

Air Arabia PJSC

Investor Presentation

FY 2010

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Highlights

- Air Arabia is a National Carrier of UAE based in Sharjah, and founded by Sharjah Government in 2003.
- Air Arabia is the first and largest low-cost carrier in MENA.
- 44 A 320 Aircraft on order
 - **RPK - 9.16 Billion** (2009 – 8.47 Billion)
 - **ASK - 11.04 Billion** (2009 – 10.51 Billion).
 - **Passengers carried – 4.46m** (2009 – 4.07 m)
 - **Current fleet: 25**
 - Sharjah Base 19
 - Casablanca Base 4
 - Alexandria Base 2
 - **Destinations: 65**
 - Sharjah Base 47
 - Casablanca Base 13
 - Alexandria Base 5

Recent Awards

- Best Managed Company in the Middle East by Euro-Money
- 'Middle East's leading low-cost airline' by World Travel Awards
- Sharjah Economic Excellence Gold Category Award.
- World record of Airbus A320 Utilization over 6 years. (30,000 hours)
- LCC of the year by Doha Aviation Summit

Air Arabia Group Network

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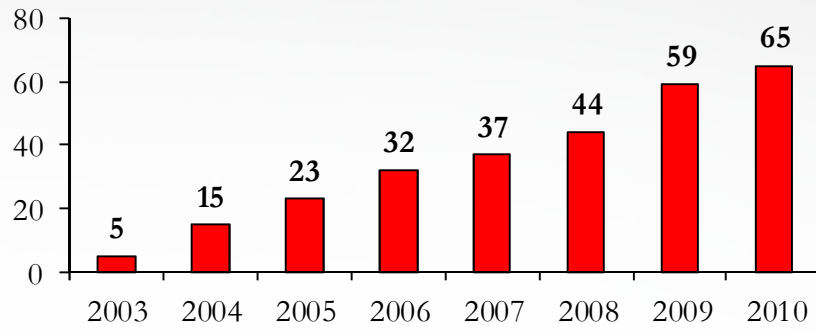


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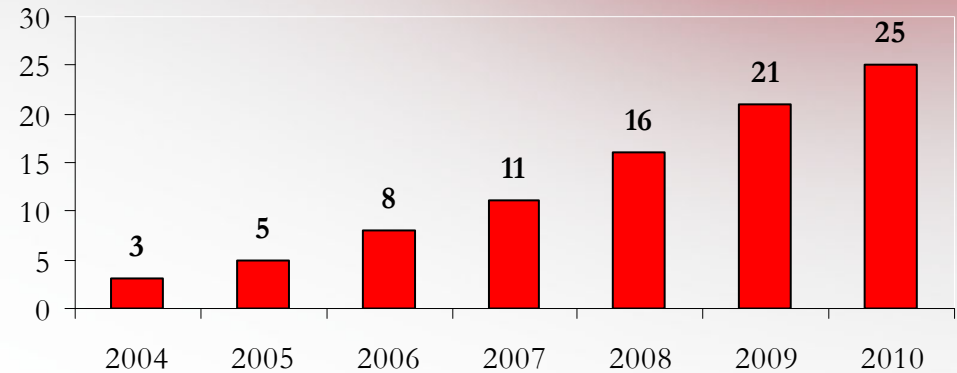
Passengers and Aircraft

