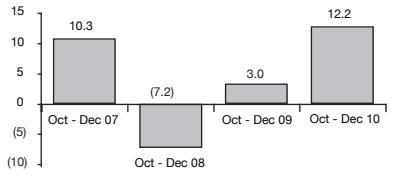
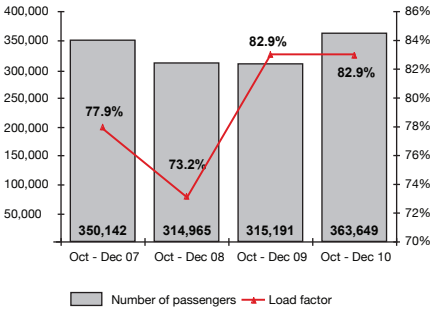
2010-2011
3rd Quarter Results
1st October to 31st December 2010

AIR MAURITIUS CONFIRMS ITS FINANCIAL RECOVERY PROFITS OF EURO 12.2 MILLION FOR THE THIRD QUARTER

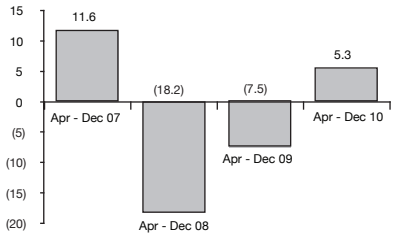
Net Results (Eur'000) / Oct - Dec 2010



Load factor / Oct - Dec 2010



Net Results (Eur'000) / Apr - Dec 2010



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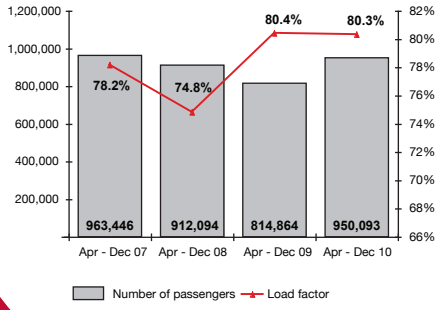

10 February 2011

The aviation industry on the recovery path

After more than two years of crisis, the global economy now seems to be back on track despite significant growth disparities between different parts of the world. A clear trend has now been established with, on the one hand, a sustainable growth in emerging countries and on the other hand, a subtle and uneven growth in the European markets.

The aviation industry is following the same trend, with IATA forecasting an overall improvement in the industry performance for the year 2010. However, the industry lost one percentage point growth due to the disruptions caused by the snow storms in December.

Air Mauritius and the Mauritius tourism sector, which depend to a large extent on the European markets, have also been impacted, albeit the country posting record tourist arrivals for the year 2010.

Improved Financial Performance for the third quarter

In spite of the snow episode at the end of the third quarter, Air Mauritius registered a net profit of Euro 12.2 million for the period October to December 2010 representing an increase of more than Euro 9 million compared to the third quarter in 2009. The airline's turnover increased by Euro 24.2 million, or + 23.9% to reach Euro 125.4 million.

This positive performance was achieved by the company in spite of a significant increase in its fuel costs by Euro 7.7 million owing to a combined effect of an increase in the fuel price and the Euro depreciation.

The average load factor of 82.9% and the record number of passengers carried during the third quarter (363,649 passengers, or + 15.4% compared to the same period in 2009) are the result of an optimal utilisation of the company's resources and a sustained commercial drive across all markets.

Nine months results: The Company is again profitable

Air Mauritius reports a net profit of Euro 5.3 million for the first nine months of the financial year, representing a substantial increase of Euro 12.8 million compared to the nine months in 2009. With the excellent third quarter results, the number of passengers carried is at par to its pre-crisis level, representing an increase of 16.6% whilst the cargo uplifted increased by 19.7%. The turnover increased by 19.2%, or Euro 51.1 million as a result of the turnaround triggered during the second quarter of the Financial Year.

After two particularly difficult years, due to the fuel hedging and the global economic crisis, the return to profitability for the first nine months of the financial year confirms the financial recovery of the company.

Outlook for the last quarter of the financial year

Air Mauritius is forecasting a positive performance for its last quarter (January – March 2011) with satisfactory forward bookings on its flights. Having ensured a rigorous management of its resources, the company expects to meet its revenue targets. However, unforeseen circumstances (crisis in Egypt, natural calamities in Australia...) and the increase in fuel price above USD 100 per barrel compel airlines to be vigilant, Air Mauritius being no exception. Despite these challenges, the company remains cautiously optimistic for the rest of the financial year.