




ANNUAL REPORT
2015-2016
egyptair.com

EGYPTAIR 

A STAR ALLIANCE MEMBER 

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Overview

Chairman's letter

Dear valued stakeholders

While sectors evolve and economies change, we adapt and our business last. EGYPTAIR Holding strives to attain success in ways that reflect integrity of the people we invest in.

We continue to seek new opportunities with a focus on rebalancing the group portfolio. Thus, we stepped towards implementing a major restructuring plan, which includes modernizing the fleet, developing the airlines' network, and following a cost-reduction plan. Throughout 2016, EGYPTAIR faced various challenges that impacted the operating and financial performance of the group.

Looking at this year's (2015/2016) figures in context of the liquidity challenges the company achieved total revenue 17.912 billion. As for Revenue Passenger Km, it hit 17.442 billion with an annual total of 8.51m. We operate 220 daily departures, serving 72 airports in 47 countries. Rather than aiming directly for growth we are currently going through restructuring and implementing a turnaround strategy to ensure the right resources, processes and plans are in place to optimize areas as (Pricing and revenue management, Network planning, Crew management,...)

Fleet renewal plan has been conducted aiming to yield significant economies in terms of fuel and maintenance. We were able to complete a purchase / sale / lease back of nine 737-800 from Boeing and Dubai Aerospace Enterprise (DAE). The whole nine aircraft will join our fleet by 2017, increasing the number of aircraft of the type to 29 and the fleet total count to 69.

EGYPTAIR AIRLINES, focused more strongly on expanding the network via long-and medium-haul routes. The concentration of its route is meant for the most vital and promising markets, whether to major African cities or to long-haul destinations in the Far-East and the North American continents, thus, offering more connections between the world's capital and cities through Cairo International Airport as a pivotal hub.

EGYPTAIR EXPRESS shows positive results as it achieved a total surplus of EGP77 million in FY 2015/16 in comparison to EGP 2 million it has achieved during FY 2014/15.

EGYPTAIR Cargo has managed to address the massive overcapacity in the market through launching other services like pharma product shipments, a new activity which is a good opportunity and new challenge for EGYPTAIR Cargo, in a bid to capitalize on a fast-growing and higher-margin industry. It hit a surplus of EGP127 million in FY2015/16 compared to 109 million Egyptian pounds it gained in FY2014/15.

EGYPTAIR Maintenance and Engineering has passed the periodic audits among which was the EASA in Cairo; Sharm el-Sheikh; and Borg al-Arab. It is expanding in providing more services to the African and Asian markets within aircraft heavy maintenance and overhaul.

It achieved a surplus of EGP200 million in fiscal year 2015/2016 in comparison to previous fiscal one, which achieved EGP111million.

EGYPTAIR In-Flight Services reached a surplus of 27 million EGP in FY 2015/16 compared to FY2014/15, as it hit 15 million EGP.

Also, over the past years, we have sought to cut costs by reducing expenditures. Thus, EGYPTAIR has adopted several successful cost-cutting measures that have helped to offset some of the ongoing decline in unit revenues at the airlines. Thus, we will remain to adhere to the strategies and actions enunciated in our long-term plan with a focus on better revenue management and cost improvement, whilst optimizing our network.

At the same time, still, challenges in the years ahead remain to convince all employees of EGYPTAIR that the long-sought evolution and progression needs an active contribution and more effort for a tangible target to fulfill.

In conclusion, I would like to express my appreciation to the Board of Directors, the Management Team and all the staff of our company for the contribution made with such passion and loyalty in helping to chart a course of uneasy success for the company.

Thank you for your continued trust and your support.

Safwat Mousallam




Chairman and CEO
EGYPTAIR Holding Co.

Board of Directors

EGYPTAIR HOLDING

Chairman

Safwat Sayed Abdu Musallam

Members

Dr. Farouk Abd El Baki El-Oqda

Capt. Mohamed Hamdy El-Tahan

Mr. Adel Mahmoud El-Morsi

Mr. Mohamed Kamal El-Din Barakat

Mr. Hisham Ahmed Okasha

Mr. Karem Mahmoud Youssef

Eng. Ismail Mohammed Salem Abu El Ezz

Dr. Ahmed Mahmoud Darwish

Mr. Abd El-Aziz El-Shrbini

Mr. Hassan Mohamed Hassan Shehata

Subsidiaries

● Capt. Sherif Azzet
EGYPTAIR AIRLINES

● Capt. Helmy Awad Rizk
EGYPTAIR EXPRESS

● Capt. Bassem Mohamed Fouad Gohar
EGYPTAIR CARGO

● Eng. Abu Taleb Tawfiq Abu Taleb
EGYPTAIR MAINTENANCE & ENGINEERING

● Mr. Asherf Hamdy Ahmed Elnahas
EGYPTAIR IN-FLIGHT SERVICES

● Mr. Ahmed Mohamed Shaheen
EGYPTAIR GROUND SERVICES

● Mr. Rada Aly Metwelly
EGYPTAIR TOURISM (KARNAK) & DUTY FREE

● Dr. Mohamed Adel Mazrou'
EGYPTAIR MEDICAL SERVICES

● Eng. Hisham Abd El-Hafiez
EGYPTAIR SUPPLEMENTARY INDUSTRIES

Group Corporate Structure

| Company | % |
|---|--------|
| LSG Sky Chefs Catering Egypt | 70% |
| Air Cairo | 60% |
| Arab World Egypt Air Hotels(Le passage) | 50% |
| Taba Tourism Development | 32.5% |
| Aerosport company for sports & entertainment services | 29% |
| Misr Aswan Tourism Development | 25.96% |
| Aerotel for Hotels and Tourism Services | 25.71% |
| United International For Tourism | 25% |
| CIAF-Leasing | 20% |
| Egyptian Aviation Services (EAS) | 20% |
| Civil Aviation Finance Holding Company(CIAF) | 20% |
| Smart Aviation | 10 % |
| EAMS Company | 10% |
| Misr Sinai Tourist Co. | 8.2% |



Portfolio Nutshell





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EGYPTAIR'S Highlights

Executive Summary



EGYPTAIR Annual Report is published in line with the Egyptian law 203/1991 for the companies of the public business sector. This report reviews EGYPTAIR's performance for the financial year period between July 1st 2015 and June 30th 2016. The report aims at providing a sufficient insight about EGYPTAIR's ability to generate business value in the context of the external environment.

Pioneering the industry at its birth, EGYPTAIR aims at continuing the pathway for sustainable development as the world economy climbs upward. We have continued enhancing our network in the Far East and Gulf. This executive review covers the developments which have affected the year end results.

The Context of FY 2015/2016

The global passenger market grew solidly during FY 2015/2016, broadly in line with its 10 year average rate but upward momentum has weakened in the face of moderate economic growth and terrorism impacts . EGYPTAIR Airlines – one among nine subsidiaries – had suffered the broad effect in the past years where African airlines were not able to achieve adequate load factor except on few routes, (Africa is the weakest region) as in the past 3 years. Losses have emerged again due to regional conflict and the impact of low commodity prices. Breakeven load factors are relatively low, as yields are a little higher than average and costs are lower. However, few airlines in the region are able to achieve adequate load factors, which average the lowest globally at 51.1% in 2016 . Performance is improving, but only slowly.

To maintain EGYPTAIR's industry position, we have successfully met the world's aviation industry standards. To mention some of the major accreditations, EGYPTAIR enjoys the following: IOSA-IATA Operational Safety Audit,

EASA-European Aviation Safety Agency, ISOs 9001, 14001, 18001, 17025, 22000, EASA 145, ISAGO, ECAR 301, EASA ATO 0022, ICAO TRAINAIR PLUS, EASA 147, FAA(FAR 145), ...etc.

A developing plan for EGYPTAIR's fleet was set until year 2021 including options as replacing or renewing aircraft or increasing seat capacity. EGYPTAIR has purchased nine B737-800 from Boeing during FY 2015/2016 with delivery dates starting from December 2016 till December 2017. Eight of them are financed by Sale & Lease Back with DAE.

We have been through an exceptional experience since 2011 and it has given us more resilience and strength. EGYPTAIR Holding Co. has dealt with ups and downs of variable spheres during which our team has been involved with crisis management efforts.

The Operating Performance:

EGYPTAIR Airlines Company increased ASK's in the Middle East (by 9% over 2014/2015) and America (by 3% over 2014/2015) and RPK's increased for same regions (by 2% and 8% respectively over 2014/2015). LF consequently increased in the Far East (by 3% over 2014/2015), Africa (by 2% over 2014/2015), America (by 3% over 2014/2015) and domestic destinations (by 6% over 2014/2015).

In 2015/2016, EGYPTAIR Maintenance & Engineering sustained its growth with more than 2 billion EGP turnovers; while prompted the profit margin (before tax) to 12% supported by active actions to optimize costs & expenses. Following EGME strategy to leverage the total income through increasing the third party business, EGYPTAIR Maintenance & Engineering managed to achieve a breakthrough by recording a 30% contribution with an impressive growth of 67% when compared to 2014/2015. This growth had been powered by the intelligent deployment of EGME competencies across targeted markets to support the progressive growth of our client's operation.

EGYPTAIR Cargo company has been affected by the crash of Metro jet flight on October 31st, 2015 over Sinai peninsula (Embargo imposed to USA and Canada), which brought 6% decline in export cargo traffic, while exports recorded 77,806 tons in FY 2015/2016 versus 83,213 tons same previous level, While imports recorded 35,676 tons in FY 2015/2016 compared to 39,010 tons same previous level by a decrease of 9%. As for transit shipments, 8,677 tons were recorded in FY 2015/2016 compared to 11,511 tons same previous level by a decrease of 25%. However a surplus of 127 million EGP (after taxes) was achieved in FY 2015/2016 this was done by implementing alternate plans to attract new business especially that of high yield.

EGYPTAIR Holding portfolio of brands includes EGYPTAIR Express Company, which aims to further enhance our regional presence in face of the developments in this aspect of the business. EGYPTAIR Express has continued expanding its presence in home market and in Mediterranean routes. During fiscal year 2015/2016, EGYPTAIR Express achieved profits of EGP 77 million. This is taking place while allowing growth opportunity for Air Cairo, in which EGYPTAIR Holding has a majority share.



2015/16 Highlights

01

Total Group Activity Revenue

Million



02

Holding Company Net Profit

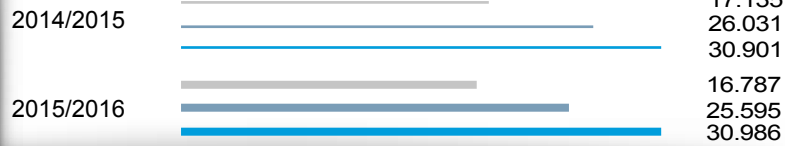
Million



03

Airlines Schedule Operating results

Million



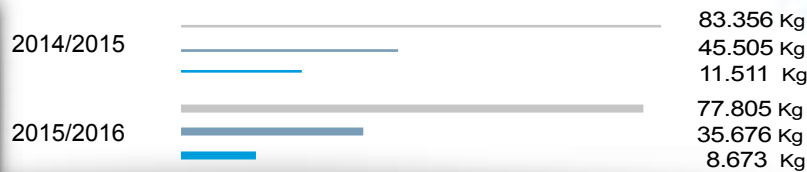
■ RPK ■ ASK ■ No. of flight



04

Cargo Flights Carried

(000)



■ Export ■ Import ■ Transit



05

Express passenger carried

(000)



Quality in Practice

1.Safety Action Group (SAG)

A safety meeting that comprises all the G.M. of safety and Quality of the subsidiaries of the holding company. This periodical meeting is held to discuss and update safety measures and implementation plans for the Safety Management System of EGYPTAIR.

2.Safety Management System (SMS)

The Corporate Safety department oversees the SMS within EGYPTAIR to assure the maintenance of the SMS according to the ICAO standard and Recommended practices. EGYPTAIR has fully implemented SMS according to the ICAO four pillars required by the ICAO.

3.Hazard Identification List

The corporate safety department assures the updating through Safety committees and SAG meetings, of the Unified Corporate Identification list that is implemented within all EGYPTAIR's subsidiaries.

4.IATA Operational Safety Audit (IOSA)

The corporate safety department oversees the continual conformity with IOSA requirements against any new regulation that becomes effective during the registry period of the IOSA certificate.

5.EGYPTAIR Operations Manuals

A higher committee chaired by the Corporate safety Department to maintain unified and centralized manuals for the 3 carriers (Airlines, Cargo and Express) to assure that same standards are implemented across EGYPTAIR.

6.Internal Evaluation Program (IEP)

Periodic auditing of all the scopes within EGYPTAIR to assure the conformity with all regulations applied by the ECAA or any external entity that requires us to do so.

7.Safety Audits of Foreign Aircrafts (SAFA)

Continual monitoring of EGYPTAIR's Corporate and individual carries SAFA ratios, to maintain compliance with EASA regulation. SAFA ratios are reviewed through 2 committees (Corporate SAFA committee and Permanent SAFA committee) presented by corporate safety department.

8.Accident and Incident Occurrences investigation and analysis

The corporate safety department handles investigations in accidents and incidents that happen between any 2 subsidiaries or upon request of the V.P. of safety quality and companies follow-up in addition to the Chairman's request.

9.IATA Safety Trend Evaluation Analysis Data Exchange System (STEADES)

Corporate Safety handles all communication with the IATA for the exchange of the Safety data so as to derive EGYPTAIR's benchmarks according to the international standards.

10.IATA Ground Damage Data Base (GDDB)

Corporate Safety handles all communication with the IATA for the exchange of the international ground damage data so as to derive EGYPTAIR's benchmarks according to the international standards.

Setting values, mission, vision and clear HR strategy, based on being HR “as a strategic partner”.

Simplifying business so as to serve the overall strategic direction:

1. Organization structure by merging vertical and horizontal units to produce full utilized products
” vertical and horizontal integration” visiting overall organization structure proposing several scenarios of proper “business model” so as to cope with the dynamic fierce competitions.
2. Full update to” job descriptions “transferred to “competency based job descriptions”.
3. Creating actual “TNA” training needs analysis.
4. Creating a well-designed career plan to the pool of talents.
5. Establishing “PMS” performance management system.
6. Co-operating with sabre consultancy firm.
7. Leadership development program:
 - ➔ For the year 2015-2016 EGYPTAIR AIRLINES organized 2595 Courses for 28442 trainees.
 - ➔ For the year 2015-2016 EGYPTAIR CARGO organized 212 Courses for 1996 trainees, including Pilots, engineers, employees, technicians, and workers.
 - ➔ In 2015/2016 EGYPTAIR GROUND SERVICES had 5501 efficient well trained staff, fully aware of the safety procedures, having the skills to provide ground services accurately in accordance with IATA and ICAO regulations. During 2015/2016 EGYPTAIR GROUND SERVICES had approved efficient training plan with Average training 4 days per employee / year.
 - ➔ According to EGYPTAIR supplementary training plan, 926 employees have been trained out of 972 employees with a percentage 95 %.
 - ➔ HR sector adopted development processes so as to cope with the national strategic direction of sustainability 2030 along EGYPTAIR development direction by fully utilizing Training Needs Analysis & Training follow up reaching leadership development of 2nd & 3rd successors & leadership development program.
8. Conducting “ERM” employee relationship management :
 - a) Employee satisfaction survey.
 - b) Social media engagement



Signposts of The Year

01

July

- EGYPTAIR Cargo signed a cooperation protocol with Sarco overseas company and Chad Trading Company. By this protocol, new cargo flights are operated between Cairo and Ndjamena.

02

August

- EGYPTAIR AIRLINES was the official carrier of the new Suez Canal's inauguration ceremony. The national carrier offered 25% discount on all its international fares for the guests of the ceremony, while EGYPTAIR Tourism (KARNAK) and Duty Free Co. offered 20% discount on programs it provided to the guests of the ceremony who would like to visit tourist attractions in Egypt.
- EGYPTAIR Tourism (KARNAK) organized Egypt's Hajj official Mission.

03

September

- EGYPTAIR Maintenance & Engineering co. got the renewal of authorization as an Embraer Authorized Service Center in the Middle East.

04

October

- EGYPTAIR Training Center got CAAZ's approval.
- EGYPTAIR Airlines, Cargo, and Express got Third Country Operator Authorization (TCO) that European Aviation Safety Agency (EASA) gives to the most compliant airlines in applying aviation safety standards in operation.

05

November

- EGYPTAIR AIRLINES call center was opened after being developed and renovated by a three-year agreement between EGYPTAIR Airlines and IBM.
- EGYPTAIR Cargo signed a cooperation protocol with Nova Aviation Co. By this protocol, new cargo flights are operated between Cairo and Juba for serving the Egyptian exports in South Sudan.
- EGYPTAIR Cargo operated first flight to Moscow by A300B4 to carry 40- tons goods.
- EGYPTAIR Ground Services got ISAGO in Borg el- Arab Airport for the first time since its building.

06

December

- The Security sector in EGYPTAIR passed EU ACC3 security test.
- Boeing experts praised technical performance and aviation safety in EGYPTAIR after the inspections made by Boeing delegation in the company.
- EGYPTAIR signed a contract with SITA to apply, manage and update the company's communication networks that provide basic communications services in the company in more than 190 locations all over the world.
- For the 10th year successively, EGYPTAIR Maintenance & Engineering co. passed European Civil Aviation audit.
- EGYPTAIR Cargo began operating new flights to Lagos in Nigeria.

January

07

- The Security sector in EGYPTAIR passed TSA inspections
- Signing a memorandum of Understanding with the Chinese International Aero-Development Corporation (AVIC) in many fields such as training, maintenance and ground services.

February

08

- EGYPTAIR hosted 38 ambassadors and representatives of African countries in Egypt in its headquarters in Cairo to make a tour in the company, during which they visited EGYPTAIR Maintenance and Engineering Co. to know about the company's potentials, expertise in airline industry and services that African countries can benefit from.
- The Security sector in EGYPTAIR passed the inspections of European commission of security procedures of parcels, goods and cargo outlets on cargo and passengers aircraft, esp. flights to EU countries.

March

09

- Central labs in EGYPTAIR hospital signed a partnership contract with one of the best group in medical analysis "Spanish LABCO & German SYNLAB" for the first time in Egypt.
- Star Alliance delegation headed by CEO visited EGYPTAIR, lauded the progress it achieved and discussed with its work team the joint plans and means of developing customer services in addition to asking EGYPTAIR's opinion in several future projects.
- A special group of security women in detecting explosives with X-Ray was graduated for the first time in EGYPTAIR.

April

10

- Inauguration of the new EGYPTAIR in Addis Ababa at the headquarters of the African union commission.
- EGYPTAIR passed TSA inspections for the 25th time respectively.

May

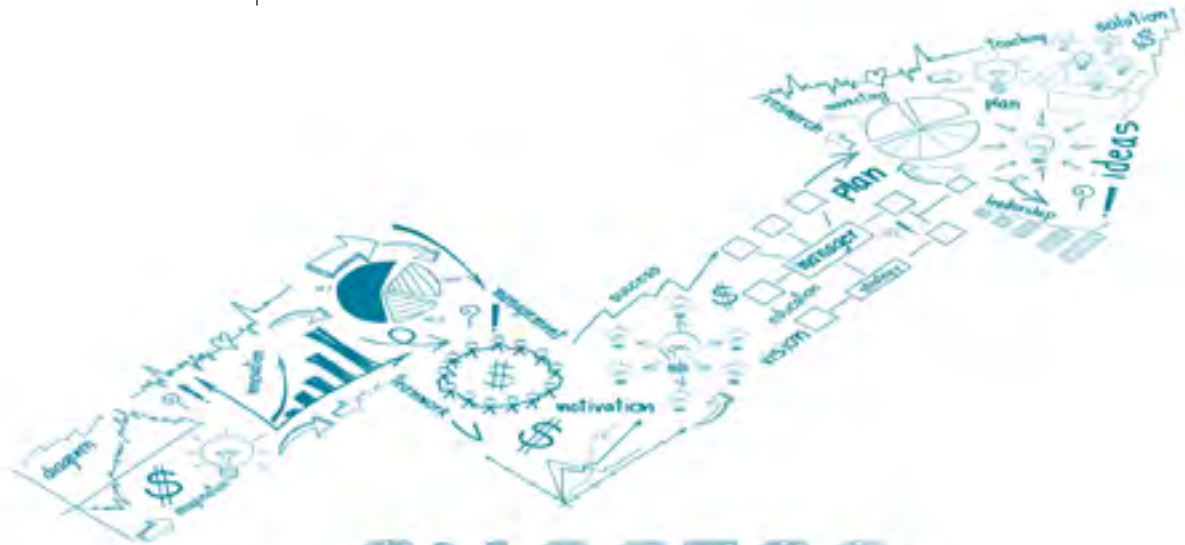
11

- EGYPTAIR Maintenance and Engineering co. opened Integrated Drive Generator. (IDG) units Test workshop to be the first certified company to repair this unit in North Africa.
- EGYPTAIR Training Center passed the audit of International Civil Aviation Organization (ICAO).

June

12

- EGYPTAIR hospital got EGAC's approval (the Egyptian Accreditation Council).



SUCCESS



17 | Subsidiaries Financial Results
27 | Financial Consolidated Results

Financial Review

**EGYPTAIR AIRLINES CO.
STATEMENT OF FINANCIAL POSITION AT 30/06/2016**

| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
|--|-------------------------|-------------------------|
| LONG - TERM ASSETS | | |
| Fixed Assets (net) | 471,716,078 | 438,752,894 |
| Projects In Progress | 14,034,045 | 14,188,665 |
| LONG - TERM investments | 33,325,138 | 33,325,138 |
| Long - Term Loans And Debit Balances | 107,725,269 | 109,706,029 |
| Total of Long - term assets (1) | 626,800,530 | 595,972,726 |
| Current assets | | |
| Stock | 31,262,136 | 39,831,114 |
| Customers , Notes Receivables And Debit Accounts | 6,677,665,057 | 7,101,413,746 |
| Cash in banks and in hand | 1,915,404,337 | 2,198,890,322 |
| Total current assets | 8,624,331,530 | 9,340,135,182 |
| Current Liabilities | | |
| Provisions | 166,884,420 | 211,075,165 |
| Creditor banks | - | 307,297,105 |
| Suppliers , Notes Payable And Credit Accounts | 18,839,173,348 | 20,452,448,196 |
| Total current liabilities | 19,006,057,768 | 20,970,820,466 |
| Working capital (2) | (10,381,726,238) | (11,630,685,284) |
| Total investment (1+2) | (9,754,925,708) | (11,034,712,558) |
| financed as follows : | | |
| Issued capital | 1,800,000,000 | 1,800,000,000 |
| Paid Up Capital - Reserves | (11,569,856,918) | (12,849,511,958) |
| Total Equity (3) | (9,769,856,918) | (11,049,511,958) |
| Long - Term Liabilities (4) | 14,931,210 | 14,799,400 |
| Total financing of investment (3+4) | (9,754,925,708) | (11,034,712,558) |

**EGYPTAIR AIRLINES CO.
THE RESULT ACCOUNTS FROM 1/7/2015 TO 30/6/2016**
REVENUES

| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
|-----------------------------------|-----------------------|-----------------------|
| Activity Revenues . | 13,861,255,940 | 13,438,214,047 |
| Grants & Donations. | 237,383 | 713,463 |
| Investments Revenues & Interests. | 43,919,715 | 64,526,691 |
| Other Revenues & Profits. | 235,435,581 | 73,325,356 |
| Total Revenues | 14,140,848,619 | 13,576,779,557 |

COSTS & EXPENDITURES

| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
|--|------------------------|------------------------|
| Raw Material , Requisites, Fuel & Spare Parts. | 4,509,295,863 | 3,422,568,755 |
| Wages. | 1,120,696,028 | 1,182,533,387 |
| Expenditures. | 9,161,254,561 | 9,902,910,356 |
| Purchases of goods for sale purposes . | - | - |
| Burdens & Losses. | 410,537,726 | 348,422,099 |
| Total Cost & Expenditures. | 15,201,784,178 | 14,856,434,597 |
| SURPLUS or DEFICIT | (1,060,935,559) | (1,279,655,040) |

