

BOARD OF DIRECTORS

Capt. Helmy Awad Ibrahim Rizk
Chairman
EGYPTAIR EXPRESS

Capt. Hassan Mohamed Hassan
Chairman
National institute for Aviation Science

Capt. Mohamed Emad El Din Fathy
Vice Chairman
Smart Airlines

Capt. Alaa Ahmed Ashour
Chairman
EGYPTAIR AIRLINES

Mr. Sherif Mustafa El Maghloub
VP Commercial
EGYPTAIR AIRLINES

Capt. Tarek Mohamed Anan
Vice Chairman
EGYPTAIR EXPRESS

Mr. Mohamed Mahmoud Yousif
Financial Director
EGYPTAIR EXPRESS

Mr. Ehab Gomaa Ghazy
Planning Director
EGYPTAIR EXPRESS

Mr. Amr Mahmoud Omar
Commercial Director
EGYPTAIR EXPRESS

Mr. Mohamed Mahdy Hasanen
Syndicate representative



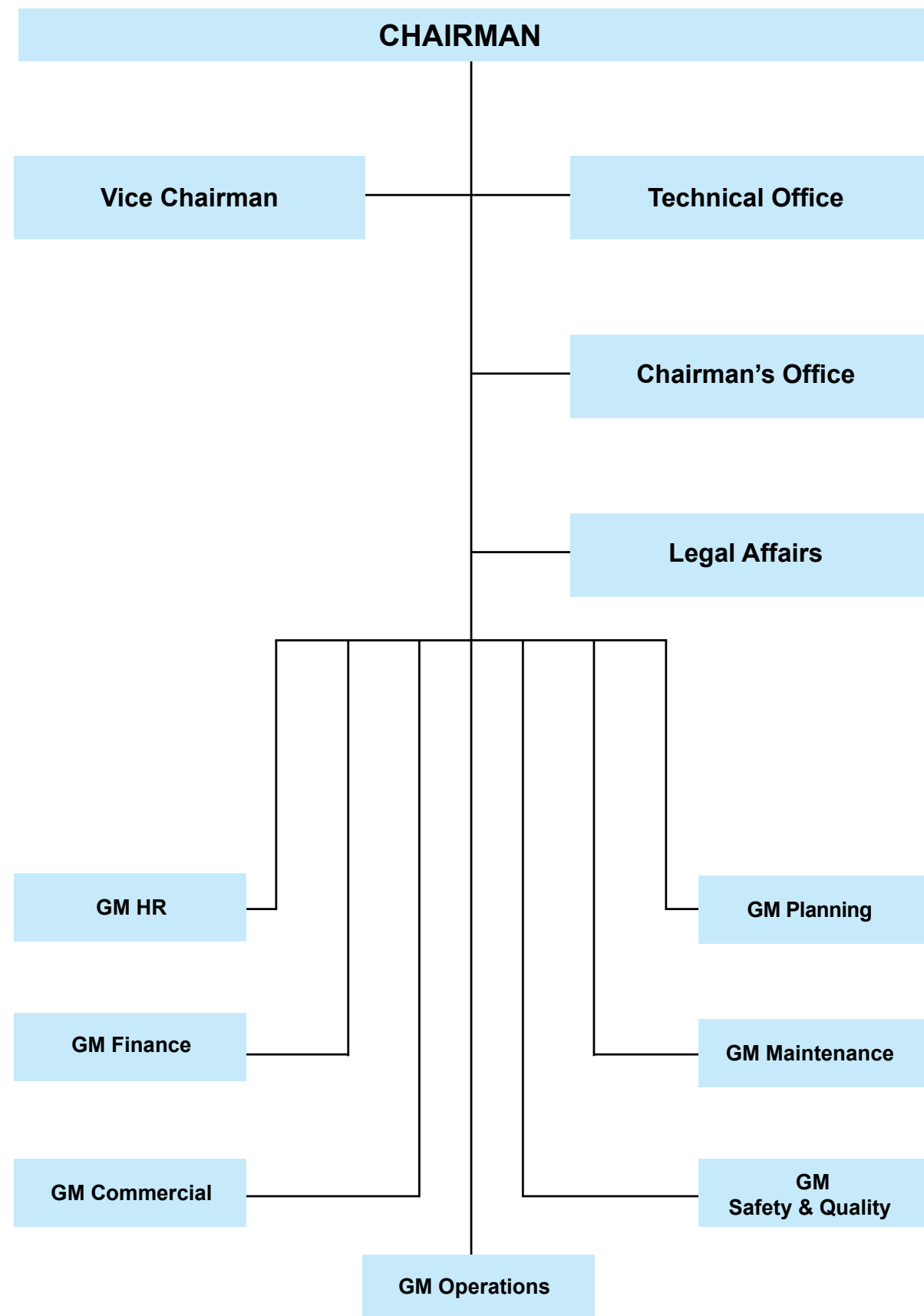
Chairman's Message

This year was the year of expansion for EGYPTAIR EXPRESS. Doubling the fleet size with a new delivery every month, reaching 12 aircrafts all from the same type "ERJ 170LR" was really an aggressive plan. This expansion enabled the company to continue with its ambitious plan to dominate the domestic market increasing its market share to 46% of the scheduled domestic market. Although the world economic recession has hit the company during this expansion phase, it was able to overcome this and get the deliveries even before the original schedule. We were able to increase our production capabilities by 34% in ASK's terms and 30% in block hours terms compared to last year. This increase resulted in 26% more RPK's and 24% more passengers. The total number of passengers reached more than 1,130,040 carried on more than 18,962 flights. The company network has expanded to Europe reaching Malta

