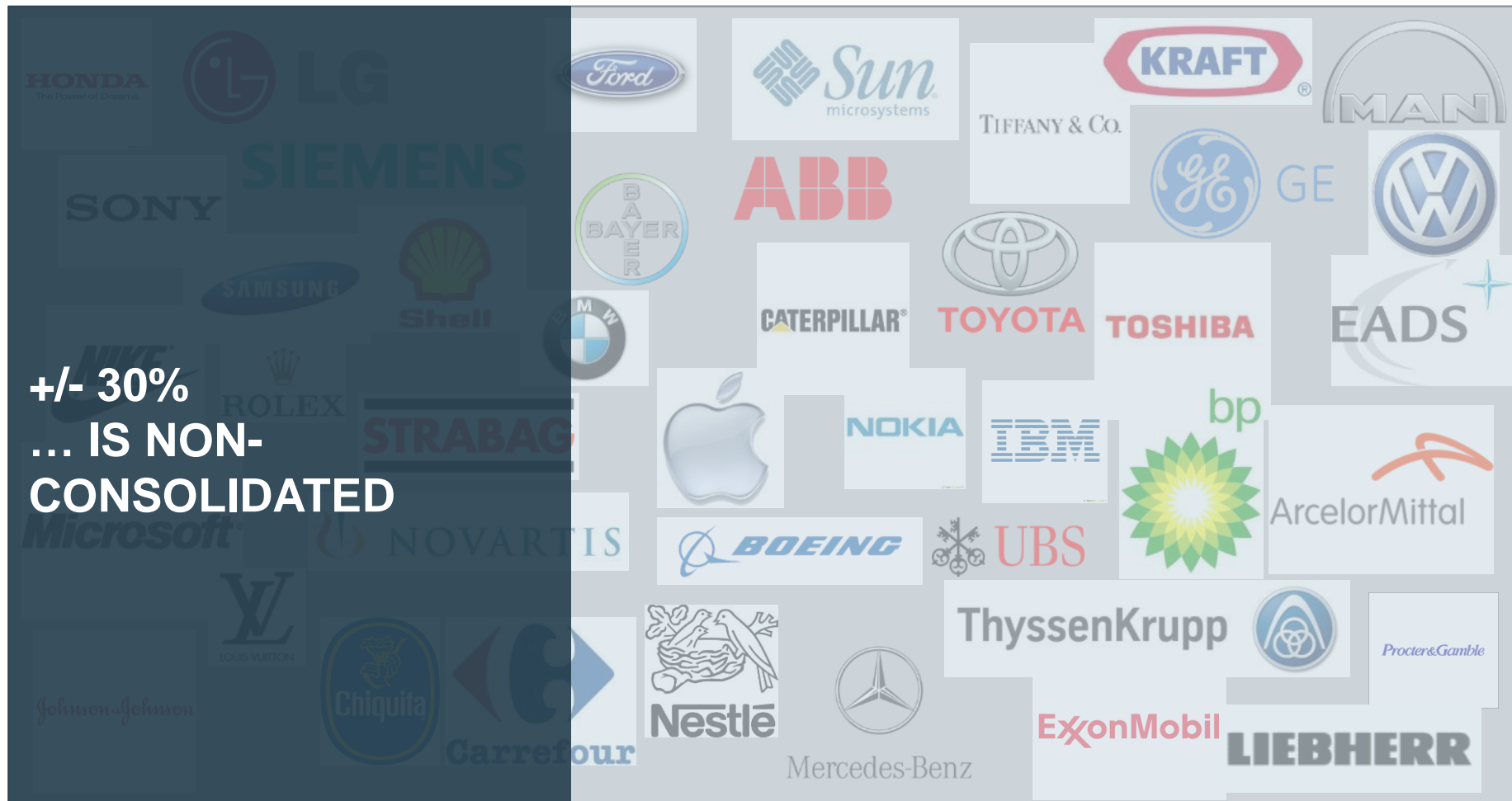
**+/- 50%
IS TRANSPORTED
ON BELLY AIRCRAFT**



70% of airfreight is...



But not all airfreight is consolidated...



Many shipments require special handling – they are delivered directly to the airline and generate higher margins

**+/- 30%
... IS NON-CONSOLIDATED**

We care for your cargo.

Switzerland is home to leading companies in many sectors and Swiss WorldCargo makes sure their business flows seamlessly



We care for your cargo.

Air freight is an important competitive factor for the Swiss economy as well as the global economy

▶ Air cargo services via Swiss airports are a basic necessity for Swiss businesses

▶ One-third of all exports and one-sixth of all imports (by value) are transported by air

▶ The passenger flights offered from and to Switzerland depend directly on air cargo volumes and demand

