IMPORTANT NOTICE

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the offering circular (also referred to herein as the "Prospectus") following this notice, and you are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of the attached Prospectus. In accessing the attached Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from the Issuer and the Initial Purchasers as a result of such access.

Confirmation of Your Representation: By accessing the attached Prospectus you have confirmed to Goldman, Sachs & Co., Citigroup Global Markets Limited, Morgan Stanley & Co. LLC and Credit Agricole Securities (USA) Inc. (together, the "Initial Purchasers" and each an "Initial Purchaser") and DNA Alpha Limited (also referred to herein as the "Issuer") that (i) you understand and agree to the terms set out herein, (ii) you are a person that is a "Qualified Institutional Buyer" within the meaning of Rule 144A under the United States Securities Act of 1933, as amended (the "Securities Act") (a "QIB") or you are a non-U.S. person within the meaning of Regulation S under the Securities Act outside the United States, (iii) you consent to delivery by electronic transmission, (iv) you will not transmit the attached Prospectus (or any copy of it or part thereof) or disclose, whether orally or in writing, any of its contents to any other person except with the consent of the Initial Purchasers and the Issuer, and (v) you acknowledge that you will make your own assessment regarding any legal, taxation or other economic considerations with respect to your decision to subscribe for or purchase any of the Certificates.

You are reminded that the attached Prospectus has been delivered to you on the basis that you are a person into whose possession the attached Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the attached Prospectus, electronically or otherwise, to any other person and in particular to any U.S. address. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions.

You are reminded that no representation or warranty, expressed or implied, is made or given by or on behalf of the Initial Purchasers, nor any person who controls them or any director, officer, employee or agent of them, or affiliate of any such person as to the accuracy, completeness or fairness of the information or opinions contained in this document and such persons do not accept responsibility or liability for any such information or opinions.

The Initial Purchasers are acting exclusively for the Issuer and no one else in connection with the offer. They will not regard any other person (whether or not a recipient of the attached document) as their respective clients in relation to the offer and will not be responsible to anyone other than the Issuer for providing the protections provided to the respective clients nor for giving advice in relation to the offer or any transaction or arrangement referred to in the attached document.

Restrictions: NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE OR A SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THE CERTIFICATES IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL.

ANY CERTIFICATES TO BE ISSUED HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES EXCEPT (1) TO THE ISSUER OR ANY AFFILIATE THEREOF, (2) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS

BEHALF REASONABLY BELIEVE IS A QIB WITHIN THE MEANING OF RULE 144A THAT IS ACQUIRING THE CERTIFICATES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QIBS, (3) TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, OR (4) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER RULE 144 UNDER THE SECURITIES ACT, IF AVAILABLE, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

THE ATTACHED PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED, IN WHOLE OR IN PART, TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE ATTACHED PROSPECTUS IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE SECURITIES LAWS OF OTHER JURISDICTIONS.

The attached Prospectus is not being distributed to, and must not be passed on to, the general public in the UK. Rather, the communication of the attached Prospectus as a financial promotion is only being made to those persons falling within Article 12, Article 19(5) or Article 49 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, or to other persons to whom the attached Prospectus may otherwise be distributed without contravention of section 21 of the Financial Services and Markets Act 2000. This communication is being directed only at persons having professional experience in matters relating to investments and any investment or investment activity to which this communication relates will be engaged in only with such persons. No other person should rely on it.

This Prospectus does not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that an offering of securities described herein be made by a licensed broker or dealer and an Initial Purchaser or any affiliate of the applicable Initial Purchaser is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Initial Purchaser or such affiliate on behalf of the Issuer in such jurisdiction.

The attached Prospectus has been made available to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Issuer, the Initial Purchasers, any person who controls any of the Issuer or the Initial Purchasers, any director, officer, employee or agent of any of them, or any affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the attached Prospectus distributed to you in electronic format and the hard copy version available to you on request from any of the Initial Purchasers. Please ensure that your copy is complete. You are responsible for protecting against viruses and other destructive items. Your use of this document is at your own risk, and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

$630,000,000

DNA Alpha Limited

2013-1 Pass Through Trusts
Pass Through Certificates, Series 2013-1

Two classes of the DNA Alpha Limited Pass Through Certificates, Series 2013-1 (collectively, the "Certificates"), are being offered under this offering circular: Class A and B. A separate trust will be established for each class of Certificates. The proceeds from the sale of the Certificates will initially be held in escrow, and interest on the escrowed funds will be paid to holders of Certificates semiannually on each May 30 and November 30, commencing November 30, 2013. The trusts will use the escrowed funds to acquire equipment notes. The equipment notes will be issued by DNA Alpha Limited ("DNA Alpha") and the proceeds from the sale of the equipment notes will finance a portion of the purchase price of four new Airbus A380-861 aircraft scheduled for delivery from September 2013 to November 2013. Simultaneously with the purchase of each aircraft, DNA Alpha will enter into a separate lease agreement for each aircraft and lease the aircraft to Emirates. DNA Alpha's parent company, Doric Nimrod Air Three Limited ("DNA III"), has contributed approximately $299,000,000 in cash to DNA Alpha to be applied towards the balance of the purchase price of the aircraft.

The holders of the equipment notes issued for each aircraft will have the benefit of a mortgage on such aircraft subject to no other liens other than Permitted Liens (see "Description of the Equipment Notes—Security"), the related lease and the shares of DNA Alpha owned by DNA III. Payments on the equipment notes held in each trust will be passed through to the holders of Certificates of such trust. Interest on the equipment notes held for the Class A and B Certificates will be payable semiannually on each May 30 and November 30 after issuance. Principal payments on the equipment notes held for the Class A and B Certificates are scheduled on May 30 and November 30 in certain years, beginning on May 30, 2014. The payments in U.S. dollars required to be made by Emirates under each lease will be in amounts sufficient to pay in full when due all payments required to be made with respect to the related equipment notes, and the other amounts payable by Emirates under such lease are expected to be in amounts sufficient to pay DNA Alpha's other obligations under the transaction documents.

The Class B Certificates will rank junior to the Class A Certificates.

Crédit Agricole Corporate and Investment Bank, acting via its New York Branch, will provide a liquidity facility for the Class A and B Certificates, in each case in an amount sufficient to make four semiannual interest payments.

Investing in the Certificates involves risks. See "Risk Factors" beginning on page 24.

Pass Through Certificates	Face Amount	Interest Rate	Final Expected Distribution Date	Price to Investors (1)
Class A	$462,000,000	5.250%	May 30, 2023	100%
Class B	$168,000,000	6.125%	November 30, 2019	100%

(1) Plus accrued interest, if any, from the date of issuance.

The Initial Purchasers will purchase all of the Class A and B Certificates. The aggregate gross proceeds from the sale of the Class A and B Certificates will be US $630,000,000.

This offering circular has been approved by the Central Bank of Ireland (the "Central Bank") as competent authority under Directive 2003/71/EC, as amended, to the extent that such amendments have been implemented in the relevant Member State of the European Economic Area (the "Prospectus Directive"). Such approval relates only to the Certificates which are to be admitted to trading on the regulated market of the Irish Stock Exchange. The Central Bank only approves this offering circular as meeting the requirements imposed under Irish and European Union ("EU") law pursuant to the Prospectus Directive. Application has been made to the Irish Stock Exchange Limited (the "Irish Stock Exchange) for the Certificates to be admitted to the official list (the "Official List") and trading on its regulated market (the "Regulated Market"). This offering circular constitutes a "prospectus" for the purposes of the Prospectus (Directive 2003/71/EC) Regulations 2005 (the "Prospectus Regulations") (which implement the Prospectus Directive in Ireland. References in this offering circular to Certificates being "listed" (and all related references) shall mean that such Certificates have been admitted to listing on the Official List and admitted to trading on the Regulated Market or, as the case may be, another MiFID Regulated Market.

The Certificates have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "Securities Act") and are being offered and sold (i) in the United States only to qualified institutional buyers ("QIBs") in reliance on Rule 144A under the Securities Act ("Rule 144A") and (ii) to certain non-U.S. persons in transactions outside the United States in reliance on Regulation S under the Securities Act ("Regulation S"). Prospective purchasers that are QIBs are hereby notified that the seller of the Certificates may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. The Certificates are not transferable except in accordance with the restrictions described under "Transfer Restrictions". There are no registration rights associated with the Certificates.

The Initial Purchasers expect to deliver the Class A and B Certificates in book-entry form only through the facilities of the Depository Trust Company against payment in New York, New York on July 12, 2013.

Sole Structuring Agent and Lead Bookrunner

Goldman, Sachs & Co.

Joint Bookrunners

Citigroup **Morgan Stanley**

Lead Manager

Credit Agricole Securities

Offering Circular dated July 10, 2013

You are authorized to use this offering circular solely for the purpose of considering the purchase of the Certificates issued pursuant to this offering (the "Offering"), as described in this offering circular. DNA Alpha, DNA III and certain of DNA Alpha and DNA III's agents, Emirates and other sources identified herein have provided the information contained in this offering circular. In this offering circular, all references to "we", "us", "our", "DNA Alpha" and similar designations refer to DNA Alpha Limited, unless the context indicates otherwise. The Initial Purchasers named herein make no representation or warranty, expressed or implied, as to the accuracy or completeness of such information, and nothing contained in this offering circular is, or shall be relied upon as, a promise or representation by the Initial Purchasers. You may not reproduce or distribute this offering circular, in whole or in part, and you may not disclose any of the contents of this offering circular or use any information herein for any purpose other than considering the purchase of the Certificates. You agree to the foregoing by accepting delivery of this offering circular.

The Certificates are being offered in reliance on exemptions from registration under the Securities Act for offers and sales of securities that do not involve a public offering. The Certificates have not been and will not be registered under the Securities Act or any other securities laws. Prospective investors that are QIBs are hereby notified that sellers of the Certificates may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A thereunder.

Each person receiving this offering circular acknowledges that (i) such person has been afforded an opportunity to request and to review, and has received, all additional information considered by it to be necessary to verify the accuracy of, or to supplement, the information contained herein, (ii) such person has not relied on the Initial Purchasers or any person affiliated with the Initial Purchasers in connection with any investigation of the accuracy of such information or its investment decision, and (iii) no person has been authorized to give any information or to make any representation concerning DNA Alpha, Emirates, the Trusts or the Certificates (other than as contained herein and information given by duly authorized officers of DNA Alpha in connection with investors' examination of DNA Alpha, Emirates, the Trusts and the terms of the Offering) and, if given or made, any such other information or representation should not be relied upon as having been authorized by DNA Alpha or the Initial Purchasers.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF DNA ALPHA, EMIRATES, THE TRUSTS, AND THE TERMS OF THE OFFERING AND THE CERTIFICATES, INCLUDING THE MERITS AND RISKS INVOLVED. THE CERTIFICATES HAVE NOT BEEN RECOMMENDED BY ANY UNITED STATES FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE CERTIFICATES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT, AND APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. SEE "TRANSFER RESTRICTIONS". INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

The distribution of this offering circular and the offering and sale of the Certificates in certain jurisdictions may be restricted by law. DNA Alpha and the Initial Purchasers require persons in whose possession this offering circular comes to inform themselves about and to observe any such restrictions. This offering circular does not constitute an offer of, or an invitation to purchase, any of the Certificates in any jurisdiction in which such offer or invitation would be unlawful.

This offering circular comprises a prospectus for purposes of Article 5 of the Prospectus Directive and for the purpose of giving information with regard to DNA Alpha and Emirates.

Under rules that became effective on January 1, 2011, including pursuant to Article 122a of the European Union's Directive 2006/48/EC ("Article 122a"), certain entities may only acquire the credit risk of a securitization if the originator, sponsor or original lender thereof has explicitly disclosed that it will retain, on an on-going basis, a material net economic interest in the securitization of not less than 5% (the "Risk Retention Requirement").

We have considered, and obtained legal advice as to, the applicability of the Risk Retention Requirement to the Offering and, on balance, are of the view that an investment in the Certificates should not constitute a "securitization position" due to, among other things, Emirates' payment obligations under the leases. We do not therefore consider that the Risk Retention Requirement should apply to investments in the Certificates.

However, investors should be aware that the regulatory capital treatment of any investment in the Certificates will be determined by the investor's regulator and the relevant provisions of national law. Although market participants have, in consultations relating to the Risk Retention Requirement, requested guidance on the structures captured by the definitions, no definitive guidance has been forthcoming. Therefore some uncertainty remains as to which structures would be considered to be "securitizations".

Investors in the Certificates are responsible for analyzing their own regulatory position and should not rely on our interpretation set out above. Investors should consult their regulator should they require guidance in relation to the regulatory capital treatment that their regulator would apply to an investment in the Certificates.

NOTICE TO NEW HAMPSHIRE RESIDENTS ONLY

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

DNA ALPHA ACCEPTS RESPONSIBILITY FOR THE INFORMATION CONTAINED IN THIS OFFERING CIRCULAR AND DECLARES THAT, HAVING TAKEN ALL REASONABLE CARE TO ENSURE SUCH IS THE CASE, THE INFORMATION IN THIS OFFERING CIRCULAR, TO THE BEST OF ITS KNOWLEDGE, IS IN ACCORDANCE WITH THE FACTS AND CONTAINS NO OMISSION LIKELY TO AFFECT ITS IMPORT. ANY INFORMATION SOURCED FROM THIRD PARTIES CONTAINED IN THIS OFFERING CIRCULAR HAS BEEN ACCURATELY REPRODUCED (AND IS

CLEARLY SOURCED WHERE IT APPEARS IN THIS OFFERING CIRCULAR) AND, AS FAR AS DNA ALPHA IS AWARE AND IS ABLE TO ASCERTAIN FROM INFORMATION PUBLISHED BY THAT THIRD PARTY, NO FACTS HAVE BEEN OMITTED WHICH WOULD RENDER THE REPRODUCED INFORMATION INACCURATE OR MISLEADING.

EMIRATES ACCEPTS RESPONSIBILITY FOR THE INFORMATION SET OUT IN THE SECTIONS HEADED “THE GROUP’S SUMMARY FINANCIAL AND OTHER OPERATING DATA”, “EMIRATES”, “MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS” AND “MANAGEMENT AND EMPLOYEES” AND THE FINANCIAL STATEMENTS OF THE GROUP SET OUT AT PAGES F-1 TO F-86. TO THE BEST OF THE KNOWLEDGE AND BELIEF OF EMIRATES (HAVING TAKEN ALL REASONABLE CARE TO ENSURE THAT SUCH IS THE CASE), THE INFORMATION CONTAINED IN THE SECTIONS REFERRED TO IN THIS PARAGRAPH IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION.

ASCEND, PART OF FLIGHTGLOBAL, A DIVISION OF REED BUSINESS INFORMATION LTD. (“ASCEND”), WHOSE REGISTERED ADDRESS IS QUADRANT HOUSE, THE QUADRANT, SUTTON, SURREY SM2 5AS, UNITED KINGDOM, ACCEPTS RESPONSIBILITY FOR THE APPRAISAL SET OUT IN APPENDIX II-A OF THIS OFFERING CIRCULAR. TO THE BEST OF THE KNOWLEDGE OF ASCEND (WHICH HAS TAKEN ALL REASONABLE CARE TO ENSURE THAT SUCH IS THE CASE), THE INFORMATION CONTAINED IN THE APPRAISAL IS IN ACCORDANCE WITH THE FACTS AND CONTAINS NO OMISSION LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. ASCEND HAS AUTHORISED AND NOT WITHDRAWN ITS CONSENT TO THE INCLUSION IN THIS OFFERING CIRCULAR OF THE APPRAISAL AND OF REFERENCES THERETO AND TO ITS NAME, EACH IN THE FORM AND CONTEXT IN WHICH THEY ARE INCLUDED. ASCEND HAS NO MATERIAL INTEREST IN DNA ALPHA OR DNA III.

MORTEN BEYER AND AGNEW, INC. (“MBA”), WHOSE REGISTERED ADDRESS IS 2101 WILSON BOULEVARD, SUITE 1001, ARLINGTON, VIRGINIA 22201 USA, ACCEPTS RESPONSIBILITY FOR THE APPRAISAL SET OUT IN APPENDIX II-B OF THIS OFFERING CIRCULAR. TO THE BEST OF THE KNOWLEDGE OF MBA (WHICH HAS TAKEN ALL REASONABLE CARE TO ENSURE THAT SUCH IS THE CASE), THE INFORMATION CONTAINED IN THE APPRAISAL IS IN ACCORDANCE WITH THE FACTS AND CONTAINS NO OMISSION LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. MBA HAS AUTHORISED AND NOT WITHDRAWN ITS CONSENT TO THE INCLUSION IN THIS OFFERING CIRCULAR OF THE APPRAISAL AND OF REFERENCES THERETO AND TO ITS NAME, EACH IN THE FORM AND CONTEXT IN WHICH THEY ARE INCLUDED. MBA HAS NO MATERIAL INTEREST IN DNA ALPHA OR DNA III.

BK ASSOCIATES, INC. (“BK”), WHOSE REGISTERED ADDRESS IS 1295 NORTHERN BOULEVARD, MANHASSET, NEW YORK 11030, USA, ACCEPTS RESPONSIBILITY FOR THE APPRAISAL SET OUT IN APPENDIX II-C OF THIS OFFERING CIRCULAR. TO THE BEST OF THE KNOWLEDGE OF BK (WHICH HAS TAKEN ALL REASONABLE CARE TO ENSURE THAT SUCH IS THE CASE), THE INFORMATION CONTAINED IN THE APPRAISAL IS IN ACCORDANCE WITH THE FACTS AND CONTAINS NO OMISSION LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. BK HAS AUTHORISED AND NOT WITHDRAWN ITS CONSENT TO THE INCLUSION IN THIS OFFERING CIRCULAR OF THE APPRAISAL AND OF REFERENCES THERETO AND TO ITS NAME, EACH IN THE FORM AND CONTEXT IN WHICH THEY ARE INCLUDED. BK HAS NO MATERIAL INTEREST IN DNA ALPHA OR DNA III.

NO PERSON IS AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION IN CONNECTION WITH THE OFFERING OR SALE OF THE CERTIFICATES

OR THE EQUIPMENT NOTES OTHER THAN THOSE CONTAINED IN THIS OFFERING CIRCULAR AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY ANY OF THE TRANSACTION PARTIES OR ANY OF THEIR RESPECTIVE AFFILIATES OR ADVISERS.

NEITHER THE DELIVERY OF THIS OFFERING CIRCULAR NOR ANY SALE OR ALLOTMENT MADE IN CONNECTION WITH THE OFFERING SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION OR CONSTITUTE A REPRESENTATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF EMIRATES OR DNA ALPHA OR IN THE OTHER INFORMATION CONTAINED HEREIN SINCE THE DATE HEREOF.

AVAILABLE INFORMATION

So long as any Certificates are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, if DNA Alpha is not subject to the information requirements of Section 13(a) or 15(d) of the United States Securities Exchange Act of 1934, as amended (the "Exchange Act") nor exempt by virtue of Rule 12g3-2(b) thereunder, DNA Alpha and Emirates (to the extent required) will furnish (or provide by means of a website posting) to holders of Certificates and prospective purchasers designated by such holders the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act in order to permit compliance with Rule 144A in connection with resales of such Certificates (including, to the extent required, information related to Emirates).

You should rely only upon the information provided in this offering circular or attached to this offering circular. DNA Alpha has not authorized anyone to provide you with different information. You should not assume that the information in this offering circular, including any information attached thereto, is accurate as of any date other than the date of this offering circular.

FORWARD-LOOKING STATEMENTS

This offering circular may contain statements that constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. Forward-looking statements include any statements that predict, forecast, indicate or imply future results, performance or achievements, and may contain the words "believe", "anticipate", "plan", "expect", "estimate", "project", "will be", "will continue", "will result", or words or phrases of similar meaning.

Any such forward-looking statements are not assurances of future performance and involve risks and uncertainties. Actual results may vary materially from anticipated results for a number of reasons, including those stated in the financial statements of Emirates and its consolidated subsidiaries (collectively, the "Group") included in this offering circular or as stated in "Risk Factors".

All forward-looking statements attributable to DNA Alpha are expressly qualified in their entirety by the cautionary statements above.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

We have given certain capitalized terms specific meanings for purposes of this offering circular. The "Index of Terms" attached as Appendix I to this offering circular lists the page in this offering circular on which we have defined each such term.

At various places in this offering circular, we refer you to other sections of this document for additional information by indicating the caption heading of such other sections. The page on which each principal caption included in this offering circular can be found is listed in the Table of Contents above.

Presentation of Financial Information of the Group

The financial statements relating to the Group included in this offering circular are the audited consolidated financial statements as of and for the financial years ended March 31, 2013 (the "2013 Group Financial Statements") and March 31, 2012 (the "2012 Group Financial Statements", and together with the 2013 Group Financial Statements, the "Group Financial Statements"), respectively, prepared in accordance with IFRS issued by the International Accounting Standards Board ("IASB"). The Group publishes its financial statements in United Arab Emirates dirham (AED).

Comparability of the Financial Information of the Group

As explained in Note 2 of the 2013 Group Financial Statements, the financial information corresponding to the year ended March 31, 2012 included in the 2012 Group Financial Statements differs from the financial information corresponding to the year ended March 31, 2012 included, for comparative purposes, in the 2013 Group Financial Statements. The financial year 2012 information in the 2013 Group Financial Statements reflects a reclassification from 'Trade and other payables' in current liabilities to 'Provisions' in non-current liabilities to appropriately reflect the nature of balances and to conform with the 2013 Group Financial Statements' presentation. Further, the financial year 2012 information in the 2013 Group Financial Statements also reflects a reclassification of credit card service charges from corporate overheads in operating costs to sales and marketing expenses in operating costs to appropriately reflect the nature of the costs and to conform with the 2013 Group Financial Statements' presentation. Thus, the financial information corresponding to the year ended March 31, 2012, included elsewhere in this Offering Circular, (other than in the 2012 Group Financial Statements) is extracted from the 2013 Group Financial Statements.

The financial information as of and for the year ended March 31, 2011 included in this offering circular has been extracted from the 2012 Group Financial Statements and therefore has not been amended to reflect the impact of changes mentioned in the 2013 Group Financial Statements. Had the 2011 financial information been amended, the impact would have been as follows:

- a reclassification from trade and other payables current to provisions non-current of AED 558 million. The reclassification would not have had an impact on the Group's profit for the year or the net equity; and
- a reclassification from corporate overheads in operating costs to sales and marketing expenses in operating costs of AED 271 million. The reclassification would not have had an impact on the Group's profit for the year or the net equity.

Certain Differences Between IFRS, IFRS-EU and U.S. GAAP

This offering circular includes financial statements and other financial information prepared and presented in accordance with IFRS or IFRS-EU, including those of the Group, and the discussion and analysis of the Group's financial condition and results of operations is based on the Group's financial statements prepared in accordance with IFRS. IFRS, IFRS-EU and U.S. GAAP differ materially from each other. This offering circular does not include any reconciliation to U.S. GAAP with respect to any financial statements included herein or any other financial information prepared and presented in accordance with IFRS or IFRS-EU. Moreover, this offering circular does not include any narrative description of the differences between IFRS, IFRS-EU and U.S. GAAP and we have made no attempt to identify or quantify the differences between IFRS, IFRS-EU and U.S. GAAP that might be applicable to the Group or its financial statements or other financial information. It is possible that a reconciliation or other qualitative or quantitative analysis would identify material differences between the financial statements included herein and other financial information prepared under IFRS, IFRS-EU and U.S. GAAP. You should consult your own accounting advisers for an understanding of the differences between IFRS, IFRS-EU and U.S. GAAP and how those differences might affect the financial statements and other financial information in this offering circular.

Non-GAAP Financial Measures

This offering circular also includes certain references to non-GAAP financial measures such as the Group's EBITDAR, Cash assets, Net debt, Capital expenditure, Operating margin, Profit margin, Return on shareholders' funds, EBITDAR margin, Cash assets to revenue and other operating income, gearing ratio, Net debt to equity ratio, Net debt (including aircraft operating leases) to equity ratio and

Net debt (including aircraft operating leases) to EBITDAR. The Group uses these non-GAAP financial measures to evaluate its performance, and this additional financial information is presented in this offering circular. This information is not prepared in accordance with IFRS and should be viewed as supplemental to the Group's financial statements. Investors are cautioned not to place undue reliance on this information and should note that EBITDAR, Cash assets, Net debt, Capital expenditure, Operating margin, Profit margin, Return on shareholders' funds, EBITDAR margin, Cash assets to revenue and other operating income, gearing ratio, Net debt to equity ratio, Net debt (including aircraft operating leases) to equity ratio and Net debt (including aircraft operating leases) to EBITDAR, as calculated by the Group, may differ materially from similarly titled financial measures reported by other companies, including the Group's competitors.

Presentation of Industry Data

In this offering circular, references to:

"**ASKM**" are to available seat kilometres, an airline industry measure of passenger capacity calculated as the number of seats available multiplied by the distance flown;

"**ATKM**" are to available tonne kilometres, an airline industry measure of total capacity calculated as the total tonnage available for the carriage of passengers and freight multiplied by the distance flown;

"**Average airline employee strength**" are to the sum of the number of employees of the airline (excluding subsidiaries) on April 1 and on the last day of each calendar month in a financial year divided by 13;

"**Breakeven load factor**" are to the overall load factor at which revenue will equal operating costs;

"**Cargo yield**" are to cargo revenue divided by FTKM and expressed in fils per FTKM;

"**FTKM**" are to freight tonne kilometres, an airline industry measure of cargo carried as the total cargo tonnage uplifted multiplied by the distance carried;

"**Overall load factor**" are to RTKM divided by ATKM, an airline industry measure of aircraft passenger and cargo use;

"**Overall yield (fils per RTKM)**" are to airline revenue divided by RTKM;

"**Passenger seat factor**" are to RPKM divided by ASKM, an airline industry measure of aircraft passenger use;

"**Passenger yield**" are to passenger revenue divided by RPKM and expressed in fils per RPKM, an airline measure of performance;

"**Revenue per employee**" are to airline revenue divided by the average airline employee strength;

"**RPKM**" are to revenue passenger kilometres, an airline industry measure of passenger traffic calculated as the number of passengers carried multiplied by the distance flown;

"**RTKM**" are to revenue tonne kilometres, an airline industry measure of actual traffic load calculated as the tonnage of passengers and cargo carried multiplied by the distance flown;

“**Unit costs**” are to airline operating costs incurred per ATKM; and

“**Unit costs (excluding jet fuel) (fils per ATKM)** ” are to the airline operating cost excluding the jet fuel divided by ATKM and expressed in fils per ATKM.

Certain Conventions

Certain figures and percentages included in this offering circular have been subject to rounding adjustments. Accordingly, figures shown in the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

All references in this offering circular to “$”, “US $” and “U.S. dollars” refer to US dollars being the legal currency for the time being of the United States of America; all references to “dirham”, “UAE dirham” and “AED” are to United Arab Emirates Dirham being the legal currency for the time being of the United Arab Emirates (the “UAE”); and all references to “£”, “GBP” and “Sterling” refer to the pound sterling, the official currency of the United Kingdom, its Crown Dependencies and the British Overseas Territories.

The dirham has been pegged to the U.S. dollar since November 22, 1980. The midpoint between the official buying and selling rates for the dirham is at a fixed rate of AED 3.6725 = U.S.$1.00. All U.S. dollar translations of dirham amounts appearing in this offering circular have been translated at this fixed exchange rate. Such translations should not be construed as representations that dirham amounts have been or could be converted into U.S. dollars at this or any other rate of exchange.

CRA Regulation

The Certificates are expected to be rated by Moody’s Investors Service, Inc. (“Moody’s”). Moody’s is not established in the European Economic Area (“EEA”) or registered under Regulation (EC) No 1060/2009, as amended (the “CRA Regulation”). However, Moody’s Investors Service Ltd. is established in the EEA and is able to endorse the ratings of Moody’s for use in the EEA.

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EEA and registered under the CRA Regulation unless (1) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation or (2) the rating is provided by a credit rating agency not established in the EEA which is certified under the CRA Regulation.

TABLE OF CONTENTS

OVERVIEW

This overview highlights selected information from this offering circular and may not contain all of the information that is important to you. For more complete information about the Certificates, DNA Alpha and Emirates, you should read this entire offering circular, including, among others, the section entitled "Risk Factors".

DNA Alpha and DNA III

DNA Alpha Limited ("DNA Alpha") is a limited liability company organized under the laws of Guernsey. DNA Alpha, which was incorporated on May 14, 2013, is a special purpose company whose assets will include the four new Airbus A380-861 aircraft (the "Aircraft") to be financed pursuant to this Offering and rights under the related leases and other transaction documents. All of the issued and outstanding share capital of DNA Alpha is owned by Doric Nimrod Air Three Limited ("DNA III"), a limited liability company organized under the laws of Guernsey. DNA III is engaged in the business of acquiring, leasing and selling aircraft. See "DNA Alpha and DNA III".

The Service Providers

The directors of DNA Alpha are responsible for managing the business affairs, investment activity and performance of DNA Alpha, but have retained Doric Lease Corp Management Limited ("DLC"), and Anson Fund Managers Limited (collectively, the "Service Providers") to provide asset management, advisory administrative and certain other services to DNA Alpha. None of the Service Providers are affiliates of DNA Alpha or DNA III. The Service Providers will provide asset management and certain other services to DNA III and its subsidiaries under separate agreements, including (i) monitoring lessee's performance under aircraft leases, (ii) inspecting aircraft and providing monitoring reports and (iii) providing certain aircraft remarketing services. Under certain circumstances, DLC will be in charge of remarketing and repossession of the Aircraft upon election of the Pledgee acting upon the instructions of the Controlling Party. See "The Service Providers".

DLC is a company incorporated in Ireland with registered number 527076. DLC's registered office is situated at 2nd Floor, Beaux Lane House, Mercer Street Lower, Dublin 2, Ireland. DLC has subcontracted or will subcontract certain technical asset management services to Doric GmbH ("Doric"). According to Ascend, as of June 2013, and to Airline Business Magazine, as of February 2013, respectively, Doric was the largest manager of leased Airbus A380s and the third largest manager of leased wide-body aircraft globally.

Emirates

Emirates, a Dubai corporation incorporated by Decree No. 2 of 1985, as amended, by the then Crown Prince and Deputy Ruler of Dubai, His Highness Sheikh Maktoum bin Rashid al Maktoum ("Emirates"), will be the lessee of the Aircraft.

Emirates is an international airline based in the Emirate of Dubai with its principal place of business at Emirates Group Headquarters, Airport Road, P.O. Box 686, Dubai, United Arab Emirates and telephone number: +971 4708 1111. Emirates is wholly owned by Investment Corporation of Dubai ("ICD"), which, in turn, is wholly owned by the Government of Dubai. As of March 31, 2013, Emirates' fleet, which comprised 197 aircraft (12 of which are cargo aircraft) flew to 132 destinations in 77 countries worldwide including, for example, direct routes to New York, Sydney, Moscow, Osaka, Sao Paulo and Mumbai. Emirates operates approximately 1,469 flights every week from its hub at Dubai International Airport to destinations on six continents.

Emirates has reported its 25th consecutive year of net profits (as per its financial year ended March 31, 2013). For the financial year ended March 31, 2013, Emirates and its consolidated subsidiaries (collectively, the "Group") reported a profit for the year of AED 2.4 billion (US $656 million).

Summary of Terms of Certificates

	Class A Certificates	Class B Certificates
Aggregate Face Amount	$462,000,000	$168,000,000
Interest Rate	5.250%	6.125%
Initial Loan to Aircraft Value (cumulative)(1) (2)	50.6%	69.0%
Highest Loan to Aircraft Value (cumulative)(2)	50.6%	69.0%
Expected Principal Distribution Window (in years)	0.9 - 9.9	0.9 - 6.4
Initial Average Life (in years from Issuance Date)	5.7	3.8
Regular Distribution Dates	May 30 and November 30	May 30 and November 30
Final Expected Distribution Date	May 30, 2023	November 30, 2019
Final Legal Maturity Date(3)	May 30, 2025	November 30, 2021
Minimum Denomination	$200,000	$200,000
Liquidity Facility Coverage	4 semiannual interest payments	4 semiannual interest payments
ISIN	144A: US233283AA86 Reg S: USG27836AA60	144A: US233283AB69 Reg S: USG27836AB44

(1) These percentages are determined as of November 30, 2013, the first Regular Distribution Date after all Aircraft are scheduled to have been delivered. In calculating these percentages, we have assumed that all such Aircraft are delivered prior to such date, that the maximum principal amount of Equipment Notes is issued and that the aggregate appraised value of all such Aircraft is US $913,530,000 as of such date. The appraised value presented is the lesser of the average and median values as appraised by three independent appraisal and consulting firms, is only an estimate and reflects certain assumptions. See "Description of the Aircraft and the Appraisals—The Appraisals".

(2) See "—Loan to Aircraft Value Ratios" for the method and assumptions we have used in calculating the loan to Aircraft value ratios and a discussion of certain ways that such loan to Aircraft value ratios could change.

(3) The Final Legal Maturity Date is the date which is 24 months from the Final Expected Distribution Date for a class of Certificates, which represents the period corresponding to the applicable Liquidity Facility coverage. See "Description of the Certificates—Payments and Distributions—Principal".

Equipment Notes and the Aircraft

The proceeds of this Offering will be used by the Trusts to purchase Equipment Notes. DNA Alpha will use the proceeds from the sale of the Equipment Notes, together with a portion of the proceeds from the equity contribution of approximately $299,000,000 by DNA III to DNA Alpha and a combined initial rent payment of $61,000,000 for all four Aircraft from Emirates, to finance the acquisition of the Aircraft. For information on the rights associated with the shares of DNA Alpha, see "General Information". The Aircraft will be purchased by DNA Alpha for an aggregate cash purchase price of $980,000,000 ($245,000,000 per Aircraft). Simultaneously with the purchase of an Aircraft, DNA Alpha will lease such Aircraft to Emirates. The Aircraft are presently scheduled for delivery from September 2013 to November 2013; however, no assurance can be given that the Aircraft will be delivered in a timely manner as a result of the delivery acceptance process, the remaining completion work or otherwise. See "Description of the Aircraft and the Appraisals—The Appraisals" for a description of the Aircraft. Set forth below is certain information about the Equipment Notes expected to be held in the Trusts and the Aircraft expected to secure such Equipment Notes:

Aircraft Type	Expected Registration Number	Manufacturer's Serial Number	Scheduled Delivery Month (1)	Initial Principal Amount of Series A and B Equipment Notes (2)	Appraised Value (3)
Airbus A380-861	A6-EEK	132	September 2013	$157,500,000	$227,220,000
Airbus A380-861	A6-EEL	133	October 2013	157,500,000	228,690,000
Airbus A380-861	A6-EEM	134	November 2013	157,500,000	228,810,000
Airbus A380-861	A6-EEO	136	November 2013	157,500,000	228,810,000
Total:.................				$630,000,000	$913,530,000

(1) The delivery deadline for purposes of financing an Aircraft pursuant to this Offering is the date that is nine months after the Issuance Date (or later under certain circumstances). The actual delivery date for any Aircraft may be subject to delay or acceleration. See "Description of the Aircraft and the Appraisals—Deliveries of Aircraft". DNA Alpha, with the consent of Emirates, has the option to substitute certain other A380 aircraft if the delivery of any Aircraft is delayed for more than 30 days after the month scheduled for delivery. See "Description of the Aircraft and the Appraisals—Substitute Aircraft".

(2) The actual principal amount issued for an Aircraft may be less depending on the circumstances of the financing of such Aircraft. The aggregate principal amount of all of the Equipment Notes will not exceed the aggregate face amount of the Certificates.

