



COLUMN

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To: All members of the media

Soaring high, carrying the spirit of Namibia

Recently there has been huge media attention and discussion on Air Namibia and its financial position. Furthermore, there has been speculation whether Air Namibia will cease its operations due to the current financial status of the national airline. It is therefore fit that we set the record straight to inform the flying public and the Namibian nation at large.

Air Namibia, is the national airline of the Republic of Namibia, with the Government of Namibia (GRN) as its sole shareholder. GRN is the only entity that can decide on the continued existence of the national airline. Until then, Air Namibia continues to operate as per its mandate. We wish to reassure our clients that our flights continue to operate according to our published flight schedule.

Air Namibia transports passengers and cargo between domestic destinations, the rest of southern Africa and Europe, via the Frankfurt route. The airline has been in operation for the past 70 years, creating easy access for Namibians to see the world and the world to visit Namibia. As well as ensuring trade.

Gone are the days that air travel was for the happy few. The glitz and glamour of the early days of flight are behind us although air travel still takes us to fabulous destinations. Air travel connects nations and businesses, and without it, the world as we know it today would cease to exist. We live in a world of inter-connectivity. Connected by phones, computers, relatives and friends living all over the world and connected by our common values as human beings. With limited time at our disposal, Air Namibia takes you to your destination within a blink of the eye.

Air Namibia's contribution to the economy goes much deeper than people think. Directly and indirectly activities by Air Namibia support Namibian jobs and salaries, stimulate domestic supply chains, and contribute to the GDP and government revenues. To put matters into perspective, in the fiscal year 2015/16 Air Namibia's operations and aviation-related capital spending made a N\$704 million contribution to the Namibian economy, while sustaining 4,550 jobs. During the same reporting period, N\$316 million in tax revenue was raised. The national airline continues to facilitate international business competition and cooperation, enabling foreign investment and tourism.

We realise at this moment Air Namibia is still running at a deficit and we are not shying away from addressing this issue. Air Namibia's total budget for the 2017/18 financial year is N\$2.4 billion of which the Government of the Republic of Namibia subsidised (targeted) N\$486 million. The subsidy is released from treasury to the Ministry of Works and Transport to pay aircraft leases, fuel and maintenance, navigation, landing & parking fees as well as settling some legacy debts. It should be noted that this amount is not transferred into Air Namibia's bank account, but rather paid directly to the service providers. Air Namibia generates its own revenue to pay for its day to day operations, ensuring that our aircraft remain in the skies. Streamlining our operations, adding new routes for optimum aircraft utilisation and continued vigilance of our expenditure has allowed us to raise our forecasts for the coming years and our contribution to the economy is estimated to grow in the next five years.

Air Namibia operates in a dynamic and highly competitive business environment with high value investments being required to remain at the top of the game. Our organisation realises that key success factors include the need to be innovative and embrace technology optimally. Although we are small in comparison to other national carriers, we strive to be the best and offer the best service. Our superior service offering was confirmed with accolades by Skytrax and Feather Awards.

Logistics is one of the driving forces of Namibia's Development Plan, the fifth embodiment of which was launched last year. For its socio-economic growth, freight forms an intrinsic part of that. Allowing Namibia to position itself as a logistics hub in the SACU region and further afield. As well as being an important selling point to attracting foreign investment into the country. This begins and ends with the national carrier providing air transport services. Air service connectivity is of strategic

importance to this economy and leaving this service in the hands of organisations, over which the country does not have control, brings serious risks and exposure.

Air Namibia runs a fleet of aircraft that fulfil the stringent rules and regulation of the global aviation industry, being one of the few African airlines flying into the European skies and further granted rights to fly to the United States of America through its code share agreements.

We continue to work hard to keep the national carrier in the nation's mind and heart. Constantly adding value to our national economy as well as being a Centre of Excellence when it comes to capacity building and developing our pilots, air and ground staff and improving and maintaining our high service level standards. To this end, Air Namibia remains an important part of the developing aviation industry in Africa.

We at Air Namibia have a dream, well, it's actually more of a goal and we urge all Namibians to support us as in this. Our goal is for Air Namibia to achieve a point where its value is also reflected by a sound financial position. We are working to make Air Namibia the premier choice of all travellers, when they wish to embark on their trips connecting to and from the Land of the Brave.

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