**EGYPTAIR MAINTENANCE & ENGINEERING CO.
STATEMENT OF FINANCIAL POSITION AT 30/06/2016**

| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
|--|--------------------|--------------------|
| LONG - TERM ASSETS | | |
| Fixed Assets (net) | 322,799,490 | 443,190,697 |
| Projects In Progress | 185,496,034 | 120,396,462 |
| LONG - TERM investments | 43,735,510 | 43,985,510 |
| Long - Term Loans And Debit Balances | 92,829 | 874,584 |
| Total of Long - term assets (1) | 552,123,863 | 608,447,253 |
| Current assets | | |
| Stock | 463,997,704 | 470,265,309 |
| Customers , Notes Receivables And Debit Accounts | 322,796,078 | 412,889,545 |
| Cash in banks and in hand | 41,271,044 | 20,280,566 |
| Total current assets | 828,064,826 | 903,435,420 |
| Current Liabilities | | |
| Provisions | 60,108,023 | 72,203,461 |
| Creditor banks | 25,251,152 | 45,950,361 |
| Suppliers , Notes Payable And Credit Accounts | 441,705,884 | 454,781,899 |
| Total current liabilities | 527,065,059 | 572,935,721 |
| Working capital (2) | 300,999,767 | 330,499,699 |
| Total investment (1+2) | 853,123,630 | 938,946,952 |
| financed as follows : | | |
| Issued capital | 500,000,000 | 500,000,000 |
| Paid Up Capital - Reserves | 338,693,997 | 437,395,066 |
| Total Equity (3) | 838,693,997 | 937,395,066 |
| Long - Term Liabilities (4) | 14,429,633 | 1,551,886 |
| Total financing of investment (3+4) | 853,123,630 | 938,946,952 |

**EGYPTAIR MAINTENANCE & ENGINEERING CO .
THE RESULT ACCOUNTS FROM 1/7/2015 TO 30/6/2016**
REVENUES

| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
|-----------------------------------|----------------------|----------------------|
| Activity Revenues . | 1,706,567,435 | 2,016,985,118 |
| Grants & Donations. | - | - |
| Investments Revenues & Interests. | 356,810 | 1,648,954 |
| Other Revenues & Profits. | 52,104,446 | 32,216,065 |
| Total Revenues | 1,759,028,691 | 2,050,850,137 |

COSTS & EXPENDITURES

| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
|--|----------------------|----------------------|
| Raw Material , Requisites, Fuel & Spare Parts. | 328,021,407 | 387,439,027 |
| Wages. | 656,748,690 | 709,231,457 |
| Expenditures. | 585,390,306 | 655,229,227 |
| Purchases of goods for sale purposes . | - | - |
| Burdens & Losses. | 77,742,227 | 99,247,597 |
| Total Cost & Expenditures. | 1,647,902,630 | 1,851,147,308 |
| SURPLUS or DEFICIT | 111,126,061 | 199,702,829 |

**EGYPTAIR GROUND SERVICES CO.
STATEMENT OF FINANCIAL POSITION AT 30/06/2016**

| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
|--|----------------|----------------|
| LONG - TERM ASSETS | | |
| Fixed Assets (net) | 291,251,345 | 289,257,794 |
| Projects In Progress | 24,825,014 | 20,380,837 |
| LONG - TERM investments | 28,261,375 | 28,261,375 |
| Long - Term Loans And Debit Balances | 374,535 | 1,533,418 |
| Total of Long - term assets (1) | 344,712,269 | 339,433,424 |
| Current assets | | |
| Stock | 106,236,111 | 111,703,787 |
| Customers , Notes Receivables And Debit Accounts | 453,201,759 | 694,022,910 |
| Cash in banks and in hand | 14,535,681 | 18,933,729 |
| Total current assets | 573,973,551 | 824,660,426 |
| Current Liabilities | | |
| Provisions | 13,383,379 | 19,926,394 |
| Creditor banks | 306,290,258 | 574,861,928 |
| Suppliers , Notes Payable And Credit Accounts | 244,611,208 | 384,959,774 |
| Total current liabilities | 564,284,845 | 979,748,096 |
| Working capital (2) | 9,688,706 | (155,087,670) |
| Total investment (1+2) | 354,400,975 | 184,345,754 |
| financed as follows : | | |
| Issued capital | 180,000,000 | 180,000,000 |
| Paid Up Capital - Reserves | 140,380,693 | (30,501,717) |
| Total Equity (3) | 320,380,693 | 149,498,283 |
| Long - Term Liabilities (4) | 34,020,282 | 34,847,471 |
| Total financing of investment (3+4) | 354,400,975 | 184,345,754 |

**EGYPTAIR GROUND SERVICES CO .
THE RESULT ACCOUNTS FROM 1/7/2015 TO 30/6/2016**
REVENUES

| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
|-----------------------------------|----------------|----------------|
| Activity Revenues . | 650,596,661 | 577,360,101 |
| Grants & Donations. | - | - |
| Investments Revenues & Interests. | 1,024,707 | 884,380 |
| Other Revenues & Profits. | 22,107,204 | 18,551,226 |
| Total Revenues | 673,728,572 | 596,795,707 |

COSTS & EXPENDITURES

| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
|--|----------------|----------------|
| Raw Material , Requisites, Fuel & Spare Parts. | 51,943,708 | 55,326,588 |
| Wages. | 432,575,750 | 468,948,796 |
| Expenditures. | 155,873,933 | 158,911,052 |
| Purchases of goods for sale purposes . | - | - |
| Burdens & Losses. | 15,152,659 | 79,683,605 |
| Total Cost & Expenditures. | 655,546,050 | 762,870,041 |
| SURPLUS or DEFICIT | 18,182,522 | (166,074,334) |

**EGYPTAIR IN-FLIGHT SERVICES CO.
STATEMENT OF FINANCIAL POSITION AT 30/06/2016**

| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
|---|---------------------|--------------------|
| LONG - TERM ASSETS | | |
| Fixed Assets (net) | 82,136,579 | 91,435,932 |
| Projects In Progress | 13,803,797 | 14,004,485 |
| LONG - TERM investments | 35,417,330 | 35,417,330 |
| Long - Term Loans And Debit Balances | 1,446,271 | 1,132,001 |
| Total of Long - term assets (1) | 132,803,977 | 141,989,748 |
| Current assets | | |
| Stock | 41,926,608 | 35,256,725 |
| Customers , Notes Receivables And Debit Accounts | 130,695,025 | 166,971,510 |
| Cash in banks and in hand | 15,065,598 | 8,441,454 |
| Total current assets | 187,687,231 | 210,669,689 |
| Current Liabilities | | |
| Provisions | 11,678,514 | 18,537,264 |
| Creditor banks | 14,654,353 | 5,752,995 |
| Suppliers , Notes Payable And Credit Accounts | 184,186,741 | 192,879,642 |
| Total current liabilities | 210,519,608 | 217,169,901 |
| Working capital (2) | (22,832,377) | (6,500,212) |
| Total investment (1+2) | 109,971,600 | 135,489,536 |
| financed as follows : | | |
| Issued capital | 50,000,000 | 50,000,000 |
| Paid Up Capital - Reserves | 59,908,468 | 85,489,536 |
| Total Equity (3) | 109,908,468 | 135,489,536 |
| Long - Term Liabilities (4) | 63,132 | - |
| Total financing of investment (3+4) | 109,971,600 | 135,489,536 |
| EGYPTAIR IN-FLIGHT SERVICES CO. THE RESULT ACCOUNTS FROM 1/7/2015 TO 30/6/2016 | | |
| REVENUES | | |
| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
| Activity Revenues . | 452,397,576 | 478,955,738 |
| Grants & Donations. | - | - |
| Investments Revenues & Interests. | 8,830,491 | 6,024,692 |
| Other Revenues & Profits. | 7,344,098 | 6,841,679 |
| Total Revenues | 468,572,165 | 491,822,109 |
| COSTS & EXPENDITURES | | |
| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
| Raw Material , Requisites, Fuel & Spare Parts. | 128,203,261 | 126,536,054 |
| Wages. | 191,761,766 | 199,573,258 |
| Expenditures. | 72,228,397 | 73,874,621 |
| Purchases of goods for sale purposes . | 47,110,375 | 47,402,743 |
| Burdens & Losses. | 14,182,444 | 17,296,913 |
| Total Cost & Expenditures. | 453,486,243 | 464,683,589 |
| SURPLUS or DEFICIT | 15,085,922 | 27,138,520 |

**EGYPTAIR CARGO CO.
STATEMENT OF FINANCIAL POSITION AT 30/06/2016**

| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
|--|---------------------|---------------------|
| LONG - TERM ASSETS | | |
| Fixed Assets (net) | 334,053,195 | 292,791,079 |
| Projects In Progress | 5,816,139 | 46,700,517 |
| LONG - TERM investments | 2,300,000 | 2,350,000 |
| Long - Term Loans And Debit Balances | 26,416,982 | 27,210,305 |
| Total of Long - term assets (1) | 368,586,316 | 369,051,901 |
| Current assets | | |
| Stock | 5,303,215 | 5,681,583 |
| Customers , Notes Receivables And Debit Accounts | 278,256,419 | 371,332,844 |
| Cash in banks and in hand | 45,334,700 | 73,302,116 |
| Total current assets | 328,894,334 | 450,316,543 |
| Current Liabilities | | |
| Provisions | 16,904,193 | 25,878,295 |
| Creditor banks | - | 134,188,639 |
| Suppliers , Notes Payable And Credit Accounts | 400,590,118 | 334,359,451 |
| Total current liabilities | 417,494,311 | 494,426,385 |
| Working capital (2) | (88,599,977) | (44,109,842) |
| Total investment (1+2) | 279,986,339 | 324,942,059 |
| financed as follows : | | |
| Issued capital | 65,000,000 | 65,000,000 |
| Paid Up Capital - Reserves | 214,986,339 | 259,942,059 |
| Total Equity (3) | 279,986,339 | 324,942,059 |
| Long - Term Liabilities (4) | - | - |
| Total financing of investment (3+4) | 279,986,339 | 324,942,059 |

**EGYPTAIR CARGO CO.
THE RESULT ACCOUNTS FROM 1/7/2015 TO 30/6/2016**
REVENUES

| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
|-----------------------------------|--------------------|--------------------|
| Activity Revenues . | 738,646,029 | 674,379,243 |
| Grants & Donations. | 64,037 | 42,320 |
| Investments Revenues & Interests. | 1,128,474 | 2,162,720 |
| Other Revenues & Profits. | 52,355,473 | 77,937,057 |
| Total Revenues | 792,194,013 | 754,521,340 |

COSTS & EXPENDITURES

| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
|--|--------------------|--------------------|
| Raw Material , Requisites, Fuel & Spare Parts. | 175,458,631 | 137,228,345 |
| Wages. | 141,202,786 | 129,363,334 |
| Expenditures. | 296,329,553 | 312,684,460 |
| Purchases of goods for sale purposes . | - | - |
| Burdens & Losses. | 69,682,894 | 48,169,385 |
| Total Cost & Expenditures. | 682,673,864 | 627,445,524 |
| SURPLUS or DEFICIT | 109,520,149 | 127,075,816 |

**EGYPTAIR TOURISM (KARNAK) & DUTY FREE CO.
STATEMENT OF FINANCIAL POSITION AT 30/06/2016**

| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
|--|----------------|----------------|
| LONG - TERM ASSETS | | |
| Fixed Assets (net) | 41,803,533 | 41,141,063 |
| Projects In Progress | 9,509,935 | 16,037,541 |
| LONG - TERM investments | 3,450,000 | 3,525,000 |
| Long - Term Loans And Debit Balances | 13,092,766 | 12,906,558 |
| Total of Long - term assets (1) | 67,856,234 | 73,610,162 |
| Current assets | | |
| Stock | 318,115,034 | 299,755,356 |
| Customers , Notes Receivables And Debit Accounts | 148,034,955 | 331,814,584 |
| Cash in banks and in hand | 64,153,760 | 52,125,902 |
| Total current assets | 530,303,749 | 683,695,842 |
| Current Liabilities | | |
| Provisions | 20,365,547 | 19,840,661 |
| Creditor banks | 35,874,791 | 174,037,290 |
| Suppliers , Notes Payable And Credit Accounts | 291,975,592 | 370,606,435 |
| Total current liabilities | 348,215,930 | 564,484,386 |
| Working capital (2) | 182,087,819 | 119,211,456 |
| Total investment (1+2) | 249,944,053 | 192,821,618 |
| financed as follows : | | |
| Issued capital | 50,000,000 | 50,000,000 |
| Paid Up Capital - Reserves | 197,571,981 | 140,669,332 |
| Total Equity (3) | 247,571,981 | 190,669,332 |
| Long - Term Liabilities (4) | 2,372,072 | 2,152,286 |
| Total financing of investment (3+4) | 249,944,053 | 192,821,618 |

**EGYPTAIR TOURISM (KARNAK) & DUTY FREE CO.
THE RESULT ACCOUNTS FROM 1/7/2015 TO 30/6/2016**

| REVENUES | | |
|--|-------------------|------------------|
| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
| Activity Revenues . | 1,269,998,234 | 1,056,309,928 |
| Grants & Donations. | - | - |
| Investments Revenues & Interests. | 764,318 | 1,063,888 |
| Other Revenues & Profits. | 55,763,447 | 48,797,731 |
| Total Revenues | 1,326,525,999 | 1,106,171,547 |
| COSTS & EXPENDITURES | | |
| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
| Raw Material , Requisites, Fuel & Spare Parts. | 11,406,863 | 14,071,867 |
| Wages. | 186,200,559 | 187,109,396 |
| Expenditures. | 497,069,655 | 457,114,133 |
| Purchases of goods for sale purposes . | 523,091,395 | 403,423,992 |
| Burdens & Losses. | 22,290,085 | 36,571,094 |
| Total Cost & Expenditures. | 1,240,058,557 | 1,098,290,482 |
| SURPLUS or DEFICIT | 86,467,442 | 7,881,065 |

**EGYPTAIR MEDICAL SERVICES CO.
STATEMENT OF FINANCIAL POSITION AT 30/06/2016**

| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
|--|--------------------|--------------------|
| LONG - TERM ASSETS | | |
| Fixed Assets (net) | 82,836,298 | 77,543,712 |
| Projects In Progress | 4,291,580 | 9,936,213 |
| LONG - TERM investments | 3,450,000 | 3,525,000 |
| Long - Term Loans And Debit Balances | 16,220,059 | 14,577,579 |
| Total of Long - term assets (1) | 106,797,937 | 105,582,504 |
| Current assets | | |
| Stock | 33,810,205 | 36,515,906 |
| Customers , Notes Receivables And Debit Accounts | 152,335,730 | 153,394,770 |
| Cash in banks and in hand | 4,867,960 | 18,328,085 |
| Total current assets | 191,013,895 | 208,238,761 |
| Current Liabilities | | |
| Provisions | 4,796,000 | 4,671,000 |
| Creditor banks | 6,965,295 | 3,927,268 |
| Suppliers , Notes Payable And Credit Accounts | 177,283,775 | 185,284,330 |
| Total current liabilities | 189,045,070 | 193,882,598 |
| Working capital (2) | 1,968,825 | 14,356,163 |
| Total investment (1+2) | 108,766,762 | 119,938,667 |
| financed as follows : | | |
| Issued capital | 71,600,000 | 71,600,000 |
| Paid Up Capital - Reserves | 14,575,942 | 25,741,236 |
| Total Equity (3) | 86,175,942 | 97,341,236 |
| Long - Term Liabilities (4) | 22,590,820 | 22,597,431 |
| Total financing of investment (3+4) | 108,766,762 | 119,938,667 |

**EGYPTAIR MEDICAL SERVICES CO.
THE RESULT ACCOUNTS FROM 1/7/2015 TO 30/6/2016**
REVENUES

| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
|-----------------------------------|--------------------|--------------------|
| Activity Revenues . | 400,000,445 | 419,588,132 |
| Grants & Donations. | 4,096,685 | 4,074,237 |
| Investments Revenues & Interests. | 523,509 | 1,052,095 |
| Other Revenues & Profits. | 1,822,897 | 1,891,310 |
| Total Revenues | 406,443,536 | 426,605,774 |

COSTS & EXPENDITURES

| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
|--|--------------------|--------------------|
| Raw Material , Requisites, Fuel & Spare Parts. | 205,414,210 | 220,055,104 |
| Wages. | 131,382,579 | 141,000,479 |
| Expenditures. | 48,573,701 | 49,140,407 |
| Purchases of goods for sale purposes . | - | - |
| Burdens & Losses. | 2,511,490 | 4,195,943 |
| Total Cost & Expenditures. | 387,881,980 | 414,391,933 |
| SURPLUS or DEFICIT | 18,561,556 | 12,213,841 |

**EGYPTAIR SUPPLEMENTARY INDUSTRIAL CO.
STATEMENT OF FINANCIAL POSITION AT 30/06/2016**

| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
|--|--------------------|-------------------|
| LONG - TERM ASSETS | | |
| Fixed Assets (net) | 35,899,705 | 31,745,580 |
| Projects In Progress | 4,953,515 | 764,036 |
| LONG - TERM investments | - | - |
| Long - Term Loans And Debit Balances | 542 | - |
| Total of Long - term assets (1) | 40,853,762 | 32,509,616 |
| Current assets | | |
| Stock | 29,871,269 | 30,245,434 |
| Customers , Notes Receivables And Debit Accounts | 13,229,965 | 37,928,996 |
| Cash in banks and in hand | 2,815,955 | 1,822,775 |
| Total current assets | 45,917,189 | 69,997,205 |
| Current Liabilities | | |
| Provisions | 7,594,070 | 9,211,490 |
| Creditor banks | 9,477,834 | - |
| Suppliers , Notes Payable And Credit Accounts | 37,181,190 | 60,223,925 |
| Total current liabilities | 54,253,094 | 69,435,415 |
| Working capital (2) | (8,335,905) | 561,790 |
| Total investment (1+2) | 32,517,857 | 33,071,406 |
| financed as follows : | | |
| Issued capital | 50,000,000 | 50,000,000 |
| Paid Up Capital - Reserves | (18,508,181) | (18,280,271) |
| Total Equity (3) | 31,491,819 | 31,719,729 |
| Long - Term Liabilities (4) | 1,026,038 | 1,351,677 |
| Total financing of investment (3+4) | 32,517,857 | 33,071,406 |

**EGYPTAIR SUPPLEMENTARY INDUSTRIAL CO.
THE RESULT ACCOUNTS FROM 1/7/2015 TO 30/6/2016**
REVENUES

| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
|-----------------------------------|--------------------|--------------------|
| Activity Revenues . | 75,887,961 | 85,909,385 |
| Grants & Donations. | 42,631,071 | 35,631,071 |
| Investments Revenues & Interests. | 250,196 | 211,595 |
| Other Revenues & Profits. | 864,278 | 1,577,322 |
| Total Revenues | 119,633,506 | 123,329,373 |

COSTS & EXPENDITURES

| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
|--|--------------------|--------------------|
| Raw Material , Requisites, Fuel & Spare Parts. | 29,749,378 | 31,065,877 |
| Wages. | 74,217,134 | 67,251,856 |
| Expenditures. | 13,227,586 | 13,900,912 |
| Purchases of goods for sale purposes . | 3,386,808 | 4,003,665 |
| Burdens & Losses. | (113,129) | 6,879,153 |
| Total Cost & Expenditures. | 120,467,777 | 123,101,463 |
| SURPLUS or DEFICIT | (834,271) | 227,910 |

**EGYPTAIR DOMESTIC & REGIONAL AIRLINES (EXPRESS) CO.
STATEMENT OF FINANCIAL POSITION AT 30/06/2016**

| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
|---|--------------------|--------------------|
| LONG - TERM ASSETS | | |
| Fixed Assets (net) | 6,470,567 | 574,544 |
| Projects In Progress | 1,082,206 | 139,440 |
| LONG - TERM investments | - | - |
| Long - Term Loans And Debit Balances | 1,618,355 | 4,296,349 |
| Total of Long - term assets (1) | 9,171,128 | 5,010,333 |
| Current assets | | |
| Stock | - | - |
| Customers , Notes Receivables And Debit Accounts | 590,730,085 | 742,758,012 |
| Cash in banks and in hand | 6,540,489 | 7,574,861 |
| Total current assets | 597,270,574 | 750,332,873 |
| Current Liabilities | | |
| Provisions | 4,719,557 | 9,719,557 |
| Creditor banks | - | - |
| Suppliers , Notes Payable And Credit Accounts | 449,158,415 | 543,089,395 |
| Total current liabilities | 453,877,972 | 552,808,952 |
| Working capital (2) | 143,392,602 | 197,523,921 |
| Total investment (1+2) | 152,563,730 | 202,534,254 |
| financed as follows : | | |
| Issued capital | 250,000,000 | 250,000,000 |
| Paid Up Capital - Reserves | (97,477,572) | (47,502,843) |
| Total Equity (3) | 152,522,428 | 202,497,157 |
| Long - Term Liabilities (4) | 41,302 | 37,097 |
| Total financing of investment (3+4) | 152,563,730 | 202,534,254 |
| EGYPTAIR DOMESTIC & REGIONAL AIRLINES (EXPRESS) CO. THE RESULT ACCOUNTS FROM 1/7/2015 TO 30/6/2016 | | |
| REVENUES | | |
| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
| Activity Revenues . | 825,006,701 | 956,486,029 |
| Grants & Donations. | - | - |
| Investments Revenues & Interests. | 355,460 | 617,873 |
| Other Revenues & Profits. | 15,855,004 | 1,340,215 |
| Total Revenues | 841,217,165 | 958,444,117 |
| COSTS & EXPENDITURES | | |
| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
| Raw Material , Requisites, Fuel & Spare Parts. | 221,598,257 | 174,235,947 |
| Wages. | 24,545,315 | 29,361,634 |
| Expenditures. | 569,644,495 | 664,885,822 |
| Purchases of goods for sale purposes . | - | - |
| Burdens & Losses. | 23,421,157 | 12,148,097 |
| Total Cost & Expenditures. | 839,209,224 | 880,631,500 |
| SURPLUS or DEFICIT | 2,007,941 | 77,812,617 |

**EGYPTAIR HOLDING CO.
STATEMENT OF FINANCIAL POSITION AT 30/06/2016**

| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
|--|------------------------|------------------------|
| LONG - TERM ASSETS | | |
| Fixed Assets (net) | 13,648,441,422 | 12,690,986,266 |
| Projects In Progress | 35,045,623 | 200,819,650 |
| LONG - TERM investments | 3,963,401,530 | 3,955,938,991 |
| Long - Term Loans And Debit Balances | 512,921 | 350,400 |
| Total of Long - term assets (1) | 17,647,401,496 | 16,848,095,307 |
| Current assets | | |
| Stock | 17,364,660 | 23,731,108 |
| Customers , Notes Receivables And Debit Accounts | 866,288,225 | 1,224,048,360 |
| Cash in banks and in hand | 75,351,421 | 108,619,036 |
| Total current assets | 959,004,306 | 1,356,398,504 |
| Current Liabilities | | |
| Provisions | 1,221,948,934 | 1,322,634,504 |
| Creditor banks | 1,367,568,278 | 1,675,249,513 |
| Suppliers , Notes Payable And Credit Accounts | 981,453,059 | 1,146,934,102 |
| Total current liabilities | 3,570,970,271 | 4,144,818,119 |
| Working capital (2) | (2,611,965,965) | (2,788,419,615) |
| Total investment (1+2) | 15,035,435,531 | 14,059,675,692 |
| financed as follows : | | |
| Issued capital | 4,078,806,000 | 4,078,806,000 |
| Paid Up Capital - Reserves | 1,693,602,369 | 1,711,805,809 |
| Total Equity (3) | 5,772,408,369 | 5,790,611,809 |
| Long - Term Liabilities (4) | 9,263,027,162 | 8,269,063,883 |
| Total financing of investment (3+4) | 15,035,435,531 | 14,059,675,692 |

**EGYPTAIR HOLDING CO.
THE RESULT ACCOUNTS FROM 1/7/2015 TO 30/6/2016**
REVENUES

| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
|-----------------------------------|----------------------|----------------------|
| Activity Revenues . | 2,388,098,453 | 2,687,399,804 |
| Grants & Donations. | 48,948,247 | 41,809,583 |
| Investments Revenues & Interests. | 84,534,845 | 20,904,193 |
| Other Revenues & Profits. | 91,375,845 | 170,892,886 |
| Total Revenues | 2,612,957,390 | 2,921,006,466 |

COSTS & EXPENDITURES

| PARTICULARS | 2014/2015(EGP) | 2015/2016(EGP) |
|--|----------------------|----------------------|
| Raw Material , Requisites, Fuel & Spare Parts. | 18,046,861 | 22,220,794 |
| Wages. | 299,948,266 | 314,660,381 |
| Expenditures. | 1,394,101,692 | 1,414,533,049 |
| Purchases of goods for sale purposes . | 2,299,372 | 438,774 |
| Burdens & Losses. | 861,459,880 | 1,155,847,614 |
| Total Cost & Expenditures. | 2,575,856,071 | 2,907,700,612 |
| SURPLUS or DEFICIT | 37,101,319 | 13,305,854 |

