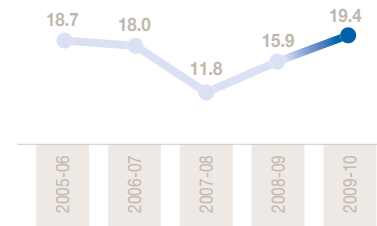
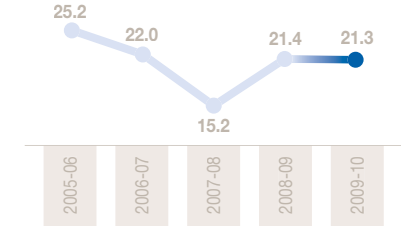


Profit margin in %



Return on shareholder's funds in %



### Profitability

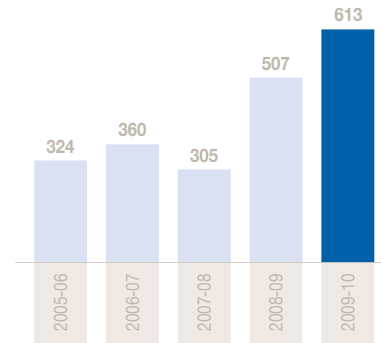
Dnata's profit attributable to the Owner at AED 613 million (2008-09: AED 507 million) is the highest ever profit achieved in its 50 year history. This represents a substantial improvement of 20.9% over the previous year.

Dnata's operating profit at AED 559 million is AED 92 million or 19.7% better than the previous year and results in an operating margin of 17.7% or 3.0 percentage points better than last year. The increase in operating profits is the result of a 4.2% reduction in operating costs. Consequently, Dnata's profit margin was boosted to 19.4% from 15.9% in 2008-09 while the return on shareholder's funds remained stable at a healthy 21.3% (2008-09: 21.4%) on an expanded equity base.

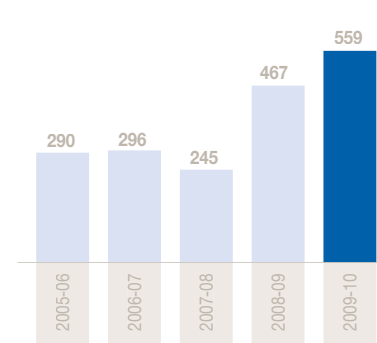
### Revenue

Dnata's revenue was marginally lower at AED 3,121 million compared to AED 3,159 million in the previous year. Increased revenues from airport operations and cargo handling were offset by a decline in other revenue streams which include the transfer of revenue under the new reservations system agreement to Emirates.

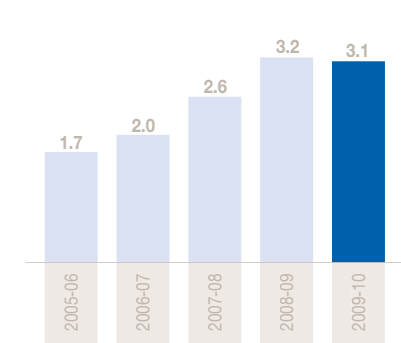
Profit attributable to the Owner in AED m



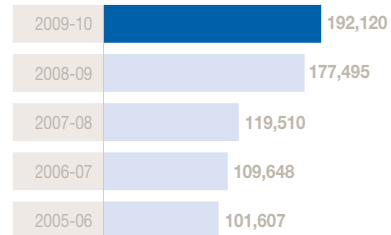
Operating profit in AED m



Development of revenue in AED bn

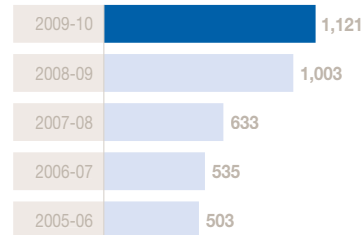


**Aircraft handled**



Note: Figures for 2007-08 and prior years exclude subsidiaries.

**Cargo handled in tonnes '000**



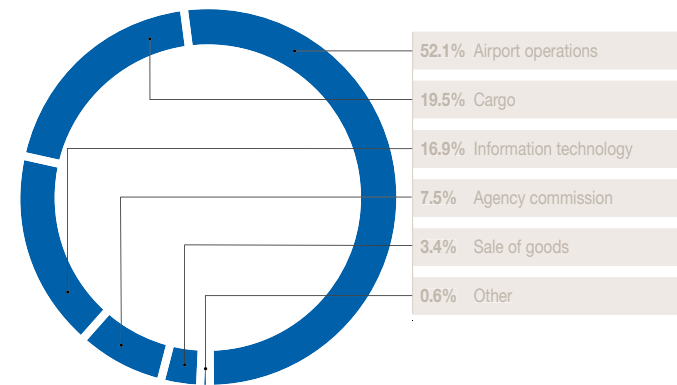
Note: Figures for 2007-08 and prior years exclude subsidiaries.