▶ Industry and commerce see a need for selected infrastructural improvements

▶ Air cargo in Switzerland secures over 200 000 highly-skilled domestic jobs

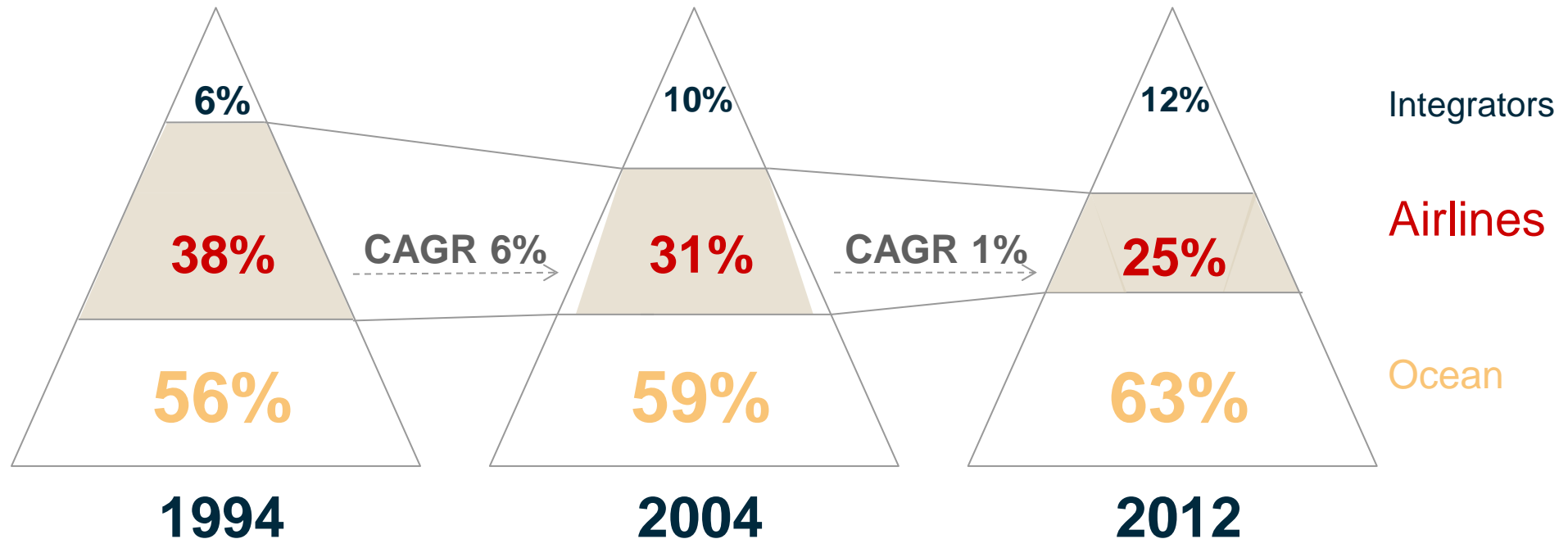
▶ Globally, the air cargo industry serves as a key engine of economic growth and development, supporting trade and promoting connectivity



(a study of the University St. Gallen, 2010)

Our world (Air Cargo) is getting very, very difficult

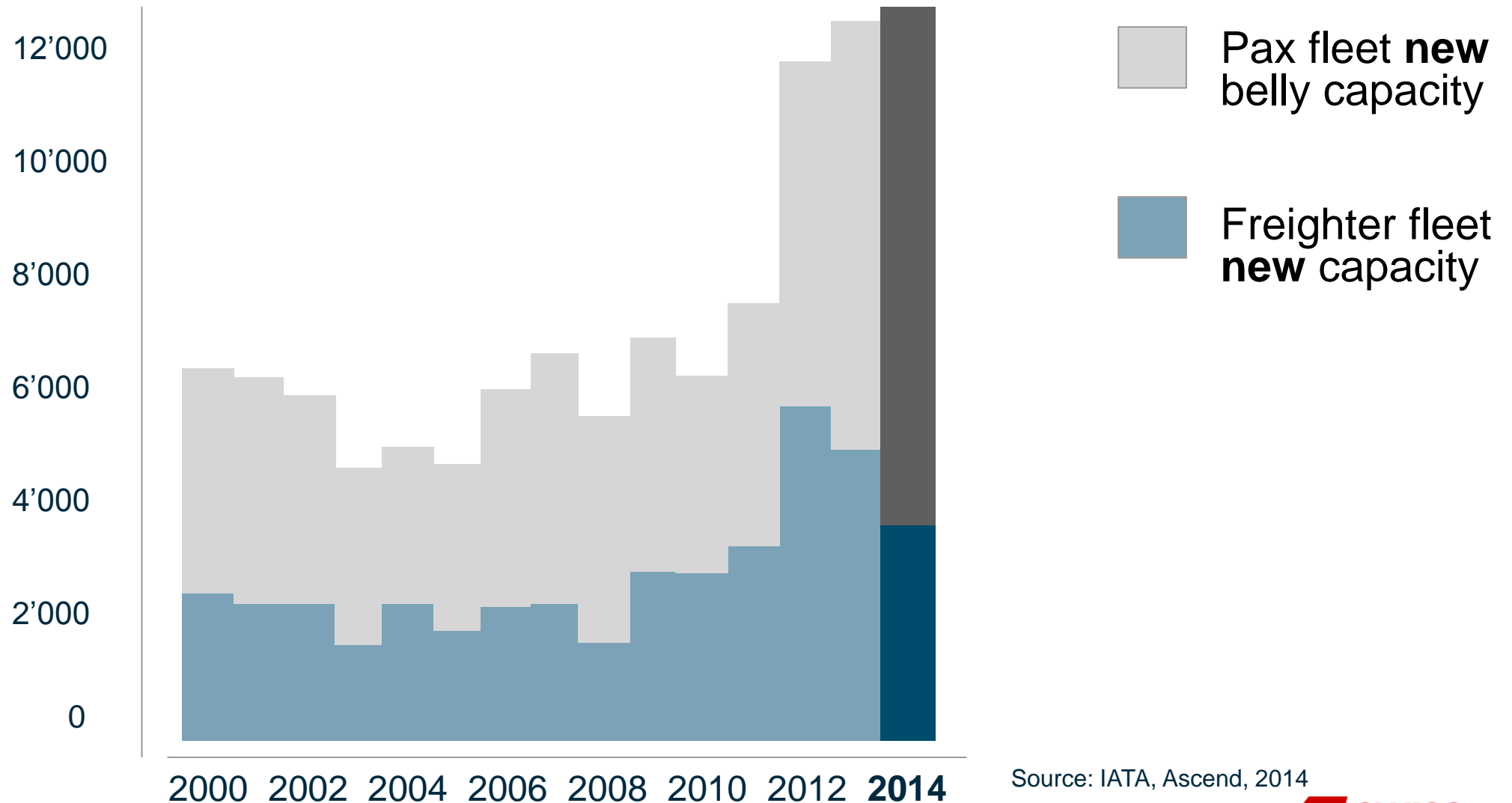
World International Air Express, Air Freight, and Ocean Freight Revenue Mix