and Catania and to North Africa linking both Tripoli and Benghazi to Alexandria. All domestic markets saw a large increase in number of frequencies proving the company continues its commitment to customer satisfaction in its main market. We also were able to introduce new domestic fares that are more flexible and commercially viable. These fares helped the company to better manage the fuel price volatility and the effect of the economic slow down. To enhance the passengers' pre and post flight experience, the company moved all its operations to Cairo International Airport's new Terminal 3, introducing a luxurious travel level with fast and flexible connection options in both domestic-to-domestic and international to domestic or vice versa. Finally we were able to exceed our planned net result by 75% achieving more than EGP 15 million, Thanks to our hard working and qualified team.

Capt. Helmy Awad Ibrahim Rizk
Chairman
EGYPTAIR EXPRESS

ORGANIZATION CHART



COMPANY PROFILE

EGYPTAIR EXPRESS is a scheduled domestic and regional airline established in May 2006. EGYPTAIR EXPRESS is a subsidiary of EGYPTAIR HOLDING and was launched to improve domestic service and compete in regional short-haul markets.

The company's main base and major operations are in the Cairo International Airport with a smaller base in Alexandria (Nozha Airport). The fleet consists of 12 EMBRAER ERJ's 170 LR leased from EGYPTAIR HOLDING.

On the first of June 2009, EGYPTAIR EXPRESS celebrated its second year of operation carrying more than 2 million passengers in 33900 flights and flying approximately 40,600 flying hours. During the two years the company network has expanded to include 27 domestic and international routes covering 18 cities.