Airport operations revenue increased by 7.3% or AED 110 million to AED 1,627 million principally on account of increased activity levels at Dubai and from the newly acquired subsidiary in the UK, offset by lower revenues in Switzerland. Cargo revenue at AED 607 million was up 13.2% mainly on account of the increased tonnage handled at Dubai International Airport as well as additional volumes from the new UK operation. The number of aircraft handled increased 8.2% to 192,120 (2008-09: 177,495) while the total cargo handled was 1,121 thousand tonnes, up 118 thousand

tonnes over the previous year (2008-09: 1,003 thousand tonnes). Dubai accounts for 73.1% (2008-09: 75.8%) of the revenue from airport operations and cargo handling services.

Revenue from information technology services was down 7.4% to AED 526 million (2008-09: AED 568 million) reflecting the reduced IT budgets of clients. Agency commission revenue also lower at AED 234 million (2008-09: AED 245 million) was the outcome of airlines reducing fares coupled with a drop in volumes.

**Revenue by segments in %**



**Revenue**

	2009-10 AED m	2008-09 AED m	% change
Airport operations	1,627	1,517	7.3
Cargo	607	536	13.2
Information technology	526	568	(7.4)
Agency commission	234	245	(4.5)
Sale of goods	107	117	(8.5)
Reservation system	-	155	(100.0)
Other	20	21	(4.8)
<b>Total</b>	<b>3,121</b>	<b>3,159</b>	<b>(1.2)</b>

## Expenditure

Dnata's operating costs at AED 2,601 million were AED 113 million or 4.2% better than the previous year principally on account of lower information technology infrastructure costs. The reduction in IT infrastructure costs of AED 119 million resulted from the termination of costs associated with the transfer of the reservations system agreement as well as a reduction in costs achieved by renegotiating contractual terms and optimising the infrastructure base.

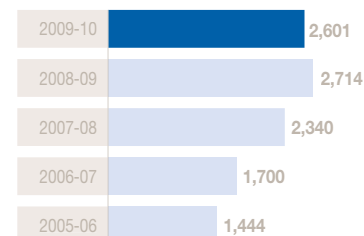
### Operating costs

	2009-10	2008-09	% change
	AED m	AED m	
Employee	1,387	1,347	3.0
Airport operations and cargo - other direct costs	442	391	13.0
Depreciation and amortisation	243	249	(2.4)
Information technology infrastructure costs	178	297	(40.1)
Office accommodation	106	116	(8.6)
Operating lease rentals	49	39	25.6
Cost of goods sold	35	40	(12.5)
Corporate overheads	161	235	(31.5)
<b>Total</b>	<b>2,601</b>	<b>2,714</b>	<b>(4.2)</b>

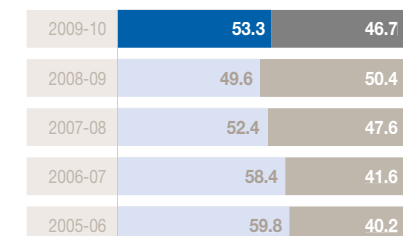
Employee costs remained relatively flat at AED 1,387 million (2008-09: AED 1,347 million) and continues to constitute the single largest cost element of Dnata accounting for 53.3% (2008-09: 49.6%) of operating costs.

The increase of AED 51 million or 13.0% in airport operations and cargo – other direct costs primarily reflects incremental operating costs at Dubai International Airport.