(Source: Boeing Air Cargo Forecast, Global Insight, TSA estimates, ACMG & FedEx Analysis; CATS Seabury)

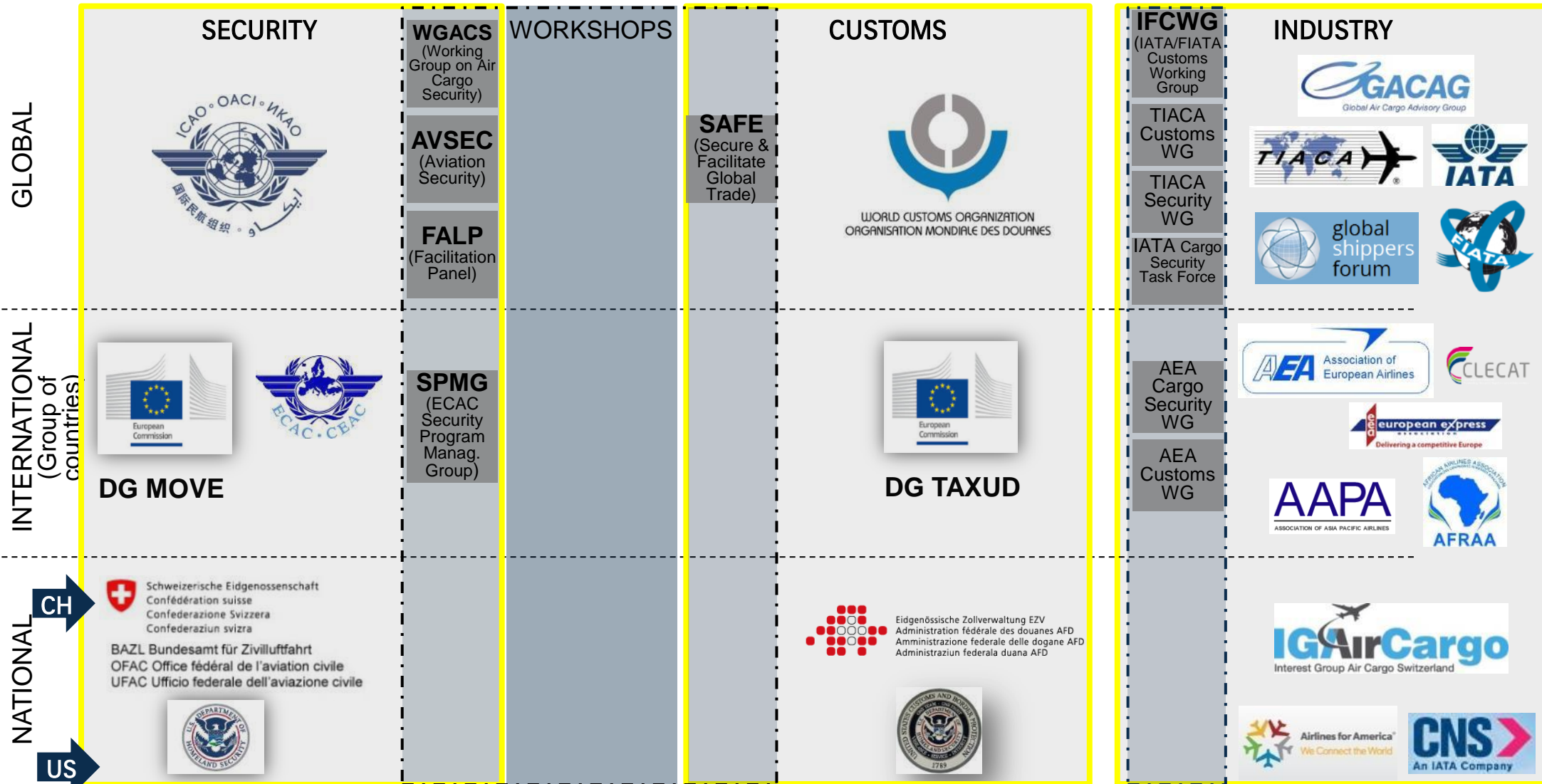
Capacity Growth (I) New passenger fleet adding more belly capacity

Tons of new cargo capacity from aircraft deliveries



Source: IATA, Ascend, 2014

Regulatory bodies aren't exactly making our lives easier...