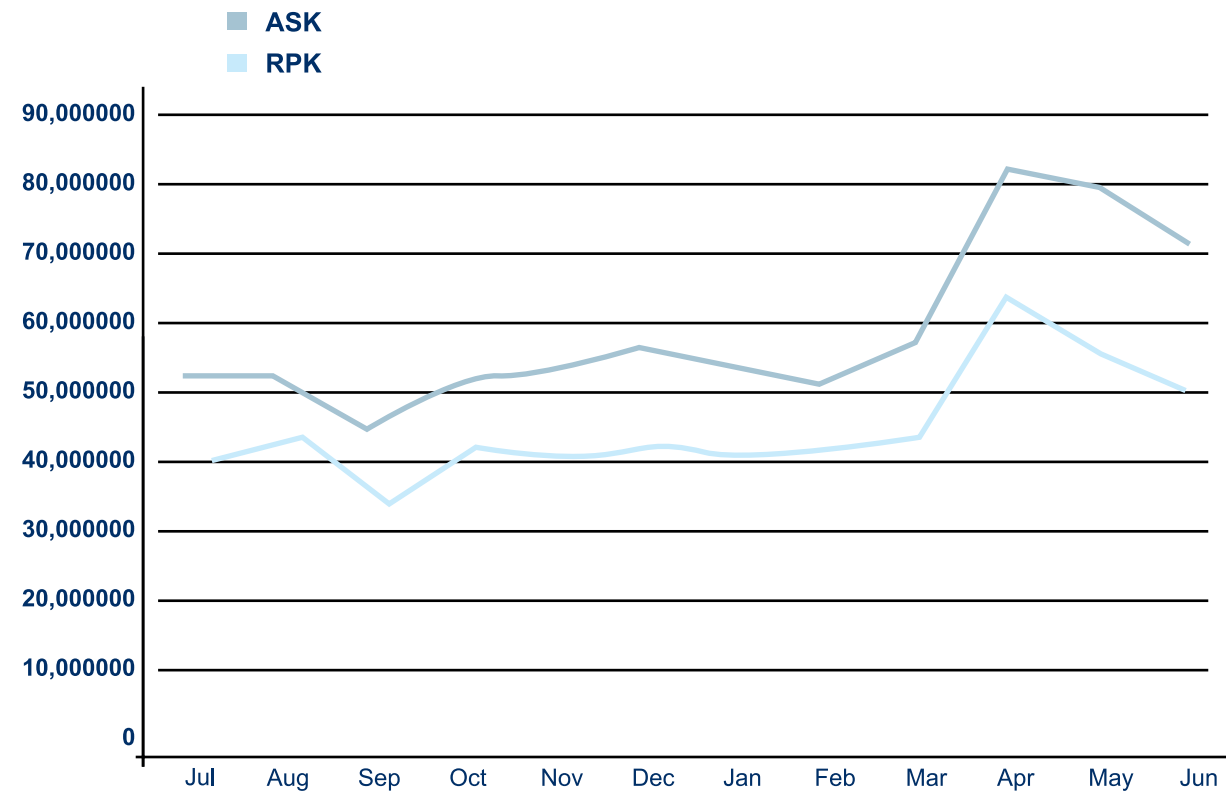
The company's future plan will focus on expanding domestic network using Cairo International Airport as a domestic hub. The regional network will also expand to cover a number of south European destinations.

PERFORMANCE INDICATORS 2008 / 2009

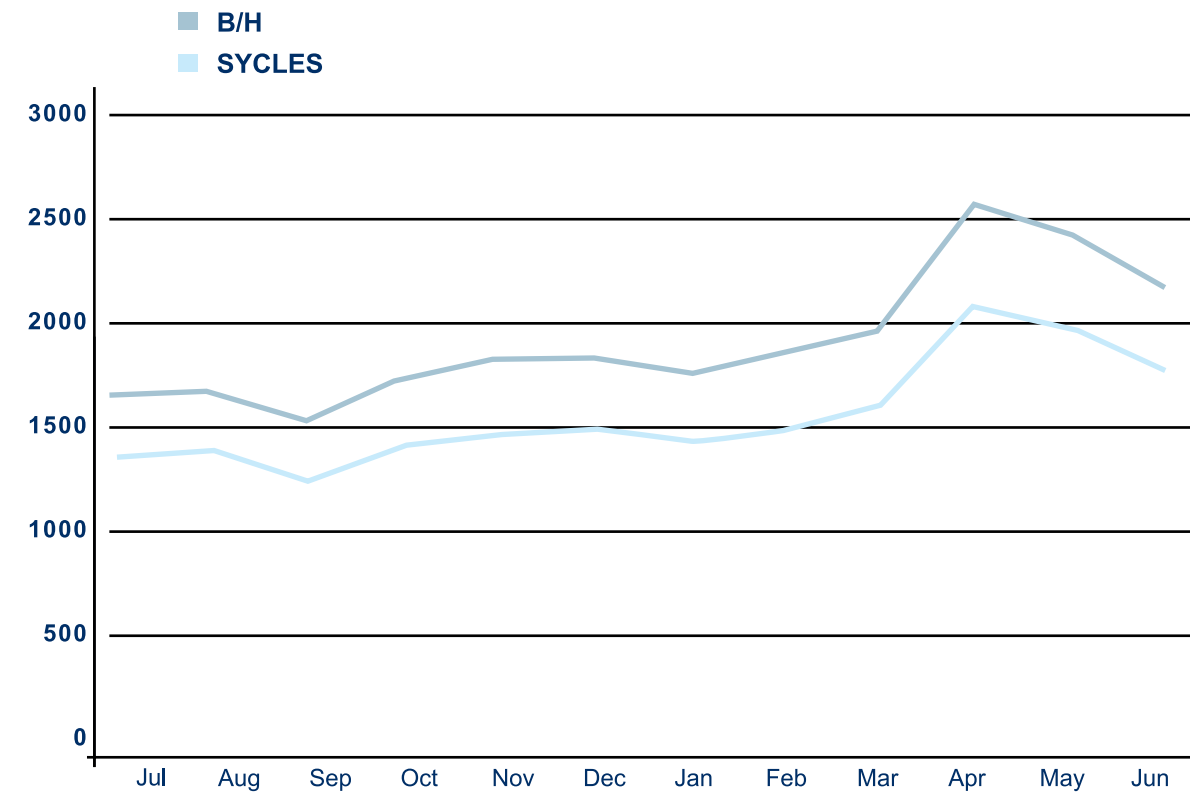
DATE	ASK	RPK	LF	SCH-PAX	NONSCH-PAX	TOTAL PAX	A/C	B/H	CYCLES	TOTAL FLIGHTS
JUL	51,574,030	40,047,556	78%	86,657	780	87,437	6	1647	1381	1380
AUG	51,548,205	42,351,364	82%	89,611	1,930	91,541	6	1666	1404	1400
SEP	43,924,454	33,139,825	75%	70,539	3,106	73,645	6	1526	1267	1267
OCT	50,659,367	41,332,001	82%	89,611	1,576	91,187	6	1732	1428	1426
NOV	52,104,448	39,809,567	76%	84,907	1,328	86,235	6	1826	1489	1487
DEC	55,073,798	41,750,766	76%	87,412	1,900	89,312	6	1828	1512	1510
JAN	53,040,622	40,285,803	76%	83,735	1,117	84,852	7	1755	1463	1463
FEB	50,584,857	41,441,188	82%	86,715	6,484	93,199	8	1861	1510	1509
MAR	56,096,361	43,118,944	77%	89,877	4,693	94,570	9	1965	1628	1623
APR	81,385,172	63,381,845	78%	125,301	2,385	127,686	10	2560	2105	2103
MAY	78,944,591	55,334,492	70%	108,276	1,523	109,799	11	2414	1990	1988
JUN	70,998,219	49,638,432	70%	99,091	1,486	100,577	12	2165	1806	1806
TOTAL	695,934,124	531,631,783	76%	1,101,732	28,308	1,130,040	7,8	22946	18983	18962



