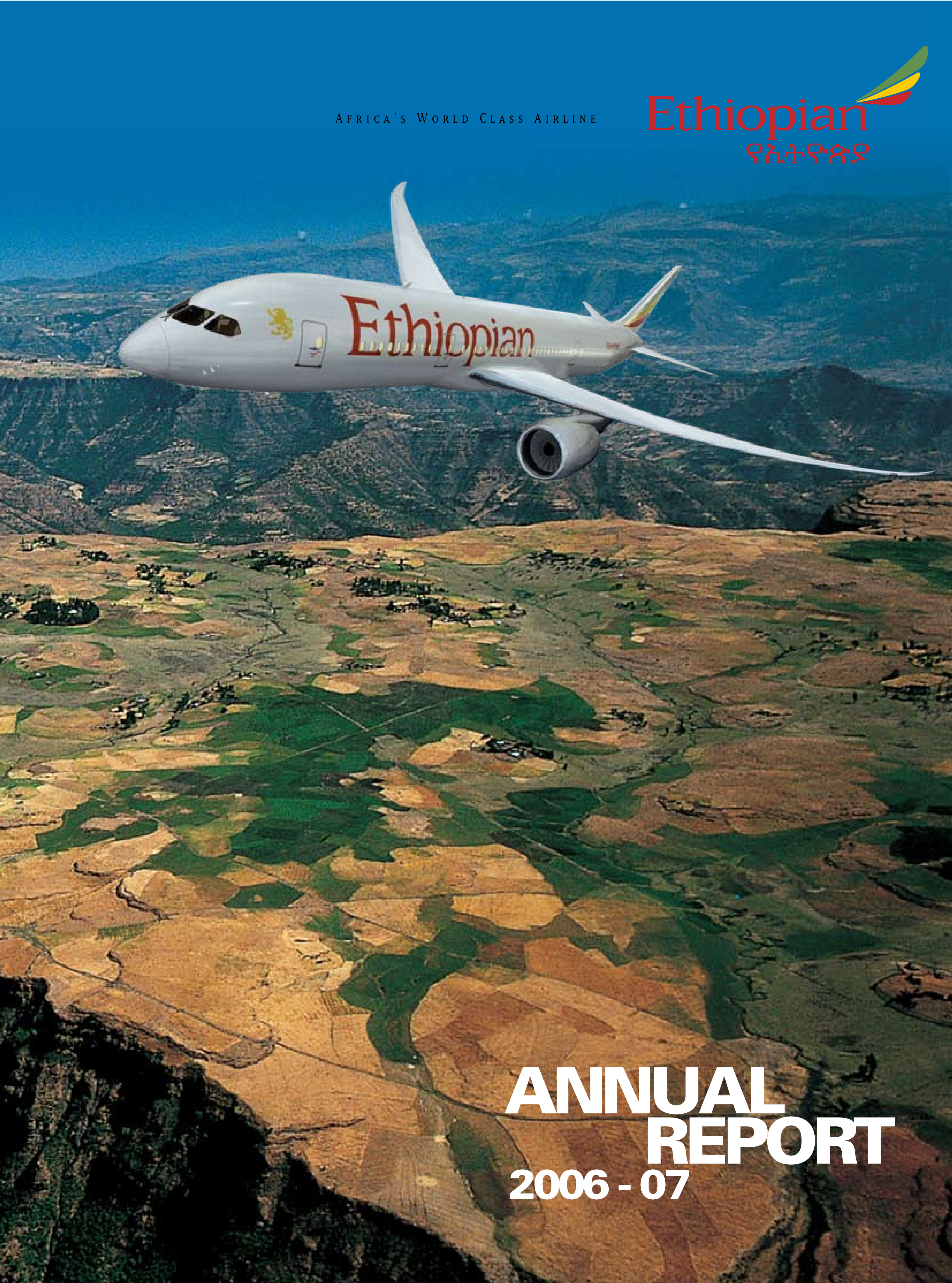
AFRICA'S WORLD CLASS AIRLINE

Ethiopian
የኢትዮጵያ



ANNUAL REPORT 2006 - 07

AFRICA'S WORLD CLASS AIRLINE

CONTENTS

BOARD OF MANAGEMENT

H.E. Mr. Seyoum Mesfin .... Chairman

H.E. Mr. Getachew Mengistie.. Member

Mr. Abera Mekonnen .... Member

Col. Semret Medhane .... Member

Capt. Mohammed Ahmed .... Member

Mr. Gebremedhin G/Hiwot.. Member

Ambassador Dr. Addisalem Balema .... Member

Major General Alemeshet Degifie .... Member

Mr. Reta Melaku .... Member

Mr. Tewodros Balcha .... Member

Mr. Alemayehu Assefa.. Member

CEO's MESSAGE

I am pleased and proud to report yet another banner year of high revenue performance and operating profits at Ethiopian Airlines. Operating results obtained from both passenger and cargo traffic for the fiscal year 2006/07 netter 198 million birr. Revenues surpassed the 6 billion birr mark for the first time ever – registering a new record of 6.9 billion birr, a 28 percent increase compared to that of the previous year.

The growth in revenue and operating profits was the direct result of a 19 percent increase in the number of passengers flown and a 5 percent rise in freight carried. The latter is the second highest source of revenue following that of the passengers. It is worth noting that the increase in the cargo segment of our business comes from the growing markets of export commodities carried out from Addis Ababa. Encouraged by the emergence of these markets from the agricultural sector, it is to be recalled that Ethiopian had taken unprecedented cost and investment measures to upgrade an expand its cargo facilities and services to meet the needs and demands of the public and the national economy.

Revenues secured from other services provided by Ethiopian to other airlines, especially those from aircraft maintenance and training, contributed appreciably to the financial performance of the company.

Ethiopian Airlines has also registered milestone successes on several other fronts during the fiscal year under review. In recognition of its sustained excellence in financial performance, traffic growth, route development, fleet modernization, in-flight service and overall customer care, Ethiopian has won awards from the African Aviation Journal and the African Times (USA). In addition, Ethiopian was the winner of the Africa Business of the Year Award for 2007 at the 15th African Achievement Awards and Africa Day celebration in Beverly Hills, California. The Africa Business Award recognizes and honours those who have achieved the highest level of excellence in business and continue to improve the quality of life of the African everywhere.

In addition, our esteemed and valued customers gave us the highest ranking in the overall handling of our services. The services ranked under this programme included the attitude and professionalism of cabin staff, on-time performance, frequent flyer, and pilots' handling of flight landings and take-offs.

Despite the persistent financial constraints of the aviation industry during the period under review, Ethiopian continued to meet the aspirations of its customers by expanding its network of destinations and strengthening its frequencies. The additions of Bahrain, Sana'a and Juba brought the total of our international operations to 48.

Moreover, our decision to purchase ten all-new 787 Dreamliner aircraft from Boeing reaffirms Ethiopian's commitment to remain the leader in the African aviation industry and continue to provide our customers with nothing less than the best quality of service and comfort at all times.

These are but a few of the strategies underway leading to the ultimate objectives set forth in our statement of Vision for the year 2010. We are all the more confident now than ever before that we shall meet the one billion US dollar revenue target with a modern fleet of 30 jets and 3 million passengers per year.

I would like to take this opportunity to thank our customers, employees and other stakeholders for their continued support which has enabled us to begin the next budget year with successful results.

Mr. Girma Wake
Chief Executive Officer

MANAGEMENT TEAM

Mr. Girma Wake
Chief Executive Officer

Mr. Tewolde Gebre Mariam
Chief Operating Officer

Mr. Kassim Geresu
Executive Vice President
Finance & Strategic Planning

Mrs. Frehiwot Worku
Executive Vice President
Corporate Services

Mr. Kinfe Kahssaye
Executive Vice President
Strategic Business Units

Mr. Busera Awol
Vice President Commercial

Mr. Getachew Tadesse
Vice President
Customer Service

Captain Tesfaye Ambaye
Vice President Flight
Operations

Mr. Mesfin Tassew
Vice President
Maintanace & Engineering

Ms. Rahel Zerihun
Acting General Counsel

Mr. Samuel Assefa
Vice President Internal Audit
& Intergrated Management
System Compliance

Mrs. Konjit Tedla
Acting Vice President Human
Resource Management

Mr. Kemeredin Bedru
Vice President
Information Technology

Mr. Meseret Bitew
Vice President Finance

Mr. Abate Gidafe
Vice President Strategic Planning

NEWS HIGHLIGHTS

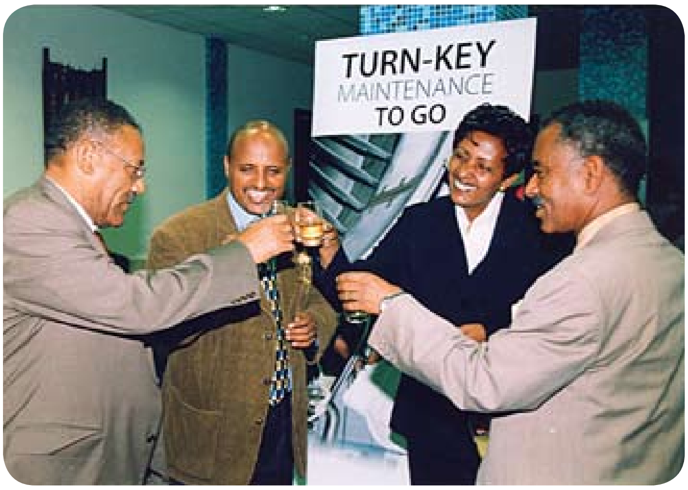
Revenue Enhancement

In order to register and increase the generation of revenue, Ethiopian introduced Jet flights to Mekele, Axum and Gondar which significantly assisted the tourist flow to these historic places, thereby contributing the increase in revenue.

New Destinations Added

To effectively exploit potential markets, to maximize profitability and to capture the flow of traders and investors; Ethiopian commenced flights to

- Juba – effective November 16, 2006
- Sana'a – effective May 14, 2007
- Bahrain – effective June 3, 2007



The opening of these destinations will definitely increase the passengers' uplifts, thereby maximizing the revenue generation of the Enterprise.

Corporate Social Responsibility

Ethiopian has addressed societal issues through various contributions made for the development of society as a whole. At the same time corporate social responsibility has given Ethiopian an ethical framework and a positive image.

- In this regard, Ethiopian sponsored United World Colleges (UWC), an international NGO in London whose Honorary presidents are Queen Noor of Jordan and Nelson Mandela – former president of South Africa.
- Ethiopian offered five round trip tickets per year for qualified candidates to join the global movement college in fiscal year 2006/07.
- In addition Ethiopian Airlines organized an annual children's party in the year 2006/07 contributing to the welfare of the communities and a medical sponsorship for the needy.
- Sponsored talk show in the plights of Young Ethiopian Women (Bahrain).

Service Enhancement

Re-branding

Ethiopian Airlines has achieved remarkable accomplishments over the past 60 years and has always made sure that it stays at the forefront of African Aviation. However, surviving the fierce competition in the aviation industry and staying at the forefront requires continuous improvements in image presentation as well as service delivery. Thus, Ethiopian embarked on a re-branding project and a contract was signed between Ethiopian and branding agency Goslar & Associates.

The first change in the re-branding venture resulted in the formation of a new tag line. This new tag line, 'The New Spirit of Africa', was formulated in view of Ethiopian's inspirational leadership role in the continent and beyond. Moreover, the new tag line enforces the vision of the brand: to achieve a new, superior level of service. And, in order to gain a unique distinctiveness, a ribbon visual was created. These ribbons are designed to create a rhythm and convey the dynamic, enthusiastic and friendly brand character.

The process to adopt the new brand visuals system-wide have started and so far these adoptions have been made on Ethiopian's e-mail signatures, power point presentation format, print ads, posters and billboard artworks. Furthermore, efforts are being made to adopt these visuals on all Ethiopian's print materials used system-wide as well as on all vehicles carrying the Ethiopian logo.

Information Systems Accomplishments

ET implemented the Sabre Passenger Management System portfolio of applications on November 4, 2006 system-wide by finalizing all pre-implementation preparations, such as resolution of major outstanding issues with Sabre, migration of passenger name records from the SITA Gabriel system, migration of SITA e-ticketing (VCRs) as well as PTA records, preparation and distribution of required SOPs, defining new system requirement, and training 730 customer-facing, specialists and ET back-office staff.

The Sabre Passenger Management System portfolio includes Passenger Reservation and Inventory Management, Fares and Ticketing (e-ticketing), Airport Check-in, Interact Graphical User Interface for Reservation and Check-in, Web Internet Booking Engine, Credit Suite Online Credit Card Payment, Customer Insight Customer Profile Management, Revenue Integrity Management, Travel Loyalty Management, Load Manager, and Air Price (Pricing Management) systems.

ET activated e-ticketing services in line with the IATA mandate through ET's own offices and ET website via the internet booking engine and also activated GDS e-ticketing with Amadeus, Galileo, Abacus, Sabre and Worldspan. Activation of ground handling e-ticketing with Codeco, Gaetan and RTM Amadeus was also part of the PMS project.

The e-ticketing sales in the month of June 2007 reached 79% for ET's own offices, 89% for GSA, 68% for BSP, 73% for ARC, 71% for CANADA sales. Interline e-ticketing services is further implemented with 11 carriers, namely UA, AC, EK, CO, SA, DL, TG, BA, AP, NW and GF.

Alignment of business with IT has become a key consideration and this is especially true with technology infrastructure increasingly being viewed as a strategic asset by most organizations. Hence, IT division's role is very crucial in achieving the overarching business objective and enabling ET to become a World-class Airline by aligning all IT investments with business strategic objectives and providing customer centric solutions and services. Accordingly, information technology division was required to provide a strategic vision for the Enterprise which compliments the company's stated business objectives.

In view of that, ET's IT division is engaged in the preparation of an IT strategy document which is a major milestone in defining corporate IT requirements before indulging in major investment on applications and infrastructure projects which are already in the pipeline. The IT strategy is expected to be completed early 2007/08 for its implementation in the same physical year.

ET introduced an IT Executive Committee structure comprising the Chief Operating Officer, Executive Vice Presidents, Vice President Internal Audit & Integrated Management System Compliance, VP IT and business executives and experts, as required, to facilitate a cost-effective, coordinated technology investment strategy that effectively spreads ET's IT resources and data systems across the various divisions.

