



Courtesy EgyptAir

# Board of Directors



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EgyptAir Tourism & Duty Free Shops

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Ministry of Civil Aviation

**Mr. Mohsen Abu El Azm**  
Designated member  
Egypt Gulf for Tourism and Hotels Company

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Minister Consultant for Masscom

**Mr. Safwat Sayed Abdu Moslem**  
VP Commercial EgyptAir Airlines

**Mr. Saad Hassan El Malah**  
Sales Specialist

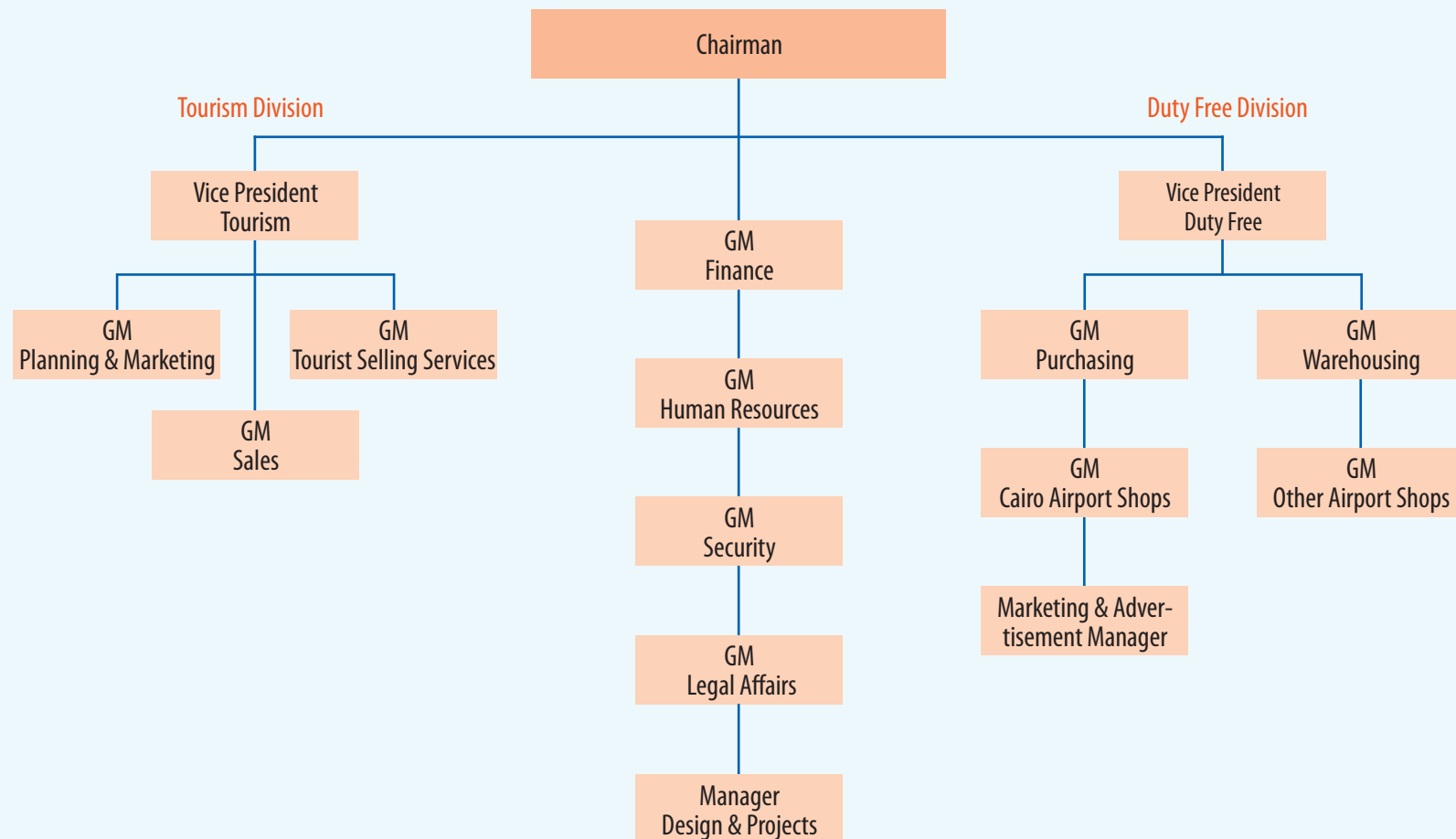
**Mr. Hani Nasmi Abd El Razik**  
GM Warehouses

**Mr. Hassan Kafafi**  
Finance Department

**Mr. Mohamed Omar**  
GM Human Resources

**Mr. Hassan Abbass Selim Ibrahim**  
Head of Syndicate Committee

## ORGANIZATIONAL CHART EGYPTAIR TOURISM & DUTY FREE SHOPS



## COMPANY PROFILE

EgyptAir Tourism & Duty Free Shops comprises two quite separate business units:

### Karnak Tourism Services

This business unit concentrates on the provision of the tourist agency services, including airline ticket sales, hotel bookings, tour organization, provision of special short period tours to transit passengers at Cairo Airport, and services to Hajj and Omra passengers. In addition, it operates a fleet of passenger vehicles of various sizes and has now moved into the corporate sector, organizing and running conferences as well as selling outbound tours to Egyptian nationals.

