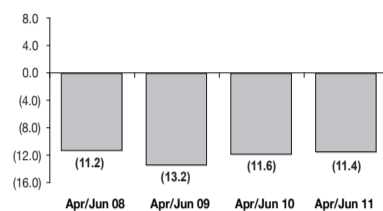


Financial Year 2011-2012
First Quarter results
01 April to 30 June 2011

AIR MAURITIUS STANDS UP TO A DEPRESSED GLOBAL ENVIRONMENT
Losses contained at EUR 11.4 million as the airline's recovery slows down

Net Loss (Eur M)



A deteriorating global environment

At a time when the world was confident it had embarked on a path of sustainable economic recovery, the recent events and market signals, have cast serious doubt on this optimistic view. The fragile global recovery has been tested by a number of crises since the start of 2011:

- Political upheavals in a number of Middle East and North African countries impacting oil prices.
- The debt crisis in Europe and its impact on the EURO as well as on the purchasing power of Europeans.
- The American debt crisis and its snowball effects on the global economy.

The political, economic and social tensions, rampant uncertainty and fear of a second cycle of recessions have significantly affected customer confidence and led to a slowdown in consumer spending. Tourism and air transport have been particularly hit.

Although Destination Mauritius has shown some resilience, tourism professionals tend to agree that the 2011 low season is the worse that the sector has ever experienced.

Air Mauritius, which depends to a large extent on tourism, is also impacted. Furthermore, as all airlines, it has to make do with rocketing fuel prices leading to increased costs of operations.

First quarter results reflecting these adverse conditions

The first quarter of the Financial Year (01 April to 30 June) is usually the most challenging one for the airline as it falls in the low season.

In spite of the depressed global environment, Air Mauritius' losses of EUR 11.4 million for the quarter is a slight improvement on the EUR 11.6 posted the previous year. On the downside, these results challenge the sustainable recovery process of the company since last year's turnaround.

With the number of passengers carried reaching 272 359, the company hits a new record high for a financial year's first quarter. Load factor losing 1.4 points to reach 74.1% remains satisfactory in the light of the record capacity deployed for the period. Air Mauritius offered 394, 364 seats representing a growth of 5.6% over the corresponding period last year. Turnover also hit a record high of EUR 92.9 million. Yield increased by 7.7% partially offsetting the drastic increase of 42% in fuel price. The increase of EUR 10.1 million in fuel costs was also partially compensated by a favourable EUR/USD exchange rate for the quarter.

Freight uplifted stood at 8000 tonnes. However, the lower yield recorded indicates difficult times ahead as freight volume is a direct function of the global economic health.

Outlook for the rest of the financial year

When the world entered a recession two years ago, some analysts feared that it could end up in a double-dip cycle – some recent events seem to be pointing to that direction. The recent events might, in fact, suggest that we could be heading towards a second dip. The debt crisis and the revision of US credit rating have blown winds of panic over stock markets around the world. This situation is likely to affect consumer confidence and their purchasing power. Air Mauritius and the Mauritius tourist industry, are entering a new period of turbulence where additional challenges must now be dealt with. A whole debate is underway to find solutions.

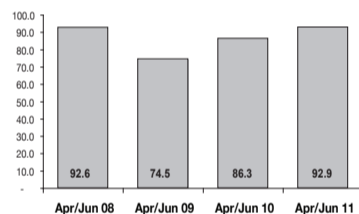
All tourism trade partners however seem to agree on 3 points:

1. The challenges faced by the tourist industry are unprecedented
2. Aviation is an important component in the quest of sustainable solutions
3. A strong national airline is essential

Air Mauritius has already sent a strong signal to all stakeholders by embarking on a review of its business model.

The company must now manage the forthcoming months. Economic crises' impact on demand for air travel, skyrocketing fuel prices, volatile exchange rates, excess capacity deployed by airlines contemplating a sustainable industry recovery all highlight the need to be cautious for the rest of the financial year – and laying the foundation for a 'different future'.

Operating Revenue (Eur M)



Pax Load Factor