* Air Arabia Group

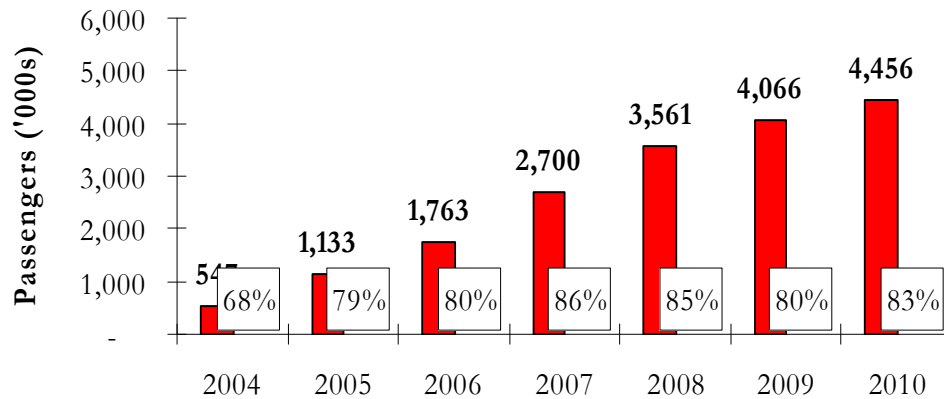
Number of Destinations



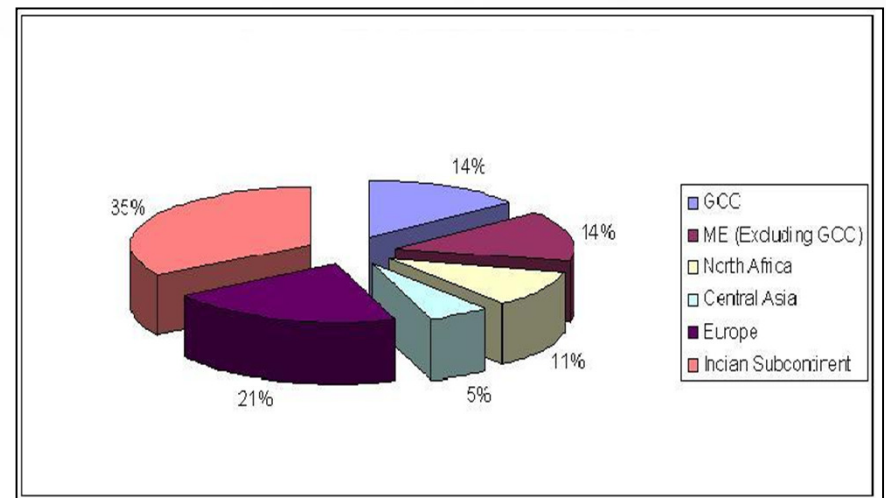
Fleet Size



Total Passengers

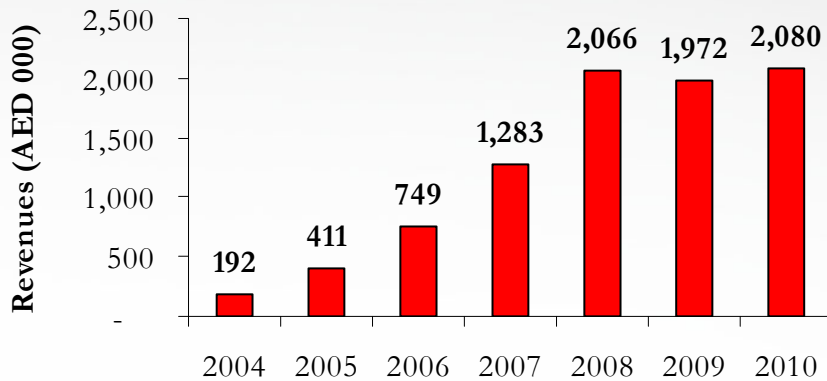


Geographic Distribution

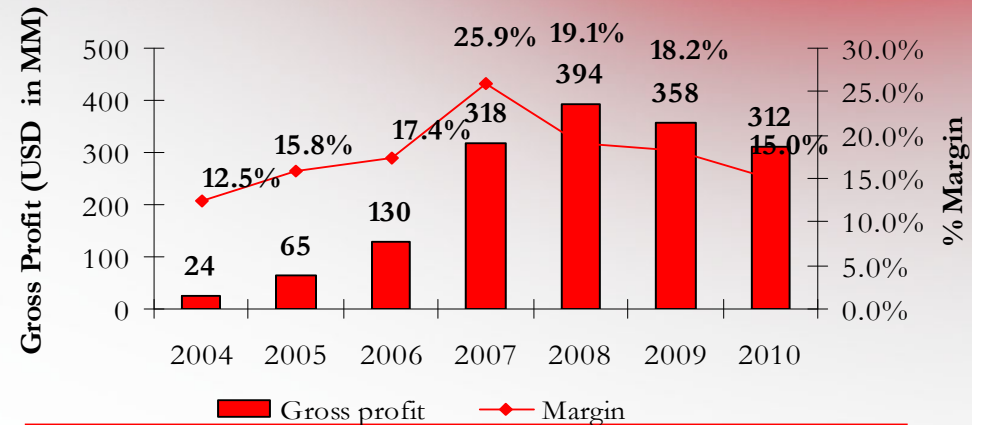


Historical Financial Performance (Group) FY 2010

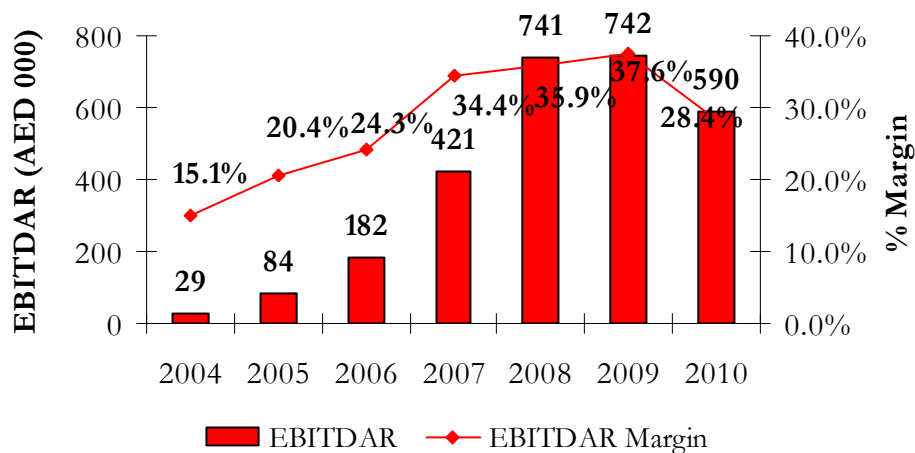
Revenues



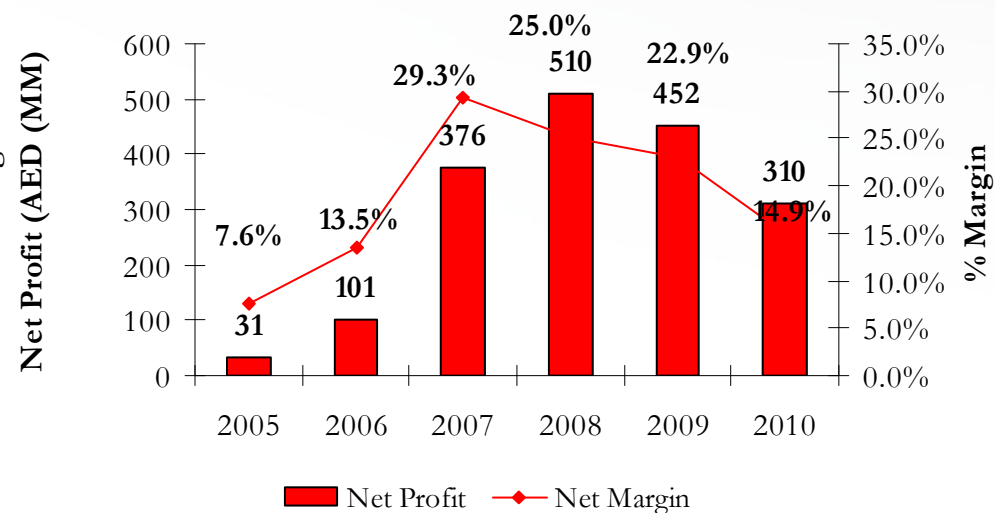
Gross Profit



EBITDAR