(3) The appraised value of each Aircraft set forth above is the lesser of the average and median values of such Aircraft as appraised by three independent appraisal and consulting firms, projected as of the currently scheduled delivery month of such Aircraft. These appraisals are based upon varying assumptions (which may not reflect current market conditions) and methodologies. An appraisal is only an estimate of value and should not be relied upon as a measure of realizable value. See "Risk Factors—Risk Factors Relating to the Aircraft—The Appraisals are only estimates of Aircraft value".

Loan to Aircraft Value Ratios

The following table sets forth loan to Aircraft value ratios ("LTVs") for each Class of Certificates as of November 30, 2013 (the first Regular Distribution Date that occurs after all Aircraft are scheduled to have been delivered) and each Regular Distribution Date thereafter. We believe the LTVs for any Class of Certificates for the period prior to November 30, 2013 would not provide meaningful information, since during such period all of the Equipment Notes expected to be acquired by the Trusts and the related Aircraft will not be included in the calculation, and are therefore excluded from the table. The table should not be considered a forecast or prediction of expected or likely LTVs but simply a mathematical calculation based on one set of assumptions. See "Risk Factors—Risk Factors Relating to the Aircraft—The Appraisals are only estimates of Aircraft value".

		Outstanding Balance (2)		LTV (3)	
Regular Distribution Date	**Assumed Aggregate Aircraft Value (1)**	**Class A Certificates**	**Class B Certificates**	**Class A Certificates**	**Class B Certificates**
November 30, 2013	$913,530,000	$462,000,000	$168,000,000	50.6%	69.0%
May 30, 2014	899,827,050	442,127,052	155,950,669	49.1	66.5
November 30, 2014	886,124,100	421,819,383	143,577,513	47.6	63.8
May 30, 2015	872,421,150	401,067,484	130,871,828	46.0	61.0
November 30, 2015	858,718,200	379,861,636	117,824,678	44.2	58.0
May 30, 2016	845,015,250	358,191,911	104,426,885	42.4	54.7
November 30, 2016	831,312,300	336,048,161	90,669,027	40.4	51.3
May 30, 2017	817,609,350	313,420,017	76,541,427	38.3	47.7
November 30, 2017	803,906,400	290,296,881	62,034,147	36.1	43.8
May 30, 2018	790,203,450	266,667,927	47,136,984	33.7	39.7
November 30, 2018	776,500,500	242,522,090	31,839,460	31.2	35.3
May 30, 2019	762,797,550	217,848,062	16,130,815	28.6	30.7
November 30, 2019	749,094,600	192,634,290	0	25.7	0.0
May 30, 2020	735,391,650	166,868,967	0	22.7	0.0
November 30, 2020	721,688,700	140,540,028	0	19.5	0.0
May 30, 2021	707,985,750	113,635,143	0	16.1	0.0
November 30, 2021	694,282,800	86,141,713	0	12.4	0.0
May 30, 2022	680,579,850	58,046,865	0	8.5	0.0
November 30, 2022	666,876,900	29,337,442	0	4.4	0.0
May 30, 2023	653,173,950	0	0	0.0	0.0

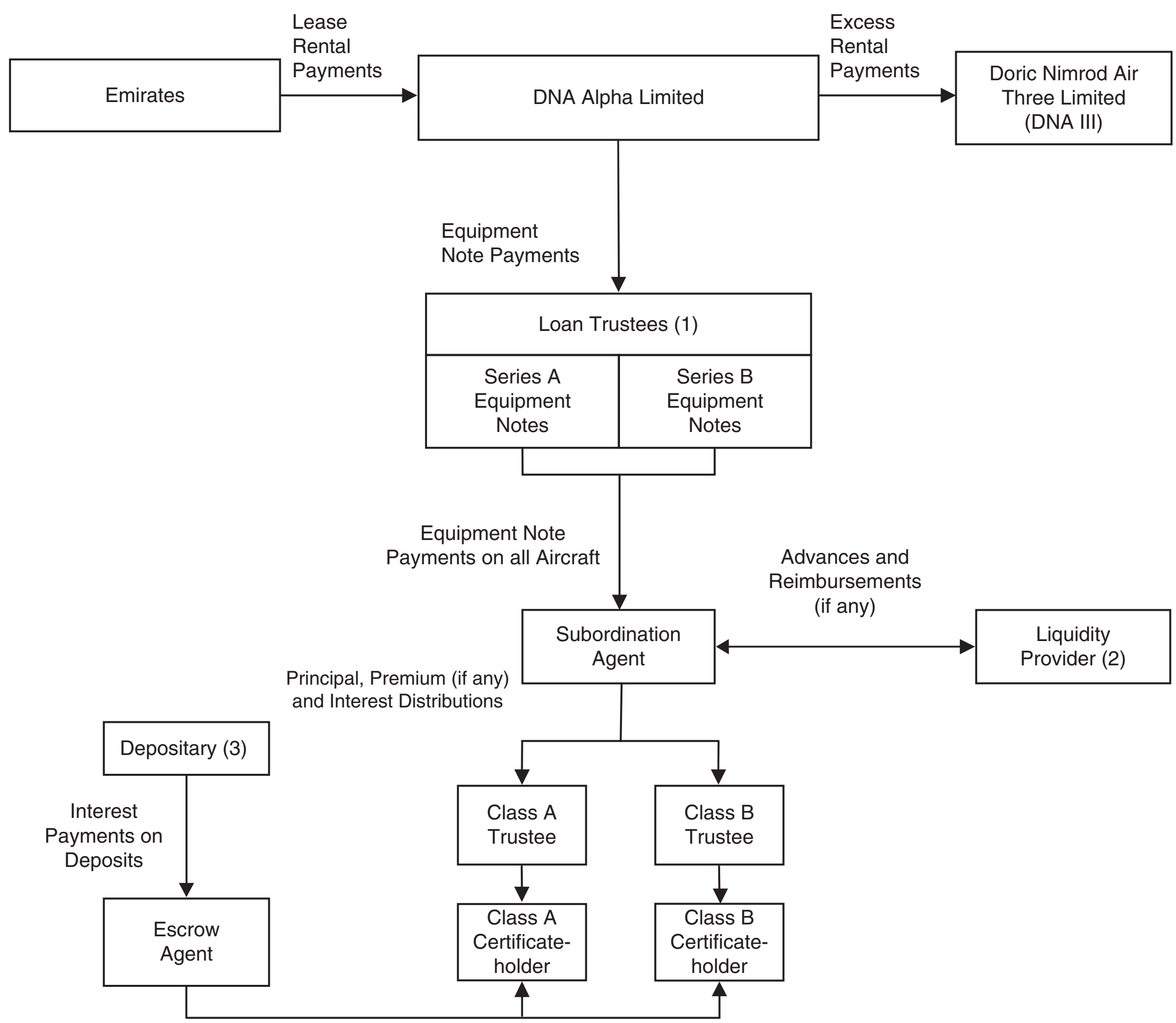
(1) We have assumed that the initial appraised value of each Aircraft, determined as described under "—Equipment Notes and the Aircraft", declines by approximately 3% per year for each year prior to the final expected Regular Distribution Date. Other rates or methods of depreciation could result in materially different LTVs. The aggregate Aircraft value as of any date does not include the value of Aircraft as to which the Equipment Notes secured by such Aircraft are expected to have been paid in full on or prior to such date.

(2) The "outstanding balance" for each Class of Certificates indicates, as of any date, the portion of the original face amount of such Class that has not been distributed to the Certificateholders of such Class. In calculating the outstanding balances, we have assumed that the Trusts have acquired the Equipment Notes for all Aircraft.

(3) The LTVs for each Class of Certificates were obtained for each Regular Distribution Date by dividing (i) the expected outstanding balance of such Class (together, in the case of the Class B Certificates, with the expected outstanding balance of the Class A Certificates) after giving effect to the distributions expected to be made on such distribution date, by (ii) the assumed appraised value of all of the Aircraft on such date based on the assumptions described above. The outstanding balances and LTVs may change if, among other things, the aggregate principal amount of the Equipment Notes acquired by the Trusts is less than the maximum permitted under the terms of this Offering or the amortization of the Equipment Notes differs from the assumed amortization schedule calculated for purposes of this offering circular.

Cash Flow Structure

Set forth below is a diagram illustrating the structure for the Offering of the Certificates and certain cash flows:



(1) Each Aircraft will be subject to a separate lease and the equipment notes with respect to each Aircraft will be issued under a separate Indenture.

(2) The separate Liquidity Facility for each of the Class A Certificates and Class B Certificates will be sufficient to cover four consecutive semiannual interest payments with respect to such Class, except that the Liquidity Facilities will not cover interest on the Deposits.

(3) The proceeds of the offering of each Class of Certificates will initially be held in escrow and deposited with the Depositary. The Depositary will hold such funds as interest bearing Deposits. Each Trust will withdraw funds from the Deposits relating to such Trust to purchase from DNA Alpha the related series of Equipment Notes from time to time as each Aircraft is financed. The scheduled payments of interest on the Equipment Notes held by, and on the Deposits relating to, a Trust, taken together, will be sufficient to pay accrued interest on the then outstanding Certificates of such Trust. If any funds remain as Deposits with respect to a Trust at the Delivery Period Termination Date, such funds will be withdrawn by the Escrow Agent and distributed to the holders of the Certificates issued by such Trust, together with accrued and unpaid interest thereon, but without any premium. No interest will accrue with respect to the Deposits after they have been fully withdrawn.

The Offering

Certificates Offered	• DNA Alpha Pass Through Certificates, Series 2013-1A. • DNA Alpha Pass Through Certificates, Series 2013-1B. Each Class of Certificates represents a fractional undivided interest in a related Trust and such Trust's property. See "—Trust Property".
Use of Proceeds	The proceeds from the sale of the Certificates of each Trust will initially be held in escrow and deposited with the Depositary, pending financing of each Aircraft under this Offering. Each Trust will withdraw funds from the Deposits relating to such Trust to acquire Equipment Notes as the Aircraft are financed. The Equipment Notes will be issued to finance, in part, the acquisition by DNA Alpha of four new Airbus A380-861 aircraft, which will be leased by DNA Alpha to Emirates. The remainder of the purchase price of each Aircraft will be funded with an initial rent payment by Emirates under the related lease for such Aircraft and a portion of the proceeds from the cash equity contribution of approximately $299 million by DNA III to DNA Alpha.
Trusts	DNA Alpha and Wilmington Trust, National Association, as pass through trustee, will form two pass through trusts under two separate trust supplements to a basic pass through trust agreement between DNA Alpha and Wilmington Trust, National Association.
Owner of Aircraft, Lessor and Issuer of Equipment Notes	DNA Alpha Limited.
Lessee	Emirates.
Subordination Agent, Trustee, Paying Agent, Loan Trustee and Pledgee	Wilmington Trust, National Association.
Escrow Agent	Wells Fargo Bank Northwest, National Association.
Depositary	Crédit Agricole Corporate and Investment Bank, acting via its New York Branch.
Liquidity Provider	Crédit Agricole Corporate and Investment Bank, acting via its New York Branch.

Trust Property	The property of each Trust will include, among other things: • Secured Equipment Notes acquired by such Trust. • All monies receivable under the Liquidity Facility for such Trust. • Funds from time to time deposited with the applicable Trustee in accounts relating to such Trust, including payments made by DNA Alpha on the Equipment Notes held in such Trust.
Regular Distribution Dates	May 30 and November 30, commencing on November 30, 2013.
Record Dates	The record date for determining Certificateholders entitled to distributions with respect to the Certificates on each Distribution Date will be the fifteenth calendar day preceding the related Distribution Date.
Distributions	The Trustee will distribute all payments of principal, premium (if any) and interest received on the Equipment Notes held in each Trust to the holders of the Certificates of such Trust, subject to the subordination provisions applicable to the Certificates, as follows: Scheduled payments of principal and interest made on the Equipment Notes will be distributed on the applicable Regular Distribution Dates. Payments of principal, premium (if any) and interest made on the Equipment Notes resulting from any early redemption or purchase of such Equipment Notes will be distributed on a special distribution date after not less than 15 days' notice from the Trustee to the applicable Certificateholders.
Subordination	Distributions on the Certificates generally will be made in the following order (after payment of certain fees and expenses): • First, to the holders of the Class A Certificates to pay interest on the Pool Balance of the Class A Certificates. • Second, to the holders of the Class B Certificates to pay interest on the Preferred B Pool Balance. • Third, to the holders of the Class A Certificates to make distributions in respect of the Pool Balance of the Class A Certificates. • Fourth, to the holders of the Class B Certificates to pay interest on the Pool Balance of the Class B Certificates not previously distributed under clause "Second" above.

- Fifth, to the holders of the Class B Certificates to make distributions in respect of the Pool Balance of the Class B Certificates.

Control of Loan Trustee and Pledgee . . . .

The holders of at least a majority of the outstanding principal amount of Equipment Notes issued under each Indenture will be entitled to direct the Loan Trustee under such Indenture in taking action as long as no Indenture Default is continuing thereunder. The holders of at least a majority of the outstanding principal amount of the Equipment Notes issued under all Indentures will be entitled to direct the Subordination Agent as Pledgee under the Share Pledge and Security Agreement and the Guernsey Law Security Documents in taking action so long as no Indenture Default is continuing. If an Indenture Default is continuing under any Indenture, subject to certain conditions, the "Controlling Party" will direct (i) the Loan Trustee under such Indenture (including in exercising remedies, such as accelerating the related Equipment Notes or foreclosing the lien on the Aircraft securing such Equipment Notes) and (ii) the Pledgee under the Share Pledge and Security Agreement and the Guernsey Law Security Documents (including, in each case, in exercising remedies, such as foreclosing the lien on the collateral thereunder).

The Controlling Party will be:

- If final distributions have not been paid to the holders of the Class A Certificates, the Class A Trustee.
- Upon payment of final distributions to the holders of Class A Certificates but not to holders of the Class B Certificates, the Class B Trustee.
- Under certain circumstances, and notwithstanding the foregoing, the liquidity provider with the largest amount owed to it.

In exercising remedies during the nine months after the earlier of (a) the acceleration of the Equipment Notes issued pursuant to any Indenture or (b) the occurrence of certain bankruptcy or insolvency events involving Emirates, as lessee, (i) the Equipment Notes and the Aircraft subject to the lien of such Indenture may not be sold for less than certain specified minimums, (ii) the amount and payment dates of rentals by Emirates under the Leases may not be adjusted if the discounted present value of such rentals, after giving effect to any such adjustment, would fall below a certain specified minimum and (iii) the collateral subject to the Share Pledge and Security Agreement may not be sold for less than a certain specified minimum.

Right to Buy Other Classes of Certificates	If Emirates becomes subject to an insolvency proceeding and certain other specified events occur, the Class B Certificateholders will have the right to purchase all but not less than all of the Class A Certificates. The purchase price will be the outstanding balance of the Class A Certificates plus accrued and unpaid interest, without any premium, but including any other amounts then due and payable to the Class A Certificateholders.
Liquidity Facilities	Under the Liquidity Facility for each of the Trusts, the applicable Liquidity Provider will, if necessary, make advances in an aggregate amount sufficient to pay interest on the applicable Certificates on up to four successive semiannual Regular Distribution Dates at the applicable interest rate for such Certificates. Drawings under the Liquidity Facilities cannot be used to pay any other amount in respect of the Certificates other than such interest and will not cover interest payable on amounts held in escrow as Deposits with the Depositary. Notwithstanding the subordination provisions applicable to the Certificates, the holders of the Certificates to be issued by the Class A Trust or the Class B Trust will be entitled to receive and retain the proceeds of drawings under the Liquidity Facility for such Trust. Upon each drawing under any Liquidity Facility to pay interest on the Certificates, the Subordination Agent will reimburse the applicable Liquidity Provider for the amount of such drawing, together with interest on that drawing. Such reimbursement obligation and all interest, fees and other amounts owing to the Liquidity Provider under each Liquidity Facility and certain other agreements will rank equally with comparable obligations relating to the other Liquidity Facility and will rank senior to the Certificates in right of payment.
Escrowed Funds	Funds in escrow for the Certificateholders of each Trust will be held by the Depositary as Deposits relating to such Trust. Subject to certain conditions, the Trustees may withdraw these funds from time to time to purchase Equipment Notes in respect of an Aircraft on or prior to the deadline established for purposes of this Offering. On each Regular Distribution Date, the Depositary will pay interest accrued on the Deposits relating to such Trust at a rate per annum equal to the interest rate applicable to the Certificates issued by such Trust. The Deposits relating to each Trust and interest paid thereon will not be subject to the subordination provisions applicable to the Certificates. The Deposits cannot be used to pay any other amount in respect of the Certificates.

Unused Escrowed Funds	Under certain circumstances, less than all of the Deposits held in escrow may be used to purchase Equipment Notes by the deadline established for purposes of this Offering. This may occur because of delays in the delivery of Aircraft, variations in the terms of each Aircraft financing or other reasons. See "Description of the Certificates—Obligation to Purchase Equipment Notes". If any funds remain as Deposits with respect to any Trust at such deadline or if a Triggering Event occurs prior to such deadline, such funds will be withdrawn by the Escrow Agent for such Trust and distributed, with accrued and unpaid interest, but without any premium, to the Certificateholders of such Trust after at least 15 days' prior written notice. See "Description of the Deposit Agreements—Unused Deposits" and "Description of the Deposit Agreements—Distribution Upon Occurrence of a Triggering Event".
Obligation to Purchase Equipment Notes.	The Trustees will be obligated to purchase the Equipment Notes issued with respect to each Aircraft, and DNA Alpha will be obligated to use the portion of any equity contribution received from DNA III allocable to each Aircraft to purchase such Aircraft, pursuant to the Note Purchase Agreement. DNA Alpha will enter into a secured debt financing with respect to each Aircraft and will lease such Aircraft to Emirates pursuant to agreements substantially in the forms attached to the Note Purchase Agreement. The terms of such agreements must not vary the Required Terms for the Certificates set forth in the Note Purchase Agreement. In addition, DNA Alpha must certify to the Trustees that any substantive modifications do not materially and adversely affect the Certificateholders or any Liquidity Provider. DNA Alpha must also obtain written confirmation from the Rating Agency to the effect that the use of agreements modified in any material respect from the forms attached to the Note Purchase Agreement will not result in a withdrawal, suspension or downgrading of the rating of any Class of Certificates. The Trustees will not be obligated to purchase Equipment Notes, and DNA Alpha will not be obligated to use the portion of any equity contribution from DNA III to be utilized to purchase an Aircraft, if, at the time of issuance, Emirates is subject to an insolvency proceeding or certain other specified events have occurred. See "Description of the Certificates—Obligation to Purchase Equipment Notes".
Equipment Notes (a) Issuer	DNA Alpha Limited, a special purpose company whose assets will include the Aircraft and rights under the related Leases and other transaction documents. Under each Indenture, DNA Alpha will issue Series A Equipment Notes and Series B Equipment Notes which will be acquired by the Class A Trust and the Class B Trust, respectively.

	The payments in U.S. dollars required to be made by Emirates under each Lease will be in amounts sufficient to pay in full when due all payments required to be made with respect to the related Equipment Notes, and the other amounts payable by Emirates under or in connection with each Lease are expected to be in amounts sufficient to enable DNA Alpha to meet its other payment obligations under the transaction documents and to pay excess rental payments to DNA III.
(b) Interest	The Equipment Notes held in each Trust will accrue interest at the rate per annum for the Certificates issued by such Trust set forth on the cover page of this offering circular. Interest will be payable on May 30 and November 30 of each year, commencing on the first such date after issuance of such Equipment Notes. Interest is calculated on the basis of a 360-day year consisting of twelve 30-day months.
(c) Principal	Principal payments on the Equipment Notes are scheduled on May 30 and November 30 in certain years, commencing on May 30, 2014. The Indentures contain subordination provisions described under “Description of the Equipment Notes—Subordination”.
(d) Redemption	*Aircraft Total Loss.* If a Total Loss occurs with respect to an Aircraft after it is financed under this Offering, all of the Equipment Notes issued with respect to such Aircraft will be redeemed. The redemption price in such case will be the unpaid principal amount of such Equipment Notes, together with accrued interest, but without any premium, which will be funded with payments by Emirates in accordance with the Lease for such Aircraft. *Certain Mandatory Redemptions.* DNA Alpha will be required to redeem all of the Equipment Notes issued with respect to an Aircraft if the related Lease is terminated prior to the scheduled expiry date thereof due to Emirates exercising any of its early termination options. The redemption price in such case will be the unpaid principal amount of such Equipment Notes, together with accrued interest and a Make-Whole Premium (if any), which will be funded with payments by Emirates in accordance with the Lease for such Aircraft. *Optional Redemption.* DNA Alpha may elect to redeem all of the Equipment Notes issued with respect to an Aircraft prior to maturity only if all outstanding Equipment Notes with respect to all other Aircraft are simultaneously redeemed. In addition, DNA Alpha may elect to redeem the then outstanding Series B Equipment Notes issued with respect to all Aircraft in connection with a refinancing of such series. The redemption

	price for any optional redemption will be the unpaid principal amount of the relevant Equipment Notes, together with accrued interest and a Make-Whole Premium (if any). Any redemption proceeds received by a Trustee will be available for distribution to the holders of the related Class of Certificates.
(e) Purchase by DNA III	If a Mortgagee Event or a Lease Event of Default is continuing, DNA III may, but is not required to, elect to purchase all of the Equipment Notes with respect to such Aircraft, subject to the terms of the applicable Indenture, provided that no such purchase of Equipment Notes will be permitted unless simultaneously with such purchase the Equipment Notes issued under all Indentures are also purchased by DNA III. The purchase price in such case will be the unpaid principal amount of such Equipment Notes, together with accrued interest, but without any premium (provided that a Make-Whole Premium (if any) will be payable if the purchase option is exercised due to the occurrence of a Lease Event of Default that has continued for less than 120 days). Any proceeds from such purchase received by a Trustee will be made available for distribution to the holders of the related Class of Certificates.
(f) Security	The Equipment Notes issued with respect to each Aircraft will be secured by, among other things, a security interest in such Aircraft and the related Lease, which will be registered under the Cape Town Treaty. DNA Alpha's bank account for payments in Sterling under the Leases will be pledged by it to secure the Equipment Note obligations. The outstanding share capital of DNA Alpha and rights with respect to the Aircraft and the Leases under the Asset Management Agreement and the Agency Agreement will also be pledged by DNA III to secure the Equipment Note obligations.
(g) Cross-collateralization	The Equipment Notes held in the Trusts will be cross-collateralized as described under "Description of the Equipment Notes—Security". This means that any proceeds from the exercise of remedies following an Indenture Default with respect to an Aircraft will be available to cover shortfalls then due under Equipment Notes issued with respect to the other Aircraft. In the absence of any such shortfall, excess proceeds will be held by the relevant Loan Trustee as additional collateral for such other Equipment Notes.
(h) Cross-default	There will be cross-default provisions in the Indentures and the Leases. This means that: • In the case of the Indentures, if the Equipment Notes issued with respect to one Aircraft are in default and remedies are

exercisable with respect to such Aircraft, the Equipment Notes issued with respect to the remaining Aircraft will also be in default, and remedies will be exercisable with respect to all Aircraft.

- In the case of the Leases, if there is a default under one of the Leases and remedies are exercisable with respect to the Aircraft under such Lease, the other Leases will also be in default and remedies will be exercisable with respect to all Aircraft.

(i) Cape Town Protection on Insolvency of Emirates . . . .

DNA Alpha's external United Arab Emirates counsel will provide its opinion to the Trustees that the benefits of Article XI, Alternative A, of the Protocol to the Cape Town Treaty as adopted in the United Arab Emirates will be available to the relevant Loan Trustee. Such Alternative A, which is similar to Section 1110 of the U.S. Bankruptcy Code, provides that within 60 days after the commencement of insolvency proceedings with respect to Emirates in Dubai, Emirates would be required, with respect to each Lease, either:

- to give possession of the airframe and engines comprising the Aircraft subject to such Lease to the Loan Trustee, or
- to cure all defaults (other than those based on the commencement of the insolvency proceedings) and agree to perform all future obligations under such Lease.

(See "Description of the Equipment Notes—Remedies".)

Certain Service Providers . . . .

DLC has been appointed by DNA III to provide asset management services to DNA III pursuant to an asset management agreement entered into in June, 2013. On the Issuance Date, DLC will confirm in writing that the asset management services will extend to such Aircraft. Pursuant to such asset management agreement, DLC will, on behalf of DNA III and DNA Alpha: (i) monitor Emirates' performance of its obligations under the Leases (which includes the obligations relating to the maintenance of insurance cover); (ii) provide DNA III and certain of its subsidiaries with information regarding alternatives with respect to any potential sale of the Aircraft; (iii) carry out inspections of the Aircraft; and (iv) provide DNA III and certain of its subsidiaries with asset monitoring reports describing the state and any material changes to the state of the Aircraft. Such asset management agreement has a base term of 14 years (or, if later, the date of the sale of the final Aircraft in respect of which DLC is providing services under the agreement). Under certain circumstances, DLC will be in charge of remarketing and repossession of the Aircraft.

	DLC has also been appointed by DNA III pursuant to the agency agreement entered into in June, 2013 to assist DNA III, and act as DNA III's agent, in relation to the arrangement, negotiation, review, approval, execution and management on behalf of DNA III of the acquisition and financing of the Aircraft and the Leases. On the Issuance Date, DLC will confirm in writing that the agency services will extend to such Aircraft. The fees and expenses of DLC under each of these arrangements will be payable by DNA III.
Management of DNA Alpha	The business affairs of DNA Alpha are managed by its directors. The directors have overall responsibility for DNA Alpha's activities including the review of investment activity and performance. Each of the directors is a non-executive director. DNA Alpha does not have and will not have any employees or executive management. Accordingly, DNA Alpha will rely on the Service Providers for all asset servicing, treasury, corporate, administrative and accounting functions pursuant to the respective service provider agreements.
Certain United States Federal Income Tax Consequences	Each U.S. person acquiring an interest in Certificates should report on its federal income tax return its pro rata share of income from the relevant Deposits and income from the Equipment Notes and other property held by the relevant Trust. See "Certain U.S. Federal Income Tax Consequences".
Certain ERISA Considerations	Each person who acquires a Certificate will be deemed to have represented that either: (a) no employee benefit plan assets have been used to purchase or hold such Certificate or (b) the purchase and holding of such Certificate are exempt from the prohibited transaction restrictions of ERISA and the Code pursuant to one or more prohibited transaction statutory or administrative exemptions. See "Certain ERISA Considerations".
Rating of the Certificates	It is a condition to the issuance of the Certificates that they be rated by Moody's not less than the ratings set forth below:

Certificates	Moody's
Class A	A3
Class B	Baa3

A rating is not a recommendation to purchase, hold or sell Certificates, since such rating does not address market price or suitability for a particular investor. There can be no assurance that such ratings will not be lowered or withdrawn by Moody's. See "CRA Regulation" for details of Moody's compliance with the CRA Regulation.

Threshold Rating for the Depositary	Moody's Short Term Rating...... P-1
Depositary Rating.	The Depositary meets the Depositary Threshold Rating.
Threshold Rating for the Liquidity Provider	Moody's Long Term Rating...... Baa2
Liquidity Provider Rating.	The Liquidity Provider for the Certificates meets the Liquidity Threshold Rating requirement.
Transfer Restrictions	The Certificates have not been, and will not be, registered under the Securities Act or any other United States federal or state securities laws or the securities laws of any other jurisdiction. Accordingly, the Certificates are being offered (a) in the United States only to persons who are QIBs, in reliance on Rule 144A under the Securities Act and (b) to certain non-U.S. persons in transactions outside the United States in reliance on Regulation S under the Securities Act. The Certificates are not transferable except in accordance with the restrictions described in this offering circular. See "Transfer Restrictions".
Listing and Admission to Trading	Application has been made to the Irish Stock Exchange for the Certificates to be admitted to listing on the Official List and admitted to trading on the Regulated Market.
No Established Trading Market.	The Certificates are a new issue of securities with no established trading market. Although application has been made for the Certificates to be admitted to listing on the Official List and to trading on the Regulated Market of the Irish Stock Exchange, we cannot assure you that an active or liquid trading market for the Certificates will develop. If an active or liquid trading market for the Certificates does not develop, the market price and liquidity of the Certificates may be adversely affected.

RISK FACTORS

DNA Alpha believes that the following factors may affect its ability to fulfill its obligations under the Certificates. Most of these factors are contingencies which may or may not occur and DNA Alpha is not in a position to express a view on the likelihood of any such contingency occurring.

DNA Alpha believes that the factors described below represent the principal risks inherent in investing in the Certificates, but the inability of DNA Alpha to pay interest, principal or other amounts on or in connection with the Certificates may occur for other reasons which may not be considered significant risks by DNA Alpha based on information currently available to it or which it may not currently be able to anticipate. Prospective investors should also read the detailed information set out elsewhere in this offering circular and reach their own views prior to making any investment decision.

Risk Factors Relating to the Certificates, the Pass Through Structure and the Offering

The Certificates are not obligations of Emirates or DNA III.

No Trust will have, nor is it permitted or expected to have, any significant assets or sources of funds other than the applicable Equipment Notes and the applicable Liquidity Facility. The Certificates will represent limited recourse obligations of the Trusts payable only from the cash flow of the Equipment Notes and to a certain extent availability under their respective Liquidity Facilities. The Certificates are not obligations of, or guaranteed by, Emirates or DNA III.

The rating of the Certificates is not a recommendation to buy and may be lowered or withdrawn in the future.

It is a condition to the issuance of the Class A and Class B Certificates that they be rated not lower than A3 and Baa3, respectively, by Moody's. A rating is not a recommendation to purchase, hold or sell Certificates, since such rating does not address market price or suitability for a particular investor. A rating may not remain for any given period of time and may be lowered or withdrawn entirely by Moody's if in its judgment circumstances in the future (including, if applicable, the downgrading of DNA Alpha, the Depositary or the Liquidity Provider) so warrant. Moreover, any change in Moody's assessment of the risks of aircraft-backed debt (and similar securities such as the Certificates) could adversely affect the rating issued with respect to the Certificates. Any decline in the rating of the Certificates could have a material adverse effect on the price of or the outstanding trading market for the Certificates.

The rating of the Certificates is based primarily on the default risk of the Equipment Notes and the Depositary, the availability of the Liquidity Facility for the benefit of holders of the Class A and Class B Certificates, the collateral value provided by the Aircraft relating to the Equipment Notes, the cross-collateralization provisions applicable to the Indentures and the subordination provisions applicable to the Certificates under the Intercreditor Agreement. These ratings address the likelihood of timely payment of interest (at the Stated Interest Rate and without any premium) when due on the Certificates and the ultimate payment of principal distributable under the Certificates by the Final Legal Maturity Date. The ratings do not address the possibility of certain defaults, redemptions or other circumstances (such as a Total Loss), which could result in the payment of the outstanding face amount of the Certificates prior to the final expected Distribution Date.

Certain Certificateholders may not participate in controlling the exercise of remedies in a default scenario.

If an Indenture Default is continuing, subject to certain conditions, the Loan Trustee under the relevant Indenture and the Subordination Agent as pledgee (the "Pledgee") under the Share Pledge and Security Agreement (the “Share Pledge and Security Agreement”) and the Guernsey Law Security Documents pursuant to which DNA III is pledging the outstanding share capital of DNA Alpha to secure the Equipment Note obligations will be directed by the “Controlling Party” in exercising remedies under such Indenture, the Share Pledge and Security Agreement or the Guernsey Law Security Documents, as the case may be, including accelerating the applicable Equipment Notes or foreclosing the lien on the Aircraft or other collateral securing such Equipment Notes. See “Description of the Certificates—Indenture Defaults and Certain Rights Upon an Indenture Default”.

The Controlling Party will be:

- If final distributions have not been paid in full to the holders of the Class A Certificates, the Class A Trustee.
- Upon payment of final distributions to the holders of Class A Certificates but not to the holders of Class B Certificates, the Class B Trustee.
- Under certain circumstances, and notwithstanding the foregoing, the Liquidity Provider with the largest amount owed to it.

During the continuation of any Indenture Default, the Controlling Party may direct the acceleration and sale of the related Aircraft and the Equipment Notes issued under such Indenture and the exercise of remedies under the Share Pledge and Security Agreement or any Guernsey Law Security Document, in each case subject to certain limitations, without the participation of, or input from, certain Certificateholders. See “Description of the Intercreditor Agreement—Intercreditor Rights”.

The exercise of remedies over Aircraft or Equipment Notes may result in shortfalls without further recourse.

During the continuation of any Indenture Default under an Indenture, the related Aircraft or the Equipment Notes issued under such Indenture may be sold in connection with the exercise of remedies with respect to that Indenture, subject to certain limitations. See “Description of the Intercreditor Agreement—Intercreditor Rights—Limitation on Exercise of Remedies”. The market for Aircraft or Equipment Notes during any Indenture Default may be very limited, and there can be no assurance as to whether they could be sold or the price at which they could be sold. If any Equipment Notes are sold for less than their outstanding principal amount or any Aircraft is sold for less than the outstanding principal amount of the related Equipment Notes, certain Certificateholders will receive a smaller amount of principal distributions under the relevant Indenture than anticipated and will not have any claim for the shortfall against DNA Alpha, Emirates, any Liquidity Provider or any Trustee.

The Liquidity Providers, the Subordination Agent and the Trustees will receive certain payments before the Certificateholders do, and payments on the Class B Certificates are effectively subordinated to payments on the Class A Certificates.

Under the Intercreditor Agreement, each Liquidity Provider will receive payment of all amounts owed to it, including reimbursement of drawings made to pay interest on the applicable class of Certificates, before the holders of any class of Certificates receive any funds. In addition, the Subordination Agent and the Trustees will receive certain payments before the holders of any class of Certificates receive distributions. See “Description of the Intercreditor Agreement—Priority of Distributions”.

Payments on the Series B Equipment Notes are subordinated in right of payment to the prior payment of the Series A Equipment Notes to the extent and in the manner specified in the Indentures, and certain distributions in respect of the Class B Certificates are subordinate to certain distributions in respect of the Class A Certificates to the extent and in the manner specified in the Intercreditor Agreement. As a result, the priority of distributions after the occurrence of certain events of default may require that distributions that would otherwise would have been made on the Series B Equipment Notes be made on the Series A Equipment Notes, with the consequences that monies that would have otherwise been passed through to the holders of the Class B Certificates are instead passed through to the holders of the Class A Certificates.

There can be no assurance that the Certificateholders will derive the benefits expected by virtue of the Cape Town Treaty.

DNA Alpha and the holders of the Equipment Notes will not have the benefit of Section 1110 of the U.S. Bankruptcy Code. DNA Alpha and the holders of the Equipment Notes will be relying upon the enforceability of the Cape Town Convention on International Interests in Mobile Equipment and the related Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment (the “Cape Town Treaty”) as it relates to the ability of DNA Alpha (as lessor under the relevant Lease) or the relevant Loan Trustee (as assignee of DNA Alpha’s rights under the relevant Lease) to exercise its remedies under the Leases in the case of a Lease Event of Default, including (in the case of a Lessee Bankruptcy Event) its ability to obtain possession of the Aircraft at the end of the 60-Day Period if Emirates or an applicable insolvency administrator has not cured all defaults under the Leases (other than a default constituted by the occurrence of such Lessee Bankruptcy Event) and agreed to perform all future obligations under all of the Leases. The holders of the Equipment Notes will be relying upon the enforceability of the Cape Town Treaty in order to perfect their security interests in the Aircraft and the Leases and to exercise their remedies under the Indentures with respect thereto. DNA Alpha’s external United Arab Emirates counsel will provide a legal opinion to the Trustees that the benefits of Article XI, Alternative A of the Protocol to the Cape Town Treaty will be available to the relevant Loan Trustee with respect to the airframe and engines comprising such Aircraft in any insolvency proceeding of Emirates in Dubai. The Cape Town Treaty, however, has only been effective in the UAE since August 1, 2008, and has not yet been applied by the courts of the UAE. The extent to which the Cape Town Treaty would be enforced by the courts of the UAE or any other courts which may have jurisdiction, and the way in which the Cape Town Treaty would operate in practice in the UAE or any other jurisdiction in which proceedings may be brought, are therefore uncertain. These uncertainties and the lack of precedent may materially adversely affect DNA Alpha’s ability to exercise its remedies under the Leases and the ability of the holders of the Equipment Notes to exercise their remedies under the Indentures, which may in turn affect the ability of the Trustees to pass through payments to the Certificateholders.