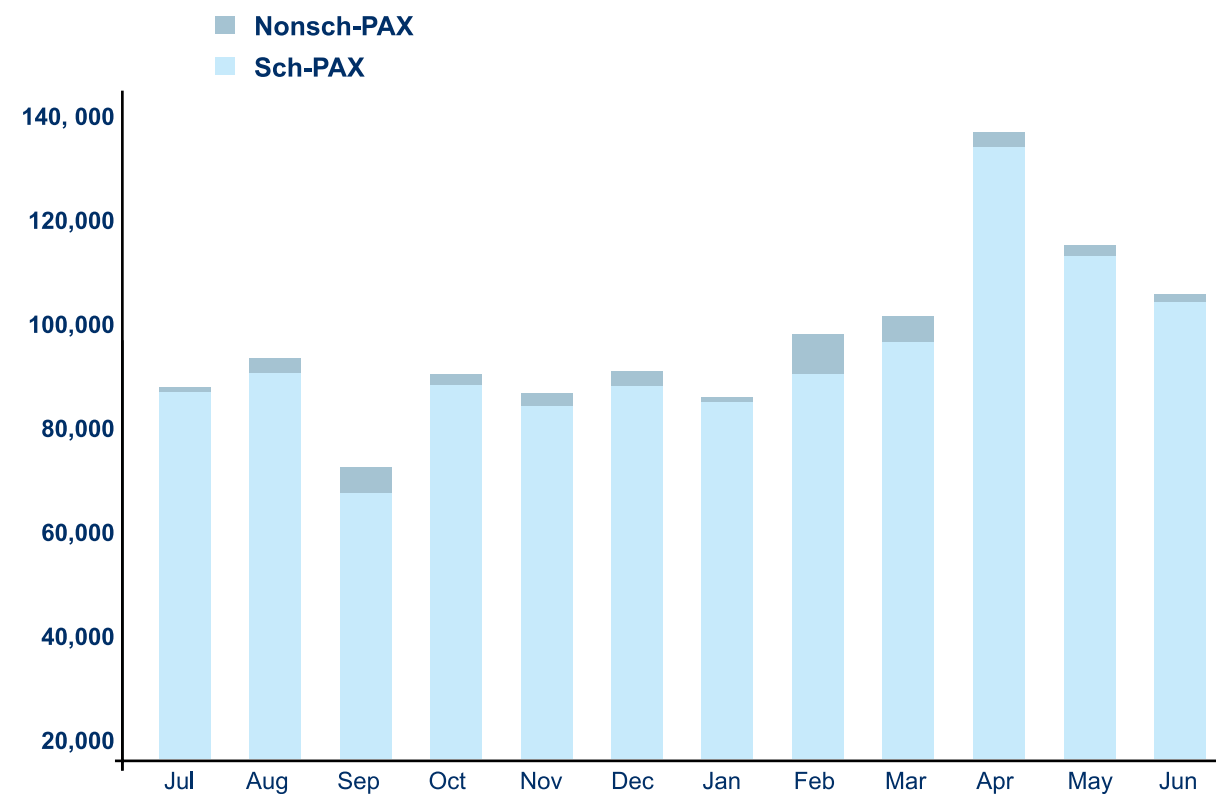
RPK & ASK



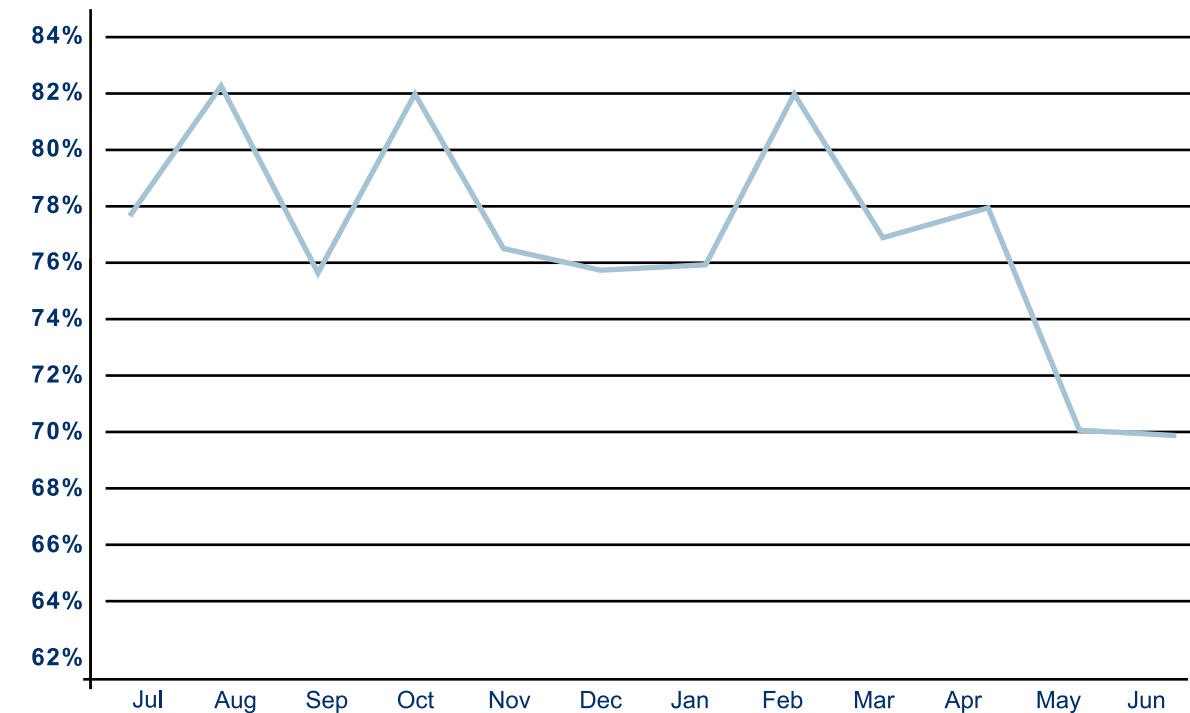
BLOCK HOURS AND CYCLES



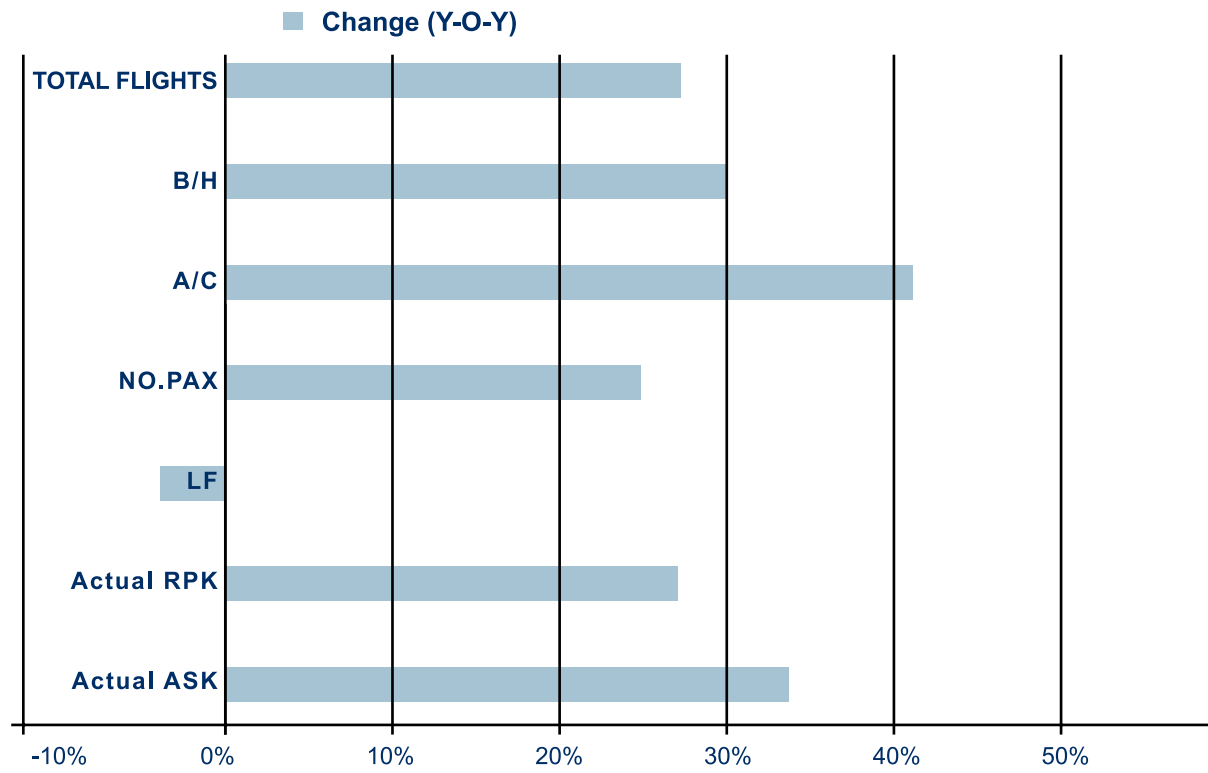
SCHEDULED AND NON SCHEDULED PASSENGERS



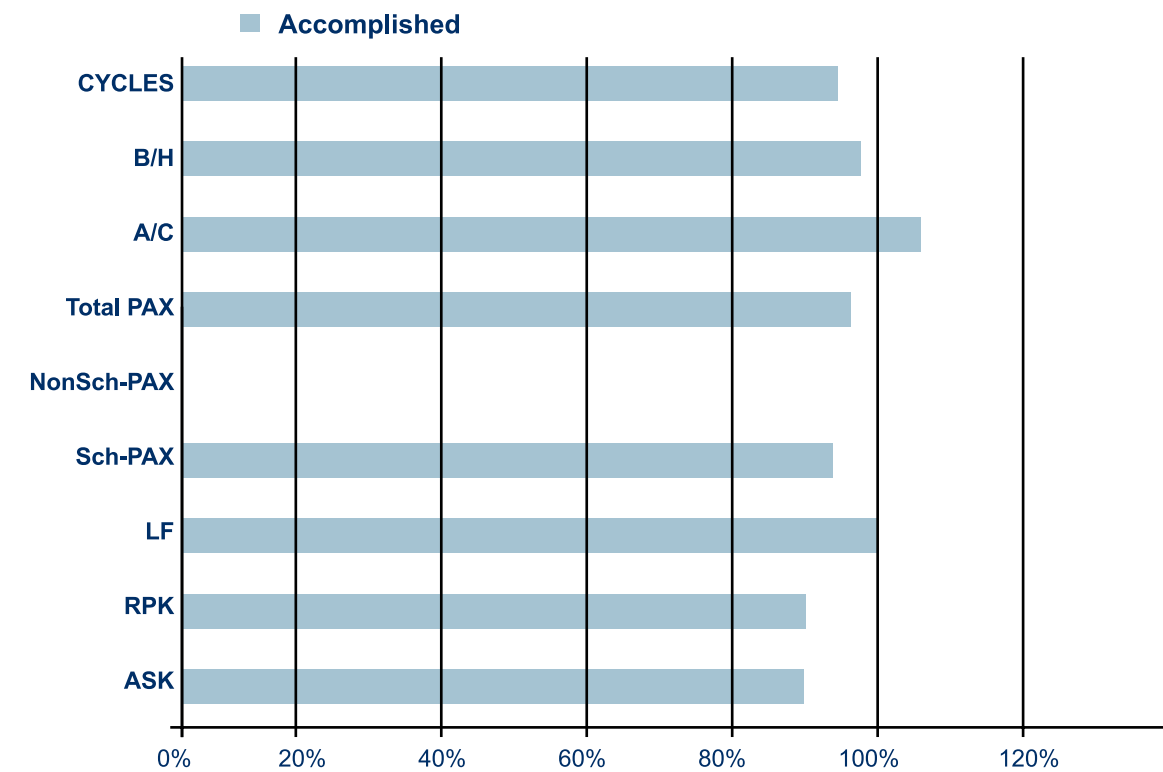
PASSENGER LOAD FACTOR



Date	Actual ASK	Actual RPK	LF	No. Pax	A/C	B/H	Total Flights
07/08	519,807,541	421,204,342	81%	909,149	5.5	17646	14943
08/09	695,934,124	531,631,783	76%	1,130,040	7.75	22946	18962
Change (Y-O-Y)	34%	26%	-5%	24%	41%	30%	27%



Date	ASK	RPK	LF	Sch-PAX	NonSch-PAX	Total PAX	A/C	B/H	CYCLES
Actual 08/09	695,934,124	531,631,783	76%	1,101,732	28,308	1,130,040	7.75	22946	18983
Planned 08/09	770,854,928	590,987,577	77%	1,169,069	-	1,169,069	7.3	23426	19702
Accomplished	90%	90%	99.6%	94%	N/A	97%	106%	98%	96%





FINANCIAL STATEMENTS