Financial Consolidated Results

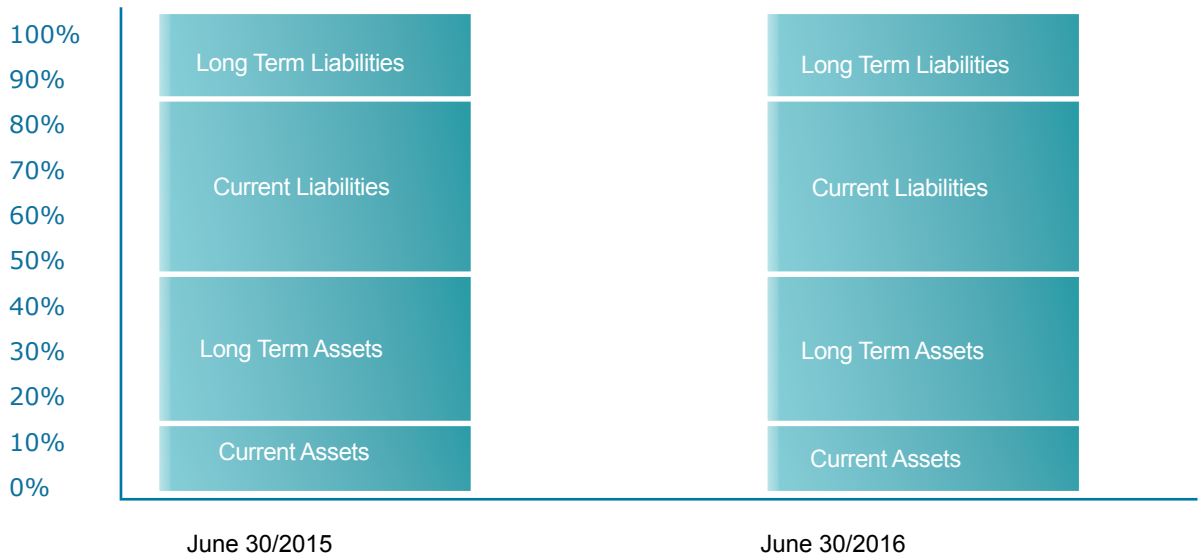
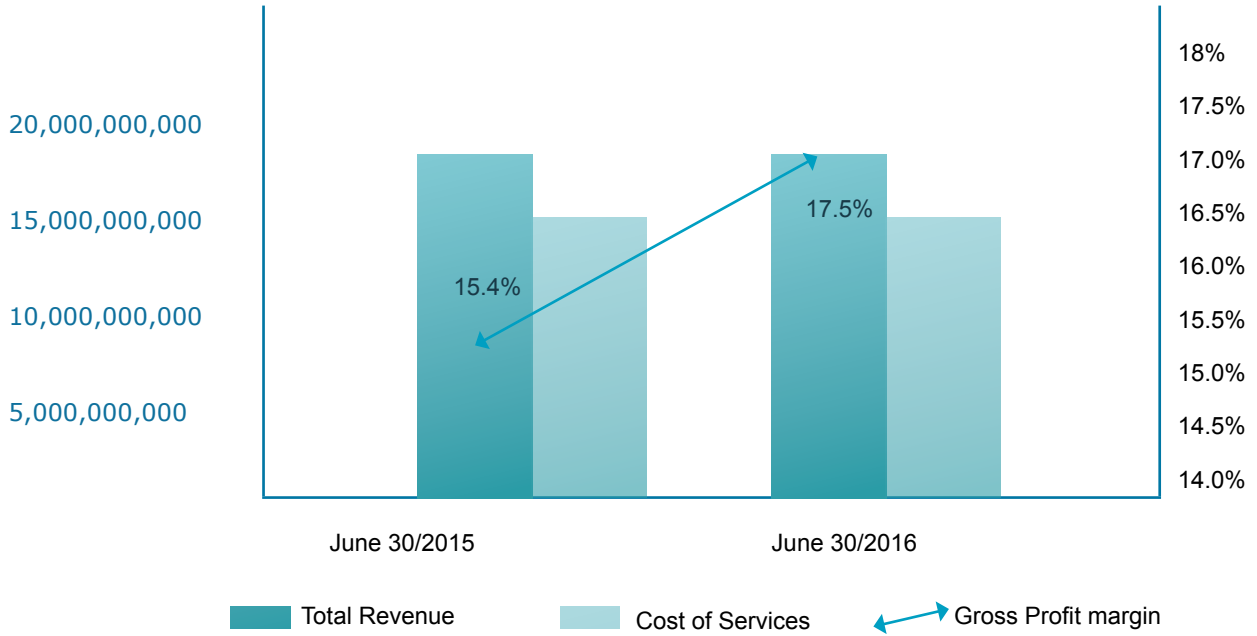
Financial Highlights

| The Group Financial Results | June 30/2016 | June 30/2015 | % Change |
|--|------------------|------------------|----------|
| Total Revenue | 17,297,653,274 | 17,734,218,137 | -2% |
| Cost of Services | (14,268,913,130) | (14,995,055,143) | -5% |
| Gross profit | 3,028,740,144 | 2,739,162,994 | 11% |
| Gross profit margin | 17.5% | 15.4% | 2% |
| Other Operating Revenue | 113,748,726 | 196,003,980 | -42% |
| General & Administrative Expenses | (1,265,216,573) | (1,490,190,069) | -15% |
| Sales & Marketing Expense | (1,624,330,332) | (1,484,188,253) | 9% |
| Operating Profit (Loss) | 252,941,965 | (39,211,348) | 745% |
| Finance Cost | (278,874,152) | (262,588,826) | 6% |
| Other Revenues/Expenses | (1,009,477,781) | (375,015,403) | 169% |
| Profit Before Taxation | (1,035,409,968) | (676,815,577) | 53% |
| Summary of Assets & Liabilities | | | |
| Current Assets | 10,610,105,327 | 9,058,535,042 | 17% |
| Long term Assets | 16,103,102,975 | 16,880,507,514 | -5% |
| Current Liabilities | 24,796,083,046 | 21,038,464,218 | 18% |
| Long Term Liabilities | 8,346,401,132 | 9,352,501,652 | -11% |
| Cash Flow | | | |
| Net Cash Flows from Operating Activities | 553,630,202 | 2,024,793,566 | -73% |
| Net Cash Flows from Investing Activities | (307,918,377) | (433,828,024) | 29% |
| Net Cash Flows from Financing Activities | 77,266,075 | (1,278,143,652) | -106% |
| Net Change in Cash & Equivalents | 322,977,900 | 312,821,892 | 3% |
| Beginning Balance of Cash & Equivalents | 2,185,340,946 | 1,872,519,054 | 17% |
| Cash & Equivalents Balance at End | 2,508,318,846 | 2,185,340,946 | 15% |

The government is engaged tirelessly to achieving tangible economic results that would directly reflect on citizens standards of living. To that end, structural reforms aimed at spurring economic activity, strengthening social protection and achieving financial sustainability were implemented throughout the previous and current fiscal years. These reforms have enhanced political stability and this macroeconomic overview is reflected on the EGYPTAIR figures.

The slight decrease in General and Administrative Expenses indicates the operational efficiency within EGYPTAIR which in turn has been reflected on the company's net margins.

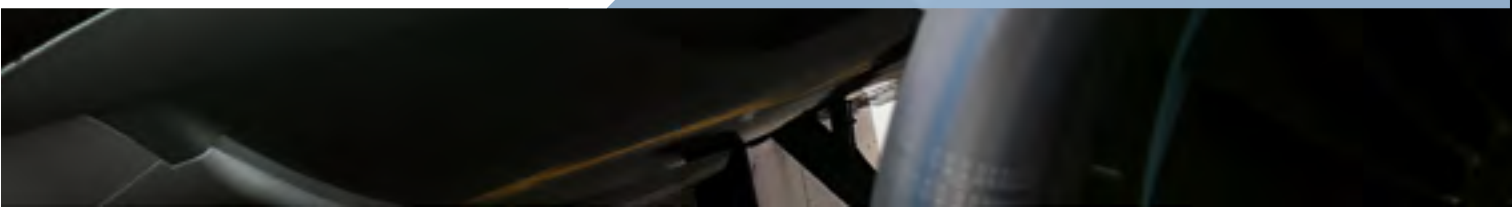
Current ratio remains overall stable with a slight increase and this is projected to continue to increase, enhancing the company's liquidity and allowing the ratio to reach 1 so that the current assets can cover the current liabilities.





- 30 : Fleet Management
- 33 : Alliances
- 36 : Training Center & IT
- 42 : Subsidiaries performance

Performance Review



Fleet Management



The future vision for Egyptair will include development in both destinations in Egyptair,s network and its fleet. This will be done according to a combined network and fleet strategy adopted by the company and the best utilization of Cairo Airport as being a hub. In order to achieve these goals a developing plan for Egyptair,s fleet was set until year 2021 including options as replacement, renewing or increasing seat capacity.

EGYPTAIR Fleet Plan:

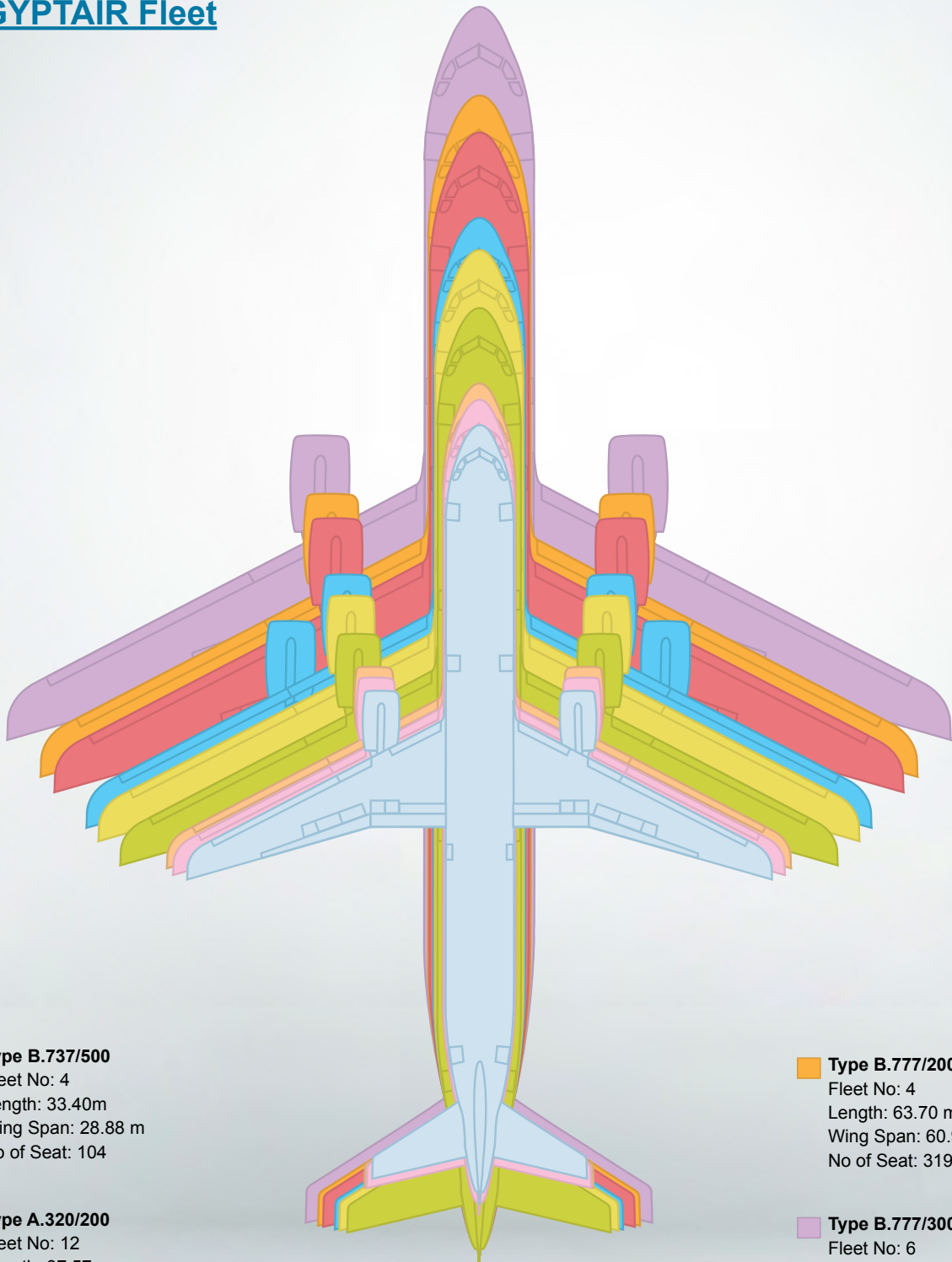
EGYPTAIR’s policy is to expand the lease versus purchase during the next five years in order to have more flexibility, however as a good finance was available from USAID, so EGYPTAIR has decided to use the available finance to purchase (1) B737-800.

According to EGYPTAIR’s policy and in light of the above transaction. EGYPTAIR has purchased (8) B737-800 from Boeing in April 2016 with delivery dates starting from February 2017 till December 2017 then made a Sale & Lease Back to those aircraft with DAE.

The (9) aircraft will be provided with (16) business class seats and (138) economy class seats with full IFE to provide the best quality for our customers.

Fleet Plan 2021 will help EGYPTAIR to compete with worldwide airlines co.

EGYPTAIR Fleet



Type B.737/500
 Fleet No: 4
 Length: 33.40m
 Wing Span: 28.88 m
 No of Seat: 104

Type A.320/200
 Fleet No: 12
 Length: 37.57m
 Wing Span: 34.10 m
 No of Seat: 144/145

Type B.777/200 ER
 Fleet No: 4
 Length: 63.70 m
 Wing Span: 60.93 m
 No of Seat: 319

Type B.777/300 ER
 Fleet No: 6
 Length: 73.90 m
 Wing Span: 60.93 m
 No of Seat: 346

Type B.737/800
 Fleet No: 20
 Length: 39.50m
 Wing Span: 34.30 m
 No of Seat: 144/145

Type A.321/200
 Fleet No: 4
 Length: 44.51m
 Wing Span: 34.10 m
 No of Seat: 161

Type A.330/200
 Fleet No: 7
 Length: 59.00m
 Wing Span: 60.30 m
 No of Seat: 268

Type A.340/200
 Fleet No: 3
 Length: 59.40 m
 Wing Span: 60.30 m
 No of Seat: 260

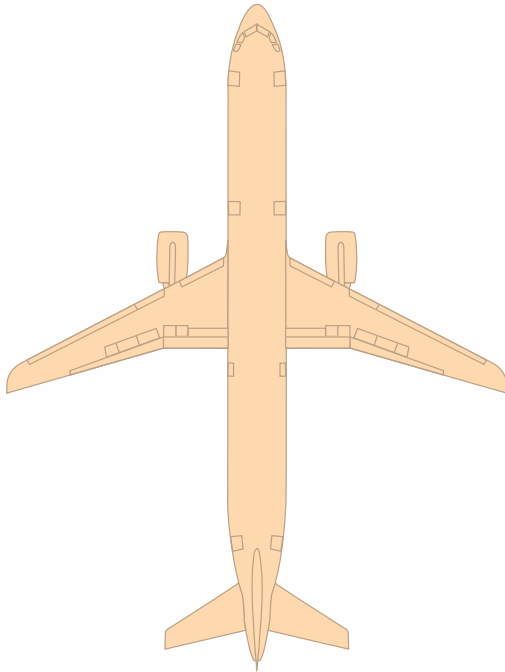
Type A.330/300
 Fleet No: 4
 Length: 63.69m
 Wing Span: 60.30 m
 No of Seat: 301

EGYPAIR Cargo

EGYPTAIR Cargo serves a network of more than 67 destinations, with hubs in the United Kingdom, Belgium, France, the United Arab Emirates and Sudan. The Cargo fleet can Transport perishables, hazardous materials, live animals, courier and general goods.

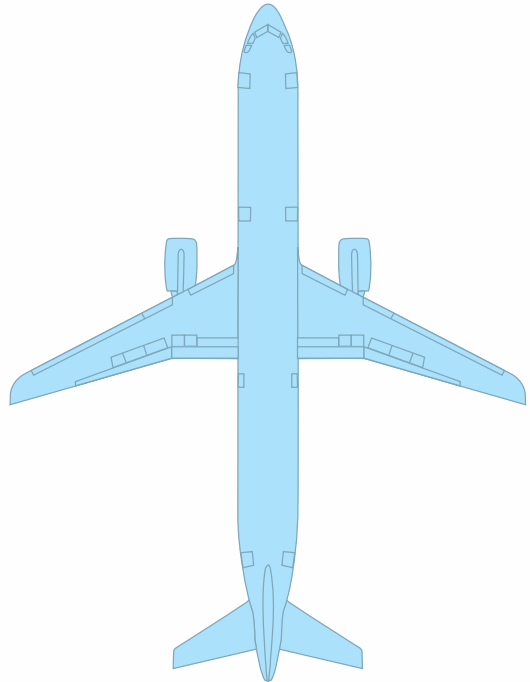
Type A. 300/600RF

Fleet No: 2
Length: 54.08 m
Wing Span: 44.84 m
Capacity: 320 m³
Commercial load: 45 tons



Type A. 300/B4

Fleet No: 1
Length: 54.08 m
Wing Span: 44.84 m
Capacity: 289 m³
Commercial load: 40 tons

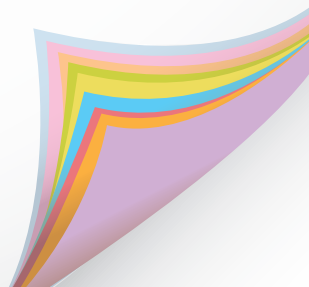
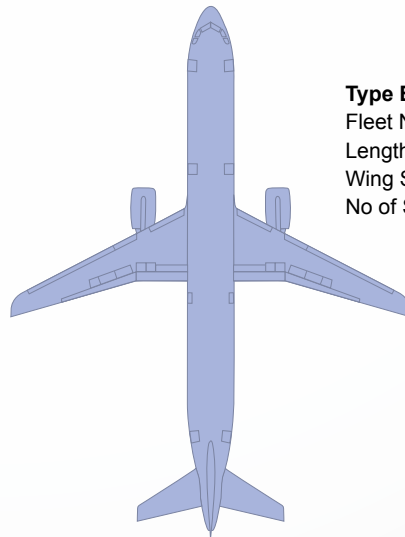


EGYPTAIR Express

The newest subsidiary of EGYPTAIR Holding Company, EGYPTAIR Express was launched in mid 2007 to cover domestic routes and destinations in the Mediterranean region. EGYPTAIR Express fleet currently has 12 Brazilian-made Embraer aircraft.

Type Embraer- ERJ 170

Fleet No: 12
Length: 29.90 m
Wing Span: 26.00 m
No of Seat: 76



THE WAY I LIKE TO TRAVEL.

Rashad



Alliances

Alliances and cooperation agreements

- Star Alliance membership and code share agreements enhance its market presence
- EGYPTAIR is a member of Star Alliance since July 11th 2008.
- The development of commercial alliances with international carriers continues to be an important aspect of EGYPTAIR's business strategy.
- Such arrangements provide EGYPTAIR with an effective way to expand and broaden its network that enhances its sales capacity.
- EGYPTAIR extends its global reach through its membership in Star Alliance which is comprised of 28 members.
- In 2015, Star Alliance preserved its top ranking with a (23.5%) market share (ASK) when compared to Sky Team (19.1%) ,One World (19.2%), other non alliance carriers (17.1%), Etihad Airways Partner (1.5%), Low Cost Carriers (18%).
- Its slogan is» the Way the Earth Connects«.
- Although it is not a requirement that Star Alliance members code-share with each other, EGYPTAIR code-shares with major Star Alliance members as well as with other non-Star Alliance carriers.
- EGYPTAIR has renewed its code share agreements for summer season 2015/2016, which are a total of 17 Agreements, where EGYPTAIR is the marketing carrier to 38 points not served; and the operating carrier to 25 points.
- In the context of the Star Alliance membership requirements, EGYPTAIR has successfully passed the evaluation of Star Alliance full carrier audit, scoring 100 % in October 2016.

EgyptAir serves 62 Cities in 47 Countries, and 35 cities via Code share



A STAR ALLIANCE MEMBER

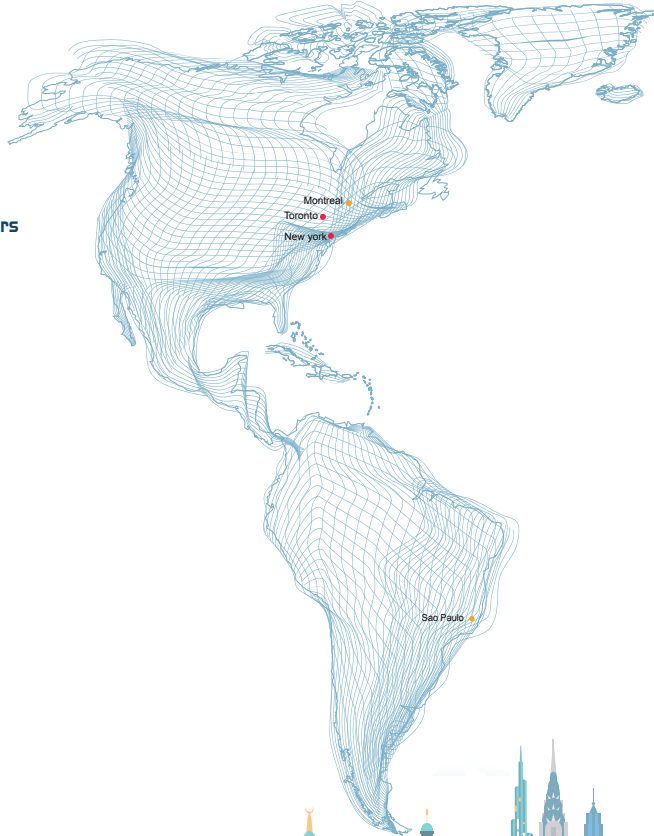
A STAR ALLIANCE MEMBER



Star Alliance Code Share Partners



Code Share Partners



The included points have been approximately positioned.



EGYPTAIR's Worldwide Destinations

- International Flights operated by EGYPTAIR
- Code-share Flights
- Domestic flights operated by EGYPTAIR

Success Talent Skills Strategy Management
Vision Innovation
Training Development
Career Job Concept Business
Employee in learn



EGYPTAIR TRAINING CENTER

The training center is conveniently located at Cairo Airport in a newly-built center which complies with all the architectural and infrastructure requirements of a modern training facility.

It includes not only flight crew, cabin crew and technical training, but also ground services, cargo, financial, commercial and administrative training and development; practically all activities needed within a modern airline.

In addition to providing our customers with highest quality training, EGYPTAIR Training Center offers a whole enjoyable and unforgettable training experience through a package of services with the aim of exceeding customer expectations.

Approvals and Certificates Renewal

Training Center

- ISO 9001
- ISO 14001
- OHSAS 18001
- All training departments are in Compliance with the Egyptian Civil Aviation Regulations.
- ICAO TRAINAIR PLUS program Associate member.
- The National Institute for Quality

Full Flight Simulators

EGYPTAIR Training Center full flight simulators approval certificates are in compliance with EASA and also in compliance with Egyptian Civil Aviation Regulations according to the table below:

| Simulator Type | EASA European Aviation Safety Agency | ECAA Egyptian Civil Aviation Regulations |
|--|---|---|
| B777 | ✓ | ✓ |
| B 737/800 | ✓ | ✓ |
| A320/321 | ✓ | ✓ |
| A340/330 | ✓ | ✓ |
| Cabin Emergency Evacuation (CEET) | | ✓ |

Updating the visual system of the A320, A330/A340, and B777 simulators to the most recent visual system available.