Increasing Ancillary Services

In line with the vision 2010 strategy on MRO business, intensive marketing activity took place during the year 2006/07. Various new and existing customers awarded engine, airframe and component maintenance business to Ethiopian Airlines' Maintenance & Engineering MRO center. Training (both in-house and at the customer's location) and secondment of skilled personnel was also provided to customers as part of Ethiopian's MRO services.
Various levels of maintenance, ranging from routine light maintenance to heavy checks and new avionics system modifications/installations such as RVSM & TCAS were carried out on various customer aircraft in addition to the extensive repair and major checks accomplished.
Among customer airplanes maintained at the Ethiopian Maintenance facility are: DHL-Bahrain, Air Madagascar, Chanchangi Airlines (Nigeria), Bellview Airlines (Nigeria).
DHL-Bahrain rated Ethiopian as a Class 1 Vendor after a rigorous technical audit followed satisfactory corrective actions by ET.
Engine Maintenance business achievement was remarkable in this fiscal year as compared to the performance of previous years. JT8D, JT9D and PW121 engines heavy maintenance and repair services were provided to various customers including; DHL-Bahrain, Chanchangi Airlines, Aseman Airlines (Iran), Mid Airlines (Sudan), Dolphin Air (U.A.E), Al Rais Cargo (U.A.E) and ATTIBCO (U.A.E).
Various components, including landing gear of different aircraft, were also maintained at the Ethiopian facility.

Catering

Since the beginning of 2007, the Catering Unit has undergone a major restructuring and renovation programme to meet global standards and ultimately cater for foreign carriers. As a result, the following activities were achieved.

• Hygiene – Introduction of 13 different chemicals and a proper cleaning schedule for every room and all equipment (to HACCP standard), and cleaners' training on the cleaning activities, nature and application of the chemicals.
• Implementation of all safe food production and handling (HACCP) procedures, achievement of above tolerable Hygiene audit result; documentation of CCPs & CPS, full utilization of sanitizers' procedure.
• Introduction of equipment that includes wrapping machine, bowl cutting, bread slicing, three compartment pot washing sink, stainless steel work tables, kitchen trolleys and trays, digital scales, rolling dollies, different types of crates for different purposes, lockers etc..
• Services – New menus, national dish, sandwich for domestics.
• Cloud nine lounge – upgrading of lounge and maintaining high standard of quality.
• On time departures – maintain an excellent standard over the last few months.
• Back catering – started back catering to LAD, HRE and FIH routes that is cost effective.
• Pricing – Introduction of a comprehensive catering standard pricing system.
• New Airlines – During November ET started to uplift meals for Angola Airlines (TAAG) twice a week. Also meal presentations were conducted with Lufthansa for a potential uplift from ADD from the end of March 2008.

Ethiopian Multinational Aviation Training Center

The Ethiopian Aviation Academy has provided basic Pilot and Aviation Maintenance Training to trainees from various African countries: Rwanda, Tanzania, Chad, Djibouti, Madagascar and Sudan. B767 flight simulator training was conducted for Kenya Airways, Air Zimbabwe, Bellview Airlines, Cape Verde Airlines and Air Madagascar.
Technical handling services were provided to Kenya Airways and Egypt Air at ADD and EL-AL at Bombay. Technical personnel were also seconded to TAAG Angolan Airlines, Mid Airlines (Sudan) and Gabon Airlines. During the year 63

Maintenance Technicians and 33 Pilot trainees graduated. Other major activities carried out during the year included:
1. Construction of Pilot training office building finalized.
2. Completed construction of new trainees' dormitory.
3. Purchase of 12 training aircraft is in progress.

Flight Operations Training

• A total of 85 Captains and First Officers took their Transition Training on all aircraft owned and/or operated by Ethiopian.
• A total of 310 Captains and First Officers took their Recurrent Training on all aircraft owned and/or operated by Ethiopian.
• 270 cockpit crew were provided with an annual safety refresher course.

Commercial Agreements/Alliances

Code share agreements with Lufthansa and Gulf Air were signed. Air service agreements were concluded/revised with :

- Djibouti, (Revision)
- Senegal, (Revision)
- Gambia, Revision)
- Egypt (Revision) and
- Madagascar (New)

A commercial agreement with Angola Airlines (TAAG) was signed.

Fleet Acquisition

The following fleet was phased in on a wet lease basis:

• One A330----------------------for six months
• One MD11---------------------for two months
• Two B757----------------------for four to six months
• Two D-10 (freighter)---------for three to five months

Two B767-300 were phased in for five years on a dry lease basis. A passenger B757-200 aircraft was converted to freighter aircraft.An ordered was placed to purchase ten pilot training aircraft. Configuration and financers selection of B787-8 was completed. An option was exercised to change the last two B787-8 to B787-9

HRM

As part of the ongoing implementation of vision 2010, Human Resources Management Division undertook the following measures during the year:
• A wew Leadership Development programme was introduced to enable Ethiopian to develop and update the managerial competencie of its management personnel to meet its future business needs and ensure the continuous availability of Managers and leaders at all levels. During the report period 32 employees were trained on the Director Development programme and 34 employees on the Manager Development programme. In addition
• 1626 employees were trained under recurrent training and 1533 employees under career development courses.
• Through company-sponsored Educational Assistance Programmes, 850 employees were sponsored and pursued their education through evening and correspondence programmes in various fields.
• Short-term scholarships were given to 17 employees who took their training abroad.

Customer Service

The Customer Service Division is responsible for ensuring a consistent, high standard of product and services and a high level of customer satisfaction at all times. The Division has to define ET's Customer Service Strategy in line with the Corporate Cost Leadership Strategy and establish a clear direction and Customer Value Proposition. A Team was formed to undertake this task in the period under review. The Customer Service Division has been structured and organized to provide an effective response to the growing customers' needs and wants. To this end, the Customer Service Quality Management Department, headed by a Director, was established with the major responsibilities of continually monitoring the service/ product standard and quality, enforcing corrective action for compliance and ensuring customer satisfaction at all times. The Ground/Cabin Operation Safety Audit task has also been organized under the new department to better handle and execute the Ground/Cabin Operation Safety Audit function and ensure compliance with IOSA and other regulatory bodies' requirements.

Safety: Informed Emergency Evacuation Drill

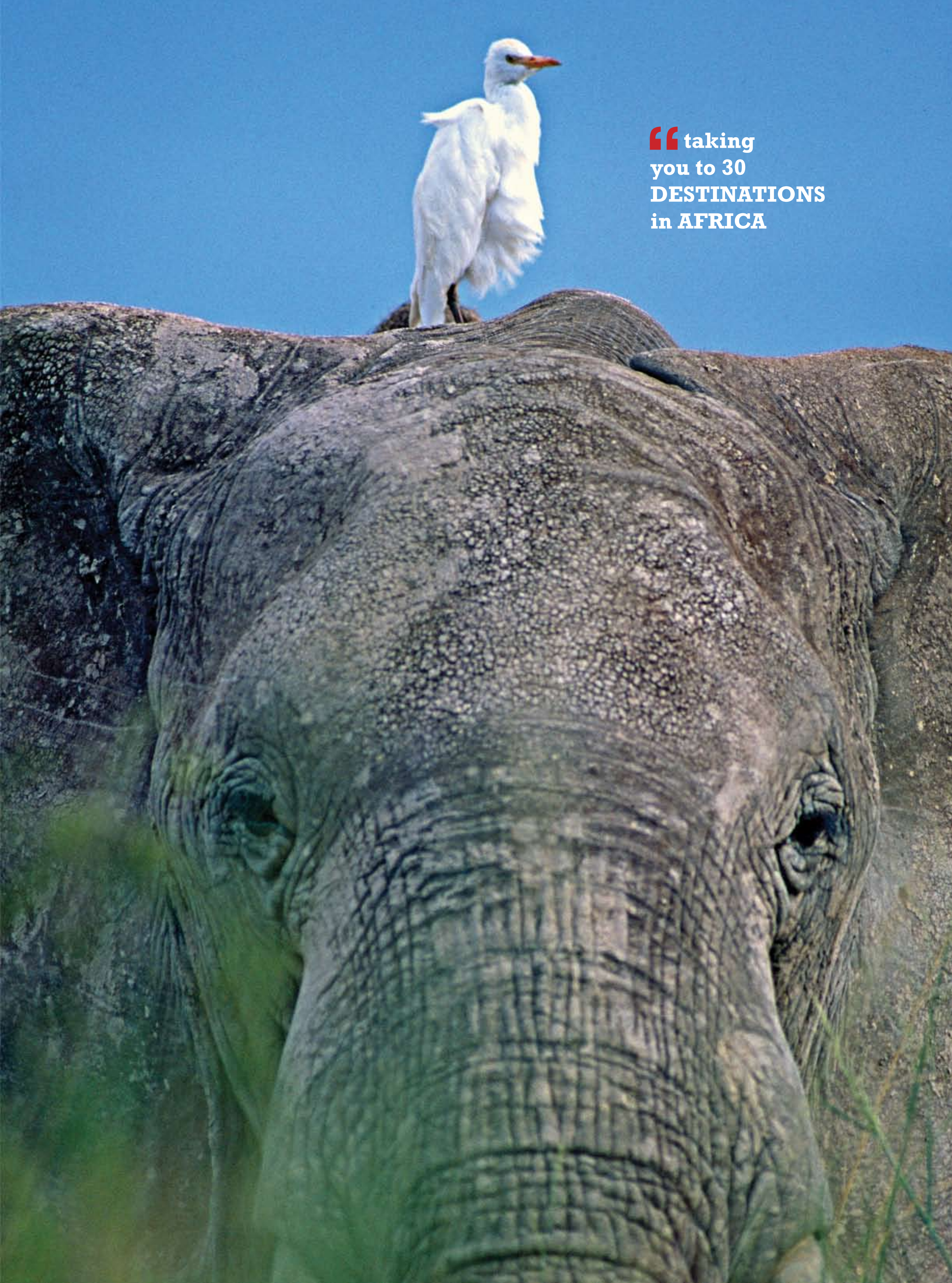
As part of implementing and testing Ethiopian's Emergency Response Plan and to create emergency preparedness and to minimize risks that may arise from uncoordinated and poor handling of ground emergency evacuation response, an informed emergency evacuation drill within Maintenance and Engineering premises was conducted on November 20, 2006.

For the effective implementation of the informed ground emergency evacuation drill, an action plan was developed and sent to Ethiopian headquarter employees and guests for their preparation. Consecutive orientation was also provided for Maintenance and Engineering Emergency Officers.

Observers were assigned to identify and record the strength and weakness areas of emergency response drill.

The Addis Ababa Bole International Airport Rescue and Fire Fighting Service also participated in the informed emergency evacuation drill.

The overall drill response was a success.



“taking you to 30 DESTINATIONS in AFRICA

Overview Of Operating & Financial Results

The Airline's level of operation and operating results in the fiscal year 2006/07 was higher than in the previous year in all parameters.
Available seat kilometres (ASK) and Revenue Passenger Kilometre (RPK) showed a growth of 25% and 24% respectively compared to the level attained in 2005/06.

Operating Results

Block Hours

The total block hours flown during the year was higher than the previous year by 17%. This was mainly due to additional capacity, frequency and increased cargo operation to various destinations.

Available Seat Kilometres (ASK)

Seat kilometres availed during 2006/07 was higher than the preceding year by 25%.

Available Ton Kilometres (ATK)

The total ton kilometres availed during the fiscal year 2006/07 was more than the actual ton kilometres availed during the preceding year by 24%.

Revenue Ton Kilometres

Better results achieved in passenger traffic and freight contributed to the overall increase in revenue ton kilometres, recording a growth rate of 19%.

Revenue Passenger Kilometres (RPK)

The total revenue passenger kilometres achieved during the fiscal year was higher than for the preceding year, recording a growth of 24%. The increase is mainly attributable to the capacity growth and traffic increase on international scheduled services.

Financial Performance

Revenue

Compared to the total revenue of the previous year, the revenue generated during the year grew by 28%.

Passenger Revenue

The actual passenger revenue, including excess baggage charges, realized during the year was higher by 30% than in the preceding year, mainly as a result of increase in passenger uplift.

Freight Revenue

Freight revenue realised during the 2006/07 fiscal year was 16% higher than in the previous period.

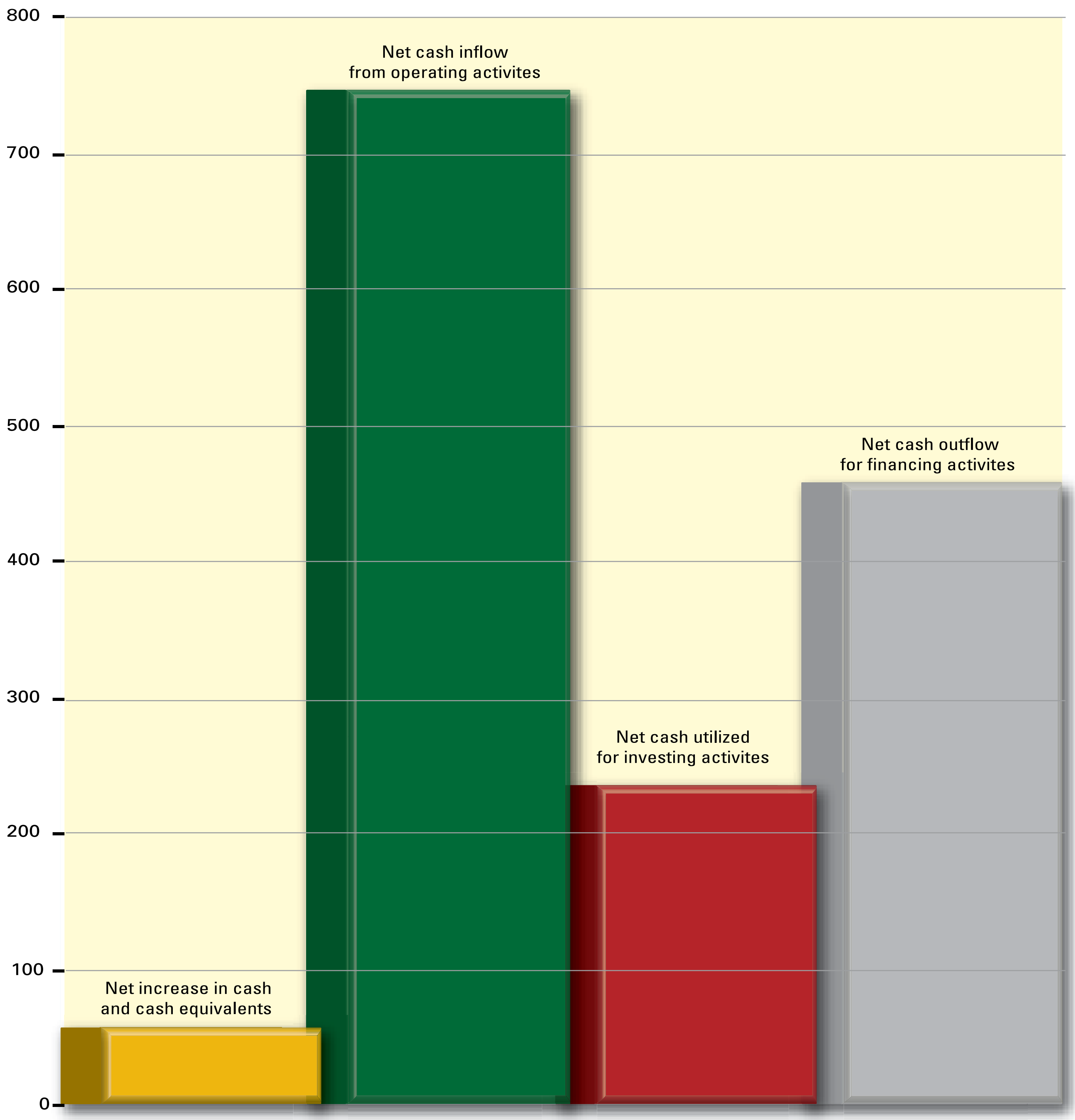
Operating Expenses

The total operating expenses of the year showed an increase of 30% as compared to the previous year. The major contributor for this was the increased cost of fuel and oil, and aircraft lease expenses.

