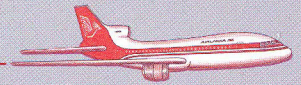


AIRLANKA

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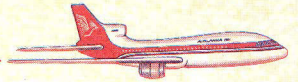
HIGHLIGHTS



		1990	1989
FINANCIAL			
Revenue	Rs M	6,704.95	5,144.31
Expenditure	Rs M	6,405.91	4,713.94
Operating Profit	Rs M	299.04	430.37
Net Profit	Rs M	163.17	(128.43)
TRAFFIC			
Capacity offered	ASK millions	3,945.39	3,401.17
	ATK millions	524.53	446.20
Passengers carried	Thousands	775	720
Cargo carried	Tonnes	17,177	14,995
Revenue Tonne Kilometers	Millions	332.80	294.60
Passenger Load Factor	%	70.20	73.80
Overall Load Factor	%	63.45	66.00
Break-even Load Factor	%	62.81	61.79
STAFF AND PRODUCTIVITY			
Average number of staff	Nos.	3603	3535
Revenue per employee	Rs.	1,860,935	1,455,250
Value added per employee	Rs.	463,311	390,337
Capacity per employee	Ton. Km.	145,581	126,223
Aircraft in service	L1011-500	3	2
	L1011-100	1	1
	L1011-50	1	1
	B737-200	1	1



CHAIRMAN'S STATEMENT



The year under review was perhaps the most momentous year in the history of the Airline. The Government of President Premadasa had put the Airline on notice – that it should either become commercially viable and profit – making or perish.

The Company itself had initially budgeted for a modest loss. Bold decisions had to be taken to lift the Airline virtually from its bootstraps and halt the decline. Happily these decisions paid off and the Airline was able to record a net profit of Rs 163.17 million or approximately US\$ 4.08 million for the first time in its 10-year old history. This result could not have been achieved if not for the unstinted co-operation of the vast majority of the staff of Air Lanka.

The achievement of a profit, though modest, has given the Airline and its staff a sense of dignity, acceptability and motivation for further achievements.

Having stated this, it is still necessary to re-emphasise that the Airline has deep fundamental problems. After 10 years of groping, it needs to get its bearings correctly, reorganise itself and develop as a strong International Airline.

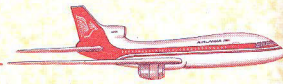
The Board of Directors has therefore commissioned Consultants to study “the strategic effectiveness of Air Lanka including its present utilisation of routes, fleet, technological and personnel resources and to provide an assessment of whether more productive or optimal alternatives exist for their employ.” The study is complete and the current year would be the year of reform.



The prognosis for the current year is very bright. I have no doubt that with the whole-hearted co-operation of its staff and the full backing of the Government of Sri Lanka, Air Lanka would forge ahead making bigger profits. Reformed and renewed, it would take off to brighter horizons leaving behind 10 years of gloom. It is with great pleasure that I record the keen and unwavering co-operation of my colleagues in the Board of Directors which made my tasks pleasanter and easier.

DUNSTAN JAYAWARDENA
CHAIRMAN/MANAGING DIRECTOR

REVIEW OF OPERATIONS



FINANCIAL

Net Earnings

The Company registered a net profit of Rs. 163.17 million during the year compared with a loss of Rs. 128.43 million recorded in 1988/89.

Revenue

Total operating revenue amounted to Rs 6,704.95 million, up by Rs. 1,560.64 million or 30% from 1988/89.

Revenue from airline operations increased by Rs 1,455.89 million or 30%, with revenue from ground handling and duty free sales increasing by 36% and 26% respectively.

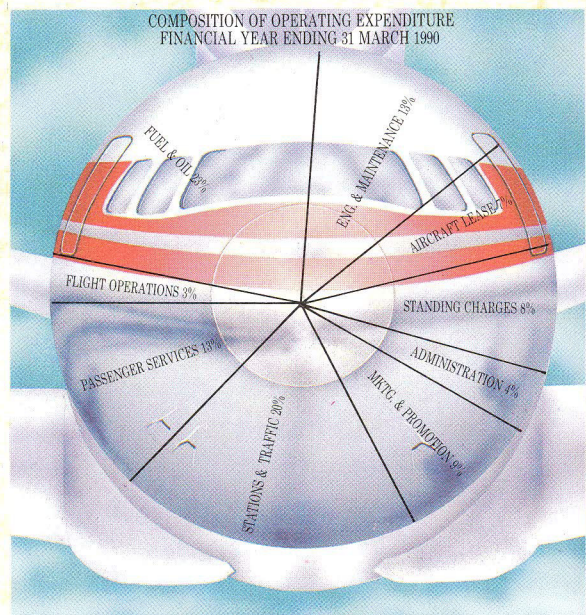
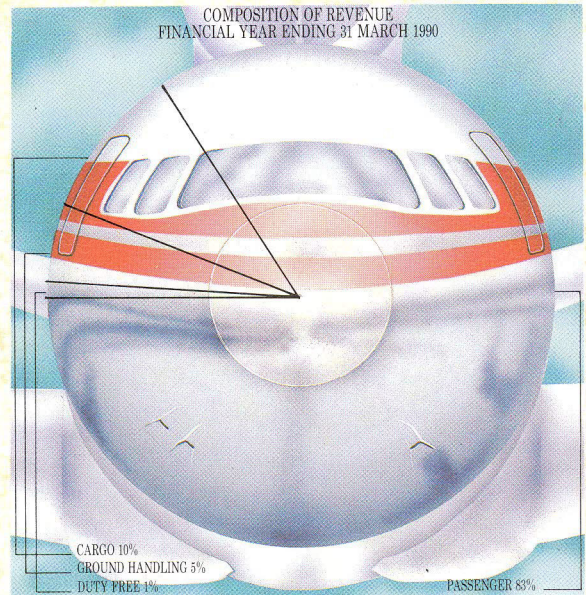
Expenditure

In 1989/90, the Company's operating expenditure totalled Rs. 6,405.91 million, reflecting an increase of 36% from 1988/89.

Fuel and oil constituted the major component, forming 23% of total operating expenditure in 1989/90, compared to 20% in 1988/89.

Other major elements of operating expenditure were aircraft depreciation and lease charges (15%), aircraft maintenance costs (13%) and stations and traffic (20%).

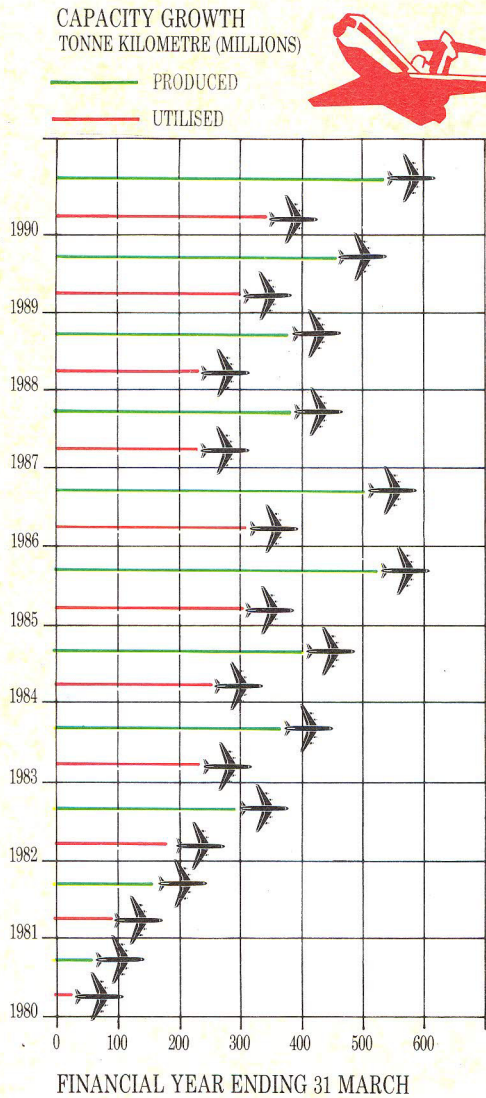
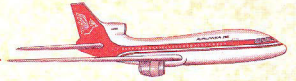
Of non-operating expenditure, interest and similar charges declined sharply by Rs. 188.96 million to Rs. 525.08 million in 1989/90.



