



## NEWS RELEASE

### **AIR MAURITIUS REVISES CAPACITY GROWTH AND FLEET DEPLOYMENT**

Air Mauritius has this week announced a revision of its capacity growth and fleet deployment for the current year in addition to the initiatives already taken to face the skyrocketing fuel prices and softening demand in many markets. These two factors are currently causing an unprecedented crisis in the airline industry worldwide.

Manoj R K Ujoodha, G.O.S.K., CEO of Air Mauritius says "The airline has been hedging its fuel requirements as far as possible and applying fuel surcharges in line with the industry's response. These initiatives have helped us to mitigate the effects of the fuel hikes last year. However, the current industry outlook and our own forecasts demand that we take additional initiatives. "

Capacity growth will be adjusted from 4% to 1% - allowing the airline to offer a capacity of over 1.7 million seats for the year. The interventions have been structured in order to maintain the current network and all present destinations while re-aligning capacity to demand especially in the low season. At planned seat occupancy rates, the national airline will still provide for adequate capacity to support the country's tourism growth objectives.



Mr Ujoodha also states "We are pleased to note that the transformation programme of our company is showing preliminary results. The profits announced for the year ending 31 March 2008 ( in spite of fuel hikes ) indicate that we have a more robust company and that, as a team, we are better equipped to face the challenges confronting the airline industry worldwide. We are confident that the initiatives taken will have a positive effect on the airline's cost profile and bottom line. We will however need to monitor the situation closely in order to tap opportunities as they arise and make further interventions as required. We will also need to accelerate our transformation initiatives and keep providing our customers with the highest level of service. "

**13 June 2008**

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*Air Mauritius is the national carrier of the Republic of Mauritius in the Indian Ocean. Created in 1967, it currently operates a fleet of five A340-300, two A340-300E, two A319-100, one A330-200 and two ATR72-500. Air Mauritius presently flies to twenty six destinations in Europe, Asia, Australia, Africa and the Indian Ocean.*