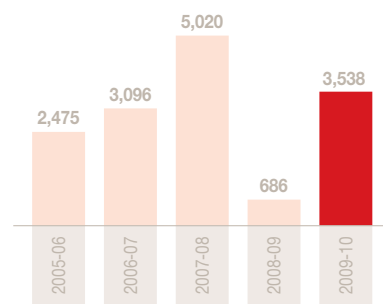


Profitability

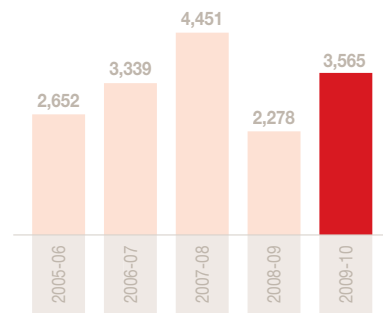
Emirates profit attributable to the Owner for 2009-10 was significantly up by AED 2,852 million to AED 3,538 million (2008-09: AED 686 million) reflecting 2.7% lower operating costs and prior year losses in the fair value of derivative financial instruments not repeated. The business climate at the commencement of the financial year was pessimistic but gradually turned to cautious optimism during the course of the third quarter with results boosted by an extremely strong performance in the second half of the financial year. Transport revenue which was down 15.4% in the first half over the same period in the previous year recovered sharply on the back of strong revenues, improved yields and higher load factors. The previous year profit has been restated from AED 982 million with the adoption of new IFRS guidelines for accounting customer loyalty programmes effective 1st April 2009 (refer to note 40 in the Emirates financial statements for more information).

Profit attributable to the Owner in AED m

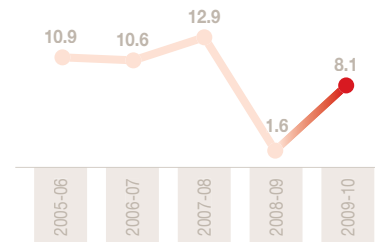


Emirates ended the financial year with an operating profit of AED 3,565 million which is AED 1,287 million or 56.5% better than the previous year and a healthy operating margin of 8.2% or 2.9 percentage points higher than last year. Emirates profit margin also recovered to 8.1% from 1.6%, a notable achievement in a difficult year.

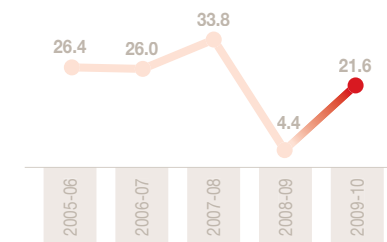
Operating profit in AED m



Profit margin in %



Return on shareholder's funds in %

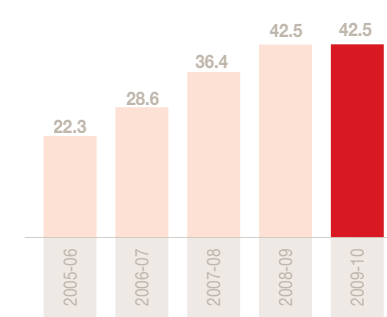


As a result, the return on shareholder's funds stood at a healthy 21.6% or a significant 17.2 percentage points better than the previous year.

Revenue

Revenue remained stable at AED 42,477 million (2008-09: AED 42,459 million) reflecting lower passenger and cargo yields offset by increased traffic. Passenger and cargo revenue (including excess baggage, courier and mail) accounts for 94.6% of revenue.

Development of revenue in AED bn



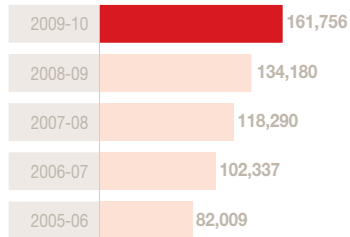
Revenue

	2009-10 AED m	2008-09 AED m	% change
Passenger	32,995	32,697	0.9
Cargo	6,315	6,874	(8.1)
Courier	428	349	22.6
Excess baggage	278	349	(20.3)
Mail	156	126	23.8
Transport revenue	40,172	40,395	(0.6)
Sale of goods	1,727	1,563	10.5
Destination and leisure	156	194	(19.6)
Other	422	307	37.5
Total	42,477	42,459	-