Escrowed funds and cash collateral will not be entitled to the benefits of the Cape Town Treaty, and cross-defaults may not be required to be cured under the Cape Town Treaty.

Amounts deposited with the Depositary under the Escrow Agreements are not property of DNA Alpha or Emirates and are not entitled to the benefits of the Cape Town Treaty. Any cash collateral held as a result of the cross-collateralization of the Equipment Notes also would not be entitled to the benefits of the Cape Town Treaty. Any default arising under an Indenture solely by reason of the cross-default in such Indenture may not be of a type required to be cured under the Cape Town Treaty.

Escrowed funds may be returned if they are not used to buy Equipment Notes for any reason and upon the occurrence of certain events, the Certificates will be redeemed at par.

Under certain circumstances, less than all of the funds held in escrow as Deposits may be used to purchase Equipment Notes by the deadline established for purposes of this Offering to meet the requirements of the Note Purchase Agreement. For example, one or more of the Aircraft may not be delivered by the end of the delivery deadline established for financing an Aircraft pursuant to this

Offering and DNA Alpha may not exercise its option, with the consent of Emirates, to identify substitute aircraft to finance under this Offering. If any funds remain as Deposits after such deadline, they will be withdrawn by the Escrow Agent and distributed, with accrued and unpaid interest but without any premium, to the Certificateholders. See "Description of the Deposit Agreements—Unused Deposits". Likewise, if a Triggering Event occurs prior to such deadline, any funds remaining as Deposits at such time will be withdrawn by the Escrow Agent and distributed, with accrued and unpaid interest but without any premium, to the Certificateholders. See "Description of the Deposit Agreements—Distribution Upon Occurrence of a Triggering Event".

In addition, upon the occurrence of certain events such as a Total Loss related to an Aircraft or the non-extension of a Lease beyond its scheduled expiry date some or all of the Equipment Notes would be required to be redeemed at a redemption price equal to the unpaid principal amount on the Equipment Notes plus accrued and unpaid interest but, in certain circumstances, without any premium, which payments would be passed through to the trustee to redeem a like face amount of the Certificates for the same price.

There may be a limited market for resale of Certificates; the Certificates will not be registered under the Securities Act.

Prior to this Offering, there has been no market for the Certificates. DNA Alpha has applied to the Irish Stock Exchange for the Certificates to be admitted to listing on the Official List and to be admitted to trading on the Regulated Market of the Irish Stock Exchange. A secondary market for the Certificates may not develop, even following the listing of the Certificates, if such listing is successful. If a secondary market does develop, it might not continue or it might not be sufficiently liquid to allow you to resell any of your Certificates. In addition, the Initial Purchasers may assist in resales of the Certificates, but they are not required to do so, and any market-making activity may be discontinued at any time without notice in the sole discretion of each Initial Purchaser.

The Certificates have not been, and will not be, registered under the Securities Act or any state or foreign securities laws and may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or foreign securities laws. Moreover, the Certificates may not be transferred except upon satisfaction of the conditions described under "Transfer Restrictions". This may have a further impact on the development of a secondary market.

Risk Factors Relating to the Aircraft

Emirates is dependent on the continued reliability and availability of the Airbus A380.

Emirates has become highly dependent on the availability of its fleet of Airbus A380 aircraft. These aircraft form the backbone of Emirates' operations and are considered highly important to its future operations. If any significant problems were found with the design or operation of the Airbus A380 or significant unscheduled maintenance on these aircraft were required that in either case caused Emirates to ground its fleet of Airbus A380s, it could have a material adverse effect on Emirates, its liquidity and ability to satisfy its obligations under the Leases. In addition, any such problems would have a significant impact on the value of the Airbus A380 aircraft that form a part of the collateral securing the Equipment Notes.

The Appraisals are only estimates of Aircraft value.

Three independent appraisal and consulting firms have prepared appraisals of the Aircraft. Letters summarizing such appraisals are annexed to this offering circular as Appendix II. The appraisals do not purport to, and may not, reflect the current market value of the Aircraft. Such appraisals are based on varying assumptions and methodologies, which differ among the appraisers, and were prepared without physical inspection of the Aircraft. Appraisals that are based on other assumptions and methodologies may result in valuations that are materially different from those contained in such appraisals. See "Description of the Aircraft and the Appraisals—The Appraisals".

There are particular uncertainties with respect to the appraised value of the Airbus A380-800 aircraft because it is a newly-developed model first delivered to a commercial airline in October 2007. As a result, the long-term performance characteristics of the Airbus A380-800 aircraft have not been demonstrated by extensive commercial airline operations. In addition, secondary market values for the aircraft have not been established. Further, the appraisal and consulting firms that have prepared the appraisals of the Aircraft have less experience appraising Airbus A380-800 aircraft as compared to other aircraft models that have been in operation in greater number for a longer period of time. Finally, the value of the Airbus A380-800 could be affected by the introduction of newer A380 models or by any modifications in design or manufacture of later delivered Airbus A380-800 aircraft.

An appraisal is only an estimate of value. It does not indicate the price at which an Aircraft may be purchased from the Aircraft manufacturer or sold in the market. Nor should an appraisal be relied upon as a measure of realizable value. The proceeds realized upon a sale of any Aircraft may be less than its appraised value. In particular, the appraisals of the new Aircraft are estimates of values as of delivery dates, most of which are in the future. The value of an Aircraft if remedies are exercised under the applicable Indenture will depend on various factors, including market and economic conditions, the supply of similar aircraft, the availability of buyers, the condition of the Aircraft and other factors. Accordingly, there can be no assurance that the proceeds realized upon any such exercise of remedies would be sufficient to satisfy in full payments due on the Equipment Notes or the full amount of distributions expected on the Certificates.

The newly developed Airbus A380 aircraft is a critical part of Emirates' operations, and the materials used in its construction may be found to be less efficient or durable than expected, thereby leading to lower operating hours of the Airbus A380, higher maintenance and repair costs and lower overall value.

The Airbus A380 aircraft forms a critical part of Emirates' operations and is considered highly important to its future operations. The Airbus A380 is a newly developed aircraft, the first of which was delivered in October 2007. Due to this new type of design, in particular in respect of innovative materials and technologies, and the size of the aircraft, there is at present insufficient experience or data to give a complete assessment of the long-term use and operation of the aircraft. If any significant problems were found with the design or operation of the Airbus A380, or significant unscheduled maintenance on these aircraft were required, that in either case caused Emirates to ground its fleet of Airbus A380s, it could have a material adverse effect on the Group's financial condition, results of operations and business. There is a risk that the newly developed materials may be found to be less efficient or durable than expected, thereby leading to lower operating hours of the Airbus A380 and higher maintenance and repair costs. Although under the terms of the Leases the cost of repair and maintenance of the Airbus A380s will be borne by Emirates, significant maintenance costs could affect the value of the Aircraft, which could have a negative effect on the value of the collateral securing the Equipment Notes, which in turn could have a negative effect on the value of the Certificates.

For instance, in 2011 and 2012, cracks were found on the wings of Airbus A380 aircraft, including those operated by Emirates, which has caused unscheduled maintenance work on such aircraft. The cracks to the wing rib feet of the aircraft will require modification work to be carried out on a retrofit basis for all Airbus A380 aircraft currently in-service as well as all Airbus A380 aircraft scheduled to be delivered by Airbus prior to January 2014, including the Aircraft to be purchased by DNA Alpha. Airbus has identified that this modification work will require the replacement of certain wing rib feet components with parts made of an alternative alloy and certain other reinforcement and redesign work relating to certain of the wing rib feet. Modification kits for repair of in-service aircraft have been available since the first quarter of 2013 and Airbus anticipates that a new wing rib design will be incorporated into all Airbus A380 aircraft scheduled to be delivered from January 2014 onwards. The modifications to the wing rib design are subject to certification by the applicable airworthiness authorities and the implementation of these modifications on in-service aircraft, including the Aircraft to be purchased by DNA Alpha, is subject to Airbus being able to provide all necessary resources to complete the modification. Any failure or delay in obtaining this certification or these resources could have a material adverse effect on Emirates, its liquidity and ability to satisfy its obligations under the Leases and could affect the value of the Aircraft, which could have a negative effect on the value of the collateral securing the Equipment Notes, which in turn could have a negative effect on the value of the Certificates.

Insurance proceeds may be insufficient to repair or replace the Aircraft if they are damaged or destroyed.

The Aircraft are required to be insured by Emirates pursuant to the terms of each of the Leases. However, inflation, changes in ordinances, environmental considerations and other factors may make the insurance required to be carried insufficient to repair or replace the Aircraft if they are damaged or destroyed. If the level of insurance required by a Lease is not maintained or if the insurance proceeds are insufficient to repair or replace an Aircraft if it is damaged or destroyed, your investment in the Certificates could be materially adversely affected.

Risk Factors Relating to Emirates, the Lessee

Emirates is the sole lessee of the Aircraft and as a result, payments on the Certificates are entirely dependent on Emirates fulfilling its obligations under the Leases.

Emirates is the sole lessee of the Aircraft. As a result, DNA Alpha is entirely dependent on Emirates meeting its obligations under the Leases in order to make payments on the Equipment Notes that can be passed through by the Trustees to Certificateholders. The only other committed source of liquidity for payments on the Certificates is provided under the Liquidity Facilities which are limited in amount to four successive interest payments on the Certificates, and do not cover interest payable on the Deposits. Accordingly, any event which has a material adverse effect on Emirates or its ability to perform its obligations under the Leases, will materially and adversely impact DNA Alpha's ability to make payment on the Equipment Notes that can be passed through to Certificateholders. In addition, if Emirates were to refuse to perform under the Leases, DNA Alpha would likely be unable to perform under the Equipment Notes.

None of DNA Alpha, DNA III, the Trustees or the Service Providers controls Emirates.

None of DNA Alpha, DNA III, the Trustees or the Service Providers has any control over Emirates. While the Leases will have some negative covenants applicable to the manner in which Emirates acts in relation to the Aircraft, DNA Alpha cannot affirmatively control the actions of Emirates as they relate to the Aircraft. Further, there are no provisions in the Leases or other operative documents applicable to Emirates that would limit Emirates' ability to enter into a highly leveraged or other transformative transaction that, in some cases, could affect Emirates' ability to perform under the Leases. If Emirates were to take actions that negatively impact its ability to perform under the Leases or have an adverse impact on the Aircraft, the investment of the Certificateholders in the Certificates may be materially adversely impacted.

Emirates' business may be significantly adversely affected by a reduction in the volume of travelers using its services, which could be caused by a range of events beyond its control.

Emirates has an extensive route network centered on its home base in Dubai. Most of its revenues are derived from business and leisure travel from, to or through Dubai. Its business model and investments in new aircraft and other capital assets are predicated on management's growth expectations, which may prove inaccurate if any of the following or other factors that are beyond the Group's control were to materialize. Accordingly, a reduction in the volume of travelers using its services caused by one or more of a range of factors, which may be short- or long-term in nature and may be local, regional or global in their effect, could significantly affect the revenue of the Group.

These factors include, but are not limited to:

- terrorist attacks, such as the September 11, 2001 terrorist attacks in the United States, may cause uncertainty in the minds of the traveling public and/or result in increasingly restrictive security measures which can materially adversely affect passenger demand for air travel;
- the occurrence of wars or the threat of war, such as the war in Iraq in 2003 and the United States' withdrawal from Iraq in 2011, which gave rise to a reduction in travel over the Middle East region generally pending the resolution of political and economic uncertainties. In addition, political tension between countries, or civil unrest within a country (such as recent violent insurrections and/or their aftermath in Bahrain, Egypt, Libya and Syria), may also result in the cancellation of, and reductions in, bookings as well as the closure or restriction of access to airspace or airports which may also adversely affect Emirates' business;
- further escalation of the tensions between Iran and the international community related to Iran's non-compliance with sanctions imposed on its nuclear program, including potential military responses or attacks, could result in a decline in passenger travel to, from or within the Middle East region. In addition, the perceived threat or existence of any armed conflict in the region arising from such tensions may result in the closure or restriction of access to airspace or airports which may also adversely affect Emirates' business;
- any material decline in economic activity within a region, or, as was the case at the end of 2008 and through 2009, globally, which can significantly affect demand for travel by air and for cargo space. In particular, widespread economic decline which could result from the failure of governments to solve the sovereign debt crisis in Europe or the United States debt ceiling and budget issues may adversely affect Emirates' business and profitability;
- epidemics and other natural calamities such as the outbreak of Severe Acute Respiratory Syndrome ("SARS") in 2003 which significantly reduced air travel to and from SARS-affected areas and the volcanic eruption in Iceland in 2010 which materially adversely affected air travel to, from and within Europe; and
- concerns about the environmental impacts of air travel and tendencies towards "green" travel initiatives which may cause consumers to reduce their air travel activities.

It is not possible for Emirates to predict the occurrence of events or circumstances such as or similar to those outlined above, or the impact of such occurrences. The Group's financial condition, results of operations and business may be materially adversely affected if one or more of the events or circumstances outlined above were to occur, which would affect Emirates' ability to make payments on the Leases.

The Group's results of operations may be materially affected by changes in jet fuel prices.

Jet fuel costs are the Group's most significant operating cost, accounting for 39.6 percent and 40.2 percent of the Group's total operating costs in its 2013 financial year and 2012 financial year, respectively. Jet fuel prices are volatile and are influenced by many factors, including speculative trading in commodity markets, other international market conditions, natural disasters, decisions of oil producing cartels and geopolitical events.

During 2008, jet fuel prices reached historically high levels before falling significantly at the end of that year and continuing to fall in early 2009. From mid-2009 to May 2011, jet fuel prices generally increased while remaining below the peak levels reached in mid-2008. Since June 2011, prices have been less volatile compared to the preceding years, trading in a narrow range marked by a series of small increases and decreases. However, factors such as an escalation of any existing conflict or the emergence of any new conflict in the Middle East, or a halt in Iranian oil exports due to heightened tensions between Iran and the international community could result in a significant surge in the price of jet fuel. Due to the competitive nature of the airline industry, Emirates may not always be able to pass on increases in jet fuel prices to its customers through increased fares and/or fuel surcharges, particularly in times of lower economic growth or when travel declines generally.

Emirates is therefore exposed to the risk that significant changes in jet fuel costs could have a material adverse effect on the Group's financial condition, results of operations and business.

Emirates is exposed to volatility in the price of jet fuel and closely monitors the actual cost against the forecast cost. Emirates adopts a dynamic approach to managing fuel price risk based upon a continuous assessment of the market. During financial year 2013, Emirates' strategy was to remain un-hedged, reflecting a view that the balance of risk was considered greater to the downside given historically high price levels and the backdrop of global economic uncertainty. From time to time, in order to help manage the price risk, Emirates has utilized commodity futures and options to achieve a level of control over higher jet fuel costs and may utilize such futures and options in the future. If Emirates' hedging strategy at any given time were to be ineffective in whole or in part, this could have a material adverse impact on the Group's financial condition, liquidity, results of operations and business.

Emirates has significant funding requirements and may be adversely affected by a shortage of available financing or an increase in its costs of funding.

As of March 31, 2013, Emirates had AED 141.7 billion in authorized and contracted capital commitments in respect of its aircraft fleet. Emirates seeks to finance these capital commitments using a range of different instruments (including finance leases, operating leases, bank loans, export credit guaranteed financing and capital markets instruments) in a variety of different markets. Because of changing market conditions, Emirates may not in the future be able to obtain financing or otherwise access the capital markets on favorable terms or at all.

If Emirates is unable to obtain sufficient financing at any time to meet its commitments or if its cost of funding increases materially in the future, this could materially adversely affect the Group's financial condition, results of operations and business.

Emirates is exposed to the risk of significant liability for personal injury or death as a result of accidents or disasters affecting its aircraft. These may not all be covered by insurance and increases in insurance costs or reductions in insurance cover could also materially adversely affect the Group's business.

Emirates manages its airline business with a level of insurance coverage against the risk of losses from man-made and natural disasters that Emirates management believes to be adequate. These policies stipulate a number of conditions under which the insurers may terminate policies and are subject to policy limits and exclusions. In addition, the policies must be renewed at regular intervals.

Emirates may be subject to liability claims arising out of accidents or disasters involving aircraft on which its customers are traveling or involving aircraft of other carriers maintained or repaired by Emirates, including claims for serious personal injury or death. Emirates' insurance coverage may be insufficient to cover one or more large claims and any shortfall may be material. Additionally, any accident or disaster involving one of Emirates' aircraft or an aircraft of another carrier receiving line maintenance services from Emirates may significantly harm Emirates' reputation for safety, which could have a material adverse effect on the Group's financial condition, results of operations and business.

Future terrorist attacks, acts of sabotage and other disasters, especially if they were to be directed against the aviation industry, could result in insurance coverage for aviation risks becoming more expensive and/or certain risks becoming uninsurable. In addition, aircraft crashes or similar disasters of another airline could impact passenger confidence and therefore lead to a reduction in ticket sales for Emirates, particularly if the aircraft crash or disaster concerned involved a type of aircraft used by Emirates in its fleet.

Any significant uninsured loss, loss of cover or significant increase in insurance costs could adversely affect the Group's financial condition, results of operations and business and Emirates' ability to make payments on the Leases.

Emirates is dependent upon certain other third parties and any failure on their part to fully perform their contractual obligations could materially adversely affect Emirates' business.

Emirates is dependent on its ability to source, on favorable terms, sufficient quantities of goods and services in a timely manner, including the supply of substantial equipment such as aircraft, engines and related components and those services available at airports or from airport authorities, such as ground handling, in-flight catering and air traffic control services. Emirates is also dependent on third parties for services such as fuel distribution and airframe and engine maintenance. In certain cases, Emirates may only be able to access goods and services from a limited number of suppliers and the transition to new suppliers of such goods and services may take a significant amount of time and require significant resources. The failure, refusal or inability of a supplier to provide goods or services may arise as a result of numerous different causes, many of which are beyond Emirates' control. Any failure or inability by Emirates to successfully source goods and services, including because of the failure, refusal or inability of a supplier to provide goods or services, or to source goods and services on terms and pricing and within the timeframes acceptable to Emirates, could have a material adverse effect on the Group's financial condition, results of operations and business.

In addition, certain material contracts with third parties, including airport operators and maintenance providers, will need to be renewed from time to time. These contracts may not be able to be renewed in all cases or, if renewed, on terms that are favorable to Emirates.

All aircraft in Emirates' fleet require periodic maintenance work. In addition, the need may arise at any time for unscheduled maintenance and repair work which may cause operational disruption to Emirates, such as the cracks recently found on the wings of Emirates' Airbus A380 aircraft. See "Risk Factors Relating to the Aircraft—The newly developed Airbus A380 aircraft is a critical part of Emirates' operations, and the materials used in its construction may be found to be less efficient or durable than expected, thereby leading to lower operating hours of the Airbus A380, higher maintenance and repair costs and lower overall value." Incidents could occur which may or may not relate to maintenance or modification programs for the aircraft fleet which could adversely impact Emirates' operations and the Group's financial performance.

In addition, the infrastructure that provides jet fuel to Dubai International Airport ("DIA") and the other airports from which Emirates operates is critical to its operations. Any breakdown in this infrastructure and/or contamination of the fuel supply would have a significant impact on operations and could have a material adverse effect on the Group's financial condition, results of operations and business.

Interruptions in technological systems, such as those relating to ticket sales and network management, could adversely impact Emirates' business.

Emirates' ability to manage its ticket sales, receive and process reservations, manage its traffic network and perform other critical business operations is dependent on the efficient and uninterrupted operation of the computer and communication systems used by Emirates as well as the systems used by third parties in the course of their co-operation with Emirates. As with any computer and communication systems, those on which Emirates relies are vulnerable to disruptions, power outages, acts of sabotage, computer viruses, fires and other events. While Emirates continues to invest in initiatives related to technology, including security initiatives and disaster recovery plans, these measures may not prove to be effective in all cases. Any disruption to computer and communication systems used by Emirates or its partners, including data providers and payment services providers, could significantly impair Emirates' ability to operate its business efficiently and could have a material adverse effect on the Group's financial condition, results of operations and business.

Emirates is exposed to a range of financial risks, including the risk that its results may be adversely affected by changes in interest rates or currency exchange rates and the risk that counterparties may default as well as a range of market risks.

Emirates is exposed to fluctuations in the prevailing levels of interest rates on borrowings and investments. Emirates targets a balanced portfolio approach, whilst seeking to ensure flexibility to take advantage of market movements, by hedging approximately half of its net interest rate exposure, using appropriate hedging tools including interest rate swaps. Borrowings taken at variable rates, where unhedged, expose Emirates to movements in the underlying reference rates, principally the London, Emirates and Singapore interbank offered rates.

Emirates is also exposed to fluctuations in prevailing foreign currency exchange rates. Emirates is in a net payer position with respect to the U.S. dollar and is in a net surplus position for other currencies. Currency risks arise mainly from Emirates' revenue earning activities and Emirates seeks to manage its exchange rate exposure through a policy of matching its foreign currency inflows and outflows as far as possible, as well as through hedging a proportion of its remaining exposure by using forward contracts and options. Nevertheless, the translation of foreign currency transactions into dirham, the lawful currency of the UAE, can lead to significant foreign currency income and costs in the consolidated statement of income and thus can materially affect the Group's reported results of operations.

Emirates is also exposed to the risk that certain of its significant counterparties, such as the banks in which it holds surplus cash, its derivative counterparties, its insurers and its major trade debtors, may default in their obligations to Emirates and cause a significant loss to the Group.

Emirates is also subject to the risk that countries in which it may earn revenues may impose restrictions or prohibitions on the export of those revenues.

Any or all of the above factors may impact Emirates' ability to operate its business profitably or efficiently and could have a material adverse effect on the Group's financial condition, results of operations and business.

Emirates is exposed to ongoing litigation.

Emirates was subject to civil litigation (in the form of class action) in the United States arising out of investigations by the United States competition authorities into fuel and security surcharges in relation to certain cargo flights. Emirates has entered into a settlement of these proceedings on a no admission of liability basis, which has received preliminary approval by the court following notification to the potential class of plaintiffs and the expiry of an opt-out period. Emirates is potentially subject to individual actions in connection with these proceedings by potential class action members who have opted out of the settlement and elect to initiate individual proceedings. In addition, following the recent settlement by Emirates of proceedings initiated in Australia by the Australian Competition and Consumer Commission ("ACCC") relating to fuel and security surcharges in relation to certain cargo flights, Emirates could potentially be subject to inclusion in existing class action proceedings in Australia. In October 2012, five of the respondent airlines to these existing Australian class action proceedings filed applications seeking leave of the Federal Court to file cross-claims against Emirates and another airline. These applications were contested by Emirates and the other airline at a hearing in November 2012. Further consideration of these applications has been adjourned by the court to a date yet to be determined.

If Emirates was to be included in any such potential further proceedings and was to receive an adverse judgment against it in any of these proceedings, it would be subject to damages which could have an adverse effect on Emirates' financial position.

Emirates is exposed to a range of employment risks, including increased employment costs, the risk of employee disputes causing significant business interruptions, the risk of loss of one or more key individuals and the risk that it is unable to attract or retain highly qualified staff such as pilots, flight engineers and other licensed occupations.

Employment costs constitute one of Emirates' more significant operating cost items. There can be no assurance that Emirates will be able to maintain its employment costs at levels which do not negatively affect its financial condition, results of operations and business. There can also be no assurance that future agreements with employees or their representatives will be on terms comparable to agreements entered into by Emirates' competitors. Any future agreements or outcome of negotiations with employees, including in relation to wages or other employment costs or work rules, may result in increased employment costs or other charges which could have a material adverse effect on the Group's financial condition, results of operations and business.

Any dispute between Emirates and some or all of its employees could result in a strike or other work stoppage that affects Emirates' ability to operate its scheduled flights. Any such disruption could have a material adverse effect on the Group's financial condition, results of operations and business.

Emirates is dependent on the experience and industry knowledge of its executive officers and other key employees to execute its business plan, as well as access to sufficient numbers of qualified staff for specific roles within Emirates, especially within the area of flight operations. If Emirates was to experience a substantial turnover in its leadership or other key employees or if Emirates is unable to attract or retain other highly qualified staff, such as pilots, flight engineers and other licensed occupations, as needed in the future, the Group's financial condition, results of operations and business could be materially adversely affected.

Extended disruptions in service affecting Dubai International Airport ("DIA") in particular or other airports in jurisdictions in which the Group operates could have a material adverse impact on Emirates' operations.

Emirates' operations are dependent on its ability to operate from its hub in Dubai, including its ability to operate on a 24-hour basis for landing and takeoff at DIA and continued access to sufficient landing and take-off rights at DIA to support its current planned future operations. A significant proportion of Emirates' flights are routed to, from or via DIA and, currently, no alternative facility exists with the capacity to fulfill Emirates' requirements in the event of a closure or significant disruptions at DIA or a reduction in the number of landing and take-off rights available for any other reason. Emirates is also dependent on its ability to operate to and from other airports on Emirates' route network. See "Risk Factors Relating to the Airline Industry and Emirates' Operations in the Middle East—Air traffic and the aviation industry are heavily regulated and Emirates' ability to comply with all applicable regulations is key to maintaining its operational and financial performance".

Any unavailability of DIA or other airports on Emirates' network as a result of an accident, other catastrophe or for other reasons, any change in the operating policies of DIA or network airports with regards to timing of operations (such as imposing night flight restrictions) or any substantial change in the facilities available to Emirates at DIA or other network airports (or any substantial interruption in their availability to Emirates) could have a material adverse effect on the Group's financial condition, results of operations and business. Dubai Airports (the operator of DIA) has announced plans to carry out maintenance and upgrading work at DIA that will require phased runway closures during the May to July 2014 period. Although DIA is consulting with all operators at the airport to minimize the disruption to flights, there can be no assurance that runway closings will not have a material adverse effect on the Group's financial conditions, business and results of operations.

Risk Factors Relating to the Airline Industry and Emirates' Operations in the Middle East

The airline industry is highly competitive and Emirates may be adversely affected by changes in competition.

The airline industry is highly competitive. Competitive factors are fluid and can change quickly and profoundly due to mergers of competing carriers. Emirates faces direct competition from other major full service airlines operating on many of the same routes Emirates flies as well as from indirect flights and charter services. Emirates may also face competition in the future from new entrants targeting its routes or from merged operators.

Emirates encounters substantial price competition. Some of Emirates' competitor airlines may be able to offer flights at significantly lower prices. The expansion of low-cost carriers, along with increasing use of Internet travel websites and other distribution channels, has resulted in a substantial increase in discounted and promotional fares initiated by certain of Emirates' competitors. In particular, the low-cost segment within the Middle East remains relatively undeveloped with scope for further penetration by low-cost carriers and therefore further competition for Emirates. Some or all of these competitor airlines may also have access to larger and less expensive sources of funding than Emirates. In addition, a number of airlines have entered into creditor protection as a result of the global financial crisis and this could help them to substantially reduce their cost structure and become more competitive, both while they are under creditor protection and thereafter. Any decision to match competitors' fares to maintain passenger traffic could result in a material adverse effect on the Group's financial condition, results of operations and business.

Further, consolidation in the airline industry and the growth of global alliance groups of airlines could result in increased competition as some airlines emerging from such consolidations or entering such alliances may be able to compete more effectively against Emirates. If Emirates' competitors are able to offer their services at lower prices on a continuous basis or to increase their market share to the detriment of Emirates, this could have a material adverse effect on the Group's financial condition, results of operations and business and Emirates' ability to make payments on the Leases.

Emirates is exposed to certain risks by virtue of its incorporation in the United Arab Emirates and its operations in the Middle East, an emerging market.

The Middle East, and emerging markets generally, are subject to sudden changes in legislation, many of which are extremely difficult to predict. Existing laws are often applied inconsistently and new laws and regulations, including those which purport to have retrospective effect, may be introduced with little or no prior consultation. Additionally, after acquiring an investment, new requirements may be imposed that would require Emirates to make significant unanticipated expenditures, limit the ability of Emirates to obtain financing or other capital or otherwise have an adverse effect on Emirates' cash flow.

The Middle East and emerging markets generally have government policies, economies, and legal and regulatory systems, which are not as firmly established and reliable as those in Western Europe and the United States. The uncertainty and weaknesses which result can lead to a higher risk environment for persons entering into contractual arrangements with Emirates.

Additionally, the value and performance of Emirates may be affected by uncertainties, including: (i) unforeseen economic and political developments; (ii) social and religious instability; (iii) changes in government policies and/or government; (iv) uncertainties with respect to emerging regulatory regimes (including the aircraft sector); (v) intervention in economic activity; (vi) export or sale restrictions, international sanctions and embargoes; (vii) currency fluctuations and repatriation restrictions; (viii) invalidation of governmental orders, permits or agreements; (ix) renegotiation or nullification of existing concessions, licenses, permits and contracts; (x) recurring tax audits and delays in processing tax credits or refunds; (xi) corruption and/or demands for improper payments; (xii) outside political influences; (xiii) hostilities between neighboring countries; and (xiv) civil unrest, war and action by extremist groups who may be hostile to foreign investment. Such uncertainties may lead to unexpected changes in the political, social, economic or other conditions in these or neighboring countries which may have a material adverse effect on the Group's financial condition, results of operations and business.

Air traffic and the aviation industry are heavily regulated and Emirates' ability to comply with all applicable regulations is key to maintaining its operational and financial performance.

Safety, security, disability, denied boarding, privacy, licensing, competition, environmental and operational regulations (including directives and recommendations issued by aircraft manufacturers and other aviation-related vendors) impose significant requirements and compliance costs on Emirates. In order for Emirates to maintain its UAE air operator's certificate, it has to comply with the regulations of the UAE General Civil Aviation Authority. To fly to other countries, appropriate air services agreements and approvals must be in place between the governments concerned and Emirates is required to comply with the regulations of those individual countries as well as certain internationally or regionally applicable conventions or regulations. Any changes in the air services agreements between governments, the withdrawal of any such approvals, changes in any conventions or regulations or the imposition of new regulations, directives and/or recommendations could each have an impact on Emirates' business by, among other things, restricting market access, increasing costs or impeding normal service operations.

In February 2009, European Union ("EU") Directive 2008/101/EC came into force, bringing the aviation industry within the EU Emissions Trading Scheme ("EU ETS"). As a result, all flights departing from, and arriving at, EU airports are included within the EU ETS. The EU ETS delivers a market price for carbon, capping total emissions to a fixed limit with operators required to surrender allowances for each reporting year to cover their total emissions. As initially announced for the period from January 1, 2012 to December 31, 2012, 15.0 percent of allowances would be sold to operators through an auction process and the remaining allowances would be allocated free of charge according to a formula designed to ensure fair allocation between operators. Also, from January 1, 2013 until December 31, 2020, a tapering amount of free allowances would be allocated to operators and thereafter there will be no free allocation. In April 2013, the European Parliament and Council issued a Decision adopting a proposal of the European Commission issued in November 2012 to defer key parts of EU ETS aviation compliance by one year. This suspends aspects of enforcement relating to reporting emissions and the surrender of allowances for certain flights, including international flights originating or terminating outside the EU.

The cost and amount of allowances that Emirates will have to purchase in respect of 2013 and subsequent years is not currently known. Should Emirates be unable to obtain sufficient allowances under the auction/free allocation processes, it will have to purchase additional allowances on the open market. If such additional purchases were required, this would increase Emirates' total costs, which could have a material adverse effect on the Group's financial condition, results of operations and business and, as a result, a material adverse effect on Emirates' ability to make payments on the Leases.

Certain governments may also choose to impose a more punitive tax regime on air travel with the intention of reducing airline emissions by making air travel more expensive and therefore less attractive to customers. Any increase in air travel costs to passengers brought about by more stringent taxation could have a material adverse effect on the Group's financial condition, results of operations and business.

Emirates' operations in the Middle East may be adversely affected by political unrest or civil disturbances as a result of the Arab Spring.

There has been a dramatic change in the geopolitical situation in the Middle East and North Africa region in the past two years. In Bahrain, Libya, Egypt, Iran, Tunisia, Yemen and Syria, revolutionary activity and civil unrest, termed the "Arab Spring", has ousted long-standing leadership in several of the aforementioned countries and created turbulent political situations in others. There can be no assurance that such instability in the region will not escalate in the future, that such instability will not spread to additional countries in the Middle East and North Africa region, that governments in that region will be successful in maintaining domestic order and stability or that Dubai's financial or political situation will not thereby be affected. Any such event may lead to a reduction in demand for Emirates' services, interrupt its ability to operate at optimal levels of capacity and constrain the mobility of its staff, which may have a material adverse effect on the Group's financial condition, results of operations and business.

Risk Factors Relating to Enforcement

There can be no certainty as to the outcome of any application of UAE bankruptcy law.

In the event of Emirates' insolvency, UAE bankruptcy law may adversely affect Emirates' ability to perform its obligations under the Leases. Under UAE bankruptcy law, there is little precedent to predict how a claim on behalf of the Certificateholders to enforce performance under the Leases or to collect damages related to contractual breach made by DNA Alpha against Emirates upon Emirates' insolvency would be resolved. These uncertainties and lack of precedent make it difficult to predict the exact outcome with respect to possible contractual and payment issues and may materially adversely affect DNA Alpha's ability to enforce its rights with respect to the Leases and any other contractual or performance related remedies that might otherwise be available.

DNA Alpha may experience difficulty in enforcing foreign judgments, if any, in Dubai.

Emirates is a decree corporation established in, and under the laws of, Dubai, which is one of the seven emirates that comprise the UAE. Under UAE law, a judgment of a non-UAE court may be enforced by the UAE courts without re-examining the merits of the case in certain circumstances. However, as a matter of practice, a court in Dubai is likely to apply these circumstances restrictively and it is therefore unlikely, in the absence of a reciprocal enforcement treaty with that country, that a judgment given by a non-UAE court with respect to the Leases and related documents would be enforced or recognized by the courts of Dubai.

Dubai law recognizes the principle of freedom of contract, which should also extend to choice of law provisions. However, in practice, Dubai courts are reluctant to recognize the choice of a non-Dubai Law as the governing law of an agreement on grounds of public policy. Even if a Dubai court is prepared to recognize a choice of non-Dubai Law, that law must be proven as an issue of fact and might still be ignored by the Dubai court. However, the UAE has declared that it will apply Article VIII of the Protocol of the Cape Town Treaty relating to choice of law which provides for the enforceability of choice of law provisions in most instances, although, this has not yet been interpreted or applied by the Dubai courts. Even if the contractual choice of law is accepted as the governing law, it may only be applied by Dubai courts to the extent that it is compatible with the laws and public policies of Dubai and the UAE. This may mean that the Dubai courts may seek to interpret non-UAE law governed documents as if governed by Dubai law. There can be no certainty that in those circumstances the Dubai courts would give effect to such documents in the same manner as DNA Alpha and the other parties to such agreements may intend.

As the Dubai and UAE judicial systems are based on a civil code, judicial precedents in Dubai and the UAE have no binding effect on subsequent decisions. In addition, there is no formal system of reporting court decisions in Dubai or the UAE. These factors create greater judicial uncertainty.