Cash Position

The net cash inflow from operating activities was ETB 746 million, out of which 61% was used to cover the net deficit from financing activities and 31% for the net deficit from investing activities. The remaining 8% was taken to increase cash and cash equivalents. The overall movements of the cash during the period are represented graphically as follows:

CASH FLOW (in millions)



THREE YEAR SUMMARY OF FINANCIAL HIGHLIGHTS

	2007		2006		2005	
	ETB Million	US$ Million	ETB Million	US$ Million	ETB Million	US$ Million
Turnover						
Passenger	5,236	585.8	4,021	454.1	3,213	364.4
Freight & Mail	715	80	611	69.0	476	54.0
Handling	62	6.9	36	4.1	35	3.9
Other	875	97.8	731	82.6	605	68.6
Total	**6,888**	**770.5**	**5,399**	**609.8**	**4,329**	**490.9**
Direct Expenditure	(5,877)	(657.4)	(4,366)	(493.1)	(3,297)	(374.0)
Overheads	(813)	(90.9)	(796)	(89.9)	(653)	(74.1)
Operating Profit	**198**	**22.2**	**237**	**26.7**	**377**	**42.8**
Operating Margin%	**3%**	**3%**	**4.38%**	**4.38%**	**8.72%**	**8.72%**
Net Financial Expenses	(161)	(18)	(154)	(17.4)	(86)	(9.7)
Foreign exchange gain/(loss)	34	3.9	22	2.5	31	3.5
Other Non-operating items	59	6.6	29	3.3	(13)	(1.5)
Profit for the year	**130**	**14.5**	**134**	**15.1**	**310**	**35.2**
Net Profit margin%	**1.9%**	**1.9%**	**2.48%**	**2.48%**	**7.16%**	**7.16%**

RATIO ANALYSIS

Description	2007	2006
A. Profitability Ratios (Percent)		
Operating Margin	2.88	4.38
Net Profit Margin	1.90	2.48
Rate of Return	5.48	5.33
Interest on Operating Expense	2.41	2.99
Return on Total Assets	1.73	1.83
Cost of Debt	5.59	5.05
B. Liquidity Ratios		
Current Ratio	1.18:1	1.19:1
Quick Ratio	1.11:1	1:13:1
Working Capital ('000)	420,911	146,486
C. Leverage Ratios		
Total Debt to Total Asset	0.62:1	0.68:1
Debt to Equity Ratio	1.24:1	1.41:1
Times Interest Cover Ratio	1.81:1	1.87:1

AIRPORT PERFORMANCE INDICATOR

	2006-07	2005-06	2004-05	2003-04
Passengers handled (number)	2,095,564	1,762,900	1,555,851	1,230,121
Cargo Handled (Kg'000)	64,640	61,833	49,759	44,177
Number of average employees:				
Airport Operations	361	400	416	452
Cargo	135	121	96	104
Passengers handled per employee (number)	5,805	4,407	3,740	2,722
Cargo handled per employee (Kgs)	478,815	511,017	518,323	424,779

OPERATING STATISTICS

	2006-07	2005-06	2004-05
Consolidated Financial Statements			
Total Revenue (ETB)	6,887,695,043	5,398,507,665	4,327,799,500
Total Expenditure (ETB)	6,689,653,876	5,161,982,062	3,950,460,613
Operating Profit (ETB)	198,041,167	236,525,603	377,338,887
Net Profit (ETB)	130,672,460	133,645,134	309,911,749
Airline Operating Statistics			
Performance Indicators			
Yield (Cents* per RTK)	607.63	565.25	527.35
Unit Cost (Cents* per ATK)	313.77	298.26	275.29
Breakeven load factor (%)	51.64	52.77	52.20
Fleet (No. of Aircraft)	33	29	26
Production			
Destination Cities	49	47	44
Overall Capacity (Average Ton Kms) ('000)	2,079,917	1,682,990	1,425,261
Available Seat Kilometres ('000)	11,356,816	8,971,568	7,472,698
Aircraft departures	37,544	37,829	34,297
Traffic			
Passengers carried	2,095,564	1,762,900	1,552,187
Passenger seat kilometres	7,242,931	5,833,316	4,964,559
Average distance flown per pax (Kms)	3,456	3,307	3,191
Passenger Load factor (%)	63.8	64.10	68.40
Cargo Tonnes	64,640	61,833	49,758
Overall load carried in Ton Kms ('000)	1,078,009	908,561	786,773
Overall pay load factor (%)	51.8	54.0	55.2
Employee			
Average employee strength (number)	4,837	4,705	4,571
Capacity per employee (ATK)	430.00	357.70	311.81
Load carried per employee (RTK)	222.87	193	172
Revenue per employee (Millions)	1.42	1.15	0.95
Value added per employee	242,535	236,661	225,667

***100 cents = 1 ETB**

VALUE ADDED

Value added is a measure of wealth created. This statement shows the value added by the company over the past three years and its distribution by way of payments to employees, governments and to providers of capital. It also indicates the portion of wealth retained in the business.

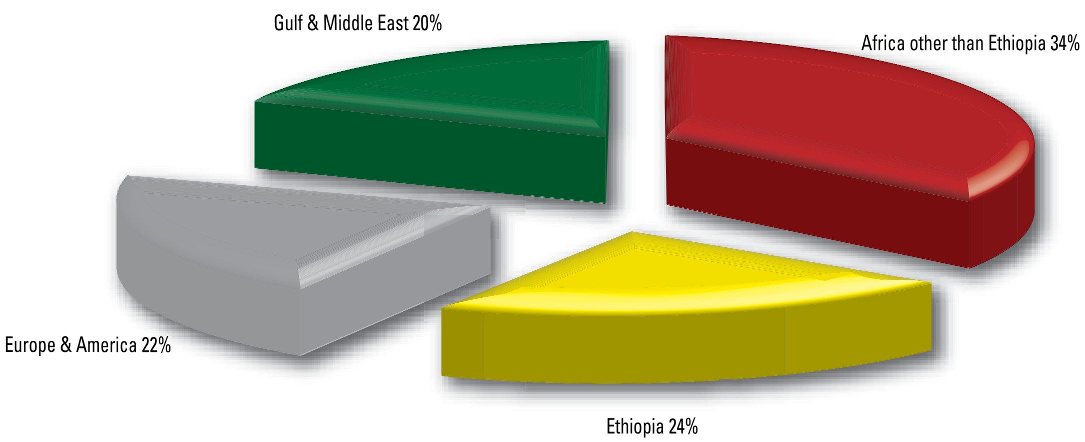
	2006-07		2005-06		2004-05	
	ETB'000	US$'000	ETB'000	US$'000	ETB'000	US$'000
Operating Revenue	6,687,695	770,542	5,398,508	609,779	4,327,800	490,919
Less: Purchase of goods and services	5,822,943	651,426	4,350,099	491,358	3,324,943	377,161
	1,064,752	**119,116**	**1,048,409**	**118,421**	**1,002,856**	**113,758**
Add: Other operating Income	38,899	4,352	12,452	1,406	7,346	833
Interest Income	69,489	7,774	52,627	5,944	21,320	2,418
Share of result in associated companies	-		-		-	-
Total value added	**1,173,140**	**131,242**	**1,113,488**	**125,771**	**1,031,522**	**117,009**
Distribution of Value added						
To employees Salaries	464,581	51,974	414,724	46,844	295,059	33,470
To overseas governments						
Corporation and other tax	12,552	1,404	10,937	1,235	8,225	933
To supplier of Capital						
Interest	161,127	18,026	154,304	17,429	85,684	9,719
Retained for reinvestment and future growth						
Depreciation and amortization	404,826	45,289	399,877	45,167	332,642	37,733
Retained Profits	130,054	14,549	133,645	15,095	309,912	35,154
Total Distribution of Value Added	**1,173,140**	**131,242**	**1,113,488**	**125,772**	**1,031,522**	**117,009**

In 2006-07, the total value added increased by ETB 60 million (5%). The increase came mainly from the higher increased operating revenue than the operating cost. Out of the total value added employees received 40% in the form of salaries and other related costs, interest paid 14% & government taxes 1%. The amount retained in the business for future growth is 46%.

REVENUE

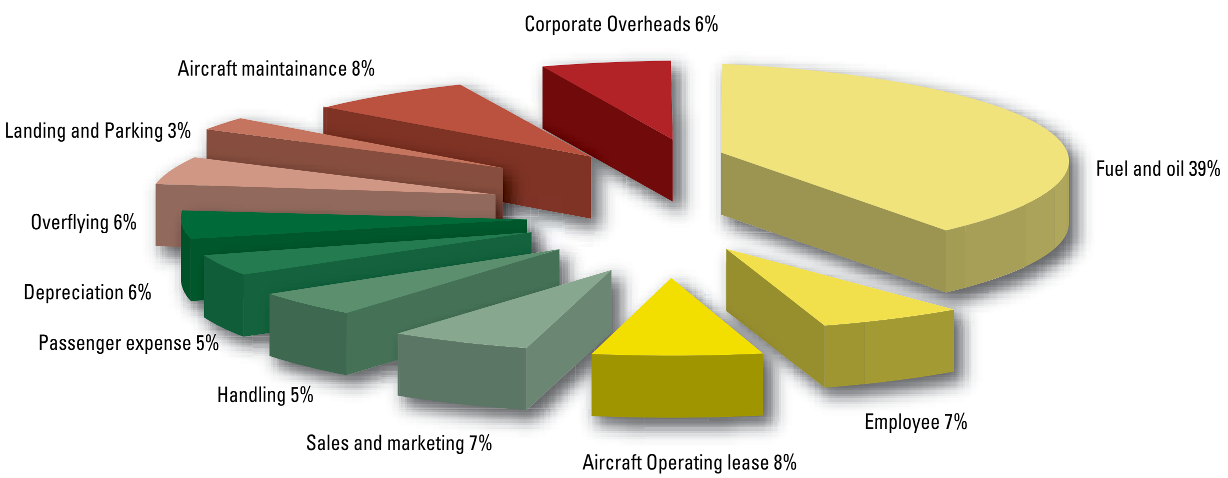
	2006-07 ETB MILLION	%	2005-06 ETB MILLION	%
Passenger including charter	5,304	77.0	4,079	75.6
Cargo including charter	961	14.0	829	15.4
Excess baggage	244	3.5	202	3.8
Mail	31	0.4	19	0.3
Transport revenue	**6,541**	**95.0**	**5,129**	**95.0**
Aircraft Maintenance revenue	107	1.6	112	2.1
Aircraft Ground Handling	63	0.9	37	0.7
Subsidiary Revenue	97	1.4	54	1.0
Other	80	1.2	67	1.2
Total Operating Revenue	**6,888**	**100**	**5,399**	**100**

SEGMENT REVENUE



EXPENDITURE

	2006-07 MILLION ETB	%	2005-06 MILLION ETB	%
Fuel and oil	2,593	39	1859	37
Aircraft maintenance	520	8	434	8
Employee	454	7	415	8
Depreciation	390	6	384	7
Sales and marketing	437	7	346	7
Aircraft Operating lease	560	8	324	6
Over flying	411	6	301	6
Passenger expense	346	5	295	6
Handling	359	5	284	5
Landing and Parking	220	3	190	4
Corporate Overheads	400	6	330	6
Total Operating Costs	**6,690**	**100**	**5162**	**100**



