

# EGYPTAIR

Holding Company



Courtesy Aera

# Board of Directors



**Engineer Atef Abdel Hamid  
Mostafa**  
Chairman of the Board  
EgyptAir Holding Company

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Head of the Central Agency for Organization  
& Administration

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Egypt State Council

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**Mrs. Manal Hussein Abdel Razik**  
Deputy Minister of Finance

**Mr. Hussein Abdel Aziz**  
Chairman  
National Bank of Egypt

## CHAIRMAN'S MESSAGE

We are happy to report that all performance indicators for this year show an improvement over last year's results of EgyptAir Group. Net income for this year was around half a billion Egyptian pounds — an 11% increase over last year. In spite of the steep hike in fuel prices, all companies in the Group registered an improvement in profitability.

This performance validates the three-dimensional strategy adopted by the Group, namely:

- i) Continuous improvement in safety and operational quality in all companies.
- ii) Upgrading customer service.
- iii) Improving our competitive positioning in this era of open skies.

Safety and the pursuit of operational excellence remains our number-one priority; we continue to audit and enforce the highest internationally recognized safety standards. Moreover, we have accomplished the following initiatives:

- i) The Holding Company signed an agreement with Cairo Airport Company to secure us as the main operator of Cairo's new Terminal 3, which is due to begin operations by the end of 2007. This terminal will use the most up-to-date technology for the benefit of our customers.
- ii) The EgyptAir training center for pilots, engineers and cabin crew received the European Aviation Safety Association (EASA) 147 and International Air Transport Association (IATA) 1285 certificates, an international recognition of the center's world-class standards.
- iii) EgyptAir Cargo opened new shipping centers in several countries including France and the United Arab Emirates. Our shipping lines now cover China, Japan, North America, Europe and Africa. EgyptAir Cargo

purchased two A300-600s, capable of carrying a 45-ton payload, which will support Egyptian imports and exports.

- iv) EgyptAir Maintenance & Engineering Company acquired an EASA 145 certificate for line maintenance. Moreover, we are collaborating with Rolls Royce International to upgrade our engines overhauling capability to become a regional aircraft maintenance center.

Regarding customer service, we signed an agreement with the Amadeus Company to make a radical transformation of our information systems designed to serve our customers. The new system will become operational in November 2006. We are also substantially upgrading our website, replacing it with a new portal. Furthermore, a deal was signed with IBM and the National Bank of Egypt to enable our customers to reserve and purchase tickets via the internet using credit card.

In the context of improving our competitive positioning, the company has taken steps to radically expand its fleet. We now have seven A330-200 planes and have ordered 12 medium-range B737-800s. Additionally, the Group is finalizing plans to establish a new subsidiary, EgyptAir Express. The new company will purchase six 76-seater jets (Embraer-170) with an option for six more. This subsidiary will help to integrate domestic and regional flights with our international network and will optimize the performance of Cairo International Airport as our main hub.

We believe that the restructuring of EgyptAir Group in 2002, the adoption of new strategies for growth, improved customer service and the pursuit of operational excellence, is already bearing fruits.

I am sure that all our staff will continue to implement these strategies with renewed energy and commitment.



**Eng. Atef Abdel Hamid Mostafa**  
**Chairman, EgyptAir Holding Company**