Swiss WorldCargos Vision is to keep and extend its position in Quality and Information Leadership

VISION

Making sustainable global trade happen as *the* virtual integrator

MISSION

We use our unique strengths as a reliable and innovative service provider within the Lufthansa Group focusing on care intensive logistics solutions.
We inspire our people and engage our partners in continuously delivering superior quality.
We care for your cargo.

VALUES

“We are true to ourselves and don’t pretend to be something we aren’t.”
“We do things properly or we don’t do them at all.”
“It’s the small things that bring us closer to our customers.”

Focusing on industries, enabling us to remain the airline of choice for high-value, care-intensive logistic solutions

**Precious commodities,
banking & luxury
goods**



**Pharmaceutical &
healthcare**



Postal business



OUR TEAM

- Thorough understanding of industry specific needs
- Dedicated specialists with in-depth industry expertise
- Committed team adding-value to logistic chain
- Competence center

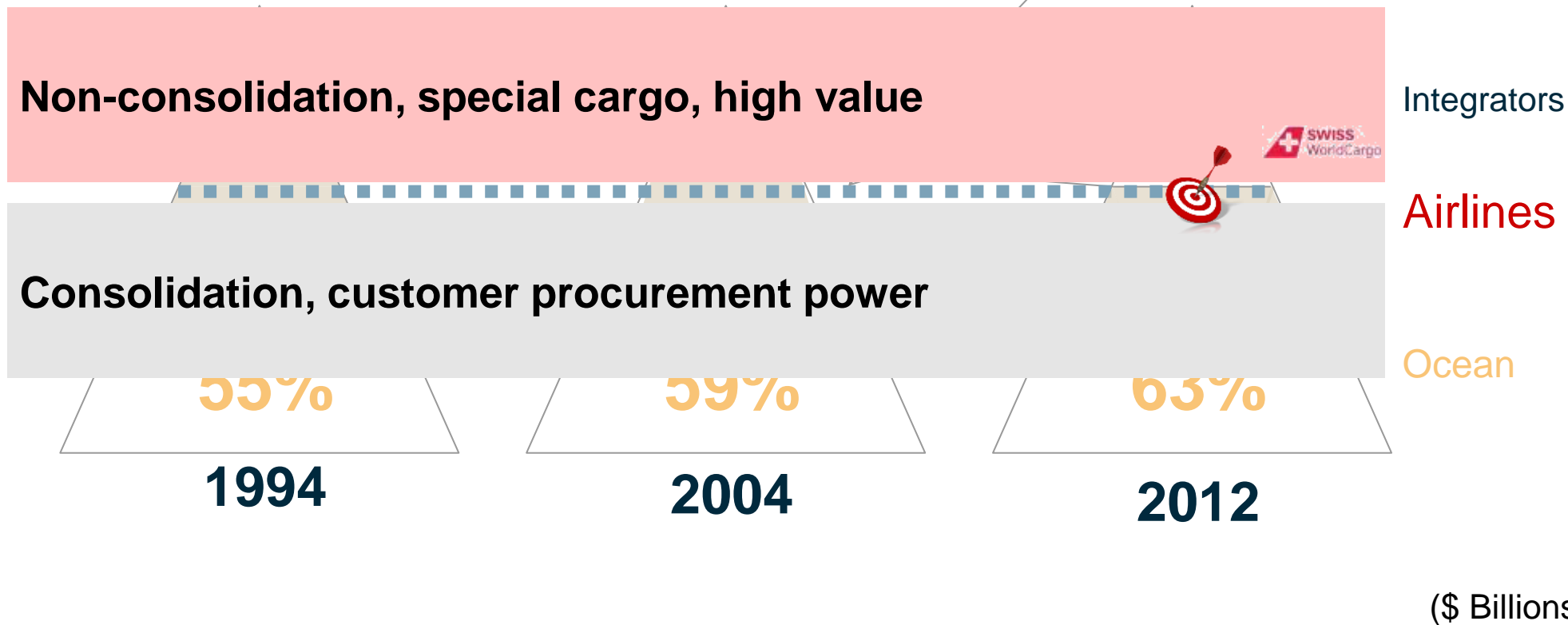
BENEFITS

- Design and optimize supply chain management
- Premium industry-specific solutions
- Focus on care intensive consignments