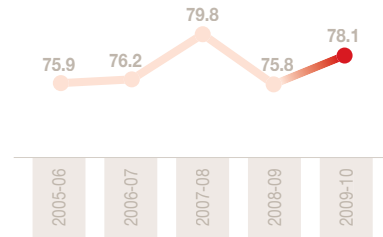
Passenger revenue at AED 32,995 million was marginally higher by AED 298 million over the previous year and was impacted by considerably weaker yields. The decline in passenger yield per RPKM

of 18.7% to 26.1 fils resulted mainly from a drop in fares and a deterioration in the class mix with premium class seat factors declining by 6.2 percentage points while economy class seat factors

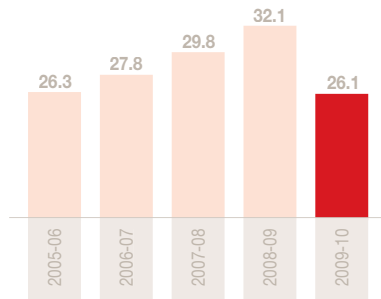
Available seat kilometres (ASKM) in millions



Passengers seat factor in %



Passenger yield in fils per RPKM



increased by 3.6 percentage points. The yield per RPKM recovered markedly in the second half resulting in the catch up in passenger revenue to the previous year level. The decline in yield was countered by an increase in the average passenger seat factor to 78.1% or 2.3 percentage

points better than the previous year despite a 20.6% increase in ASKMs.

The higher average seat factor over the expanded capacity translated into passenger numbers increasing by 20.8% or 4.7 million passengers to 27.5 million.

Cargo revenue at AED 6,315 million is 8.1% lower than last year (2008-09: AED 6,874 million), also the result of declining yields. While cargo tonnage increased by 12.2% over the previous year mainly in the second half of the year, freight yield per FTKM declined by 18.9%. Revenue from cargo, mail and courier continues to constitute an important 17.2% (2008-09: 18.2%) of Emirates transport revenue.

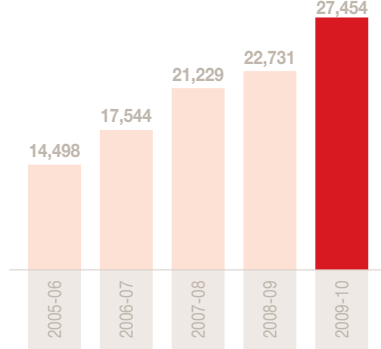
Geographical revenue in AED m

Year	Gulf, Middle East and Iran	Europe	Americas	East Asia and Australasia	West Asia and Indian Ocean	Africa	Total
2009-10	4,941	11,612	4,003	11,843	5,322	4,756	42,477
2008-09	4,842	12,185	3,702	12,097	4,938	4,695	42,459
% change	2.0%	(4.7%)	8.1%	(2.1%)	7.8%	1.3%	-

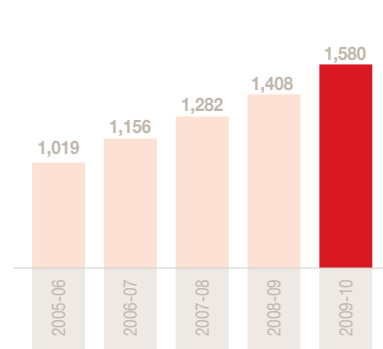
The changes in the revenue by geographical area mainly emanate from a shift in transport revenues. The 8.1% increase in revenues for the Americas is

on account of the full year impact of new routes while the West Asia and Indian Ocean region experienced stronger revenue growth over other regions.