Technical Training

EGYPTAIR Training Center's Technical Training approval certificates are in compliance with local and international Regulations according to the table below:

| | EASA 147 European Aviation Safety Agency | ECAA Egyptian Civil Aviation Regulations |
|-----------------------|---|---|
| Technical Training | ✓ | ✓ |

Aviation Training

- ➔ Aviation Training Department (ATO) approval certificate is in compliance with EASA Part ORA, Part FCL.
- ➔ approved new courses:-
 - A320 Entry Level Training – Jet Familiarization + Multi Crew Cooperation
 - A330 ETOPS Training Course
 - A320 Flight Crew Upgrade Flight Training

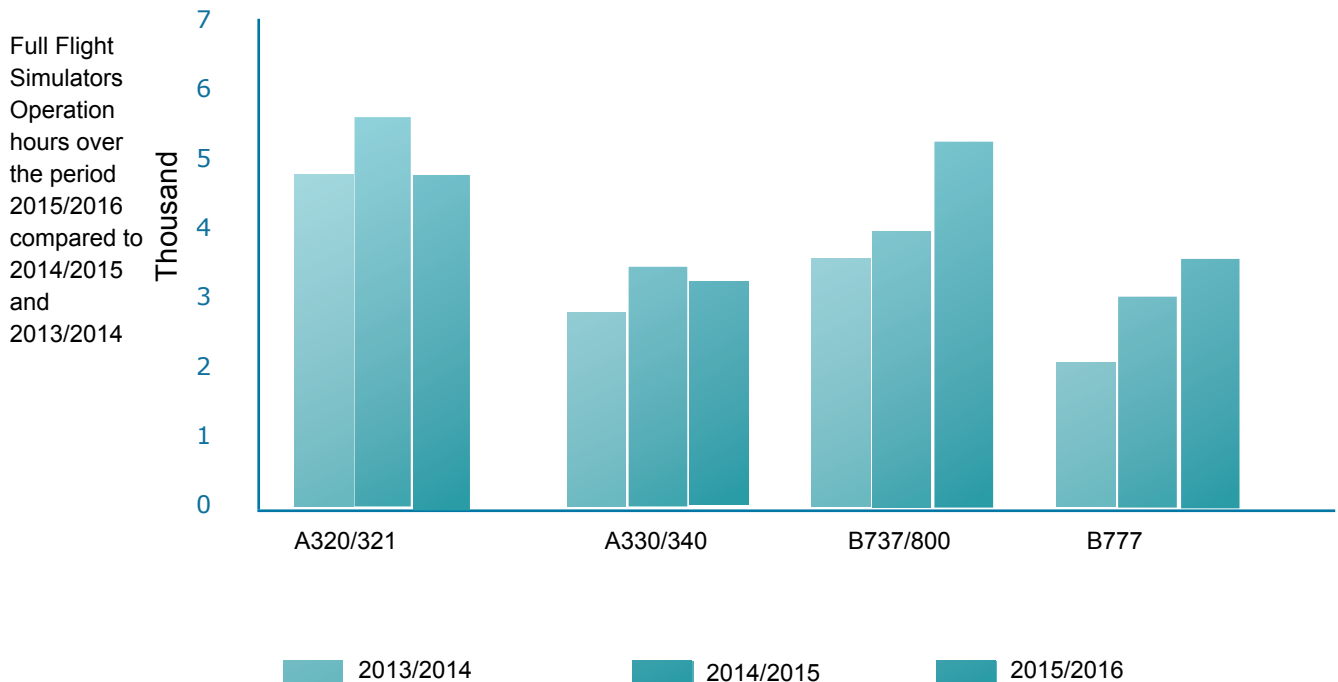
Achievements

EGYPTAIR Training Center added new customers to its customer list.

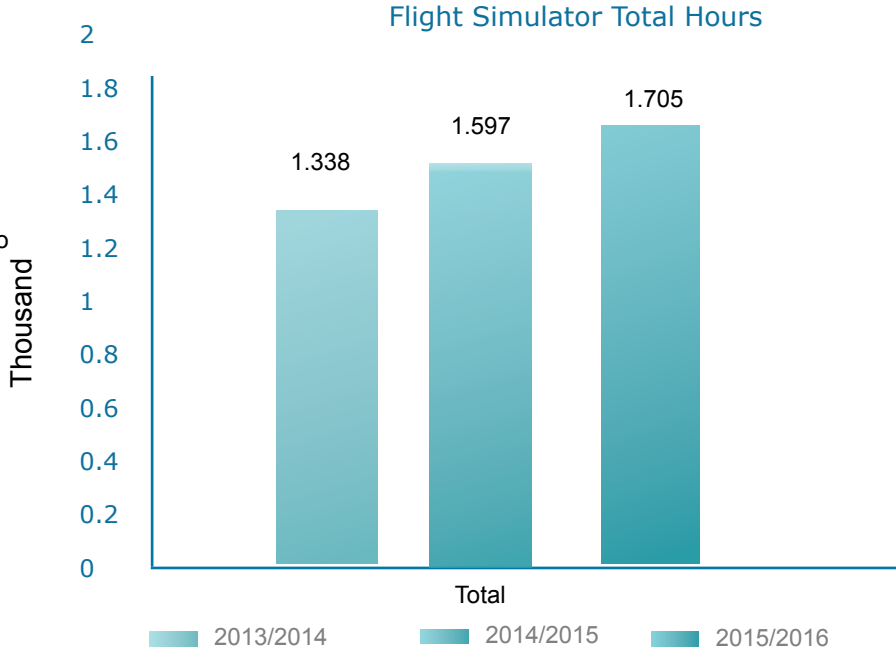
- ➔ EGYPTAIR Training Center has added new customers to its customers list in most of its training activities. The new customers are Air Leisure, Aviator and Route Aviation.
- ➔ Holding an agreement with Falcon for Airports Security Company to train its staff.
- ➔ Holding a cooperation agreement with Rwandair.

Performance Charts

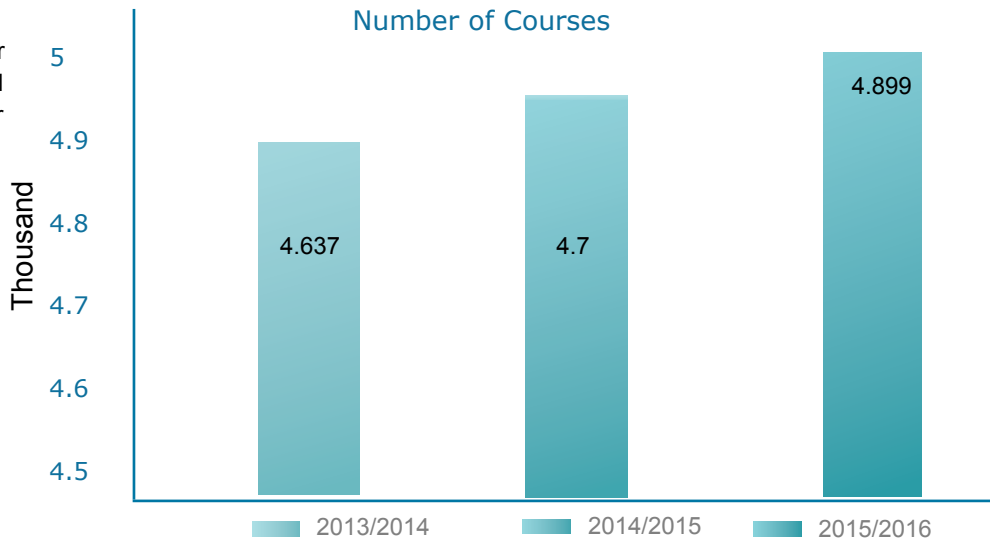
Flight Simulator Hours



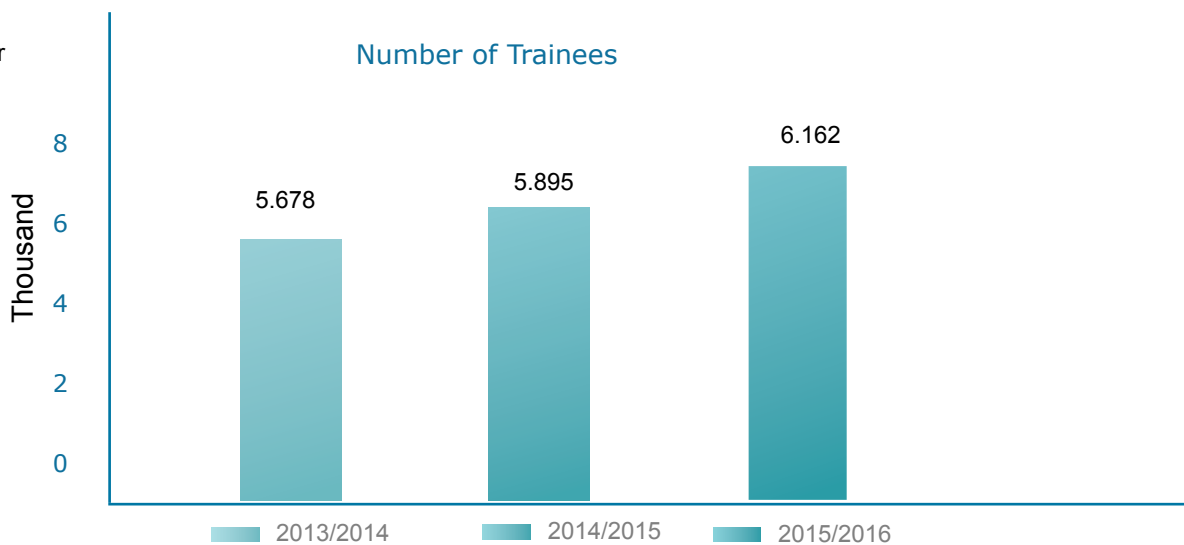
Full flight simulators total operation hours over the period 2015/2016 compared to 2014/2015 and 2013/2014



Total number of conducted courses over the period 2015/2016 compared to 2014/2015 and 2013/2014



Total number of trainees over the period 2015/2016 compared to 2014/2015 and 2013/2014





EGYPTAIR IT

Information Technology Sector Profile

IT Sector Using the latest and most updated efficient hardware and software. It always makes updates to guarantee high availability, works around the clock in order to meet and exceed EGYPTAIR business needs and customers' expectations and has a fast Mean-Time-To-Repair that conforms to our Service-level agreement. As an example, the following three systems had been migrated to a new infrastructure, which is based on the latest enterprise servers, virtualization, flash storage system and replication:

- o SIRAX System (The Revenue accounting System).
- o The Email services.
- o Frequent Flyer.

It has started to renovate the Data Center with the latest power saving, equipment's and air conditioning technologies.

IT Sector working to simplify all EGYPTAIR Voices network, using optical fiber cables, copper cables, IP telephones and MSAN (Multi Service Access Node) to improve the performance with efficiency and ensuring continuing maintenance and reducing cost.

IT Sector represented EGYPTAIR effectively in conferences and international forums; such as STAR IT COMMITTEE meetings. It also participates in the STAR Airport Automation Ad-Hoc Group workshop which include these initiatives:-

1. Off-Airport Check-in for flights (provides the ability for customers to check-in and receive boarding passes off-airport).
2. Fast Bag Drop (have a separate queue for accepting bags for passengers who have checked-in).
3. Self-tagging (enables customers to print bag tags via self-service channels).
4. Automated Travel Document Validation (allows customers who use self-service check-in channels to check automatically that they have valid documents that entitle them to travel).

IT sector attended the Star Alliance Information Security & Disaster Recovery Forum and shared with the STAR carriers the IT Security Policy.

IT SECTOR represented EGYPTAIR effectively in the committee between (EGYPTAIR AND CAIRO AIRPORT COMPANY CAC) formed by the Ministry of Aviation to facilitate all procedures and prepare the needed requirements for the implementation of outstanding projects.

It participated in Automated Document Check Committee (ADC) to prepare the executive procedures to apply this feature as a mandatory item in STAR requirements.

It participated effectively in baggage hub project Committee and prepared the configuration needed for connection to Star Data Network (SDN).

EGYPTAIR has been nominated from AACO to represent MENA2 region in SITA Council and also joined the



Membership Committee (MEMCOM) which is responsible for approval and rejection of applications to be a SITA member.

It prepares the final test for the new 2D (Bar Code) for boarding Pass with respect to STAR requirements, including Fast Track indicator and Marketing Carrier Designator as all Star Alliance carriers must be able to print boarding passes with 2D Barcode according to new resolution for IATA 2D Barcode.

Upgraded Backup Systems are crucial for Enterprise corporations to ensure business continuity in case of disasters or failures. As backup system preserves updated copies of EGYPTAIR critical data, keeping this system's hardware, software and technology infrastructure up-to-date is obligatory.


programs and ARINC Company for frequencies services and aircraft communications.

It activated the IPAD project by using a new server for pilots manual and inserted the periodic updates of flight maps, in addition to the following:-

- The activation of three systems related to the Revenue System, contracting with EGYPTAIR Airlines Company: RAAV System, Airfare System & INFARE System.
- The activation of the reporting systems that are related to the performance evaluation RMSA.
- Activation and completion of the free tickets system for all employees and retired system for saving papers, time and cost, according to the agreement with companies.
- The completion of Auto check service provided to passengers through (DCS) system.
- Making the periodic inventory for the expendable items of 'EGYPTAIR Maintenance & Engineering and EGYPTAIR Airlines companies.
- Making a yearly inventory to the stores of 'EGYPTAIR Maintenance & Engineering and EGYPTAIR Airlines companies to all the spare parts items.
- Completion of integrating the system with the flight operation system according to the international standards.



EGYPTAIR

A STAR ALLIANCE MEMBER 

Board of Directors

Capt. / Sherif azzet Helmy

Chairman & CEO
EGYPTAIR Airlines

Mr. / Nidal Al-Qasem Assar

Vice- Chairman
EG Bank

Dr. / Ibrahim Hassan Aly Ashmawy

Minister of Tourism Advisor

Eng. / Sabry El Sayed Abdelhady Diab

Aviation Expert

Mr. / Yasser Yahia Mohammed El Ramly

Chairman & CEO
Air Cairo

Mr. / Mohammed Mahdy El-Sayed

Chairman Advisor for Cabin Crew

Capt. / Hady Abd Almottaleb Rabie

Senior Pilot

Mr. / Ahmed Mohammed Samir Farid

Senior Traffic Officer

Mr. / Khaled Mohammed Reda El-Sadat

Senior Cabin Crew Schedule

Mr. / Abdel Karim Mahmoud Abdel Samie

EGYPTAIR Airlines Syndicate Representative

EGYPTAIR AIRLINES is the core of EGYPTAIR Holding Company with more than 83 years of service; throughout these years, EGYPTAIR has successfully extended its network to reach major destinations across the world. Being an active member of Star Alliance since July 2008, and as a part of that huge network, EGYPTAIR's customers are currently able to reach more destinations in 190 countries all over the globe and are also entitled to all Star Alliance Gold and Silver benefits through EGYPTAIR Plus Loyalty Programs.

EGYPTAIR HISTORY:-

- In May 1932, EGYPTAIR was established; and has evolved since then to become the pioneer carrier in the Middle East and Africa, and the seventh carrier in the world to join the IATA.
- In 1935, A total of 12 De Havilland were added to the fleet and during the Second World War, the Egyptian government took over the airline and changed its name to "Misr Airlines".
- In 1946, The name "Misr Airlines" was changed to "MisrAir" and 10 Beechcraft were purchased, adding American technology to the fleet.
- In 1960, MisrAir merged with Syrian Airlines forming a new identity «United Arab Airlines-UAA».
- In 1969, UAA became the first airline in the Middle East to fly Boeing 707s, and operate longer routes.
- In 1971, MisrAir and Syrian Airlines split, the matter which resulted in the new identity «EGYPTAIR».
- In June 2002, EGYPTAIR, subject to the Presidential Decree number 137 and the civil aviation ministerial decree number 216, has become a Holding Company with nine Subsidiaries.
- In August 2003, EGYPTAIR Airlines, with the guidance of SABRE Airline Solutions, had successfully completed its imperative re-structuring plan.
- In 2004, EGYPTAIR achieved the highest standards of safety and became the first IOSA certified airline in the Middle East and Africa. Moreover, Cairo International Airport has turned to a HUB Airport - with the guidance of SABRE Airline Solutions during the re-structuring plan.
- In 2006, a significant technology breakthrough has taken place: (implementation of the Amadeus Reservation System, activation of the IBE (Internet Booking Engine), E-Ticketing, use of the PROS O&D System, upgrading the Frequent Flyer Program (Crane 9), introduction of the financial system Sirax; and finally the integration between all these projects, (Pax-IS Program). Major IT products have been performed for quality service improvement.
- In July 2008, EGYPTAIR joined Star Alliance network, the largest Airline Alliance in the World, enabling EGYPTAIR's customers to have access to 1,300 destinations in 190 countries nowadays. EGYPTAIR's membership to the Star Alliance network is unique since it is the only airline that is based in North Africa & Middle East. Star Alliance offers its customers the privilege of priority treatment across 28



airlines, better flight connections, and more comfortable travel. Gold status customers will receive priority treatment in regard to Priority check-in, Priority boarding, and Priority baggage handling.

- In April 2009, EGYPTAIR has successfully shifted its operations with star partners to CAIRO Terminal 3 Building, where customers can enjoy the exquisite service in STAR ALLIANCE lounges owned and operated by EGYPTAIR, and sustain Star Alliance's principle of «Moving Under One Roof » by locating all Star Alliance member-airlines in a single terminal, which brings immense benefits to Star Alliance airlines passengers as they pass through a common terminal at HUB airports.
- In August 2010, EGYPTAIR has provided its Business Class customers onboard with full flat-bed seats, personal screens in all classes, personal mobiles usage, in addition to WI-FI internet access that has been offered on our Airbus 330-300 Aircraft.
- In December 2014, EGYPTAIR Airlines, with the guidance of consultant, SABRE Airline Solutions, has started its Transformation Plan.

EGYPTAIR's future strategy is built on four key pillars:

• Growth and regional leadership:

Increase network breadth and depth through a combination of adding new destinations, adding more frequencies to existing markets, extending global reach through Star Alliance and developing cooperative regional ventures.

• Deliver high-quality products and services

Offering and delivering high-quality products and services that satisfy the needs of our customers will help attract new and retain existing ones. Focusing on quality control and consistent high service delivery are essential to keep our valued customers satisfied; and hence maintain customer loyalty and obtain repeat business.

• Develop high-performance culture

Keys to unlocking EGYPTAIR's potential include

developing an effective organization guided by leaders who empower their teams and hold them accountable for delivering results. This is supported by training, performance management and effective communication.

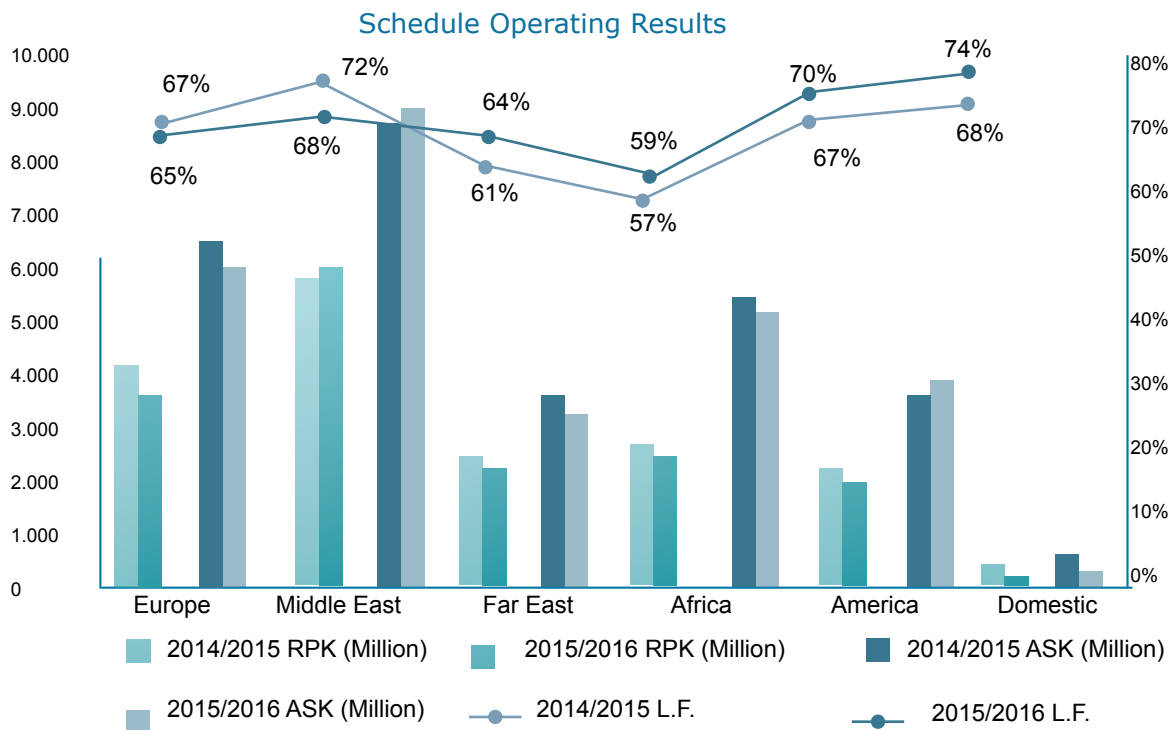
• Fund the future

By leveraging the three above-mentioned strategic pillars of growth and leadership, delivering high-quality products and services, and developing a performance culture, the fourth pillar will spontaneously achieve success by generating profits required to fund future growth.

Expansion of the Cairo Hub will bring in more traffic and revenues. Attaining economies of scale will keep costs in check. A performance-driven organization will lead the growth plan and deliver consistent quality services and products that help attract new and retain existing customers. Successful delivery will generate profits to fund fleet replacement and growth with new, efficient aircraft.



NETWORK DEVELOPMENT HIGHLIGHTS



- EGYPTAIR increased ASK for the Middle East (9% over 2014/2015) and America (3% over 2014/2015) and RPK increased in the same regions (the Middle East: 2% over 2014/2015 and America: 8% over 2014/2015).
- LF consequently increased in the Far East (3% over 2014/2015), Africa (2% over 2014/2015), America (3% over 2014/2015) and Domestic (6% over 2014/2015).

Schedule Achievements:

- EGYPTAIR operates 647 weekly international flights from Egyptian airports (90 flights to Africa, 151 flights to Europe, 24 flights to Far East, 323 flights to the Middle East, 11 flights to North America, 61 international flights from local Airports), and 39 domestic flights.
- MS Network is serving 62 cities in 47 countries, and 35 cities through Code Share agreements (Total 97 cities in 69 countries).

