01.05.2005 | Volga-Dnepr group reports US$300 million revenues for 2004

Volga-Dnepr Group has reported revenues for 2004 of more than US$300 million, the second highest result in the company's 15-year history.



In 2004, for the first time, the Group operated successfully in two air cargo market segments following the launch in May of AirBridge Cargo (ABC), its new scheduled cargo airline, alongside Volga-Dnepr Airlines, the world's largest outsize and heavyweight charter airline.

Volga-Dnepr maintained its leading position in outsize and heavyweight air cargo transportation, controlling about 54% of the world market last year. The Group's AN-124 fleet generated revenues in 2004 of US$225 million, nearly reaching the previous highest performance in 2003. Transportation

volume for the year reached 431,973 ton kilometres with Volga-Dnepr's fleet completing 14,870 flight hours.

2004 was another milestone year for Volga-Dnepr Group as it entered the US$50 billion scheduled cargo transportation market with AirBridge. ABC performs scheduled cargo flights between Europe and Asia using Boeing 747 freighters, the first Russian and CIS airline to employ these aircraft.

The new airline started operations with four regular flights per week from Shanghai and Beijing to Luxembourg via Moscow's Domodedovo Airport and Novosibirsk. By the end of 2004, AirBridge Cargo had added four more regular flights to China from Frankfurt, Germany, the largest aviation hub in Europe. Moscow Sheremetyevo and Krasnoyarsk Emelyanovo airports were also added to the number of Volga-Dnepr transit hubs in Russia. In its first eight months of operation, AirBridge carried some 17 000 tonnes of cargo, reaching sales of approximately US$45.8 million. During this time, the airline has become firmly established as a reliable, customer focused cargo airline and developed close business co-operation with the world's leading freight forwarding organisations.

"Despite the overall decrease in the AN-124 world market, Volga-Dnepr Group has increased its share of the market and practically sustained the record-breaking sales volume of the previous year. Just as importantly, the company has successfully started a new business that in the long term will help us to implement the 'Cargo Supermarket' concept and provide us with a place among the world cargo market leaders," says Alexey Isaikin, President of Volga-Dnepr Group.

The year also saw significant progress in terms of the Group's other main projects; resuming production of the AN-124 and the IL-76 modernisation program that includes installation of PS-90A-76 engines and modern avionics. The business plan to resume serial production and gradual modernisation of the AN-124-100 aircraft at Russian and Ukrainian plants was accepted and its implementation is already underway. In June 2005, the first of two IL-76TD-90VD aircraft ordered by Volga-Dnepr will start its flight test program before joining the Group's fleet later in the year.