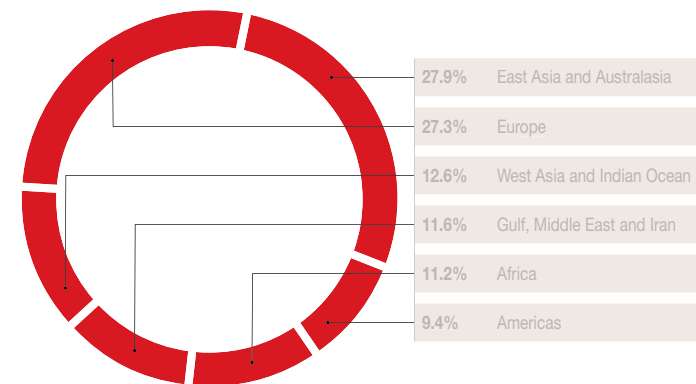
Passengers carried in '000



Cargo carried in tonnes '000



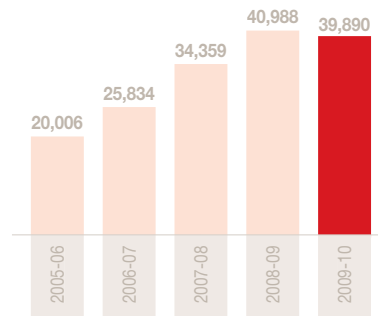
Geographical revenue in %



Expenditure

Emirates operating costs at AED 39,890 million were AED 1,098 million or 2.7% better than the previous year mainly due to a reduced jet fuel bill (lower by AED 2,535 million or 17.6%).

Operating costs in AED m

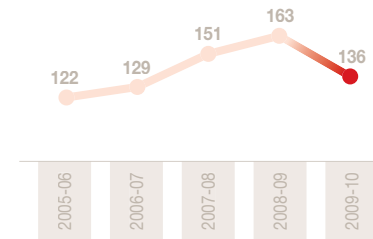


Employee cost grew by 8.3% which compares with 16.9% growth in capacity, reflecting an impressive productivity gain per airline employee. Employee numbers increased by 2.3% reflecting a freeze in recruitment in non-operational areas.

The higher depreciation charge on account of an increase in aircraft fleet assets (up AED 743 million or 34.6%) and higher direct operating costs

on account of the increase in traffic (handling, in-flight costs, overflying, landing and parking and aircraft maintenance costs were up by AED 992 million or 13.9%) were partially offset by lower sales and marketing expenses (AED 301 million or 9.1%) and lower corporate overheads (AED 825 million or 24.4%).

Unit cost in fils per ATKM

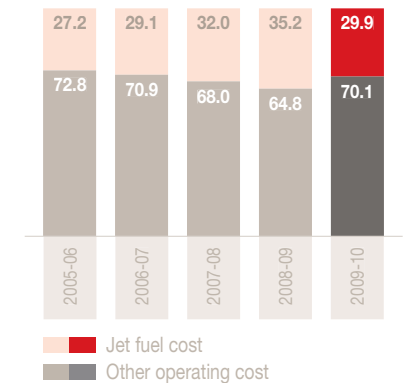


Employee cost as % of total operating expenses

Year	Employee cost (%)	Operating costs (%)
2009-10	15.9	84.1
2008-09	14.3	85.7
2007-08	15.9	84.1
2006-07	15.6	84.4
2005-06	15.9	84.1

Employee cost
Operating costs

Jet fuel cost as % of operating cost

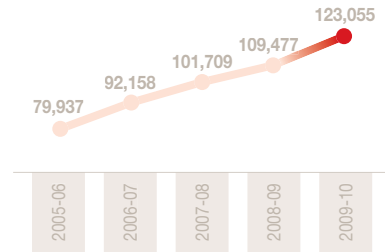


Jet fuel cost
Other operating cost

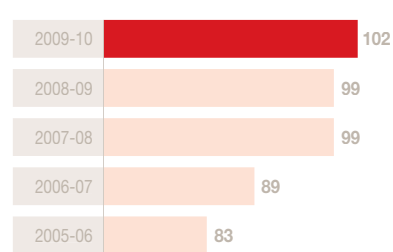
Operating costs

	2009-10	2008-09	% change	2009-10 % of operating costs
	AED m	AED m		
Jet fuel	11,908	14,443	(17.6)	29.9
Employee	6,345	5,861	8.3	15.9
Aircraft operating leases	4,111	3,797	8.3	10.3
Sales and marketing	3,020	3,321	(9.1)	7.6
Depreciation	2,893	2,150	34.6	7.2
Handling	2,807	2,533	10.8	7.0
In-flight catering and other operating costs	2,180	1,923	13.4	5.5
Overflying	1,438	1,281	12.3	3.6
Landing and parking	874	735	18.9	2.2
Aircraft maintenance	847	682	24.2	2.1
Cost of goods sold	844	822	2.7	2.1
Amortisation	69	61	13.1	0.2
Corporate overheads	2,554	3,379	(24.4)	6.4
Total operating costs	39,890	40,988	(2.7)	100.0