CAPACITY AND TRAFFIC GROWTH

1989/90 recorded a 17% growth in total capacity production, from 446.20 million tonne-kilometres to 524.53 million tonne-kilometres. This capacity increase

REVIEW OF OPERATIONS – CONTINUED

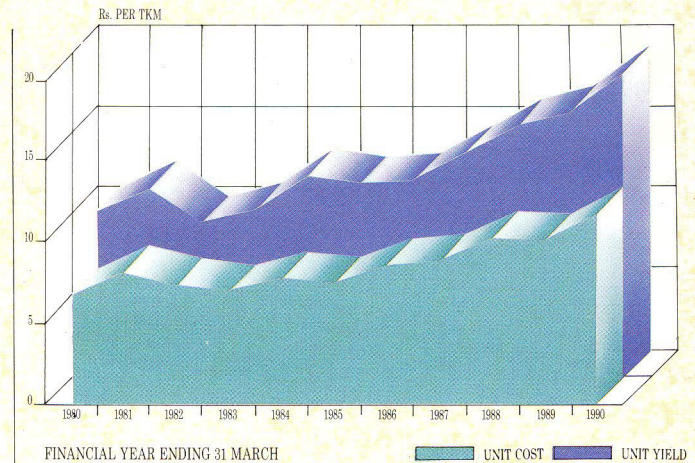


resulted mainly from frequency increases to Europe and the Middle East.

Scheduled passenger traffic rose during the year by 10% in revenue passenger kilometres and total traffic by 13% in revenue tonne-kilometres.

The overall load factor was 63.45% and the passenger load factor was 70.20%. Load factors declined in comparison with the previous year as a result of the large increase in capacity. The figures for the previous year were 66.00% and 73.80% respectively

UNIT COST AND UNIT YIELD



YIELD AND UNIT COST

Compared to 1988/89, unit yield increased by 15% to Rs 18.80/tkm. Favourable movements in exchange rates and increased fare levels enabled the Company to achieve this improvement in yield.

Unit cost increased by 17% to Rs. 11.80/tkm from Rs. 10.10/tkm in 1988/89 mainly on account of cost increases resulting from the depreciation of the Sri Lanka Rupee and aircraft lease charges.

VALUE ADDED

Total value added by the Company amounted to Rs. 1,669.31 million in 1989/90, an increase of Rs 289.47 million or 21%.

Of the total value added, 29% was distributed to employees in the form of salaries, allowances, provident fund contributions and other staff related expenses, whilst 41% was retained in the Company for re-investment and future growth. 29% of the value added was paid to suppliers of capital in the form of interest charges and 1% went to overseas governments as taxes.



PERSONNEL

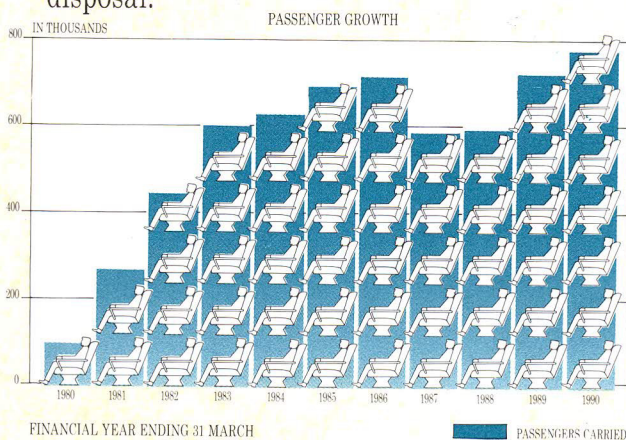
The total number of personnel employed by the Company at 31 March 1990 numbered 3,603. The growth in personnel was 68 and was 2% on the previous year.

Employee productivity in terms of capacity per employee and revenue per employee improved by 15% and 28% respectively.

Value added per employee increased from Rs. 390,337 in 1988/89 to Rs 463,311 in 1989/90.

AIRCRAFT FLEET

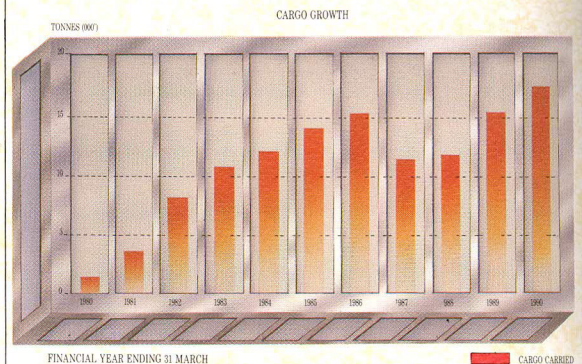
During the year under review, the Company added one leased L 1011-500 aircraft to its fleet, increasing the fleet strength from 4 L 1011 aircraft to 5. A Boeing 737-200 aircraft was leased during the year to replace the Boeing 737 4R-ULH aircraft which was grounded prior to disposal.



ROUTE DEVELOPMENT

The accent has been on consolidating existing routes while exploring new routes. To this end, Air Lanka increased its frequency to Europe and strengthened its services to the Middle East.

Fukuoka in Japan was added to the Company's route network in October 1989 and a start-up of a weekly frequency to Sydney/Melbourne is planned for the coming financial year.



SPECIAL FLIGHTS AND CARGO OPERATIONS

Air Lanka commenced an all-cargo operation in February 1990 using a chartered Boeing 707 to cater to the demand for additional cargo capacity out of Colombo.

Special flights were operated during the Haj Season and during the Chinese New Year to meet the demand for extra capacity.

SUPPORT SERVICES

With a modern air terminal already in operation, Ground Handling at Colombo Airport Katunayake is being further streamlined with exclusive lounge facilities for First and Business Class passengers, a professional and dedicated Passenger Relations Unit and modern tarmac transfer vehicles.

Computerised reservation facilities were provided during the year to major Travel Agents in Sri Lanka, who now enjoy direct access to Air Lanka's ASTRAL booking system.

DIRECTORS' REPORT



The Directors have pleasure in submitting their Report and audited Accounts for the year ended 31 March 1990. The Accounts are set out on pages 10 to 30.

FINANCIAL STRUCTURE

Air Lanka is a Company wholly owned by the Government of Sri Lanka.

The issued share capital of the Company as at balance sheet date was Rs. 7,369.47 million.

PRINCIPAL ACTIVITIES

Air Lanka's principal activity is the operation of international scheduled and non scheduled air services for the carriage of passengers, freight and mail, as the designated carrier of Sri Lanka.

Providing Air Terminal services at the Colombo International Airport and the sale of duty free goods on board, constitute other main activities of the Company.

Air Lanka owns 50% of the issued share capital of its associated company, Air Lanka Catering Services Limited, which is the sole caterer to all airlines operating through Colombo International Airport.

There was no significant change in the nature of the activities of the Company during the year.

DIRECTORS IN OFFICE

The names of the present Directors of Air Lanka Limited are listed below:—

Mr. M.G.D. Jayawardena
Chairman/Managing Director

Mr. R. Paskaralingam

Mr. R.A. Jayakody

Mr. S.K.H. Wijayatilake PC

Mr. S. Dhanabala

Mr. M.G.D. Jayawardena was appointed on 27 July 1989 in place of Mr. R.B. Weerakoon who resigned on 26 July 1989.

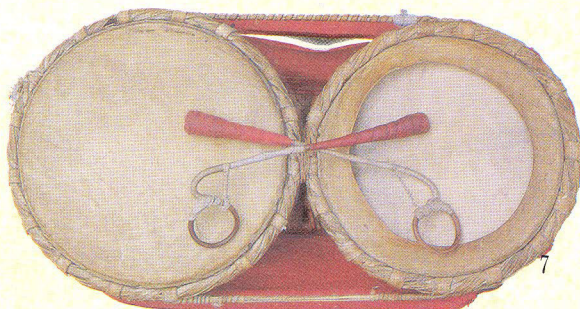
Mr. R. Paskaralingam and Mr. R.A. Jayakody served throughout the Financial Year 1989/90 and hold office at the date of this report.