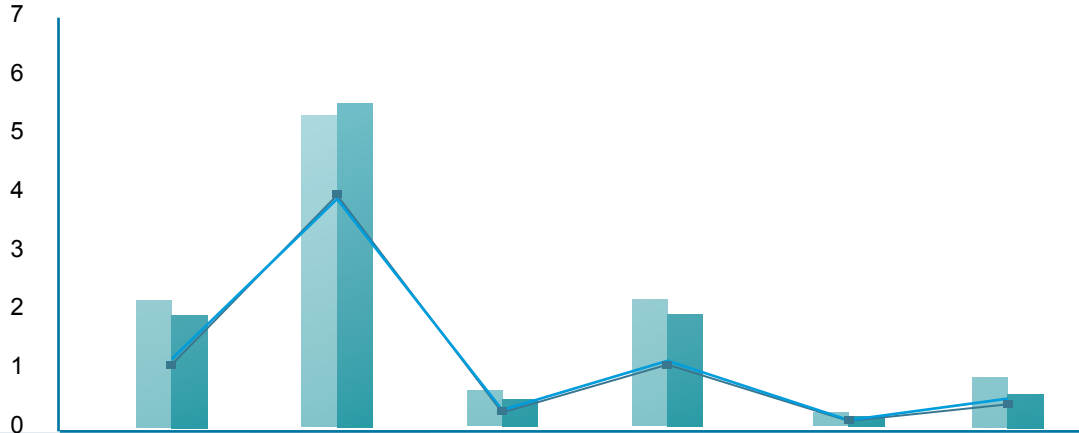
EGYPTAIR New Frequencies/Week

- Increasing the frequency of CAN flights to be a daily flight instead of 5 weekly flights, in order to boost connectivity between flights from/to China and flights from/to Africa and accommodate the high traffic between China and African countries.
- Increasing the frequency of Gulf & Middle East flights by 41% over 2014/2015 (total of 94 new flights) in order to increase flights between Cairo and profitable markets.

| Point | 2014/2015 | 2015/2016 | New Frequencies |
|--------------|-----------|-----------|-----------------|
| CAN | 5 | 7 | 2 |
| AMM | 21 | 23 | 2 |
| JED | 42 | 61 | 19 |
| MED | 14 | 35 | 21 |
| AHB | 4 | 7 | 3 |
| RUH | 21 | 26 | 5 |
| DMM | 14 | 28 | 14 |
| KWI | 21 | 27 | 6 |
| DXB | 14 | 21 | 7 |
| SHJ | 5 | 7 | 2 |
| AUH | 11 | 18 | 7 |
| DOH | 14 | 16 | 2 |
| ELQ | 4 | 7 | 3 |
| TLV | 4 | 7 | 3 |
| Total | | | 96 |

Available Seats & Uplifted Passengers

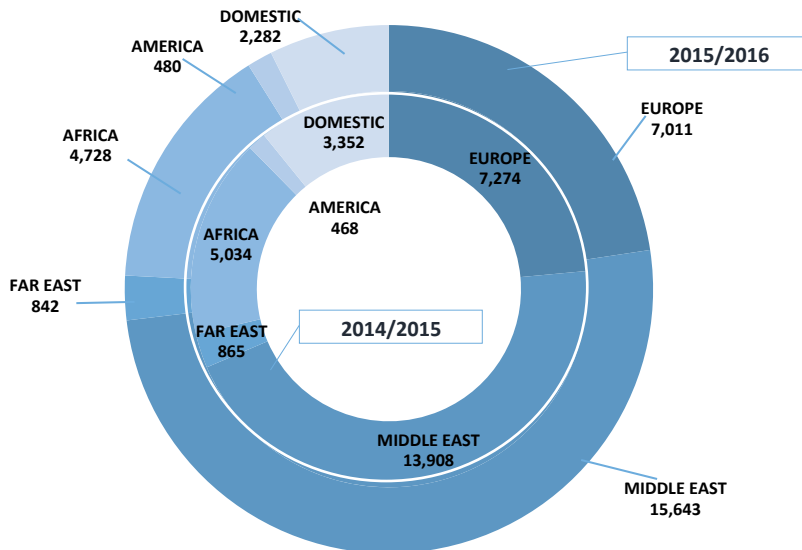
Million



| | EUROPE | MIDDLE EAST | FAR EAST | AFRICA | AMERICA | DOMESTIC |
|--------------------------|-----------|-------------|----------|-----------|---------|----------|
| Available seat 2014/2015 | 2.311.184 | 5.360.278 | 622.019 | 1.579.569 | 312.170 | 959.342 |
| Available seat 2015/2016 | 2.163.129 | 5.885.922 | 572.395 | 1.423.501 | 321.172 | 698.281 |
| NO.of PAX 2014/2015 | 1.536.113 | 3.836.180 | 307.636 | 895.190 | 209.163 | 627.710 |
| NO.of PAX 2015/2016 | 1.409.678 | 3.997.772 | 302.190 | 834.280 | 225.991 | 481.796 |

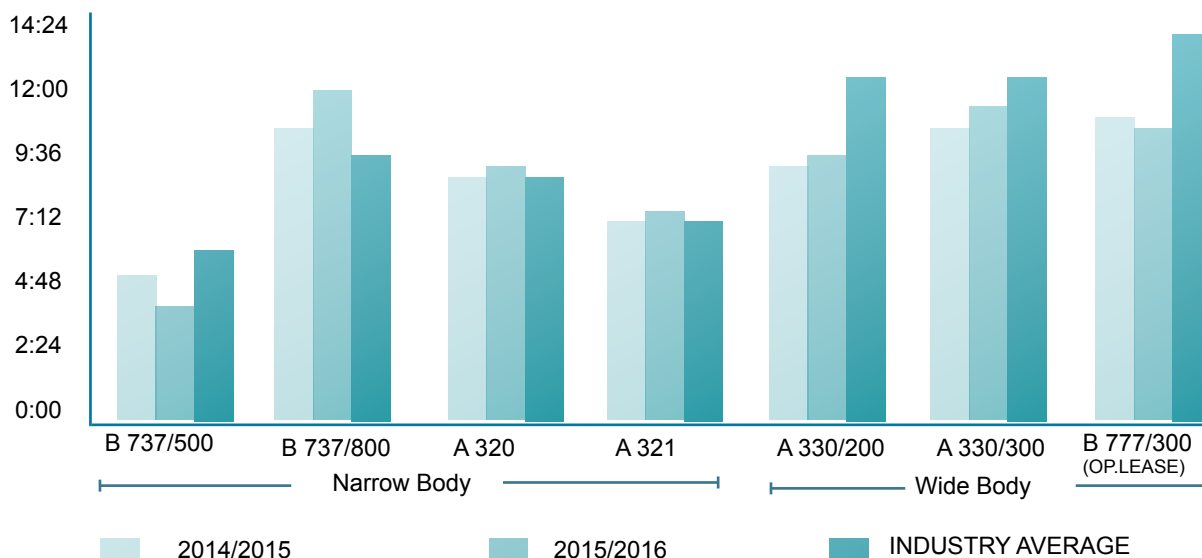
• Available seats have increased in 2015/2016 around 10% over 2014/2015 in the Middle East and around 3% in America, consequently number of passengers have increased about 4% in the Middle East and about 8% in America.

Number of Flights



• Number of flights have increased in 2015/2016, mostly in the Middle East region, by 1,735 flights over 2014/2015.

Average Daily Utilization



- EGYPTAIR Fleet Utilization Average was almost in line with Industry Average in 2015/2016, while B737/800 and AB320 aircraft have exceeded industry average.

PRODUCTS & SERVICES DEVELOPMENTS

- ➔ Equipping the entire Long-Haul Fleet
 - Introducing Full Flat Bed seats.
 - Personalized monitors with various entertainment options.
 - Enhanced cabin comfort by increasing the seat pitch to 32 inch.
- ➔ Lounges for first, business, frequent flyer passengers (Platinum & Golden), and Star Alliance Gold Members.
- ➔ Increasing No. of passengers using CUSS Kiosk check-in (no more long queues as we have 88 check-in counters).
- ➔ Passport Control Fast Track facility at Cairo Airport for EGYPTAIR's First & Business Class customers, EGYPTAIR Plus Platinum & Golden members, and Star Alliance Gold Members.
- ➔ New international magazines in English language have been added on board to increase the number of magazines offered to the passengers to be 215,600 magazines per year (increased by 75,480 magazines in 2015 over 2014).
- ➔ New Entertainment contents were improved by adding documentary films about the first Hajj flight and Mecca (onboard Jeddah and Medina flights).
- ➔ Visual channels increased to be 120 visual channels in the entertainment system on board aircraft with personal screens for Economy Class seats.
- ➔ Noise Cancellation headphones are available in Business Class cabin on board B777-300 and A330-300.
- ➔ Specific counters are dedicated for passengers with Special Needs, and other counters for arranging hotel accommodation procedures for priority passengers.
- ➔ Tag-less Baggage has been identified by 73%, besides the number of Lost Baggage has decreased by 6% and hence the closure of Lost baggage files has increased by 5.1% in 2015/2016 over 2014/2015.
- ➔ Premium Claim Counters have been activated to serve Premium passengers in case of Lost Baggage.
- ➔ Altea System has been activated in EGYPTAIR's international and domestic stations (except for Juba station).
- ➔ Auto Check-in system has been applied to facilitate passengers' procedures.
- ➔ EGYPTAIR ranking has been upgraded from Gold to Platinum in IATA Matchmaker by applying Home Printing Bag Tag (HPBT) system.
- ➔ "Keep Me Informed" project has been initiated, to inform passengers about time changes that may occur on their flights by sending them e-mails or SMSs.
- ➔ Reaching high rates in Inter-Airline Through Check-In (IATCI) in Star Alliance, by increasing no. of agreements between EGYPTAIR and other airlines, to facilitate beyond traffic procedures for passengers.
- ➔ Implementation of the Fast Travel Program, adopted by IATA, to facilitate travel procedures for passengers, which fulfills high rates of customer satisfaction.

- EGYPTAIR is matching the work manuals with the IATA Ground Operations Manual (IGOM) to be applied in August 2016 -in order to obtain the accreditation of IATA.
- Innovation of Pre Check-In service; Customer Service representatives make contact with Business Class and Gold Frequent Flyer customers around 24 hours prior to their flights to offer them the options of selecting their desired seats, printing their boarding passes and guiding them to Premium Check-In counters to drop off their bags at the airport.
- A daily Customer Satisfaction Survey executed to evaluate traffic officers' performance and services produced to passengers. Results of surveys are presented to Stations Vice President to take instant corrective actions.
- New contract is signed between EGYPTAIR and FlyDamas to offer them station services in CAI and domestic stations. Additionally, a Letter of Agreement has been executed between EGYPTAIR & Cleopatra Aviation to offer them passengers' and agency services in CAI and domestic stations.
- Number of foreign airlines' flights getting served by EGYPTAIR in CAI and domestic stations in 2015/2016 have been increased by 6% over 2014/2015.



NEW & ONGOING PROJECTS

Ongoing Projects

Net-line/Plan

The objective of this program is to create the optimal flight plan for network needs, add new connections, create forecasts for passenger flows, costs and revenues, and identify the strengths and weaknesses of route network.

SIRAX (SAP)

Complete & Comprehensive Solution (Financial Departments Project)

The objective behind this program is to:

1. Improve financial visibility.
2. Optimize route profitability.
3. Improve decision making & control.

Fare Management Tool

It is a system to monitor competitors' fares on a daily basis, in order to confront their continuous modifications, react instantly by setting up competitive fares, to stay competitive.

Revenue Management System (Pros O&D +2)

The objective behind this program is to maximize the fare revenue from each departing flight.



Upcoming Projects

Customer Relationship Management (CRM)

Customer Relationship Management is a system for managing EGYPTAIR’s interaction with its customers by following-up customers data and communicating with customers, aiming to improve our service and strengthen our relationships with our customers.

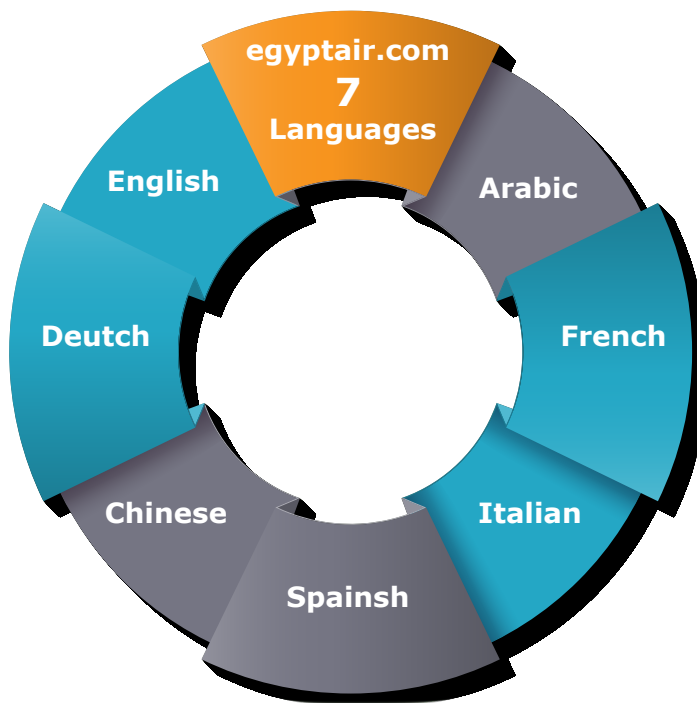
Human Resource Information System(HRIS)

A human resource information system (HRIS) is an information system or managed service that provides a single, centralized view of the data that a human resource management (HRM) requires for completing human resource (HR) processes.



E-COMMERCE DEVELOPMENTS

- As EGYPTAIR constantly aims to deliver a high quality travel experience, our website www.egyptair.com now offers our valued customers with more online services in addition to online booking to meet their expectations and fulfill their needs.
- A wide range of services are granted and more information is offered such as, Flex Pricer, Seat Selection, Special Meals Requests, Checking Flight Status, Display Timetable and Reservation Details.
- Moreover, our website is also considered one of the official channels for publishing press releases.
- EGYPTAIR website is now available in 7 languages for 33 countries plus worldwide page for the rest countries*.



| 33 Countries | |
|--------------|---|
| Austria | Morocco |
| Bahrain | Netherlands |
| Belgium | Portugal |
| Canada | Qatar |
| China | Russia |
| Cyprus | Saudi Arabia |
| Egypt | Scandinavia |
| France | South Africa |
| Germany | Spain |
| Greece | Switzerland |
| Hong Kong | Thailand |
| Hungary | Tunisia |
| India | Turkey |
| Italy | United Arab Emirates |
| Japan | United Kingdom |
| Kuwait | United States |
| Lebanon | * Worldwide Page (for the rest Countries) |

Online Services (www.egyptair.com)

- The ATC service (Automatic Ticket Changer) which enables to change the travel itinerary.
- Web check-in to enrich the value of online experience.
- Online Hotel reservation & Car Rental.
- Round the world tickets.
- 3D interactive route map
- New interactive special offers page.
- Online Seat Assignment & Extra Baggage Allowance
- Online Horus Flash magazine.
- Acquire and Redeem Miles on all the 28 Star Alliance Airlines.
- EGYPTAIR Mobile Portal Application for Apple iPhone, iPad, iPod, BlackBerry Phones, & Windows Phones with new facilities provided, that allows boarding passes to be saved on passbook application, regardless the device type used (now available at App Store).

Full update of EGYPTAIR Mobile Portal Services

- Applications for Android, Windows Phones, Apple Phones, and BlackBerry Phones.
- Mobile check-in (using Altéa DCS).
- Manage booking.
- Flight status and Timetable information.
- EGYPTAIR Plus account login and information.
- Baggage information.
- First & Business class lounges information.
- Special offers.
- EGYPTAIR CTO & ATO contact information.
- Destination guide
- Special services information.
- Onboard services information.
- News and travel alerts.
- Gallery.
- Social feed [Facebook, Twitter, YouTube, Google+, and Instagram].
- Flight Booking Service (including flex price & payment).

New Services:

- ➔ Activation of Pre-paid Ancillary services (Extra Baggage & Seat Assignment)
- ➔ Full update of EGYPTAIR website to apply the American Transportation Law requirements which impose that airlines' websites should be useable for internet users with special needs.
- ➔ New Payment Methods have been activated:
 - Visa & MasterCard in all countries pages.
 - Ogone Collect in European countries pages.
 - American Express in European countries pages.
 - Fawry in Egypt page.
 - Paylater in USA page.
- ➔ EGYPTAIR is currently activating new Payment Methods:
 - Bee (same as Fawry).
 - Amadeus Payment Platform to increase the number of forms of payments in the website and the mobile portal.
 - Paylater on mobile applications.
- ➔ New features are currently under study with Amadeus and will be added later:
 - New services to help the customer to make reservation for best available prices and promotional fares.

-Ancillary services to be booked through mobile applications.

-ATC Involuntary will be activated to help customers to change their route online in case of involuntary rerouting.

➔ New updates that are currently in progress and expected to be activated by the end of 2016:

- Website Home Page update.
- "Keep Me Informed" service to inform the passenger in case of any change in his flight at once.
- "Online Award Shopper" to help Frequent Flyer Plus members to book their tickets against miles directly through EGYPTAIR website.
- REVAMP of all mobile applications.
- "Rail & Fly" service to be activated on the website.

SALES DEVELOPMENTS

Contact Center

Our Call Center now provides 15 hours of daily service (8 AM – 11 PM) to respond to all of our customers' inquiries with regard to reservation, ticketing and flight information in a speedy, qualified and professional way. It is equipped with the state-of-art technological systems, and contains a highly skilled and well-trained staff.

Call Center Achievements:

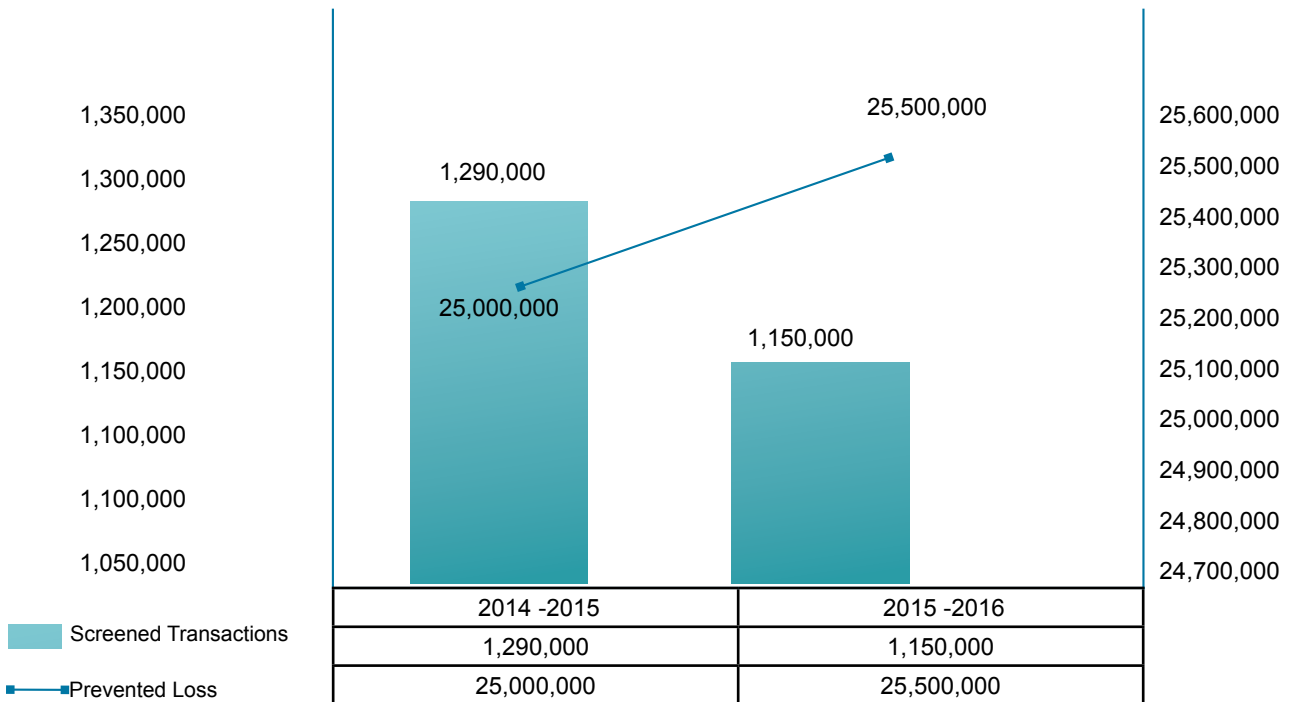
- ➔ Call Center Revenue has increased by 29% in 2015/2016 over 2014/2015
- ➔ Contract renewal with IBM for Development and Maintenance of Call Center, for 3 years starting from February 2015 until the end of 2018.
- ➔ CISCO Call program upgraded to CISCO Version 10.5 instead of CISCO Version 7.5
- ➔ New Voice Call Recording system activated in Call Centers
- ➔ New Billing System software activated with the 4 communication companies (Vodafone – Orange – Etisalat – Telecom Egypt)
- ➔ Operating SMS Gateway to notify passengers with their Queue situation and new promotions by sending them text messages.
- ➔ Re-operate Riyadh and Medina Call Centers
- ➔ Launching the successful service of BEE payment service beside Fawry services, to serve all passengers who wish to book and pay in cash.
- ➔ Co-operation initiated with National Bank of Egypt (Al-Ahly) to allow passengers "24 hours" payments before flight, instead of currently "48 hours"
- ➔ Negotiations are being held with National Bank of Egypt (Al-Ahly) to decrease bank commission 3% on issued tickets
- ➔ Adding new types of Credit Cards (ex. Diners) as a payment method through phones beside Visa & Master Card
- ➔ Activation of Crises Hot Line

Sales Achievements:

- 81 new corporate deals added in 2015/2016.
- Internal & External Travel Agents (BSP) Sales on EGYPTAIR increased by 2.6% in 2015/2016 over 2014/2015 as follows:
 - International Travel Agents Sales increased by 0.9%.
 - Local Travel Agents Sales increased by 11.1%.
 - Subscription of 79 Third Party Agreements in 2015/2016 .
 - Awareness Seminar held in Alexandria during March 2015, included all Travel Agents.
 - Internal Offices Sales decreased by 1%, while Call Center and Website increased Revenues by 29% and 17% respectively.
 - 768 sales employees received a position-related training.
 - Reassigning New GSA in:
 - (Sweden – Finland – Norway) during Aug 2015, Togo during Dec 2015, Tanzania during Jan 2016, Pakistan during Jan 2016, and Kurdistan (Erbil & Sulaymaniyah) during Apr 2016.
 - Finalizing the procedures for assigning New GSA in Offline Points:
 - (Burundi – Rwanda – Zambia – Liberia –Senegal – Sierra Leon – Gabon – Mozambique – Mali – Congo)
 - Activating BSP Hong Kong.
 - Participating in BSP Vietnam & South Korea.

- Re-activating BSP Georgia after MS participation in ICCS.
- Interline Agreement with Nile Air.
- Continued cooperation with interline carriers changing their reservation system.
- Assigning New PSSA:
 - Almulhim Travel Agent in Al-Ahsa, under supervision of DMM office.
 - Fursan Travel in Medina under supervision of MED office.
- Omra Uplifted Passengers increased by 33% & Total Revenue increased also by 23% in 2015/2016 over 2014/2015.
- Hajj Uplifted Passengers increased (outbound phase increased by 2% - inbound phase increased by 5%) & Total Revenue increased also by 7% in 2015/2016 over 2014/2015.
- Subscription of ZED & MIBA agreements with United Airlines and Kenya airways.
- Enrichment of black-list data base on INGENICO e-payment by blocking many attempts of un-legal purchases with more than EGP 25 million.
- EGYPTAIR is not in MASTER & VISA black-list.
- Absence of Fraud Losses on EGYPTAIR Website.
- Fraud percentage in 2015/2016 ranges between 0.2 - 0.5%, while it is ZERO% for 4 times during 6 years.

Fraud Transactions



PRICING & REVENUE MANAGEMENT DEVELOPMENTS

Pricing Achievements

- ➔ Re-studying of all current Special Prorate Agreements (SPA) with foreign carriers, and inserting the corresponding fares into all reservation systems (GDS's) worldwide, and performing new agreements in order to reach the largest possible number of destinations with competitive fares to meet EGYPTAIR's customers' expectations, as we are serving 285 offline destinations in 2015/2016 which aren't operated within EGYPTAIR network.
- ➔ Re-modification of Upgrade fees to higher classes at the airport according to current sales fares, if seats available.
- ➔ Finalising of all published fares (3rd & 4th Freedom – 6th Freedom), aligned with other airlines' fares in different markets.
- ➔ Applying a new baggage policy "Light Economy" (1 piece instead of 2 pieces) on promotional fare (T class), effective 12 Oct. 2016.
- ➔ New Fare Management Tool by SITA, which improves the ability of monitoring competitors' fares on a daily basis, and react instantly by setting up competitive fares, to enhance EGYPTAIR competitive position in different markets, the new system will be delivered effective 26 Oct. 2016.

Revenue Management Achievements

- ➔ RAAV (Revenue Availability and Active Valuation)
 - EGYPTAIR had signed with Amadeus a contract for RAAV product in Mar 2016.
 - This product enhances the RM system (PROSO&DII) by controlling the availability from POS and route perspective for each availability request.
 - A basic training course has been held August 2015 to recognize all system features and what is the best utilization to gain more revenue.
- ➔ IN-FARE
 - EGYPTAIR has signed with IN-FARE Knowledge a contract during mentioned period.
 - This product allows EGYPTAIR to monitor MS fares compared to other competitors for both trunk routes and beyond ones as well on daily basis.
 - This product enables RM team to take necessary action to be competitive with each market competitors.
- ➔ O&D 2
 - PROS O & D 2 system is applied on 27 destinations in the network and it will be accomplished for the whole network by the end of 2016.



MARKETING DEVELOPMENTS

Marketing Data Analysis

Direct Data Solutions (DDS) contract has been renewed with the IATA for another 3 years from 1st JUL 2016 till 30th May 2019, DDS is known as one of the most famous and powerful systems in the field of aviation because of the huge and accurate amount of data it provides. The main source of these data are the airlines themselves. There are 51 airlines contributed in the DDS and another 10 airlines on their way to sign with the IATA.

Marketing Communications Achievements

➔ EGYPTAIR & Cairo Opera House's protocol.

Since 1988, there is an annual cooperation protocol between EGYPTAIR & Cairo Opera House stressing on the necessity of mutual support between two of the most distinguished entities in society for cultural purposes. According to this protocol, both sectors offer the following:- Placing EGYPTAIR's logo on all the Opera's printouts, EGYPTAIR offers discounted & free tickets to the Cairo Opera House to transport the cultural ambassadors who perform and attend the Opera concerts from all over the world.

Marketing Programs Achievements

Marketing Projects:

➔ Commercial International Bank (CIB)

EGYPTAIR Plus and CIB have entered a cooperation to issue the co-branded Miles everywhere credit card with three levels: Platinum, Titanium and Standard. These cards enable members to accumulate miles in their EGYPTAIR Plus membership accounts with every spending transaction according to the card level.

➔ Orange

EGYPTAIR and Orange have agreed to transfer Points from Special membership accounts into EGYPTAIR Plus Miles in their corresponding accounts.