Aircraft departures



Destination cities



Capacity, traffic and load factor

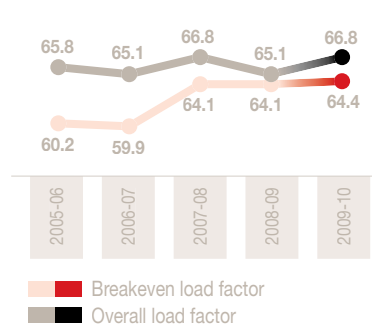
		2009-10	2008-09	% change
Capacity (ATKM)	million	28,526	24,397	16.9
Load carried (RTKM)	million	19,063	15,879	20.1
Load factor	%	66.8	65.1	1.7 pts
Break even load factor	%	64.4	64.1	0.3 pts

The airline's capacity measured in terms of ATKM rose 16.9% to 28,526 million tonne-kilometers while traffic or RTKM increased 20.1%, faster than the capacity growth, to 19,063 million tonne-kilometers. This resulted in the overall load factor rising by 1.7 percentage points to 66.8% (2008-09: 65.1%).

The eight A380 superjumbo aircraft in the fleet at 31 March 2010 are very popular with our customers returning load and seat factors well above the network average. The A380 fleet serves a total of eight destinations, five of which were added in the current financial year.

As part of the continued emphasis on investing in the product and in line with the capacity growth, six new airport lounges were opened across the network in Birmingham, Manchester, Hamburg, Beijing, Mumbai and Johannesburg. This takes the total number of Emirates dedicated airport lounges to 26.

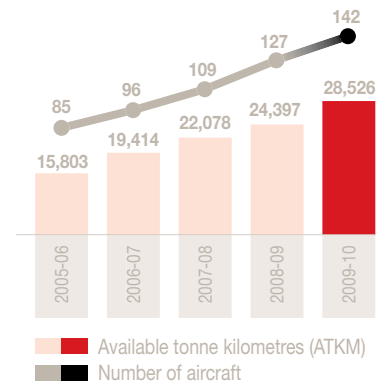
Overall and breakeven load factor in %



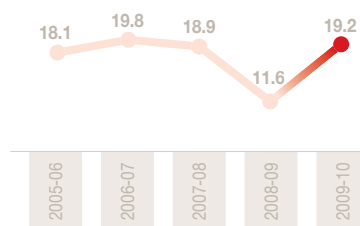
Aircraft departures increased by 12.4% to 123,055. The increase in traffic came principally from:

- introduction of new passenger services to Durban, Luanda and Tokyo.
- increased frequencies to several existing destinations, mainly Jakarta, Rome, Doha, Bangkok, Kolkata and Kozhikode.
- increased capacity to several existing destinations with bigger aircraft, mainly Dusseldorf, Munich, Paris, Seoul and Hong Kong.

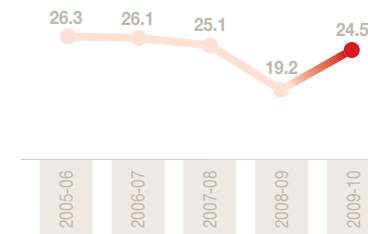
Available tonne kilometres (ATKM) in millions and number of aircraft



Operating cash margin in %



EBITDAR margin in %



Cash position

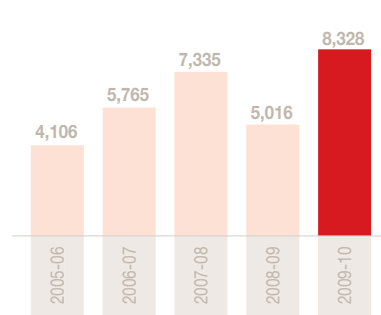
Emirates cash generated from operating activities at AED 8,328 million is significant as it represents the highest level ever achieved. This was AED 3,312 million better than the previous year primarily on account of the increase in profits. The resultant operating cash margin at 19.2% is 7.6 percentage points better than the previous year.

The net cash used in investing activities at AED 577 million (2008-09: cash generation of AED 1,896 million) is mainly on account of the outflows of AED 3,416 million (2008-09: AED 5,573 million) on property, plant and equipment. A net amount of AED 2,982 million (2008-09: AED 5,085 million) was used in financing activities reflecting the outflows on settling borrowings and lease liabilities including financing costs as well as dividends to the ownership.