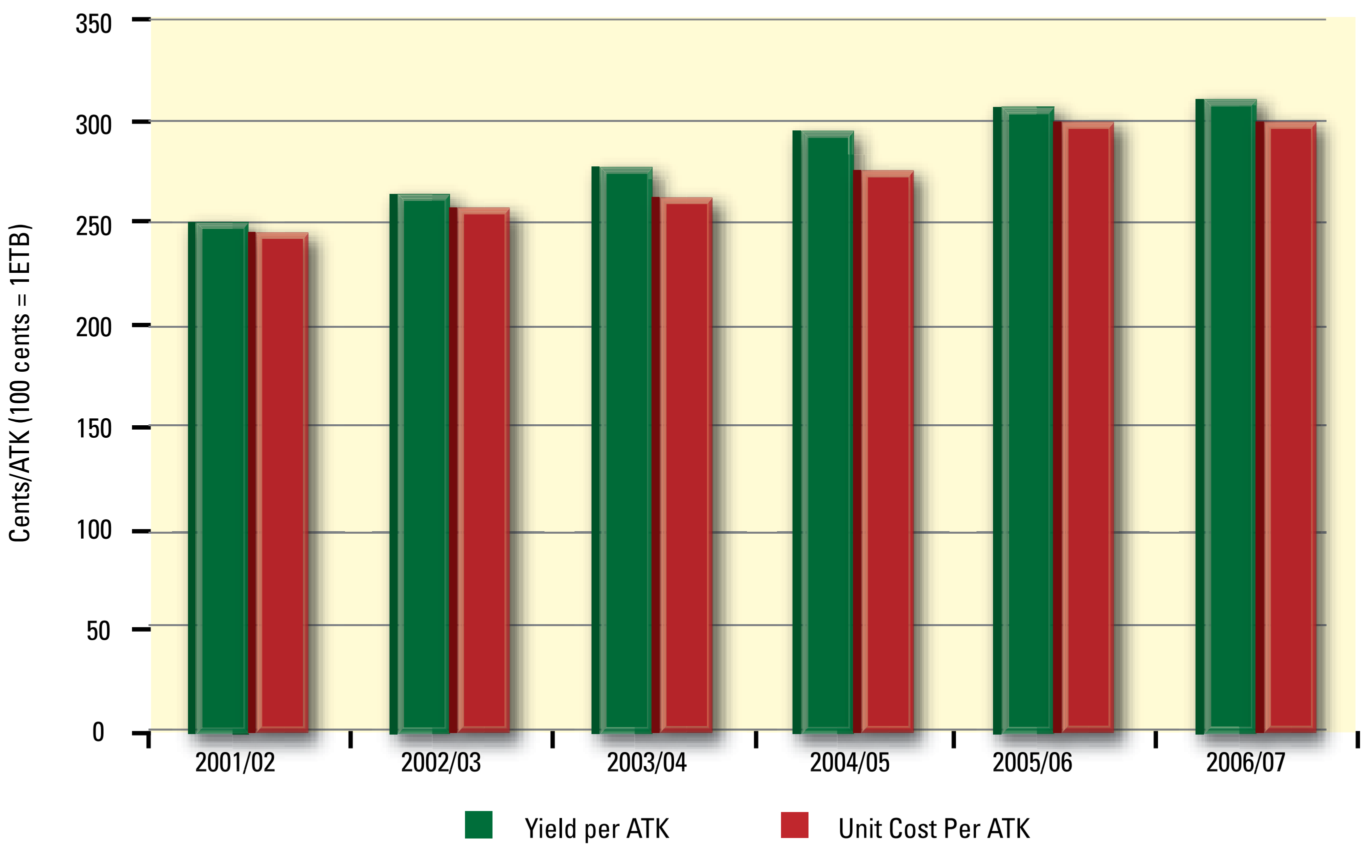
YIELD, UNIT COST AND BREAKEVEN LOAD FACTOR

Overall yield grew by 7.3% to 606.73 ET cents per revenue ton kilometre. The increase in overall yield is driven by the increase in passenger yield per revenue passenger kilometre and increase in freight yield per Freight ton kilometres. Passenger yield rose by 6.6% as a result of the collection of additional fuel surcharge attributable to the growth in passenger number and fuel surcharge rate per passenger to cover the sky rocketing fuel cost. Freight yield climbed by 15.5% mainly due to increase in charter freight rate and increase in freight fuel surcharge.

Unit cost per available ton kilometre increased by 5.2%. The increase is mainly due to increase in fuel cost and increase in ownership cost due to additional capacity increase.

The breakeven load factor declined by 2.99 pts. due to the fact that the increase in yield is more than the increase in unit cost.

YIELD & UNIT COST

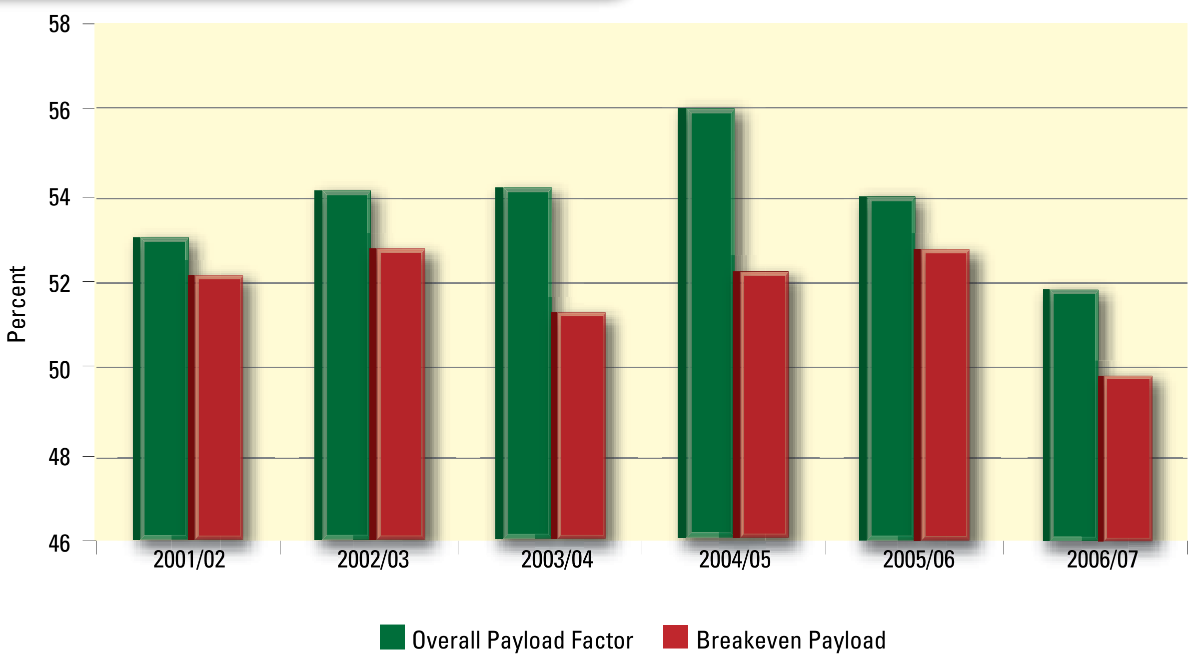


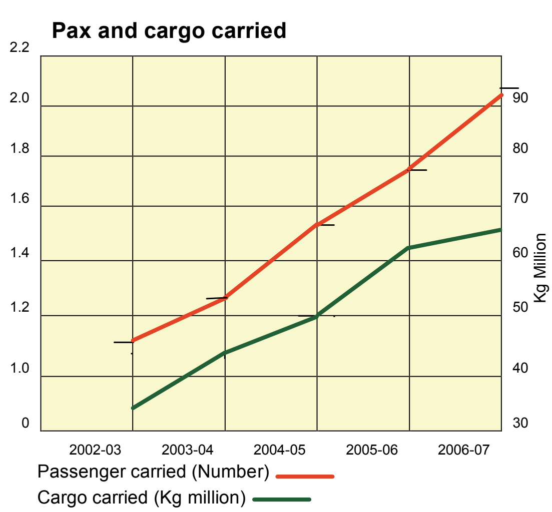
TRAFFIC, CAPACITY AND LOAD FACTOR

Traffic increased by 18.7% to 1,078,009,147 ton kilometres and capacity grew by 23.6% to 2,079,916,812 ton kilometres. The increase is mainly due to increase in frequency to Amsterdam, Arlanda, Bangkok, Beirut, Bombay, Brazzaville, Bujumbura, Cairo, Douala, Guangzhou, Johannesburg, Khartoum, Kinshasa, Kigali, Luanda, N'djamena and USA.

Moreover, the start of new services to Abu Dhabi, Bahrain, Juba and Sana'a contributed a lot to the traffic increase. Passenger load factor decreased by 0.3 pts. Owning to the fact that the capacity increase expressed in terms of number of seats available is more than the increase in actual passenger kilometres flown.

OVERALL AND BREAKEVEN LOAD FACTOR





FLEET INFORMATION

Aircraft	Owned	Leased	Total
Boeing 737-200	-	1	1
Boeing 737-700	3	2	5
Boeing 757-200	3	4	7
Boeing 757-200F	1	1	2
Boeing 767-200	1	-	1
Boeing 767-300	3	4	7
DH-6	1	-	1
FOKKER 50	5	-	5
ANTONOV FREIGHTER AN-12	-	1	1
McDonnell Douglas DC-8	-	1	1
McDonnell Douglas DC-10	-	1	1
A330-200	-	1	1
Total	**17**	**16**	**33**

In addition to the above, ET and the Boeing Company completed an order agreement for ten Boeing 787 Dream liner jets. The agreement is based on the Memorandum of Understanding signed between the two companies earlier this year.

The first aircraft is scheduled for delivery in the 4th quarter of 2009. Ethiopian Airlines will be the first Africa-based operator of the technologically advanced and rapidly selling jet.

RISK MANAGEMENT

Ethiopian Airlines adopts a five step risk management cycle adapted from international best practices and currently concentrates on specific financial risks associated with Fuel, Interest Rate and Currencies.

As an Enterprise operating in many countries with major operations in Africa, currency risk is the risk that the company faces resulting from changes in foreign exchange rates, partially attributable to the inability to repatriate its funds as a result of regulatory restrictions, adverse economic condition or actions taken by governments in the relevant country.

The enterprise thus works through its area offices and airline industry organizations to quickly repatriate its funds and provide early warnings on such conditions. The currency composition of June 2007 cash position is 88.1% in hard currencies of USD, EUR, GBP and other European Currencies, 6.8% in African currencies, 0.67% in Ethiopian Birr and 4.67% in all other currencies.

Jet fuel price being the major expenditure of the airline, the company manages this risk using the swap, cap and collar options for a maximum period of two years on rolling basis and the maximum to be hedged is 75% of the annual total uplift. This year the airline monitored the movement of jet fuel price and exercised fuel hedging for 50% of its total uplift for a period of nine months starting October 2006 to June 2007.

Moreover, since the end of 2003 the airline acquired a total of six Aircraft and four spare engines to which the company opted to use the floating interest rate due to the low rates prevailing at all times. But since interest rates are on the rising the options of swap, collar and subsidized swap were evaluated so that a hedging exercise will be done.

Accordingly, the airline was able to hedge 56% of its outstanding loan against interest rate volatility risk starting April 2006 until the termination of the loan.

Currently the company has reviewed and updated its hedging policies for jet and interest rate risks, in view of accommodating various strategies.

GLOSSARY

Ratios

1.	Passenger Seat factor	–	RPK divided by ASK
2.	Overall Load Factor	–	RTK divided by ATK
3.	Yield (Cents per RTK)	–	Transport revenue earned per RTK
4.	Unit Cost (Cents per ATK)	–	Transport operating costs incurred per ATK
5.	Breakeven load factor	–	The load factor at which revenue will equal Operating costs
6.	Operating margin	–	Operating profit expressed as a percentage of operating revenue
7.	Net Profit Margin	–	Net Profit divided by operating revenue
8.	Rate of return	–	Net income before interest and tax divided by equity plus long term loan which includes current maturity of long term loan
9.	Current ratio	–	Total current asset divided by total current liabilities
10.	Quick ratio	–	Total current asset minus inventory divided by total current liability
11.	Working capital	–	Total current asset minus total current liability
12.	Total debt to total asset ratio	–	Total debt divided by total asset
13.	Debt equity ratio	–	Long Term debt plus current maturity of long term debt divided by equity
14.	Times interest cover ratio	–	Net income before interest and tax divided by interest expense

Terms

1. ATK (Available Ton Kilometre) – Overall capacity measured in tones available for carriage of passengers and cargo load multiplied by the distance flown.

2. RTK (Revenue Ton Kilometre) – Actual traffic load (passenger and cargo) carried in terms of tones multiplied by the distance flown.

3. ASK (Available Seat Kilometre) – Passenger seat capacity measured in seats available multiplied by the distance flown.

4. RPK (Revenue Passenger Kilometre) – Number of passengers carried multiplied by the distance flown.

የሂሣብ ምርመራ አገልግሎት ኮርፖሬሽን
AUDIT SERVICES CORPORATION

ፖ.ሣ.ቁ. / P. O. Box 5720   ስልክ / Tel. 51 52 22   የፋክስ ቁ. / FAX No. 51 30 83
አዲስ አበባ ADDIS ABABA

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS OF ETHIOPIAN AIRLINES ENTERPRISE

We have audited the financial statements of Ethiopian Airlines Enterprise set out on pages 2 to 20 which have been prepared under the historical cost convention and the accounting policies set out on pages 6 to 10. These financial statements are the responsibility of the Enterprise's chief executive officer in accordance with article 16 of Public Enterprises Proclamation No. 25/1992. Our responsibility is to express an independent opinion on these financial statements based on our audit.

We conducted our audit in accordance with International Standards on Auditing issued by the International Auditing and Assurance Standards Board of the International Federation of Accountants. These Standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes examining on a test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the financial statements present fairly the financial position of Ethiopian Airlines Enterprise at 30 June 2007 and the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

Audit Services Corporation

10 December 2007

BALANCE SHEET

AT 30 JUNE 2007

	Notes	Birr	Birr	2006 Birr
ASSETS EMPLOYED				
PROPERTY, PLANT AND EQUIPMENT	1b)(i),2		4,418,165,921	4,579,995,824
INVESTMENTS	1b)(ii),3		18,367,050	17,508,844
STANDING DEPOSITS	1b)(iii)		217,494,390	182,764,761
DEFERRED CHARGES	1b(iv),4		113,116,354	119,336,283
CURRENT ASSETS				
Stock	1b)(v),5	172,835,524		135,990,920
Debtors	1b)(vi),6	1,201,163,183		910,514,515
Cash and bank balances	1b)(vii),7	1,429,290,401		1,373,592,340
		2,803,289,108		**2,420,097,775**
CURRENT LIABILITIES				
Creditors	1b)(viii),8	1,018,423,968		848,008,060
Unearned transportation	1b)(ix)	923,083,210		702,434,798
Bank overdraft	9	31,443,095		-
Current maturity of long termloans	13	409,428,117		478,623,258
		2,382,378,390		**2,029,066,116**
NET CURRENT ASSETS			420,910,718	391,031,659
			5,188,054,433	**5,290,637,371**
FINANCED BY				
CAPITAL				
Authorized		**2,500,000,000**		
Paid up	10		2,441,078,911	2,310,406,451
CONTRIBUTIONS	1b(x)		79,860,786	46,876,881
			2,520,939,697	**2,357,283,332**
DEFERRED LIABILITIES	1b(xi),11		9,071,993	8,642,495
PROVISION FOR MAINTENANCE	1b(xii),12		323,698,420	265,274,891
LONG TERM LOANS	1e)(i),13		2,334,344,323	2,659,436,653
			5,188,054,433	**5,290,637,371**

The notes on pages 6 to 20 form an integral part of these financial statements

PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2007

	Notes	Birr	Birr	2006 Birr
OPERATING REVENUE	1d),14		6,887,695,043	5,398,507,665
OPERATING EXPENSES	15		6,689,653,876	5,161,982,062
GROSS OPERATING PROFIT			**198,041,167**	**236,525,603**
NON-OPERATING EXPENSES/ (INCOME)				
Interest		161,126,549		154,303,917
Provision for blocked bank account		2,948,719		28,072,380
Others	1e)(iii),16	(96,706,561)		(79,495,828)
			67,368,707	102,880,469
NET PROFIT FOR THE YEAR			**130,672,460**	**133,645,134**

The notes on pages 6 to 20 form an integral part of these financial statements.