Avoiding the Commoditization Trap

World International Air Express, Air Freight, and Ocean Freight Revenue Mix

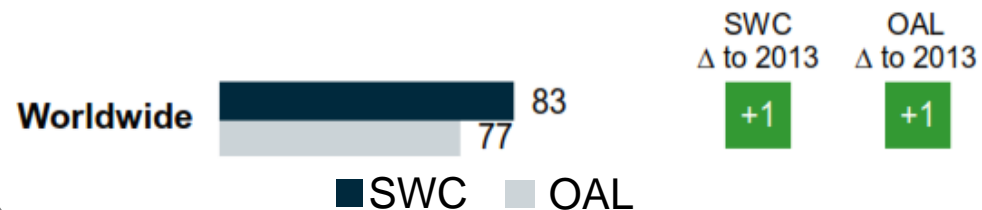
Commoditization Barrier



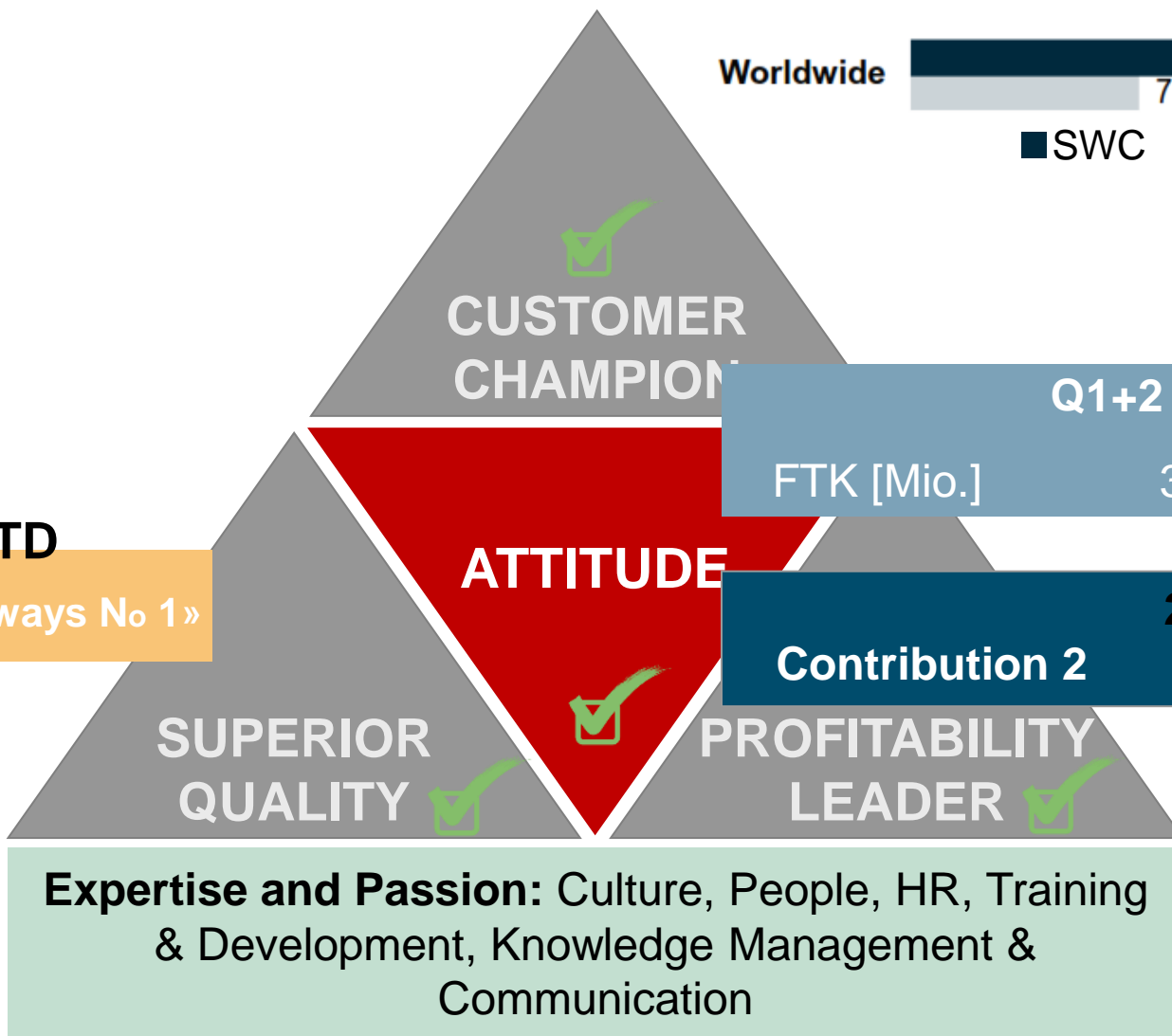
Source: Boeing Air Cargo Forecast, Global Insight, TSA estimates, ACMG & FedEx Analysis

The Swiss WorldCargo Strategy Triangle as the basis for our success

Customer Satisfaction – Comparison with OAL



FAP ∅ 2014 YTD
 95.7% «always No 1»



Q1+2 2014 vs. Q1+2 2013
 FTK [Mio.] 359 ↑ + 7%

2014 YTD
 Contribution 2 ↑ +1% vs BUD

The Voices of Swiss WorldCargo's Customers

“When you want something special, you go to a boutique, not to a supermarket: that is Swiss WorldCargo!”

“We particularly appreciate Swiss WorldCargo as a quality carrier offering reliable service for time critical businesses and special product types such as High Valuable Cargo, e.g. Pharmaceuticals, Fashion, Watches, Precision Instruments.”