DNA Alpha may experience difficulty enforcing against the assets of Emirates in Dubai.

The UAE has not disapplied the provisions of the Cape Town Treaty relating to waivers of sovereign immunity, and therefore, the provisions of the Cape Town Treaty that provide for waivers of sovereign immunity to be enforceable, should be available in relation to any waiver of sovereign immunity from Emirates in the Leases, although, this has not yet been interpreted or applied by the Dubai courts.

Decree No. 2 of 1985 establishing Emirates (as amended by Decree No. 7 of 1991, the “Decree”) contains provisions which prohibit the seizure of assets belonging to Emirates in satisfaction of any debt or obligation owed by Emirates. However, the Chairman of Emirates has, pursuant to Article (7)(3) of the Decree, issued an irrevocable written decision (the “Decision”), which exempts the Leases and related documents from these provisions.

Notwithstanding this, there are some uncertainties under the laws of Dubai as to the effectiveness of the exemption afforded by the Decision as a result of Dubai Law No. 3 of 1996 on Government Lawsuits, as amended by Dubai Law No. 4 of 1997 and Dubai Law No. 10 of 2005 (the “Dubai Lawsuit Law”) and Article 247 of the Federal Law No. 11 of 1992 regarding The Law of Civil Procedures (as amended by Federal law No. (3) of 2005), which provide for immunity in respect of the assets of the Government of Dubai (which includes its corporations). The Dubai Lawsuit Law also provides for certain procedural formalities that may apply to Emirates including that suits against the Government shall be lodged against the Attorney General as defendant in his capacity as representative of the Government, subject to satisfaction of certain conditions which include, among others, the imposition of a two-month period (commencing on the date of filing of the written complaint) for the parties to reach an amicable solution. The Dubai Lawsuit Law may apply to Emirates, and if so, enforcement proceedings against Emirates under the Leases may need to comply with the procedures under the Dubai Lawsuit Law before proceedings can be brought against Emirates under the Leases.

Risk Factors Relating to DNA Alpha

Potential conflicts of interest could arise with respect to the directors of DNA Alpha.

The directors of DNA Alpha are or may become directors of and/or investors in other companies, including investment companies and aircraft leasing companies. These or other outside activities engaged in now or in the future by the directors of DNA Alpha may impact the directors’ ability to make impartial decisions with respect to the business of DNA Alpha and affect the amount of time and focus the directors apply to the business of DNA Alpha. In any of these scenarios, the business and operations of DNA Alpha may be materially adversely impacted.

DNA Alpha relies on the Service Providers to perform vital business functions.

DNA Alpha has no employees and the directors of DNA Alpha have all been appointed on a non-executive basis. DNA Alpha is therefore reliant upon the performance of third-party service providers for its asset management and day-to-day functions. In particular, Doric Lease Corp Management Limited ("DLC") and Anson Fund Managers Limited (collectively, the "Service Providers"), neither of which is an affiliate of DNA Alpha or DNA III, will be performing services which are vital to the operation of DNA Alpha. For instance, DLC will perform all functions related to monitoring the Leases, maintenance of the Aircraft and the re-marketing of the Aircraft upon expiration or termination of the Leases. Failure by the Service Providers or any other service provider to carry out its obligations to DNA Alpha in accordance with the terms of its appointment could have a material adverse impact on the operation of DNA Alpha, which may affect its ability to make payments on the Equipment Notes that could be passed through to Certificateholders.

DNA III's interest may conflict with yours.

DNA III owns all of the outstanding shares of DNA Alpha. Accordingly, DNA III has ultimate control of DNA Alpha because, as a shareholder, it has the ability to replace its directors; however, the directors of DNA Alpha have day to day control of and operate DNA Alpha. DNA III does not have any liability for any obligations under the Equipment Notes, other than a pledge of the equity of DNA Alpha to secure such Equipment Notes, and its interests may not in all cases be aligned with your interests. For example, if DNA Alpha were to encounter financial difficulties, the interests of DNA III might conflict with your interests as a Certificateholder. In addition, the directors of DNA Alpha and DNA III are the same, which may exacerbate these risks.

Recourse against DNA Alpha is limited, and payments by Emirates under the Leases may not be sufficient to pay all of DNA Alpha's obligations.

DNA Alpha is a special purpose company whose sole assets will consist of the Aircraft and rights under the related Leases and other transaction documents. The transaction documents will limit DNA Alpha's ability to conduct any activity other than owning and leasing the Aircraft, the other activities contemplated by the transaction documents and activities incidental thereto. Upon the occurrence of an Indenture Default under the Equipment Notes, the Controlling Party will be entitled to direct the relevant Loan Trustee in the exercise of all remedies under the applicable Indenture, including foreclosure on the Aircraft, the repossession of such Aircraft from Emirates under the related Lease following a Lease Event of Default, and any subsequent re-lease of such Aircraft. Recourse against DNA Alpha for its obligations under the transaction documents is limited to amounts payable to DNA Alpha under the transaction documents and the collateral securing the Equipment Notes. The payments to be made by Emirates under each Lease are structured to be in amounts sufficient (i) to pay in full when due all payments required to be made by DNA Alpha with respect to the related Equipment Notes and under the other transaction documents and (ii) to provide distributions (the "equity excess cash") to DNA III in respect of any initial equity contribution to DNA Alpha made by DNA III (which contribution is approximately US $299 million). However, if there is an unanticipated expense or claim made against DNA Alpha unrelated to the operation or ownership of the Aircraft, losses related to such expense or claim may not be covered by indemnities or other payments required to be made by Emirates under the transaction documents, and if the losses are also not covered by insurance proceeds or equity excess cash available at the time of the loss, there could be a shortfall in funds available for DNA Alpha to pay all amounts then due under the Equipment Notes.

There are limitations on service of process and enforcement of liabilities.

Each of DNA III and DNA Alpha is a special purpose company incorporated with limited liability in Guernsey and Emirates is a company organized in Dubai. In addition, the directors of DNA III, DNA Alpha and Emirates are non-residents of the United States. All or a substantial portion of the assets of such non-resident persons and entities are located outside the United States. As a result, although each has submitted to the jurisdiction of the U.S. federal and New York State courts in the borough of Manhattan in the City of New York, it may be difficult for investors to effect service of process on those entities and persons in the United States or to enforce in the United States judgments obtained in United States courts against DNA III, DNA Alpha or Emirates, as applicable, or those entities and persons based on the civil liability provisions of the United States securities laws. Uncertainty exists as to whether courts in Guernsey or Dubai, as applicable, will enforce judgments obtained in other jurisdictions, including the United States under the securities laws of other jurisdictions. There is no bilateral treaty or multinational convention in force between Guernsey and the United States for reciprocal enforcement of judgments.

Risk Factors Relating to the Service Providers

The departure of key personnel at the Service Providers could have a material adverse impact on DNA Alpha.

DNA Alpha is significantly dependent on the expertise and industry knowledge of certain key personnel employed by the Service Providers. The inability of the Service Providers to retain such key personnel, or to recruit individuals of a similar experience and caliber, could have a material adverse impact on the performance of DNA Alpha's obligations under the Leases, and as a result, on its ability to make payments on the Equipment Notes, which in turn would affect the ability of the Trustees to pass through payments to the Certificateholders.

Potential conflicts of interest could arise with respect to the Service Providers or other service providers to DNA Alpha.

Each Service Provider has undertaken to dedicate such time and resources as it reasonably believes is sufficient from time to time to fulfill any contractual obligations it enters into with DNA Alpha. Each Service Provider currently manages other investment vehicles that have similar investment objectives and policies to DNA Alpha and may manage other similar investment vehicles in the future. In addition, the managing directors of certain of the Service Providers are managing directors or shareholders of companies that own aircraft. In certain circumstances, this may give rise to potential conflicts of interests; for example, if the sale or re-leasing of one or more of the Aircraft is being considered at a time when other leasing vehicles managed or owned by a Service Provider or its managing director, as the case may be, also have aircraft assets available for sale or re-leasing, conflicts of interest may arise for such Service Provider in finding the best potential buyer or lessee, as applicable, for its advisees (including DNA Alpha).

Although potential conflicts of interest may arise such that a Service Provider has to consider decisions in its various roles that may impact DNA Alpha, each Service Provider has undertaken to resolve such conflicts in a fair and equitable manner. Where an investment decision is or may reasonably be seen to be the subject of a potential conflict of interest through which a Service Provider may accrue some financial benefit, or a potential conflict of interest arises which a Service Provider is not able to manage effectively, such Service Provider must inform the Board of Directors of DNA III on behalf of DNA Alpha of such investment decision or potential conflict of interest.

In addition, other service providers and their affiliates may be involved in other financial, investment or professional activities that may on occasion give rise to conflicts of interest with DNA

Alpha. Each service provider will have regard to its obligations under its agreements with DNA Alpha or otherwise to act in the best interests of DNA Alpha, so far as is practicable having regard to its obligations to other clients, when potential conflicts of interest arise. There can be no assurance that the resolution of such conflicts of interest by one or more service providers or their affiliates will be the solution most beneficial to DNA Alpha.

DNA Alpha's contractual rights to recover against the Service Providers for inadequate performance may be limited.

Under the agreements governing DNA Alpha's relationship with the Service Providers, DNA Alpha may not in cases in which the applicable Service Provider does not perform have the right to recover damages from such Service Provider for inadequate performance. Further, DNA III has agreed to indemnify the Service Providers and their affiliates for broad categories of losses arising out of performance of services relating to the Aircraft and the Leases, unless such losses arise from the applicable Service Provider's negligence or willful misconduct in respect of its obligations to apply certain standards with respect to its performance of the services under the applicable agreement. Even if a Service Provider becomes liable as a result of its provision of service under its applicable agreement, no assurance can be given that such Service Provider would have the financial resources to satisfy that liability.

USE OF PROCEEDS

The proceeds from the sale of the Certificates offered hereby will ultimately be used to purchase Equipment Notes issued by DNA Alpha with respect to each Aircraft during the Delivery Period. The Equipment Notes will be issued by DNA Alpha to finance a portion of the purchase price of the Aircraft. DNA Alpha will also apply a portion of the proceeds from DNA III's equity contribution of approximately US $299 million in cash to DNA Alpha and an initial rent payment from Emirates for the Aircraft towards the remainder of the purchase price for the Aircraft. Simultaneously with the purchase of each Aircraft, such Aircraft will be leased by DNA Alpha to Emirates. Before the proceeds from the sale of the Certificates of each Trust are used to buy Equipment Notes, such proceeds will be deposited with the Depositary on behalf of the applicable Escrow Agent for the benefit of the holders of such Certificates.

THE GROUP'S SUMMARY FINANCIAL AND OTHER OPERATING DATA

The following tables represent the summary consolidated financial data and other operating data of the Group. The following summary consolidated historical financial information as of and for the years ended March 31, 2013, 2012 and 2011 has been extracted from the audited consolidated financial statements of the Group prepared in accordance with IFRS and included elsewhere in this offering circular. The following summary consolidated historical financial data should be read in conjunction with the information contained in "Presentation of Financial Information of the Group", "Risk Factors—Risk Factors Relating to Emirates, the Lessee", "Emirates—Business", "Emirates—Management's Discussion and Analysis of Financial Conditions and Results of Operations" and "Emirates—Management and Employees" and the Group's audited consolidated financial statements and the notes thereto appearing elsewhere in this offering circular.

The 2011 financial information as of and for the financial year ended March 31, 2011 and included in the tables below has not been amended to reflect the impact of certain reclassifications that were implemented and made by the Group as of and for the year ended March 31, 2013. See ''Presentation of Financial and Other Information—Presentation of Financial Information of the Group—Comparability of the Financial Information of the Group'' for more information.

Consolidated Income Statement

The following table shows the Group's consolidated income statements for the three years ended March 31, 2013, 2012 and 2011, respectively.

	Year ended March 31,		
	2013	**2012**	**2011**
		(AED millions)	
Revenue	71,159	61,508	52,945
Other operating income	1,954	779	1,286
Operating costs	(70,274)	(60,474)	(48,788)
Operating profit	**2,839**	**1,813**	**5,443**
Other gains and losses	—	—	(4)
Finance income	406	414	521
Finance costs	(900)	(657)	(506)
Share of results in associated companies and joint ventures	127	103	91
Profit before income tax	**2,472**	**1,673**	**5,545**
Income tax expense	(64)	(53)	(78)
Profit for the year	**2,408**	**1,620**	**5,467**
Profit attributable to non-controlling interest	125	118	92
Profit attributable to Emirates' owner	**2,283**	**1,502**	**5,375**

Consolidated Statement of Financial Position

The following table shows the Group's consolidated statements of financial position as of March 31, 2013, 2012 and 2011, respectively.

	As of March 31,		
	2013	2012	2011
	(AED millions)		
ASSETS			
Non-current assets			
Property, plant and equipment	57,039	49,198	39,848
Intangible assets	910	902	901
Investments in associated companies and joint ventures	485	430	386
Advance lease rentals	807	370	384
Loans and other receivables	508	917	1,704
Derivative financial instruments	92	69	—
Deferred income tax assets	15	10	—
Total non-current assets	**59,856**	**51,896**	**43,223**
Current assets			
Inventories	1,564	1,469	1,290
Trade and other receivables	8,744	8,126	6,481
Derivative financial instruments	67	8	123
Short term bank deposits	18,048	8,055	3,777
Cash and cash equivalents	6,524	7,532	10,196
Total current assets	**34,947**	**25,190**	**21,867**
Total assets	**94,803**	**77,086**	**65,090**
EQUITY AND LIABILITIES			
Capital and reserves			
Capital	801	801	801
Retained earnings	22,729	21,256	20,370
Other reserves	(768)	(833)	(565)
Attributable to Emirates' owner	**22,762**	**21,224**	**20,606**
Non-controlling interests	**270**	**242**	**207**
Total equity	**23,032**	**21,466**	**20,813**
Non-current liabilities			
Trade and other payables	269	—	31
Borrowing and lease liabilities	35,483	26,843	20,502
Deferred revenue	1,460	1,074	930
Deferred credits	294	350	401
Deferred income tax liability	—	—	2
Derivative financial instruments	1,016	957	642
Provisions	1,930	1,350	479
Total non-current liabilities	**40,452**	**30,574**	**22,987**
Current liabilities			
Trade and other payables	25,013	19,882	17,551
Income tax liability	24	36	22
Borrowings and lease liabilities	5,042	4,037	2,728
Deferred revenue	1,147	915	792
Deferred credits	87	136	136
Derivative financial instruments	6	40	61
Total current liabilities	**31,319**	**25,046**	**21,290**
Total liabilities	**71,771**	**55,620**	**44,277**
Total equity and liabilities	**94,803**	**77,086**	**65,090**

Consolidated Cash Flow Statement

The following table summarizes the Group's consolidated cash flow statements for each of the three years ended March 31, 2013, 2012 and 2011, respectively.

	Year ended March 31,		
	2013	2012	2011
	(AED millions)		
Net cash generated from operating activities	12,814	8,107	11,004
Net cash used in investing activities	(15,061)	(10,566)	(5,092)
Net cash generated from/(used in) financing activities	1,240	(201)	(5,046)
Net (decrease)/increase in cash and cash equivalents	**(1,007)**	**(2,660)**	**866**
Cash and cash equivalents at start of the year	7,527	10,187	9,322
Effects of exchange rate changes	—	—	(1)
Cash and cash equivalents at end of the year	**6,520**	**7,527**	**10,187**

Other Data

The following table shows certain other financial data, ratios and airline operating statistics for the Group as of and for the three years ended March 31, 2013, 2012 and 2011, respectively.

	As of year ended March 31,		
	2013	2012	2011
	(AED millions, except where otherwise stated)		
EBITDAR (1)	13,891	10,735	13,437
Total borrowings and lease liabilities	40,525	30,880	23,230
Less: cash assets (2)	(24,572)	(15,587)	(13,973)
Net debt	15,953	15,293	9,257
Capital expenditure	13,378	13,644	12,238
Operating margin (3) (%)	3.9	2.9	10.0
Profit margin (4) (%)	3.1	2.4	9.9
Return on shareholder's funds (5) (%)	10.4	7.2	28.4
EBITDAR margin (6) (%)	19.0	17.2	24.8
Cash assets to revenue and other operating income (7) (%)	33.6	25.0	25.8
Net debt to equity ratio (8) (%)	69.3	71.2	44.5
Net debt (including aircraft operating leases) to equity ratio (9) (%)	186.4	162.1	127.6
Net debt (including aircraft operating leases) to EBITDAR (10) (%)	309.1	324.1	197.6
Revenue per employee *(AED thousands)* (11)	1,868	1,796	1,738
Airline operating statistics			
Aircraft *(number)*	197	169	148
Average fleet age *(months)*	72	77	77
Destination cities *(number)*	132	122	111
Aircraft departures *(number)*	159,892	142,129	133,772
Passengers carried *(millions)*	39.4	34.0	31.4
Cargo carried *(thousand tonnes)*	2,086	1,796	1,767
Overall load carried *(RTKM million)*	27,621	23,672	22,078
Overall capacity *(ATKM million)*	40,934	35,467	32,057
Overall load factor (12) (%)	67.5	66.7	68.9
Breakeven load factor (13) (%)	66.9	65.9	63.6
Unit costs *(fils per ATKM)*	167	166	147
Unit costs (excluding jet fuel) *(fils per ATKM)*	99	97	95
Overall yield (14) *(fils per RTKM)*	249	251	232

(1) EBITDAR calculated as operating profit before depreciation, amortization and aircraft operating lease rentals.
(2) Cash assets calculated as the sum of short-term bank deposits, cash and cash equivalents and other cash investments classified into other categories of financial assets.
(3) Operating margin calculated as operating profit divided by the sum of revenue and other operating income.
(4) Profit margin calculated as profit attributable to Emirates' owner expressed as a percentage of the sum of revenue and other operating income.
(5) Return on shareholder's funds calculated as profit attributable to Emirates' Owner divided by the shareholder's funds. "Shareholder's funds" means the average of opening and closing equity attributable to Emirates' Owner.
(6) EBITDAR margin calculated as EBITDAR expressed as a percentage of the sum of revenue and other operating income.
(7) Cash assets to revenue and other operating income calculated as cash assets divided by revenue and other operating income.
(8) Net debt to equity ratio calculated as total borrowings and lease liabilities net of cash assets divided by equity.
(9) Net debt (including aircraft operating leases) to equity ratio calculated as total borrowings and lease liabilities (including aircraft operating leases) net of cash assets divided by equity.
(10) Net debt (including aircraft operating leases) to EBITDAR calculated as total borrowings and lease liabilities (including aircraft operating leases) net of cash assets divided by the EBITDAR.
(11) Revenue per employee calculated as airline revenue divided by the average airline employee strength.
(12) Overall load factor calculated as RTKM (revenue tonne kilometer) divided by ATKM (available tonne kilometer).
(13) Breakeven load factor calculated as the overall load factor at which revenue (airline only) will equal operating costs (airline only).
(14) Overall yield calculated as revenue (airline only) earned per RTKM and expressed in fils per RTKM.

EMIRATES

Business

Overview

Emirates was incorporated, with limited liability, in Dubai on June 26, 1985 by an Emiri decree issued by His Royal Highness, Sheikh Maktoum bin Rashid Al-Maktoum and is wholly owned by ICD which, in turn, is wholly owned by the Government of Dubai. The decree awarded Emirates the right to operate commercial air services and designated Emirates as the national carrier for Dubai.

The Group's principal business is the transportation by air of both passengers and cargo and this business accounted for more than 95 percent of the Group's total revenue in each of the three financial years ended March 31, 2013, 2012 and 2011. The Group also provides destination and leisure management services and generates revenues through the sale of consumer goods, food and beverages and the provision of in-flight catering services to third parties.

The "Emirates Group" comprises the Group and dnata (together with its consolidated subsidiaries and associates, including dnata World Travel) (the "Emirates Group"). dnata is a separate legal entity from Emirates, although it is under common ownership and operates under a common management structure. dnata's financial results are not consolidated with those of Emirates. dnata is the largest travel management services entity in the UAE and the sole ground handling agent at Dubai International Airport. dnata's primary activities are the provision of aircraft handling and engineering services, representing airlines as their general sales agent, travel agency and other travel related services, as well as catering. The Group shares certain common services, such as information technology, human resources, finance and legal, with dnata and its group companies and members of Emirates' senior management team also have senior management positions at dnata and dnata's group companies and associates.

According to the International Air Transport Association ("IATA") World Air Transport Statistics ("WATS"), 57th edition, in 2012 Emirates was the leading airline in the world in terms of international passenger flights measured in RPKM and ranked first in terms of international freight transported measured in freight tonne kilometers. Emirates' operating profit for the financial year ended March 31, 2013 ("financial year 2013") was AED 2,839 million on revenues of AED 71,159 million. Emirates' revenues and other operating income grew at a compounded annual growth rate of 21.0 percent over the 10 financial years to March 31, 2013 and profits attributable to Emirates' owner grew over the same period by an average of 4.2 percent per year. Emirates has recorded net profits in each of its last 25 financial years.

The Group's revenue increased by 16.2 percent in the financial year ended March 31, 2012 ("financial year 2012") and increased by 15.7 percent in financial year 2013, in each case compared to the previous financial year. The Group's operating profit decreased by 66.7 percent in financial year 2012 and increased by 56.6 percent in financial year 2013, in each case compared to the previous financial year.

In financial year 2013, 95.9 percent of the Group's revenue comprised transportation revenue, consisting of revenue generated from passenger transport (80.8 percent), cargo transport (14.5 percent) and excess baggage (0.6 percent). The remaining 4.1 percent of the Group's revenue was derived from a range of ancillary sources, including the sale of consumer goods, the sale of food and beverages, in-flight catering services provided to third parties and leisure services (including hotel operations).

In the financial year ended March 31, 2013, Emirates transported 39.4 million passengers to 120 destinations and carried approximately 2.1 million tonnes of cargo to 133 destinations (including Dubai). Emirates' passenger seat factor and overall load factor were 80.0 percent and 67.5 percent, respectively, in financial year 2013 (compared to 80.0 percent and 66.7 percent, respectively, in the previous financial year) and its breakeven load factor was 66.9 percent in financial year 2013 and 65.9 percent in financial year 2012. Emirates' RPKMs and RTKMs increased by 17.6 percent and 16.7 percent, respectively, in financial year 2013 compared to financial year 2012. Emirates is one of the fastest growing major international scheduled airlines in the world and has one of the youngest fleets of aircraft in the world. The average age of Emirates' fleet as of March 31, 2013 was 72 months against a global industry average of around 140 months according to the IATA WATS Report dated June 2013.

History

Emirates was launched in 1985 with the maiden flight to Karachi taking off on October 25 that year. The airline expanded rapidly, flying to 12 destinations by 1988, 24 by 1991 and 35 by its tenth anniversary in 1995. In 1992, Emirates became the first airline to install video systems in all seats in all classes throughout its fleet. Innovations continued in 1993 when Emirates became the first airline to introduce telecommunications on an Airbus in all three classes and in 1994 when it became the first airline to equip an Airbus fleet with an on-flight fax facility.

In 2000, Emirates launched its frequent flyer loyalty program, Skywards, and became the first airline to order the Airbus A380. In 2002, Emirates recorded passenger traffic and cargo increases of 18.3 percent and 19.5 percent, respectively, against global falls of around four percent and nine percent, respectively, in the wake of the September 11, 2001 terrorist attacks in the United States and, for the second year running, Emirates was awarded Airline of the Year by Skytrax, based on an internet poll of four million passengers (in the 2002 poll).

In 2003, Emirates signed an order for 71 aircraft worth approximately US $19 billion (at list prices), the then largest single order for aircraft in aviation history. In 2010, Emirates took delivery of its 150th aircraft. In financial year 2012, Emirates placed the single largest aircraft order by dollar value in Boeing's history for 50 B777-300ER aircraft for US $18 billion at list prices, with options to purchase an additional 20 B777-300ERs valued at US $8 billion. In financial year 2013, Emirates took delivery of a record 34 aircraft, including 20 B777-300ERs and four B777-200LRFs from Boeing and 10 A380s from Airbus, taking the fleet size to 197 aircraft.

In 2004, Emirates became the first airline in the Arab world to offer electronic ticketing. In 2008, Emirates became the first commercial airline to introduce on-board shower facilities in first class on its new Airbus A380 aircraft and also became the first international carrier to introduce an in-flight mobile phone service allowing Emirates' passengers to use their own mobile telephones in flight. By the end of 2009, Emirates' in-flight mobile phone service had been used by more than one million passengers. During 2012, Emirates also started offering Wi-Fi internet connectivity on all of its A380 aircraft through SWIFT broadband. In October 2008, Emirates commenced passenger flight operations from a dedicated terminal at DIA, Terminal 3. The new A380-dedicated Concourse A at DIA Terminal 3 commenced full operations during the first quarter of 2013.

In February 2011, Emirates was awarded Airline of the Year for 2010 by Air Transport World magazine. In 2012, Emirates was named Gold Airline of the Year by Air Transport News Awards. In 2013, Emirates was named Best Airline Worldwide at the Business Traveller Middle East Awards and its Emirates SkyCargo division was named Cargo Operator of the Year at the Supply Chain and Transport Awards. In June 2013 Emirates was awarded the World's Best Airline Award by Skytrax. Emirates SkyCargo also received the Cargo Airline of the Year 2013 Award from Air Cargo News.

Strategy and Competitive Strengths

Emirates' principal strategy is to continue to develop its business model which is based on its ability to fly passengers easily and in comfort from any part of the world to any other destination, with the only stop being Dubai. Emirates' strategy is closely aligned with the strategic development objectives of its ultimate owner, the Government of Dubai, as set out in the Dubai Strategic Plan 2015 which envisages that economic growth in Dubai will be based, among other things, on travel and tourism, trade and transport and logistics, for all of which Emirates acts as a significant facilitator. See "—Relationship with the Government".

Emirates believes that its business model is different from that of other major international airlines in a number of significant respects which reflect specific strategic decisions taken by Emirates in developing the model and/or significant competitive strengths which Emirates intends to continue to leverage. These differences include Emirates' product positioning, its geographical position (which facilitates the connectivity of its flights around the world), its access to underserved markets, its cost structure, its higher operating efficiency, its passenger traffic mix and focus on cargo traffic, its independence from global alliances, its premium brand, its young and efficient fleet, its financial strength and flexible funding sources and its experienced management team, each of which is described further below. In addition, in 2012, Emirates entered into separate bi-lateral cooperation agreements with Dubai Aviation Corporation ("flydubai"), a Dubai-based low-cost carrier owned by the Government of Dubai, and Qantas Airways Limited ("Qantas"). These agreements propose a closer level of commercial cooperation between Emirates and each of these two airlines, subject to compliance with the terms of all necessary regulatory approvals. See "—Arrangements with Other Airlines".

- Emirates seeks to provide a premium service across all travel classes through, for example, for first and business class passengers, its free limousine transfer service, separate and spacious check-in facilities, award-winning airport lounges; for first class passengers, individual private suites with showers and bar lounges on board the Airbus A380 fleet; and for all passenger classes, its industry leading on-board entertainment system and a successful frequent flyer program. Product upgrades and continuing innovation (see "—History") are an important part of Emirates' strategy of continuing to develop its business model as well as a significant competitive strength and are constantly made across Emirates' fleet with older aircraft currently undergoing in-flight entertainment and seat upgrades in order to maintain Emirates' high product standards throughout all aircraft.
- Emirates' brand was named the most valuable airline brand globally by Brand Finance in its 2012 Global 500 brand survey. Emirates has received more than 500 international awards for excellence in its more than 25 years of operation, including winning Air Transport World's Airline of the Year award (in 2011), the prestigious Skytrax Airline of the Year Award twice (in 2001 and 2002), the World's Best Airline In-flight Entertainment in the Skytrax World Airline Awards (in 2012 for the seventh consecutive year), the Best Airline based in the Middle East/ Indian Sub-Continent in the OAG Airline Industry Awards (in 2009), the Long-haul Airline of the Year—Nonstop in the Annual Travel Star Awards (in 2009), the "Best of the Best" award for its Airbus A380 First Class Cabin in the Robb Report, China (in 2009) and the Cargo Airline of the Year in the Air Cargo News Awards (in 2010). In 2012, Emirates was named Gold Airline of the Year by Air Transport News Awards. Emirates was also named World's Best Airline by Skytrax in June 2013. Emirates believes that the quality of the service which it offers and the strength of its brand are critical to its continuing success and intends to continue focusing on developing its brand, see "—Marketing and Intellectual Property—Marketing".
- Emirates has one of the youngest fleets in the world with an average age of 72 months as of March 31, 2013 compared to a global industry average of around 140 months according to the IATA WATS Report dated June 2013. As a result, Emirates' aircraft are more fuel efficient than older aircraft which provides significant cost savings. Emirates has also pioneered several

operational fuel saving techniques, including single engine taxiing and flying more direct routes and works continuously to improve its fleet's performance. Emirates' fleet is comprised solely of wide-body aircraft, which creates a lower unit cost than fleets with mixed wide and narrow bodied aircraft. In addition, the use of wide-body aircraft also provides greater flexibility for cargo transportation. Emirates also believes that a young fleet appeals to passengers, especially those who are environmentally or safety conscious or who want to experience travel on the most modern aircraft such as the Airbus A380.

- Emirates believes that operation of its long-haul services through a single hub at DIA combined with its network of 120 passenger destinations as of March 31, 2013 and high frequency of flights allows it to maximize connectivity around the globe. The location of Emirates' hub at DIA provides it with the significant additional advantage that non-stop flights can be made to all major destinations across the globe. According to a New York Times article of February 12, 2011, around four billion people live within an eight hour flight from Dubai. Emirates' strategy is to continue to increase the number of destinations to which it flies as well as to increase the frequency of flights on existing routes served by it where passenger demand justifies these increases. According to IATA WATS, 57th edition, in 2012 Emirates was the leading airline in the world in terms of international passenger flights measured in RPKM and ranked first in terms of international freight transported measured in freight on kilometers.

- Emirates has a strong presence in markets that are underserved by many of its international airline competitors which have focused on their own hubs for long-haul travel. For example, in high volume markets, such as the United Kingdom, passengers can fly directly to Dubai (and onwards to any other global destination) from four regional cities within the United Kingdom without having to transit through London. Similarly, as of March 31, 2013, as part of its route network Emirates flew to ten cities in India, seven cities in the United States, three cities in China, four cities in Germany and five cities in Australia. Emirates believes that its strategy of targeting new underserved markets contributes to the development of new passenger traffic as a result of easier access for passengers within those markets to new destinations. Emirates constantly assesses its route network and evaluates potential new markets.

- Emirates is not a member of any global airline industry alliance. Emirates believes that this allows it a greater degree of operational freedom and enables it to be more flexible in its strategy and more responsive to industry developments than airlines whose membership in a global alliance restricts their ability to act outside the common alliance goals.

- Emirates believes that focused bi-lateral cooperation arrangements, rather than traditional global alliances, provide significant results for passengers and the airlines involved. In accordance with this strategy, in September 2012 Emirates entered into a Master Coordination Agreement with Qantas, pursuant to which the airlines agreed to enter into codesharing arrangements across their global networks and to coordinate on pricing, sales and capacity. This partnership is intended to provide customers with enhanced access to the combined network of both carriers, and commenced on March 31, 2013, following approval by the ACCC and the Competition Commission of Singapore ("CCS"). The Master Coordination Agreement has also subsequently been approved by the New Zealand Ministry of Transport allowing coordination in New Zealand and on trans-Tasman services.

- While Dubai is an important destination and point of sale for Emirates, the airline has a very wide geographic coverage spanning destinations in high growth emerging economies such as Brazil, China, India and Russia as well as the more mature economies in Western Europe and the United States, which makes Emirates a global operator that is relatively more able to respond to adverse economic or political environments in any one particular location. For example, in financial year 2013, only 10.0 percent of the Group's total revenue was derived from the Gulf and Middle East region, with 29.4 percent of total revenue coming from East Asia and Australasia, 28.3 percent coming from Europe and the balance being split relatively evenly between West Asia and the Indian Ocean, the Americas and Africa. See "Management's Discussion and Analysis of Financial Conditions and Results of Operations—Results of Operations for the three years ended March 31, 2013—Revenue". In financial year 2013, Emirates transported cargo to 133 destinations (including Dubai). Emirates' cargo traffic generated 15.2 percent of the Group's transportation revenues in financial year 2013.

- Emirates believes that it has an industry-leading cost structure, benefiting from fewer legacy costs than many of its longer-established international airline competitors, an efficient wide-body fleet that allows sufficient cargo capacity and generates a lower unit cost than the mixed fleets operated by many of its major international airline competitors and low labor costs through higher productivity. Emirates' revenue per airline employee improved by 4.0 percent while capacity per airline employee improved by 2.0 percent in financial year 2013 compared to financial year 2012. Emirates intends to continue to focus on productivity improvements and increasing the efficiency of its fleet. Emirates has one of the youngest fleets of any airline, with an average aircraft age of just six years. For financial year 2012, Emirates' fleet's average fuel efficiency results were 22.5% better than IATA industry average and CO_2 emissions were 18.1% lower than the IATA global fleet average (as measured by IATA).
- Emirates believes that its flat organizational structure compared to many of its international airline competitors, the lack of night flight restrictions at DIA (which increase its route flexibility and capacity utilization) and a single hub strategy all combine to enable it to achieve a higher operating efficiency than many of its competitors. Emirates' operating efficiency is indicated by its breakeven load factor of 66.9 percent in financial year 2013, its increasing aircraft departure numbers and its annual fleet average utilization rates which (excluding one freighter aircraft held on wet lease) were 13.81, 14.01 and 13.86 block hours per aircraft day in financial years 2013, 2012 and 2011, respectively (where "block hours" refers to the time between the moment that the aircraft closes its doors at departure until the moment the aircraft door opens at the arrivals gate following its landing).
- The Group has a conservative capital structure, a strong balance sheet, good liquidity and a well-diversified funding mix. Emirates' liquidity is illustrated by an adjusted net debt (that is, total debt including operating leases but less cash assets) to EBITDAR ratio of 3.1 times at March 31, 2013 and 3.2 times at March 31, 2012 and a cash assets to revenue and other operating income ratio of 33.6 percent at March 31, 2013 and 25.0 percent at March 31, 2012. The Group's gearing ratio (which is described in "Management's Discussion and Analysis of Financial Conditions and Results of Operations—Statement of Financial Position—Liabilities—Borrowings and Lease Liabilities") decreased from 71.2 percent at March 31, 2012 to 69.3 percent at March 31, 2013 (excluding operating leases) and increased from 162.1 percent at March 31, 2012 to 186.4 percent at March 31, 2013 (including operating leases). Emirates' outstanding funding has been obtained from a number of different sources, including operating leases, commercial bank lending, export credit guaranteed bank funding, debt securities issued into the capital markets and Islamic-compliant funding. In 2009, Emirates executed the first ever financing of Boeing aircraft in a capital markets transaction guaranteed by the US Export-Import Bank on finance lease. Emirates has subsequently used similar instruments to finance ten additional Boeing aircraft. In February 2013, Emirates refinanced one of its A380 aircraft through the first ever capital market bond backed by a COFACE (the French Export Credit Agency) guarantee. In 2011, Emirates completed a US $1 billion issuance of 5.125% notes due 2016 pursuant to Regulation S under the Securities Act. In 2012, Emirates leased four A380 aircraft from Doric Nimrod Air Finance Alpha Limited; the cost of the purchase of the aircraft by Doric Nimrod Air Finance Alpha Limited was partially financed through the issue of U.S.$587,500,000 Pass Through Certificates. In February 2013, Emirates completed a U.S.$750 million issuance of 4.50 percent notes due 2025 and in March 2013, Emirates completed a U.S.$1 billion issuance of Sukuk trust certificates due 2023. Accordingly, Emirates has established and intends to maintain a well-diversified portfolio of funding without needing to rely on any single source of financing.