Mr. S.K.H. Wijayatilake was appointed to the Board on 09 May 1989.

Mr. G. Cumararatunga resigned on 03 July 1989 and Mr. S. Dhanabala was appointed on 27 July 1989.

Desamanya Gen. D. S. Attygalle who was a Director of Air Lanka from 24 February 1989 resigned from the Board on 29 March 1990.

Particulars of interests of Directors in contracts and proposed contracts having been declared by the Directors are stated on page 28.





ACCOUNTS

Profit for the year ended 31 March 1990, before interest and other similar charges, was Rs. 698.04 million.

Net profit for the year, after interest and similar charges and deferred expenditure, amounted to Rs. 163.17 million.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the year ended 31 March 1990, other than those stated in the accounts and the notes thereto.

ACCOUNTING POLICIES

The principal accounting policies of the company are set out on pages 12 to 15.

FIXED ASSETS

Movements of fixed assets are shown in note 6 to the accounts.

BANK AND OTHER BORROWINGS

The net bank loans and overdrafts, and other borrowings, including obligations under finance leases of the company are shown under notes 14 and 15 to the accounts.

AUDITORS

A resolution for the reappointment of Ernst & Young as the auditors of the Company and determining their remuneration will be proposed at the Annual General Meeting.

By order of the Board
P. Abeyasekera
Secretary
23 August 1990

Registered Office:
37, York Street,
Colombo 1.





TO THE MEMBERS OF
AIR LANKA LIMITED

We have examined the Balance Sheet of Air Lanka Ltd as at 31 March 1990, the Profit and Loss account and the Statement of Source and Application of Funds for the year then ended and the related notes exhibited on Pages 10 to 30.

The Financial Statements of Air Lanka Ltd for the year ended 31 March 1989 was audited by another firm of Chartered Accountants who had expressed a qualified opinion in respect of aircraft rotatable and non rotatable spares.

Our examination was made in accordance with Sri Lanka auditing standards. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for purposes of our audit. In auditing the returns submitted by overseas stations, we have relied on management representations as to the accuracy and completeness of these returns.

We were unable to satisfactorily verify the balances of aircraft rotatable and non-rotatable spares and the consumption of non-rotatable spares charged to maintenance cost. (see note 23)

In our opinion, subject to any adjustments to the financial statements that may have been necessary had we been able to satisfy ourselves as to the matters

referred above, so far as it appears from our examination, proper books of account have been maintained by the company and, to the best of our information and according to explanations given to us, the said Balance Sheet, Profit and Loss account and the Statement of Source and Application of Funds which are in agreement therewith, read together with notes referred to therein:

- a) provide the information required by the Companies Act No. 17 of 1982; and
- b) respectively give a true and fair view of the state of the company's affairs as at 31 March 1990, and of its profit for the year then ended, in conformity with the generally accepted accounting principles, applied on a basis consistent with that of the preceding year except as stated under item L of the Accounting Policies.

We further report that according to information available to us, no Director of the company is directly or indirectly interested in contracts with the company other than those disclosed in note 21 to the accounts.

Ernst & Young
Chartered Accountants
Colombo,
23 August 1990.

PROFIT AND LOSS ACCOUNT



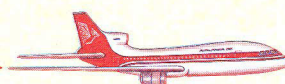
for the year ended 31 March 1990

	Note	1990 Rs. M	1989 Rs. M
Revenue	1	6,704.95	5,144.31
Operating Profit	1 & 2	299.04	430.37
Dividend from Associated Company		40.00	20.00
		339.04	450.37
Other Income	3	359.00	144.75
		698.04	595.12
Interest and Similar Charges	4	(525.08)	(714.04)
Profit/(Loss) for the Year		172.96	(118.92)
Deferred Expenditure Written off	5	(9.79)	(9.51)
Profit/(Loss) After Deferred Expenditure		163.17	(128.43)

The accounting policies and notes on pages 12 to 28 form part of these accounts.



BALANCE SHEET



as at 31 March 1990

	Note	1990 Rs. M	1989 Rs. M
Fixed Assets	6	3,497.75	3,979.55
Investments	7	82.73	93.63
Net Current Assets/(Liabilities)	8	(279.81)	(196.02)
		<u>3,300.67</u>	<u>3,877.16</u>
Financed by:			
Issued Share Capital	9	7,369.47	7,369.47
Profit and Loss Account	10	(6,164.51)	(6,248.13)
Capital Reserve	11	326.29	349.03
Other Reserves	12	—	—
		<u>1,531.25</u>	<u>1,470.37</u>
Less: Deferred Items	13	(503.92)	(109.50)
Shareholders' Funds		<u>1,027.33</u>	<u>1,360.87</u>
Long — Term Loans	14	194.00	395.00
Obligations Under Finance Leases	15	2,079.34	2,121.29
		<u>3,300.67</u>	<u>3,877.16</u>

M.G.D. Jayawardena
Chairman/Managing Director
Colombo, 23 August 1990

R. Paskaralingam
Director

The accounting policies and notes on pages 12 to 28 form part of these accounts.





A) ACCOUNTING CONVENTION

The Financial Statements have been prepared under the historical cost convention in accordance with accepted accounting principles. No adjustments have been made for the effects of inflation other than for revaluation and restatement of certain assets as stated below.

B) FIXED ASSETS

Fixed assets are stated at cost of acquisition or construction except for certain properties which are included at valuation or are restated.

Major overhauls and modifications which result in an increase in the earning capacity or the useful life of assets are capitalised.

Depreciation is calculated to write off the cost or valuation, less residual value if any, over the anticipated useful lives of the fixed assets on a straight line basis.

Cost of fixed assets which have been financed by foreign currency loans/leases were restated in 1987/88 and in 1988/89 at year end exchange rates. This practice was discontinued during the current year and such assets are carried at their restated value as at 31 March 1989.

1. Fleet

Aircraft and aircraft engines owned by the Company are stated in the accounts at their restated value as at 31 March 1989. Subsequent additions are reflected at cost.

2. Property and Equipment

Property owned by the Company and situated at No. 12, Sir Baron Jayatilaka Mawatha, Colombo 1, was valued by Mr. D.S.A. Senaratne, Chartered Valuer on 25 December 1988 and the Air Lanka Administration and Training Building situated at Katunayake valued by Mr. S. Fernando, Chartered Valuer, on 20 January 1989.

These properties are included in the accounts on the basis of that valuation.

All other property and equipment have been included in these accounts at cost.

3. Aircraft Rotable Spares

Aircraft rotable spares, which are treated as tangible fixed assets are recorded in the balance sheet at cost.

4. Leased Assets

Where assets are financed by lease arrangements under which all the risks and rewards of ownership are substantially transferred to the lessee, such assets are treated as fixed assets and recorded at the present value of the minimum lease payments payable over the lease period, derived by discounting them at the rate of interest implicit in the lease.

The corresponding liability is recorded as an obligation under finance leases.



The value of leased assets capitalised are depreciated on the basis described below.

Amounts payable in respect of finance leases are apportioned between reduction of lease obligations and interest charges based on the rate of interest implicit in the relevant leases.

Amounts payable under operating lease agreements are charged to profit and loss account as they arise.

C) DEPRECIATION

Depreciation is provided on all fixed assets other than freehold land, at rates calculated to write off the cost or valuation of fixed assets less residual value if any, over their estimated useful lives on a straight – line basis.

- i) New aircraft and spare engines – over 16 years after making a 10 percent allowance for residual value.
- ii) Used aircraft and spare engines – over the estimated remaining useful life which currently ranges from 4 to 8 years.
- iii) Buildings – over the expected useful life, subject to a maximum of 20 years.

iv) Equipment – over periods ranging from 3 to 10 years according to the type of equipment.

v) Aircraft rotatable spares – over 8 years

D) ASSOCIATED COMPANIES

An associated company is a company, not being a subsidiary, in which the Company has a long – term interest of not less than 20 percent of the equity and in the management of which the Company is in a position to exercise significant influence.