“Certain shippers are willing to pay extra for better airlines and logistics service providers – but shippers can't tell [which are better]”



KUEHNE+NAGEL

Tim Scharwath,
Executive Vice-President
Air Logistics

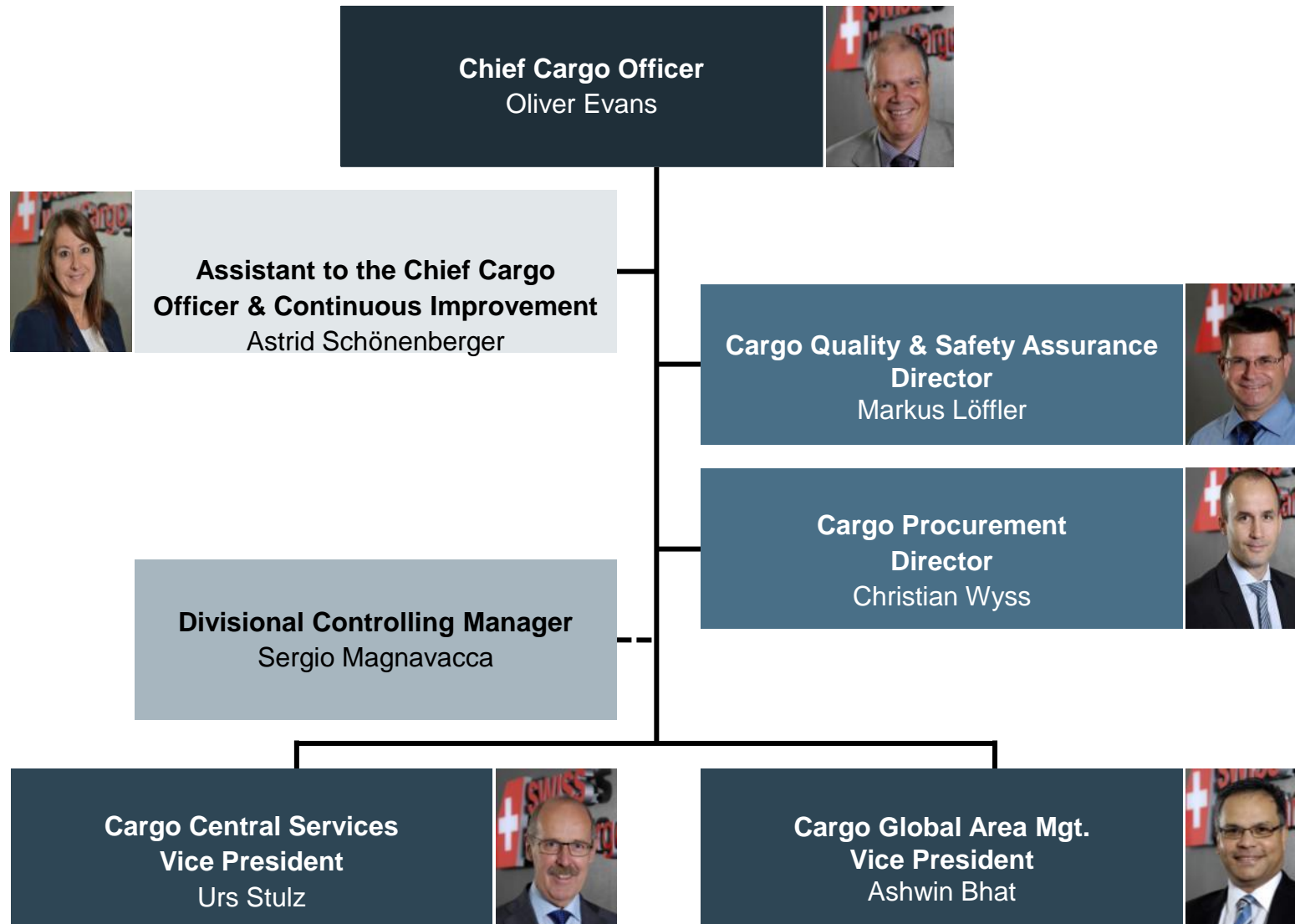


Lukas Kuehner,
Global Head of Air Freight



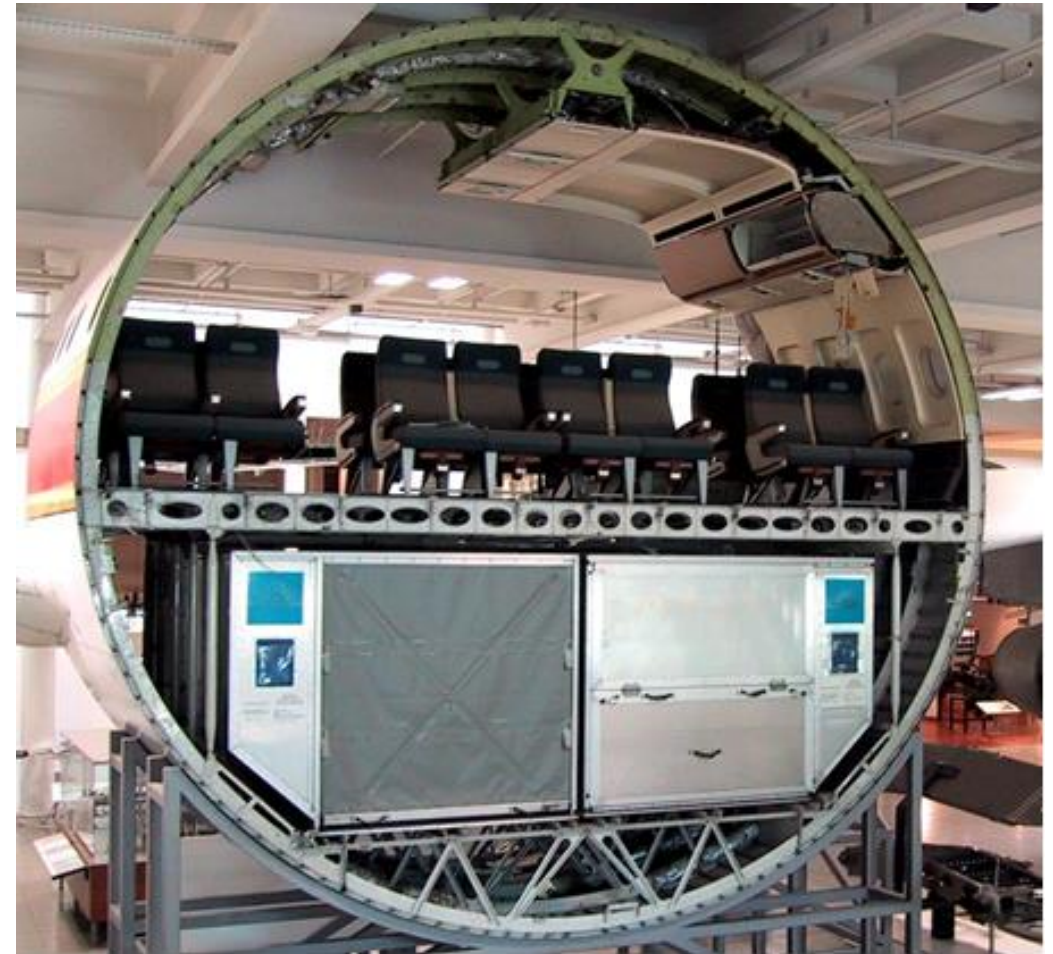
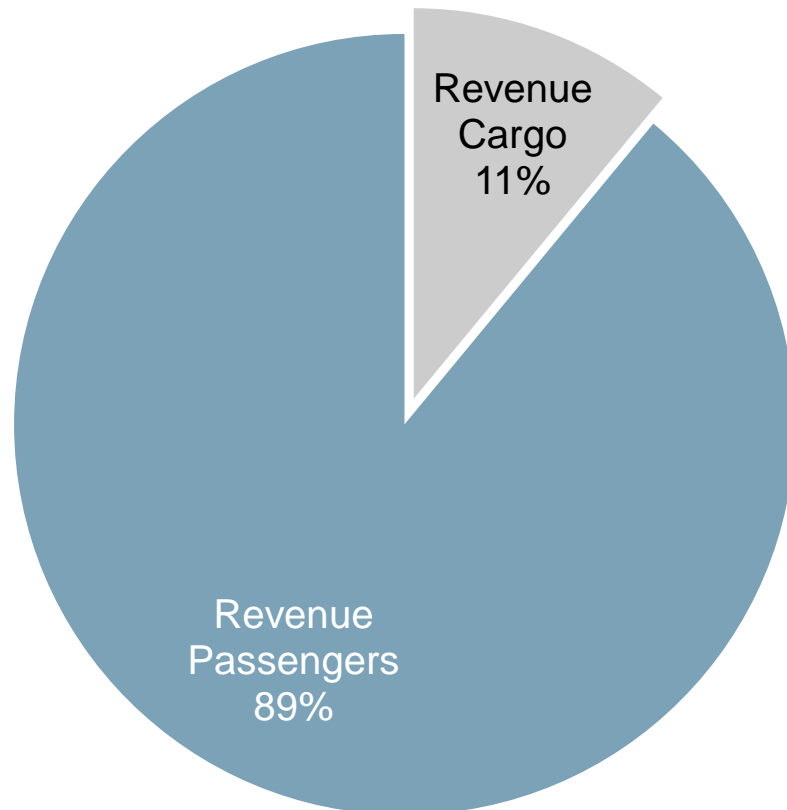
Joost van Doesburg,
Air freight policy manager

Organization Management Swiss WorldCargo per April 2015



Important cargo contribution to the profitability of Swiss International Air Lines

2013



With UAVs already commercial, when will they complement our industry?

The image shows a screenshot of the ACW (Air Cargo Week) website. At the top, there are navigation tabs for 'Industry', 'SWC', 'Future', and 'Sustainable'. The main content area features a news article titled 'A third of freight forwarders foresee cargo drones by 2029'. The article text discusses the future of cargo distribution using drones (UAVs) and mentions a survey by the National Aeronautic Centre (NAC) and the Freight Transport Association. The article is dated 5th September 2014.

