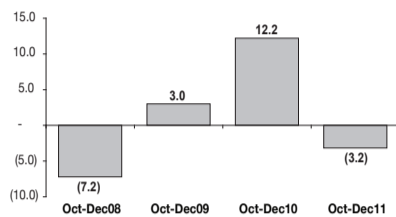


INCREASING FUEL HIKE SEVERELY IMPACTS ON THE FINANCIAL RESULTS
Losses of €3.2 million for third quarter

Net Profit / (loss) (Eur M)
Oct-Dec



The airline industry hit by the worsening global economic crisis

IATA, the International Air Transport Association, at the end of 2011 noted the significant impact of the global economic crisis on the overall airline industry. The international body forecast that airlines would “further plunge in the red” and would experience their “worst losses since the 2008 financial crisis”.

In fact, these last few months have been marked by successive announcements of heavy losses incurred by airline companies across the world. Many of them are on the verge of bankruptcy, including the leading players. Indian Ocean airlines are also severely impacted.

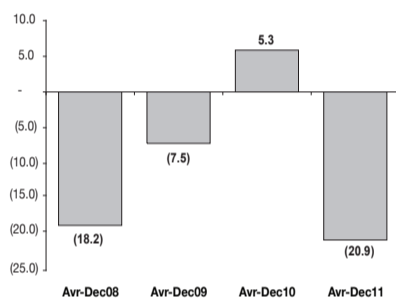
Air Mauritius Results Worsened by the Fuel Costs

In the aftermath of the financial crisis of 2008, Air Mauritius managed to redress its financial situation through rigorous management. Nevertheless, Air Mauritius, just like its competitors, was severely hit by the crisis in the airline industry. The company recorded losses of €3.2 million for the third quarter against a profit of € 12.2 million for the same period in the previous year.

For the first nine months of the financial year, the company registered net losses to the tune of €20.9 million compared to a profit of €5.3 million for the corresponding period in the previous year.

This result is mainly due to the surge in oil prices. The rising fuel cost represents an increase of nearly €12.5 million for the third quarter of the financial year compared to the same quarter in the preceding year. And on a cumulative nine months basis, this extra fuel cost alone represents €37 million. At a constant fuel rate, Air Mauritius would have thus posted more than € 16 million profit for these nine months. The fuel cost is further impacted by the weakening of the Euro - fuel being paid in US dollars.

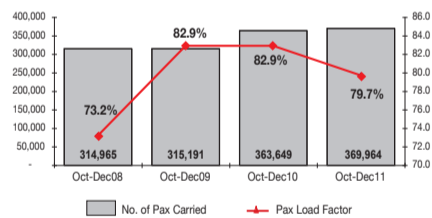
Net Profit / (loss) (Eur M)
Apr-Dec



Faced with increased competition, Air Mauritius maintains its market share

The latest figures show a slight decrease in tourist arrivals in Mauritius at the end of 2011 (-2.2% in December), reflecting the slowdown in global markets. The recent injection of additional seats by competing airlines has not been translated in any increase in the number of tourists. Faced with increased competition, which weighs heavily on its business, Air Mauritius recorded only a small growth in the number of passengers carried, both in the third quarter (+1.7%) as well as in the nine months' period (+3%), however at the expense of its financial performance.

Passengers Carried, Load Factor
Oct-Dec



Outlook for the rest of the financial year

The prevailing circumstances in the airline industry, the aggravating global economic crisis, in particular Europe which is the airline's main market, the persistently high oil prices and the volatility of the Euro/ Dollar rate lead Air Mauritius to forecast the same trend for the rest of the financial year based on the first nine months.

Review of the Air Mauritius business model

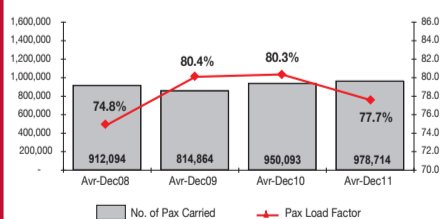
The new economic environment of the airline industry is henceforth the basis for restructuring Air Mauritius and calls for a review of the company's business model. This crucial transformation, will initially focus on three main levers:

1. A reconfiguration of the company's network for the next five years. The following loss making routes will be suspended:
 - a. Effective May 2012 – Milan (to be serviced on a daily basis via Paris) and Sydney/ Melbourne (to be serviced via Perth)
 - b. Effective end October 2012, Frankfurt, Geneva, Munich (to be serviced on a daily basis via Paris), Bangalore (to be serviced via Mumbai and Chennai) and Durban (to be serviced on a daily basis via Johannesburg).

The following destinations will be reinforced: Paris, London, Mumbai, Delhi, Chennai, Kuala Lumpur, Singapore, Hong Kong, Shanghai, Perth, Johannesburg, Cape Town, Nairobi, Antananarivo, St Denis, St Pierre and Rodrigues.

2. An ambitious but realistic cost savings plan
3. A new boost to revenues

Passengers Carried, Load Factor
Apr-Dec



In order to implement this transformation plan, changes will be brought to the organization and its operations with customer services and human resources management being two main levers.

This reorganization will guarantee the future of Air Mauritius and ascertain its status as the strategic partner of the Mauritian economy.