The profit and loss account includes the dividends declared by the associated company.

The investment in the associated company is stated at a valuation, based on the net assets of the associated company as reported in their latest available audited financial statements, which are as at 31 March 1989.

E) STOCKS AND GENERAL CONSUMABLE STORES

Stocks are stated at the lower of cost and net realisable value after making due allowance for any obsolete or slow moving items.

Consumable aircraft and other spares and other stocks are valued on the basis of weighted average cost.



F) CONVERSION OF FOREIGN CURRENCIES

Foreign currency transactions are converted into Sri Lanka Rupees at the rates of exchange prescribed by the International Air Transport Association where applicable, and at exchange rates ruling on transaction dates in all other cases.

All assets and liabilities denominated in foreign currency outstanding as at balance sheet date are translated at the exchange rates ruling as at 31 March 1990.

Gains and losses arising from the translation of long term liabilities (term loans and leases denominated in foreign currencies) as at balance sheet date, are recorded in an exchange equalisation account and amortised as currency gains / losses over the remaining life of the related assets.

Unamortised balance of such gains and losses are carried forward in the exchange equalisation account.

All other gains and losses arising on translation are dealt with through the profit and loss account as exchange differences.

G) DEBTORS

Debtors are stated at the amounts they are estimated to realise. Provision has been made in the accounts for bad and doubtful debts.

H) LIABILITIES AND PROVISIONS

All known liabilities as at the balance sheet date have been provided for in the financial statements.

All employees based in Sri Lanka are covered under the Employees Provident Fund and Employees Trust Fund.

All employees based in Sri Lanka with 5 or more years service with the Company are entitled to the payment of gratuity, under the Payment of Gratuity Act No 12 of 1983.

Overseas based employees are covered under social security schemes applicable in their home country.

I) AIRLINE REVENUE RECOGNITION

Passenger and cargo sales are initially recorded as a liability in the sales in advance of carriage accounts and subsequently recognised as air transport revenue when the service is utilised through carriage by the Company.

Passenger and cargo sales made by the Company and utilised on the services of other airlines are billed by them and offset against sales in advance of carriage when paid.

J) DEFERRED PROFITS

Profits and losses on sale of fixed assets in the ordinary course of business are included in the profit and loss account as they arise.

Profits and losses which arise from sale and lease back transactions involving fleet and spare engines and which result in finance leases, are deferred and amortised over the shorter of the lease term and the estimated useful life of the asset.



K) DEFERRED EXPENDITURE

Airframe overhaul (“C” check) costs are deferred and amortised over prescribed flying hours.

Computer systems development and crew conversion costs are deferred and amortised over periods ranging from three to five years.

L) CHANGES IN ACCOUNTING POLICIES

During the year the Company changed its accounting policy in respect of Accounting for foreign currency translation, Restatement of fixed assets and Depreciation.

(i) Accounting for foreign currency translation

In past years the Company revalued its long term liabilities which financed specific assets and the resulting loss on exchange was set off against the restatement surplus arising from restating such assets at current exchange rates. Under the revised policy, the loss on exchange arising from the revaluation of such long term liabilities is being deferred and written off over the remaining life of the related asset.

In respect of long term loans other than the above, denominated in foreign currency, the loss on revaluation was accumulated in an exchange equalisation account and written off over the remaining life of the loan. The revised policy results in

writing off in each year the loss in exchange arising from the annual revaluation.

The above mentioned changes in policy result in an increase in profits of Rs. 16.95 M in the current year and an increase in the accumulated loss brought forward by Rs. 74.36 M.

(ii) Restatement of fixed assets

In past years, the Company annually restated certain fixed assets purchased in foreign currencies namely, aircraft, aircraft spare engines and the aircraft maintenance hangar, to reflect the Rupee value of those assets in current terms.

In compliance with the relevant Accounting standards, the Company has decided to reflect future purchases of fixed assets at the cost of acquisition or professional valuation and has ceased the practice of restating the aforementioned fixed assets with effect from 31 March 1989.

(iii) Depreciation

In the past, the Company adopted a policy of not depreciating its assets in the year of purchase and providing a full year’s depreciation in the year of sale. Under the revised policy, depreciation is provided from the date of purchase.

This change resulted in a reduction in the current year’s profit by Rs. 11.57 M.

NOTES TO THE ACCOUNTS



1. Analysis of revenue and operating profit

	Revenue		Operating Profit/(Loss)	
	1990 Rs. M	1989 Rs. M	1990 Rs. M	1989 Rs. M
Airline Operations	6,292.08	4,836.19	67.36	268.93
Ground Handling	343.36	252.96	208.63	142.28
Duty Free Sales	69.51	55.16	23.05	19.16
	<u>6,704.95</u>	<u>5,144.31</u>	<u>299.04</u>	<u>430.37</u>

Revenue from airline operations comprises:

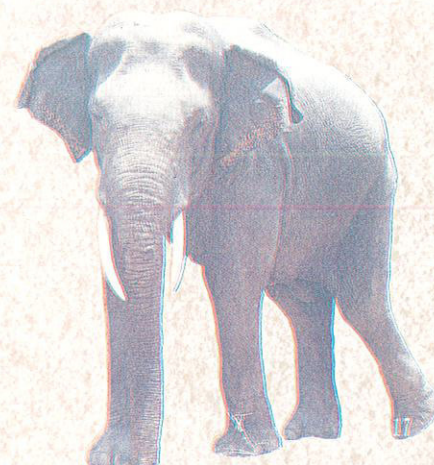
	1990 Rs. M	1989 Rs. M
Scheduled services:		
Passenger	5407.13	4,089.62
Excess baggage	151.07	146.86
Cargo	656.63	511.32
Mail	45.58	38.55
	<u>6260.41</u>	<u>4,786.35</u>
Non Scheduled Services	31.67	49.84
	<u>6292.08</u>	<u>4,836.19</u>



NOTES TO THE ACCOUNTS - CONTINUED



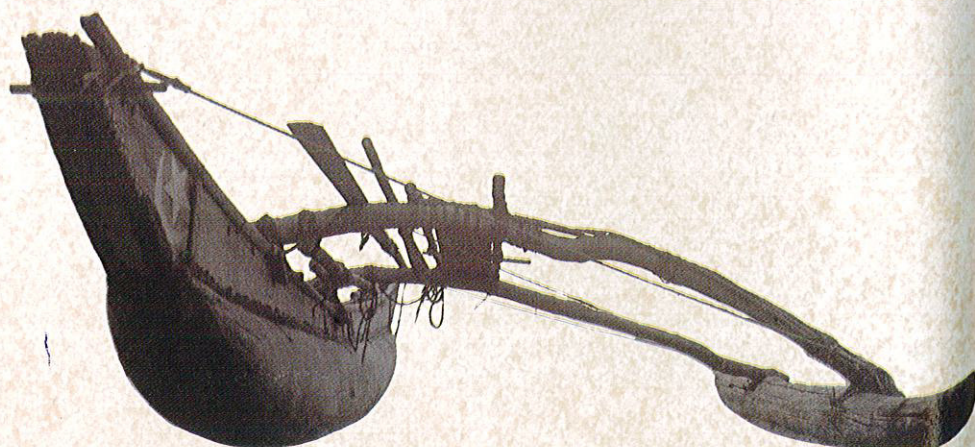
2. Operating Profit	1990 Rs. M	1989 Rs. M
Operating profit has been arrived at after charging:		
Depreciation on owned fixed assets	306.56	356.04
Depreciation on leased fixed assets	224.35	204.78
	<u>530.91</u>	<u>560.82</u>
Operating lease charges	451.44	100.22
Auditors' remuneration	0.26	0.25
Directors' emoluments	0.60	0.00
Bad and doubtful debts	25.00	41.51
Deferred maintenance checks	26.44	18.27
<hr/>		
3. Other Income	1990 Rs. M	1989 Rs. M
Profit/(Loss) on disposal of fixed assets	0.18	68.99
Exchange differences	222.13	16.41
Interest	95.57	33.10
Other items	41.12	26.25
	<u>359.00</u>	<u>144.75</u>



