



AIR FRANCE-KLM AND CMA CGM JOIN FORCES AND SIGN A MAJOR LONG-TERM STRATEGIC PARTNERSHIP IN GLOBAL AIR CARGO

News / Airlines



Air France-KLM Group and the CMA CGM Group announced that they have signed a long-term strategic partnership in the air cargo market¹. This exclusive partnership will see both parties combine their complementary cargo networks, full freighter capacity and dedicated services in order to build an even more competitive offer thanks to the unrivalled know-how and global footprint of Air France-KLM and CMA CGM.

A 10-year exclusive strategic commercial partnership to strengthen their air cargo offering

CMA CGM and Air France-KLM share a strong ambition to invest and grow sustainably in the air freight business.

The agreement will have an initial duration of 10 years. Air France-KLM and CMA CGM will join and exclusively operate the full-freighter aircraft capacity of the respective airlines consisting initially of a fleet of 10 full-freighter aircraft, and an additional combined 12 aircraft on order:

- 4 full-freighter aircraft at CMA CGM Air Cargo (with outstanding orders for an additional 8 aircraft, 2 of which may be operated by Air France-KLM in the future),
- 6 full-freighter aircraft at Air France-KLM Group based at Paris-Charles de Gaulle airport and Amsterdam Airport Schiphol (with outstanding orders for an additional 4 aircraft)2.

This new commercial partnership also covers Air France-KLM's belly aircraft capacity, including over 160 long-haul aircraft.

The partnership will leverage both partners' respective global sales teams, presenting one voice to the customer.

The strategic commercial partnership is expected to generate significant revenue synergies including the joint design of the full freighter networks and enhanced products and services mix opportunities. It will help meet customers' ever-increasing need for more integrated and resilient supply chains and will leverage Air France-KLM's vast existing franchise, experience and capabilities in air freight, backed by a global cargo network. CMA CGM will mobilize its large commercial network and global logistics platform and will complete this offer with innovative logistics and multimodal solutions, particularly in sea and land transport.

CMA CGM Group to become a reference shareholder of Air France-KLM Group

As part of this long-term exclusive partnership, CMA CGM will reinforce its commitment in the air freight industry by becoming a new reference shareholder in Air France-KLM. CMA CGM has the firm intention to take up to 9% of Air France-KLM's ex-post share capital, for a period consistent with the implementation of the strategic commercial partnership.

This investment could be made as part of the contemplated capital increase of Air France-KLM, as announced on February 17th, 20223. Air France-KLM's main shareholders will support a resolution for the appointment of one board member representing CMA CGM at the next shareholders' meeting (May 24th, 2022). Such appointment, if approved by the shareholders' meeting, would be subject to the completion of CMA CGM's investment.

Rodolphe Saadé, Chairman and CEO of the CMA CGM Group said: "I am very pleased with this strategic partnership with Air France-KLM. It allows us to significantly accelerate the development of our air division, CMA CGM Air Cargo, which was created just over a year ago, and to position our two companies among the world's leading players in air freight.

This partnership is fully in line with CMA CGM's strategy and its ambition to become a leader in integrated logistics, for the benefit of its customers. Through our stake in the company, Air France-KLM will be able to count on us to support its future development."

Air France-KLM Group CEO Mr. Benjamin Smith said: "This strategic partnership leverages the complementary skills, expertise and activities of Air France-KLM and CMA CGM. It is a landmark step which will significantly strengthen and expand the Group's position in the air cargo industry. I am also extremely pleased that this commercial partnership with CMA CGM has resulted in their decision to invest directly in the Air France-KLM Group, demonstrating a strong testimony of their belief in the future success of our Group."

Air France-KLM and CMA CGM: two global players with European roots and strong sustainability commitments

Air France-KLM and CMA CGM are leaders in the transportation and logistics industry. They share an ambition to increase the sustainability and have both committed to Net Zero Carbon by 2050.

Air France-KLM is one of the leading airline groups in the field of airfreight

- It carries an extensive Full Freighter and Wide Body Belly (WBB) aircraft network built around two global hubs at Paris-Charles de Gaulle airport and Amsterdam Airport Schiphol, both fitted with state-of-the-art cargo facilities and serving 295 destinations across 110 countries.
- Air France-KLM has teams present in 116 stations covering a total network of 390 handling stations spread over all continents, making its commercial network one of the strongest in the airfreight industry. Air France-KLM has a long-standing experience and know-how in the field of specialized cargo (pharmaceuticals, perishables, express, etc.) and has developed one of the most advanced digital service solutions in the air freight industry.
- Air France-KLM runs a unique and industry-leading digital distribution platform where customers can make bookings and manage their business 24/7. It also leads the way in the field of sustainability, having introduced the Sustainable Aviation Fuel (SAF) Program in December 2021.

CMA CGM accelerates its strategic transformation into a global logistics leader

- With this industrial cooperation, the CMA CGM Group is moving forward with its plan to develop and provide end-to-end shipping and logistics solutions in order to support its customers' supply chains. The Group announced, during the last three years, the acquisitions of CEVA Logistics, Ingram Micro's Commerce & Lifecycle Services (CLS), Colis Privé and GEFCO. With these operations, CMA CGM have accelerated its strategic development into a global logistics leader.
- In March 2021, Rodolphe Saadé, Chairman and CEO of the CMA CGM Group, created CMA CGM Air Cargo, a whole new operational and commercial arm specialized in air freight. CMA CGM Air Cargo provides the Group's customers with an offering that harnesses the tight fit between shipping and logistics. This air cargo division has been expanding rapidly, thanks in particular to the entry into service of several full-freighter aircraft, and orders for new aircraft which will significantly boost the capacity in the months and years to come.
- The CMA CGM Group, a global leader in sea, land, air and logistics solutions, is present in 160 countries through its network of more than 400 offices and 750 warehouses. With its subsidiary CEVA Logistics, a world leader in logistics, which transports 400,000 tons of air freight and 2.8 million tons of land freight each year, and its air freight division CMA CGM Air Cargo, the CMA CGM Group is continually innovating to offer its customers a complete and increasingly efficient range of new shipping, land, air and logistics solutions.



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