➔ National Bank of Egypt (NBE)

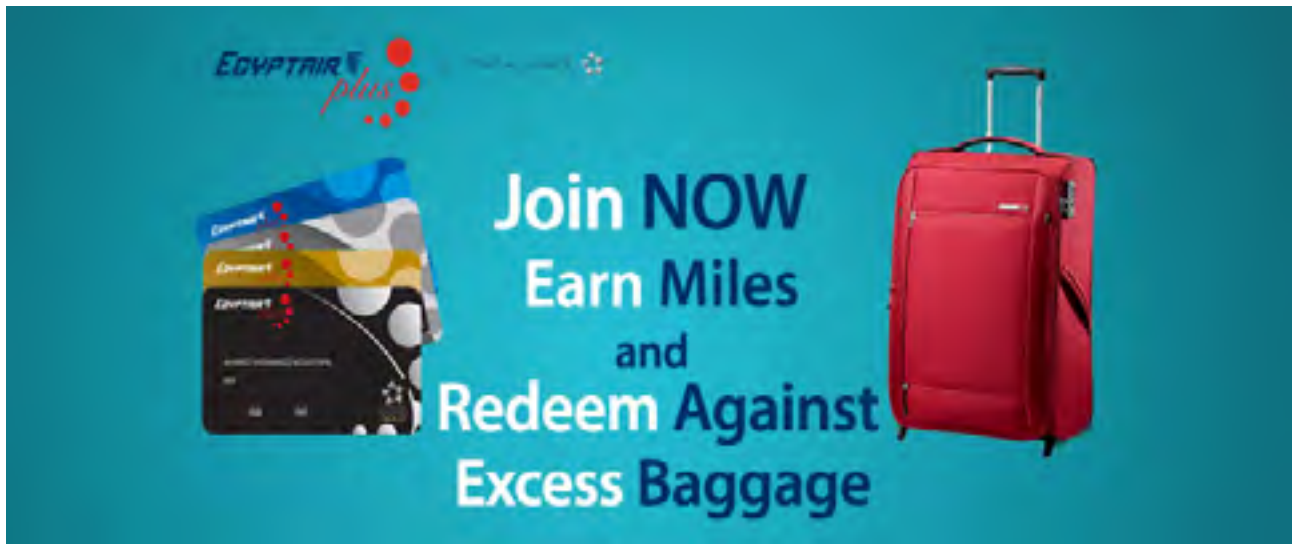
EGYPTAIR and NBE have signed an agreement to apply an installment program on EGYPTAIR international and domestic tickets issued in Egypt at Sales offices. This offer is valid for all NBE credit card holders, where NBE deposits all payments completely into EGYPTAIR account, whilst NBE handles the installment charges with the passengers.

Tickets can be installed using:

| | | |
|----------------------------|-----------------------------|--------------|
| EGYPTAIR-NBE MasterCard | at an interest rate of 4.5% | on 6 months |
| | at an interest rate of 7.5% | on 12 months |
| All other NBE Credit Cards | at an interest rate of 5% | on 6 months |
| | at an interest rate of 8% | on 12 months |

EGYPTAIR Plus

EGYPTAIR Plus, with its 4 tiers: Blue, Silver, Gold and Platinum, is a distinguished loyalty brand offering value, premium services and benefits for its members such as priority baggage handling, priority Airport check-in, priority Airport lounge access, extra baggage allowance, etc...



Members accumulate miles for their travel onboard EGYPTAIR as well as the Star Alliance carriers. Earned miles can be redeemed to issue reward tickets, reward upgrades and excess baggage.

Revamp of website

EGYPTAIR Plus updated its website www.egyptairplus.com with new design and features.

New Features:

EGYPTAIR Plus is in the process of introducing a new tier level, new rules and new privileges.

1. AIA (Altea Interactive Award) :

The offline solution that will enable the sales offices to issue Reward tickets or Reward Upgrade Tickets.

2. Cash & Miles:

Offers the member the ability to purchase the revenue tickets partly with miles and the other with cash or credit.

3. Award Shopper & Online Redemption:

This online solution will enable the member to issue (Reward Ticket) or (Miles & Cash) Tickets through the website.

4. Corporate Program:

A program that is provided to our non-airline partner,

allowing their company and employees to benefit from the loyalty program.

5. Partner Portal:

A system that will allow the members to use their miles to purchase items from our non-airline partners.

6. PAS (Profile Access Synchronization):

A product to enable the exchange of the loyalty data base in real time to provide the touch points with correct data of the members to provide necessary benefits.

7. APU / RAPU (Automated PNR update / Reverse automated PNR update):

A product to refresh the tier level in the PNR to enable station provides the member with necessary benefits according to his tier level.

8. Digital Card:

A project to display the membership card on the mobile application using QR barcodes to keep up with development and replace the plastic card.

INTERNATIONAL CERTIFICATES

- The IATA Operational Safety Audit (IOSA) program is an internationally recognized and accepted evaluation system designed to assess the operational management and control systems of an airline. All IATA members are IOSA registered and must remain registered to maintain IATA membership.
- To secure the position of EGYPTAIR in the world markets, the company strives to benchmark its operations against internationally-recognized standards. This involves obtaining and maintaining certificates by international bodies such as: IOSA– IATA Operational Safety Audit, EASA– European Aviation Safety Agency, ISO– International Organization for Standardization and ISAGO– IATA Safety Audit for Ground Operations. We plan to maintain this international recognition through continuously upgrading our systems and human capital.
- EGYPTAIR is the 1st African & Middle Eastern IOSA registered airline, and the 16th worldwide.
- EGYPTAIR passed IOSA, ISAGO, and Star Alliance inspections without any findings or corrective actions.
- EGYPTAIR passed and renewed AOC certificate, and fulfilled all Civil Aviation requirements.



Certificate

Certificate

Standard **ISO 14001:2004**
Certificate Register, No. 01 104 087261

Certificate Holder:



EGYPTAIR AIRLINES
EGYPTAIR Administrative Complex - Airport Road
Cairo - Egypt

Scope: **Commercial Air Carrier**

Proof has been furnished by means of an audit that the requirements of ISO 14001:2004 are met.
The due date for all future audits is 30-10 (30.mn).

Validity: The certificate is valid from 2015-01-06 until 2018-01-05.
First certification 2008

2015-01-07

The Registrar of Quality
Air Quality Dept. 01152 4400



Certificate

Standard **ISO 9001:2008**
Certificate Register, No. 01 100 063023

Certificate Holder:



EGYPTAIR AIRLINES
EGYPTAIR Administrative Complex - Airport Road
Cairo - Egypt

Scope: **Commercial Air Carrier**

Proof has been furnished by means of an audit that the requirements of ISO 9001:2008 are met.
The due date for all future audits is 30-10 (30.mn).

Validity: The certificate is valid from 2015-01-06 until 2018-01-05.
First certification 2008

2015-01-07

The Registrar of Quality
Air Quality Dept. 01152 4400



Certificate

Standard **BS OHSAS 18001:2007**
Certificate Register, No. 01 113 060150

Certificate Holder:



EGYPTAIR AIRLINES
EGYPTAIR Administrative Complex - Airport Road
Cairo - Egypt

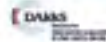
Scope: **Commercial Air Carrier**

Proof has been furnished by means of an audit that the requirements of BS OHSAS 18001:2007 are met.
The due date for all future audits is 30-10 (30.mn).

Validity: The certificate is valid from 2015-01-06 until 2018-01-05.
First certification 2008

2015-01-07

The Registrar of Quality
Air Quality Dept. 01152 4400





Express Your Travel

During fiscal year 2015/2016, EGYPTAIR Express achieved surplus EGP 77.812 million.

Board of Directors

Capt. Helmy Awad Ibrahim Rizk
Chairman & CEO EGYPTAIR EXPRESS

Capt. HISHAM ELSAED ELDEEB

Senior Pilot

EGYPTAIR AIRLINES

Mr. Shrief El Maghloub

VP Commercial Affairs

EGYPTAIR AIRLINES

Mr. Ihab Ghazy

VP PLANNING

EGYPTAIR HOLDING

Mr. Salem Salem Hassan

Consultant of Chairman

EGYPTAIR HOLDING

Capt. Mahmoud Ahmed Shalaby

AIR OPERATION GM

EGYPTAIR EXPRESS

Mrs. Seham Kamal Eldein

Board Member

EGYPTAIR EXPRESS

Mr. Ahmed Ali El Ashwat

Planning General Manager

EGYPTAIR EXPRESS

Mrs. Nermeen Fouad

Air Hostess EGYPTAIR EXPRESS

MR MOHAMED MAHMOUD AHMED

Representatives of EGYPTAIR labor union
committee

EGYPTAIR EXPRESS

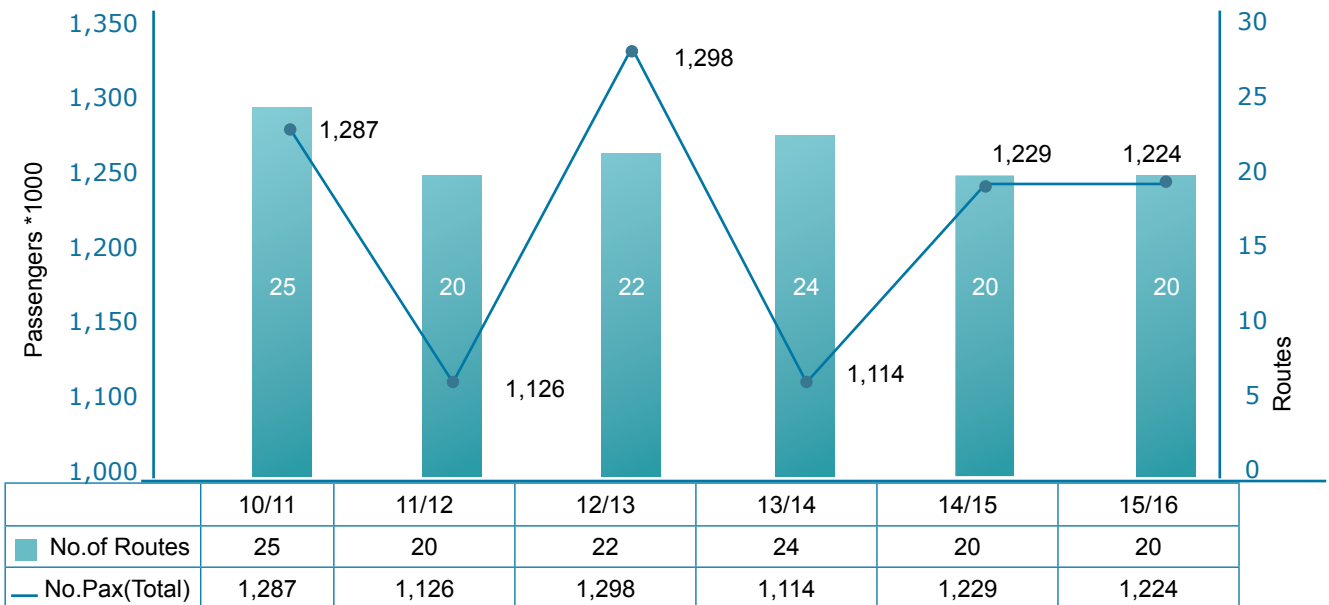
EGYPTAIR EXPRESS is the domestic & regional arm of EGYPTAIR Holding Co. established in May 2006. The company was launched to enhance EGYPTAIR domestic product and expand in the regional short-haul markets. The company main base and major operations is in Cairo International Airport TB3 in addition to a smaller base in Alexandria (Borg El Arab Airport). EGYPTAIR Express Fleet consists of 12 EMBRAER ERJ's 170 LR leased from EGYPTAIR Holding Co. All aircraft have 76 seats with configurable classes allowing the company to respond to market demand.

EGYPTAIR Express is always the main gate for 13 domestic destinations In Egypt. Sharm El-Sheikh comes on the top of the list; it is the biggest tourism city in Sinai, connecting it with EGYPTAIR Mainline International Network from Cairo airport as a hub in addition to Hurghada, Aswan, Luxor, Abu Simbel, Marsa Alam, Marsa Matrouh and Alexandria.



EGYPTAIR Express International Network covers Bahrain and Athens from Cairo international Airport, its main base, Beirut and Athens from Borg El Arab international Airport in Alexandria, the second base, and Jeddah, Riyadh and Kuwait from Sharm El-Sheikh International Airport.

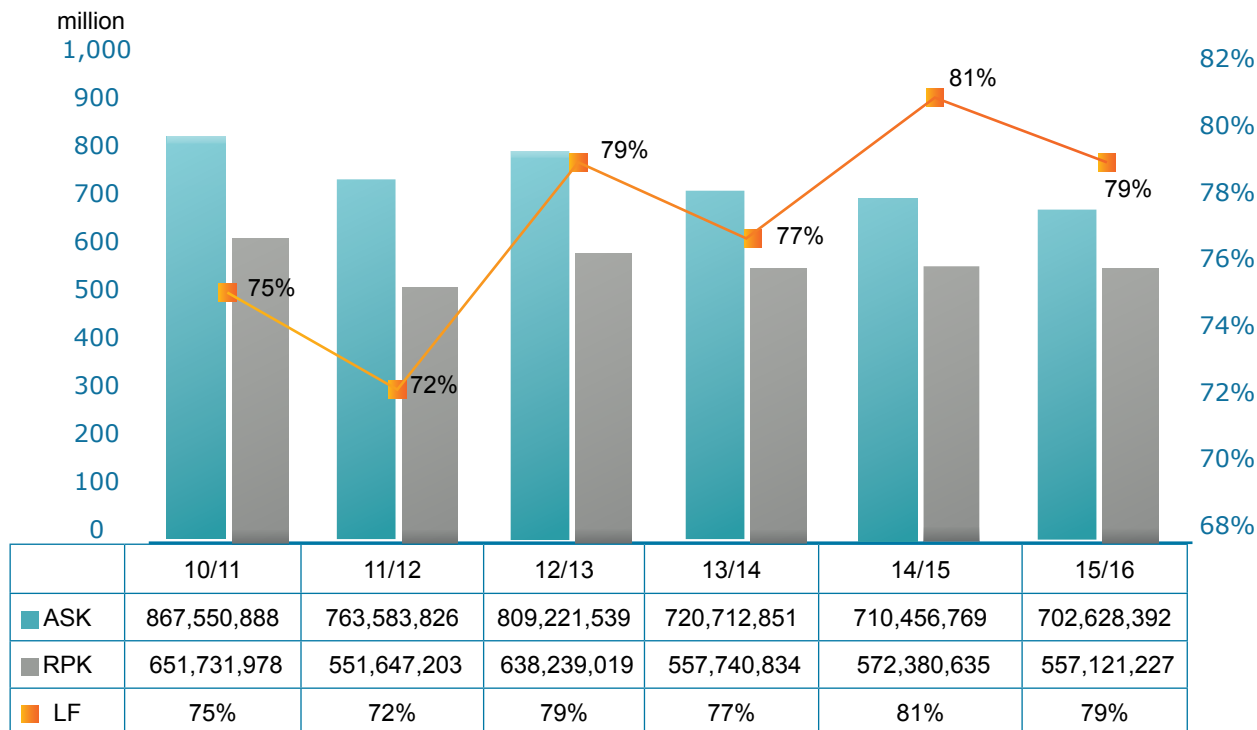
Routes & Carried Passengers



EGYPTAIR Express network in FY 2015/2016 includes 20 domestic and international routes that cover 15 cities and carried 1,224,006 passengers.

Network Operating Results

LoadFactor Y-O-Y Evolution



Operational Data Y-O-Y Evolution

| Date | 10/11 | 11/12 | 12/13 | 13/14 | 14/15 | 15/16 |
|-------------------|--------|--------|--------|--------|--------|--------|
| A/C (Average) | 12 | 12 | 11 | 12 | 12 | 12 |
| B/H | 28,437 | 29,143 | 33,250 | 31,722 | 28,095 | 29,619 |
| TOTAL FLIGHTS | 22,099 | 19,967 | 21,501 | 24,668 | 23,330 | 24,096 |
| Daily Utilization | 7.4 | 7.6 | 8.3 | 8.1 | 7.7 | 7.9 |

Although, the decrease happened in number of ASK, EGYPTAIR EXPRESS has directed its excess utilization to operate more regional flights driven by the smart network strategy between EGYPTAIR EXPRESS and EGYPTAIR AIRLINE companies which has resulted a 5% increase in Express total number of operated hours and 0.2 in aircraft Daily utilization.



EGYPTAIR CARGO

EGYPTAIR Cargo company
achieved a surplus of 127 million EGP after taxation.

Board of Directors

Captain Bassem Mohammed Fouad Gohar
Chairman & CEO
EGYPTAIR CARGO

Mr. Mohammed Abd El Maqsood El Salhaw
Chairman of Customs Authority

Mr. Ahmed Maher Genina
Chairman of Cairo Airport Company

Captain Sherif Saad El-din Galal
Civil Aviation Expert

Captain Assad Darwish
Civil Aviation Expert

Mr. Osama Abd Ellatif Ahmed
VP Economic Sector
EGYPTAIR CARGO

Mr. Mohamed Morad Koshek
GM
Import

Mr. Ahmed Abd El-Hameed Hassan
Member at Board of Directors
EGYPTAIR CARGO

Eng . Tark Mohamed Osman
GM

Engineering

Mr. Hassan Mohammed Shehata
Head of Syndicate Committee

EGYPTAIR CARGO was found in 2002 as a subsidiary of EGYPTAIR Holding Co. Since its Foundation EGYPTAIR CARGO has been on the forefront of transporting and handling general and special Cargo.

The network management process will gain from a closer coordination between the freighter and the passenger network, where they should complement each other and support the objective of total revenue maximization for EGYPTAIR.

EGYPTAIR CARGO will depend on the passenger bellies to reach the overseas markets (long haul market)

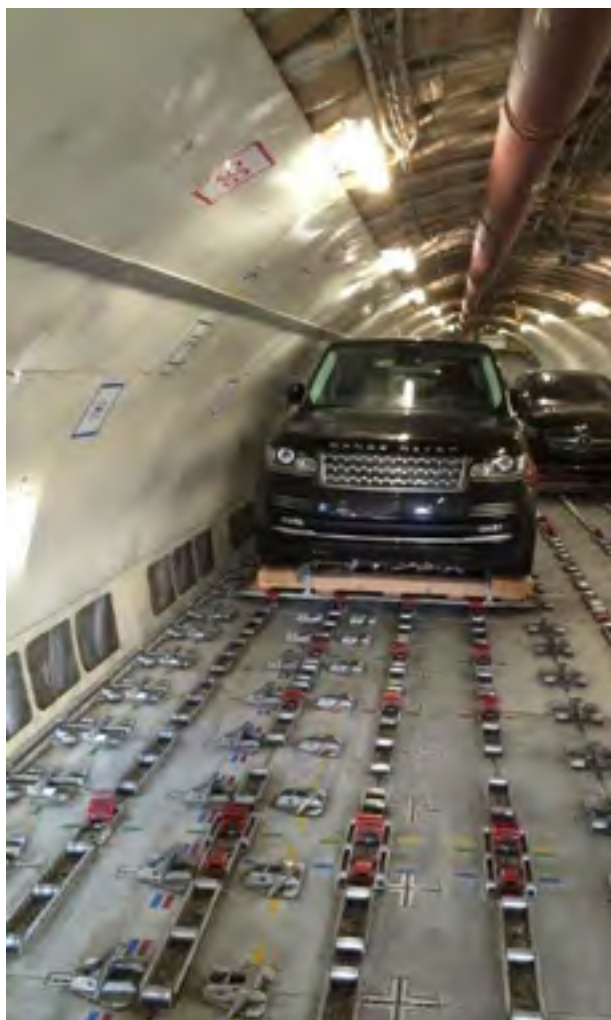
EGYPTAIR CARGO fleet is composed of three medium-range wide- body aircraft "one A300-B4F and two A300-600 F",

EGYPTAIR Cargo has set plans for fleet evolution; an agreement was concluded with EFW to convert two aircraft of type A330-200 P2F by mid of 2018. The good reasons for that is to:

- Cater market needs,
- Reduce the high operational cost of A300-B4,
- Replace the old fleet by a modern one,
- and give the opportunity to reach new potential destinations

Egypt Cargo plan is to develop its fleet by adding another A330-200 P2F by 2019 besides 2 short- range aircraft of type A320 in 2019/2020 to enable reach the African market; phasing out of the A300-600F was defined according to development plan.

The A300-B4 registered under SU-GAC will be phased out by the end of 2017, thus the development of fleet is the major concern to keep balance and launch new potential destinations



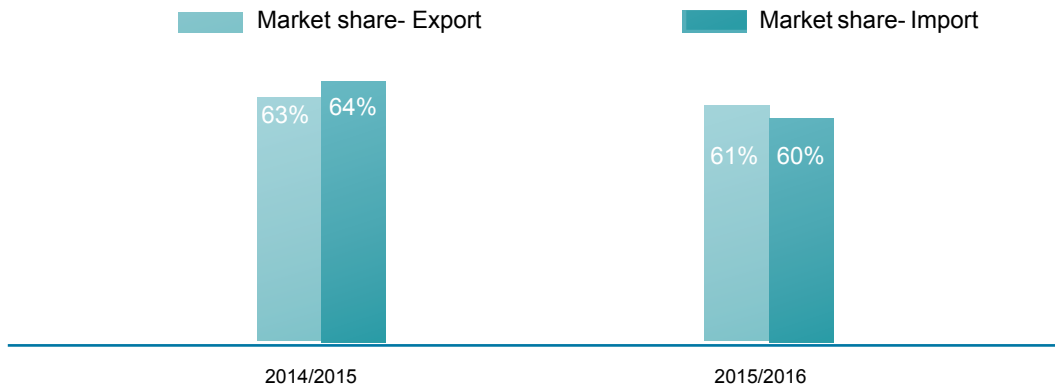
EGYPTAIR CARGO Terminals cover most regions all over Egypt from North to South:

- EGYPTAIR CARGO established its 1st cargo terminal in May 1981 with 50,000 SQM area and a capacity of 120,000 tons / year (an additional area of 9600 SQM has been recently added to Cairo cargo terminal to improve the cargo flow and increase capacity).
- In September 1991 another cargo terminal at Alexandria International Airport was established with a capacity of 20,000 tons / year to better serve the northern region of Egypt. Both terminals are connecting their operations through a surface transportation in addition to the domestic flights.
- A third cargo facility with capacity of 30,000 tons /year has been constructed at the industrial zone of the 10th of Ramadan City-45 minutes from Cairo cargo terminal, the facility is not operated yet.
- In February 2006, another cargo terminal at Luxor International Airport was established sharing 50 % with Egyptian Airports Company with a capacity of 20,000 tons / year to better serve the southern region of Egypt.
- EGYPTAIR CARGO now boasts a team of more than 1338 employees serving 30 international airlines from Cairo, 10 international airlines from Luxor and 15 international airlines from Alexandria
- EGYPTAIR CARGO is expected to double its storage capacity within the next two years as EGYPTAIR CARGO has a significant role in developing and operating Cairo international airport as a 'hub' airport. It is also planned to carry out the project of extending the current cargo facility towards the ramp adding an area of 15,000 square meters to current complex, this project was set as a replacement of the future expansion areas stated in National Strategy concerning the extension of EGYPTAIR CARGO facilities at Cairo airport
- EGYPTAIR CARGO extended their business to include the managing and operating of other related Projects like the Perishable Center at Cairo Int'l Airport in conjunction with HEIA (Horticulture Export Improvement Association) Community.

EGYPTAIR CARGO has signed many special prorate agreements with 25 large airlines: Astral Aviation LTD, SA Airlink d/b/a South African Airlink, American Airlines Inc, Air France, Biman Bangladesh Airlines, China Airlines, Czech Airlines, Air China Ltd, Ethiopian Airlines Enterprise, Hong Kong Airlines Limited, Hainan Airlines Comp Ltd, Japan Airlines International Co Ltd, Korean Airlines Co Ltd, LOT-Polish Airlines, Malaysia Airline System Berhad, Air Macau Company Limited, Brussels Airlines, Aeroflot Russian Airlines, Qantas Airways Ltd, Saudi Arabian Airlines, Srilankan Airlines Ltd, Swiss International Airlines Ltd, Virgin Atlantic Airways Ltd, Asiana Airlines Inc, and Thai Airways International Public Company Ltd in order to serve more destinations worldwide and increase the load factor on its flights.

Key Performance Indicators 2015/2016

EGYPTAIR Market Share 2015/2016 vs 2014/2015

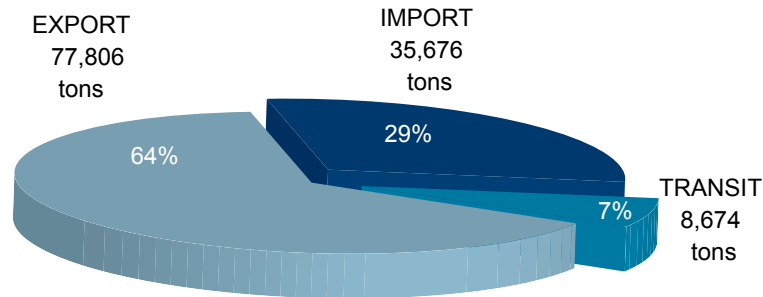


Total market weight (Inbound & Outbound) decreased from 311,383 tons in the financial year 2014/2015 to become 298,578 tons in the financial year 2015/2016.