NOTES TO THE ACCOUNTS - CONTINUED



4. Interest & similar charges	1990 Rs. M	1989 Rs. M
Interest payable:		
On bank loans	(58.81)	(91.47)
On other loans and lease finances	(425.80)	(418.17)
	<u>(484.61)</u>	<u>(509.64)</u>
Currency losses:		
On bank loans	(40.47)	(204.40)
On other loans and lease finances	—	—
	<u>(40.47)</u>	<u>(204.40)</u>
	<u>(525.08)</u>	<u>(714.04)</u>
<hr/>		
5. Deferred expenditure written off	1990 Rs. M	1989 Rs. M
Maintenance checks	(26.44)	(18.27)
Crew training and conversion	(0.28)	0.00
Computer systems development	(5.46)	(5.46)
Other items	(4.05)	(4.05)
	<u>(36.23)</u>	<u>(27.78)</u>
Less: Deferred maintenance checks included in operating expenditure	26.44	18.27
	<u>(9.79)</u>	<u>(9.51)</u>



NOTES TO THE ACCOUNTS - CONTINUED



6. Fixed Assets	Aircraft & Related Equipment		Property	Equipment Projects		Total
	Own	Leased				
	Rs. M	Rs. M	Rs. M	Rs. M	Rs. M	Rs. M
Cost						
At 01 April 1989	2,030.52	3,986.56	644.71	456.10	6.75	7,124.64
Additions	27.71	—	0.91	52.30	8.84	89.76
Disposals	—	—	—	(1.32)	—	(1.32)
Restatements & revaluations	(9.79)	—	—	—	—	(9.79)
Adjustments & transfers	—	—	(0.07)	0.07	(13.24)	(13.24)
At 31 March 1990	2,048.44	3,986.56	645.55	507.15	2.35	7,190.05
Depreciation						
At 01 April 1989	1,227.88	1,467.43	114.18	335.60	—	3,145.09
Charge for the year	219.82	224.35	35.69	51.05	—	530.91
Disposals	—	—	—	(1.25)	—	(1.25)
Restatements & revaluations	(1.58)	—	—	—	—	(1.58)
Adjustments & transfers	—	—	—	19.13	—	19.13
At 31 March 1990	1,446.12	1,691.78	149.87	404.53	—	3,692.30
Net book value						
At 31 March 1990	602.32	2,294.78	495.68	102.62	2.35	3,497.75
At 01 April 1989	802.64	2,519.13	530.53	120.50	6.75	3,979.55

Note: Aircraft and related equipment includes the net book value of the B737-200 4R-ULH aircraft, which was grounded in February 1990 pending disposal.



NOTES TO THE ACCOUNTS - CONTINUED



7. Investments in associated companies	1990 Rs. M	1989 Rs. M
Investment in Air Lanka Catering Services Ltd.		
At 01 April	93.63	74.17
Acquired in the year	—	8.00
Revaluation of share holding	(10.90)	11.46
At 31 March	82.73	93.63

The Company holds 50% of the issued share capital of Air Lanka Catering Services Limited.

The Company's shareholding in Air Lanka Catering Services Limited as at 31 March 1989 has been revalued on a net assets basis and included in these accounts on the basis of that valuation.



NOTES TO THE ACCOUNTS - CONTINUED



8. Net current assets/(liabilities)	1990 Rs. M	1989 Rs. M
Current assets:		
Stocks	397.53	356.94
Debtors — trade	645.42	463.93
Debtors — other	87.01	96.05
Debtors — staff	31.10	23.11
Advances and deposits	270.49	102.72
Cash and bank balances	1,234.53	919.87
Total current assets	<u>2,666.08</u>	<u>1,962.62</u>
Current liabilities		
Creditors — repayable within one year		
Bank and other loans	272.77	247.21
Finance leases	426.59	311.96
	<u>699.36</u>	<u>559.17</u>
Trade creditors	1,266.88	937.55
Other creditors	67.08	66.87
Sales in advance of carriage	912.57	595.05
Total current liabilities	<u>2,945.89</u>	<u>2,158.64</u>
Net current assets/(liabilities)	<u>(279.81)</u>	<u>(196.02)</u>

The balance shown under sales in advance of carriage represents approximately 7.6 weeks of average sales (6.5 in 1989).

This balance includes a provision for revenue adjustments which the management considers adequate based on past experience.

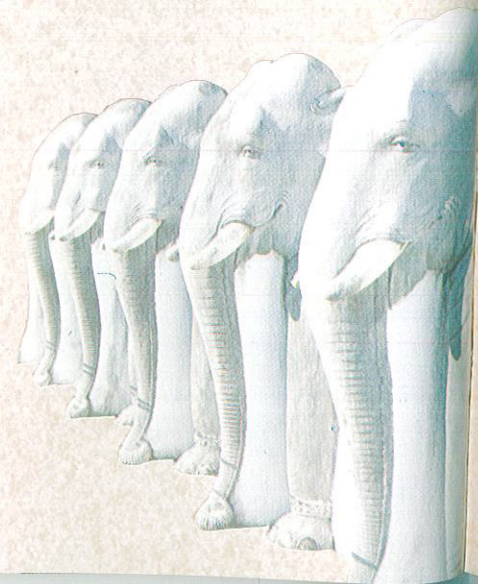


NOTES TO THE ACCOUNTS - CONTINUED



9. Share capital	1990 Rs. M	1989 Rs. M
Authorised		
150,000,000 shares of Rs. 100 each	15,000.00	15,000.00
Issued and fully paid 73,694,713 shares of Rs. 100 each (1989 — 73,694,713 shares of Rs. 100 each)	7,369.47	7,369.47
Movement in share capital account:		
At 01 April	7,369.47	6,510.47
Shares issued during the year	—	859.00
At 31 March	<u>7,369.47</u>	<u>7,369.47</u>
10. Profit and loss account	1990 Rs. M	1989 Rs. M
Profit / (loss) for the year	163.17	(128.43)
Profit and loss account at 01 April		
As previously reported	(6,248.13)	(6,119.70)
Prior year adjustments	(79.55)	—
As restated	<u>(6,327.68)</u>	<u>(6,119.70)</u>
Profit and loss account at 31 March	<u>(6,164.51)</u>	<u>(6,248.13)</u>

Prior year adjustments stated above includes the brought forward loss on foreign currency translation written off in accordance with the change in accounting policy.



NOTES TO THE ACCOUNTS - CONTINUED



11. Capital reserve	1990 Rs. M	1989 Rs. M
At 01 April	349.03	235.52
Revaluation of fixed assets	0.00	75.60
Restatement of fixed assets	(11.84)	26.45
Revaluation of investments	(10.90)	11.46
At 31 March	<u>326.29</u>	<u>349.03</u>

The amount of Rs 11.84 million reflected above, represents the reversal of restatement in excess of the cost of acquisition of aircraft – B737 – 200 registration number 4R ULH which is presently grounded pending sale and the restatement in excess of cost of one B747 engine which was previously sold.

12. Other reserves	1990 Rs. M	1989 Rs. M
At 01 April	—	31.99
Additions during the year	—	—
Transfers during the year	—	(31.99)
At 31 March	<u>—</u>	<u>—</u>

Other reserves represent amounts set aside for engine and landing gear overhaul of the L 1011 — 500 fleet which was on lease during the financial year 1987/88.