STATEMENT FOR CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2007

	Capital	Contributions	Unappropriated profit	Total equity
	Birr	Birr	Birr	Birr
Balance at 30 June 2005	2,176,761,317	44,674,427	–	2,221,435,744
Net profit for the year		–	133,645,134	133,645,134
Transfer from profit of the year	133,645,134	–	(133,645,134)	–
Addition to contributions	–	16,119,258	–	16,119,258
Amortization of contributions	–	(13,916,804)	–	(13,916,804)
Balance at 30 June 2006	2,310,406,451	46,876,881	–	2,357,283,332
Net profit for the year			**130,672,460**	**130,672,460**
Transfer from profit of the year	130,672,460	–	(130,672,460)	–
Addition to contributions	–	71,077,787	–	71,077,787
Amortization of contributions	–	(38,093,882)	–	(38,093,882)
Balance at 30 June 2007	**2,441,078,911**	**79,860,786**	–	**2,520,939,697**

The notes on pages 6 to 20 form an integral part of these financial statements.

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2007

	Notes	Birr	Birr	2006 Birr
OPERATING ACTIVITIES				
Net cash inflow from operating activities	17		745,545,430	**936,470,928**
INVESTING ACTIVITIES				
Purchase of property, plant and equipment		(245,264,244)		(658,691,192)
Proceeds from disposal of property, plant and equipment		12,546,112		19,189,381
(Payments)/receipts from investments		**(858,206)**		138,575
Net cash outflow from investing activities			(233,576,338)	**(639,363,236)**
FINANCING ACTIVITIES				
Bank overdraft received		31,443,095		-
Long term loans received		87,226,927		378,780,901
Repayment of long term borrowings		(481,514,398)		(422,933,782)
Interest paid		(162,915,945)		(142,279,465)
Interest received		**69,489,290**		52,627,090
Net cash outflow from financing activities			**(456,271,031)**	**(133,805,256)**
Net increase in cash and cash equivalents			55,698,061	163,302,436
Cash and cash equivalents at beginning of year			1,373,592,340	1,210,289,904
Cash and cash equivalents at end of year	7		**1,429,290,401**	**1,373,592,340**

The notes on pages 6 to 20 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted by the Enterprise are stated below.
These are consistent with those applied in the preceding year unless otherwise stated.

a) Basis of preparation

i) These financial statements have been prepared in compliance with International Financial Reporting Standards. They are prepared under the historical cost convention.

ii) All amounts in the financial statements are expressed in Birr.

b) Valuation of assets and liabilities

Except as otherwise stated below, all major assets are valued at market prices, which management considers to be fair values.

i) Property, plant and equipment

Property, plant and equipment are stated at cost or valuation less accumulated depreciation, excepting capital items whose individual unit costs are less than the following amounts, which are charged to operating expenses:-

	New policy	Old policy
	Birr	Birr
Ground equipment	10,000	5,000
Tools	2,500	1,200
Neon signs	12,000	6,000
Personal computers	5,000	10,000
Improvements to buildings	5,000	20,000

Modification expenses on:	Amount to be Capitalized	
Item Modified	New policy	Old policy
Jet Airframe	Birr 300,000 and over	Birr 200,000 and over
Turbo Prop Airframe	" 200,000 and over	" 100,000 and over
Twin Otter Airframe	" 100,000 and over	" 100,000 and over
Jet Engine	" 100,000 and over	" 50,000 and over

NOTES TO THE FINANCIAL STATEMENTS (cont.)

1. SIGNIFICANT ACCOUNTING POLICIES (cont.)

Depreciation is charged on the following bases:-

Flight equipment

The costs of new acquisitions are written down to their estimated residual values by the end of the terminal dates detailed below:-

The common terminal dates for the aircraft, associated engine, rotables and spares are:-

DHC-6	30 June 2006
Jet 757	31 August 2008 30 November 2009 30 April 2010 31 October 2010
Jet 767-300	30 November 2021 30 June 2022 30 June 2023
Jet 737-700	31 December 2021 31 July 2022 31 July 2023
Fokker 50	30 April 2009 (2) 30 September 2008 30 November 2008 31 January 2009
Cessna	30 June 2006 31 August 2009
Turbo Ag - CAT	30 June 2006
Turbo Thrush	30 June 2006
AG - CAT	31 August 2008

1. SIGNIFICANT ACCOUNTING POLICIES (cont.)

Modification costs after the terminal dates are expensed in the year they are incurred.

Other property

This is depreciated in the following periods:-
Radios, field passenger equipment and other similar items – 5 years.
Office equipment and furniture – 5 years.
Motorized vehicles and equipment – 5 years.
Computerized equipment – 4 years
Machineries – 20 years
Buildings – 7 to 20 years.
Improvements to government owned buildings – 10 years.
Improvements to leasehold property-over the term of the lease.

ii) Investments

Investments are stated at cost less provisions, which approximates their fair values.

iii) Standing deposits

These comprise long term security deposits held by hotels, hospitals and similar institutions.

iv) Deferred charges

Predelivery expenses in connection with the acquisition of new aircraft are amortized over a period of twelve years, while the miscellaneous deferred charges are amortized over different periods of between four and eight years.

v) Stock

Stock is valued at the lower of cost and net realizable value. Cost is determined on a simple average basis less provision for stock obsolescence. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

vi) Debtors

Trade debtors are recognized and carried at original invoice amounts less a provision for any uncollectible amounts. An estimate for doubtful debts is made when collection for the full amount is no longer probable. Bad debts are written off against the related provision for doubtful debts.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

1. SIGNIFICANT ACCOUNTING POLICIES (cont.)

vii) Cash and bank balances

These comprise cash on hand and in banks and short term deposits which are held to maturity and carried at cost plus interest less provision for currency fluctuation.

viii) Creditors

Liabilities for trade and other amounts payable are carried at cost which is considered to be the fair value to be paid in the future for goods and services received.

ix) Unearned transportation

Passenger ticket and cargo airway bill sales are recorded as current liabilities in the unearned transportation account until recognized as revenue when the transportation services are provided. The value of unused tickets and miscellaneous charge orders (MCOs) over eighteen months old are credited to revenue.

x) Contributions

These represent purchase incentives given by the Enterprise's suppliers. The values are amortized over the life of the aircraft for which the purchase incentives were obtained.

xi) Deferred liabilities

The training fees of personnel of other airlines are amortized over the duration of the training period.

xii) Provision for maintenance

The provision for heavy maintenance expenses has been formed to match aircraft maintenance costs with the revenue generated by the aircraft. This is provided for on the basis of a predetermined amount for each block hour flown. The actual costs of such maintenance are charged against this provision. In the earlier years, this provision was being shown as a current liability under the creditors category while during the current year, it is shown as a non-current liability.

c) Recognition of financial assets and financial liabilities

The Enterprise recognizes a financial asset or a financial liability on its balance sheet when, and only when, it becomes a party to the contractual provisions of the instrument. A financial asset is derecognized when, and only when, the control over the contractual rights is lost. A financial liability is derecognized when, and only when, it is extinguished.

1. SIGNIFICANT ACCOUNTING POLICIES (cont.)

d) Revenue recognition

Unclaimed sundry liabilities over one year old are absorbed to non-operating income. All other revenues are recognized at the time the service is provided.

e) Foreign currency accounts

i) Loans in foreign currency used to acquire property, plant and equipment are translated into Birr at the exchange rates ruling on the first day of June prior to the balance sheet date. Exchange losses are treated as part of the cost of such acquisitions.

ii) Other non-current and current assets and current liabilities in foreign currency balances are translated at the exchange rates ruling on the first day of June prior to the balance sheet date and the resultant net gain or loss is taken to the profit and loss account.

iii) Losses or gains on recurring foreign currency transactions are directly charged or credited to the profit and loss account.

f) Income tax

The Enterprise is exempt from income tax in accordance with the letter from the Ministry of Finance and Economic Development dated 5 July 2002 (28 Sene 1994), Ref. No. ሽመ S3/16/28/775.

g) Subsidiary

The Enterprise established a wholly owned subsidiary, incorporated in the Cayman slands and registered in the name of Ethiopian Leasing Limited on 7 May 2003. This subsidiary acts only as a lessor of aircraft to the Enterprise and does not carry out any other transactions. Consequently, neither separate financial statements were prepared for the subsidiary nor consolidated financial statements were prepared for the Enterprise and its subsidiary as all inter-company balances and transactions have been eliminated at the year end.

h) Finance lease

Leases of assets under which all the risks and benefits of ownership are substantially transferred to the lessee are classified as finance lease in accordance with International Accounting Standard No. 17.

Lessees should recognize finance leases as assets and liabilities in their balance sheets at amounts equal at the inception of the lease to the fair value of the leased property or, if lower, at the present value of the minimum lease payments.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

1. *SIGNIFICANT ACCOUNTING POLICIES (cont.)*

A finance lease gives rise to a depreciation expense for the asset as well as a finance expense for each accounting period. The depreciation policy for leased assets should be consistent with that for depreciable assets which are owned.

During the year ended 30 June 2004, two Boeing 757 jets were sold at net book value to Ethiopian Leasing Limited and leased back to the Enterprise (see note 2 below). The said two jets are held as collateral for the commercial loan obtained from Barclays Bank (see note 13(c) below).

2. PROPERTY, PLANT AND EQUIPMENT

	Balance at 30 June 2006 Birr	Additions Birr	Adjustments due to sale of aircraft and lease-back Birr	Adjustments due to currency fluctuation Birr	Disposals Birr	Balance at 30June 2007 Birr
COST OR VALUATION						
Flight equipment						
Own	5,495,064,199	52,385,628	-	78,020,930	91,822,717	5,533,648,040
Leased	848,206,425	-	-	-	-	848,206,425
Other property	711,959,150	382,078,804	-	-	17,207,095	1,076,830,859
	7,055,229,774	**434,464,432**	**-**	**78,020,930**	**109,029,812**	**7,458,685,324**
DEPRECIATION						
Flight equipment						
Own	1,698,568,708	324,888,848	(43,594,178)	-	82,121,160	1,897,742,218
Leased	614,058,909	-	43,594,178	-	-	657,653,087
Other property	474,940,150	64,688,953	-	-	9,392,305	530,236,798
	2,787,567,767	**389,577,801**	**-**	**-**	**91,513,465**	**3,085,632,103**
NET BOOK VALUE						
Flight equipment						
Own	3,796,495,491					3,635,905,822
Leased	234,147,516					190,553,338
Other property	237,019,000					546,594,061
	4,267,662,007					**4,373,053,221**
Work orders in progress	312,206,268					43,620,634
Capital goods in transit	127,549					1,492,066
	4,579,995,824					**4,418,165,921**

3. INVESTMENTS

a) These are as follows:-

	Birr	2006 Birr
Nationalized and state owned	1,224,500	1,224,500
Wholly-owned subsidiary nationalized	199,600	199,600
Foreign investments	18,517,702	17,659,496
	19,941,802	**19,083,596**
Less: Provision for diminution in investments	1,574,752	1,574,752
	18,367,050	**17,508,844**

b) The Government had indicated that fair compensation will be paid for the nationalized investments.

c) Foreign investments include Birr 13,159,972 representing principal capitalized on the promissory note issued by the Central Bank of Nigeria in respect of the fund of the Enterprise lying in Nigeria.

4. DEFERRED CHARGES

	Birr	2006 Birr
Predelivery payments for purchase of new aircraft	97,128,189	102,891,601
Miscellaneous	15,988,165	16,444,682
	113,116,354	**119,336,283**

5. STOCK

	Birr	2006 Birr
Stock in store	163,617,926	140,828,970
Supplies stock - customer work orders	12,853,100	13,595,259
Stock of printing and stationery items	38,940,581	23,563,986
	215,411,607	**177,988,215**
Less: Provision for stock obsolescence	43,226,082	43,226,082
	172,185,525	**134,762,133**
Goods in transit	649,999	1,228,787
	172,835,524	**135,990,920**

NOTES TO THE FINANCIAL STATEMENTS (cont.)

6. DEBTORS

a) These are made up of:-

	Birr	2006 Birr
Ethiopian Government	9,531,039	2,271,710
Airmail	16,251,146	7,916,570
Transportation - Airlines	35,792,859	116,793,656
Transportation - Others	447,151,460	320,586,619
Advance for purchase of aircraft	368,511,818	158,897,597
Deposits and prepayments	99,443,004	77,499,736
Others	346,180,457	352,674,040
	1,322,861,783	1,036,639,928
Less: Provision for doubtful debts	121,698,600	126,125,413
	1,201,163,183	**910,514,515**

b) The movement in the provision for doubtful debts is as follows:-

	Birr
Balance at 30 June 2006	126,125,413
Less: Adjustment of provision no longer required (note 16)	(2,948,719)
Write off against provision	(1,478,094)
	121,698,600

7. CASH AND BANK BALANCES

	Birr	2006 Birr
a) Comprise the following:-		
Cash with foreign banks	416,094,273	201,695,716
Less: Provision for currency fluctuation	(4,900,000)	(4,900,000)
Provision for blocked bank account	(66,812,974)	(63,864,255)
Technically overdrawn balances	(8,216,718)	(43,738,047)
	336,164,581	89,193,414
Cash with local banks	30,367,536	45,999,682
Foreign short term deposits	1,024,578,502	1,147,908,650
Unverified deposits	9,153,624	60,362,116
Cash on hand	29,026,158	30,128,478
	1,429,290,401	**1,373,592,340**

b) The cash with foreign banks includes balances at three locations amounting to Birr 66,812,974 which are not readily transferable. These have been fully provided for.