ACW
AIR CARGO WEEK

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News Article

Published: 5th September 2014

A third of freight forwarders foresee cargo drones by 2029

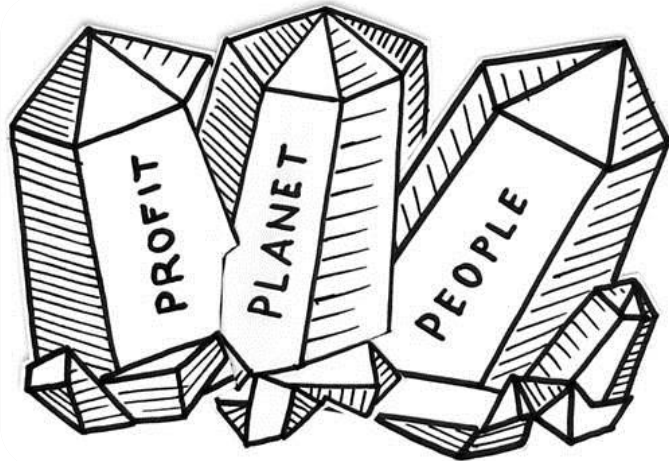
More than a third of freight forwarders believe drones will be used for the future distribution of cargo and 42 per cent of logistics carriers believe their business will use such robot aircraft in future.

The drones, also known as Unmanned Air Vehicles (UAVs), are expected to provide cost savings for logistics companies in the long term because they are expected to use less fuel than manned aircraft. The survey of freight forwarders and carriers, carried out by the National Aeronautic Centre (NAC) from 28 July to 11 August, also found that companies believed they would witness the introduction of drones in the next fifteen years. It is a survey by the Freight Transport Association that identified fuel as a major drive behind interest in drones. The NAC has facilities in the UK regions of West Wales and Cornwall.

Architect of the NAC and West Wales Airport managing director, Ray Mann, says: "This research shows that there is identified, tangible demand in the marketplace for UAVs capable of facilitating the transportation of goods with significant tonnage internationally."

In the survey, the highest ranking concern from logistics firms and freight forwarders was that UAVs would not be able to transport sufficient tonnage to replace typical sea, road and air freight distributions.

Sustainability – the Swiss WorldCargo Way



Creating a platform for reliable, long-term profitability, funding investments and building stakeholder value

PROFIT

Managing resources and our environment for future generations in innovative ways

PLANET

Attracting, retaining, and motivating talented individuals and teams. Taking ownership for everything that we do

PEOPLE

Thank you!

I am with you all the way



Hait Minsereh
Sales Manager

In a world growing more complex by the minute, we concentrate on being the perfect match for each of our clients. This is why we covered every niche in vertical industries like Pharma Commodity, Health care or Postal Business and learn to see through our clients' eyes, in order to have the perfect solution ready whenever he needs them. It is yet another way that We care for your cargo.

www.worldcargo.com We care for your cargo. SWISS WorldCargo

I am One Step Ahead



Danijel Stajic
Optimization Cargo

Efficient storage and drive resolution, your knowledge in logistics, constant attention and solid data opportunities for cargo shipments, when we give your voice as our partner for the greater good, we have one thing in common: We care for your cargo.

www.worldcargo.com We care for your cargo. SWISS WorldCargo

I am Give and Take



Takanori Tange
Manager Cargo Japan

The best way to handle your cargo is to work with the most deserving and professional partner. In looking for the right partner, we have a common goal: the best solution is offered by us. Side by side. We care for your cargo.

www.worldcargo.com We care for your cargo. SWISS WorldCargo

I am Peace of Mind



Massimo Buzzati

In a hotmarket for cargo, the right and successful global team is the one that monitors the best your cargo. In fact, you can rely on us. We care for your cargo.

www.worldcargo.com We care for your cargo. SWISS WorldCargo

I am More with Less



Carmine Mambro
Account Executive Cargo Montreal

Being efficient comes naturally if you are a Swiss man. It is not only about leaner processes but serves our environment as well. With innovation in freight optimization, optimized truck routes and many other ideas that prove we care for the planet as much as We care for your cargo.

www.worldcargo.com We care for your cargo. SWISS WorldCargo

I am New Frontiers



Astrid Schoonenberg
Continuous Improvement & Kaizen Executive

Today, the only way to predict the future, is to invent it. So we require basic on teams take time to work on new solutions, and process improvements. If you are a professional cargo shipper, you should have a goal at the same time. It is to work with us. We care for your cargo.

www.worldcargo.com We care for your cargo. SWISS WorldCargo

I am A Thousand Ways



Dina Pichonoff
Supervisor Cargo Dangerous Goods and Quality Control

International Commerce is just not as simple as it seems. Sometimes a very fast solution is not the best one. Sometimes the only possibility is someone who can make it possible. Sometimes it is a good idea to remember that We care for your cargo.

www.worldcargo.com We care for your cargo. SWISS WorldCargo

I am Swiss at Heart



Matschi Moyo
Country Manager Cargo South Africa & Mauritius

Our team consists of people from more than 40 nations, representing five continents and many different cultures. But what truly matters is who we all share: a passion for quality, reliability and precision. And of course, We care for your cargo.

www.worldcargo.com We care for your cargo. SWISS WorldCargo

I am Whatever it Takes



Shanti Ramani
Manager Cargo Sales & Reservations Mumbai

It is not only about the service, it is about the quality, the reliability, the speed, the accuracy, and the professionalism of our staff. We care for your cargo.

www.worldcargo.com We care for your cargo. SWISS WorldCargo

I am The Extra Mile



Scott Alexander
Instructor Cargo Training

Quality is not the result of more than just the final check of a task completed. It is the thoroughness we take our work, how meticulously we plan our processes and how dedicated we are to delivering on what we committed to you. We care for your cargo.

www.worldcargo.com We care for your cargo. SWISS WorldCargo