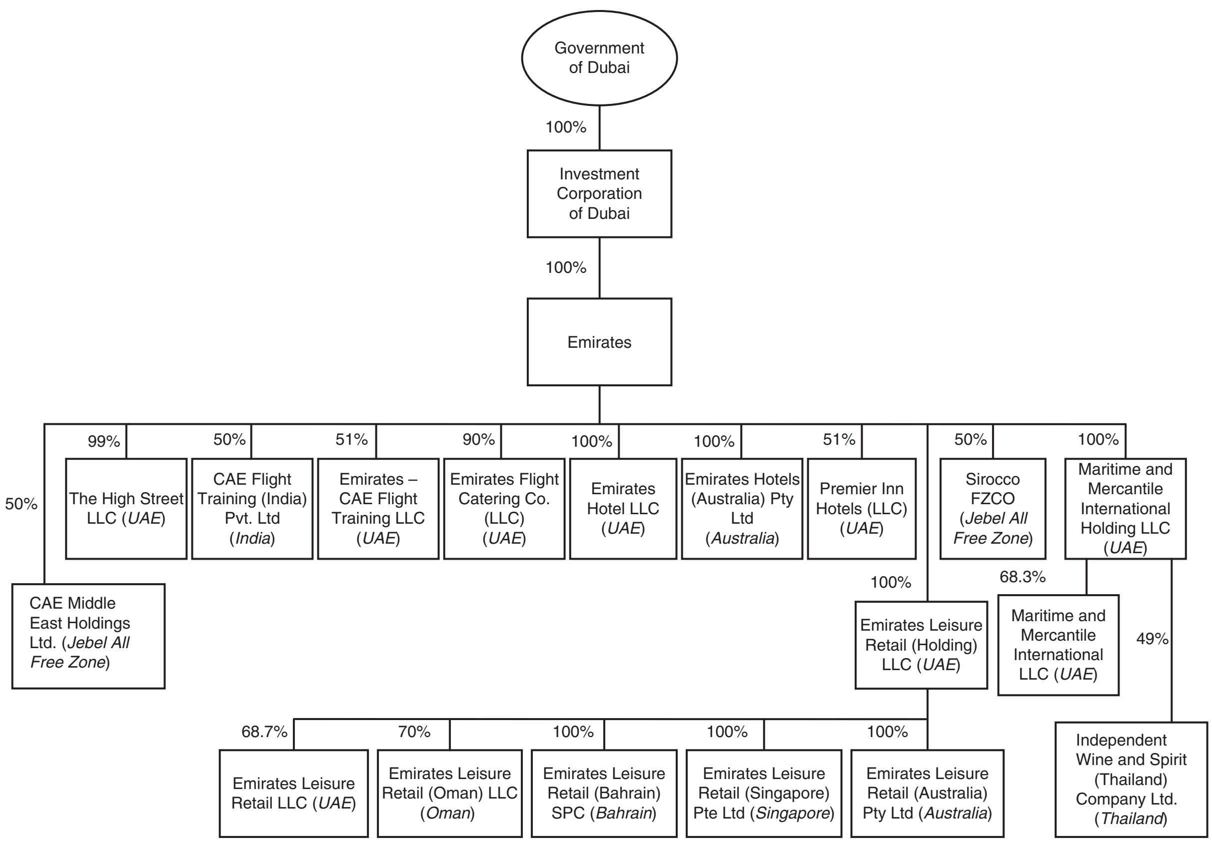
- Every member of Emirates' senior management team but one has been with Emirates for over 15 years and, together, the eight members of the senior management team have more than 170 years' experience in the airline industry. Emirates' Chairman and Chief Executive, His Highness Sheikh Ahmed bin Saeed Al-Maktoum, is the younger brother of the late Ruler of Dubai, Sheikh Rashid bin Saeed Al-Maktoum, and is on the board of directors of a number of influential bodies in the UAE, including the Dubai Executive Council, which is responsible for formulating the policies and strategies of Dubai, the Dubai Civil Aviation Authority and the General Civil Aviation Authority of the UAE, Dubai Airports, flydubai and Dubai Aerospace Enterprise, an aircraft leasing, maintenance, repair and overhaul provider.

In financial terms, Emirates' strategy is to continue to focus on sound financial and prudent risk management. Emirates believes that its history of recording a net profit in each of its last 25 financial years, including through significant industry crises such as the September 11, 2001 terrorist attacks, two Gulf Wars, the recent global financial crisis and recent regional conflicts, is evidence of its success in this regard.

Corporate Structure

A list of Emirates' principal subsidiaries, associated companies and joint ventures is set out in note 12 to the 2013 Group Financial Statements. The chart below shows Emirates and its significant subsidiaries and joint ventures.

EMIRATES CORPORATE STRUCTURE



The Group's Business

The Group's principal business is the transportation by air of both passengers and cargo and this business accounted for more than 95 percent of the Group's total revenue in each of the three financial years ended March 31, 2013, 2012 and 2011. The Group also provides destination and leisure management services and generates revenues through the sale of consumer goods, food and beverages and the provision of in-flight catering services to third parties.

Overview of Emirates' Air Transportation Business

As at March 31, 2013, Emirates flew to 132 destinations (including 13 cargo destinations) in 77 countries worldwide. During the year ended March 31, 2013, Emirates carried 39.4 million passengers and 2.1 million tonnes of cargo.

The table below shows the development of Emirates' air transportation business over the ten-year period from financial year 2004 to financial year 2013 measured by the number of destinations, the number of aircraft, the average age of the fleet, the overall capacity, the overall load carried, the overall load factor, the breakeven load factor and the number of aircraft departures:

	Financial year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Destination cities (1)	132	122	111	102	99	99	89	83	76	73
Aircraft (2)	197	169	148	142	127	109	96	85	69	61
Average fleet age (3)	72	77	77	69	64	67	63	61	55	46
Overall capacity (4)	40,934	35,467	32,057	28,526	24,397	22,078	19,414	15,803	13,292	10,207
Overall load carried (5)	27,621	23,672	22,078	19,063	15,879	14,739	12,643	10,394	8,649	6,629
Overall load factor (%)	67.5	66.7	68.9	66.8	65.1	66.8	65.1	65.8	65.1	64.9
Breakeven load factor (%)	66.9	65.9	63.6	64.4	64.1	64.1	59.9	60.2	58.0	59.0
Aircraft departures (6)	159,892	142,129	133,772	123,055	109,477	101,709	92,158	79,937	72,057	58,763

Notes:

(1) In numbers as of March 31 (passenger and cargo traffic).
(2) Number as of March 31.
(3) In months as of March 31.
(4) ATKM million for the year ended March 31.
(5) RTKM million for the year ended March 31.
(6) In numbers for the year ended March 31.

The table below shows the geographical distribution of the Group's revenue for financial years 2013, 2012 and 2011. For the purposes of this table, revenue from flight operations is attributed to the geographical areas in which the relevant flight originates and ends whilst other revenue is attributed to the area in which the sale is made or service rendered.

	Financial year		
	2013	2012	2011
		(%)	
East Asia and Australasia	29.4	29.6	29.3
Europe	28.3	27.7	27.2
West Asia and Indian Ocean	11.3	11.5	12.1
Gulf and Middle East	10.0	10.3	10.4
Africa	9.4	10.0	10.6
Americas	11.6	10.9	10.4
Total	**100.0**	**100.0**	**100.0**

Passenger Transportation

As at March 31, 2013, Emirates flew passengers to 120 destinations in 69 countries worldwide through a range of short-, medium- and long-haul services. Emirates operates approximately 1,469 flights per week from a dedicated terminal building, Terminal 3, at its base at DIA. Emirates flies passengers to 16 destinations in the Middle East, 22 destinations in Africa, 32 destinations in Europe, eight destinations in North America, three destinations in South America, five destinations in Australia, two destinations in New Zealand, and 32 destinations in Asia.

The table below shows the development of Emirates' passenger transportation business over the ten-year period from financial year 2004 to financial year 2013 measured by the number of passengers carried, passenger capacity, RPKM and passenger seat factor:

	Financial year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Passengers carried (1) . . .	39,391	33,981	31,422	27,454	22,731	21,229	17,544	14,498	12,529	10,441
Passenger capacity (2) . . .	236,645	200,687	182,757	161,756	134,180	118,290	102,337	82,009	68,930	54,657
RPKM (3)	188,618	160,446	146,134	126,273	101,762	94,346	77,947	62,260	51,398	40,110
Passenger seat factor (4) .	79.7	80.0	80.0	78.1	75.8	79.8	76.2	75.9	74.6	73.4

Notes:

(1) In thousands for the year ended March 31.

(2) ASKM in millions for the year ended March 31.

(3) In millions for the year ended March 31.

(4) In percent.

Emirates' passenger seat factor varies on a route by route basis with nearly half of its passenger routes, including destinations across a broad geographic spread on all continents to which Emirates flies, having passenger seat factors of 79.7 percent for financial year 2013.

Emirates' customer loyalty program, the Skywards program, has more than eight million members. Skywards offers four tiers of membership: blue, silver, gold and platinum, plus an exclusive "invitation only" category of membership, known as "iO". Customers earn miles ("Skywards Miles") with every flight that they take with Emirates and with certain participating airlines. Customers can also earn Skywards Miles through Emirates' partner hotels and other third party service and product providers. The actual number of Skywards Miles earned through flights depends on the route, type of ticket purchased and class of travel. During 2010, Emirates introduced a new method of calculating miles based on a zone system rather than simply on the number of miles flown. Emirates believes that Skywards' zone system is an industry-leading innovation which simplifies the method of earning Skywards Miles and aligns it with the method by which Skyward Miles are redeemed. Skyward Tier miles can be redeemed for a number of products and services offered by the Group, including: reward flights and upgrades with Emirates; reward flights with certain participating airlines; tours and excursions with Arabian Adventures (see "—Other Businesses—Destination and Leisure Management Business"); and a range of products and services from the Emirates High Street (see "—Other Businesses—Retail Businesses"). Skywards Miles can also be redeemed for reward stays at Emirates' partner hotels as well as for car rentals and other third party service and product providers within and outside the UAE. The Group accounts for its future liability to redeem Skywards Miles as deferred revenue and, as of March 31, 2013, deferred revenue amounted to AED 2,607 million. As part of its commercial cooperation with Qantas, Emirates gives Skywards members the opportunity to earn and redeem Skywards Miles on Emirates flights and a range of Qantas flights. Qantas Frequent Flyer program members have equivalent rights.

In Dubai, Emirates operates from a dedicated Emirates terminal at DIA, Terminal 3, which includes amenities such as first and business class facilities, a hotel, a spa, restaurants and business facilities allowing passengers to transit to their onward destinations from Dubai in a comfortable and efficient manner. With the opening of Concourse A, which is wholly dedicated to A380 aircraft, in the first quarter of 2013, the total capacity of DIA increased from 60 million to 75 million passengers per year. In addition, Dubai Airports has recently commenced construction of a new Concourse D attached to Terminal 1 at DIA, which will increase the capacity of DIA to 90 million passengers per year on its scheduled completion in 2018. Worldwide, Emirates has 35 dedicated airport lounges, including six at DIA, for use by its premium passengers. Customer satisfaction is very important and Emirates seeks extensive customer feedback which it uses to improve the products and services which it offers. See "—Strategy and Competitive Strengths". As part of their commercial cooperation, Emirates and Qantas allow lounge access to passengers of either airline and cooperate in the provision of joint lounge facilities at selected airports.

Cargo Transportation

Emirates operates its cargo transportation business under the brand Emirates SkyCargo. Emirates principally uses the bellyhold capacity in its passenger aircraft (which allows it to maximize the use of its scheduled route network to provide a worldwide cargo service), as well as the maindeck capacity of its freighter fleet, which consists of 10 (one of which is on wet lease) Boeing 777-200LRF and Boeing 747-400ERF freighters (see "—Aircraft Fleet" below), which serve the following 13 cargo destinations: Almaty, Chicago, Chittagong, Djibouti, Eldoret, Gothenburg, Hanoi, Leige, Lilongwe, Taipei, Tripoli, Viracopos and Zaragoza.

As at March 31, 2013, Emirates offered its cargo customers a comprehensive range of solutions to 133 destinations in 77 countries, including the following products and services:

- general freight, which is the most economical global cargo distribution product offered by Emirates. This product is available on all of Emirates' flights and customers are able to make reservations on-line;
- priority cargo, for time-sensitive deliveries. Customers using this product are guaranteed capacity, late acceptance of goods, priority loading and a money back guarantee if the goods are not delivered;
- courier services, which caters exclusively for airport-to-airport transportation of documents and packaged boxes; and
- integrated solutions, which gives customers the option to have their cargo collected at its point of origin and/or delivered over-land to its final destination in addition to the air transportation between countries. This premium service can also include administration of all documentary formalities at the destination airport.

Emirates' cargo business is based at the approximately 970,500 square foot Cargo Mega Terminal located at DIA. The Cargo Mega Terminal has the capacity to process 1.2 million tonnes of cargo per year and benefits from each of Dubai Customs, the Department of Civil Aviation and the UAE Ministry of Agriculture and Fisheries being located in the same building.

The table below shows the development of Emirates' cargo transportation business over the ten-year period from financial year 2004 to financial year 2013 measured by the amount of cargo carried:

	Financial year									
	2013	**2012**	**2011**	**2010**	**2009**	**2008**	**2007**	**2006**	**2005**	**2004**
Cargo carried (1)	2,086	1,796	1,767	1,580	1,408	1,282	1,156	1,019	838	660

Notes:
(1) In thousands of tonnes.

Aircraft Fleet

As of March 31, 2013, Emirates operated a total of 197 wide-body aircraft. Of these aircraft, 118 were leased under operating leases, 63 were leased under finance leases and six were owned by Emirates.

The table below shows Emirates' aircraft which were in service as of March 31, 2013 (together with details of how those aircraft were owned or leased by Emirates on that date) and Emirates' aircraft which were in service as of March 31 in each of 2012 and 2011:

	As of March 31, 2013				As of	
Aircraft type	Number of aircraft	*Of which:* Operating Lease	*Of which:* Finance Lease	*Of which:* Owned	March 31, 2012	March 31, 2011
Passenger aircraft						
Airbus						
A330-200	23	18		5	26	27
A340-300	5	5		—	8	8
A340-500	10	8	2		10	10
A380-800	31	14	17		21	15
Boeing						
B777-200	3	2		1	3	3
B777-200ER	6	6			6	6
B777-200LR	10	4	6		10	10
B777-300	12	12			12	12
B777-300ER	87	49	38		67	53
Total passenger:	**187**	**118**	**63**	**6**	**163**	**144**
Freighter aircraft						
Boeing						
B777-200LRF	8	8			4	2
B747-400ER F	2	2			2	2
Total freighter (1)	**10**	**10**			**6**	**4**
Total Aircraft	**197**	**128**	**63**	**6**	**169**	**148**

Note:

(1) In addition to the aircraft listed in the above table, as of March 31 in each of 2013, 2012 and 2011, Emirates also had one, two and three B747 freighters on wet lease for its cargo operations as of those dates respectively. Under a wet lease, Emirates leases the aircraft, crew, maintenance and insurance from another airline and pays by reference to the hours of operation of the aircraft concerned. Emirates also provides the fuel and covers airport fees and any other duties or taxes payable. Emirates does not wet lease any of its aircraft to third party airlines.

Brief details on the principal aircraft that comprise Emirates' core fleet are set out below:

Airbus A380-800

The Airbus A380-800 is a four-engine aircraft with twin-decks with a maximum range of 8,300 nautical miles. Emirates currently operates this aircraft to 21 destinations: Amsterdam, Auckland, Bangkok, Beijing, Hong Kong, Jeddah, Kuala Lumpur, London (Heathrow), Manchester, Melbourne, Moscow, Munich, New York (JFK), Paris, Rome, Seoul, Shanghai, Singapore, Sydney, Tokyo and Toronto.

The Airbus A380-800 delivers significant environmental benefits compared to comparable aircraft, including a significantly smaller noise footprint and lower carbon dioxide emissions. The Airbus A380-800, the largest aircraft in production, also provides the ability to reduce the number of flights required to deliver the same overall number of passengers.

Emirates currently operates the largest Airbus A380-800 network in the world and as of March 31, 2013, Emirates has 59 firm orders for this aircraft (for delivery from such date until 2017) in two separation variations:

- ultra-long range—providing capacity to seat 489 passengers in three classes. Of the three classes, first class provides 14 suites, business class provides 76 fully-flat seats and economy provides 399 seats; and
- medium range—providing capacity to seat 517 passengers in three classes. Of the three classes, first class provides 14 suites, business class provides 76 fully-flat seats and economy provides 427 seats.

In 2011 and 2012, Airbus A380-800 aircraft operated by Emirates and other airlines were identified as being affected by cracking wing rib feet. In addition to the European Aviation Safety Authority mandated inspection and temporary repair regime that has been implemented on certain of Emirates' A380-800 aircraft during 2012, each of the affected aircraft in Emirates' fleet are scheduled to undergo a full permanent repair of wing rib feet cracks during the period commencing in May 2013 and ending in November 2014, the costs of which Airbus has publicly disclosed it will cover from its own resources. See the section entitled "Risk Factors—Risk Factors Relating to Emirates—The newly developed Airbus A380 aircraft is a critical part of Emirates' operations, and the materials used in its construction may be found to be less efficient or durable than expected, thereby leading to lower operating hours of the Airbus A380, higher maintenance and repair costs and lower overall value".

Boeing 777-200LR

The Boeing 777-200LR is an ultra long-range twin-engine aircraft first introduced into Emirates' fleet in 2007. This aircraft has capacity to seat 266 passengers in three classes and has a maximum range of 8,000 nautical miles.

Boeing 777-300ER

The Boeing 777-300ER is a twin-engine aircraft with a maximum range of 7,880 nautical miles. This aircraft has the capacity to seat up to 364 passengers (when configured into three classes) or a maximum of 442 passengers (when configured into two classes). As of March 31, 2013, Emirates has 64 firm orders for this aircraft. Emirates is the largest operator of this type of aircraft in the world.

Airbus A330-200

The Airbus A330-200 is a twin engine aircraft with a maximum range of 7,250 nautical miles. This aircraft was first introduced into Emirates' fleet in December 1998. This aircraft has the capacity to seat up to 253 passengers (when configured in three classes).

Airbus A340-300

The Airbus A340-300 is a four engine aircraft with a maximum range of up to 5,450 nautical miles. This aircraft was first introduced into Emirates' fleet in October 1996. This aircraft has the capacity to seat up to 300 passengers (when configured in three classes).

Airbus A340-500

The Airbus A340-500 is a four engine aircraft with a maximum range of up to 9,000 nautical miles. This aircraft was first introduced into Emirates' fleet in July 2003. This aircraft has the capacity to seat up to 313 passengers (when configured in three classes).

The average age of Emirates' fleet of aircraft was 72 months as of March 31, 2013. This is significantly younger than the industry average which, according to the IATA WATS Report dated June 2013, was around 140 months, based on available data.

Fleet Replacement and Expansion Programs

Emirates expects that deliveries of its passenger aircraft in the next few years will be restricted to wide-body Airbus A380-800s and Boeing 777-300ERs. These aircraft types are expected to form Emirates' core fleet in the next decade.

During February 2011, Emirates began a program of phasing out older aircraft (such as its Airbus A330 and Airbus A340 aircraft and its Boeing 777-200 aircraft) and it currently expects that this program will result in the following fleet size movements up to financial year 2017, although no assurance is given that this will prove to be the case:

	Financial Year			
	2014	2015	2016	2017
Additions	26	21	25	28
Phase-out	(5)	(17)	(16)	(13)
Total (1)	218	222	231	246
Net increase	21	4	9	15

Note:

(1) On the basis of a total fleet size of 197 aircraft as of March 31, 2013. Excludes aircraft held on a wet lease.

All of Emirates' aircraft purchases are based on meticulous forecasting and calibration of market demand and operational requirements. Fleet expansion is part of Emirates' strategic growth plan and takes into consideration many ecological and economic factors, such as the retirement of current aircraft and improving eco-efficiencies. Emirates operates one of the youngest fleets in the world and the average age of its aircraft as of March 31, 2013 was 72 months. Emirates intends to focus on fuel efficiencies and expects to continue to be a large net buyer of new and efficient aircraft. In 2011, for example, Emirates placed an order for 50 Boeing 777 aircraft, with options to purchase an additional 20 Boeing 777 aircraft. Emirates also expects to retire more than 100 aircraft in the period to 2021. Aircraft which are leased under operating leases are returned to the lessor when retired. Aircraft which are leased under finance leases are typically sold when retired.

Group Safety

The Emirates Corporate Safety Policy outlines the commitment to safety by the senior management and staff throughout the organization and is fully endorsed by the General Civil Aviation Authority ("GCAA"), which confirms Emirates' compliance with regulatory requirements and the GCAA's acceptance of Emirates' Safety Management System ("SMS"). Emirates' commitment to safety is also underpinned by an active Flight Operations Data Monitoring ("FODM") program and a Fatigue Risk Management System ("FRMS"). Emirates' Line Audit Program, based on the industry standard line operations safety audit ("LOSA") principles, gathers data from a high percentage of flight observations and is unique within the industry in terms of scale. Emirates continues to maintain its IATA Operational Safety Audit ("IOSA") accreditation. As part of its SMS, Emirates employs not only traditional reactive and proactive elements of a safety management system, but also predictive methodologies that are at the leading edge of aviation risk management. In parallel, Emirates integrates industry best practices in health and safety and environment and fire prevention strategies to ensure a safe working environment for its staff, customers and assets.

Route Planning Process

Emirates has a rigorous route planning process where it relies on feedback and data from multiple sources that leads to route selection recommendation and regular monitoring. The route planning process broadly covers steps such as preliminary background research, estimation of total market size, scheduling/connectivity, estimation of Emirates' traffic share, pricing strategy, costs to operate route and profit and loss analysis.

All route performances are monitored on a weekly basis and such monitoring involves reviewing various factors including yield, contribution, seat factor, load factor and forward bookings. The results of the data collection are discussed by a committee headed by the President of Emirates on a weekly basis to take any corrective actions including changing aircraft, frequencies and redeployment of routes.

Aircraft Financing Arrangements

Emirates generally aims to have commitments in place to finance its aircraft acquisitions 12 months ahead of taking delivery of the relevant aircraft. Emirates uses a wide range of sources of funding, including international and regional markets and major banks. Emirates has raised a total of US $35.8 billion over the approximately 17-year period to March 31, 2013 for financing aircraft and corporate finance requirements. This amount includes amounts raised through traditional aircraft financing sources such as operating leases, European Union and United States export credit agencies and commercial asset-backed debt as well as through other sources such as Islamic funding and equity from Japanese and German investors as part of cross border leveraged leases. Emirates' funding sources, over the period covering approximately 16 years up to March 31, 2013, were diversified as follows: 43 percent from operating leases, 17 percent from commercial bank lending, 11 percent from European export credit agencies, 14 percent from debt capital markets issuances, 11 percent from U.S. Export-Import Bank guaranteed transactions and 4 percent from Islamic funding. Emirates intends to continue using diversified funding sources for its fleet development program. In particular, Emirates anticipates increasing its use of debt capital market products over the next few years, including debt capital markets products using export credit agency guarantees.

Apart from six aircraft owned by Emirates as at March 31, 2013, all of Emirates' aircraft are financed either under operating or finance leases. Under operating leases, the aircraft remains in the ownership of the lessor. Under finance leases, the aircraft is secured in favor of the lessor.

Emirates operates on a wholly commercial basis and receives no funding or support for its aircraft orders from its ultimate owner, the Government of Dubai.

Procurement and Outsourcing

Emirates' principal raw material is the jet fuel used by its aircraft fleet. In Dubai, Emirates sources jet fuel at competitive market rates from all five major international suppliers that service DIA, namely BP, Shell, Chevron, ENOC (Emirates National Oil Company) and Emojet, a joint venture between Emarat and ExxonMobil. Outside Dubai, Emirates' main jet fuel suppliers are BP, Shell, Chevron and ExxonMobil which are appointed on a competitive tender basis in each destination.

In relation to aircraft maintenance, in-flight catering and certain other specialist services, Emirates' strategy is to provide these itself or through one of its subsidiaries where possible to protect its business from disruptions caused by the failure of a key supplier to perform its obligations in a timely fashion. Emirates has entered into long-term maintenance arrangements in relation to its major engine types. These arrangements are designed to provide price certainty to Emirates.

Dedicated procurement teams are responsible for procuring all other supplies required by the Group to conduct its businesses.

Airline Competition

The UAE operates an open skies policy and currently more than 150 airlines use DIA. Emirates competes with other major airlines offering international services on routes which Emirates services. Emirates welcomes competition and supports the growth of new air services to Dubai and the GCC region, as it believes that this will further fuel economic growth and stimulate overall demand for air transportation services to and from Dubai. Emirates seeks to compete principally by offering a premium service to all classes of customer as well as by offering an attractive network and competitive fares. See "—Strategy and Competitive Strengths".

Although there is a growing number of low cost carriers operating in the region, Emirates does not regard these airlines as a significant competitive threat as it believes that they serve a different customer segment to that targeted by Emirates and that they are not in conflict with the region's long-haul carriers. Emirates has recently entered into a cooperation agreement with flydubai, the low cost airline owned by the Government of Dubai as described further under "—Arrangements with Other Airlines—*Cooperation with flydubai*" below.

Aircraft Maintenance

Emirates' engineering division, Emirates Engineering, is based at a 136 acre site at DIA and operates one of the world's most technologically advanced aircraft maintenance facilities. Emirates Engineering's facilities at DIA include seven fully air conditioned hangars for heavy and light maintenance, a paint hangar and also include an engine testing facility in a nearby location. Emirates Engineering supports Emirates' fleet of Airbus and Boeing aircraft, together with those of 20 other airlines (comprised of four in Dubai and the remainder at locations outside Dubai) through third party maintenance contracts. Emirates recently commenced work on the expansion of its engineering facility by the construction of up to four additional hangers, due to be completed in 2015.

Based in Dubai and with a network of outstation teams, Emirates' Engineering's line maintenance division provides a 24-hour service with high levels of technical support to Emirates and other airlines operating through DIA, including cabin and in-flight entertainment maintenance, major overhauls and engine diagnostic services. Emirates' team of engineers and technicians are licensed by a number of regulatory authorities in all categories, including the UAE's General Civil Aviation Authority, the UK's Civil Aviation Authority, the European Aviation Safety Authority and the U.S. Federal Aviation Authority. In addition to the Airbus A330, Airbus A340 and Airbus A380 and Boeing 747 and Boeing 777 series currently operated by Emirates, Emirates Engineering also provides support to aircraft operated by the other airlines it services.

Arrangements with Other Airlines

Emirates is not a member of any global airline alliance, although it enters into codeshare and interline arrangements with other airlines and has recently entered into a cooperation agreement with flydubai (as described further below in "—Cooperation with flydubai") and a master coordination agreement with Qantas (as described further below in "—Cooperation with Qantas").

Codeshare

A codeshare agreement allows an airline to sell tickets on flights operated by another airline, coded with the flight number of the selling airline. The operating airline will also continue to sell seats on such flights, coded with its own flight number. This means that flights operated by a single airline are included within both airlines' route networks, and flights on that route may be sold by both airlines in exchange for an agreed amount or portion of the overall fare.

Emirates currently operates codeshare fights with: Air Malta, Air Mauritius, Japan Airlines, Jet Airways, Jetblue Airways, Korean Air, Oman Air, Philippine Airlines, Qantas, South African Airways, TAP Portugal and Thai Airways. Flights with certain codeshare airlines allow Skywards members to earn miles.

Sales of flights under these codeshare agreements are promoted through the combined marketing efforts of the partner airlines. In addition, codeshare agreements are intended to increase the attractiveness to passengers of booking connected flights, while giving passengers a broader range of departure times and choice of routes. Emirates continues to seek appropriate opportunities to enter into codeshare and frequent flyer arrangements with other airlines.

Cooperation with Qantas

On September 6, 2012, Emirates entered into a master coordination agreement with Qantas pursuant to which the parties agreed to engage in global commercial cooperation for a period of ten years commencing on March 31, 2013. The commercial cooperation includes planning, scheduling and capacity coordination, in particular to European, Middle Eastern and North African destinations; sales, marketing, reservation priority and pricing coordination; coordination of frequent flyer program; and coordination of passenger-related issues intended to provide a superior, consistent level of service to customers including ground services and lounge access. Qantas has transferred its hub for its London flights from Singapore to Dubai.

Following receipt of approval of the cooperation from the ACCC and the CCS in March 2013, the partnership commenced on March 31, 2013 with the operation of Qantas' London services from Sydney and Melbourne operating via Dubai, and the commencement of code share services on both airlines' networks. On May 15, 2013, the Master Coordination Agreement was also approved by the New Zealand Ministry of Transport allowing coordination in New Zealand and on trans-Tasman services. The approvals granted by the ACCC and CCS both contain certain conditions requiring Qantas and Emirates to maintain agreed minimum capacity overlapping routes on the trans-Tasman and Singapore to Australia routes.

Cooperation with flydubai

Emirates has entered into a cooperation agreement with flydubai, the low cost airline owned by the Government of Dubai, relating to the coordination of some of their international passenger and cargo operations. This proposed cooperation has been granted regulatory approval by relevant competition law authorities.

Interline

Interline agreements allow travel agents and others with access to the global distribution system or a related system to book a journey comprising of more than one airline's flights as a single fare. In contrast to codeshare arrangements, the passenger is aware that he is flying separate flights with separate airlines, but still pays only a single price. The interline agreement governs the revenue sharing between airlines of the price paid by the passenger for the overall journey. Emirates currently has interline agreements in place with 157 other airlines.

Airline Sales and Distribution

Emirates sells seats on its flights through all major distribution channels, the most significant of which are travel agents (including dnata) through global distribution systems, Emirates' sales offices and Internet sites. Global distribution systems are computerized systems used by the travel industry to store and retrieve information, and conduct transactions, relating to airline travel. In November 2012, Emirates issued a request for tender for the implementation of a new passenger service system ("PSS"), including a reservation services system and departure control system. The selection of the preferred vendor and the finalization of agreements is targeted to be completed during the second quarter of 2013. The new PSS is intended to replace Emirates' existing reservation services system over a three-year period. Under the terms of the request for tender, vendors have been requested to design and build a system that will enhance Emirates' ability to open new distribution channels and improve customer experience in line with changes to global technology trends and also to market its innovative product offerings across distribution channels more effectively.

Other Businesses

The Group's other businesses include destination and leisure management, hotel operations, retail, in-flight catering and aviation training and education. Together, these businesses accounted for approximately 4-5 percent of the Group's revenue in each of financial year 2013, 2012 and 2011.

Destination and Leisure Management Business

The Group's destination and leisure management business comprises:

- tour operations through Emirates Holidays and Arabian Adventures, each of which are divisions within Emirates rather than separate legal entities. Emirates Holidays offers a range of holiday products for travelers and specializes in tailor-made programs. Arabian Adventures is a destination management company, providing explorer programs, tour services, desert safari, special interest and tailor-made trip services to a range of clients including tour operators, incentive houses, meeting organizers, businesses and cruise lines; and
- conference organization through Congress Solutions International, another division within Emirates, which offers a portfolio of services in conference and exhibition management, accommodating between 200 and 100,000 guests at any one time, and related support services including marketing, communication, publicity and program content development.

Hotel Operations

The Group owns, either directly or, in the case of Premier Inns, through a joint venture in which Emirates has a 51.0 percent share, a number of hotel and resort properties, some of which are managed by third parties. These properties are the Al Maha Desert Resort & Spa, Dubai Marriott Harbour Hotel & Suites, Le Meridien Al Aqah Beach Resort, JW Marriott Marquis Hotel Dubai and Premier Inns in the UAE and Wolgan Valley Resort & Spa in Australia (the first hotel in the world to achieve carbon neutral certification from an internationally accredited greenhouse gas certification scheme). The JW Marriott Marquis Hotel Dubai opened its first tower to guests in December 2012 and, upon completion, will consist of two 70-story towers. The Premier Inn joint venture in the UAE has also entered into a further joint venture in Qatar for the development of Premier Inns in Qatar.

Retail Businesses

The Group is also engaged in a number of retail and distribution businesses, including:

- Emirates High Street, a wholly-owned subsidiary, which is an online store which stocks over 400 products, including luxury goods and experience packages. Customers can use Skywards Miles, a credit card, or a combination of both, to buy products. Shipping of these products is available to over 60 countries worldwide;
- establishing, managing and franchising a portfolio of restaurants, cafes, bars and leisure facilities in the GCC and Australia through Emirates Leisure Retail, including acting as the UAE master franchisee for Costa Coffee;
- the marketing, sale and distribution of beverages through Maritime & Mercantile International, which has 11 outlets across Dubai and joint ventures in both Abu Dhabi and Oman, and a joint venture with Heineken International, called Sirocco, which manages the sales and marketing of a range of premium global beverages in the Middle East; and

- business to business travel product origination and marketing through EmQuest, a division of Emirates, which manages a large network of brands, content and services that are designed to meet the needs of tour operators, travel agents, car rental companies, hotels and airlines throughout the Middle East and Africa. EmQuest was also appointed as the exclusive national distribution company for the Sabre global distributions system for the UAE and certain countries in Africa with effect from January 2009.

Emirates Leisure Retail and Maritime & Mercantile International companies operating in the UAE are majority-owned by Emirates and those operating in countries outside the UAE are wholly-owned by Emirates.

In-flight Catering Services

The Group provides in-flight catering and support services to more than 110 airlines at DIA through its 90.0 percent owned subsidiary, Emirates Flight Catering Company LLC ("EFC"). EFC has the capacity to produce 115,000 meals per day and during May 2012, EFC served on 377 flights daily, including those operated by Emirates.

Aviation Training and Education

Emirates has operated the Emirates Aviation College in Dubai since 2002. The Aviation College offers a wide range of qualifications and training relating to the aviation industry to both local and international students.

The Group also operates flight training facilities in Dubai and India through joint ventures with CAE Inc. of Canada. Emirates-CAE Flight Training LLC ("ECFT") in Dubai, in which Emirates has a 50.0 percent ownership share, provides aviation related courses, primarily aimed at flight deck crew and maintenance personnel. ECFT is located at the Emirates Aviation College and is qualified to both European Aviation Safety Agency (EASA) and Federal Aviation Administration (FAA) standards. ECFT operates 15 full-flight simulators, offering a range of simulated aircraft types and type-rated courses, covering business jets, as well as narrow-body and wide-body commercial jets. Emirates is also involved in two joint ventures: one with CAE, providing flight training services to third parties in Bangalore, and the other with CAE and Interglobe providing flight training services in Delhi.

Emirates has also recently announced plans for the construction of the Emirates Flight Training Academy at Dubai World Central—Al Maktoum International Airport ("DWC"). Construction of the academy, subject to regulatory approval, is scheduled to commence in 2013 with completion targeted for 2014. The facility is scheduled to be open to students in 2014 with a ramp up to full capacity in 2016. The academy is intended to train up to 400 students at any one time and will be used by Emirates to train UAE nationals enrolled in its National Cadet Pilot Program.