NOTES TO THE ACCOUNTS - CONTINUED



13. Deferred items	1990 Rs. M	1989 Rs. M
Exchange equalisation	472.52	74.36
Deferred expenditure	31.40	35.14
	<u>503.92</u>	<u>109.50</u>
Notes (a) and (b)		

(a). Exchange equalisation	1990 Rs. M	1989 Rs. M
At 01 April	74.36	225.65
Restatement of liabilities	512.99	309.64
Restatement of fixed assets	0.00	(256.53)
Charge for prior years	(74.36)	—
Charge for the year	(40.47)	(204.40)
At 31 March	<u>472.52</u>	<u>74.36</u>

(b) Deferred expenditure	1990 Rs. M	1989 Rs. M
At 01 April	35.14	40.11
Additions during the year	32.49	22.81
Charge for the year	(36.23)	(27.78)
At 31 March	<u>31.40</u>	<u>35.14</u>



NOTES TO THE ACCOUNTS - CONTINUED



14. Long - term loans

The Company has loan obligations to banks and other institutions which are denominated in US dollars.

	In \$ M	Equivalent Rs. M
At 01 April 1989	18.97	642.21
Additions during the year	—	—
Repayments during the year	(7.30)	(272.69)
Restatement	—	97.25
At 31 March 1990	<u>11.67</u>	<u>466.77</u>

The future payments under these loans are as follows

	1990		1989	
	\$ M	Rs. M	\$ M	Rs. M
Bank loans				
- within one year	5.81	232.48	6.30	213.11
- between one and two years	1.74	69.71	6.20	209.73
- between two and five years	2.10	84.00	3.45	117.08
- over five years	—	—	—	—
	<u>9.65</u>	<u>386.19</u>	<u>15.95</u>	<u>539.92</u>
Other loans				
- within one year	1.01	40.29	1.01	34.10
- between one and two years	1.01	40.29	1.01	34.10
- between two and five years	—	—	1.00	34.09
- over five years	—	—	—	—
	<u>2.02</u>	<u>80.58</u>	<u>3.02</u>	<u>102.29</u>
Total long — term loans	<u>11.67</u>	<u>466.77</u>	18.97	642.21
Amount due within one year included under current liabilities	<u>6.82</u>	<u>272.77</u>	7.30	247.21
	<u>4.85</u>	<u>194.00</u>	<u>11.67</u>	<u>395.00</u>

Loans are repayable on various dates upto the year 1993 at varying interest rates which ranged from 9 percent to 11.5 percent per annum during the year.

Obligations to bank and other loans stated above are secured on fixed assets owned by the company to the extent of US \$4.6M (Rs 184 M). The balance of US \$ 7.07 M (Rs. 282.77M) is Guaranteed by the Government of Sri Lanka

NOTES TO THE ACCOUNTS - CONTINUED



15. Obligations under finance leases

The Company has commitments under finance lease agreements in respect of aircraft and spare engines expiring in 1994.

	In \$ M	Equivalent Rs. M
At 01 April 1989	71.88	2,433.25
Additions during the year	—	—
Repayments during the year	(9.23)	(343.06)
Restatements	—	415.74
At 31 March 1990	62.65	2,505.93

The future payments under these finance leases, which are US Dollar denominated, are as follows.

	1990		1989	
	\$ M	Rs. M	\$ M	Rs. M
Within one year	10.67	426.59	9.22	311.96
Between:				
– one and two years	12.32	492.93	10.68	361.65
– two and three years	14.22	568.64	12.32	417.14
– three and four years	16.36	654.67	14.22	481.21
– four and five years	9.08	363.10	16.36	554.02
– over five years	—	—	9.08	307.27
	62.65	2,505.93	71.88	2,433.25
Amount due within one year included under current liabilities	10.66	426.59	9.22	311.96
	51.99	2,079.34	62.66	2,121.29

The Government of Sri Lanka has guaranteed the above obligations of the Company under the finance lease agreement.



16. Aircraft engine overhaul

Aircraft engine maintenance cost is provided for in these accounts on the basis of actual hours flown, at an estimated cost per flying hour established at the commencement of the financial year.

17. Commitments

- (a) Outstanding commitments for capital expenditure at 31 March 1990 are as follows:

	Rs. M
Contracted but not provided in the accounts	7.71
Authorised but not contracted for	1,812.56

In March 1990 the Company paid a deposit of US\$ 0.3 M (Rs. 12 M) to Airbus Industrie, to secure a purchase option for one Airbus A320 - 200 aircraft for delivery in 1992. Commitments include the cost of such aircraft.

- (b) At 31 March 1990, the Company had commitments under operating leases to make payments in the next year as follows:

	In US\$ M	In Rs. M
Leases expiring		
Within one year	2.30	92.39
After one year but within 5 years	2.95	118.24
After 5 years	—	—
	5.25	210.63

18. Contingencies

- (a) No provision has been made in the accounts in respect of contingent liabilities arising in the normal course of business of the Company, in respect of legal actions or other claims being undertaken against the Company.

This contingent liability is estimated by the management at Rs. 55M.

- (b) The L 1011 - 100 4R ULD aircraft which was destroyed on 03 May

1986 was insured for third party liability up to US Dollars 550 million.

The insurers are liable to settle all claims up to this amount.

The claims submitted do not exceed this sum.

19. Retirement gratuity

A provision of Rs. 39.95 million has been made in the accounts in respect of retirement gratuities which may fall due under the Payment of Gratuity Act No. 12 of 1983.



20. Taxation

Sri Lanka taxation

The Company has signed an agreement under Section 17 of the Greater Colombo Economic Commission Law No. 4 of 1978 which exempts it from the payment of income tax, corporate tax and tax on dividends and royalties for an initial period of seven years from 01 September 1979, subsequently extended for a period of three years from 01 August 1986.

This exemption has been further extended for a period of five years commencing from 01 August 1989.

Overseas taxation

The Company is liable to tax on its overseas operations in countries where there are no double tax treaties at present.

However, there is no liability in the current year due to the carry forwarded tax losses available to the Company.

21. Directors' interest

Air Lanka has the right to nominate four Directors to the Board of Air Lanka Catering Services Limited, with whom the company has a contract for catering. The nominee Directors as at date are:

Mr. M. G. D. Jayawardena
 Mr. R. Paskaralingam
 Mr. S. K. H. Wijayatilake PC
 Mr. R. Jayakody

The following were also directors of Air Lanka Catering Services Limited during the period 1 April 1989 to 31 March 1990:

Mr. G. Cumarantunga — resigned on 03 July 1989

Mr. R. B. Weerakoon — resigned on 26 July 1989

Desamanya Gen. D.S. Attygalle — resigned on 29 March 1990

22. Charge on assets

Assets shown as own in the financial statements of the Company at 31 March 1990 belonged to the Company and were free from any charge except for:

Lockheed Tristar L 1011-50 4R ULE (airframe)

Nine Rolls Royce RB 211 aircraft engines

IBM 4331 Mainframe computer

23. Aircraft rotatable spares (Rs. 772 M) and aircrafts non — rotatable spares (Rs. 275 M)

Historical values as per the books of accounts were used in the preparation of the financial statements, as the perpetual inventory records could not be relied upon and as a complete physical verification as at year end was not carried out.

24. Post balance sheet events

On 14 May 1990, the Company terminated the agreement with Royal Jordanian Airlines for the wet lease of their L 1011-500 aircraft.

An agreement for a dry lease of a L 1011-500 aircraft was entered into with Royal Jordanian Airlines on 14 May 1990.

25. Comparative amounts

Certain comparative amounts have been reclassified to conform with the current year's presentation.