EGYPTAIR EXPRESS

Statement of Financial Position at 30 /6/ 2009 (EGP 000)

PARTICULARS	2007/2008	2008/2009
Long -Term Assets		
Fixed assets (net)	306	897
Projects in progress	16	11
Long-term investments		
Long-term loans and debit balances	2,969	2,110
Total long - term assets (1)	3,291	3,018
Current assets		
Stock		
Customers, notes receivables and debits accounts	63,081	153,534
Cash in banks and in hand	25,119	23,101
Total current assets	88,200	176,635
Current liabilities		
Provisions	332	1,827
Creditor banks		
Suppliers, notes payable and credit accounts	61,810	136,375
Total current liabilities	62,142	138,202
Working capital (2)	26,058	38,433
Total investment (1+2)	29,349	41,451
Financed as follows:		
Issued capital	25,000	25,000
Paid up capital-reserves	4,329	16,402
Total equity (3)	29,329	41,402
Long -Term liabilities(4)	20	49
Total financing of investment (3+4)	29,349	41,451

EGYPTAIR EXPRESS

Profit and Loss Account at 30 /6/ 2009 (EGP 000)

COSTS & EXPENDITURES

PARTICULARS	2007/2008	2008/2009
Raw material, requisities, fuel & spare parts	142,209	144,370
Wages	7,773	10,950
Expenditures	176,913	339,529
Purchases of goods for sales		
Burdens & losses	3,067	14,354
Total cost and Expenditures	329,962	509,203

REVENUES

PARTICULARS	2007/2008	2008/2009
Activity revenues	328,955	520,331
Gants & donations	404	
Other revenues & profits	4,931	2,958
Investments revenues & interests		1,234
Total Revenues	334,290	524,523
Surplus or Deficit	4,328	15,320



PREPARATION AND DATA COLLECTION

**Strategic Planning Department
Planning Division
EGYPTAIR HOLDING**

DESIGN AND EDITING