Marketing and Intellectual Property

Marketing

Emirates believes that it has been successful in promoting the Emirates business and brand through a cohesive strategy covering public relations, sponsorships, events, advertising, merchandise, internal communications and Internet-based initiatives. In particular, the Group's sponsorships have included a significant number of sporting events, including the 2006, 2010 and 2014 FIFA World Cups, the annual IRB Dubai Rugby 7s tournament as well as serving as the Official Airline of the Rugby World Cup 2011. Emirates is the Official Airline of the US Open Tennis Championships and title sponsor of the Emirates Airline US Open Series. In horse racing, Emirates is the title sponsor of the Dubai World Cup. Emirates also supports several major golf tournaments held across the globe, including the Alstom Open de France, the Malaysian Open, the BMW International Open and the Emirates Australian Open. As the official partner of the International Cricket Council (ICC), Emirates has sponsorship rights to all major ICC tournaments including all the Cricket World Cups and the Champions Trophy which is being held throughout the UK in 2013. Emirates also sponsors many high profile football clubs, including the Arsenal Football Club and its home stadium, Emirates Stadium, in London, the French football club Paris Saint Germain, the Spanish football club Real Madrid, the Italian football team AC Milan and the U.S. soccer team the New York Cosmos. In January 2013 Emirates became a Global Partner of Formula 1 with branding rights at 15 Formula 1 events in each championship year as well as promotional and hospitality rights.

The Group's general marketing strategy is to support Emirates' business operations by building global awareness of the Emirates name and promoting its premium products and services. The Group aims to spend an amount equal to between 2.5 and 3.0 percent of its total revenue each year on sponsorships and advertising. Sponsorships generally comprise around 50.0 percent of this amount each year. In April 2012, Emirates launched a major brand recognition campaign, "Hello Tomorrow", which is intended to raise Emirates' brand into a true global lifestyle brand.

Intellectual Property

"Emirates" and its logo (represented in Arabic script), "Skywards", "Emirates SkyCargo", "Emirates Holidays" and certain of the Group's other product and company names are trade or service marks or registered service marks. The Group has registered these marks in the UAE in addition to over 100 other countries worldwide. In relation to its licensed proprietary software (see "—Information Technology"), the Group takes appropriate steps to protect its intellectual property, including through typical contractual provisions in the license agreements.

Regulation

International Regulation

The airline industry is subject to a high degree of regulation covering most aspects of airline operations. These regulations govern commercial activity (for example, route flying rights, fare setting and access to airport slots) as well as operational standards (relating to areas such as safety, security, aircraft noise, immigration and passenger rights).

The basis for international regulation of airline operations derives from the Chicago Convention of 1944 (the "Chicago Convention"), to which nearly all countries (including the UAE) are a party. The Chicago Convention established the International Civil Aviation Organization under whose auspices rules establishing minimum operational and safety standards are normally agreed on a multinational basis. The Chicago Convention confirms the principle that each state has sovereignty over the airspace above its territory, with the consequence that a state's permission is needed for air services to be operated to, from, over or in its territory. Airlines' rights to fly over, or make stops in, foreign countries for technical reasons in operating their international scheduled services are generally derived from the International Air Services Transit Agreement of 1944 to which most countries are a party. However, rights to carry traffic between countries and the regulation of fares are normally agreed on a bilateral basis between governments pursuant to an Air Service Agreement (an "ASA"). An exception to this is the multilateral single market arrangements which apply within the EU. In addition, two countries may also enter into a non-binding memorandum of understanding which accompanies an ASA and sets out detailed rights which are likely to be updated frequently (and therefore cannot be set out in a treaty). As of December 31, 2012, the Governments of Dubai and the UAE had entered into 158 ASAs or memoranda of understanding with other countries.

Each ASA specifies the conditions under which the proposed services may operate in terms of the privileges granted by either signatory country to the airline or airlines of the other country. Accordingly, ASAs cover matters such as: (i) traffic rights or "freedoms of the air" (in particular, rights to overfly a territory of a country without landing, rights to carry passengers or cargo to a particular country and rights to carry traffic to a third country as an extension of a service between the two countries which are signatories to the ASA); (ii) conditions as to capacity (for example, the number of flights or seats that may be operated between the two countries); and (iii) the method for setting fares on the route (if any). Certain ASAs place foreign ownership and control restrictions on the airlines operating the route.

The UAE, amongst many other countries, is also a party to the Convention for the Unification of Certain Rules for International Carriage (the "Montreal Convention"). The Montreal Convention establishes a standard of airline liability with respect to the carriage of passengers, baggage and cargo.

UAE and Dubai Regulation

UAE airlines are also affected by wider UAE policies, laws and regulations, particularly in relation to airports and air traffic control. In the UAE, the GCAA was created in 1996 by Federal Cabinet Decree (Law 4) to regulate civil aviation and provide designated aviation services to strengthen the aviation industry within the UAE and its air space.

The Chicago Convention requires every aircraft to be registered on the national register of a contracting state, with the state of the registry being responsible for regulating the safety of the aircraft and its operation, the competence of its crew and those who maintain the aircraft. The GCAA is required to register UAE aircraft for the purposes of the Chicago Convention. All of Emirates' passenger aircraft are registered with the GCAA. Some of Emirates' freighter aircraft that are on wet lease or other similar arrangements are not registered in the UAE but instead are registered in the country from which they principally operate.

In recent years, the UAE has pursued liberal open skies agreements with other countries although despite this liberal approach, a number of the ASAs to which the UAE is signatory remain restrictive in nature, having limits on capacity, designated airports and, in some cases, approved airlines and pricing. Non-UAE ownership and control of airlines in the UAE is restricted to a 49.0 percent equity stake.

The GCAA also issues operational certificates and licenses, including air operator certificates (certifying that the airline is technically competent to operate the aircraft of the type specified) as well as flight and cabin crew licenses and engineer crew licenses. The Group and its employees hold all applicable operational certificates and licenses required from the GCAA.

Dubai Civil Aviation Authority (the "DCAA") is the governing body that undertakes the development of the air transport industry in Dubai and oversees all aviation related activities, including management of the DIA as well as DWC in Jebel Ali. The DCAA oversees the administration and coordination of all matters relating to civilian airport operations in Dubai, including traffic rights, operating permissions, flight training, duty free shops and cargo, including the Dubai Cargo Village, Dubai Duty Free, Dubai International Hotel and Dubai Aviation Club.

Environmental Regulation

In common with other airlines, Emirates is subject to stringent environmental laws and regulations in the jurisdictions in which it operates, including those governing discharges to air and water, safe drinking water and the management, storage and disposal of hazardous substances and wastes. Emirates could incur significant costs, including clean-up costs, fines and other sanctions, as well as third-party claims, as a result of violations of applicable environmental laws and regulations.

Emirates takes its responsibilities in sustainability and environmental stewardship seriously. The age of its fleet, which is one of the youngest in the world and therefore the most environmentally friendly in the industry, makes it a leader in airline environmental best practice. Emirates focuses on maximizing its fuel efficiency and attendant emissions as well as increasing the efficient use of airspace to shorten flying times and cut fuel consumption.

The most significant recent environmental legislation is the regulation implementing the EU ETS. Under the EU ETS, all commercial airlines over a threshold size operating to, from or within the European Union will be required to surrender allowances depending on the amount of carbon emissions created by those flights from 2012 onwards. See "Risk Factors—Risks Relating to the Airline Industry and Emirates' Operations in the Middle East—Air traffic and the aviation industry are heavily regulated and Emirates' ability to comply with all applicable regulations is key to maintaining its operational and financial performance". In April 2013, the European Parliament and Council issued a Decision adopting a proposal of the European Commission issued in November 2012 to defer key parts of EU ETS aviation compliance by one year. This proposes a suspension of aspects of enforcement relating to reporting emissions and the surrender of allowances for certain flights, including international flights originating or terminating outside the EU.

Safety

Airline regulation focuses heavily on safety and operates at the following levels:

- the operator, whose fitness to operate is attested by an Air Operator's Certificate issued by the GCAA;
- the aircraft, whose fitness to fly is attested by a certificate of airworthiness issued by the GCAA and, on a continuing basis, by maintenance in accordance with maintenance requirements performed by an authorized maintenance provider;
- the flight and cabin crew, whose fitness to operate aircraft is attested by an appropriate license issued by the GCAA; and
- operations, for which various flight rules are laid down.

Information Technology

The Group makes extensive use of information technology ("IT") for both its commercial and operational needs, including infrastructure, back office functions (such as revenue accounting) and reservations systems. The Group's principal IT team is based at its headquarters at DIA, although IT as well as certain other shared services within the Emirates Group is provided by dnata employees. The Group has two off-site data storage and back-up systems located in Dubai and a comprehensive disaster recovery and business continuity plan.

Emirates' online booking facilities are currently available to its customers on a global basis, either through Emirates' local or global websites. Internet check-in facilities are also available to customers on Emirates operated flights departing from 108 airports in the Emirates' network.

In May 2004, Emirates became the first airline in the Arab world to offer electronic ticketing. Currently, e-ticketing is available across virtually all of Emirates' network (with the exception of some limited interline arrangements). E-tickets provide faster and more efficient check-in and other airport processes, as well as improving flexibility and convenience for self-service options, such as kiosks.

The Group's general approach to software solutions is to use a mix of off-the-shelf software, software modifications and bespoke software created by its in-house IT team. Examples of bespoke software and software modifications created by the in-house IT team include:

- RAPID, a revenue accounting application used for both passenger and cargo operations;
- MARS, the Mercator Airline Reservation System, used to process the airline's bookings and ticketing functions;
- MACS, the Mercator Airport Control System, used for the airline's check-in and aircraft departure control processes;
- TradeNet, an internet-based application built in-house that allows easy quotation booking and communication between Emirates Holidays and more than 1,000 agents in 12 countries;
- SkyChain 3.0, a bespoke information technology cargo management system created for Emirates SkyCargo;
- PROFIT, an inventory management improvement system, particularly in relation to last minute bookings;
- emirates.com mobile, an in-house mobile web development project; and
- Credit Card Repository, an innovative application developed entirely in house for Emirates Group Finance to render the business ready for compliance with industry standards.

In November 2012, Emirates issued a request for tender for the implementation of a new passenger services system, which is intended to be implemented in phases over a three-year period beginning in June 2013. See "—Airline Sales and Distribution".

Insurance

The Group insures its aircraft fleet and associated risks with a UAE licensed insurance company, Dubai Islamic Insurance and Reinsurance Co (AMAN), as required under UAE law. These risks are then fully reinsured with Lloyds of London and other international aviation insurance markets, through a reputable international broker based in London. Insurance arrangements are made in a manner consistent with best international airline industry practice. Emirates has never been refused insurance coverage in any insurance market.

Litigation

Emirates was subject to civil litigation (in the form of class action) in the United States arising out of investigations by the United States competition authorities into fuel and security surcharges in relation to cargo flights. Emirates has entered into a settlement of these proceedings on a no admission of liability basis, which has received preliminary approval by the court following notification to the potential class of plaintiffs and the expiry of the opt-out period. Emirates is potentially subject to individual actions in connection with these proceedings by potential class action members who have opted out of the settlement and elect to initiate individual proceedings. In addition, following the settlement by Emirates of proceedings initiated in Australia by the ACCC relating to fuel and security surcharges in relation to cargo flights, Emirates could potentially be subject to inclusion in existing class action proceedings in Australia. In October 2012, five of the respondent airlines to these existing Australian class action proceedings filed applications seeking leave of the Federal Court to file cross-claims against Emirates and another airline. These applications were contested by Emirates and the other airline at a hearing in November 2012. Further consideration of these applications has been adjourned by the court to a date yet to be determined. See "Risk Factors—Risk Factors Relating to Emirates, the Lessee—Emirates is exposed to ongoing litigation."

Corporate Responsibility

The Emirates Airline Foundation is a non-profit charity organization that aims to help disadvantaged children by providing them with the basics such as food, medicine, housing and education. Its board of directors consists of senior Emirates Group management who decide which projects to target with funds donated by passengers and staff. Emirates staff volunteers participate and oversee the management of the Foundation.

The Foundation's projects include the Emirates Friendship Hospital Ship, which is a floating hospital that provides vital medical assistance to more than two million people living in isolated regions of Bangladesh that are frequently affected by monsoon flooding.

Emirates has also implemented a group wide environmental policy and operates an environmental program, called "Emvironment", which has commenced a number of environmental initiatives such as recycling of materials involved in Emirates' businesses.

Environment

The Emirates Group issues an annual environmental report to monitor its performance on several key measures and has implemented a group-wide environmental policy and operates an environmental program, called "Emvironment". Emirates supports IATA's four-pillar strategy to reduce aviation-related CO_2 emissions and has commenced a number of environmental initiatives such as continuous efforts to improve the fuel efficiency of its fleet, recycling of industrial materials involved in Emirates' businesses and the development of eco-resorts such as Al Maha Desert Resort & Spa (and management of the adjoining Dubai Desert Conservation Reserve) and Emirates Wolgan Valley Resort & Spa.

Fuel Efficiency

Fuel efficiency improvements provide a substantial opportunity for Emirates to reduce its environmental impact. Emirates continues to invest heavily in new and more fuel efficient aircraft, such as the Airbus A380 and the Boeing 777-300ER, and operational improvements to increase the fuel efficiency of its operations, such as the implementation of more efficient flight paths and landing trajectories and the use of single-engine taxiing for aircraft on the ground, where possible, and jet engine core washing. Emirates' fuel efficiency for all passenger flights in financial year 2012 was 4.11 L/100PK (liters per 100 passenger-kilometres flown), which was an increase of 1 percent over the previous financial year's amount. This was partly due to the impact of deploying aircraft optimized for long-range and ultra-long range on short and medium-range routes. However, despite this slight increase, Emirates' total fuel efficiency for that period was still 22.5 percent lower than IATA's forecast 2012 industry average of 5.3 L/100PK.

Emissions

Total CO_2 emissions from Emirates' passenger and cargo operations rose 9.4 percent in financial year 2012 compared to the previous financial year, reflecting Emirates' growth in capacity. Emirates CO_2 emissions efficiency for passenger flights increased by 1 percent for the same period, but was still 18.1 percent lower than the IATA global fleet average.

Noise Efficiency

Emirates has introduced a Noise Efficiency factor for Takeoff ("NEF-T") and Landing ("NEF-L") in line with its view that aircraft with lower noise efficiency have less of an impact on their surrounding communities. Emirates' noise efficiency factor for takeoff and landing increased during financial year 2013 due to the increase of the Airbus A380 and Boeing 777-300ER fleets. Although these newer aircraft are "quieter", their increased use on a medium-range routes resulted in higher NEF-T and NEF-L.

Relationship with the Government

Emirates is 100 percent owned by the Government of Dubai through its commercial investment arm, ICD. Emirates is an independent company with its own profit targets and operational autonomy which is run by an independent and experienced management team (see "Management and Employees"). Emirates operates on a fully commercial basis and publishes annual independently audited consolidated financial statements.

Emirates has U.S. $218 million (AED 801 million) in capital, including U.S. $10 million received from the Government of Dubai in start-up seed capital in 1985 and U.S. $88 million invested in infrastructure, which included two Boeing 727 aircraft and the Emirates Training College building. This investment has been more than covered by total dividend payments, which have totaled U.S. $2.3 billion to date. The Government of Dubai and the management of Emirates have consistently operated on the basis that Emirates is required to be self-sustainable and profitable. Apart from an individual aircraft financing guaranteed by the Government of Dubai in 1987 (which is no longer outstanding), neither ICD nor the Government of Dubai has ever acted as a guarantor for any of the loans or other financings raised by Emirates.

The Government of Dubai currently has no plans to offer shares in Emirates to the public.

Notwithstanding that the Group is a separate commercial enterprise operated independently of the Government of Dubai, its interests are closely aligned with the interests of the Government of Dubai and it benefits from strong relationships with regional air transportation regulators, Dubai Airports (which operates and manages both DIA and DWC) and Dubai Aviation City Corporation (which owns both DIA and DWC), which is wholly-owned by the Government of Dubai. In particular:

- ***The Government of Dubai***

  In 2007, the Government of Dubai adopted the Dubai Strategic Plan 2015 (the "DSP 2015"), which focuses on core areas of economic development, social development, security, justice and safety, infrastructure, land and development, and government excellence. The DSP 2015 envisages that economic growth in Dubai will be focused on travel and tourism, financial services, professional services, transport and logistics, trade and storage, and construction.

  Emirates is an integral facilitator of the DSP 2015 as it is the major carrier of airline passenger and cargo traffic to, from and through Dubai, thereby playing a central role in helping to develop Dubai's travel and tourism industry, as well as contributing significantly to the trade, transport and logistics and financial and professional services industries.

- ***Regional Air Transportation Regulators***

  Emirates' principal air transportation regulators in the UAE are the GCAA and the DCAA (see—"Regulation" above). Emirates enjoys constructive arms-length relationships with both of these regulators, including participating in recent industry consultation processes with the GCAA and DCAA regarding the application of international aviation treaties to the UAE and the status of local aviation regulation.

- ***Dubai Airports***

  Dubai Airports, wholly owned by the Government of Dubai, is the operator and manager of both DIA and DWC. Emirates is the busiest of the more than 150 airlines operating out of

DIA, accounting for more than 60 percent of the 57.7 million passengers using DIA during calendar year 2012. Since October 2008, Emirates has had its own dedicated terminal at DIA, Terminal 3, which is capable of accepting Airbus A380 aircraft, including the recently opened Concourse A that is solely dedicated to Airbus A380 aircraft. Emirates SkyCargo division is also one of the key tenants at Dubai Airports' Cargo City at DIA, operating out of the Cargo Mega Terminal. Emirates pays the full published landing charges at DIA and does not benefit from any form of volume related discount. Emirates currently operates only charter cargo operations at DWC. Dubai Airports has also recently commenced construction of a new Concourse D, attached to Terminal 1 at DIA, which will increase the capacity of DIA to 90 million passengers per year on its scheduled completion in 2018.

Airline Industry Overview

Introduction

The global airline industry generally follows economic cycles and, over the longer term, RPKMs have generally grown in line with world gross domestic product ("GDP"). Although GDP was one of the primary drivers of growth in the past, other factors, including in particular affordable fares in part due to low fare carriers expansion, are likely to continue to contribute increasingly to traffic growth.

The airline industry has always been, by nature, a cyclical industry. The airline industry has endured some major crises over the last 30 years, including the worst financial losses in aviation history following the terrorist attacks in New York and Washington on September 11, 2001, as well as the effects of regional conflict, SARS, high fuel prices during 2007 and the first half of 2008 followed by the global financial crisis during late 2008 and 2009 and, to a lesser extent, the effect of more specific interruptions such as the Icelandic volcanic ash clouds over Europe in early 2010.

In spite of the cyclical nature of the industry, the aviation sector has shown it is resilient and annual world traffic growth has fallen only three times in modern aviation history—in 1991 around the first Gulf War, in 2001-2002 following the terrorist attacks in the United States and in 2009 during the financial crisis. Within these general trends, different regions have experienced different growth patterns.

Technological Developments

Technology has also played an important role in the development of the airline industry. New technologies allow airlines to reduce costs. In the early 1970s, the introduction of the Boeing 747 revolutionized long-haul transport and, in the 1980s, computer reservation systems enabled airlines to manage their passenger capacity better. The fall in yield experienced by the airline industry in the past has been largely offset by the reduction in unit costs made possible by modern civil aircraft. Fuel efficiency and the reduction in noise and emissions have been significant drivers of technological development. The manufacturers of large civil aircraft (primarily Airbus and Boeing) have developed larger aircraft (for example the Airbus A380) and longer range aircraft variants (for example, the Airbus A340-500, Airbus A340-600, Boeing 777-200LR and Boeing 777-300ER aircraft). The new ultra long-range aircraft (for example, the Airbus A340-500 and Boeing 777-200LR aircraft have an extended range of over 8,000 nautical miles and can fly non-stop for over 16 hours) provide airlines with the ability to link any two destinations on their global network with one single stop at their hub (for example in relation to Emirates, New York to Sydney, with one stop in Dubai). Similarly, the Airbus A380 ultra long-range is currently the largest passenger aircraft in production, with some of the lowest seat costs in the industry and long haul capability of approximately 8,300 nautical miles. These aircraft will potentially allow new markets to be developed and may relieve some airport congestion, providing a solution to slot-constrained airports. Other technological developments, such as electronic commerce, have also allowed airlines to reduce operating costs, particularly those relating to ticket sales and distribution.

Recent Traffic Trends

According to the Airports Council International (the "ACI"), worldwide airport passenger numbers grew by 4.0 percent during 2012 to an all-time high of 5.6 billion but, during the same period, total cargo volumes handled by airports decreased by 6.6 percent to 85.0 million tonnes. Also during 2012, the movement in global aircraft fell by 0.2 percent. Within the Middle East, however, total passenger numbers increased by 13.0 percent, total cargo up-lifted increased by 4.9 percent and the total number of aircraft movements increased by 8.6 percent. The above data is based on the latest report published by ACI in May 2013.

On January 1, 2013, IATA announced an increase of 5.3 percent in passengers carried during 2012 and a 1.5 percent decrease in the volume of cargo carried during 2012. IATA also announced that the passenger load factor for 2012 was 79.1 percent up from 78.1 percent in 2011, and that the freight load factor was 45.2 percent down from 45.9 percent in 2011. Load factors are a measure of how well an airline is utilizing its available capacity and are calculated by dividing the airline's RTKM by its ATKM. IATA further reported that Middle Eastern carriers registered a strong full year growth of 15.4 percent in passenger demand reflecting an increase in regional capacity of 12.5 percent, largely as a result of new aircraft deliveries to Gulf carriers and improved load factors. Also according to IATA, passenger load factors for Middle Eastern carriers was recorded at 77.4 percent.

Traffic Forecasts

According to Boeing's Current Market Outlook 2012-2031, total RPKMs are projected to grow by 5.0 percent annually over the 20 year period between 2011 and 2031. Boeing also projects annual growth in traffic flows to, from and within the Middle East of:

- 6.9 percent (in respect of African traffic flows to and from the Middle East);
- 5.1 percent (in respect of European traffic flows to and from the Middle East);
- 6.4 percent (in respect of Middle Eastern traffic flows to and from North America);
- 7.3 percent (in respect of Middle Eastern traffic flows to and from South Asia);
- 6.4 percent (in respect of Middle Eastern traffic flows to and from Southeast Asia); and
- 5.1 percent (in respect of traffic flows within the Middle East region).

Industry Statistics

According to IATA, in terms of 2012 international RPKMs, Emirates was the leading airline with 180,880 million RPKMs, ahead of United Air Lines (with 140,771 million RPKMs), Lufthansa (with 136,882 million RPKMS), Air France (with 125,966 million RPKMs), Delta Air Lines (with 125,141 million RPKMs) and British Airways (with 121,272 million RPKMs). No other airline was credited by IATA with exceeding 150,000 million international RPKMs in 2012. Domestic RPKMs tables are dominated by US and Chinese airlines reflecting the size of their respective domestic markets. Unlike many other comparable airlines, Emirates does not have a domestic market. Nevertheless, measured in terms of combined international and domestic RPKMs, Emirates was ranked fourth by IATA in 2012.

Complementing Emirates' rankings, DIA was ranked as the second busiest airport in the world in the last twelve months ending December 2012 in terms of international passenger numbers by ACI. In addition, DIA was ranked by ACI as the sixth busiest airport in the world in the last twelve months ending December 2012 in terms of freight and mail loaded and unloaded.

Primary Industry Sensitivities

The primary sensitivities of the airline industry are to changes in jet fuel prices, insurance charges and the level of passenger demand each of which is influenced by a number of different factors including, but not limited to, the state of the world economy and by political events. All of these factors have shown some volatility in recent years, particularly the price of jet fuel which, according to IATA fact sheet on jet fuel updated March 2013, accounted for 33 percent of airlines' operating costs in 2012 and is the most significant operating cost item for most airlines. Environmental issues in the form of more stringent noise and emission standards, including the EU carbon emissions trading scheme, also impose higher operating costs on the airline industry.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

The following review of the Group's financial position and results of operations is based upon and should be read in conjunction with the information contained in "Presentation of Financial Information of the Group", "The Group's Summary Financial and Other Operating Data" and the Group Financial Statements included elsewhere in this offering circular.

This discussion contains forward-looking statements that involve risks and uncertainties. Actual results for the Group could differ materially from those indicated in any forward-looking statements as a result of various factors, including those discussed below and in "Risk Factors".

Overview

According to the IATA WATS (World Airline Transport Statistics) Report, 57th edition, in 2012 Emirates was the leading airline in the world in terms of international passenger flights measured in RPKM (which indicates the total number of passengers carried multiplied by distance flown in the relevant period) and was also the leading airline in terms of international freight transported measured in FTKM (which indicates the total cargo tonnage uplifted multiplied by the distance carried). Emirates' profit in financial year 2012 was AED 1,620 million on revenues of AED 61,508 million. Emirates' profit in financial year 2013 was AED 2,408 million on revenues of AED 71,159 million. Emirates' revenues and other operating income grew at a compounded annual growth rate of 21.0 percent over the 10 financial years to March 31, 2013 and profits attributable to Emirates' owner grew over the same period by an average of 4.2 percent per year. Emirates has recorded net profits in each of its last 25 financial years.

In financial year 2013, Emirates transported 39.4 million passengers to 120 destinations and carried 2.1 million tonnes of cargo to 133 destinations (including Dubai). Emirates' passenger seat factor and overall load factor were 79.7 percent and 67.5 percent, respectively, in financial year 2013 (compared to 80.0 percent and 66.7 percent, respectively, in the previous year) and its breakeven load factors were 66.9 percent in financial year 2013 and 65.9 percent in financial year 2012. Emirates' RPKMs and RTKMs increased by 17.6 percent and 16.7 percent, respectively, in financial year 2013 compared to financial year 2012. Emirates is one of the fastest growing major international scheduled airlines in the world and has one of the youngest fleets of aircraft in the world. The average age of Emirates' fleet as of March 31, 2013 was 72 months against a global industry average of 140 months according to the IATA WATS Report, 57th edition, dated June 2013.

In financial year 2013, 95.9 percent of the Group's revenue comprised transportation revenue, consisting of revenue generated from passenger transport (80.8 percent), cargo transport (14.5 percent) and excess baggage (0.6 percent). The remaining 4.1 percent of the Group's revenue was derived from a range of ancillary sources, including the sale of consumer goods, the sale of food and beverages, in-flight catering services provided to third parties and leisure services (including hotel operations).

The global airline industry was materially adversely impacted by the global financial crisis during 2008 and 2009 which caused a significant reduction in overall passenger numbers as well as in passengers booking premium cabins and gave rise to strong price competition. In most airlines, the financial crisis resulted in shrinking networks and revenues as well as falling service levels. In some cases, the financial crisis also resulted in airline bankruptcies. In addition, airlines were adversely impacted by the associated liquidity crisis in which financial institutions around the world were reluctant to extend credit from late 2008 through mid-2009. According to IATA, airlines' financial losses worldwide for 2008 and 2009 were US $15.9 billion and US $9.4 billion, respectively. As against this background, the Group's revenues increased by 16.2 percent in financial year 2012 and 15.7 percent in financial year 2013, in each case compared to the previous financial year. The Group's operating profit fell by 66.7 percent in financial year 2012 and increased by 56.6 percent in financial year 2013, in each case compared to the previous financial year.

Emirates' strategy during and following the global financial crisis was to continue to maintain and expand its network, invest in its brand and improve service levels, whilst at the same time putting in place a significant cost reduction program. Emirates implemented a range of measures designed to ensure that jobs were safeguarded and talent was retained. In financial year 2013, the Group had an average of 47,678 employees compared to an average of 42,422 in financial year 2012 and 38,797 in the financial year ended March 31, 2011 ("financial year 2011").

Emirates also continued its fleet expansion program during and following the financial crisis, taking delivery of 34 new aircraft in financial year 2013, 22 new aircraft in financial year 2012 and eight new aircraft in financial year 2011, raising AED 28.6 billion, AED 12.4 billion and, AED 5.3 billion in financial year 2013, financial year 2012 and financial year 2011, respectively, in financing to fund these acquisitions.

Significant Accounting Policies and Critical Accounting Judgments

The preparation of the Group Financial Statements requires the Group's management to make certain estimates and judgments, some of which are subjective and complex, often as a result of the need to make estimations of future events. The Group's significant accounting policies are set out in Note 2 to the 2013 Group Financial Statements and a summary of the critical accounting estimates and judgments that are made in preparing the financial statements is set out in Note 3 to the 2013 Group Financial Statements.

Results of Operations for the Three Years Ended March 31, 2013

Revenue

The Group earns revenue principally from the transportation of passengers, cargo and excess baggage (together referred to as "transportation revenue"). In addition, the Group earns revenue through the sale of consumer goods, the sale of food and beverages through its retail outlets and in-flight catering services provided to third parties and through the provision of a range of other services (referred to below as "Other") including destination and leisure management services and hotel operations, among others.

The table below shows the Group's revenue categorized by transportation revenue and all other revenue for the three years ended March 31, 2013, 2012 and 2011, respectively.

	Year ended March 31,					
	2013		2012		2011	
	(AED millions)	*(%)*	*(AED millions)*	*(%)*	*(AED millions)*	*(%)*
Passenger	57,477	80.8	48,950	79.6	41,415	78.2
Cargo	10,346	14.5	9,546	15.5	8,803	16.6
Excess baggage	388	0.6	332	0.5	293	0.6
Total transportation revenue	**68,211**	**95.9**	**58,828**	**95.6**	**50,511**	**95.4**
Other	2,948	4.1	2,680	4.4	2,434	4.6
Total revenue	**71,159**	**100.0**	**61,508**	**100.0**	**52,945**	**100.0**

The Group's total revenue increased by AED 9,651 million, or 15.7 percent, in financial year 2013 from AED 61,508 million in financial year 2012 to AED 71,159 million in financial year 2013, reflecting increases in passenger revenue (of AED 8,527 million, or 17.4 percent), cargo revenue (of AED 800 million, or 8.4 percent), excess baggage revenue (of AED 56 million, or 16.9 percent) and other revenues (of AED 268 million, or 10.0 percent).

In geographical terms in financial year 2013, 29.4 percent of the Group's revenue was derived from East Asia and Australasia, 28.3 percent was derived from Europe, 11.6 percent was derived from the Americas, 11.3 percent was derived from West Asia and the Indian Ocean region, 10.0 percent was derived from the Gulf and Middle East region and 9.4 percent was derived from Africa.

A more detailed analysis of the Group's passenger revenue and of its cargo revenue is set out below. Together, these two revenue streams comprised 95.3 percent, 95.1 percent and 94.8 percent of the Group's total revenue in financial year 2013, financial year 2012 and financial year 2011, respectively.

Passenger Revenue

The table below shows the Group's passenger revenue, the number of passengers carried, passenger capacity (expressed in ASKM), passenger traffic (expressed in RPKM), passenger seat factor and passenger yield for the three years ended March 31, 2013, 2012 and 2011, respectively.

	Year ended March 31,		
	2013	**2012**	**2011**
Passenger revenue (AED millions)	57,477	48,950	41,415
Passengers carried (thousands)	39,391	33,981	31,422
ASKM (millions)	236,645	200,687	182,757
RPKM (millions)	188,618	160,446	146,134
Passenger seat factor (%)	79.7	80.0	80.0
Passenger yield (fils/RPKM)	30.5	30.5	28.3

Financial Year 2013 compared to Financial Year 2012

The Group's passenger carrying capacity increased by 35,958 million ASKM, or 17.9 percent, in financial year 2013 (from 200,687 million ASKM in financial year 2012 to 236,645 million ASKM). The Group's passenger traffic increased by 28,172 million RPKM, or 17.6 percent, in financial year 2013 (from 160,446 million RPKM in financial year 2012 to 188,618 million RPKM). The Group's passenger seat factor decreased by 0.3 percent in financial year 2013 (from 80% in financial year 2012 to 79.7%).

Aircraft departures increased by 12.5 percent for financial year 2013 to 159,892 from 142,129 for financial year 2012, reflecting the introduction of new passenger services to 10 new destinations including Ho Chi Minh City, Barcelona, Lisbon, Erbil, Washington, DC, Adelaide, Lyon, Phuket, Warsaw and Algiers, increased frequencies to a number of existing destinations and increased capacity to a number of existing destinations using larger aircraft.

The Group's passenger revenue increased by AED 8,527 million, or 17.4 percent, in financial year 2013 (from AED 48,950 million in financial year 2012 to AED 57,477 million). This increase in passenger revenue principally reflected the combined effects of an increase in the number of passengers carried (by 5,410 million, or 15.9 percent), and in RPKMs (by 28,172 million, or 17.6 percent) and passenger yield remaining the same as financial year 2012 at 30.5 fils per RPKM.

Financial Year 2012 compared to Financial Year 2011

The Group's passenger carrying capacity increased by 17,930 million ASKM, or 9.8 percent, in financial year 2012 (from 182,757 million ASKM in financial year 2011 to 200,687 million ASKM). The Group's passenger traffic increased by 14,312 million RPKM, or 9.8 percent, in financial year 2012 (from 146,134 million RPKM in financial year 2011 to 160,446 million RPKM). The Group's passenger seat factor remained flat at 80.0 percent in financial year 2012.

Aircraft departures increased by 6.2 percent for financial year 2012 to 142,129 from 133,772 for financial year 2011, reflecting the introduction of new passenger services to 11 new destinations including Geneva, Copenhagen, St. Petersburg, Baghdad, Rio de Janeiro, Buenos Aires, Dublin, Lusaka, Harare, Dallas and Seattle, increased frequencies to a number of existing destinations and increased capacity to a number of existing destinations using larger aircraft.

The Group's passenger revenue increased by AED 7,535 million, or 18.2 percent, in financial year 2012 (from AED 41,415 million in financial year 2011 to AED 48,950 million). This increase in passenger revenue principally reflected the combined effects of an increase in the number of passengers carried (by 2,559 million, or 8.14 percent), in RPKMs (by 14,312 million, or 9.8 percent) and in passenger yield (by 2.2 fils per RPKM, or 7.7 percent).

Cargo Revenue

The table below shows the Group's cargo revenue and the cargo tonnage uplifted for the three years ended March 31, 2013, 2012 and 2011, respectively.

	Year ended March 31,		
	2013	2012	2011
Cargo revenue *(AED millions)*	10,346	9,546	8,803
Cargo tonnage uplifted *(thousand tonnes)*	2,086	1,796	1,767

Financial Year 2013 compared to Financial Year 2012

The Group's cargo revenue increased by AED 800 million, or 8.4 percent, in financial year 2013 (from AED 9,546 million in financial year 2012 to AED 10,346 million). This reflected the increase in cargo tonnage carried by the Group (which increased by 290 thousand tonnes, or 16.1 percent), partially offset by a 6.1 percent decline in cargo yield in financial year 2013 compared to the previous year.

Financial Year 2012 compared to Financial Year 2011

The Group's cargo revenue increased by AED 743 million, or 8.4 percent, in financial year 2012 (from AED 8,803 million in financial year 2011 to AED 9,546 million). This reflected both the increase in cargo tonnage carried by the Group (which increased by 29 thousand tonnes, or 1.7 percent) and a 5.4 percent improvement in cargo yield in financial year 2012 compared to the previous year.

Other Operating Income

The Group's other operating income principally comprises liquidated damages and other compensation received by the Group in connection with aircraft, gains on the sale and leaseback of aircraft, aircraft engines and parts and net foreign exchange gains, if any.

Operating Costs

The table below shows the Group's operating costs for the three years ended March 31, 2013, 2012 and 2011, respectively.