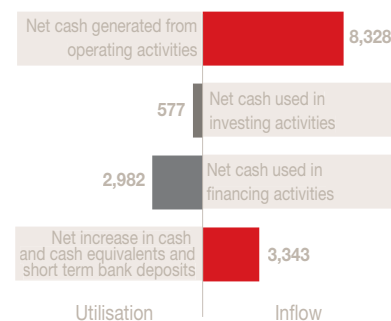
As a result, cash assets were up AED 3,143 million or 42.7% to a healthy AED 10,511 million at 31 March 2010 and this is expected to be sufficient to cover all requirements due in the next financial year when supplemented by our aircraft financing programme. This represents a healthy cash assets to revenue ratio of 24.2% which is 7.2 percentage points better than the previous year.

Emirates cash profit from operations (or EBITDAR) for the year ended 31 March 2010 is a substantial AED 10,638 million, up 28.4 % over last year and is 24.5 % of revenue and other operating income. Once again this is the highest level ever achieved by Emirates. EBITDAR for the year equated to more than 16 months of debt service and lease rentals, including periodic principal and interest payments on aircraft financing and bond issues.

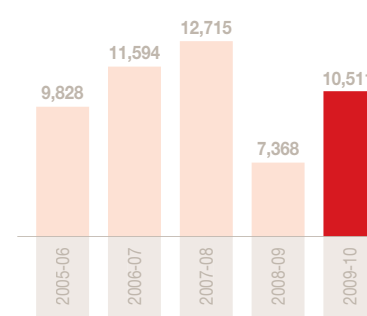
Cash generated from operating activities in AED m



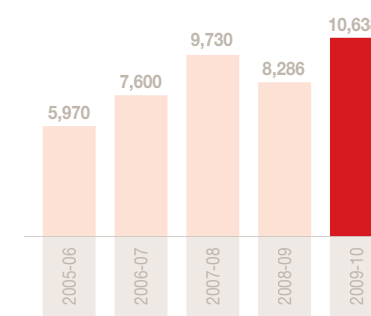
Cash flow in AED m



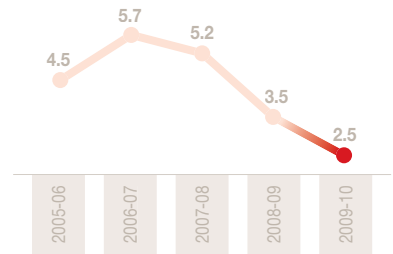
Cash assets in AED m



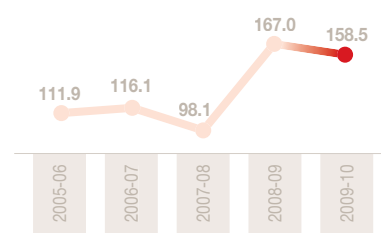
EBITDAR in AED m



Effective interest rate on borrowings in %



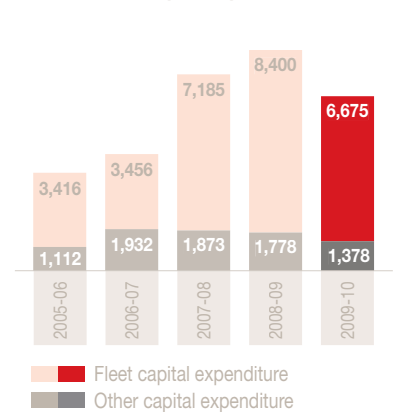
Net debt (including aircraft leases) equity ratio in %



Capital expenditure

Emirates capital expenditure during the year stood at AED 8,053 million (2008-09: AED 10,178 million). Primary capital expenditure consisting of the spend on aircraft, major overhauls, spare engines and parts comprised 82.9% of the total capital expenditure including disbursements for aircraft deliveries during the year and progress payments for future deliveries. In total, secondary capital expenditure amounted to AED 1,378 million (2008-09: AED 1,778 million) of which AED 981 million (2008-09: AED 1,294 million) has been spent on building construction projects.