8. CREDITORS

	Birr	2006 Birr
Payable to oil companies	232,115,966	144,124,919
Goods received but not billed	42,537,139	25,121,964
Miscellaneous accounts payable	353,527,513	308,101,875
Accrued interest	22,154,931	25,164,404
Accrued insurance premium	7,137,256	6,997,028
Other airlines pool apportionment	16,509,655	16,314,029
Transportation tax and embarkation fees	101,832,966	83,474,798
Miscellaneous clearing accounts	271,292	285,780
Advances from customers' work orders	24,898,783	21,488,794
Others	217,438,467	216,934,469
	1,018,423,968	848,008,060

9. BANK OVERDRAFT

The Enterprise has an overdraft facility of Birr 50,000,000 with the Commercial Bank of Ethiopia, Airport Branch secured on buildings.

10. PAID UP CAPITAL

a) The movement in the account is as follows:-

	Birr
Balance at 30 June 2006	2,310,406,451
Transfer from profit for the year	130,672,460
	2,441,078,911

b) The Council of Ministers authorized the Enterprise to transfer the net profits for five years (2003-2007) to paid up capital until the paid up capital reaches the authorized level.
Details amending the capital of the Enterprise are stipulated in the Council of Ministers Regulations No. 81/2003 dated 17 January 2003.

c) The Enterprise is wholly owned by the Federal Government of Ethiopia. The capital allocated to the Enterprise is not repayable to the Government in whole or in part, as long as the Enterprise continues trading. There are no shares and no par value.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

11. DEFERRED LIABILITIES

	Birr	2006 Birr
Training of other airlines' personnel	7,215,430	7,012,412
Accumulated fines deducted from employees	1,856,563	1,630,083
	9,071,993	**8,642,495**

12. PROVISION FOR MAINTENANCE

	Birr
Balance at 30 June 2006	265,274,891
Add: Provision made during the year	168,820,055
	434,094,946
Less: Actual payments made during the year	110,396,526
	323,698,420

13. LONG TERM LOANS

a) These are as follows:-

	TOTAL LOAN Birr	CURRENT PORTION Birr	LONG TERM PORTION Birr	LONG TERM PORTION 2006 Birr
Barclays Bank (Loan i)	2,458,026,738	228,124,266	2,229,902,472	2,386,273,266
Barclays Bank (Loan ii)	114,007,222	114,007,222	-	110,625,254
Commercial Bank of Ethiopia (CBE i)	57,411,424	57,411,424	-	57,417,069
Commercial Bank of Ethiopia (CBE ii)	114,327,056	9,885,205	104,441,851	105,121,064
	2,743,772,440	**409,428,117**	**2,334,344,323**	**2,659,436,653**

b) Barclays Bank (Loan i)

The amount of Birr 2,458,026,738 represents the outstanding balance at 30 June 2007 of a total loan facility of Birr 2,935,665,555 for financing 85% of the cost of six aircraft and four spare engines. Separate loan agreements were signed for each of the six aircraft and four engines between Ethiopian Leasing Limited (a subsidiary in the Cayman Islands wholly owned by the Enterprise), Barclays Bank, and Export-Import Bank of the United States of America (Ex-IM Bank). The loans are repayable over a period of twelve years in quarterly instalments together with interest computed at floating and hedged rates. The loans are secured by the guarantee of Ex-IM Bank and pledges on the respective aircraft which are registered in the name of Ethiopian Leasing Limited.

14. OPERATING REVENUE

	Birr	2006 Birr
Passenger	5,235,911,965	4,020,586,804
Freight	684,539,527	591,906,491
Charter	345,125,300	295,267,925
Mail	30,879,854	18,675,674
Excess baggage	244,172,246	202,478,219
Commission	9,687,474	7,254,834
Customer services (work orders)	107,268,130	111,806,467
Subsidiaries	97,174,281	54,518,352
Miscellaneous	132,936,266	96,012,899
	6,887,695,043	**5,398,507,665**

15. OPERATING EXPENSES

	Birr	2006 Birr
Flying operations	3,380,020,216	2,482,817,165
Direct maintenance	523,906,647	435,839,322
Depreciation of flying equipment	324,888,848	333,169,157
Rentals-leased aircraft	560,038,774	323,511,490
Promotion and sales	436,962,484	346,141,464
Passenger service	504,817,771	423,233,238
Ground operations	563,619,617	465,911,164
Indirect maintenance	41,663,045	51,737,450
Depreciation	64,688,953	53,052,357
Customer services (work orders)	48,701,208	54,209,873
Subsidiaries	79,495,201	55,844,381
General and administration	160,851,112	136,515,001
	6,689,653,876	**5,161,982,062**

NOTES TO THE FINANCIAL STATEMENTS (cont.)

18. FINANCIAL RISKS

a) Credit risk

Credit risk in relation to a financial instrument is the risk that a customer, bank or other counter-party will not meet its obligations (or not be permitted to meet them) in accordance with agreed terms.

The Enterprise's maximum exposure to credit risk in relation to each class of recognized financial assets, is the carrying amount of those assets as indicated in the balance sheet.

The following table indicates the concentration of credit risk in the Enterprise's investment portfolio:-

Security type	% of total assets portfolio at 30 June 2007	% of total assets portfolio at 30 June 2006
Foreign investments		
Holdings of securities	0.24	0.23
Short term deposits	13.53	15.68
Cash with foreign banks	5.62	3.58

b) Interest rate risk

Current borrowings are at fixed and floating rates averaging 6.06% p.a. Investments made by the Enterprise in various international banks generated interest income that covered the cost of borrowing by 43.45% in the year 2007 compared to 34.18% in the previous financial year.

c) Foreign currency risk

About 97.77% of the monies earned by the Enterprise are in hard and convertible currencies.

19. COMMITMENTS

The Enterprise has commitments, not provided for in these financial statements of Birr 15,820,530,743 for the purchase of ten aircraft and spare engines.

20. CONTINGENT LIABILITIES

The Enterprise has contingent liabilities of Birr 34,006,168, not provided for in these financial statements, in respect of legal actions brought by different organizations and individuals which are contested by the Enterprise. It is not possible to determine the outcome of these actions at the moment.

21. ESTABLISHMENT

The Enterprise was established as a public enterprise by Council of Ministers Regulations No. 216/95, amended by Council of Ministers Regulations No. 81/2003. Its principal place of business is in Addis Ababa, Ethiopia, and it has area and station offices all over the world.

22. EMPLOYEES

The Enterprise employed 4,715 staff at 30 June 2007 (2006 – 4,960).

23. RETIREMENT BENEFIT OBLIGATIONS

The Enterprise's employees are eligible for retirement benefits under a defined contribution plan. For the year ended 30 June 2007, the Enterprise contributed Birr 11,410,070, (2006 – Birr 10,473,294) which has been charged to the profit and loss account.

24. STAFF COSTS

Staff costs for the year amounted to Birr 729,377,448 (2006 – Birr 612,350,775) and are included in the various major expense categories.

25. COMPARATIVES

In order to facilitate comparisons, certain of the 2006 figures have been rearranged in these financial statements.

26. DATE OF AUTHORIZATION

The Chief Executive Officer of the Enterprise authorized the issue of these financial statements on 10 December 2007.


"SERVICE with
a SMILE ...

ETHIOPIAN AIRLINES GENERAL SALES AGENTS

ABU DHABI
Salem Travel Agency
Tel: 971 2 6268900/6273333
E-mail: travels@salemtravelagency.com

ALGERIA
Air Algeria
Tel: 213 643731

ANGOLA
Luanda, Angola
Tel/Fax:244-222-335-713
E-mail: tchukombe@yahoo.com

ARGENTINA
Aviareps
Tel: 54 1148933003
Fax: 54 114893005

AUSTRALIA
World Aviation System (WAS)
Tel: 612-9244-2122
E-mail: terryd@worldaviation.com.au

AUSTRIA
Aviareps Austria
Tel: 431 585 363 019
Fax: 431 585 363 088
Email: e-sbuocz@aviareps.com

ATC Aviation Cargo Agent
Tel: 43 1-7007-38854
Fax: 43 1-7007 38853
E-mail: vie@atc-aviation.com

BAHRAIN
Bahrain Int'l Travel
Tel: 973 17223315
Fax: 973 17210175

BANGLADESH
MAAS Travels & Tours Ltd.
Tel: 8802-717 0517/956 8388/956 5380
Fax: 8802-956 5378
Email: maas@agni.com

BELGIUM & LUXEMBOURG
Park Hill, Mommaertslaan 20A
Tel: 32 (0) 22750175/24034476
Fax: 32 (0) 24034479

Aviareps
Tel: 32 (0) 27120586
Fax: 32 (0) 27258392

BENIN
Vitesse Voyage (Speed Travel)
Tel: 229-2131-0718
Mobile: 229 9713-7791

BRAZIL
Aviareps
Tel: 5511-3123-1800
Fax: 5511-3259-8440

CANADA
Airline Services International
Tel: 905 6294522
Fax: 905 6294651
asi@airlineservices.com

CHILE
Aviareps
Tel: 562-2362748/2362749
Fax: 562-2362750

COLOMBIA
Aviareps
Tel: 571-317 2805/257 1818
Fax: 571-317 2890

CONGO
Brazaville
Euro World SARL
Tel: 242-6712020/6713030
Mobile:971505589504
Fax: 31 020 655 3686
E-mail: a_chandirani@yahoo.com

CZECH & SLOVAK REPUBLICS
Tal Aviation Czech & Slovak Republics
Tel. 420 224 815 377
Fax. 420 224 815 379
email: flamini@t-m-i.cz

DENMARK
Khyber International
Tel: 453 3934455
Fax: 453 3933799

DUBAI
Asia Travel & Tour Agency
Tel: 971- 4 2951511
Fax: 971- 4 2955315

FINLAND & ESTONIA
Matkantekijat oy
(Tour Planners Ltd.)
Tel: 358 9687 78940
Fax: 368 9687 78910

GERMANY
ATC Aviation
Te: 49 69 698053 47
Fax: 49 69 698053 20
Email: fra@atc.aviation.com

GREECE
Gold Star Ltd.
Tel: 30 2103246706
Fax: 30 2103246723

HONG KONG
Desk Air Ltd
Tel: 852-2861-1811
Email: dekshk@netvigator.com

HUNGARY
AVIAREPS MO
Tel: 36 1 411 3880
Fax: 36 1 411 3881
Email: jvaradi@aviareps.com

INDIA
Ahmedabad
Sheba Travels Pvt. Ltd.
Tel: (079) 27544056
Fax: (079) 27542317
Email: shebajs@dataone.in

Pune
Leonard Travels Pvt Ltd
Tel: (952-0) 26131647/7690
Fax: (952-0) 26130782
Email: kajal@leonardtravels.com

STIC Travels Pvt :Ltd
Mumbai
Tel: (011) 28742493/5576
Fax: (011) 28741491
Email: admncontrol@sticgroup.com
Bangalore
Tel: (080) 22267613/22202408/22256194
Fax: (080) 22202409
Email: blr@sticgroup.com
Cochin
Tel: (0484) 2367476/477/478
Fax: (0484) 2367476
Email: cochin@sticgroup.com
Bodhgaya
Tel: (0631) 2201166
Jaipur
Tel: (0141) 2372997/998/965
Fax: (0141) 2373059
Email: sticjai@sticgroup.com
Chandigarh
Tel : (0172) 2706562/67
Fax: (0172) 2702770
Email: sticixc@sticgroup.com
Trivandrum
Tel: (0471) 2310919/1548/1554/3509
Fax: (0471) 2310919
Kolkata
Tel: (033) 22174913/17 22292092
Fax: (033) 22266588
Email: sticccu@sticgroup.com
Hyderabad
Tel: (040) 23231451/66618755
Fax: (040) 66612966
Email: stichyd@sticgroup.com
Jallandhar
Tel: (018) 2232056/58/59
Fax: (018) 2230961
Email: qjustic@vsnl.net
Chennai
Tel: (044) 24330211/24351829
Fax: (044) 24330170
Email: sticmaa@sticgroup.com

INDONESIA
PT Ayuberga
Tel: 62-218356214/15/16/17/18
Fax: 62-218353937

IRAN
Iran National Airlines Corp.
Tel: 9821 6002010
Fax: 9821 6012941
info@preair.i.e

IRELAND
PremAir Marketing Services Ltd.
Tel: 353-1-663-3938
Fax: 353-1-661-0752
E-mail: ethiopian@premair.ie

ISRAEL-TEL AVIV
Opensky Cargo Ltd
Tel: 972-3-972-4338
E-mail: david@opensky-cargo.co.il

JAPAN
Air System Inc. Japan
Tel: 03-3593-6608
E-mail: asipaxtyo@airsystem.jp

Mercury International Co Ltd
Cargo
Tel: 03-5777-3734
Email: aso@mercury-intl.co.jp

JORDAN
Al Karmel Travel
Tel: 9626 5688301
Fax: 9626 5688302

KUWAIT
Al-Sawan Co. W.L.L.
Tel: 965 808020 Ext. 1603/1604
Fax: 965 2453130/2462358

LIBERIA
Trade Management Int'l
Tel: 002316 524452

LIBYA (passenger & cargo)
Herodotus Travel & Tourism Services
Tel: 218 21 3408306/07
Fax: 218 21 3408305
Email: info@herodotus.com.ly

MALAYSIA
Plancongan Abadi SDN BHD
Tel: 2426360/2484313
Fax: 2412322/2486462

MADAGASCAR
Air Madagascar
Tel: 222-22

MALTA
Bajada Enterprises Limited
Tel: 356 21237939
Fax: 356 21237939

MAURITANIA
Agence Megrebine de Voyages
Tel: 222 254852/250584

MEXICO
Aviareps
Tel: 5255-5212-1193
Toll free: 01800-510-8212 (MEX)
Fax: 5255-5553-5867

MOROCCO
Skyline International
Tel: 212 2368322/23
Fax: 212 2369775

MOZAMBIQUE
Globo Tours LDA
Tel: 27 11 308067
Fax: 27 11 303596

NEPAL
Gurans Travel & Tours Pvt. Ltd.
Tel: 97 71 552 4232
Fax: 97 71 421 2736
Email: imel@wink.com.np

NETHERLANDS
Kales Airline Services B.V
Tel: 31 020 655 3680
Fax: 31 020 655 3686
Email: Danny.van.der.harst@kales.com

NEW ZEALAND
World Aviation systems
Tel: 64 9 308 3355

OMAN
National Travel & Tourism
Tel: 968-2466 0300
Fax: 968-2456 6125

PAKISTAN
Trade Winds Associates Pvt. Ltd.
Islamabad
Tel: 92 51 2823040/2823350
Fax: 92 51 2824030
Karachi
Tel: 92 21 5661712-14/5661716
Fax: 92 21 566175
Lahore
Tel: 92 42 6365165/6305229
Fax: 92 42 6314051