Net Profit



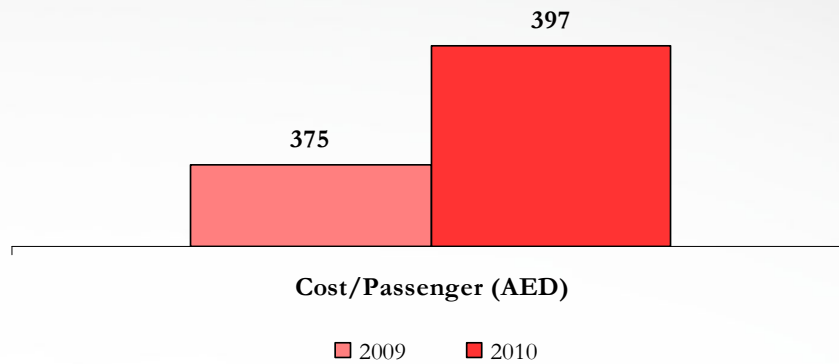
Comparison Q4 2009 to Q4 2010

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	<u>2010</u>	<u>2009</u>	<u>Variance</u>
<u>Revenue</u>	AED 545m	AED 503m	+42m
Direct costs	AED 442m	AED 408m	+34m
Selling and Marketing	AED 8m	AED 16m	-8m
G+A	AED 20m	AED 17m	+3m
<u>Operating Profit</u>	AED 75m	AED 62m	+13m
Finance deposits	AED -2m	AED 52m	-54m
<u>Net Profit</u>	AED 73m	AED 114m	-41m

