

- The airline contributes significantly to the export-oriented economy and carries some 35,000 tons of cargo yearly.
- The company is being restructured to become customer-centric and more flexible and responsive to its stakeholders' expectations. Air Mauritius is listed since 1995 on the Stock Exchange of Mauritius .

## ■ Activities of the company

- Air Mauritius has 54.2% shareholding in Pointe Coton Resort Hotel Co Ltd which owns the Cotton Bay Hotel in Rodrigues. It also holds 93.7% of the share capital in Mauritius Estate Development Corporation Ltd (MEDCOR) which owns Air Mauritius Centre, a building in the prime commercial area of Port Louis.
- The core-business of Air Mauritius remains the carriage of passenger and freight which generates around 95% of its total operating revenue. Other significant activities of the company comprise of Helicopter Services, Ground Handling, Maintenance and Engineering , and a hotel in Rodrigues.
- It continues to provide ground handling services and extends airline maintenance services to various types of aircraft operated by carriers flying into SSR International Airport. In 1998, Air Mauritius obtained the approval as a JAR (Joint Aviation Requirements)145 Maintenance Organisation by the French Direction Generale.This approval allows the airline to perform maintenance on aircraft and components belonging to the member States of the Joint Aviation Authorities.
- Air Mauritius also provides a variety of services to airlines in the African and Indian Ocean region. CARAT, the consulting arm of the company markets the airlines' capabilities including, among others, Human Resource Development, IT, Maintenance and Engineering, and Risk Management.

## ■ FINANCIAL REVIEW OF THE GROUP

### BALANCE SHEET

| 31-Mar                               | 2004<br>Euro 000 | 2003<br>Euro 000 | 2002<br>Euro 000 | 2001<br>Euro 000 | 2000<br>Rs m<br>As published |
|--------------------------------------|------------------|------------------|------------------|------------------|------------------------------|
| <b>ASSETS EMPLOYED</b>               |                  |                  |                  |                  |                              |
| <u>Non - current assets</u>          |                  |                  |                  |                  |                              |
| Property, plant and equipment        | 397,136          | 436,699          | 417,802          | 389,753          | 9,366                        |
| Investment Property                  | 12,449           | -                | -                | -                | -                            |
| Intangible assets                    | -                | -                | -                | 39               | 137                          |
| Investment in associated companies   | 276              | 1,743            | 3,432            | 3,656            | 68                           |
| Available-for-sale investment        | 1,901            | 1,903            | 706              | 1,043            | 18                           |
| Deferred tax asset                   | 1,220            | -                | -                | -                | -                            |
| Long term deposits                   | 114,438          | 120,133          | 128,292          | 174,384          | 4,481                        |
| Long term receivables                | 118              | 134              | 182              | 3,199            | 91                           |
| Current assets                       | 138,669          | 144,783          | 177,806          | 153,775          | 4,199                        |
| <b>Total assets</b>                  | <b>666,207</b>   | <b>705,395</b>   | <b>728,220</b>   | <b>725,849</b>   | <b>18,360</b>                |
| <b>EQUITY AND LIABILITIES</b>        |                  |                  |                  |                  |                              |
| <u>Capital and reserves</u>          |                  |                  |                  |                  |                              |
| Share capital                        | 41,724           | 41,724           | 41,724           | 41,724           | 511                          |
| Share premium                        | 18,869           | 18,869           | 18,869           | 18,869           | 463                          |
| Other reserves                       | (4,208)          | (1,443)          | (694)            | 592              | -                            |
| Retained earnings                    | 114,847          | 104,006          | 90,157           | 79,660           | 2,572                        |
| Proposed dividends                   | -                | -                | 5,814            | -                | -                            |
| Shareholders' interests              | 171,232          | 163,156          | 155,870          | 140,845          | 3,546                        |
| Minority interests                   | 1,852            | 1,692            | 1,848            | 2,116            | 53                           |
| <u>Non-current liabilities</u>       |                  |                  |                  |                  |                              |
| Borrowings and financial derivatives | 328,180          | 362,958          | 373,505          | 412,940          | 10,655                       |
| Deferred credit                      | 4,630            | 5,847            | 7,105            | 8,417            | 239                          |
| Provisions                           | 24,072           | 22,385           | 21,918           | 15,874           | 355                          |
| Current liabilities                  | 136,241          | 149,357          | 167,974          | 145,657          | 3,512                        |
| <b>Total equity and liabilities</b>  | <b>666,207</b>   | <b>705,395</b>   | <b>728,220</b>   | <b>725,849</b>   | <b>18,360</b>                |

## FINANCIAL REVIEW OF THE GROUP (CONT'D)

### INCOME STATEMENT

| 31-Mar                         | 2004<br>Euro 000 | 2003<br>Euro 000 | 2002<br>Euro 000 | 2001<br>Euro 000 | 2000<br>Rs m<br>As published |
|--------------------------------|------------------|------------------|------------------|------------------|------------------------------|
| Turnover                       | 346,262          | 360,441          | 360,315          | 338,626          | 7,336                        |
| Gross operating profit         | 48,462           | 54,073           | 58,917           | 48,281           | 1,460                        |
| Administrative expenses        | (23,620)         | (28,495)         | (27,670)         | (30,326)         | (735)                        |
| Profit on sale of investment   | -                | -                | -                | -                | 113                          |
| Share of results of associates | (20)             | 79               | 424              | 697              | 30                           |
| Other income                   | 2,200            | 1,946            | 773              | 868              | 6                            |
| Net finance costs              | (13,426)         | (6,775)          | (12,964)         | (27,164)         | (231)                        |
| Profit before tax              | 13,596           | 20,828           | 19,480           | (7,644)          | 643                          |
| Deferred tax                   | (259)            | -                | -                | -                | -                            |
| Share of tax of associates     | (4)              | -                | (209)            | -                | (6)                          |
| Profit after tax               | 13,333           | 20,828           | 19,271           | (7,644)          | 637                          |
| Minority interests             | (110)            | (36)             | (41)             | (65)             | 1                            |
| Net profit for the year        | 13,223           | 20,792           | 19,230           | (7,709)          | 638                          |
| Dividends                      | 4,772            | 6,943            | 5,814            | 4,126            | 197.4                        |

### STATISTICS

|   |             |             |             |             |            |
|---|-------------|-------------|-------------|-------------|------------|
| Number of ordinary shares used in calculation | 102,305,000 | 102,305,000 | 102,305,000 | 102,305,000 | 51,152,500 |
|   | Euro        | Euro        | Euro        | Euro        | Rs         |
| Earnings/(Loss) Per Share                     | 0.13        | 0.20        | 0.19        | (0.08)      | 12.47      |
| Net Assets Value                              | 1.67        | 1.59        | 1.52        | 1.38        | 69.32      |
| Dividends Per Share (Rs)                      | 1.50        | 2.00        | 1.50        | 1.00        | 3.86       |