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Eng. Abu Bakr Mahmoud Sayed Ahmed
Chairman
EGYPTAIR SUPPLEMENTARY INDUSTRIES

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Ministry of Civil Aviation

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GM Finance
EGYPTAIR SUPPLEMENTARY INDUSTRIES

Mr. Tallat Mohamed El Nady
Syndicate Representative



Chairman's Message

I am honored to present the third annual report for the EGYPTAIR SUPPLEMENTARY INDUSTRIES that was established in April 2006, in order to meet the requirements of the holding company and all its subsidiaries, the Ministry of Civil Aviation and its companies and authorities, local and foreign markets through four major activities to keep pace with advances in the air transport industry and through our way of improving competitiveness and also help in maximizing the returns of the company.

We have separated the furniture and metal factory to different production units (AeroWood, AeroMetal).

EGYPTAIR SUPPLEMENTARY INDUSTRIES becomes dependant on five production units :-

1. Aeroplast
2. AeroPrint
3. AeroFashion
4. AeroMetal
5. AeroWood

Our plan focused on the following main areas:

1. Good planning to Improve the facilities and infrastructure for all the activities
2. Maintaining maximum machinery, equipment and tool efficiency through improvement and replacement.
3. Providing of a smooth and continuous supply chain for all production requirements (material, machines, tools, and transportation).
4. Providing the most up-to-date training in all areas.
5. Develop marketing plans to increase market share
6. Developing effective waste control and cost reduction programs for all units.
7. Keeping a strict stock control utilizing online programs.
8. Relying on self-funding programs in all investment activities.

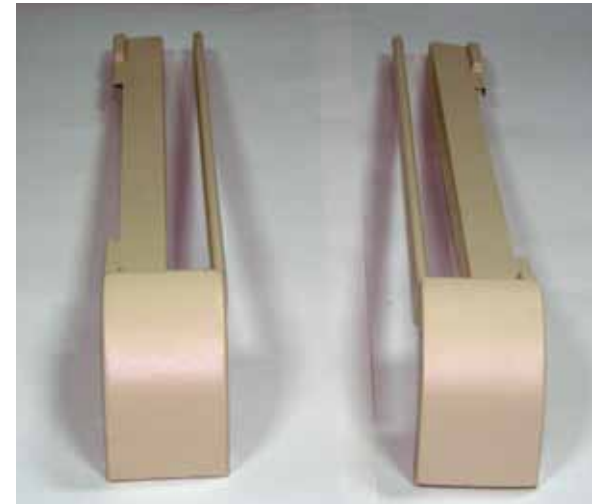
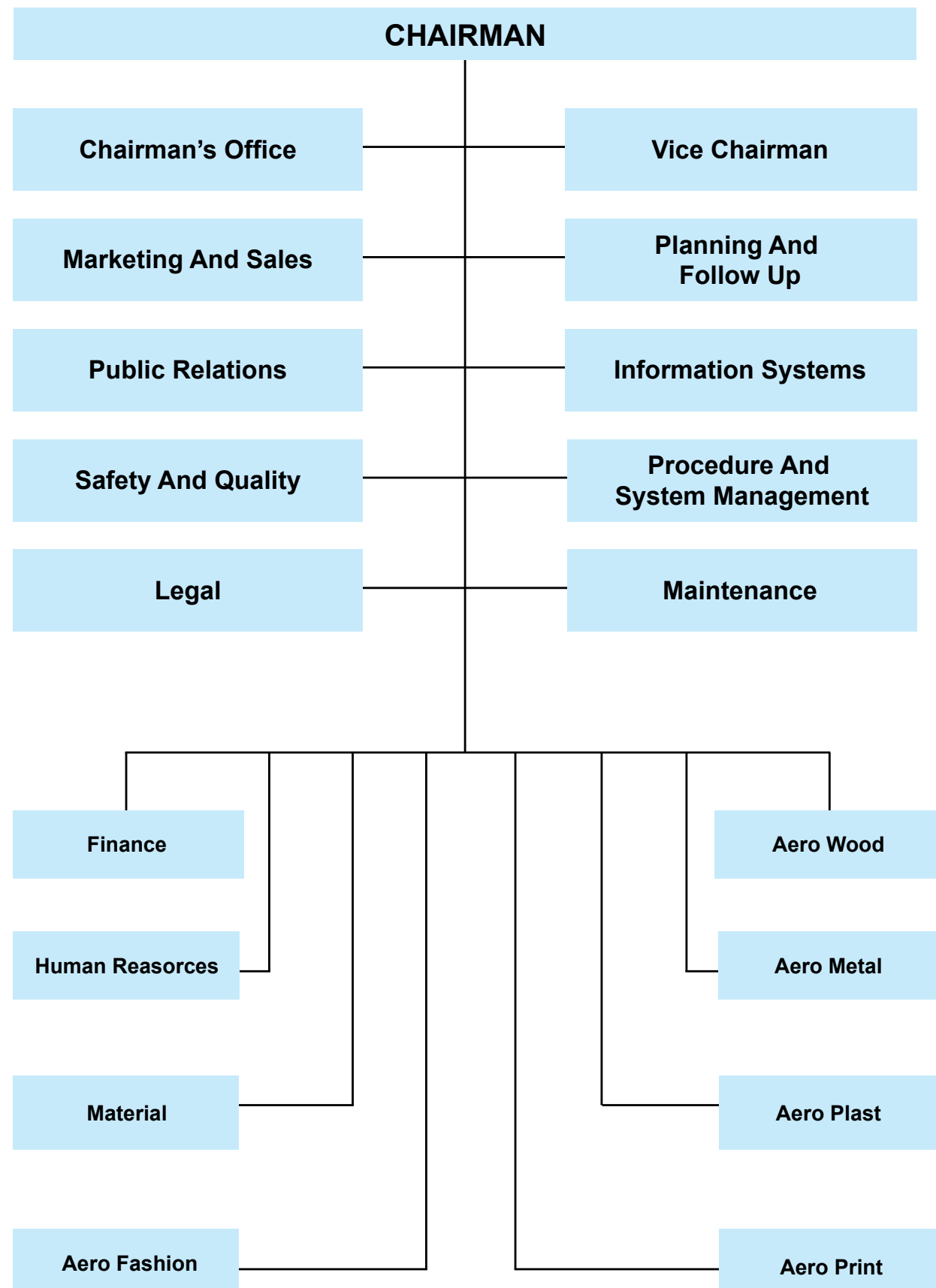
During 2008/ 2009, we achieved EGP 4.6 million in net profit, with an EGP 79 million in revenue.

