

ADA Directors' Report

for the period ending 30th June 2016

The directors are pleased to present their report and the reviewed financial statements for the six months ending 30th June 2016.

Business Review

ADA Group turnover for 2016 was AED 907.69m compared with 2015 AED 959.11m (5.36% decrease) and net profit is AED 141.05m compared with 136.67m (3.21% increase). During the first half of year 2016, Maximus enjoyed significant revenue from Government and Military Operations.

Abu Dhabi Aviation (ADA) parent company made AED 404.75m revenue in 2016 compared with AED 422.56m in 2015 (4% decrease), Operating Profit of AED 134.25m compared with AED 133.78m 2015, net profit of AED 62m compared with AED 65.06m in 2015 (5% decrease). The decrease was due to current economic challenge and the winding down of expired client contracts.

Maximus Air Cargo (MAX) made AED 317.26m revenue in 2016 compared with AED 300.04m in 2015 (6% increase). Maximus made AED 74.73m Net Profit in 2016 compared with AED 56.16m in 2015 (33% increase). The positive turnaround was due to significant growth on brokerage activities (government and commercial) and the revenue from the successful Antonov operations.

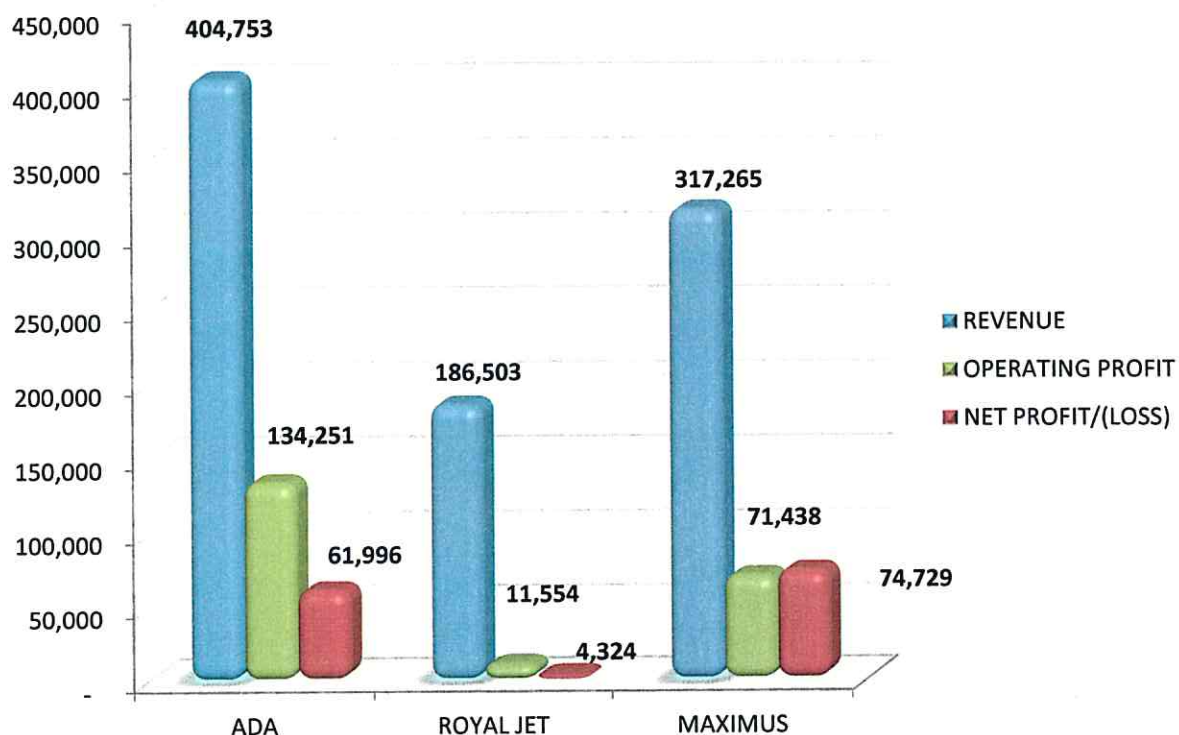
Royal Jet (RJ) made AED 186.50m revenue in 2016 compared with AED 236.84m in 2015. The decrease was due to lower requirements from Medevac Customers (mainly GHQ & HAAD) and an overall market slowdown. Royal Jet incurred further net profit reduction from AED 15.44m in 2015 Q2 to AED 4.32m in 2016 Q2 due to ownership cost and depreciation of new aircraft. Royal Jet started restructuring its fleet and manpower in order to be better equipped for the market needs and current economic conditions.

FINANCIAL HIGHLIGHTS 2016

ADA GROUP

Currency : AED '000

For the period ended 30 June 2016



	30 June 2016	30 June 2015	Increase / (Decrease)
Turnover	907,693	959,110	(5%)
Operating Profit	217,462	226,532	(4%)
Operating Profit %	24%	24%	
Net profit	141,049	136,666	3%
Net profit %	16%	14%	
EPS for the period	0.31	0.29	8%
	30 June 2016	31 December 2015	
Total Assets	4,649,545	4,670,458	(0%)
Total Liabilities	1,982,429	2,055,211	(4%)
Total Equity	2,667,116	2,615,247	2%

Chairman