STATEMENT OF CHANGES IN FINANCIAL POSITION



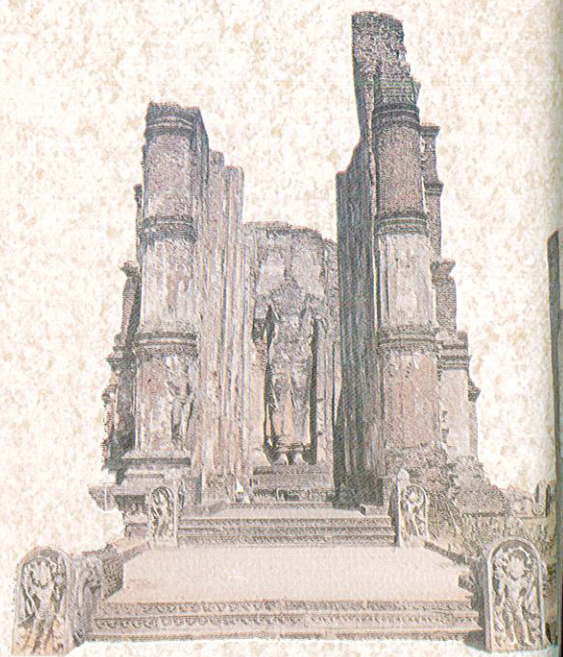
Source of funds	Note	1990 Rs. M	1989 Rs. M
Profit / (loss)	A	133.49	(147.12)
Adjustment for items not involving the movement of funds	B	642.07	774.90
Funds generated from operations		775.56	627.78
Proceeds from issue of shares		—	424.00
Increase in long — term liabilities		—	0.63
Maintenance reserve		—	(31.99)
Proceeds from disposal of fixed assets		0.24	185.47
Income from investments		40.00	20.00
		815.80	1,225.89
Application of funds		1990 Rs. M	1989 Rs. M
Purchase of fixed assets		67.68	220.23
Investment in projects		8.84	15.78
Investment in associate company		—	8.00
Increase in deferred expenditure		32.49	22.81
Decrease in long — term loans		272.69	679.19
Decrease in finance lease obligations		343.06	255.37
		724.76	1,201.38
Working capital			
Net increase	C	91.04	24.51



STATEMENT OF CHANGES IN FINANCIAL POSITION – CONTINUED



Notes	1990 Rs. M	1989 Rs. M
<hr/>		
A Profit/(loss) per accounts	163.17	(128.43)
Prior year adjustments	(79.55)	—
Prior year non-cash adjustments	89.87	1.31
Income from associated company	(40.00)	(20.00)
	<u>133.49</u>	<u>(147.12)</u>
<hr/>		
B Adjustments for items not involving the movement of funds		
Depreciation	530.91	560.82
Amortisation of deferred items	76.70	232.18
Profit on disposal of fixed assets	(0.18)	(68.99)
General provisions	34.64	50.89
	<u>642.07</u>	<u>774.90</u>
<hr/>		
C Increase/ (decrease) in components of working capital		
Stocks	40.59	42.47
Debtors	205.44	59.63
Advance payments and deposits	167.77	(81.07)
Creditors and accruals	(637.42)	(596.41)
Net liquid funds	314.66	599.89
	<u>91.04</u>	<u>24.51</u>
<hr/>		



STATEMENT OF VALUE ADDED



Value added:	1990 Rs. M	1989 Rs. M
Total revenue	6,704.95	5,144.31
Less: Purchases of goods and services	5,434.64	3,929.22
Value added by the Company	1,270.31	1,215.09
Add: Surplus on sale of fixed assets	0.18	68.99
Investment income	95.57	33.10
Non operating revenue	42.66	42.66
Dividends from associate company	40.00	20.00
Total value added	1,669.31	1,379.84
Distribution of value added:		
To employees —		
as remuneration	489.76	431.24
To overseas governments —		
as corporation and other taxes	0.86	6.57
To suppliers of capital —		
as interest	484.61	509.64
Retained for re-investment and future growth		
Depreciation	530.91	560.82
Retained profits	163.17	(128.43)
Total value added	1,669.31	1,379.84

Value added is a measure of wealth created. This statement shows the value added by the Company and its distribution by way of payments to employees, governments and to providers of capital. It also indicates the proportion retained for re-investment and future growth.

TEN YEAR SUMMARY



		1981	1982
FINANCIAL			
Total revenue	Rs. Million	999.10	1,822.53
Total expenditure	Rs. Million	1,265.29	2,164.74
Net Profit/(Loss)	Rs. Million	(298.71)	(648.40)
Overall yield	Rs. tkm	11.7	9.6
Unit cost	Rs. tkm	8.2	7.4
Breakeven load factor	%	70.10	77.10
PRODUCTION			
Passenger capacity	ASK Millions	1,292.10	2,318.74
Overall capacity	ATK Millions	155.30	292.80
TRAFFIC			
Passengers carried	Nos. Thousands	266	441
Passengers carried	RPK Millions	822.27	1,604.93
Passenger load factor	%	63.60	69.20
Cargo carried	Tonnes	3,508	7,935
Overall load carried	RTK Millions	86.80	175.50
Overall load factor	%	55.90	60.00
STAFF			
Average strength	Nos.	2,654	2,544
Revenue per employee	Rs.	376,451	716,403
Capacity per employee	Tonne-km	58,515	115,094
Load carried per employee	Tonne-km	32,705	68,986

GLOSSARY OF TERMS USED

Available Seat Kilometres (ASK)

The product of seats offered for sale and the distance over which they are carried.

Available Tonne Kilometres (ATK)

This is the measure of transport production. The ATK produced by a flight are the capacity for payload of the aircraft measured in tonnes multiplied by the distance flown.

Revenue Passenger Kilometres (RPK)

The product of passengers carried and the distance over which they are carried.



1983	1984	1985	1986	1987	1988	1989	1990
2,503.79	3,238.84	3,778.60	4,247.25	3,746.93	4,190.34	5,144.31	6,704.95
2,509.28	3,082.33	3,963.96	4,495.23	3,658.76	4,139.44	4,713.94	6,405.91
(464.19)	(648.15)	(1,269.06)	(1,042.16)	(642.72)	(374.64)	(128.43)	163.17
10.4	12.5	12.0	12.2	13.9	15.6	16.4	18.8
7.0	7.8	7.5	8.6	8.9	10.3	10.1	11.8
67.30	62.40	65.50	70.50	64.00	66.00	61.79	62.81
2,821.97	3,172.91	3,910.94	3,959.97	3,062.21	2,930.09	3,401.17	3,945.39
360.00	397.20	514.30	490.40	374.80	366.70	446.20	524.53
598	622	687	713	583	591	720	775
2,036.75	2,142.10	2,545.52	2,573.25	1,927.28	1,974.00	2,510.06	2,769.50
72.20	67.50	65.10	65.00	62.90	67.40	73.80	70.20
10,415	11,805	13,773	14,959	11,045	11,462	14,995	17,177
227.20	245.20	294.50	303.00	223.10	228.90	294.60	332.8
63.10	61.70	57.30	61.80	59.50	62.40	66.00	63.45
2,731	3,048	3,874	3,885	3,796	3,638	3,535	3,603
916,803	1,062,612	975,374	1,093,243	987,073	1,151,825	1,455,250	1,860,935
131,820	130,315	132,757	126,229	98,736	100,797	126,223	145,581
83,193	80,446	76,020	77,992	58,772	62,919	83,338	92,367

Revenue Tonne Kilometres (RTK)

The product of passenger and cargo carried in tonnes and the distance over which they are carried.

Load Factor

The percentage relationship of revenue load to capacity provided. The passenger load factor relates RPK to ASK while the overall load factor relates RTK to ATK.

Break-even Load Factor

The load factor required to equate revenue from scheduled airline operations with operating costs.

AIR LANKA OFFICES & GENERAL SALES AGENTS



HEAD OFFICE: 37, York Street, Colombo 1, Sri Lanka.

AUSTRALIA

Adelaide:
World Aviation Systems (Aust) Pty Ltd.
First Floor, Avion House, 249-251 Pulteney St.
Adelaide 5000, South Australia.

Brisbane:
World Aviation Systems (Aust) Pty Ltd.
Perry House, 131 Elizabeth St.
Brisbane 4000, Queensland

Melbourne:
World Aviation Systems (Aust) Pty Ltd.
543, King St., West Melbourne 3003.

Perth:
Taprobane Tours (WA) Pty Ltd.
Suite 2, 66 Mill Point Road
South Perth 6151
P O Box 386, Victoria Park,
Western Australia 6100

Sydney:
World Aviation Systems (Aust) Pty Ltd.
403 George St., Sydney, NSW 2000

AUSTRIA

Vienna:
Air Lanka Ltd., Mattiellstrasse 2-4,
1040 Vienna.