PERU
Aviareps
Tel: 511-2418289/2416767
Fax: 511-8278

PHILIPPINES
Travel Wide Associates Sales Philippines
Tel: 632 8905464
Fax: 632 8906631
E-mail: et@twasp.com

POLAND
Tal Aviation Poland Ltd., Al.
Tel: 48 22 6272259
Fax: 48 22 625-3146
email: ethiopian@tal.pl

PORTUGAL
Across / Air Mat
Tel: 351 217-81747
Fax: 351 217-817979

QATAR
Fahd Travels
Tel: 974 4432233
Fax: 974 4432266

RWANDA
Kigali,
Satguru International (Rwanda) SARL
Tel: 250-573079
E-mail: a_chandirani@satgurutravel.com

SAUDI ARABIA
Jeddah
Tel: 966 2 6531222
Fax: 966 2 6534258
Alkhober
Tel: 966 3 8642084/8642432
Fax: 966 3 8991539
Alqatif
Tel: 966 3 8520513
Fax: 966 3 8520022
Dammam
Tel: 966 3 8328572
Fax: 966 3 8349383
Hofuf
Tel: 966 3 5924637
Fax: 966 3 5929917
Khamis Mushayat
Tel: 966 2 5375081
Fax: 966 2 5373484
Makkah
Tel: 966 4 5492222
Fax: 966 4 5422258
Tabuk
Tel: 966 4 4221064
Fax: 966 4 4221816
Yanbu
Tel: 966 4 3227325/3213819
Fax: 966 4 3213926
Madina
Tel: 966 4 8275469
Fax: 966 4 8275484

SEYCHELLES
Mason's Travel Pty. Ltd.
Tel: 248 324173
Fax: 248 288888

SIERRA LEONE
IPC Travel
Tel: 221481/2/3/226244
Fax: 227470

SINGAPORE
Tel: 65 6297-1213
E-mail: citiair@pacific.net.sg

SOUTH AFRICA
Holiday Aviation
Tel: 27 11-289-8077/800
Fax: 27 11-289-8072

SOUTH KOREA
Whoree Agency Corp
Tel: 82-2319-0059
E-mail: worsel@chollian.net

SPAIN
Air Travel Management
Tel: 34 914 022718
Fax: 34 914 015239

SRI LANKA & MALDIVES
VMS Air Services Pvt. Ltd.
Tel: 94 11-244 7370/72/232 3929
Fax: 94 11-243 7249
Email: vickky@eureka.lk

SWEDEN
GSA Scandiniva
Tel: 468-797 9840
Fax: 468-797 9842

SWITZERLAND
Airline Center
Tel. 41 44 286 9968
Fax. 41 44 28 69978
Email: ethiopian@zrh.airlinecenter.ch
Airnautic (Cargo only)
Tel: 41 61 227 9797
Fax: 41 61-227 9780
E-mail info@airnautic.ch

SYRIA
Al Tarek Travel & Tourism
Tel: 963 11 2211941/2216265
Fax: 963 11 2235225

TANZANIA
Arusha, Boma Road
Tel: 255 2 72504231/6167
255 2 72509904-TSM
Kilimanjaro Airport
255 2 72554159
Email: jrocto@ethiopianairlines.com
arkapt@ethiopianairlines.com

TAIWAN
Apex Travel
Tel: 886-2-2713-1900
Fax: 886-2-2718-1057
E-mail:
apex-sherry@agent.abacus.com.tw

Global Aviation Service
(Taiwan) Inc
Cargo
Tel: 886-2-8712-2113
Email: cgo@gastwn.com

THAILAND
Oriole Travel & Tour (cargo only)
Tel. 66 2650 9207-9
Fax: 66 2237 9200

TUNIS
Tunis Air
Tel: 785100/288100

TURKEY
Panorama
Tel: 90 212 2315919
Fax: 90 212 2344999

UK
Globe Air Ltd.
(Cargo Only)
Tel: 44 020 8757 4730
Fax: 44 020 8831 9309
E-mail: Globeair.Marketing@uk.euro-Cargo.com

USA
City Office
Tel: 703 682 0569
Fax: 703 682 0573
email:- etusa@ethiopianairlines.com
Toll Free number 1-800-445 2733

Washington Dulles International
Airport
Tel : 703 572 6809
Fax: 703 572 8738

Cargo Only
Tel: 630 595 2323
Fax: 630 595 3232
Email: hae.us@heavy-weight.com

VENEZUELA
Aviareps
Tel: 58-212-2866951
Fax: 58-212-2866951

YEMEN
Marib Travel & Tourist Agency
Tel: 9671-426 831/832/833/834/835
Fax: 9671-726 836

YUGOSLAVIA
Jugoslovenski Aerotransport
Tel: 683164

ZANZIBAR
(passenger & cargo)
MARHABA Hotels Travels & Tours
Tel: 255 24 2231527
Fax: 255 24 2231526
E-mail: marhaba@zanzinet.com

* For Physical Address please call or email the respective general sales offices

ETHIOPIAN AIRLINES OFFICES

ANGOLA
Largo 4 De Fevereiro
Hotel Meridien Presidente
Luanda, Angola
Tel: 2442 310328/310615
Fax: 2442 310328

BAHRAIN
Chamber of Commerce Building
P. O. Box 1044
Manama, Kingdon Of Bahrain
Tel: 973-17-215-022/29
Fax: 973-17-210-175
Email: bethlehemk@ethiopianairlines.com

BELGIUM
Building 704, BP31
BRUCARGO, B1931
CGO Tel: 3227-535-229
CGO Fax: 3227-535-226
APT Tel: 3227-535-228/043
APT Fax: 3227-535-043

BURUNDI
Avenue De La Victorie No. 09
P.O. Box 517, Bujumbura
Tel: 257-226820/226038
Fax: 257-248089
APT: 257-229842
Mobile: 257-841844
E-mail: bjmam@ethiopianairlines.com

CAMEROUN
30 Avenue General Charles De Gaulle
B.P 1326 Douala, Cameroun
CTO Tel: 237-33-430246
AM Direct Line: 237-33-430264
CTO Fax: 237-33-430167
AM Mobile: 237-77-937929
LD Transportn Agt: 237-33-034625
Sales Rep: 237-33-034625
E-mail: dlaam@ethiopianairlines.com

CHAD
Avenue Charles De Gaule
P.O. Box 989, N'djamena
Tel: 235-523143/523027
Fax: 235-523143
APT: 235-522599
Mobile: 235-6896226

CHINA
L203 China World Tower 2,
China World Trade Centre
No.1 Jianguomenwai Ave. Beijing
(100004)
Tel: 8610-65050314/5 / 65069692
Fax: 8610-65054120
APT Tel: 8610-64591156
APT Fax: 8610-64599445
E-mail: bjsam@ethiopianairlines.com

Guangzhou World Trade Centre Complex
13th Floor, Room No. 1303-1305
Huan Shi Dong Road, China
CTO Tel: 8620-87621101/0120/0836
Fax: 8620-87620837
APT Tel./Fax: 8620-36067405
E-mail: cansm@ethiopianairlines.com

CONGO, DEMOCRATIC REPUBLIC
Boulevard du 30 Juin No. 1525
Aforia Building - 1st Floor
Gombe, Kinshasa
CTO tel.: 243-817-006-585/810-884-000
Apt. Mobile: 243-817-006-589
E-mail: fihres@ethiopianairlines.com
fihapt@ethiopianairlines.com
fiham@ethiopianairlines.com

CONGO, REPUBLIC OF
Avenue Foch, Brazzaville
P.O. Box 14125
Tel: 242-810761/810766
Fax: 242-810766
E-mail: bzvam@ethiopianairlines.com

COTE D'IVOIRE
Avenue Chardy
Immeuble Le Paris
P.O. Box 01 BP 5897 ABJ 01, Abidjan
Tel: 225-20219332/20215538/
20215884/20219179
Fax: 225-20219025
Mobile: 225-05061583
APT: 225-2021278819
APT Mobile: 00225-05063294
E-mail: abjet@ethiopianairlines.com

DJIBOUTI
Rue De Marseilles
P.O. Box 90, Djibouti
Tel: 253-351007/354235
Fax: 253-350599
APT: 253-341216
E-mail: jibam@ethiopianairlines.com

EGYPT
Nile Hilton Hotel
P.O. Box 807, Ataba, Cairo
Tel: 202-2574 0603/785/852/887/911
Fax: 202-2574 0189
APT: 202-2265 4398
CGO: 2654346
E-mail: caiam@ethiopianairlines.com

ETHIOPIA
Main City Ticket Office
Churchill Road
P.O. Box 1755, Addis Ababa
Tel: 251 11 5517000
251 11 6656666 (Reservation)
251 11 5178320 (Apt)
Fax: 251 11 6611474

Yekatit 66 Avenue
P.O. Box 176, Dire Dawa
Tel: 251 25 1113069
251 25 1112546

FRANCE
66 Avenue des Champs Elysees
75008 Paris
CTO Tel: 331-5376-4153 /
338-258-26135
Fax: 331-537-71303/60537
APT: 331-4862-6632
APT Fax: 331-4862-6634
APT (Mobile): 0607616375
E-mail: ethiopian-airlines.paris@
wanadoo.fr

GABON
Quartier London
Rue Ogouarouwe Plaque No. 14
PO Box 12802, Libreville
Tel: 241 760144/45
APT Tel: 241 443255
Fax: 241 760146

GERMANY
Am Hauptbahnhof 6
60329 Frankfurt Am Main
CTO Tel: 49-69-274-00727, 2740070
CTO Fax: 49-69-274-00730
APT Tel: 4969-032-391/
4969-690-5192
APT Fax: 4969-691-945
CTO E-mail: fraam@ethiopianairlines.com
APT E-mail: fraapt@ethiopianairlines.com

GHANA
Kwame Nkrumah Avenue, Cocoa House,
Ground Floor
Tel: 233-21664856/57/58
Fax: 233-21673968
APT: 233-21775168/778993/776171
E-mail: accam@ethiopianairlines.com

HONG KONG
Rm 1102 Lippo Sun Plaza 28 Kenton Road,
Tsim Sha Tsui, Kowloon, Hong Kong
Tel: 852-21170233/21171863
Fax: 852-21171811
APT: 852-31508122
APT Fax: 852-31508125
E-mail: hkgam@ethiopianairlines.com

INDIA
30-B World Trade Centre, Cuffe,
Cuffe Parade, Mumbai 400005
CTO Tel. 22166066/67/68
CTO Fax: 22153725
ATO Tel: 26828626/27
ATO Fax: 26828628
CGO Tel: 26828415/16
CGP Fax: 26828417
E-mail: etsales@sticgroup.com
etreservations@sticgroup.com

Alps Building, 1st Floor
56, Janpath, New Delhi 110 001
Tel: 95 11-23312304
Fax: 95 11-25655529
CTO Tel: 95 11-23312302/303
ATO Tel: 95 11-25653739/40
E-mail: solomonya@yahoo.com

ISRAEL
1 Ben Yehuda Street
Room 2016, Tel Aviv
CTO Tel: 972-3-5100501/5160564
Fax: 972-3-5160574
APT: 972-3-9754096
APT Fax: 972-3975-4097
CGO: 972-3975-4096
E-mail: tlvam@ethiopianairlines.com

ITALY
Piazza Barberini 52
00187 Rome, Italy
Tel: 3906-4200-9220
Fax: 3906-481-9377
APT: 3906-6595-4126
APT Fax: 3906-6501-0621
CGO: 3906-65954113
E-mail: ethiopian-rom@mclink.It

Via Albricci 9 - 20122 Milan
Tel: 3902 8056562
Fax: 3902 72010638
E-mail: ethiopian-mil@mclink.it

KENYA
Bruce House Muindi Mbingu Street
P.O. Box 42901-00100, Nairobi
Tel: 254-20 247508
Fax: 254-20 219007
APT: 254-20 822236/311
CTO: 254-20311507/311544
Mobile: 254-722518532
E-mail: nboam@ethiopianairlines.com
nboadm@ethiopianairlines.com
APT E-mail: nboapt@ethiopianairlines.com
CTO E-mail: nbores@ethiopianairlines.com

LEBANON
Clemenceau St. Gefinor Center,
Block (B)
Beirut, Lebanon
Tel/Fax: 961-1752846/7
APT: 961-1629814
E-mail: beyam@ethiopianairlines.com

MALAWI
Kenyata Drive, Bisnowaty Centre
CTO Tel: 01 771 002/ 308
01 772 031
Fax: 01 772 013
ATO: 01 700 782
Email: llwres@ethiopianairlines.com
llwsr@ethiopianairlines.com
llwcgo@ethiopianairlines.com

MALI
Square Patrice Lumumba
P.O. Box 1841, Bamako
Tel: 00 223-2222088
Fax: 00 223-2226036
APT Mobile: 00 223-6795819
E-mail: bkoam@ethiopianairlines.com

NIGERIA
3, Idowu Taylor, Victoria Island,
Lagos, Nigeria
P.O. Box 1602
Tel: 2341-7744711/2
Fax: 2341-4616297
APT: 2341-7744710/7751921/3
E-mail: losam@ethiopianairlines.com

RWANDA
Centenary House, Ground Floor
P.O. Box 385, Kigali
Tel: 250-575045/570440/42
Fax: 250-570441
APT: 250-514296
E-mail: kgletam@rwanda1.com

SAUDI ARABIA
Medina Road, Adham Center
P.O. Box 8913, Jeddah 21492
Tel: 9662-6512365/6614/9609
Fax: 9662-6516670
APT: 9662-6853064/196
APT Fax: 9662-685316
CGO Tel/Fax: 9662 6851041
E-mail: jedet@arab.net.sa

Jeddah Airport
Tel: 9662-6853064/6853196/6853527
APT (Mobile): 009662-54301354
E-mail: jedet@arab.net.sa

Riyadh Airport
Al Zouman Centre, Old Airport Road
PO Box 7543, Riyadh 11472
Tel: 966-1-4782140/4789763/4793155
Fax: 966-1-4793155

SENEGAL
Immeuble La Rotonde, Rue Dr. Theze
PO Box 50800, CP 18524 DKR RP
Tel: 221-823 5552/54
Fax: 221-823 5541
E-mail: dkrres@ethiopianairliens.com
APT tel: 221-820-9396/5077
E-mail: dkrapt@ethiopianairliens.com