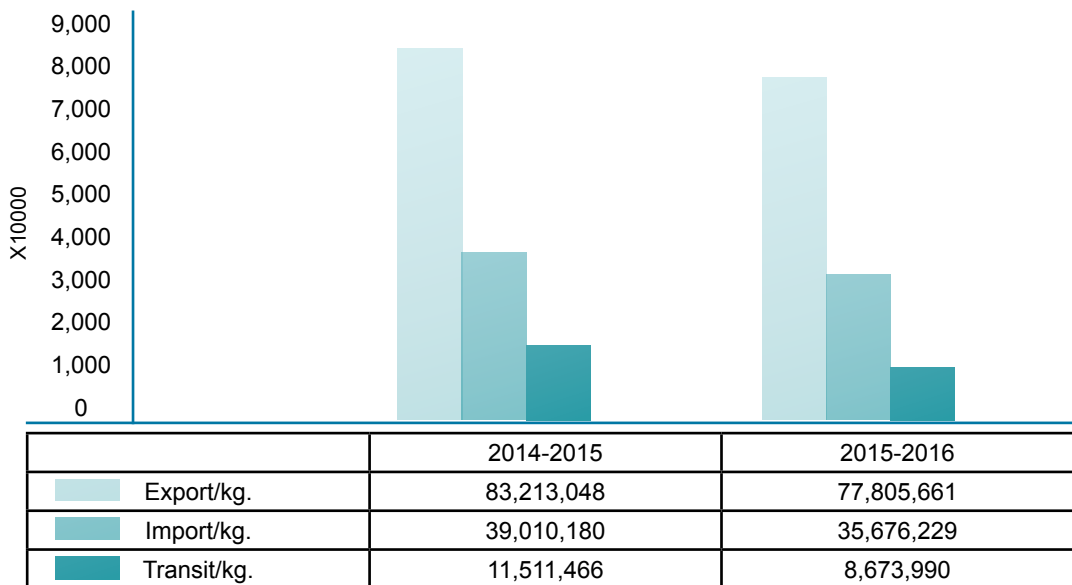
| Total Cargo Carried 2015/2016 | | | |
|-------------------------------|------------|------------|------------|
| | Freighter | bellies | TOTAL |
| Export/kg. | 16,591,938 | 61,213,723 | 77,805,661 |
| Import/kg. | 15,401,344 | 20,274,885 | 35,676,229 |
| Transit/kg. | 2,945,955 | 5,728,035 | 8,673,990 |



EGYPTAIR CARGO Terminals cover Egypt from North to South



Total CARGO 2015/2016 vs 2014/2015



A 6% decline in export cargo traffic was registered, exports recorded 77,806 tons in FY 2015/2016 versus 83,213 tons same previous level,

While imports recorded 35,676 tons in FY 2015/2016 compared to 39,010 tons same previous level by a decrease of 9%. As for transit shipments, 8,677 tons were recorded in FY 2015/2016 compared to 11,511 tons same previous level by a decrease of 25 %.

The main reasons behind that:

- Embargo imposed to USA and Canada.
- The impact of embargo on traffic directionality potentials.

However a surplus of 127 million EGP (after taxes) was achieved in FY 2015/2016; this was done by implementing alternate plans to attract new business especially that of high yield.



Experience Our Efficiency

During fiscal year 2015/2016, EGYPTAIR MAINTENANCE & ENGINEERING (EGME) achieved a surplus of 199.702 million EGP.

Board of Directors

Eng. Abu-Talib Tawfik Abu-Talib
Chairman and CEO

Mr. Mounir Abd El-Wahab El-Zahed
Chairman & CEO, Banque Du Caire

Eng. Mohammed Tarek Mahmoud Gholam
Chairman Assistant,
EGYPTAIR Maintenance & Engineering

Mr. Sherif Kamal Abdel Galeel
Head of the Financial Sector
EGYPTAIR Holding Company

Capt. Hesham El-Sayed Ibrahim El-Deeb
EGYPTAIR Airlines, Chairman Deputy

Eng. Mohamed Samy
Board Member, Accountable Manager

Eng. Khaled Mohammed Ahmed Omar
Director of Advertising & Communication,
EGYPTAIR Maintenance & Engineering

Eng. Alaa El-Din Ahmed Hashem
Board Member, Syndicate Representative

Mr. Taha Mohammed Metwally El-Heresh
Board Member,

EGYPTAIR Maintenance & Engineering

Mr. Wael Mohammed Abdel El-Kareem
Board Member,

EGYPTAIR Maintenance & Engineering

EGYPTAIR Maintenance & Engineering (M&E) is the only full-maintenance, repair and overhaul (MRO) service provider in Egypt. EGYPTAIR M&E adapts a comprehensive strategy to be a reputable affiliated MRO using well-developed solutions and maintenance services to support its customers covering different types of aircraft, aircraft's engines & components. EGYPTAIR M&E is committed to support EGYPTAIR operators. EGYPTAIR M&E works under the approval of the Egyptian Civil Aviation Authority, as well as, EASA Part145 and FAR Part145 approvals. EGYPTAIR M&E has an authorized capital of 500 million EGP.

Solutions & Services Portfolio:

Continuous Airworthiness Management

Extensive range of tailored solutions are provided; taking into considerations operator's technical, operational, financial and regulatory aspects including but not limited to:

- ➔ Aircraft acquisition support including technical definitions, options selection, warranty and guarantee terms, safe life policy definition, etc.
- ➔ Aircraft Leasing Support
- ➔ Fleet Management
- ➔ Registration Support
- ➔ Continuous Airworthiness Management
- ➔ Maintenance Planning & Scoping
- ➔ Assets Deliveries and Redeliveries Management.

➔

Airframe Maintenance

- ➔ Providing all Ramp/Line Maintenance not only at base which is Cairo International Airport, but also at all domestic airports and many international airports.
- ➔ Providing light and heavy maintenance activities including maintenance checks, modification embodiment, striping & painting and repairs.
- ➔ EGYPTAIR M&E maintains the capability for the following aircraft types:
 - Airbus aircraft types: A320 Family, A340/A330 Families, A300-600 and A300B4
 - Boeing aircraft types: B737-Classic, B737NG, B777series & B767, B757
 - Embraer aircraft types: E170/175 & E190

Engine Maintenance

EGYPTAIR M&E maintains the following Engines types:

- ➔ V2500 A1/A5 and CFM56-5C with the scope of quick engine change (QEC), strip & build, modular replacement and engine core overhaul.
- ➔ CFM56-3C, PW 4090/4158 and Trent 700 with the scope of quick engine change (QEC), strip & build and modular replacement.

Components Maintenance & Support

- ➔ EGYPTAIR M&E provides components maintenance services for a wide range of aircraft components such as mechanical components (hydraulics, brakes, wheels) and avionic components (ATEC, Radio instruments, electrical systems)
- ➔ EGYPTAIR M&E also offers components support solutions including access to components pool, loan & exchange options, repair management and warranties & guaranties management

Calibration Services

- ➔ EGYPTAIR M&E has the capacity to calibrate many types of measurement instrument and devices such as:
- ➔ Electrical instrument and devices: DC/AC voltage, electrical current and resistance
- ➔ Pressure instrument and devices: Gas and hydraulic gauges
- ➔ Frequency
- ➔ Torque

Non Destructive Testing (NDT)

EGYPTAIR M&E provides NDT services using eddy current inspection, ultrasonic inspection, X-ray and gamma ray inspection, penetrant inspection, and magnetic partial inspection.

Certifications & Accreditations

- ➔ EGYPTAIR M&E holds and maintains the following accreditations & certifications which governs the continuous compliance in reference to related regulations and standards:

- ECAA Part 145 (approval Certificate no. EGYPTAIR/AS/01/98)
- EASA Part 145 (approval certificate no 0290)
- FAR part 145 (approval Certificate no. 3EMY437B)
- Calibration Laboratory (ISO 17025)
- U.S. Department of Transportation (DOT)

In addition to many local Authorities approvals that enable EGYPTAIR M&E to provision its services to its customers.

- ➔ EGYPTAIR M&E acts as Embraer Authorized Aircraft Service Center for EMB-170/-190, granted by Embraer, the regional aircraft manufacturer.
- ➔ EGYPTAIR M&E is an approved partner of Boeing for the installation of Blended Winglet for B737 Classic/NG aircraft.
- ➔ EGYPTAIR M&E acts as B/E Aerospace Approved Service Center for Galley Inserts in the African continent.

In 2015/2016, EGYPTAIR MAINTENANCE & ENGINEERING (EGME) sustained its growth with more than 2 billion EGP turnovers; while prompted the profit margin (before tax) to 12% supported by active actions to optimize costs & expenses.

Following EGME strategy to leverage the total income through increasing the third party business, EGYPTAIR MAINTENANCE & ENGINEERING managed to achieve a breakthrough by recording a 30% contribution with an impressive growth of 67% when compared to 2014/15. This growth had been powered by the intelligent deployment of EGME competencies across targeted markets to support the progressive growth of our clients' operation.

EGYPTAIR MAINTENANCE & ENGINEERING impressively maintained its international approvals & accreditations by following worldwide-recognized standards to secure its clients' requirements, thanks to the performance of the company; its qualified staff & the dedicated commitment of the management team.

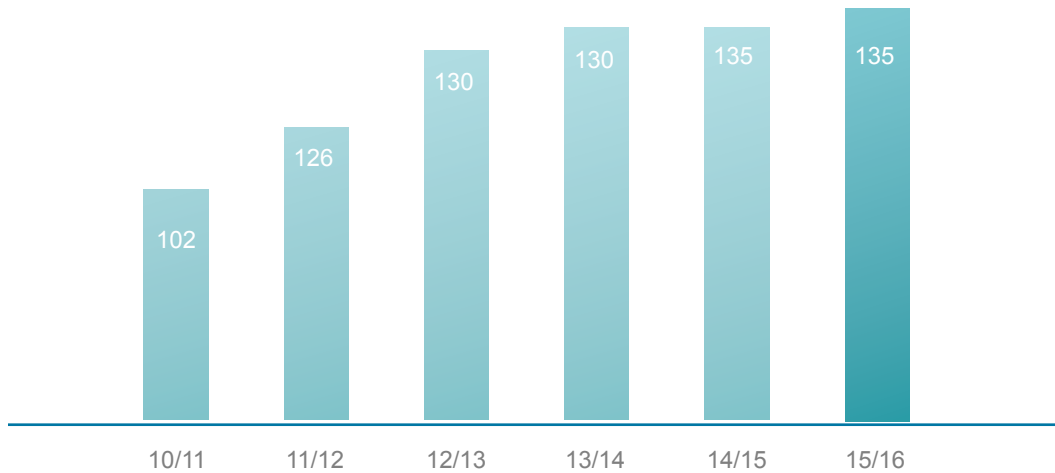
EGYPTAIR MAINTENANCE & ENGINEERING is currently implementing ambitious Transformation Program to modernize the technology platform as well as adding new facilities to enable the company to achieve its vision of being the leading MRO in the region.

Performance Highlights

Customers Base

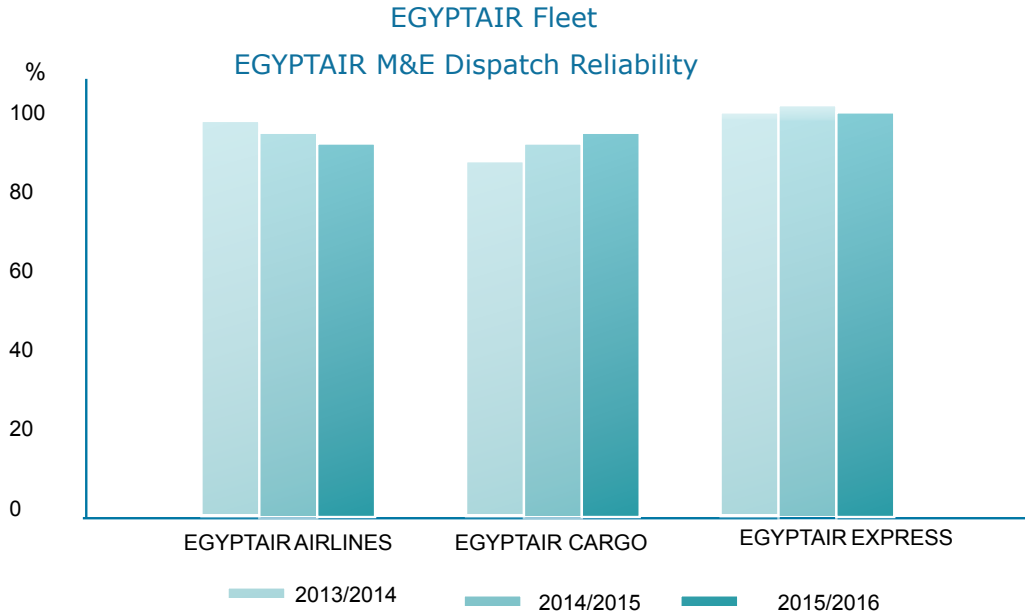
In 2015/2016, EGYPTAIR M&E maintains its customer base at the level of 135 contracted customer across its active business streams.

EGYPTAIR M&E Customer Base



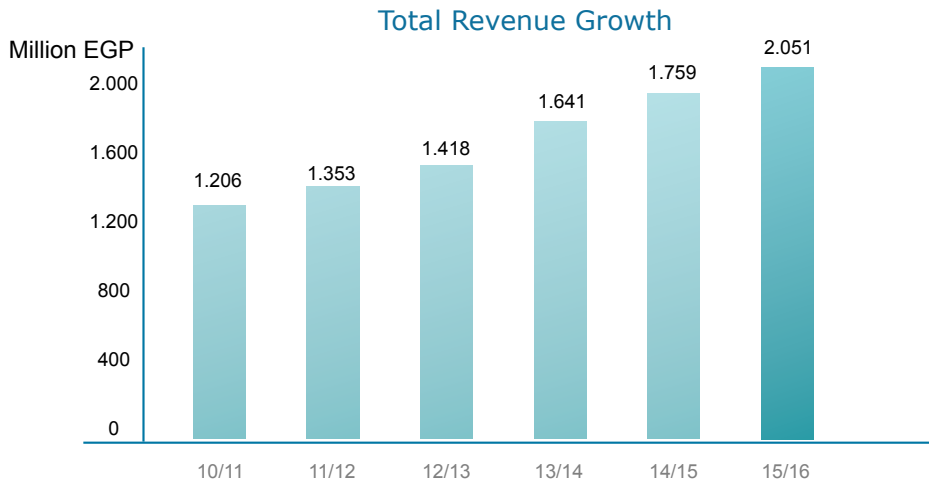
Technical Dispatch Reliability for EGYPTAIR Fleet

EGYPTAIR M&E maintained the Technical Dispatch Reliability for all EGYPTAIR's fleet types

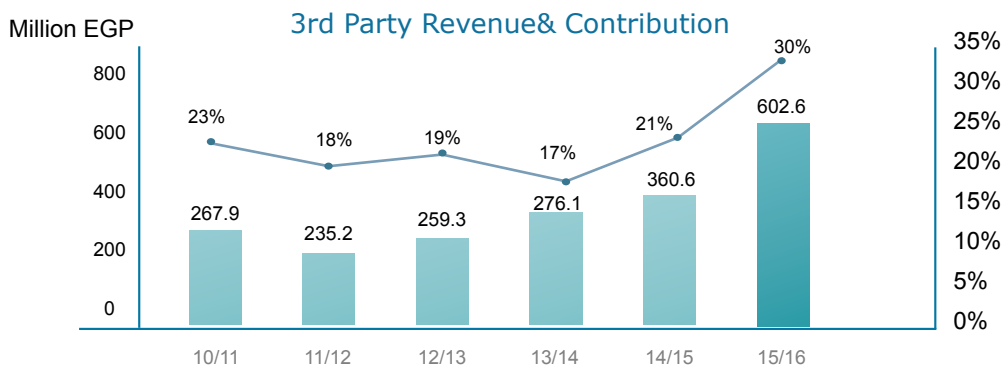


Financial Performance

EGYPTAIR M&E achieved a positive growth rate for the Total Revenue of 16.6% increase, relative to the previous fiscal year



EGYPTAIR M&E grew aggressively its third party revenue by 67% to count for 30% of Total Revenue



New & On-going Projects

Facility Master Plan

EGYPTAIR M&E, following its long-term master facility plan, successfully accomplished the renovation and development of one of its main heavy maintenance facilities and getting ready to move some activities to the new state-of-the art complex in Terminal # 3

ICT Modernization

EGYPTAIR M&E selected a new modern MRO IT solution to replace its legacy system, as one of EGYPTAIR M&E's Transformational Program milestones, while successfully migrated to new ERP solution to manage financial activities.

Development Stages

- 2002, EGYPTAIR M&E became a separate business entity as a subsidiary of EGYPTAIR Holding Co.
- Early 2006, EGYPTAIR M&E obtained the EASA Part 145 approval for Line Maintenance activities.
- September 2006, EGYPTAIR M&E elevated the rating of EASA approval by adding the Base Maintenance activities (Airbus types)
- September 2007, EGYPTAIR M&E expanded the EASA approval to cover Boeing types.
- End of 2007, EGYPTAIR M&E fulfilled ISO 9001:2000 requirements to be a certified organization, also the calibration lab was certified according to ISO 17025
- Early 2008, EGYPTAIR M&E celebrated the opening of brand new Engine Overhaul Workshop.
- March 2008, EGYPTAIR M&E obtained the EASA approval for the new Engine Overhaul Workshop.
- December 2008, EGYPTAIR M&E celebrated the releasing of first CFM56-5C engine, according to EASA 145 release to service certificate.
- May 2009, EGYPTAIR M&E was nominated "The Best Airline Third Party MRO" in the yearly Aviation Industry Awards.
- June 2009, EGYPTAIR M&E celebrated the inauguration of a new company, Egypt Aero Management Service (EAMS), a joint venture between EGYPTAIR Holding, EGYPTAIR M&E and Rolls Royce.
- End of 2008/2009 fiscal year, EGYPTAIR M&E hit limit of 1 billion EGP as total revenue.
- June 2010, EGYPTAIR M&E was approved as B/E Aerospace Service Center for Galley Inserts in the African continent.
- April 2011, EGYPTAIR M&E obtained the FAA approval under FAR 145 as an approved Repair Station
- End of 2011, EGYPTAIR M&E joined Embraer aircraft services network as authorized service center for the EMBRAER 170/190 family in the region.
- May 2012, EGYPTAIR M&E launched its new Line station in Baghdad, IRAQ to support IRAQI Airways operation.
- May 2013, EGYPTAIR M&E opened the Integrated Drive Generator (IDG) units test workshop after renovation.
- August 2015, EGYPTAIR M&E launched a project for adding the overhaul capability for engine type CFM56-7B
- November 2015, EGYPTAIR M&E signed a Joint venture agreement with Global Aerotec, South Africa, to launch a technical base at Johannesburg.
- June 2016, EGYPTAIR M&E take delivery of its new complex in Terminal # 3 to mobilize it for opening in 2016/2017



Taste of Freshness

During the fiscal year 2015/ 2016, EGYPTAIR IN-FLIGHT SERVICES achieved sales of 491 Million L.E and showed profit of 27.00 Million L.E.

Board of Directors

Mr. Ashraf Hamdy

Chairman and CEO EGYPTAIR IN-FLIGHT SERVICES

Mr. Mohamed Nassar

G.M HILTON Pyramids Golf Resort

Cap. Mohammed Mostafa El-Shorbagy

General Manager of Safety and Quality Sector

Cap. Sherif Khalil

Head of Operation Sector

EGYPTAIR AIRLINES

Mr. Alaa Eldien Mohammed Abdallah

Vice President Air Hospitality Sector

EGYPTAIR AIRLINES

Mr. Tarek Mostafa El-Sheikh

Planning and Marketing GM

EGYPTAIR IN-FLIGHT SERVICES

Mr. Hazem Ahmad Abdelrahman

Director of Operation

EGYPTAIR IN-FLIGHT SERVICES

Mr. Ramadan Tantawy

Chairman Consultant

EGYPTAIR IN-FLIGHT SERVICES

Mr. Mohamed Ahmad Abd Elhakim

Treasurer

EGYPTAIR IN-FLIGHT SERVICES

Mr. Osama Taha

Syndicate Representative

EGYPTAIR IN-FLIGHT SERVICES

EGYPTAIR IN-FLIGHT SERVICES was originally founded in 1947 to handle the catering services for EGYPTAIR fleet as well as the foreign carrier's aircraft in Cairo International Airport. It evolved throughout the years from Catering Service Section in United Arab Airlines at 1958 until it became a subsidiary of EGYPTAIR HOLDING under the name EGYPTAIR IN-FLIGHT SERVICES in December 2002. The company witnessed great developments in its fields of activities. It grew to include not only catering services but also Sales on Board, Cafeterias and Restaurants, Event Catering, Laundry Services, Washing Equipment, Dry Ice from our factory, beside Loading/ Offloading Services. All the aforementioned activities are carried by approximately 2800 devoted employees. Throughout the phases that EGYPTAIR IN-FLIGHT SERVICES has undergone, it proved paramount success in catering services for multifarious airlines inside and outside Egypt.

EGYPTAIR IN-FLIGHT SERVICES is keen on complying with all international requirements of food manufacture and focuses on obtaining & maintaining the certificates of:

- ISO 9001 Certification of Quality Management System
- ISO 22000 Certification of Food Safety Management System
- Legislations of the Civil Aviation Authority ECAR301 SUBPART A 301-3-C.

EGYPTAIR IN-FLIGHT SERVICES has sustained a high performance level throughout the years. Our performance is translated through the high quantities in production as we produce around 8,000,000 meal/ year with an average of 20,000 meal/ day to cater EGYPTAIR flights. Moreover, we serve a number of other airlines in Cairo International Airport. As for our domestic catering units - Sharm El Sheikh Unit, Hurghada Unit and Borg El-Arab international airport, EGYPTAIR IN-FLIGHT SERVICES manages (16) cafeterias, (3) restaurants and (11) lounges in Cairo International Airport and for domestic airports, we manage around (26) cafeterias (3) restaurants and (1) lounge in Suhag, Borg Al Arab, Assiut and Hurghada Airports. EGYPTAIR IN-FLIGHT SERVICES has sustained a high performance level in the quality of meals as they are in line with the international standards of quality and hygiene. These meals vary in their type to meet the different needs of the passengers such as Diabetic Meal, Gluten Free Meal, Low Calorie Meal...etc.

During the fiscal year 2015/ 2016, EGYPTAIR IN-FLIGHT SERVICES achieved sales of 491 Million L.E and showed profit of 27 Million L.E.

EGYPTAIR IN-FLIGHT SERVICES allocated a budget of 26.55 Million EGP to developmental projects in the company's facilities that will be executed in 2015/ 2016



whether in Cairo, Sharm El Sheikh, or Hurghada catering units or the company's cafeterias, as planned, 96% of different planned projects were done. This shows that boosting the investments in the company is a priority which will increase the profits in the future.

Currently, Cost Control is important policy that the company is focusing on. Systems related to this policy are applied in different departments of the company and production areas. This reflected positively on the total cost as it decreased by 12% less than expected.

Main Projects

- Renewing the high loader fleet as 4 high loaders were purchased (German Brand DOLL). Purchase 4 new high loaders every year for a period of 3 years in order to achieve the required balance in loading the flights.
- Improving and dividing the production area as well as amending and updating its geometrical side to comply with the current operating requirements.
- Regarding the Upgrading of the building’s infrastructure, the following had been done:
Enhancing the arrival area by installing new refrigerators to preserve any food or drinks until they are sorted. In addition, the arrival area became an enclosed one to achieve a higher safety level.
- Expanding the event catering activities as a new conference room was established (capacity of 100 persons), in addition to the establishment of three VIP areas for the company’s guests.
- As for the cafeterias’ activities (Aero Café), new sites were opened at IOCC, Egyptian company for Aviation, and Aero Sport Club.
- Expanding the activities through establishing an outlet aiming to present its services with low prices for the employees in the airport area.





Efficiency In Performance

EGYPTAIR GROUND SERVICES is proud to Implement an Enterprise Risk Management covering all company activities.

Board of Directors

Mr. Ahmed Mohamed Shaheen

Chairman and CEO

Mr. Mahmoud Abd Al-Samee

Head of Financial and Economic Affairs Division
Egyptian Airports Holding Company

Mr. Salem Salem Hassan

Consultant of Chairman
EGYPTAIR HOLDING Co.

Mr. Bahader Said Hassan

Head of Legal Affairs Division
EGYPTAIR HOLDING Co

Mr. Adel Mohamed Helal Mohamed

Assistant of Stations Division Head
EGYPTAIR AIRLINES

ENG. Refaat Ma'moun El-Bastawesy

Consultant of Chairman
EGYPTAIR GROUND SERVICES Co.

Mr. Osama Taha Abd-Alrahman

Deputy Head of Operation Division
EGYPTAIR GROUND SERVICES Co.