### Duty Free Shops

The company is the largest duty free retailer in Egypt. It operates in 13 locations throughout the country providing departures, arrivals and post arrivals duty free sales at airports, downtown duty free, retailing in CityStars, Cairo, and in the tourist resort of El Gouna.

The company operates on the basis of both concession (airports) and rental (downtown) agreements. Arrivals customers have the privilege of buying their duty free allowances within 48 hours of arrival in the country.

## KARNAK TOURISM SERVICES

### Highlights from Financial Year 2006/2007

#### Karnak Tourism Services

- Revenue of EGP 87.6 million (\$15 million) is up 16% from last year.
- Profitability increased by 7% to EGP 9.1 million (\$1.6 million).
- 270,000 transit tour operations provided during the year + 35% growth.
- Hajj and Omra handling increased by 24%.
- 142,000 rooms nights booked for clients last year.
- The new Corporate Service Division handled 20 conferences last year, including the prestigious World Economic Forum in Sharm El Sheikh and the African Airlines Association conference in May 2007.
- Inbound tourists grew by 18% over the previous year.
- Outbound tourism grew by 6%.
- Now 27 foreign general sales agents work to sell our organized tours.
- New office opened in El Shams Club, Heliopolis.

### Business Achievements in 2006/2007

Profit of EGP 9.1 million on sales of EGP 87.6 million was a satisfactory result for the year. In the period, management concentrated on developing incoming business in the Gulf Area, Russian and Asian markets. The Hajj and Omra activities and Transit passenger tours showed great growth.

During the year, the division began participating in web-based hotel booking and insurance issuance systems.

### Prospects for 2007/8

2007/8 will see the company focusing on expanding its transport fleet and introducing state of the art tourism software applications. Sales revenues are expected to grow by 15%.



## DUTY FREE SHOPS DIVISION

### Highlights from Financial Year 2006/2007

- Revenues increased by 21% to EGP 514.9 million ( \$ 90.3 million).
- Profits increased by 46% to EGP 90 million (\$16 million).
- EGP 32.3 million (\$5.7 million) invested in duty free division during the year.
- 950 sq. metres of duty free shops opened in the Sharm El Sheikh New Terminal in June 2007.
- 980 sq. metres of new Shops opened in Hurgada in March 2007.
- Retail Concession Agreement for 8 years is signed with Cairo Airport Company covering Terminals 1, 2 and 3.
- Design work is completed for the shopping complex at Cairo Terminal 3.
- Other shop renovations and openings measuring 350 sq. metres were finalized during the year.

### Business Achievements in 2006/07

EgyptAir Duty Free Shops enjoyed a very successful year with regard to developing its sales, refurbishing many of its shops, designing and building new shops, introducing marketing initiatives and concluding concession agreements at the major Egyptian airports.

As mentioned in the highlights above, the division increased its revenues by 21% and its profits by 46%. Management recognize the efforts of all staff in producing these worthy results.

### Prospects for 2007/08

The company is confident that the year 2007/8 will see continued growth in sales. The major investments this financial year will be in the construction and fit out of 3,600 sq. metres of shopping space at Cairo Terminal 3. In addition, refurbishment work will also be carried out in Terminals 1 and 2 at Cairo International Airport.



## FINANCIAL STATEMENT

### EgyptAir Tourism & Duty Free Shops, Statement of Financial Position at 30/6/2007 (EGP)

PARTICULARS	Partial	TOTAL
<b>LONG-TERM ASSETS</b>		
Fixed assets (net)	38,005,341	
Projects in progress	20,179,354	
Long-term investments	577,500	
Long-term loans and debit balances	12,195,623	
<b>Total of Long-term assets (1)</b>		<b>70,957,818</b>
<b>Current assets</b>		
Stock	153,016,215	
Customers, notes receivables and debit accounts	51,449,409	
Cash in banks and in hand	37,541,331	
<b>Total current assets</b>		<b>242,006,955</b>
<b>Current liabilities</b>		
Provisions	607,963	
Creditor banks	0.00	
Suppliers, notes payable and credit accounts	163,780,073	
<b>Total current liabilities</b>		<b>164,388,036</b>
Working capital (2)		77,618,919
<b>Total investment (1+2)</b>		<b>148,576,737</b>
Financed as follows:		
Issued Capital	9,000,000	
Paid up capital — reserves	139,576,737	
<b>Total Equity (3)</b>		<b>148,576,737</b>
Long-term liabilities (4)		0.00
<b>Total financing of investment (3+4)</b>		<b>148,576,737</b>

## EgyptAir Tourism & Duty Free Shops, Profit and Loss Account at 30/6/2007

### COSTS & EXPENDITURES

PARTICULARS	2006/2007
Raw material, requisites, fuel & spare parts	5,709,577
Wages	39,888,138
Expenditures	193,078,197
Purchases of goods for sale purposes	256,710,066
Burdens & losses	9,564,360
<b>Total Cost and Expenditures</b>	<b>504,950,338</b>

### REVENUES

PARTICULARS	2006/2007
Activity revenues	589,663,381
Grants & donations	0.00
Investments revenues & interests	1,066,618
Other revenues & profits	14,532,193
<b>Total Revenues</b>	<b>605,262,192</b>
<b>SURPLUS or DEFICIT</b>	<b>100,311,854</b>