	Year ended March 31,					
	2013		2012		2011 (1)	
	(AED millions)	*(%)*	*(AED millions)*	*(%)*	*(AED millions)*	*(%)*
Jet fuel	27,855	39.6	24,292	40.2	16,820	34.5
Employee costs	9,029	12.8	7,936	13.2	7,615	15.6
Aircraft operating leases	5,916	8.4	4,788	7.9	4,317	8.9
Sales and marketing	5,270	7.5	4,381	7.2	3,862	7.9
Depreciation	5,046	7.2	4,053	6.7	3,600	7.4
Handling	4,073	5.8	3,584	5.9	3,137	6.4
In-flight catering and other operating costs	3,159	4.5	2,836	4.7	2,305	4.7
Overflying	2,086	3.0	1,878	3.1	1,620	3.3
Aircraft maintenance	1,865	2.7	1,296	2.1	1,030	2.1
Corporate overheads	1,859	2.6	1,845	3.1	1,311	2.7
Office accommodation and IT costs	1,649	2.4	1,450	2.4	1,281	2.6
Landing and parking	1,335	1.9	1,128	1.9	974	2.0
Cost of goods sold	1,042	1.5	926	1.5	839	1.7
Amortization	90	0.1	81	0.1	77	0.2
Total operating costs	**70,274**	**100.0**	**60,474**	**100.0**	**48,788**	**100.0**

Note:

(1) The 2011 financial information included in this table has not been amended to reflect the impact of the reclassification explained in "Presentation of Financial and Other Information—Presentation of Financial Information of the Group—Comparability of the Financial Information of the Group".

The Group's principal operating costs are the cost of the jet fuel which it uses, employee costs and aircraft operating lease costs, which together comprised 60.8 percent, 61.3 percent and 59.0 percent of its total operating costs in financial year 2013, financial year 2012 and financial year 2011, respectively. Each of these items is analyzed in more detail below.

Financial Year 2013 compared to Financial Year 2012

The Group's total operating costs increased by AED 9,800 million, or 16.2 percent, in financial year 2013 (from AED 60,474 million in financial year 2012 to AED 70,274 million). The principal contributors to this increase were higher jet fuel costs and costs related to investments in new fleet, reflected in higher depreciation and operating lease costs, and secondarily, employee costs and direct operating costs (handling, in-flight costs, overflying, land and parking and aircraft maintenance), each of which increased as a result of the Group expanding its business operations.

Financial Year 2012 compared to Financial Year 2011

The Group's total operating costs increased by AED 11,686 million, or 24.0 percent, in financial year 2012 (from AED 48,788 million in financial year 2011 to AED 60,474 million). The principal contributors to this increase were substantially higher jet fuel costs, and secondarily, employee costs and direct operating costs (handling, in-flight costs, overflying, land and parking and aircraft maintenance), each of which increased as a result of the Group expanding its business operations.

Jet Fuel

Financial Year 2013 compared to Financial Year 2012

The Group's jet fuel costs increased by AED 3,563 million, or 14.7 percent, in financial year 2013 (from AED 24,292 million in financial year 2012 to AED 27,855 million) reflecting the increased consumption of jet fuel as the Group operated an increased number of flights to more destinations in financial year 2013 compared to financial year 2012, which was partially offset by lower jet fuel prices paid by the Group in financial year 2013 (0.9 percent less expensive than in the previous year). Emirates adopts an approach to managing fuel price risk based upon a continuous assessment of the market. During financial year 2013 the strategy was to remain largely un-hedged, reflecting a view that the balance of risk was considered greater to the downside given historically high price levels and the backdrop of global economic uncertainty.

Financial Year 2012 compared to Financial Year 2011

The Group's jet fuel costs increased by AED 7,472 million, or 44.4 percent, in financial year 2012 (from AED 16,820 million in financial year 2011 to AED 24,292 million) reflecting substantially higher jet fuel prices in financial year 2012 compared to financial year 2011 (on an average basis, jet fuel prices paid by the Group in financial year 2012 were 31.9 percent more expensive than in the previous year) and increased consumption of jet fuel in financial year 2012 as the Group operated an increased number of flights to more destinations. Emirates adopts an approach to managing fuel price risk based upon a continuous assessment of the market. During financial year 2012 the strategy was to remain largely un-hedged, reflecting a view that the balance of risk was considered greater to the downside given historically high price levels and the backdrop of global economic uncertainty.

Employee Costs

Financial Year 2013 compared to Financial Year 2012

The Group's employee costs increased by AED 1,093 million, or 13.8 percent, in financial year 2013 (from AED 7,936 million in financial year 2012 to AED 9,029 million), principally reflecting an increase in average employee numbers (calculated as the sum of the number of employees on April 1 and on the last day of each calendar month in a financial year divided by 13) of 5,256, or 12.4 percent (from 42,422 in financial year 2012 to 47,678 in financial year 2013) and a pay award for all staff.

Financial Year 2012 compared to Financial Year 2011

The Group's employee costs increased by AED 321 million, or 4.2 percent, in financial year 2012 (from AED 7,615 million in financial year 2011 to AED 7,936 million), which is not proportionate to the increase in employee numbers principally reflecting a higher charge in the last financial year towards the Group's employee profit share scheme, as well as an increase in average employee numbers (calculated as the sum of the number of employees on April 1 and on the last day of each calendar month in a financial year divided by 13) of 3,635, or 9.4 percent, from 38,797 in financial year 2011 to 42,422 financial year 2012.

Aircraft Operating Leases

Financial Year 2013 compared to Financial Year 2012

The Group's aircraft operating lease costs increased by AED 1,128 million, or 23.6 percent, in financial year 2013 (from AED 4,788 million in financial year 2012 to AED 5,916 million), reflecting an increase in the number of operating leases from 113 as of March 31, 2012 to 128 as of March 31, 2013 as the Group continued to expand its fleet.

Financial Year 2012 compared to Financial Year 2011

The Group's aircraft operating lease costs increased by AED 471 million, or 10.9 percent, in financial year 2012 (from AED 4,317 million in financial year 2011 to AED 4,788 million), reflecting an increase in the number of operating leases from 103 as of March 31, 2011 to 113 as of March 31, 2012 as the Group continued to expand its fleet.

Operating Profit

Reflecting the above factors, the Group's operating profit increased by AED 1,026 million, or 56.6 percent, from AED 1,813 million in financial year 2012 to AED 2,839 million in financial year 2013 and decreased by AED 3,630 million, or 66.7 percent, from AED 5,443 million in financial year 2011 to AED 1,813 million in financial year 2012. The Group's operating margin (calculated as operating profit divided by the sum of revenue and other operating income) was 3.9 percent in financial year 2013, 2.9 percent in financial year 2012 and 10.0 percent in financial year 2011.

Other Items of Income and Costs

The Group's other items of income and costs include finance income and finance costs and the Group's share of the results of its associated companies and joint ventures and changes in the fair value of derivative instruments that are used as part of the Group's program of managing its jet fuel costs but which do not qualify for hedge accounting.

The Group's finance income principally comprises interest on its cash and short-term bank deposit balances as well as interest income from related parties and other sources. The Group's finance income decreased by AED 8 million, or 1.9 percent, in financial year 2013 (from AED 414 million in financial year 2012 to AED 406 million), principally reflecting a decrease in the interest income received from related parties. The Group's finance income decreased by AED 107 million, or 20.5 percent, in financial year 2012 (from AED 521 million in financial year 2011 to AED 414 million), principally reflecting a decrease in the effective interest rate received by the Group on its cash and short-term bank deposits from 3.6 percent in financial year 2011 to 2.6 percent in financial year 2012.

The Group's finance costs principally comprise aircraft financing costs (being the interest element of lease payments in relation to aircraft and aircraft engines financed by finance leases), interest charges on its borrowings and other interest charges. The Group's finance costs increased by AED 243 million, or 37.0 percent, in financial year 2013 (from AED 657 million to AED 900 million), principally reflecting an increase in outstanding bonds and lease liabilities as well as an increase in the average rate of interest paid by the Group in respect of its bond obligations. The Group's finance costs increased by AED 151 million, or 29.8 percent, in financial year 2012 (from AED 506 million to AED 657 million), principally reflecting an increase in outstanding bonds and lease liabilities as well as an increase in the average rate of interest paid by the Group in respect of its bond obligations (see "—Statement of Financial Position—Liabilities—Borrowings and Lease Liabilities").

The Group's share of the results of its associated companies and joint ventures was AED 127 million in financial year 2013, AED 103 million in financial year 2012 and AED 91 million in financial year 2011. The principal joint ventures include one flight simulator training venture in each of India and the UAE, a hotel company in the UAE, a holding company based in the UAE and a wholesale and retail wine and spirit company based in Thailand.

Profit before Income Tax

Reflecting the above factors, the Group's profit before income tax increased by AED 799 million, or 47.8 percent, in financial year 2013 (from AED 1,673 million in financial year 2012 to AED 2,472 million) and decreased by AED 3,872 million, or 69.8 percent, in financial year 2012 (from AED 5,545 million in financial year 2011 to AED 1,673 million).

Income Tax

The Group has secured tax exemptions in most of the jurisdictions in which it operates as a result of double taxation agreements and airline reciprocal arrangements. However, the Group is subject to tax in respect of certain overseas stations in which it operates.

The Group's operations in these stations gave rise to AED 64 million in income tax expense in financial year 2013, AED 53 million in income tax expense in financial year 2012 and AED 78 million in income tax expense in financial year 2011.

Profit attributable to Emirates' Owner

Reflecting the above factors, the Group's profit attributable to Emirates' owner for financial year 2013 increased by AED 781 million (from AED 1,502 million in financial year 2012 to AED 2,283 million in financial year 2013) and decreased by AED 3,873 million (from AED 5,375 million in financial year 2011 to AED 1,502 million in financial year 2012). The Group's profit margin (calculated as profit attributable to Emirates' owner divided by the sum of revenue and other operating income) was 3.1 percent in financial year 2013, 2.4 percent in financial year 2012 and 9.9 percent in financial year 2011.

Total Comprehensive Income attributable to Emirates' Owner

Financial Year 2013 compared to Financial Year 2012

In financial year 2013, the Group's other comprehensive loss was AED 5 million reflecting an AED 56 million gain on cash flow hedges, AED 70 million actuarial loss on retirement benefit obligations and a gain of AED 9 million in currency translation differences. Coupled with the Group's profit for the period of AED 2,408 million, this resulted in total comprehensive income attributable to Emirates' owner of AED 2,278 million in financial year 2013. Total comprehensive income attributable to non-controlling interests was AED 125 million in financial year 2013.

Financial Year 2012 compared to Financial Year 2011

In financial year 2012, the Group's other comprehensive loss was AED 384 million reflecting an AED 259 million fair value loss on cash flow hedges, AED 116 million actuarial loss on retirement benefit obligations and a loss of AED 9 million in currency translation differences. Coupled with the Group's profit for the period of AED 1,620 million, this resulted in total comprehensive income attributable to Emirates' owner of AED 1,118 million in financial year 2012. Total comprehensive income attributable to non-controlling interests was AED 118 million in financial year 2012.

Consolidated Cash Flows for the Three Years Ended March 31, 2013

The table below summarizes the Group's cash flows for the three years ended March 31, 2013, 2012 and 2011, respectively.

	Year ended March 31,		
	2013	2012	2011
	(AED millions)		
Net cash generated from operating activities	12,814	8,107	11,004
Net cash used in investing activities	(15,061)	(10,566)	(5,092)
Net cash generated from/(used in) financing activities	1,240	(201)	(5,046)
Net (decrease) / increase in cash and cash equivalents	**(1,007)**	**(2,660)**	**866**
Cash and cash equivalents at beginning of the year	7,527	10,187	9,322
Effects of exchange rate changes	—	—	(1)
Cash and cash equivalents at end of the year	**6,520**	**7,527**	**10,187**

In financial year 2013, the Group's net cash generated from operating activities was AED 12,814 million. The Group's net cash used in investing activities in the same year was AED 15,061 million, principally reflecting the net cost of property, plant and equipment (which comprises payments in respect of property, plant and equipment less the cost of assets acquired under finance leases) of AED 5,773 million and an AED 9,993 million investment in short-term bank deposits. The net cash generated from the Group in financing activities in financial year 2013 was AED 1,240 million, principally comprising proceeds from bonds and loans amounting to AED 6,382 million, which amount was partially offset by the repayment of lease liabilities amounting to AED 2,068 million, the repayment of bonds and loans amounting to AED 2,165 million, dividends paid to Emirates' owner of AED 40 million and aircraft financing costs of AED 689 million.

In financial year 2012, the Group's net cash generated from operating activities was AED 8,107 million. The Group's net cash used in investing activities in the same year was AED 10,566 million, principally reflecting the net cost of property, plant and equipment (which comprises payments in respect of property, plant and equipment less the cost of assets acquired under finance leases) of AED 6,800 million and an AED 4,278 million investment in short-term bank deposits. The net cash used by the Group in financing activities in financial year 2012 was AED 201 million, principally comprising the repayment of lease liabilities amounting to AED 1,899 million, the repayment of bonds and loans amounting to AED 885 million, dividends paid to Emirates' owner of AED 500 million and aircraft financing costs of AED 500 million, substantially offset by proceeds from bonds and loans amounting to AED 3,706 million.

In financial year 2011, the Group's net cash generated from operating activities was AED 11,004 million. The Group's net cash used in investing activities in the same year was AED 5,092 million, principally reflecting the net cost of property, plant and equipment (which comprises payments in respect of property, plant and equipment less the cost of assets acquired under finance leases) of AED 6,504 million and an AED 2,601 million investment in short-term bank deposits, which was partially offset by the receipt of AED 3,241 million in proceeds from the sale of property, plant and equipment. The net cash used by the Group in financing activities in financial year 2011 was AED 5,046 million, principally comprising the repayment of bonds and loans amounting to AED 2,077 million, net aircraft lease liabilities of AED 1,083 million and dividends paid to Emirates' owner of AED 2,308 million partially offset by proceeds from bonds and loans amounting to AED 979 million.

Statement of Financial Position

Assets

The Group's most significant assets are its property, plant and equipment, its cash and cash equivalents (including its short-term bank deposits) and its trade and other receivables, which together comprised 95.3 percent of its total assets at March 31, 2013, 94.6 percent of its total assets at March 31, 2012 and 92.6 percent of its total assets at March 31, 2011.

Property, Plant and Equipment

Information relating to the Group's property, plant and equipment is set out in Note 10 to the 2013 Group Financial Statements. As of March 31, 2013, 65.7 percent of the Group's property, plant and equipment comprised aircraft and aircraft engines and parts. In addition, a further 9.0 percent comprised pre-delivery payments in respect of aircraft. As of March 31, 2013, AED 32,593 million in net book value of property, plant and equipment represented aircraft held under finance leases.

Cash and Cash Equivalents and Short-term Bank Deposits

The table below shows the Group's cash and cash equivalents and short-term bank deposits as of March 31, 2013, 2012 and 2011, respectively.

	As of March 31,					
	2013		2012		2011	
	(AED millions)	*(%)*	*(AED millions)*	*(%)*	*(AED millions)*	*(%)*
Cash and cash equivalents	6,524	26.6	7,532	48.3	10,196	73.0
Short-term bank deposits	18,048	73.4	8,055	51.7	3,777	27.0
Total cash and cash equivalents and short-term bank deposits	**24,572**	**100.0**	**15,587**	**100.0**	**13,973**	**100.0**

As of March 31, 2013, the Group's cash and cash equivalents and short-term bank deposits were AED 24,572 million. The Group's cash and cash equivalents comprise cash held on short-term deposit with banks with maturities of less than three months and its short-term bank deposits comprise deposits over three months in duration but less than 12 months. The Group holds its cash balances predominantly with financial institutions based in the UAE, including but not limited to financial institutions controlled by the Government of Dubai. As of March 31, 2013, the Group had a cash assets to revenue and other operating income ratio of 33.6 percent.

Trade and Other Receivables

The Group's trade and other receivables comprise trade receivables (net of provisions) plus significant receivables from related parties (principally companies under the common control of the Group's parent company) as well as a range of other receivables.

The Group's trade receivables (net of provision) amounted to AED 5,005 million as of March 31, 2013, AED 4,332 million as of March 31, 2012 and AED 3,487 million as of March 31, 2011. The Group's provision for trade receivables principally relates to ticketing agents which are not expected to meet their obligations and amounted to AED 118 million as of March 31, 2013.

Liabilities

The Group's principal liabilities are its borrowings and lease liabilities and its trade and other payables which, together, accounted for 91.7 percent of the Group's total liabilities as of March 31, 2013, 91.3 percent of the Group's total liabilities as of March 31, 2012 and 92.2 percent of the Group's total liabilities as of March 31, 2011.

Borrowings and Lease Liabilities

The Group's borrowings and lease liabilities comprise term loans from commercial banks, bonds and sukuk issued in the international capital markets, bank overdrafts and liabilities under finance leases, principally to fund the purchase of aircraft, aircraft engines and parts. Emirates anticipates increasing its use of debt capital market products, including debt capital market products using export credit agency guarantees, in the short and medium term.

The table below summarizes the Group's borrowings and lease liabilities as of March 31, in each of 2013, 2012 and 2011, respectively.

	As of March 31,		
	2013	2012	2011
	(AED millions)		
Non-current			
Bonds	9,954	5,933	4,290
Term loans	764	914	1,009
Lease liabilities	24,765	19,996	15,203
Total non-current	**35,483**	**26,843**	**20,502**
Current			
Bonds	2,371	2,020	727
Term loans	151	145	139
Lease liabilities	2,516	1,867	1,853
Bank overdrafts	4	5	9
Total current	**5,042**	**4,037**	**2,728**
Total borrowings and lease liabilities	**40,525**	**30,880**	**23,230**

The Group's gearing ratio, being the ratio of its net debt, calculated as total borrowings and lease liabilities net of cash assets (which are the sum of cash equivalents, short-term bank deposits and other cash investments included in other categories of financial assets) to equity, at March 31, 2013 was 69.3 percent, compared to 71.2 percent at March 31, 2012 and 44.5 percent at March 31, 2011. After capitalizing aircraft operating leases, the gearing ratio at March 31, 2013 would have been 186.4 percent, compared to 162.1 percent at March 31, 2012 and 127.6 percent at March 31, 2011. The effective interest rate on the Group's total borrowings and lease liabilities in financial year 2013 was 3.1 percent compared to 3.0 percent in financial year 2012 and 2.7 percent in financial year 2011.

Bonds

The Group successfully issued U.S.$1 billion sukuk trust certificates due 2023, U.S.$750 million fixed-rate bonds due 2025 under Regulation S/Rule 144A and a U.S.$1 billion bond under Regulation S listed on the London Stock Exchange in March 2013, February 2013 and June 2011, respectively. The Group has five different series of bonds outstanding, each of which is unsecured. The Group repaid in full a U.S.$550 million sukuk, a SGD250 million tranche and a U.S$500 million bond on their maturity dates in June 2012, June 2011 and March 2011, respectively. As of March 31, 2013, 14.9 percent of the Group's outstanding bonds was denominated in Dirham, 81.5 percent was denominated in U.S. dollars and 3.6 percent was denominated in Singapore dollars. As of March 31, 2013, 19.2 percent of the outstanding principal amount of the Group's bonds was due to mature in less than one year, 51.9 percent was due to mature between two and five years and 28.9 percent had maturity in excess of five years. All of the bonds bear fixed rates of interest except for the AED-denominated bond, which has a contractual repricing date set at six-month intervals. The effective interest rate on the Group's bonds in financial year 2013 was 3.8 percent compared to 3.4 percent in financial year 2012 and 1.8 percent in financial year 2011.

Term Loans

As of March 31, 2013, the Group had AED 915 million in aggregate principal amount of term loans outstanding. Of the outstanding amount of the Group's term loans, 16.5 percent was due to mature in less than one year, 45.0 percent was due to mature between two and five years and 38.5 percent had a maturity in excess of five years. All of the term loans bear floating rates of interest. As of March 31, 2013, AED 814 million, or 89.0 percent, of the Group's term loans were secured on aircraft, aircraft engines and parts and the remainder was unsecured.

Lease Liabilities

The Group finances its fleet through the use of both finance leases and operating leases. The Group's lease liabilities under its finance leases are secured on the related aircraft and aircraft engines. In the event of both finance leases and operating leases being terminated prior to their expiry date, penalties are payable. As of March 31, 2013, the penalties that would have been payable had all leases terminated on that date would have been AED 280 million.

The table below shows the number of aircraft operated by the Group and the split between operating leases, finance leases and ownership of those aircraft as of March 31 in each of 2013, 2012 and 2011, respectively.

	As of March 31,		
	2013	**2012**	**2011**
	(number)		
Aircraft in operation	197	169	148
operating leases	128	113	103
owned/finance leases	69	56	45

The table below shows the present value of the Group's finance leases, the repayment profile of that present value and the currency breakdown of that present value as of March 31 in each of 2013, 2012 and 2011, respectively.

	As of March 31,		
	2013	**2012**	**2011**
	(AED millions)		
Present value of finance lease liabilities	27,281	21,863	17,056
Present value repayable:			
within one year	2,516	1,867	1,853
between two and five years	10,716	8,039	5,549
after five years	14,049	11,957	9,654
Present value denominated in:			
U.S. Dollars	25,737	21,348	16,878
other currencies	1,544	515	178

The table below shows the future minimum lease payments in respect of all of the Group's operating leases and the repayment profile of those payments as of March 31 in each of 2013, 2012 and 2011, respectively.

	As of March 31,		
	2013	**2012**	**2011**
	(AED millions)		
Aircraft fleet	44,983	32,497	28,832
Other	2,054	2,276	2,444
Total future minimum lease payments	47,037	34,773	31,276
Repayable:			
within one year	6,696	5,148	4,485
between two and five years	23,247	18,317	16,807
after five years	17,094	11,308	9,984

The Group is entitled to extend certain of the aircraft operating leases for a further period of between one to six years at the end of the initial lease period. As of March 31, 2013, the Group was entitled to purchase nine aircraft out of a total 128 aircraft on operating lease and had five aircraft contracted on operating lease for delivery between April 2013 and March 2016.

The Group's effective annual interest rate under its lease liabilities and term loans for financial year 2013 was 2.9 percent compared to 2.9 percent for financial year 2012 and 3.0 percent for financial year 2011.

Trade and Other Payables

The table below shows the Group's trade and other payables as at March 31 in each of 2013, 2012 and 2011, respectively.

	As of March 31,		
	2013	**2012**	**2011 (1)**
	(AED millions)		
Trade payables and accruals	13,514	9,764	10,112
Related parties	513	622	390
Passenger and cargo sales in advance (2)	10,483	9,458	7,080
Provision for maintenance	72	38	—
Dividend payable	700	—	—
Total trade and other payables	25,282	19,882	17,582
Of which, over one year	269	—	31

Notes:

(1) The 2011 financial information included in the table above has not been amended to reflect the impact of the reclassification explained in section "Presentation of Financial and Other Information—Presentation of Financial Information of the Group—Comparability of the Financial Information of the Group".

(2) This reflects payments received in respect of passenger flights and cargo transportation where the transportation has not yet been provided as the amounts received are only recognized as revenue when the transportation occurs, see Note 2 to the 2013 Group Financial Statements.

Total trade and other payables as of March 31, 2013 was AED 5,400 million, or 27.2 percent, higher than the figure as of March 31, 2012, principally as a result of an increase in passenger and cargo sales in advance by AED 1,025 million, dividend payable of AED 700 million and other increases in line with business activity. Total trade and other payables as of March 31, 2012 was AED 2,300 million, or 13.1 percent, higher than the figure as of March 31, 2011, principally as a result of an increase in passenger and cargo sales in advance by AED 2,378 million.

Shareholders' Equity

The table below shows the Group's shareholders' equity as at March 31 in each of 2013, 2012 and 2011, respectively.

	As of March 31,		
	2013	2012	2011
	(AED millions)		
Capital	801	801	801
Retained earnings	22,729	21,256	20,370
Other reserves	(768)	(833)	(565)
Non-controlling interest	270	242	207
Total shareholders' equity	**23,032**	**21,466**	**20,813**

Capital

Emirates is wholly owned by the ICD, an entity wholly-owned by the Government of Dubai. Emirates is a corporation established by decree in Dubai. Capital represents permanent capital of Emirates.

Retained Earnings

Retained earnings principally comprises accumulated profit less dividends paid.

Other Reserves

Other reserves represent fair value reserves in respect of hedging instruments and other as well as a currency translation reserve.

Capital Expenditures

The Group categorizes its capital expenditure as either primary or secondary. Primary capital expenditure comprises expenditure on aircraft (including engines), major overhauls, spare engines and parts and secondary capital expenditure is all other capital expenditure.

The Group's capital expenditure during financial year 2013 was AED 13,378 million, of which 90 percent was primary capital expenditure including payments for new aircraft delivered during the year and progress payments made during the year in relation to new aircraft to be delivered in the future. Secondary capital expenditure during financial year 2013 amounted to AED 1,324 million, of which AED 617 million, or 46.6 percent, was spent on a range of construction projects.

The Group's capital expenditure during financial year 2012 was AED 13,644 million, of which 91 percent was primary capital expenditure including payments for new aircraft delivered during the year and progress payments made during the year in relation to new aircraft to be delivered in the future. Secondary capital expenditure during financial year 2012 amounted to AED 1,257 million, of which AED 802 million, or 63.8 percent, was spent on a range of construction projects.

The Group's capital expenditure during financial year 2011 was AED 12,238 million, of which 93 percent was primary capital expenditure including payments for new aircraft delivered during the year and progress payments made during the year in relation to new aircraft to be delivered in the future. Secondary capital expenditure during financial year 2011 amounted to AED 853 million, of which AED 613 million, or 71.9 percent, was spent on a range of construction projects.

Reflecting its new aircraft delivery schedule, the Group expects to continue to incur significant capital expenditure in relation to these deliveries in future years.

Related Parties

The Group's related party transactions are detailed in Note 36 to the 2013 Group Financial Statements and principally comprise transactions with other Government of Dubai-owned companies, including, in particular, dnata and certain of its group companies. In addition, the Group transacts with its associated companies and joint ventures.

Amounts owed to the Group by related parties are unsecured and no impairment charge has been recognized in any period under review in respect of amounts owed by related parties.

Off Balance Sheet Liabilities

The Group has significant off balance sheet liabilities in the form of commitments in respect of future aircraft deliveries as well as other capital and operational commitments and in respect of performance bonds and letters of credit granted by bankers in the normal course of business.

The table below shows the Group's commitments and guarantees as of March 31 in each of 2013, 2012 and 2011, respectively.

	As of March 31,		
	2013	2012	2011
	(AED millions)		
Capital commitments			
Aircraft fleet	141,660	163,489	140,145
Other	10,217	6,850	4,007
Operational commitments			
Operating leases	47,037	34,773	31,276
Sales and marketing	3,191	1,881	1,347
Guarantees			
Performance bonds and letters of credit provided by bankers	365	370	357

As at March 31, 2013, the Group had capital commitments in respect of 23 aircraft due for delivery in financial year 2014 and 170 aircraft due for delivery thereafter. In addition, the Group held options on 70 further aircraft.

Financial Risk Management

Note 37 to the 2013 Group Financial Statements describes the principal financial risks faced by the Group and the principal procedures used by the Group to manage these risks.

MANAGEMENT AND EMPLOYEES

Senior Management

Decree No. 2 of 1985 establishing Emirates provides for Emirates to be represented, managed and operated by a Chairman appointed from time to time by the Government of Dubai. His Highness Sheikh Ahmed bin Saeed Al-Maktoum has been Chairman of Emirates from its inception.

Emirates does not have a separately constituted board of directors. The members of its senior management team comprise:

Name	Title
His Highness Sheikh Ahmed bin Saeed Al-Maktoum. . .	Chairman and Chief Executive
Tim Clark.	President—Emirates Airline
Gary Chapman	President Group Services & dnata
Adel Ahmad Al Redha	Executive Vice President and Chief Operations Officer
Thierry Antinori	Executive Vice President and Chief Commercial Officer
Abdulaziz Al Ali	Executive Vice President—Human Resources
Nigel Hopkins.	Executive Vice President—Service Departments
Ali Mubarak Al Soori.	Executive Vice President—Chairman's office, Facilities/Projects Management and Procurement and Logistics (Non Aircraft)

The business address of each of the members of senior management is Emirates Group Headquarters, Airport Road, P.O. Box 686, Dubai, UAE.

Brief biographies of each of the members of senior management are set out below:

His Highness Sheikh Ahmed bin Saeed Al-Maktoum

His Highness Sheikh Ahmed bin Saeed Al-Maktoum is the Chairman and Chief Executive of Emirates Airline and Group. H.H. Sheikh Ahmed bin Saeed Al-Maktoum is the younger brother of the late ruler of Dubai, Sheikh Rashid bin Saeed Al-Maktoum.

In addition to his position at Emirates, His Highness has served as President of the Dubai Civil Aviation Authority since 1985 and is also Deputy Chairman of the Dubai Executive Council, Chairman of the Supreme Fiscal Committee of the Government of Dubai, Chairman of Dubai Airports, Chairman of Dubai Airport Free Zone Authority, Chairman of Dubai World, Chairman of flydubai, Chairman of Dubai Aerospace Enterprise, a member of the board of the Dubai Council for Economic Affairs, member of the board of ICD and as member of the board of the General Civil Aviation Authority of the UAE.

His Highness Sheikh Ahmed bin Saeed Al-Maktoum holds a Bachelors degree from the University of Denver, Colorado, U.S.A. He is a fellow of The Royal Aeronautical Society and a recipient of Commandeur de l'Ordre de la Légion d'Honneur (the Legion of Honor).

Tim Clark

Mr. Clark is President of Emirates.

Prior to joining Emirates Mr. Clark worked as a route planner at both Bahrain's Gulf Air and British Caledonian Airways. He joined Emirates in 1985 as Head of Airline Planning, the role in which he is attributed with establishing a number of key Emirates' route networks. Mr. Clark became President of Emirates in 2003.

In addition to his work at Emirates, Mr. Clark is the Chairman of the Emirates Airline Foundation, a non-profit charity.

Mr. Clark holds a Bachelors degree in economics from London University. He is also a Fellow of the Royal Aeronautical Society.

Gary Chapman

Mr. Chapman is President of Group Services and dnata. Mr. Chapman's principal responsibilities are to oversee the Group's corporate support functions of Finance, Human Resources, Medical Services, Legal and IT. Mr. Chapman is also responsible for jet fuel price risk management and manages the global operations of dnata and a number of its associated entities.

Prior to joining the Group, Mr. Chapman spent 12 years with a prominent Arab trading business involved in construction and the provision of support services to the oil industry.

Mr. Chapman is also Chairman of Maritime and Mercantile International L.L.C. and dnata Singapore Pte Ltd, and is a member of the board of directors for Emirates Flight Catering Co. LLC, Emirates CAE Flight Training, Premier Inn Hotels LLC and dnata's overseas ground handling and aircraft catering operations.

Mr. Chapman qualified as a Chartered Accountant in New Zealand. Mr. Chapman was recently confirmed as a member of the New Zealand Order of Merit for services to New Zealand-UAE relations.

Adel Ahmad Al Redha

Mr. Al Redha is the Executive Vice President and Chief Operations Officer. Mr. Al Redha's principal responsibilities involve overseeing several major departments, including Flight Operations, Network Operations (including managing the Network Control Centre), Flight Training, Engineering, Service Delivery, Airport Services and Aircraft Procurement.

Mr. Al Rehda joined Emirates as an engineer in 1988, having worked for two years previously as a trainee aircraft engineer with another carrier in the region. He has held a number of positions within Emirates, including head of the Procurement & Logistics department and, more recently, Director of Engineering.

Mr. Al Redha holds a Bachelor of Science degree in Engineering Technology/Aircraft Maintenance from the University of Northrop, USA, and a Masters degree in Air Transport from Cranfield University, UK.

Thierry Antinori

Mr. Antinori is Executive Vice President and Chief Commercial Officer. Mr. Antinori's principal responsibilities are overseeing Commercial Operation, Revenue Optimization, Distribution and Interline, Network Passenger Sales Development, Destination and Leisure Management, Cargo and Skywards. Mr. Antinori joined Emirates in October 2011.

Prior to joining Emirates, Mr. Antinori began his career with Air France, responsible for regional sales and route management across Europe before becoming an executive consultant to the airline's executive board. In 1997, Mr. Antinori joined Lufthansa where he was responsible for regional sales across several European markets before being appointed Executive Vice President Sales and then Executive Vice President Marketing & Sales, managing global sales and marketing and product management. Mr. Antinori holds a business management degree from ESSEC in Paris.

Abdulaziz Al Ali

Mr. Al Ali is the Executive Vice President—Human Resources. Mr. Al Ali's principal responsibilities are to develop effective training procedures for new employees and to ensure that employees adhere to the Group's policies, procedures and rules.

Mr. Al Ali joined Emirates in 1988. Prior to becoming Executive Vice President—Human Resources in 2003, Mr. Al Ali held a number of other posts at Emirates, including Director of Human Resources.

Mr. Al Ali holds a Bachelors degree in Mathematics from Colchester University, UK and a Master of Science degree in Mathematics from the University of Wisconsin, Milwaukee, USA.

Nigel Hopkins

Mr. Hopkins is the Executive Vice President—Service Departments. Mr. Hopkins' principal responsibilities relate to the Finance, Treasury, IT, Legal and Insurance services within the Group.

Mr. Hopkins joined Emirates in 1994 and was appointed to his current position in June 2005. Prior to his promotion, he held a number of finance roles within the Group, most recently Senior Vice President of Finance where he headed up the Group Finance team. Prior to joining Emirates, Mr. Hopkins worked at British Airways for 10 years.

Mr. Hopkins is a Fellow of the UK Association of Chartered Certified Accountants.

Ali Mubarak Al Soori

Mr. Al Soori is the Executive Vice President—Chairman's Office, Facilities/Projects Management and Procurement and Logistics (Non-Aircraft). Mr. Al Soori's principal responsibilities are to ensure all projects are executed on time and within budget, which involves undertaking feasibility studies, approving budgets and timeframes, and appointing consultants and specialists, as well as negotiating contracts.

Mr. Al Soori joined Emirates in 1986 as manager of the Chairman's Office and became Senior Vice President, Chairman's Office & Facilities Management in 2003. He was promoted to his current position in 2008. Mr. Al Soori has overseen the construction of many of the buildings in the Group's property portfolio, including the Emirates Engineering Centre, the Harbour Hotel and Residence, Emirates' Crew Training Centre, Emirates Group Headquarters and the Sevens sports complex.

Conflicts

There are no conflicts of interest between the duties of the members of the senior management listed above to Emirates and their private interests or other duties.

Employees

Emirates believes that it has an excellent relationship with its employees as shown by the fact that its average work force attrition rate over the five financial years ended March 31, 2013 was approximately 6.63 percent (and approximately 5.47 percent excluding cabin crew which, as an industry norm, have higher attrition rates). Emirates believes that it provides its employees with competitive compensation packages and benefits. Emirates' work force attrition rate is calculated on the basis of only those employees who have resigned and does not count those employees who leave for other reasons such as retirement. The Group operates an employee profit share scheme on an annual basis, under which all employees of the Group participate and share in certain profits of the Group, provided the established profit target is attained.

The table below shows a breakdown of the Group's average employee strength for each of financial year 2013, 2012 and 2011.

	Financial year ended March 31		
	2013	**2012**	**2011**
Cabin crew	15,892	13,277	11,715
Flight deck crew	3,336	2,845	2,434
Engineering	2,322	2,241	2,083
Other	10,981	9,911	9,086
Total employees in the UAE	**32,531**	**28,274**	**25,318**
Overseas stations	5,536	5,360	4,490
Total Emirates	**38,067**	**33,634**	**30,258**
Subsidiary companies	9,611	8,788	8,539
Average employee strength	**47,678**	**42,422**	**38,797**

Employee productivity for Emirates, measured in terms of revenue per airline employee, was AED 1.9 million in financial year 2013, AED 1.8 million in financial year 2012 and AED 1.7 million in financial year 2011. Capacity per airline employee was 1,075 thousand ATKM in financial year 2013 compared to 1,054 thousand ATKM in financial year 2012 and 1,059 thousand ATKM in financial year 2011. Load carried per airline employee was 726 thousand RTKM in financial year 2013 compared to 704 thousand RTKM in financial year 2012 and 730 thousand RTKM in financial year 2011.