Under global free trade and strong competition between international airline companies, we find that the best companies are the ones that will continue despite the fierce competition.

So we had to focus on the company's products and services provided by us to the airline companies, where we hope to make our products at the top levels of competition through continued support for all production units as well as the company's human resources and personnel, specialized with technical skills capable of understanding the techniques and modern methods to upgrade the performance level of the organization and implementation of comprehensive quality management concepts. Continued training strengthens the skills of Human Resources and provides a healthy work environment to increase and improve productivity and keep pace with the implementation of the requirements and specifications of the ISO standard, which contributes to make the company a strong competitor in global and local markets. This gives us the ability to overcome the current market imbalances during the global economic crisis.

Eng. Abu Bakr Mahmoud Sayed Ahmed
Chairman
EGYPTAIR SUPPLEMENTARY INDUSTRIES

ORGANIZATION CHART



COMPANY PROFILE

EGYPTAIR SUPPLEMENTARY INDUSTRIES was founded in April 2006.

The primary purpose of the company is to fulfill the demands of the companies and authorities.

To fulfill its commitments, the company is conducting the following activities:

Aero plast

Manufacture of non-structural items and all other plastic items used for in-flight catering services. We are striving to cover all needs with high quality products, and to achieve self-sufficiency along with the opening of new external markets.

Production of all pre-packed sachets used for in-flight catering, in addition to the new production line in the field of seat and cabin parts manufacturing.

Aero Print

Manufacture of all printed materials for administrative activities for the holding company and all its subsidiaries, the Ministry of Civil Aviation, its companies and authorities. In addition, we are working to grow our market share in the area of aviation printed forms and related service bodies (boarding cards, luggage tags, loading reports, safety instructions, etc.) for other airlines. We aim to compete with leading printing houses.

EGYPTAIR Print house has the advantage of having the three main production stages under one roof.



Aero metal

Providing advanced metal products to cover the needs of the holding company, its subsidiaries and external customers. Our target is to upgrade our technologies. This will enable us to face the competition and grow our market share

Aero wood

Providing advanced wood products to cover the needs of the holding company, its subsidiaries and external customers. Our target is to raise the level of our technology. This will enable us to face the competition and grow our market share.

Aero Fashion

Manufacture of high-quality uniforms and leather items for use by corporate and staff personnel, and the market extras in local or international markets.

COMPANY STRATEGIC GOALS

- Attaining 10% net annual profit.
- Reaching 20% external sales in five years.
- Attaining 2% annual unit-cost reduction.

Strategies to achieve strategic goals:

Marketing

- Promotional campaigns.
- Increase number of new customers.
- Establish marketing and customer care system.

Pricing

- Determine our pricing based on actual cost and market prices.
- Review pricing on a quarterly basis.

Production

- Establish QCS for each production unit.
- Build new production lines.
- Improve supply chain management.
- Introduce customer service facilities.
- Minimize waste.

IT

1. Work with experienced team in different activities
2. Create Database for each production unit
3. Build an integrated IT system





FINANCIAL STATEMENTS

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

PARTICULARS	2007/2008	2008/2009
Long -Term Assets		
Fixed assets (net)	45,701	46,491
Projects in progress	2,402	10,499
Long-term investments		
Long-term loans and debit balances	87	94
Total long - term assets (1)	48,190	57,084
Current assets		
Stock	18,995	23,928
Customers, notes receivables and debits accounts	29,914	45,891
Cash in banks and in hand	2,336	3,427
Total current assets	51,245	73,246
Current liabilities		
Provisions		
Creditor banks		7,812
Suppliers, notes payable and credit accounts	35,329	62,751
Total current liabilities	35,329	70,563
Working capital (2)	15,916	2,683
Total investment (1+2)	64,106	59,767
Financed as follows:		
Issued capital	50,000	50,000
Paid up capital-reserves	12,380	7,742
Total equity (3)	62,380	57,742
Long -Term liabilities(4)	1,727	2,026
Total financing of investment (3+4)	64,107	59,768

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

COSTS & EXPENDITURES

PARTICULARS	2007/2008	2008/2009
Raw material, requisities, fuel & spare parts	25,681	26,671
Wages	19,998	29,275
Expenditures	8,441	10,261
Purchases of goods for sales	5,100	8,386
Burdens & losses	3,439	2,257
Total cost and Expenditures	62,659	76,850

REVENUES

PARTICULARS	2007/2008	2008/2009
Activity revenues	72,243	79,133
Gants & donations		
Other revenues & profits	1,400	1,154
Investments revenues & interests	227	182
Total Revenues	73,870	80,469
Surplus or Deficit	11,211	3,619