BAHRAIN

Bahrain International Travel,
Air Lanka Sales Department
Government Road P.O. Box 1044
Manama.

Air Lanka Sales Department
Government Road, P.O. Box 1142
Manama.

BULGARIA

Sofia:
Balkan Bulgarian Airlines,
12, Narodno Subranie Square
People's Republic of Bulgaria.

CANADA

Ontario:
D And N Travel Services Inc.
789 Donmills Road, Suite 700,
Don Mills, Ontario M3C 3L6
Canada

CYPRUS

Nicosia:
Signal Travel Ltd.
50/52 Evagoras Ave., P O Box 1301
Nicosia

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Schwindstrasse 3, 6000 Frankfurt/Main 1
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Paris:
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Paris 75002

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INDIA

Amritsar:
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Bangalore:
Skyway Travels Private Ltd.,
90/6, Dharmaraja Koil St.,
Bangalore 560001.

Bombay:
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Ground Floor, Nariman Point, Bombay 400021

Faridabad:
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Mathura Road, Faridabad (Haryana)

Hyderabad:
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Hyderabad 500004

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GT Road, Jullundur (Punjab)

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Mount Chambers, 758 Mount Road,
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New Delhi:
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Room No: 5 & 6, Janpath, New Delhi 110001

Patna:
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Patliputra, Patna (Bihar).

Tiruchirapalli:

Translanka Air Travels (Pvt) Ltd. Hotel Femina,
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Trivandrum:

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Ganapathikoil Road, Vazhuthacaud,
Trivandrum 695014.

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Belfast:
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Belfast, Northern Ireland

Dublin:
Aer Lingus, 40 Upper O'Connell St.,
Dublin.

Aer Lingus, 42 Grafton St., Dublin.
Aer Lingus, 12 Upper George's St.,
Aer Lingus, Teoranta, Dublin Airport, Dublin.

Limerick:
Aer Lingus, 136 O'Connell St., Limerick

Shannon:
Aer Lingus, Limerick Office, Shannon

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Milan:
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Fukuoka:
Air Lanka Ltd., Kyukan Recruit, Hakata Building
19-27 Hakataekimae, 2-Chome, Hakata-Ku, Fukuoka.

Tokyo:

Air Lanka Ltd., Dowa Building, 7-2-22
Ginza, Chuo-Ku, Tokyo 104.

KOREA

Seoul:
Dongil Express Co. Ltd., Room 705, Namgang Building,
32-2 Mugyo-Dong, Chung-Gu, Seoul, Republic of Korea

KUWAIT

Safat:
Air Lanka Ltd., c/o Delta Travel Co.,
P O Box 26347, Safat 13124

LEBANON

Beirut:
World International Lines Ltd.
Jal-El-Dib, Douwethi Building, Beirut.

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- MALAYSIA**
Kuala Lumpur:
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Jalan Kampong Attap, 50460 Kuala Lumpur.
- MALDIVES**
Male:
Air Lanka Ltd., No: 20 Athireege Annex 2,
Ameeru Ahmed Magu, Henveiru, Male, Maldives
- NETHERLANDS**
Amsterdam:
Air Lanka Ltd., Parnassusweg 210, 1076 Av Amsterdam
- PAKISTAN**
Air Lanka Ltd., c/o Crown Travels,
7, Services Club Extn. Building, Mereweather Road,
Karachi 4.
- Islamabad:
Crown Travels, Office No. 3-A, 33 Buland Markaz,
Blue Area, Islamabad.
- Lahore:
Crown Travels, No. 3 Pearl Continental Hotel,
Shahrah-Quaid-e-Azam, Lahore.
- QATAR**
Doha:
Ali Bin Ali Travel Bureau, Abdulah Bin Thani Building
P O Box 2197, Doha.
- SAUDI ARABIA**
Dammam: (Eastern Province)
Air Lanka Ltd., c/o Y B A Kanoo, Kanoo Airline Centre,
P O Box 122, Dhahran Airport 31932
- Jeddah: (Western Province)
Air Lanka Ltd., c/o Kanoo Travel Agency, P O Box 812
Kanoo Centre, Medina Road, Kilo 7, Jeddah 21421.
- Riyadh: (Central Province)
Air Lanka Ltd., c/o Kanoo Travel Agency, P O Box 753
Al Hassa Road, Riyadh 11421.
- SINGAPORE**
Air Lanka Ltd., Unit 02-00/B PIL Building,
140 Cecil St., Singapore 0106
- SRI LANKA**
Colombo:
Air Lanka Ltd., 37, York Street, Colombo 1.
- Air Lanka Ltd., 660 Galle Road, Colombo 3.
Air Lanka Ltd., 55 Janadhpathi Mawatha, Colombo 1.
- SULTANATE OF OMAN**
Muscat:
Air Lanka Ltd., Meزون Travels,
P O Box 629 Muscat.
- SWITZERLAND**
Zurich:
Air Lanka Ltd., Bahnhofstrasse 86,
P O Box CH 8023, Zurich.
- TAIWAN**
Taipei:
Overseas Travel Services Ltd., 3rd Floor,
No. 156 Fu Hsin N. Road, Taipei.
- THAILAND**
Bangkok:
Air Lanka Ltd., Chan Issara Tower, 942/34-35 Rama 4 Road
Bangkok 10500.
- UAE**
Abu Dhabi:
Atlas Travel, Tourism & Transport, Zayed the 2nd St.,
Al Darmaki Building, P O Box 2086, Abu Dhabi,
United Arab Emirates.
- Ajman:
Ajman National Travel Agency, P O Box 641, Ajman,
United Arab Emirates.
- Al Ain:
Atlas Tourism and Transport, Al Ain St.,
Al Dhaheri Building, P O Box 16060, Al Ain,
United Arab Emirates.
- Dubai:
Air Lanka Ltd., Dubai Airline Centre,
3rd Floor, Entrance C, Flame Roundabout,
P O Box 12889, Dubai, United Arab Emirates.
- Dubai National Air Travel Agency, P O Box 151,
Dubai, United Arab Emirates.
- Fujairah:
Fujairah National Air Travel Agency, P O Box 96,
Al fujaiah, United Arab Emirates.
- Ras Al Khaimah:
Ras Al Khaimah National Travel Agency, P O Box 5214,
Ras Al Khaimah, United Arab Emirates.
- Sharjah:
Sharjah National Travel & Tourists Agency,
Sharjah Tower, P O Box 17, Sharjah,
United Arab Emirates.
- Umm Al Quwain:
Umm Al Quwain National Travel Agency,
P O Box 601, Umm Al Quwain, United Arab Emirates.
- UNITED KINGDOM**
London:
Air Lanka Ltd., - 6 – 10 Bruton St.,
London W1X7AG, England.
- Birmingham:
Aer Lingus, 6/8 Temple Row, Birmingham, England.
- Bristol:
Aer Lingus, Aylward House, Wind St., Bristol, England.
- Edinburgh:
Aer Lingus, 3 Shandwick Place,
West Princess St., Edinburgh, Scotland.
- Glasgow:
Aer Lingus, 19 Dixon St., St. Enoch Square, Glasgow,
Scotland.
- Leeds:
Aer Lingus, 83, Albion St., Leeds, England.
- Liverpool:
Aer Lingus, 1st Floor, 66 Lord St.,
Liverpool, England.
- Manchester:
Aer Lingus, 67 Deansgate, Manchester, England.
- USA**
Los Angeles:
Air Lanka Ltd., c/o Travel Promotions Inc.,
8133 San Fernando Road, Sun Valley, California 91352.
- New York:
Air Lanka Ltd., 767 5th Ave.,
New York, N.Y. 10153.
- USSR**
Moscow:
Aeroflot Soviet Airlines, Leningradsky Prospekt,
37, Moscow 125167.

ROUTE NET WORK