Fleet and other capital expenditure in AED m



Fleet acquisition and financing

During the financial year, Emirates took delivery of 15 aircraft, 11 from Boeing and four from Airbus. Boeing aircraft comprised ten B777-300ER and one B777-200LR freighter while Airbus deliveries consisted of four twin deck A380 aircraft. Eight A380 aircraft are now in our fleet out of a total order book of 58 units. During the year, Emirates became the largest B777 operator when it took delivery of its 78th B777 aircraft.

Emirates raised a total of AED 8,776 million in aircraft financing including aircraft operating leases over the period under review, and have already received offers of finance covering all deliveries due in the forthcoming financial year.

Eight B777-300ER aircraft were funded through finance leases, (with the option to refinance in the capital markets), two through sale and lease back transactions while the freighter was financed as a pure operating lease.

The financial highlight of the year was the first ever financing of Boeing aircraft through capital markets guaranteed by the US Export-Import bank on finance lease. The transaction raised AED 1,520 million to finance three Boeing 777-300ERs. This new structure

reached a much deeper and broader investor base than the conventional bank market, which hitherto had been the traditional source of investors for Ex-Im Bank guaranteed export finance. The result was a more durable financing solution that is less vulnerable to the financial stress that constricted the banking institutions starting in the fourth quarter of 2008. The transaction was also recognised by the industry as ground-breaking and earned accolades from the financing community. Emirates has gone on to refinance two more 777-300ER aircraft in the capital markets through this innovative structure.

Out of the four Airbus A380 units delivered, two were financed as finance leases and two through sale and lease back transactions using the German KG market.

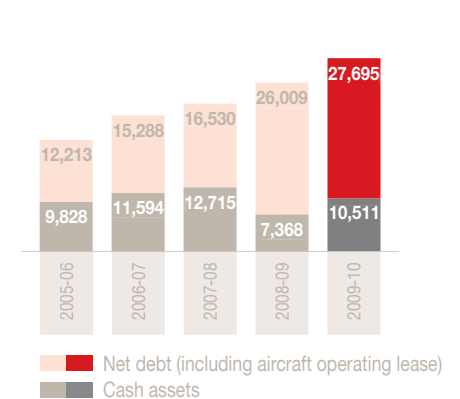
During the year, Emirates also successfully closed two sale and leaseback transactions for eight spare engines and two B777-200 classic aircraft.

Debt

Emirates total borrowing and lease liabilities increased to AED 19,605 million, up 3,093 million or 18.7% over the previous year mainly on account of an increase in lease liabilities offset by lease repayments of AED 1,447 million (2008-09: AED 1,161 million). As a result, the ratio of borrowings and lease liabilities to total equity at 31 March 2010 stood at 112.2% (2008-09: 106.0%)

Emirates net debt equity ratio at 31 March 2010 improved to 52.0% (2008-09: 58.7%) as the increase in borrowings was partially offset by an increase in cash assets. After capitalizing aircraft operating leases, the same ratio at 31 March 2010 was 158.5% (2008-09: 167.0%).

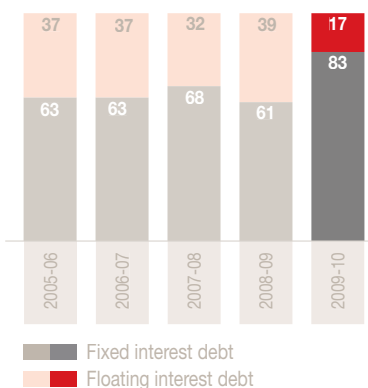
Net debt (including aircraft operating leases) and cash assets in AED m



Currency and interest rate risk

Emirates continued to target a balanced portfolio approach, whilst still taking advantage of market movements, with a view to hedging around half of its interest rate and currency risk exposures, using prudent hedging solutions including swaps and options. Emirates borrowings and lease liabilities (net of cash) including aircraft operating leases, at 31 March 2010, comprised 83% on a fixed interest rate basis with the balance 17% on floating interest rates.