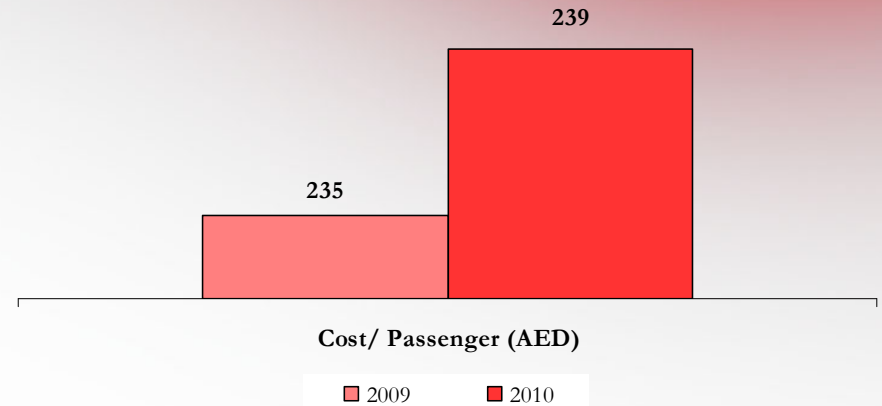
Revenue vs Cost per passenger FY 2010

Cost/Passenger – FY 2009 Vs. FY 2010



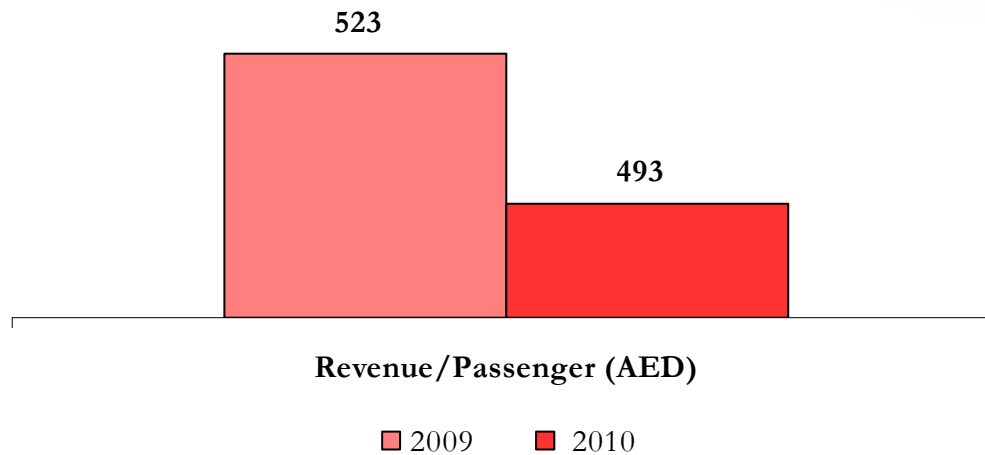
6% Increase

Cost/Passenger – Excluding fuel



2% Increase

Revenue/Passenger – FY 2009 Vs. FY 2010



6% Decrease

Operating Statistics (Airline)

	2004	2005	2006	2007	2008	2009	2010
Number of Aircraft	3	5	8	11	16	21	25
Average Aircraft	3.0	4.9	6.0	9.5	14.5	17	23
Destinations	15	23	32	37	44	45	66
Number of Passengers in Millions	0.6	1.1	1.7	2.7	3.6	4.1	4.5
RPK (Billions)	1.2	2.5	3.7	5.0	7.1	8.5	9.2
ASK (Billions)	1.8	3.2	4.7	5.8	8.3	10.5	11.0
Average Load Factor	68%	79%	80%	86%	85%	80%	83%
Revenue / Passenger	318.2	354.7	425.0	453.6	546	523	493
Cost / Passenger	348.9	345.3	382.1	351.6	460	375	397
Cost / Passenger (Ex-Fuel)	240.2	220.7	248.0	207.9	229	235	239
EBITDAR Margin	13.9%	20.4%	24.9%	34.4%	36%	38%	28%

Joint venture revenues growing

	2008	2009	2010
SAS	60m	82m	89m
Alpha Flight Catering	25m	27m	30m
SATA	6m	11m	N/A
Cozmo			7m

Corporate Governance

Air Arabia applies strict corporate governance regulations, in compliance with ESCA resolution number 518 of 2009.

- Air Arabia has split the roles of Chairman and CEO.
- Air Arabia's board consists mainly of Independent Directors, with representation of non-executive, and executive members.
- Air Arabia's board of directors has formed 2 main committees:
 - Audit Committee
 - Remuneration Committee
- Air Arabia has set a Corporate Governance Manual that is strictly adhered to, and stipulates among other practices the following policies:
 - Shareholder Communication Statement
 - Code of Ethics and Conduct
 - Share Dealing policy
 - Whistle blowing policy
 - Corporate Social & Environmental Policy
 - Dividend Policy

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