

Member News

CARGOLUX REACHES NEW HIGH IN 2018

Luxembourg, 24 April 2019 – For the second year running, Cargolux has registered an increase in net profit after tax while continuing its efforts to maintain an economically, socially, and environmentally sustainable business. Cargolux continued to consolidate its position as one of the leading cargo carriers in the industry.

The consolidated net profit after tax for 2018 amounted to 211.2 million USD, a significant achievement compared to 2017's profit of 122.3 million USD. Despite a global softening in market demand in the second half of 2018, a shorter peak period compared to 2017, uncertainty regarding potential trade wars, geopolitical unrest and Brexit, Cargolux managed to improve on its performance compared to the previous year.

Increased demand for Cargolux's transport solutions contributed positively to the airline's yield quality. The airline produced 138,179 block hours; a 3% rise compared to the previous year. The Cargolux Group produced a total of 8,409 FTKs across its worldwide network while the available tonne kilometers grew to 12,375 million resulting in an overall load factor of 67.9% for the year. The company's high aircraft utilization rate remained stable in 2018.

"Cargolux achieved exceptional financial results in 2018 despite slower economic growth in the second half of the year. Strong focus on the management of our capacity and yields, increased demand for specialized shipments, a record year for our charter division and the diversification into offering ACMI solutions all contributed to the performance achieved. Our employees demonstrated once again that hard work, dedication, and expertise are at the heart of our company's success and sustainability", says Richard Forson, Cargolux President and CEO.

In 2018, the airline continued its journey of transformation to enhance services while ensuring long-term sustainability and growth. One of the main focuses was to undertake a complete IT overhaul to streamline processes, synergize teams internally, and enhance customer experience. This project aligns with the company's lean & green philosophy and its flexible and adaptable business model. Complemented by the ongoing digitalization initiatives, this will enable Cargolux to stay at the forefront of the industry and keep providing quality services in a lean and efficient manner.

Corporate Social Responsibility

The airline continues its efforts towards the establishment of a sustainable



business in line with its commitment to the UN Global Compact and its set of Sustainable Development Goals. The fuel efficiency and CO₂ reduction procedures continue to yield positive results as the company keeps exploring new avenues to further reduce its carbon footprint. The airline has also adopted IATA's short- and long-term goals for airlines to reduce CO₂ emissions with the aim to eventually achieve carbon-neutral growth. Cargolux currently has 15 different fuel saving programs in place to optimize its operation while reducing the negative environmental impacts.

Since the introduction of the company's Fuel Efficiency roundtable in 2016, significant fuel savings have been achieved through a number of new initiatives. In 2018, these initiatives, implemented for both Cargolux and its subsidiary Cargolux Italia, yielded considerable results with 6,270 tonnes of fuel saved and 16,750 tonnes less CO₂ emissions, despite company growth.

In an effort to promote environmental awareness and best practices in the air cargo industry, Cargolux has also taken a number of ethical measures. A number of controversial commodities such as lion bone or hunting trophies have been banned from shipment across the company's network. The airline signed the United for Wildlife International Taskforce on the Transportation of Illegal Wildlife Products to fight illegal animal trafficking. An advocate for animal welfare, Cargolux reviews each demand for animal transport carefully to ensure ethical practices are upheld throughout the transportation chain.

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