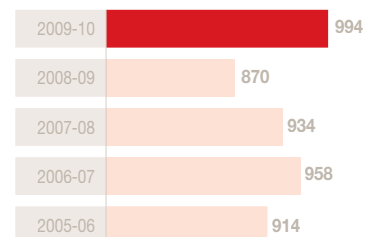
Fixed vs floating interest rate ratio in %



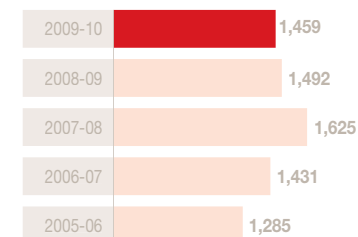
A one percentage point increase in interest rates would increase the interest charges and the operating lease charges (net of interest income) during the next financial year by AED 74 million (2008-09: AED 109 million). At 31 March 2010, Emirates borrowings and lease liabilities carried an effective interest rate of 2.5% (2008-09: 3.5%).

Emirates proactively managed its currency exposure by using prudent hedging solutions including currency swaps, options and natural hedges through outflows denominated in Pound sterling, Euro, Australian dollars, New Zealand dollars and Japanese yen. For the year ended 31 March 2010, hedging coverage for Pound sterling, Euro, Australian dollars, New Zealand dollars and Japanese yen were 14%, 24%, 29%, 81% and 91% respectively.

Capacity per airline employee in ATKM '000



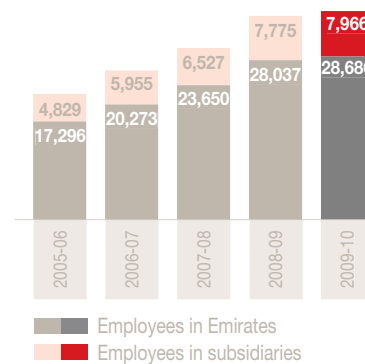
Revenue per airline employee in AED '000



Employee strength and productivity

The average workforce rose by 840 (2.3%) to 36,652.

Average workforce



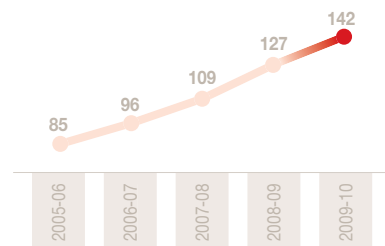
The average number of employees in the airline grew by 649 (2.3%) to 28,686 despite the 16.9% growth in capacity. The increase in airline employee numbers were mainly in the cabin crew and flight deck categories on account of 15 new aircraft added during the year.

Employee productivity for the airline, measured in terms of revenue per employee remained relatively flat at AED 1.5 million (2008-09: AED 1.5 million).

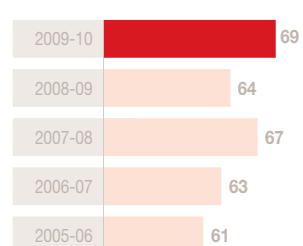
Capacity per airline employee was sharply up by 14.3% or ATKM 994 thousand compared with ATKM 870 thousand in 2008-09. Similarly, load carried per airline employee also increased by 17.5% to RTKM 665 thousand from RTKM 566 thousand in the previous year.

	2009-10	2008-09
UAE		
Cabin crew	10,785	10,324
Flight deck crew	2,237	2,141
Engineering	1,904	1,849
Other	9,084	9,379
	24,010	23,693
Overseas stations	4,676	4,344
Total Emirates	28,686	28,037
Subsidiary companies	7,966	7,775
Average employee strength	36,652	35,812

Number of aircraft



Average fleet age in months



Fleet Information

At 31 March 2010

Aircraft	In operation	of which on operating lease	of which on finance lease	of which owned	Change from 31-Mar-09	On firm order	Additional options
A330-200	29	27	2				
A340-300	8	8					
A340-500	10	8	2				
A350-900/1000 XWB						70	50
A380-800	8	2	6		+4	50	
B777-200	3	2		1			
B777-200ER	6		1	5			
B777-200LR	10	4	6				
B777-300	12	12					
B777-300ER	52	34	18		+10	19	
Passenger	138	97	35	6	+14	139	50
B777-200LRF	2	2			+1	2	
B747-400F	2	2					
B747-8F						5	
Total	142	101	35	6	+15	146	50

Emirates also had three B747 freighters on wet lease for its cargo operations at 31 March 2010.

In addition to the above, Emirates has contracted for two B777-200LRF and five B747-800F for delivery from Dubai Aerospace Enterprise (DAE) on operating lease.

Emirates operates one of the youngest fleets in the industry with an average age of 69 months compared with an industry average of 190 months.