Mr. Amr Waheeb Mohamed

Legal Affairs General Manager
EGYPTAIR GROUND SERVICES

Mr. Mansour Khalil Al-Shershaby

GSE Operator - Operation Sector
EGYPTAIR GROUND SERVICES Co.

Mr. Salah Ibrahim Khoreshy

Syndicate committee Head

During the year 2015/2016, EGYPTAIR GROUND SERVICES Company provided ground services for 143,382 flights of 224 airlines, about 10 million passengers, 194,236 tons of cargo and 25 million pieces of baggage using 1,244 equipment and 5,501 efficient well trained staff in accordance with IATA and ICAO regulations.

EGYPTAIR GROUND SERVICES is an ISAGO Certified Provider since 2007 besides being ISO9001/2008 certified. EGYPTAIR GROUND SERVICES constantly strives to satisfy customer requirements using the highest international techniques according to IATA AHM804 to help measure the level of compliance of Service Level Agreement SLA in the main stations.

Through the previous years, EGS is proud to:

- Be ISAGO certified provider at Cairo, Sharm El-Sheikh, Hurghada, Luxor, Aswan and Borg Al-Arab stations.
- Be successfully AHM804 Certified from IATA consultants to implement a sustained continuous improvement of the relation with customer airlines at Sharm El sheikh, Hurghada and Luxor stations.
- Implement an Enterprise Risk Management covering all company activities.
- ISO 9001-2008 certified for quality systems.
- Start implementing an Enterprise Resources planning system with Oracle.
- Be in the process to implement an Enterprise Resources Management system for available manpower and equipment.

Through the coming years, EGS is looking forward to achieving the following:

- Complying with ISAGO in all stations.
- Implementing ISO14001.2004 & ISO18001.2007

EGYPTAIR GROUND SERVICES provides full scope of ground handling services that includes:

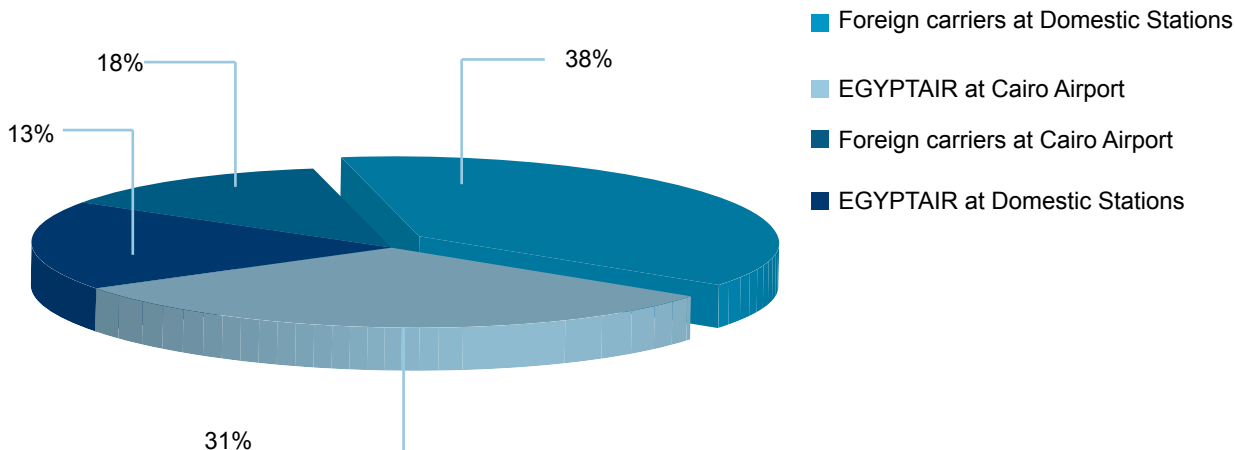
1. Passenger and baggage handling.
2. Ramp handling for all kinds of A/C.
3. Loading and unloading for all types of A/C.
4. Crew and employees ground transportation.
5. Maintenance and repair up to overhaul for all types of airport ground equipment.
6. Representation of our customers covering :
 - a) Supervision of ground services provided for flights on behalf of the customer airlines.
 - b) A/C Catering and security services.
 - c) A/C Fueling and maintenance.
 - d) Landing permission and Airport authorities' fees payment.
 - e) Hotel accommodation and medical care for the crew.



Performance Highlights:
 No. of services provided by EGYPTAIR GROUND SERVICES
 During the year (2015)

| Description | Cairo Airport | | Domestic stations | | Total |
|-----------------|------------------|----------|-------------------|----------|---------|
| | Foreign Carriers | EGYPTAIR | Foreign Carriers | EGYPTAIR | |
| No. of services | 45,462 | 79,300 | 95,444 | 32,516 | 252,722 |

**Percentage of Services provided by
 EGYPTAIR GROUND SERVICES**



1. EGYPTAIR GROUND SERVICES provided 111,816 services to EGYPTAIR AIRLINES and EGYPTAIR EXPRESS representing 44% of total services.

- 79,300 services at Cairo airport (31% of total services).
- 32,516 services at the domestic stations (13% of total services).

2. EGYPTAIR GROUND SERVICES provided 140,906 services to Foreign Carriers (Any other airlines out of EGYPTAIR Group) representing 56% of total services.

- 45,462 services at Cairo airport (18% of total services).
- 95,444 services at the domestic stations (38% of total services).

3. EGYPTAIR GROUND SERVICES achieved 77.6% Market Share of total ground services provided at the Egyptian airports.



EGYPTAIR GROUND SERVICE Customers

| REF | Particulars | 2014/2015 | 2015/2016 |
|-------|--------------------------------|-----------|-----------|
| 1 | Full handling | 42 | 40 |
| 2 | Ramp handling | 111 | 92 |
| 3 | letter of agreements | 13 | 13 |
| 4 | Over flying carriers | 3 | 3 |
| 5 | Carriers served through agents | 76 | 76 |
| Total | | 245 | 224* |

* The suspicious crash of a Russian jet in Egypt 2015 had a profound impact on the country's tourism industry, airlines from Russia and other European countries such as UK, Germany and Netherlands halted flights to Sharm El- Sheikh and other Egyptian airports that led to an obvious decreasing in the number of customer airlines for the year 2015/2016.

New Projects:

1st Project

Modernizing and increasing the equipment fleet to ensure competitive service Quality & to cover the core business growth requirements and replacement plan.

Actual Cost of 2015/2016: EGP 30.88 millions

Projected Cost for 2016/2017: EGP 2.247 millions

2nd project

Enhancement of the work space infrastructure, environment through upgrading and building workshops, staff accommodation sites in Cairo and stations to reach staff satisfaction and good presentation of work.

Actual Cost of 2015/2016: EGP 15.22 millions

Projected Cost for 2016/2017: EGP 38.903 millions

3rd project

Enhancing company activities automation through spending about 22.35 million EGP during five years period to implement Oracle system, resources management system, application of information data center

Actual Cost of 2015/2016: EGP 4.62 millions

Projected Cost for 2016/2017: EGP 5 millions



www.dutyfree.egyptair.com



The Pleasure of Leisure

During fiscal year 2015/2016, EGYPTAIR TOURISM (KARNAK) & DUTY FREE resulted surplus 7.881 million EGP.

Board of Directors

MR/ Rada Aly Metwelly

Chairman and CEO

EGYPTAIR TOURISM & DUTY FREE

MR/ MOHSEN ABU EL- AZM

MD, GULF EGYPT COMPANY
FOR TOURISM & HOTELS

Mr. Mohamed Youssry Abd Allah

VP Commercial

EGYPTIAN AIRPORTS COMPANY

MR/ Wael Mohamed Kadry

VP Services

EGYPTAIR IN-FLIGHT SERVICES COMPANY

MR/ SAYED ISMAIL

Member at Board of Directors

EGYPTAIR HOLDING COMPANY

MR/ AYMAN FAWZY

Member at Board of Directors

EGYPTAIR TOURISM & DUTY FREE

MR/ ASHRAF ELSHAFIE

Member at Board of Directors

EGYPTAIR TOURISM & DUTY FREE

***Mr. Adel Abd El-Salam Ramadan**

Member at Board of Directors

EGYPTAIR TOURISM & DUTY FREE

MR/ AHMED ABDO SHEHATA

Member at Board of Directors

EGYPTAIR TOURISM & DUTY FREE

Mr. Aref Mohamed Khairy Abd El Hamid

Syndicate committee Head

Performance highlights

During fiscal year 2015/2016, the company achieved a sum of EGP 1.1 billion as total revenue (share of Duty free division is 88% and 12% of tourism division), against a sum of EGP 1.09 billion as total expenditure and expenses with a net profit of EGP 7.881 million after Tax.

Our company has been affected by the crash of Metro jet flight on October 31st, 2015 over Sinai peninsula, which brought about dramatic results on the company business especially on its locations in Hurgada and Sharm El-Sheikh, that deepened the company business distress due to the huge decrease in passengers figures coming to Egypt from USA & EUROPE and finally, the political unrest and economic distress in almost all of Arab countries. As a direct result for this situation, the company revenues declined among this period.

EGYPTAIR TOURISM (KARNAK) & DUTY FREE introduces new services for their customers, starting from the mobile application which familiarizes the customers with the latest items available at the different duty free locations of EGYPTAIR at the Egyptian Airports, the website to provide more information about company's activities, in addition to products and services in a more detailed way and finally Creating Duty Free Customer service department:

To assure best service delivery to our customers.

To provide a quick handling for any complaints.

To organize podium operations.

New and on –going projects

1) Our company Duty Free complex (administrative building, warehouses and a multi-store garage) next to terminal 3 (Cairo International Airport) :

- Implementation of the project has been postponed until business conditions get improved.
- The project cost is distributed on fiscal years (2016/2017 - 2017/2018- 2018/2019), with a total cost of EGP 130 million.

2) Modernization of tourist transport fleet: 2 tourist transfer buses have been actually purchased.

3) Modernization of Duty Free commodity transport fleet with a total cost of EGP 4 million: Implementation of the project has been postponed from fiscal year 2015/2016 to FY 2016/2017.

4) Creating new locations of Duty Free at Cairo International Airport (TB2): Part of this project has partially finished as follows:

- 3 shops in the arrival hall.
- 2 shops in the departure hall.





Services for Better Life

Deliver Best Quality Medical services in Egypt According to high standard Level like the developed countries

Board of Directors

Dr. Adel Mazrou'

Chairman & CEO

EGYPTAIR MEDICAL SERVICES

Dr. Tarek Ali Ahmed El shahawy

V.P Medical

EGYPTAIR MEDICAL SERVICES

Dr. El Zaher Hassan El Zaher

Member of the Board

Mr. Abd El Hameed Salama Mersal

VP Human Resources

EGYPTAIR HOLDING

Mr. Sayed Ismail

Member of the Board

Mr. Adel Eliwa Youssef

Administrative Services Manager

EGYPTAIR MEDICAL SERVICES

Mr. Sayed Aboud Mahrous Dabour

EGYPTAIR MEDICAL SERVICES

Mr. Mohamed Sayed Tawfik Hassan

Head of Syndicate Committee

EGYPTAIR MEDICAL SERVICES

EGYPTAIR MEDICAL SERVICES started out by offering its services only to EGYPTAIR employees and their families. Later on, its services were extended to cover all civil aviation field workers. Currently, services are offered to public either from Egypt or from abroad to deliver the best quality of medical services according to international standards. Tailoring medical tourism programs to attract patients especially from Africans countries to be treated in our hospitals. It is to be noticed that we attended World Health Tourism Congress in Dubai during October 2016. We were accredited for our efforts in medical tourism.

Internal Review

- Upgrading Surgery & Oncology Departments.
- Adding to the Ophthalmology department the newest LASIK machine for correcting eye vision measurements & treating deformations concerning the eye medicine.
- Upgrading the rehabilitation & physiotherapy Department.
- Upgrading emergency department (ER) through qualified staff of specialists & experts.
- Staff training either for administrative employees or medical sector.
- Advanced surgical operative theater (second floor) on the general surgery, obstetrics & gynecological surgeries.
- Creation of four new medical units: Stroke Unit, Intestinal Haemorrhage Unit, Hypertension, and Diabetology Unit.
- Upgrading the Shock Wave lithotripsy Unit.
- Introducing Shock Wave therapy for orthopedic cases.
- Establishing minimal Invasive Therapy Unit for treatment of backache without surgical intervention.
- Nephrology Department has been upgraded with new modern hemodialysis systems.
- Radio diagnosis Department has been equipped with new open MRI unit as well as high precision CT-scan



system.

- The completion of renovating hospital interface and entrances.
- Raising the efficiency of hospital infrastructure.
- Updated information network profile.
- Upgrading and automation of the hospital's communication network.
- Developing catering for patients' diets and meals and establishing a restaurant for physicians and staff.
- Automating all hospital systems, financial or administrative activities, as well as medical records and patients filing systems.
- Femto – Lazer Surgical Department.
- Kidney Dialysis Instruments (14 machine).

External Review

- Establishing a VIDEO CONFERENCE and TELEMEDICINE system at EGYPTAIR HOSPITAL to allow the exchange of opinions with French and international experts and to allow French consultants to give live updated lectures.
 - Creation of a schedule for the visit of medical experts coming from our French partner George Pompidou hospital and from other international institutions to offer the best medical services to our customers.
 - Signing contracts with experienced seniors of Egyptian or international consultants and medical professors.
- During FY 2015-2016, the hospital has received an average of 80 cases per day. About 2134 successful catheterization cases were done since October 2005, 48 Liver transplant surgeries since 2007, with 91% success rate, 201 successful major open heart surgeries and 108 successful minor open-heart surgeries. Concerning developing our staff, EGYPTAIR Medical Services conducted 80 training programs for doctors, 67 for nurses and 267 for administrative employees.





Board of Directors

Eng. Hesham Abd El-Hafeez Soleiman

Chairman & CEO

EGYPTAIR's Supplementary Industries

Eng. El-Sayed Faisal Mohammed

Civil Aviation minister consultant

Eng. Hussein Abdul-Halim Al-Refaaey

Civil Aviation Expert

Eng. Mosaad Mohammed Mossa

Member of the Board of Directors

Mr. Tarek Ragaa Al-Desouky

Operation head sector

EGYPTAIR In- Flight Services Co.

Eng. Adel Kamel Mansour

The Plastic factory General Manager

EGYPTAIR's Supplementary Industries

Mrs. Amani Mahmoud Sabry

Mgr. of Social Insurance Dept.

EGYPTAIR Supplementary Industries

Mr. Mohammed Sayed Abdullah

Technician

EGYPTAIR Supplementary Industries

Yahia Abd Al-Fattah Mohammed Abd Al-Fattah

Member of the Board of Directors

Mr. Talaat Mohammed El-Nady

Representatives of EGYPTAIR labor union committee

EGYPTAIR Supplementary Industries Company (EASI) always seeks to provide the most competent services to ensure the satisfaction of its customers. The company is ISO 9001:2008 certified for AeroPlast, which is also certified by Egyptian Civil Aviation Authority (ECAA) for aircraft cabin interior parts production, and its flammability lab is also certified by the Egyptian Accreditation Council (EGAC) as it meets the ISO/IEC 17025-2005 requirements. EGYPTAIR Supplementary Industries Company comprises four different factories Printing House, Uniform and Leather, Plastic Products and wooden Furniture products.

[AeroPrint](#)

AeroPrint is a modern printing house with the latest technologies to cover all EGYPTAIR's needs. The AeroPrint production process starts with a team of professionals who create designs and continues through the montage process and printing. After printing is completed, on high-tech machines, the product goes through a finishing process at the packaging section. All stages are subject to inspections, which assure the product quality.

[AeroFashion](#)

AeroFashion is a ready-made clothing factory, which uses the latest designs and sewing machines to satisfy all needs of EGYPTAIR for employee's uniform and shoes in addition to its customers. AeroFashion produces uniform for industrial, medical and hospitality wear.

From the conception of an idea to the final product, AeroFashion focuses on quality and is dedicated to give its customers unbeatable value by offering fashion and quality at competitive prices.

[AeroPlast](#)

AeroPlast produces all plastic items used for in-flight catering services. AeroPlast also provides pre-packed items using a selection of materials, which meet the international quality standards. The company has also established a line for manufacturing interior aircraft cabin parts which are reviewed and certified by the Egyptian Civil Aviation Authority. The factory operates a variety of production lines which are:

- Plastic rolls production line to produce sheets for thermoforming products.
- Thermoforming production line to produce items such as lunch box, sandwich container, bowl, lid...etc.)
- Injection production line to produce items such as tray, cup, plate, bowl, lids... etc).
- Filling and Packing production line to produce items such as refreshing towel, sachets (sugar-creamer-salt-pepper), cutlery packing...etc.
- aluminum foil food container production line.



In addition, a unique CNC complex produces all kinds of molds. AeroPlast is equipped with three key machines for the manufacturing of molds, which serve all the production lines.

[Flammability Test Lab](#)

The flammability test lab measures the ignition resistant properties for aircraft interior cabin parts materials, protective clothing, tents, carpets, curtains, automotive interiors, electric wire insulation. EGYPTAIR Supplementary Industries Flammability Test Lab is accredited by the Egyptian Accreditation Council (EGAC) in compliance with the requirements of the ISO/IEC 17025:2005 international standards. EGYPTAIR Supplementary Industries Company plans to acquire additional approvals and certifications and is carrying on all pre-requisite preparations to meet the requirements.

[AeroWood](#)

Only the finest materials are selected and the best manufacturing processes are employed in the AeroWood furniture. AeroWood has the capability to manufacture all types of furniture (house, office and hotel furniture). The house furniture includes all classic or modern designs for bedrooms, dining, reception, kid's rooms and kitchens. In addition to the manufacturing of custom-made furniture, AeroWood can also carry out interior design and furnishing.

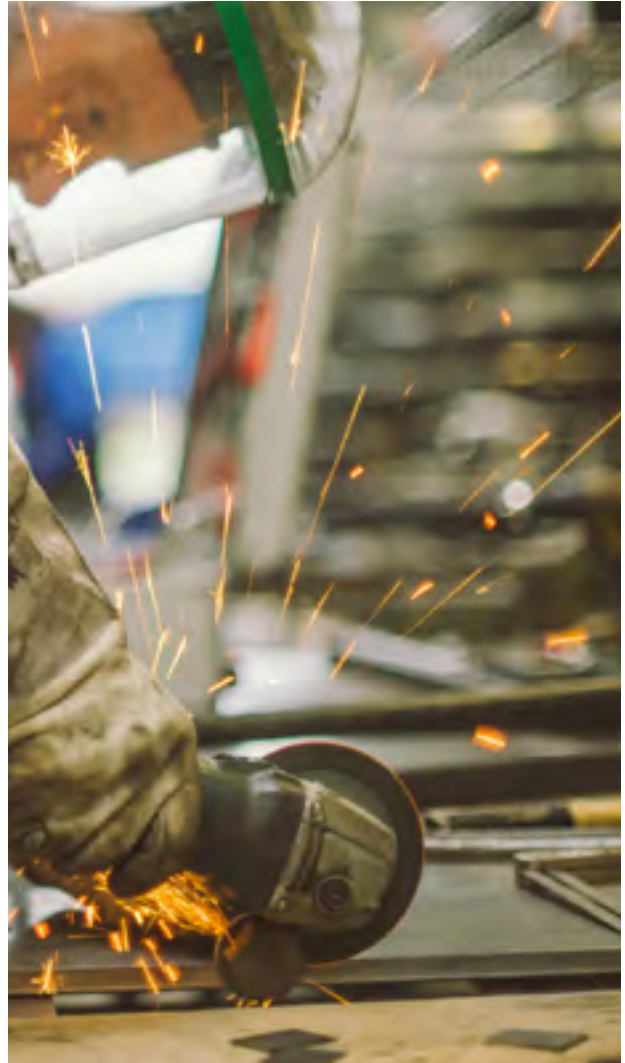
Performance Highlight

- It is approved by the company's General Assembly to transfer AeroMetal with all its assets, staff, activities and liabilities to EGYPTAIR Ground Services Company. This action is completed by a decision on 24/2/2016 which will have a positive impact for the revenues as this factory represents one of the main sources for the annual repeated deficits.

- The already existed certificates: ISO 9001:2008 for AeroPlast are renewed where it becomes certified as an Approved Production Organization for 190 aircraft cabin interior parts by the Egyptian Civil Aviation Authority. The Flammability Testing Lab, which is certified by Egyptian Accreditation Council (EGAC) according to the requirements of ISO/ICE 17025-2008, has got a renewal for this accreditation.

- The provision of aluminum foil food container to EGYPTAIR Airlines Company (the primary customer for the foil container), started on February 2016 as the production of this item started during the third quarter of the fiscal year 2015/2016 after installing the machines and conducting the staff training fulfilling the requirements of EGYPTAIR Airlines Company with a total investment of EGP 5M to produce annually 10 million foil containers.

- Increasing 3rd party revenues was a goal during the fiscal year 2015/2016 as it represents 4% from the company total income and it is expected to reach 6% during the fiscal year 2016/2017 as our marketing team has gone through many contracts with SS AIR, E.A.S for flight services, NILE AIR, NESMA AIRLINES, AL AHLY NATIONAL BANK, etc. that ordered a variety of our manufactured products (catering items- uniform- printed flyers-office furniture).



On- going project

- In addition, the approval to establish a production line for transparent plastic cup with new technology (thin wall injection) to reduce the cup weight is running where production is expected to start during the third quarter of the fiscal year 2016/ 2017.

- Also negotiations with EGYPTAIR Airlines Company to produce a paper cup for hot drinks reach an end and agreement done during 2015/2016 where production is expected to start during the second quarter of the fiscal year 2016/ 2017.

- A feasibility study to set up a production line for low and high density plastic bags for all purposes is completed. Arrangements take place for getting the machines. This line of production will be established and run into operation during the fiscal year 2016/2017.

- A store complex building is set-up to increase the storage area which becomes a necessary demand for storing the material and production needs for all our activities. This is expected to be completed by the fourth quarter of the fiscal year 2016/ 2017 with total investment of EGP 6.7M.

- There was an extensive study for each production unit to decide the root causes for the deficit and how to improve and develop the performance and also to increase the revenues. Such kind of study is already done for AeroFashion and it is planned to be carried out for other factories in the beginning of the fiscal year 2016/2017. We are looking to have a positive impact through work procedures improvement.



Corporate Social Responsibilities



- EGYPTAIR Cargo transported Eman Abdel-Aaty, world's most overweight Egyptian woman, through her treatment trip; from Burg Al-Arab to Bombay, then Bombay to Abu Dhabi.



- EGYPTAIR was the official carrier of the US Economic Competitiveness Forum held on March 29th, 2016.



- EGYPTAIR the Official Carrier of First National Youth Conference.



- EGYPTAIR participation Budapest Travel Market 2016



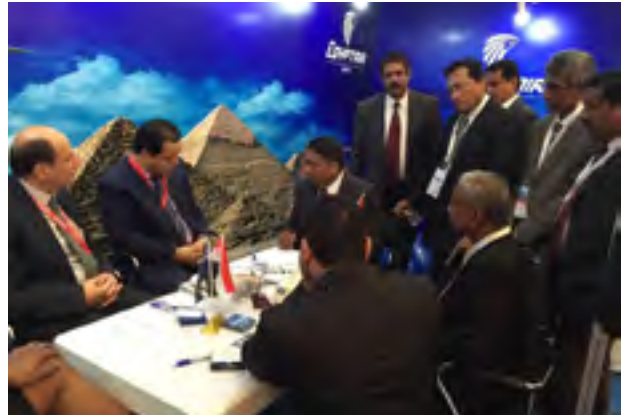
- EGYPTAIR was a sponsor of International Book Fair held annually in Cairo during both years 2015-2016 in the 46th and 47th sessions respectively.



-EGYPTAIR participation in China Outbound Travel & Tourism Market COTTM in APRIL 2016.



-EGYPTAIR hosted Egyptian female students studying in universities in German.



- EGYPTAIR Participation in Air Cargo China held in June 2016.



- EGYPTAIR Participation in the 29th session of the annual International Ground Handling conference held in Canada in April 2016.



- EGYPTAIR official Carrier to 105 of Al-Khatib Academy student during their visit to Barcelona in July 2016.



EGYPTAIR the official carrier of the International Forum of Telecommunications Organisation held in May 2016 in Sharm el-Sheikh.



- EGYPTAIR donation for a Well drilling in Chad in October 2016.



- EGYPTAIR Participation as an official carrier for the transportation of Egyptian commodities participating in Erbil Expo in October 2016.



- EGYPTAIR Participation in Fitur



- EGYPTAIR participation in London Travel Market 2016.



- EGYPTAIR the official carrier of the Egyptian Commodities expo held in Muscat 2015



- EGYPTAIR Participation in Philoxenia travel market in Greece.



- EGYPTAIR Participation In ITB Berlin 2015



A STAR ALLIANCE MEMBER 