SOMALILAND
Cl Maarat al Khayr Building
Tel: 252-2-520681/528445
Mobile: 252-2-4427575
E-mail: hgaet@hotmail.com

SOUTH AFRICA
156 Hendrick Verwoerd Drive
2nd floor Holiday House - Randburg
CTO Tel: 27-11-7815950
CTO Fax: 27-11-7816040
APT Tel: 27-11-3903819
APT Fax: 27-11-3943438
CTO Email: inbam@ethiopianairlines.com
ATO inbapt@ethiopianairlines.com

SWEDEN
Kungsgatan 37, SE-11156 Stockholm
ATO: 46 8 59360170
CTO: 46 8 4402900/4400060
Fax: 46 8 206622
APT: 46 859360170
E-mail: res.ethiopian@telia.com
info.ethiopian@telia.com

SUDAN
Gamhoria Street, El-Nazir Building
No. 3/2G
P.O. Box 944 Khartoum
Tel: 2491-83762063/88
Fax: 2491-83788428
APT: 2491-8790991
E-mail: krtres@ethiopianairlines.com
krtsm@ethiopanairlines.com

Juba
Tel: 249-811-823600/20
Fax: 249-811-823600

TANZANIA
T.D.F.L Building Ohio Street
P.O. Box 3187, Dar-es-Salaam
Tel: 255-22 2117063/4/5/2125443
Fax: 255-22 2115875
APT Tel: 255-27 2554159
E-mail: daram@ethiopianairlines.com

Boma Road
P.O. Box 93 Arusha, Tanzania
CTO: 255-27 2504231/2506167
TSM: 255-27 2509904
Mobile: 255 754450224
Kilimanjaro Airport: 255 27 2554159
E-mail: arkres@ethiopianairlines.com
jrocto@ethiopianairlines.com

THAILAND
140 One Pacific Bldg, Unit 1807
18th Floor, Sukhumvit Road
Klongtoey, Bangkok 10110
Tel: 662-6534366/7/8
Fax: 662-6534370
APT Tel: 662-1343061/64
APT Fax: 662-1343060
CGO: 662-2379207
Fax: 662-2379200
E-mail: bkkam@ethiopianairlines.com

TOGO
Hotel Palm Beach, 1 Rue Komore
P.O. Box 12923
Tel: 228 2217074/2218738
Fax: 228 2221832
APT: 228 2263029/228 2261240
Ext. 4313/4517
E-mail: lfwam@ethiopianairlines.com

UGANDA
1 Kimathi Avenue
P.O. Box 3591, Kampala
Tel: 256 41 254796/97/345577/78
Fax: 256 41 321130/231455
APT: 256 41 320570/321130/
320555/320516 Ext. 3052/98
E-mail: klaetam@africaonline.co.ug

UNITED ARAB EMIRATES
Flat 202, Pearl Bldg., Beniyas Street
P.O. Box 7140, Dubai
Tel: 9714-2237963/87
Fax: 9714-2273306
APT: 9714-2166833/1833/2161833
APT Fax: 9714-2244841/2822655
CGO: 9714-2822880/2163813
CGO Fax: 9714-2822655
CTO E-mail: dxbcto@ethiopianairlines.com
APT E-mail: dxbapt@ethiopianairlines.com
CGO E-mail: dxbcgo@ethiopianair-lines.com

UNITED KINGDOM
1 Dukes Gate, Acton Lane
London W4 5DX
Tel: 44-020-89879086 (Admin)
Fax: 44-020-7747 9339
CGO Tel: 44-020-89872471
E-mail: lonam@ethiopianairlines.com

Airport office London Heathrow
Tel: 44 020 8745 4235/6
Fax: 44 020 8745 7936
Tel: 07984916159 (CARGO)
E-mail lonapt@ethiopianairlines.com

UNITED STATES OF AMERICA
Atlanta, Tel: 800-4452733; Boston,
Tel: 800-4452733; Miami, Tel: 800-
4452733; Dallas, Tel: 800-4452733;
Denver, Tel: 800-4452733; Houston,
Tel: 800-4452733; Los Angeles,
Tel: 800-4452733; Chicago,
Tel: 800-4452733; San Francisco,
Tel: 800-4452733; Seattle, Tel: 800-4452733

Washington DC
Dulles International Airport
P.O. Box 16855
Washington, DC 20041
Tel: 703-572-8740
Fax: 703-572-8738
Mobile: 202-255-8399
Ethiopian Airlines
277 South Washington Street
Suit 120
Alexandria, VA 22314
Tel: (01) 703-6820569
Fax: (01) 703-6920573

YEMEN
Marib Travel & Tourism
Damascus (Haddah) St.
CTO Tel. 9671-427993/6833
CTO Fax: 9671-427992/6836
E-mail: saham@ethiopianairlines.com
APT Tel. 9671-348188
E-mail: sahapt@ethiopianairlines.com

ZAMBIA
Indo Zambia Bank Building
Off Cairo Road, Plot No. 6907
P.O. Box 38392
Tel: 260 211 236401/236402/236403
Fax: 260 211 235644
APT: 260 1 271141 or 260 1 271313
Ext 473
E-mail: lunam@ethiopianairlines.com

ZIMBABWE
Cabs Center, 4th Floor
CNR Jason Moyo Avenue 2nd St.
P.O. Box 1332, Harare
Tel: 263 4790705/6/700735
Fax: 263 4795216
APT: 263 4575191
E-mail: ethhre@mweb.co.zw
hreres@ethiopianairlines.com
hream@ethiopianairlines.com

INTERNATIONAL ROUTE MAP

ETHIOPIAN DESTINATIONS

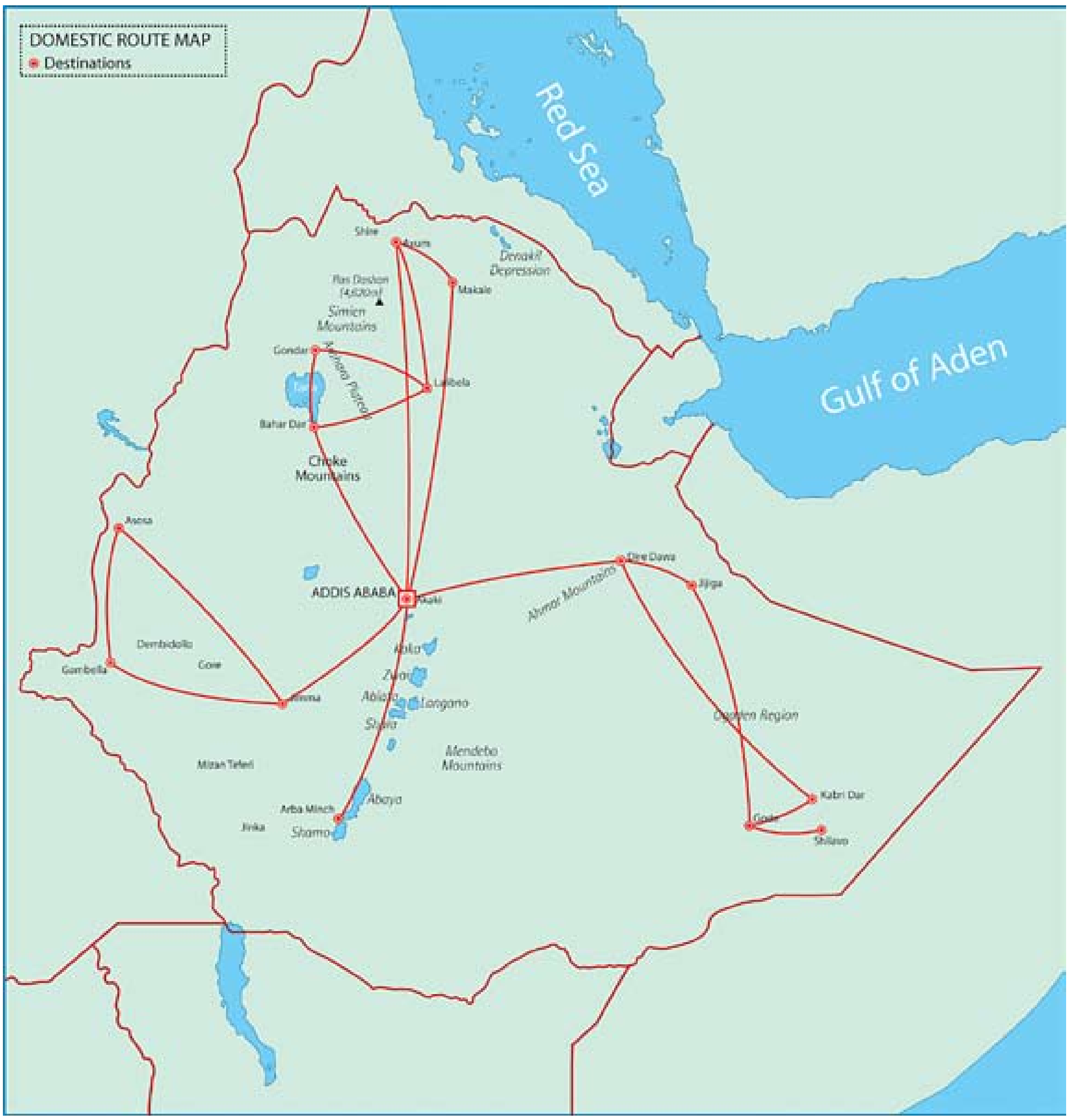
Abidjan (Côte d'Ivoire)
Abu Dhabi (UAE)
Accra (Ghana)
Addis Ababa (Ethiopia)
Bamako (Mali)
Bangkok (Thailand)
Beijing (China)
Beirut (Lebanon)
Brazzaville (Congo)
Brussels (Belgium)
Bujumbura (Burundi)
Cairo (Egypt)
Dar es Salaam (Tanzania)
Dakar (Senegal)
Delhi (India)
Dire Dawa (Ethiopia)
Djibouti (Rep. of Djibouti)
Douala (Cameroun)
Dubai (UAE)
Entebbe (Uganda)
Frankfurt (Germany)
Guangzhou (China)
Harare (Zimbabwe)
Hargeisa (Somaliland)
Hong Kong (China)
Jeddah (Saudi Arabia)
Johannesburg (S. Africa)
Juba (Sudan)
Khartoum (Sudan)
Kigali (Rwanda)
Kilimanjaro (Tanzania)
Kinshasa (D. R. of Congo)
Kuwait City(Kuwait)
Lagos (Nigeria)
Libreville (Gabon)
Lilongwe (Malawi)
Lomé (Togo)
London (United Kingdom)
Luanda (Angola)
Lusaka (Zambia)
Mumbai (India)
Nairobi (Kenya)
N'Djamena (Chad)
Paris (France)
Rome (Italy)
San'á (Yemen)
Stockholm (Sweden)
Tel Aviv (Israel)
Washington D.C. (USA)
Zanzibar (Tanzania)

DESTINATIONS WITH SPECIAL AGREEMENTS

Cape Town (South Africa)
Dorval, Montréal (Canada)
Gaborone (Botswana)
Helsinki (Finland)
Jarkata (Indonesia)
Kolkata (India)
Manila (Philippines)
Oslo (Norway)
Ottawa, Ontario (Canada)
Palermo (Italy)
Stockholm (Sweden)
Toronto (Canada)
Vancouver (Canada)
Windhoek (Namibia)
United States of America:
Albuquerque, New Mexico
Atlanta, Georgia
Boston, Massachusetts
Chicago, Illinois
Cincinnati, Ohio
Cleveland, Ohio
Colorado Springs, Colorado
Columbia, S. Carolina
Columbus, Ohio
Dallas, Texas
Dayton, Ohio
Denver, Colorado
Detroit, Michigan
Fort Lauderdale, Florida
Houston, Texas
Indianapolis, Indiana
Jacksonville, Florida
Kansas City, Kansas
Las Vegas, Nevada
Little Rock, Arkansas
Los Angeles, California
Memphis, Tennessee
Miami, Florida
Minneapolis, Minnesota
Nashville, Tennessee
New Orleans, Louisiana
New York
Oklahoma City, Oklahoma
Omaha, Nebraska
Ontario, California
Orlando, Florida
Philadelphia, Pa.
Phoenix, Arizona
Portland, Oregon
Portland, Maine
Rochester, New York
Saint Louis, Missouri
Salt Lake City, Utah
San Antonio, Texas
San Diego, California
San Francisco, California
San Jose, California
Santa Ana, California
Seattle, Washington
Syracuse, New York
Tampa, Florida
Tucson, Arizona

Ethiopian
የኢትዮጵያ

ETHIOPIAN AIRLINES DOMESTIC OFFICES



NOTE: Graphics representation only. Not to scale. The actual flight paths may vary.

ADDIS ABABA
Main City Ticket Office
Churchill Road
PO Box 1755
Tel: 251-11-5517000
Fax: 251-11-5513047/5513593

ARBA MINCH
Tel: 251-46-8810649 (CTO)

ASSOSA
Tel: 251-47-7750574/1197

AXUM
Tel: 251-34-7752300 (CTO)
251-34-7753544 (APT)

BAHAR DAR
Tel: 251-58-2200020 (CTO)
251-58-2206900 (CTO)
251-58-2260036 (APT)

DIRE DAWA
PO Box 176
Tel: 251-25-1113317 (APT)
251-25-1111766/1147 (CTO)
251-25-1113017 (CGO)

GAMBELLA
Tel: 251-47-5510099

GODE
Tel: 251-25-7760015 (CTO)
251-25-7760030 (APT)

GONDAR
PO Box 120
Tel: 251-58-1110129 (CTO)
251-58-1117688 (CTO)
251-58-1117602 (CTO)
251-58-1140735 (APT)

JIJIGA
Tel: 251-25-7752030 (CTO)
251-25-7754300 (APT)

JIMMA
Tel: 251-47-1117271 (CTO)
251-47-1110030 (CTO)
251-47-1110207 (APT)

LALIBELLA
Tel: 251-33-3360046 (CTO)

MEKELLE
PO Box 230
Tel: 251-34-4400055 (CTO)
251-34-4404052 (CTO)
251-34-4420437 (APT)
251-91-4700910 (Cell)

CTO – City Ticket Office
APT – Airport Office
CGO – Cargo Office

P.O. Box 1755, Addis Ababa • Tel: (+251-116) 652-222 • Fax (+251-116) 611-474 • Tlx 21012 •
Cable ETHAIR Sita: ADDXSET • Email: webmaster@ethiopianairlines.com • www.ethiopianairlines.com