

ADA Directors' Report

for the period ending 31st March 2016

The directors are pleased to present their report and the reviewed financial statements for the three months ending 31st March 2016.

Business Review

ADA Group turnover for 2016 was AED **439.75m** compared with 2015 AED **441.08m (0.30% decrease)** and net profit is AED **61.87m** compared with **69.27m (10.68% decrease)**. Maximus returned to profitability after the sale of its loss making A300 fleet and its quick restructuring to eliminate the associated costs. Moreover, during the year, Maximus enjoyed significant revenue from Government and Military Operations.

Abu Dhabi Aviation (ADA) parent company made AED **192.62m** revenue in 2016 compared with AED **211.84m** in 2015 (**9% decrease**), Operating Profit of AED **60.13m** compared with AED **67.49m** 2015, net profit of AED **37.15m** compared with AED **42.01m** in 2015 (**12% decrease**). The decrease was due to current economic challenge and the winding down of expired client contracts.

Maximus Air Cargo (MAX) made AED **170.07m** revenue in 2016 compared with AED **112.51m** in 2015 (**51% increase**). Maximus made AED **29.38m** Net Profit in 2016 compared with AED **18.37m** in 2015. The positive turnaround was due to significant growth on brokerage activities (government and commercial) and the revenue from the successful Antonov operations.

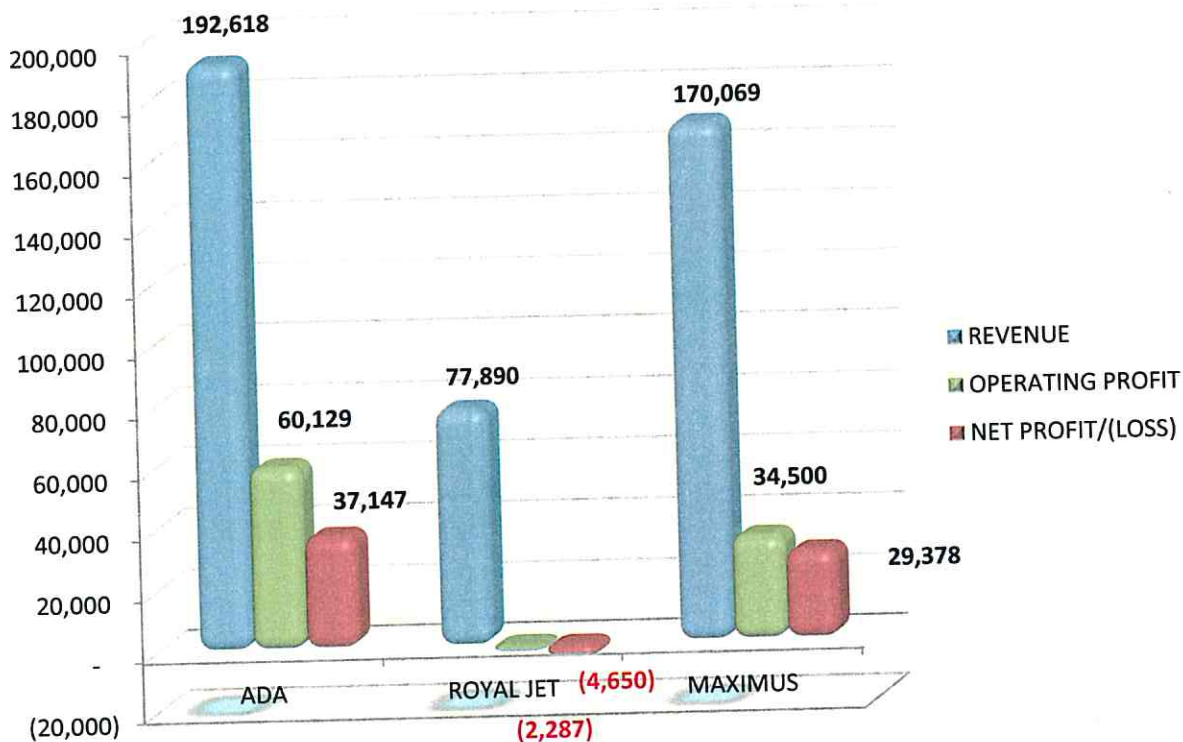
Royal Jet (RJ) made AED **77.89m** revenue in 2016 compared with AED **117.07m** in 2015. The decrease was due to lower requirements from Medevac Customers (mainly GHQ & HAAD) and an overall market slowdown. Royal Jet incurred Net Loss of AED **4.65m** compared with Net Profit of AED **8.89m** in 2015 due to ownership cost and depreciation of new aircraft. Royal Jet is in the process of restructuring its fleet and manpower in order to be better equipped for the market needs and current economic conditions.

FINANCIAL HIGHLIGHTS 2016

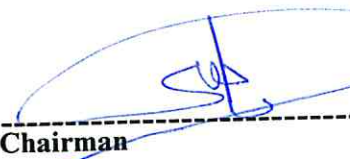
ADA GROUP

Currency : AED '000

For the period ended 31 March 2016



	31 March 2016	31 March 2015	Increase / (Decrease)
Turnover	439,749	441,077	(0%)
Operating Profit	92,561	102,422	(10%)
Operating Profit %	21%	23%	
Net profit	61,875	69,272	(11%)
Net profit %	14%	16%	
EPS for the period	0.14	0.15	(1%)
	31 March 2016	31 December 2015	
Total Assets	4,625,487	4,670,458	(1%)
Total Liabilities	2,028,185	2,055,211	(1%)
Total Equity	2,597,302	2,615,247	(1%)


 Chairman
 