### Operating costs in AED m

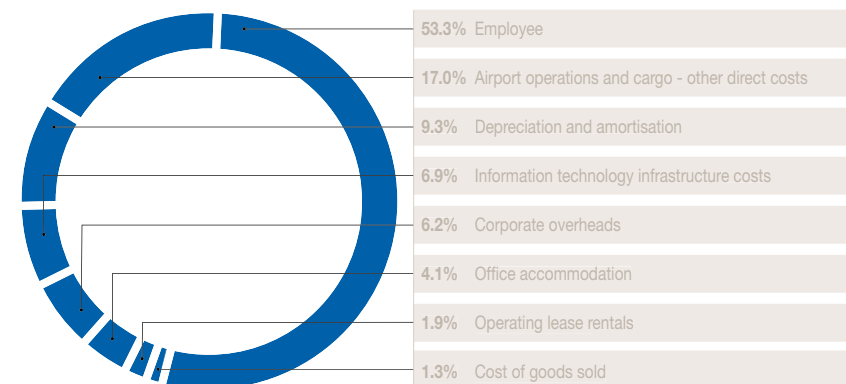


### Employee costs as % of total operating costs

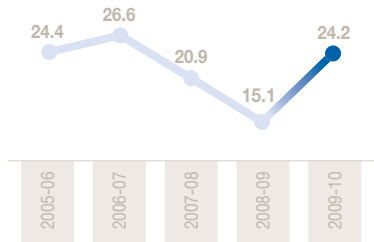


■ Employee cost  
■ Operating costs

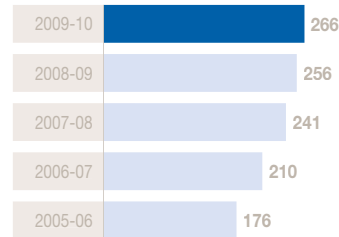
### Operating costs in %



Operating cash margin in %



Revenue per employee in AED '000



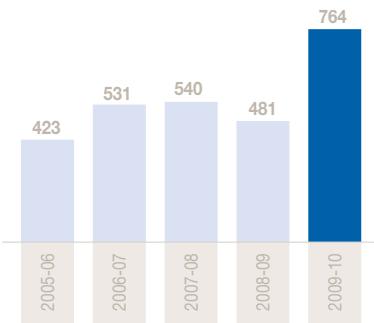
Note: Figures for 2007-08 and prior years exclude subsidiaries.

Cash position

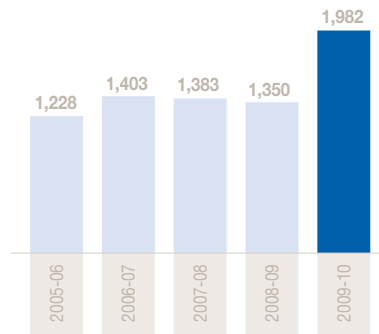
Dnata's cash generated from operating activities at AED 764 million is a significant achievement and is the highest level ever achieved in its 50 year history. The increase of AED 283 million or 58.8% (2008-09: AED 481 million) stemmed from the increase in profitability and a positive change in working capital.

Short term bank deposits and cash were up AED 632 million or 46.8% to a very substantial AED 1,982 million at 31 March 2010 and is the highest cash balance ever held in Dnata's 50 year history.

Cash generated from operating activities in AED m



Cash assets in AED m



This represents an operating cash margin of 24.2% which is 9.1 percentage points better than the previous year. Cash generated from operating activities covered almost the entirety of or 99.0% (2008-09: 69.0%) of current liabilities at 31 March 2010.

Employee strength and productivity

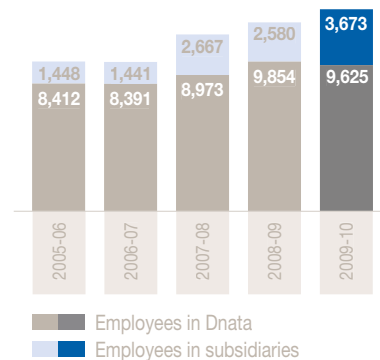
During the year in review, the average workforce increased by 864 or 6.9% to 13,298. The increase is on account of approximately 1,600 staff in the newly acquired UK subsidiary offset by a headcount reduction in Switzerland and Dubai.

A breakdown of the average number of employees by category is shown below:

Employee strength

	2009-10	2008-09
Airport operations	6,160	6,113
Cargo handling	889	1,069
Information technology	1,128	1,091
Dnata agencies	907	943
Other	541	638
<b>Total Dnata</b>	<b>9,625</b>	<b>9,854</b>
<b>Subsidiary companies</b>	<b>3,673</b>	<b>2,580</b>
<b>Average employee strength</b>	<b>13,298</b>	<b>12,434</b>

Average workforce



Revenue per employee increased 4.1% to AED 266 thousand from AED 256 thousand in 2008-09. The number for the current year has been normalised due to the addition of the UK subsidiary in the last quarter of the financial year.

Man hours per aircraft turn improved 7.3% to 115 as compared to 124 in 2008-09 while cargo handled per man hour was up 14.9% to 277 kgs (2008-09: 241 kgs)