Emirates has a number of in-house training schemes designed to ensure that all of its staff are trained to the highest industry standards and obtain all relevant certificates and licenses required in order to perform their duties.

In line with UAE and Dubai government policy to encourage the employment of UAE nationals, Emirates has for a significant period of time operated dedicated recruitment and training programs for the recruitment and retention of UAE national employees, such as the National Cadet Pilot Program and National Graduate Recruitment Program. Emirates has also recently adopted the UAE Government's Absher program for the recruitment of UAE national employees.

In accordance with UAE law, the Group provides end of service benefits to all employees. Under UAE law, the entitlement to these benefits is based upon the employee's length of service and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

With respect to its UAE national employees, Emirates also contributes to the UAE's General Pension and Social Security Authority scheme calculated as a percentage of the UAE national employees' salaries.

For non-UAE national employees in certain senior management grades, the Group contributes a percentage of their salaries into a Provident Fund scheme established in the Isle of Man. Employees in these higher grades who remain with Emirates for five years or more have the option to elect for either the UAE end of service benefits or their entitlement under the Provident Fund scheme to be paid to them at the time they leave Emirates. Employees who are members of the Provident Fund scheme are able to select investment options for their Provident Fund contributions from various options provided under the scheme.

DNA ALPHA AND DNA III

DNA Alpha

DNA Alpha Limited ("DNA Alpha") is a company organized under the laws of Guernsey pursuant to the Companies (Guernsey) Law, 2008, as amended (the "Companies Law") with registered number 56644. DNA Alpha was established on May 14, 2013. The registered office and principal place of business of DNA Alpha is Anson Place, Mill Court, La Charroterie, St Peter Port, Guernsey GY1 1EJ, and the telephone number is 01481 722260. DNA Alpha operates under the Companies Laws and ordinances and regulations made thereunder.

DNA Alpha is a wholly owned subsidiary of DNA III. DNA Alpha will finance the acquisition of the Aircraft with the proceeds from the sale of the Equipment Notes to the Trusts, together with a portion of the proceeds from DNA III's equity contribution of approximately $299 million in cash to DNA Alpha and an initial rent payment from Emirates under the Leases.

As of July 5, 2013, DNA Alpha has issued 201,593,719 ordinary shares of no par value to DNA III for an aggregate subscription price of £201,593,718.95, with corresponding amounts in the bank (£195,270,272) and amounts not yet paid in sundry debtors (£6,323,446.95).

The business affairs of DNA Alpha are managed by its directors. The directors have overall responsibility for DNA Alpha's activities including the review of investment activity and performance. Each of the directors is a non-executive director and is also unrelated to DLC (as defined). DNA Alpha does not have and will not have any employees or executive management. Accordingly, DNA Alpha will rely on the Service Providers for all asset servicing, treasury, corporate, administrative and accounting functions pursuant to the respective service provider agreements. DNA Alpha's directors are Norbert Bannon (Chairman), Geoffrey Alan Hall and Charles Edmund Wilkinson, each of whom is also a director of DNA III. The business address of each of the directors is Anson Place, Mill Court, La Charroterie, St Peter Port, Guernsey GY1 1EJ. The directors may delegate certain functions to other parties and have retained DLC and Anson Fund Managers Limited to provide asset management, advisory, administrative and certain other services to DNA Alpha. See "The Service Providers".

DNA III

Doric Nimrod Air Three Limited ("DNA III") is a company organized under the laws of Guernsey with registered number 54908. DNA III was established on March 29, 2012 for the purposes of acquiring Airbus A380 aircraft to be leased to one or more major airlines. After giving effect to the acquisition of the Aircraft contemplated in this offering circular, DNA III will indirectly own four A380 aircraft, all of which will be on lease to Emirates. DNA III has completed an equity offering on July 2, 2013, and has applied the proceeds from the offering to make an approximately $299 million equity contribution to DNA Alpha. DNA Alpha will use part of the proceeds from the equity contribution to pay a portion of the purchase price for the Aircraft.

As of July 5, 2013, DNA III has issued 9,000,000 shares of no par value for an aggregate subscription price of £40 and a further 211,000,000 shares of no par value for an aggregate subscription price of £211,000,000, with corresponding amounts in the bank (£15,729,636) and amounts not yet paid in sundry debtors (£39) together with its interests in DNA Alpha.

The business affairs of DNA III are managed by its directors. DNA III's directors have overall responsibility for its activities including the review of investment activity and performance. Each of the directors is a non-executive director and is also unrelated to DLC (as defined). The directors of DNA III are Norbert Bannon (Chairman), Geoffrey Alan Hall and Charles Edmund Wilkinson, each of whom is also a director of DNA Alpha. The directors may delegate certain functions to other parties. The business address of each of the directors is Anson Place, Mill Court, La Charroterie, St Peter Port, Guernsey GY1 1EJ.

THE SERVICE PROVIDERS

Doric Lease Corp Management Limited

Doric Lease Corp Management Limited ("DLC") is a company incorporated in Ireland with registered number 527076. DLC's registered office is situated at 2nd Floor, Beaux Lane House, Mercer Street Lower, Dublin 2, Ireland. DLC has subcontracted or will subcontract certain technical asset management services to Doric GmbH ("Doric"). Doric is an alternative investment manager with legal entities and offices in Germany, the UK and the USA. The aircraft portfolio currently managed by Doric is valued at US$6 billion, based on the original cost of such aircraft, and consists of 35 aircraft under management. Doric has 18 Airbus A380 aircraft currently under management. According to Ascend, as of June 2013, and Airline Business Magazine, as of February 2013, respectively, Doric was the world's largest manager of leased Airbus A380s and the third largest manager of leased wide-body aircraft. On June 17, 2013, DLC signaled its intent to expand its Airbus A380 portfolio by signing a Memorandum of Understanding with Airbus for the purchase of 20 Airbus A380 aircraft, subject to customary conditions.

DLC Asset Management Agreement

DLC has been appointed by DNA III to provide asset management services to DNA III and certain of its subsidiaries pursuant to an asset management agreement entered into in June 2013 (the "Asset Management Agreement"). On the Issuance Date, DLC will confirm in writing that the asset management services will extend to the Aircraft. Pursuant to the Asset Management Agreement, DLC will on behalf of DNA III and DNA Alpha: (i) monitor Emirates' performance of its obligations under the Leases (which includes the obligations relating to the maintenance of insurance cover); (ii) provide DNA III and certain of its subsidiaries with information regarding alternatives with respect to any potential sale of the Aircraft; (iii) carry out inspections of the Aircraft; and (iv) provide DNA III and certain of its subsidiaries with asset monitoring reports describing the state and any material changes to the state of the Aircraft. Under certain circumstances, DLC will be in charge of remarketing and repossession of the Aircraft upon election of the Pledgee acting upon the instructions of the Controlling Party. The Asset Management Agreement has a base term of 14 years (or, if later, the date of the sale of the final Aircraft in respect of which DLC is providing services under such agreement).

DLC Agency Agreement

DLC has also been appointed by DNA III and its subsidiaries pursuant to the agency agreement entered into in June 2013 (the "Agency Agreement") to assist DNA III, and act as DNA III's agent, in relation to the arrangement, negotiation, review, approval, execution and management on behalf of DNA III of the acquisition and financing of the Aircraft and the Leases. On the Issuance Date, DLC will confirm in writing that the agency services will extend to the Aircraft.

Anson Fund Managers Limited

Anson Fund Managers Limited has been appointed as administrator of DNA Alpha and DNA III (the "Administrator") pursuant to the administration agreement (the "Administration Agreement") among the Administrator and DNA III. Pursuant to the Administration Agreement, the Administrator is responsible for DNA Alpha's general administrative functions such as the maintenance of DNA Alpha's accounting and statutory records. The Administration Agreement may be terminated by either the Administrator or DNA III at any time by notice to take effect not less than three months from the receipt of such notice.

DESCRIPTION OF THE CERTIFICATES

The following summary describes the material terms of the Certificates. The summary does not purport to be complete and is qualified in its entirety by reference to all of the provisions of the Basic Agreement and to all of the provisions of the Certificates, the Trust Supplements, the Deposit Agreements, the Escrow Agreements, the Note Purchase Agreement, the Liquidity Facilities, the Intercreditor Agreement and the trust supplements applicable to the Successor Trusts. You may obtain copies of these documents by requesting them in writing or by telephone at: Anson Fund Managers Limited, P.O. Box 405, Anson Place, Mill Court, La Charroterie, St Peter Port, Guernsey GY1 3GF or +44 (0) 1481 722 260. These documents, and not the summaries below, define your rights as a holder of Certificates.

Except as otherwise indicated, the following summary relates to each of the Trusts and the Certificates issued by each Trust. The references to Sections in parentheses in the following summary are to the relevant Sections of the Basic Agreement unless otherwise indicated. The terms and conditions governing each Trust will be substantially the same, except as described under "Description of the Intercreditor Agreement – Priority of Distributions" and as elsewhere indicated in this Offering Circular, and except that the principal amount and schedule principal repayments of the Equipment Notes held by each Trust and the interest rate and maturity date of the Equipment Notes held by each Trust will differ.

General

Each pass through certificate (collectively, the "Certificates") will represent a fractional undivided interest in one of the two DNA Alpha 2013-1 Pass Through Trusts (the "Class A Trust" and the "Class B Trust" and, collectively, the "Trusts"). The Trusts will be formed pursuant to a pass through trust agreement between DNA Alpha and Wilmington Trust, National Association, as trustee (the "Trustee") (the "Basic Agreement"), and two separate supplements thereto (each, a "Trust Supplement" and, together with the Basic Agreement, collectively, the "Pass Through Trust Agreements") relating to such Trusts between DNA Alpha and the Trustee, as trustee under the Class A Trust (the "Class A Trustee") and trustee under the Class B Trust (the "Class B Trustee"). The Certificates to be issued by the Class A Trust and the Class B Trust are referred to herein as the "Class A Certificates" and the "Class B Certificates", respectively. The Class A Trust will purchase all of the Series A Equipment Notes and the Class B Trust will purchase all of the Series B Equipment Notes. Assuming all of the Equipment Notes expected to be issued with respect to the Aircraft are issued, the sum of the initial principal balance of the Equipment Notes held by each Trust will equal the initial aggregate face amount of the Certificates issued by such Trust.

Each Certificate will represent a fractional undivided interest in the Trust created by the Basic Agreement and the applicable Trust Supplement pursuant to which such Certificate is issued. The Trust Property of each Trust (the "Trust Property") will consist of:

- Subject to the Intercreditor Agreement, (i) Equipment Notes acquired under the Note Purchase Agreement and issued by DNA Alpha in a separate secured loan transaction in connection with the financing by DNA Alpha of each Aircraft during the Delivery Period, (ii) all monies paid on such Equipment Notes and all monies due and to become due thereunder and (iii) any proceeds from any sale of such Equipment Notes held in such Trust or the sale of any Aircraft or other collateral related to such Equipment Notes. Equipment Notes held in each Trust will be registered in the name of the Subordination Agent on behalf of such Trust for purposes of giving effect to the provisions of the Intercreditor Agreement.
- The rights of such Trust to acquire Equipment Notes under the Note Purchase Agreement.

- The rights of such Trust under the applicable Escrow Agreement to request the Escrow Agent to withdraw from the Depositary funds sufficient to enable such Trust to purchase the related series of Equipment Notes after the initial issuance date of the Certificates (the "Issuance Date") during the Delivery Period.
- The rights of such Trust under the Intercreditor Agreement (including all monies receivable in respect of such rights).
- All monies receivable under the Liquidity Facility for such Trust.
- Funds from time to time deposited with the applicable Trustee in accounts relating to such Trust (such as interest and principal payments on the Equipment Notes held in such Trust).

The Certificates of each Trust will be issued in fully registered form only and will be subject to the provisions described below under "—Book-Entry; Delivery and Form" and "Transfer Restrictions". The Certificates will be issued only in minimum denominations of US $200,000 or integral multiples of US $1,000 in excess thereof, except that one Certificate of each Trust may be issued in a different denomination or integral multiples of US $ 1,000. (Trust Supplements, Section 8.01(a))

The Certificates represent fractional undivided interests in the respective Trusts, and all payments and distributions on the Certificates will be made only from the Trust Property of the related Trust. (Sections 2.01 and 3.09) The Certificates do not represent an interest in or obligation of DNA Alpha, DNA III, Emirates, any Trustee, any of the Loan Trustees, any Liquidity Provider or any affiliate of any of the foregoing. Each Certificateholder by its acceptance of a Certificate agrees to look solely to the income and proceeds from the Trust Property of the related Trust for any payment or distribution due on such Certificate. (Section 3.09).

Pursuant to the Escrow Agreement applicable to each Trust, the Certificateholders of such Trust as holders of the Escrow Receipts affixed to each Certificate are entitled to certain rights with respect to the Deposits relating to such Trust. Accordingly, any transfer of a Certificate will have the effect of transferring the corresponding rights with respect to the Deposits, and rights with respect to the Deposits may not be separately transferred by holders of the Certificates (the "Certificateholders"). Rights with respect to the Deposits and the Escrow Agreement relating to a Trust, except for the right to request withdrawals for the purchase of Equipment Notes, will not constitute Trust Property of such Trust.

Payments and Distributions

The following description of distributions on the Certificates should be read in conjunction with the description of the Intercreditor Agreement because the Intercreditor Agreement may alter the following provisions in a default situation. See "Description of the Intercreditor Agreement".

Payments of interest on the Deposits with respect to each Trust and payments of principal, premium (if any) and interest on the Equipment Notes or with respect to other Trust Property held in each Trust will be distributed by the Paying Agent (in the case of the Deposits) or by the Trustee (in the case of Trust Property of such Trust) to Certificateholders of such Trust on the date receipt of such payment is confirmed, except in the case of certain types of Special Payments.

Interest

The Deposits held with respect to each Trust and the Equipment Notes held in each Trust will accrue interest at the applicable rate per annum for Certificates issued by such Trust set forth on the cover page of this offering circular (for each Trust, the "Stated Interest Rate"), payable on May 30 and November 30 of each year, commencing on November 30, 2013 (or, in the case of any Equipment Notes issued on or after such date, commencing on the first May 30 or November 30 to occur after such Equipment Notes are issued). Such interest payments will be distributed to Certificateholders of such Trust on each such date until the final Distribution Date for such Trust, subject in the case of payments on the Equipment Notes to the Intercreditor Agreement, and except as described under "Description of the Deposits—Unused Deposits", "Description of the Deposits—Distribution Upon Occurrence of Triggering Event" and "Description of Equipment Notes—Redemption". Interest is calculated on the basis of a 360-day year consisting of twelve 30-day months.

Payments of interest applicable to the Certificates issued by each of the Trusts will be supported by a separate Liquidity Facility to be provided by the Liquidity Provider for the benefit of the holders of such Certificates in an aggregate amount sufficient to pay interest on the Pool Balance thereof at the Stated Interest Rate for such Trust on up to four successive Regular Distribution Dates (without regard to any future payments of principal on such Certificates), except that no Liquidity Facility will cover interest payable by the Depositary on the Deposits. The Liquidity Facility for any Class of Certificates does not provide for drawings or payments thereunder to pay for principal of or premium, if any, on the Certificates of such Class, any interest on the Certificates of such Class in excess of the Stated Interest Rate for such Certificates, or, notwithstanding the subordination provisions of the Intercreditor Agreement, principal of or interest or premium, if any, on the Certificates of any other Class. Therefore, only the holders of the Certificates to be issued by a particular Trust will be entitled to receive and retain the proceeds of drawings under the Liquidity Facility for such Trust. See "Description of the Liquidity Facilities".

Principal

Payments of principal of the Equipment Notes are scheduled to be received by the Trustees on May 30 and November 30 in certain years depending upon the terms of the Equipment Notes held in the applicable Trust.

Scheduled payments of interest on the Deposits and of interest or principal on the Equipment Notes are herein referred to as "Scheduled Payments", and May 30 and November 30 of each year, commencing on November 30, 2013, until the final expected Regular Distribution Date are herein referred to as "Regular Distribution Dates". See "Description of the Equipment Notes—Principal and Interest Payments". The "Final Legal Maturity Date" for the Class A Certificates is May 30, 2025 and for the Class B Certificates is November 30, 2021.

Distributions

The Paying Agent with respect to each Escrow Agreement will distribute on each Regular Distribution Date to the Certificateholders of the Trust to which such Escrow Agreement relates all Scheduled Payments received in respect of the related Deposits, the receipt of which is confirmed by such Paying Agent on such Regular Distribution Date. (Escrow Agreements, 2.03) The Trustee of each Trust will distribute, subject to the Intercreditor Agreement, on each Regular Distribution Date to the Certificateholders of such Trust all Scheduled Payments received in respect of Equipment Notes held on behalf of such Trust, the receipt of which is confirmed by such Trustee on such Regular Distribution Date. Each Certificateholder of each Trust will be entitled to receive its proportionate share, based upon its fractional interest in such Trust, of any distribution in respect of Scheduled Payments of interest on the Deposits relating to such Trust and, subject to the Intercreditor Agreement, of principal or interest on Equipment Notes held on behalf of such Trust. Each such distribution of Scheduled Payments will be made by the applicable Paying Agent or Trustee to the Certificateholders of record of the relevant Trust on the record date applicable to such Scheduled Payment subject to certain exceptions. (Sections 4.01 and 4.02(a); Escrow Agreements, Section 2.03) If a Scheduled Payment is not received by the applicable Paying Agent or Trustee on a Regular Distribution Date but is received within five days thereafter, it will be distributed on the date received to such holders of record. If it is received after such five-day period, it will be treated as a Special Payment and distributed as described below.

Any payment in respect of, or any proceeds of, any Equipment Note or Collateral under (and as defined in) any Indenture, the Share Pledge and Security Agreement or the Guernsey Law Security Documents other than a Scheduled Payment (each, a "Special Payment") will be distributed on, in the case of an early redemption or a purchase of any Equipment Note, the date of such early redemption or purchase (which shall be a Business Day), and otherwise on the Business Day specified for distribution of such Special Payment pursuant to a notice delivered by each Trustee as soon as practicable after such Trustee has received funds for such Special Payment (each, a "Special Distribution Date"). Any such distribution will be subject to the Intercreditor Agreement. Any unused Deposits to be distributed after the Delivery Period Termination Date or the occurrence of a Triggering Event, together with accrued and unpaid interest thereon (each, also a "Special Payment"), will be distributed on a date 25 days after the Paying Agent has received notice of the event requiring such distribution (also, a "Special Distribution Date"). However, if such date is within ten days before or after a Regular Distribution Date, such Special Payment shall be made on such Regular Distribution Date.

"Triggering Event" means (x) the occurrence of an Indenture Default under all Indentures resulting in a PTC Event of Default with respect to the most senior Class of Certificates then outstanding, (y) the acceleration of all of the outstanding Equipment Notes (provided that during the Delivery Period the aggregate principal amount thereof exceeds US $255,000,000) or (z) the occurrence of certain bankruptcy or insolvency events involving Emirates, as lessee.

Each Paying Agent, in the case of the Deposits, and each Trustee, in the case of Trust Property, will mail a notice to the Certificateholders of the applicable Trust stating the scheduled Special Distribution Date, the related record date, the amount of the Special Payment and the reason for the Special Payment. In the case of a redemption or purchase of the Equipment Notes held in the related Trust or any distribution of unused Deposits after the Delivery Period Termination Date or the occurrence of a Triggering Event, such notice will be mailed not less than 15 days prior to the date such Special Payment is scheduled to be distributed, and in the case of any other Special Payment, such notice will be mailed as soon as practicable after the applicable Trustee has confirmed that it has received funds for such Special Payment. (Section 4.02; Trust Supplements, Section 3.03; Escrow Agreements, Sections 2.03 and 2.06) Each distribution of a Special Payment, other than a final distribution, on a Special Distribution Date for any Trust will be made by the applicable Paying Agent or Trustee, as the case may be, to the Certificateholders of record of such Trust on the record date applicable to such Special Payment. (Section 4.02; Trust Supplements, Section 3.03; Escrow Agreements, Section 2.03) See "—Indenture Defaults and Certain Rights Upon an Indenture Default" and "Description of the Equipment Notes—Redemption".

Each Pass Through Trust Agreement requires that the related Trustee establish and maintain, for the related Trust and for the benefit of the Certificateholders of such Trust, one or more non-interest bearing accounts (the "Certificate Account") for the deposit of payments representing Scheduled Payments received by such Trustee. Each Pass Through Trust Agreement requires that the related Trustee establish and maintain, for the related Trust and for the benefit of the Certificateholders of such Trust, one or more accounts (the "Special Payments Account") for the deposit of payments representing Special Payments received by such Trustee (Section 4.01(a)), which shall be non-interest bearing except in certain circumstances where such Trustee may invest amounts in such account in certain permitted investments. (Sections 4.01(b) and 4.04) Pursuant to the terms of each Pass Through Trust Agreement, the related Trustee is required to deposit any Scheduled Payments relating to the applicable Trust received by it in the Certificate Account of such Trust and to deposit any Special Payments so received by it in the Special Payments Account of such Trust. (Section 4.01; Trust Supplements, Section 3.02) All amounts so deposited will be distributed by the related Trustee on a Regular Distribution Date or a Special Distribution Date, as appropriate. (Sections 4.02(a) and 4.02(b); Trust Supplements, Section 3.03)

Each Escrow Agreement requires that the Paying Agent establish and maintain, for the benefit of the Receiptholders, one or more accounts (the "Paying Agent Account"), which shall be non-interest bearing. (Escrow Agreements, Section 2.02) Pursuant to the terms of the Deposit Agreements, the Depositary is required to pay interest on Deposits relating to a Trust and any unused Deposits withdrawn by the Escrow Agent into the related Paying Agent Account. (Deposit Agreements, Section 4) All amounts so deposited will be distributed by the Paying Agent on a Regular Distribution Date or Special Distribution Date, as appropriate. (Escrow Agreements, Section 2.03)

The final distribution for each Trust will be made only upon presentation and surrender of the Certificates for such Trust at the office or agency of the Trustee specified in the notice given by the Trustee of such final distribution. The Trustee will mail such notice of the final distribution to the Certificateholders of such Trust, specifying, among other things, the date set for such final distribution and the amount of such distribution. (Section 11.01; Trust Supplements, Section 7.01(a)) See "—Termination of the Trusts" below. Distributions in respect of Certificates issued in global form will be made as described in "—Book Entry; Delivery and Form" below.

If any Distribution Date is not a Business Day, distributions scheduled to be made on such Regular Distribution Date or Special Distribution Date will be made on the next succeeding Business Day without additional interest. As used herein a "Business Day" means (i) any day other than a Saturday, Sunday or other day on which commercial banks are authorized or required to close in New York, New York, or, so long as any Certificate is outstanding, the city and state in which the Trustee, the Subordination Agent or any Loan Trustee maintains its corporate trust office or receives and disburses funds, or (ii) solely with respect to drawings under any Liquidity Facility, any day other than a "Business Day" as defined therein. (Section 1.01 and 12.10; Intercreditor Agreement, Section 1.01)

Pool Factors

The "Pool Balance" for each Trust or for the Certificates issued by any Trust indicates, as of any date, the original aggregate face amount of the Certificates of such Trust less the aggregate amount of all payments as of such date made in respect of the Certificates of such Trust or in respect of Deposits relating to such Trust other than payments made in respect of interest or premium thereon or reimbursement of any costs or expenses incurred in connection therewith. The Pool Balance for each Trust or for the Certificates issued by any Trust as of any date shall be computed after giving effect to any special distribution with respect to unused Deposits, if any, payment of principal of the Equipment Notes or payment with respect to other Trust Property held in such Trust and the distribution thereof to be made on that date. (Trust Supplements, Section 2.01)

The "Pool Factor" for each Trust as of any Distribution Date is the quotient (rounded to the seventh decimal place) computed by dividing (i) the Pool Balance by (ii) the original aggregate face amount of the Certificates of such Trust. The Pool Factor for each Trust or for the Certificates issued by any Trust as of any Distribution Date shall be computed after giving effect to any special distribution with respect to unused Deposits, payment of principal of the Equipment Notes or payments with respect to other Trust Property held in such Trust and the distribution thereof to be made on that date. (Trust Supplements, Section 2.01) The Pool Factor for each Trust will be 1.0000000 on the date of issuance of the Certificates; thereafter, the Pool Factor for each Trust will decline as described herein to reflect reductions in the Pool Balance of such Trust. The amount of a Certificateholder's pro rata share of the Pool Balance of a Trust can be determined by multiplying the face amount of the holder's Certificate of such Trust by the Pool Factor for such Trust as of the applicable Distribution Date. Notice of the Pool Factor and the Pool Balance for each Trust will be mailed to Certificateholders of such Trust on each Distribution Date. (Trust Supplements, Section 3.01)

The following table sets forth the expected aggregate principal amortization schedule for the Equipment Notes held in each Trust (the "Assumed Amortization Schedule") and resulting Pool Factors with respect to such Trust, assuming all of the Equipment Notes with respect to all of the Aircraft are acquired prior to the end of the Delivery Period. The scheduled distribution of principal payments for any Trust would be affected if, among other things, Equipment Notes with respect to any Aircraft are not acquired by such Trust, if the original principal amount of any Equipment Notes held in such Trust is less than the assumed original principal amount, if any Equipment Notes held in such Trust are redeemed or purchased or if a default in payment on such Equipment Notes occurs. Accordingly, the aggregate principal amortization schedule applicable to a Trust and the resulting Pool Factors may differ from those set forth in the following table.

	Class A		Class B	
Date	**Scheduled Principal Payments**	**Expected Pool Factor**	**Scheduled Principal Payments**	**Expected Pool Factor**
At Issuance	$ 0.00	1.0000000	$ 0.00	1.0000000
November 30, 2013	0.00	1.0000000	0.00	1.0000000
May 30, 2014	19,872,948.25	0.9569850	12,049,330.61	0.9282778
November 30, 2014	20,307,668.99	0.9130290	12,373,156.37	0.8546281
May 30, 2015	20,751,899.25	0.8681114	12,705,684.95	0.7789990
November 30, 2015	21,205,847.05	0.8222113	13,047,150.23	0.7013374
May 30, 2016	21,669,724.95	0.7753072	13,397,792.39	0.6215886
November 30, 2016	22,143,750.19	0.7273770	13,757,858.06	0.5396966
May 30, 2017	22,628,144.72	0.6783983	14,127,600.50	0.4556037
November 30, 2017	23,123,135.39	0.6283482	14,507,279.76	0.3692509
May 30, 2018	23,628,953.97	0.5772033	14,897,162.90	0.2805773
November 30, 2018	24,145,837.34	0.5249396	15,297,524.16	0.1895206
May 30, 2019	24,674,027.53	0.4715326	15,708,645.12	0.0960168
November 30, 2019	25,213,771.89	0.4169573	16,130,814.96	0.0000000
May 30, 2020	25,765,323.15	0.3611882	0.00	0.0000000
November 30, 2020	26,328,939.59	0.3041992	0.00	0.0000000
May 30, 2021	26,904,885.14	0.2459635	0.00	0.0000000
November 30, 2021	27,493,429.51	0.1864539	0.00	0.0000000
May 30, 2022	28,094,848.28	0.1256426	0.00	0.0000000
November 30, 2022	28,709,423.08	0.0635010	0.00	0.0000000
May 30, 2023	29,337,441.71	0.0000000	0.00	0.0000000

The Pool Factor and Pool Balance of each Trust will be recomputed if there has been an early redemption, purchase, or default in the payment of principal or interest in respect of one or more of the Equipment Notes held in a Trust, as described in "—Indenture Defaults and Certain Rights Upon an Indenture Default" and "Description of the Equipment Notes—Redemption", the original principal amount of any Equipment Notes held in such Trust is less than the assumed original principal amount or a special distribution has been made attributable to unused Deposits remaining after the Delivery Period Termination Date or the occurrence of a Triggering Event, as described in "Description of the Deposit Agreements". If the principal payments scheduled for a Regular Distribution Date prior to the Delivery Period Termination Date are changed, notice thereof will be mailed by the Trustee to the Certificateholders by no later than the 15th day prior to such Regular Distribution Date. In the event of (i) any other change in the scheduled repayments from the Assumed Amortization Schedule or (ii) any such redemption, purchase, default or special distribution, the Pool Factors and the Pool Balances of each Trust so affected will be recomputed after giving effect thereto and notice thereof will be mailed by the Trustee to the Certificateholders of such Trust promptly after the Delivery Period Termination Date in the case of clause (i) and promptly after the occurrence of any event described in clause (ii). (Trust Supplements, Sections 3.01(c) and 3.01(d))

Reports to Certificateholders

On each Distribution Date, the applicable Paying Agent and Trustee, will include with each distribution by it of a Scheduled Payment or Special Payment to Certificateholders of the related Trust a statement setting forth the following information (per US $1,000 face amount of Certificate for such Trust, except as to the amounts described in items (a) and (f) below):

(a) The aggregate amount of funds distributed on such Distribution Date under the related Pass Through Trust Agreement and under the related Escrow Agreement, indicating the amount allocable to each source, including any portion thereof paid by the Liquidity Provider.

(b) The amount of such distribution under the related Pass Through Trust Agreement allocable to principal and the amount allocable to premium, if any.

(c) The amount of such distribution under the related Pass Through Trust Agreement allocable to interest.

(d) The amount of such distribution under the related Escrow Agreement allocable to interest.

(e) The amount of such distribution under the related Escrow Agreement allocable to unused Deposits, if any.

(f) The Pool Balance and the Pool Factor for such Trust. (Trust Supplements, Section 3.01(a))

So long as the Certificates are registered in the name of DTC or its nominee, on the record date prior to each Distribution Date, the applicable Trustee will request that DTC post on its Internet bulletin board a securities position listing setting forth the names of all DTC Participants reflected on DTC's books as holding interests in the Certificates on such record date. On each Distribution Date, the applicable Paying Agent and Trustee will mail to each such DTC Participant the statement described above and will make available additional copies as requested by such DTC Participant for forwarding to Certificate Owners. (Trust Supplements, Section 3.01(a))

In addition, after the end of each calendar year, the applicable Paying Agent and Trustee will furnish to each Certificateholder of each Trust at any time during the preceding calendar year a statement containing the sum of the amounts determined pursuant to clauses (a), (b), (c), (d) and (e) above with respect to such Trust for such calendar year or, in the event such person was a Certificateholder of such Trust during only a portion of such calendar year, for the applicable portion of such calendar year, and such other items as are readily available to such Trustee and which a Certificateholder of such Trust shall reasonably request as necessary for the purpose of such Certificateholder's preparation of its U.S. federal income tax returns. (Trust Supplements, Section 3.01(b)) Such statement and such other items shall be prepared on the basis of information supplied to the applicable Trustee by the DTC Participants and shall be delivered by such Trustee to such DTC Participants to be available for forwarding by such DTC Participants to Certificate Owners in the manner described above. (Trust Supplements, Section 3.01(b)) At such time, if any, as the Certificates are issued in the form of definitive certificates, the applicable Paying Agent and Trustee will prepare and deliver the information described above to each Certificateholder of record of each Trust as the name and period of ownership of such Certificateholder appears on the records of the registrar of the Certificates.

Each Trustee is required to provide promptly to Certificateholders of the related Trust all material non-confidential information received by such Trustee from DNA Alpha. (Trust Supplements, Section 3.01(e))

Indenture Defaults and Certain Rights Upon an Indenture Default

An event of default under an Indenture (an "Indenture Default") will include an event of default (or "Termination Event", as defined in each Lease) under the related Lease (a "Lease Event of Default"). See "Description of the Equipment Notes—Indenture Defaults, Notice and Waiver". Under the Indentures, DNA Alpha and DNA III will have the right under certain circumstances to cure Indenture Defaults that result from the occurrence of a Lease Event of Default under the related Lease. If DNA Alpha or DNA III exercises any such cure right, the Indenture Default will be deemed to have been cured, subject to certain restrictions. (Indentures, Section 5.01(b))

Upon the occurrence and continuation of an Indenture Default under an Indenture, the Controlling Party will direct the Subordination Agent (i) as the holder of Equipment Notes issued under such Indenture, which in turn will direct the Loan Trustee under such Indenture in the exercise of remedies thereunder and may accelerate and sell all (but not less than all) of the Equipment Notes issued under such Indenture or sell the collateral under such Indenture to any person and (ii) as Pledgee in the exercise of remedies under the Share Pledge and Security Agreement and the Guernsey Law Security Documents, and may sell the collateral thereunder to any person, in each case subject to certain limitations. See "Description of the Intercreditor Agreement—Intercreditor Rights—Limitation on Exercise of Remedies". The proceeds of any such sale will be distributed pursuant to the provisions of the Intercreditor Agreement. Any such proceeds so distributed to any Trustee upon any such sale shall be deposited in the applicable Special Payments Account and shall be distributed to the Certificateholders of the applicable Trust on a Special Distribution Date. (Sections 4.01 and 4.02; Trust Supplements, 3.02 and 3.03) The market for the Aircraft or the Equipment Notes at the time of the existence of an Indenture Default may be very limited and there can be no assurance as to the price at which they could be sold. If any such Equipment Notes are sold for less than their outstanding principal amount or any Aircraft is sold for less than the outstanding principal amount of the related Equipment Notes, certain Certificateholders will receive a smaller amount of principal distributions than anticipated and will not have any claim for the shortfall against DNA Alpha, Emirates, any Liquidity Provider or any Trustee.

Any amount, other than Scheduled Payments received on a Regular Distribution Date or within five days thereafter, distributed to the Trustee of any Trust by the Subordination Agent on account of any Equipment Note or Collateral under (and as defined in) any Indenture, the Share Pledge and Security Agreement or the Guernsey Law Security Documents held in such Trust following an Indenture Default will be deposited in the Special Payments Account for such Trust and will be distributed to the Certificateholders of such Trust on a Special Distribution Date. (Sections 4.01 and 4.02; Trust Supplements, Sections 3.02 and 3.03) In addition, if, following an Indenture Default under any Indenture, DNA III exercises its option to purchase the outstanding Equipment Notes issued under all Indentures, the price paid by DNA III for the Equipment Notes and distributed by the Subordination Agent to any Trustee will be deposited in the Special Payments Account for such Trust and will be distributed to the Certificateholders or such trust on a Special Distribution Date. (Indentures, Section 2.13)

Any funds representing payments received with respect to any defaulted Equipment Notes, or the proceeds from the sale of any Equipment Notes, held by the applicable Trustee in the Special Payments Account for such Trust will, to the extent practicable, be invested by such Trustee in certain permitted investments pending the distribution of such funds on a Special Distribution Date. (Section 4.04)

Each Pass Through Trust Agreement provides that the Trustee of the related Trust will, within 90 days after the occurrence of any default known to such Trustee, give to the Certificateholders of such Trust notice, transmitted by mail, of such uncured or unwaived default with respect to such Trust known to it, *provided* that, except in the case of default in a payment of principal, premium, if any, or interest on any of the Equipment Notes held in such Trust, the applicable Trustee will be protected in withholding such notice if it in good faith determines that the withholding of such notice is in the interests of such Certificateholders. (Section 7.02) The term "default" as used in this paragraph only with respect to any Trust means the occurrence of an Indenture Default under any Indenture pursuant to which Equipment Notes held by such Trust were issued, as described above, except that in determining whether any such Indenture Default has occurred, any grace period or notice in connection therewith will be disregarded. (Section 7.02)

Each Pass Through Trust Agreement contains a provision entitling the Trustee of the related Trust, subject to the duty of such Trustee during a default to act with the required standard of care, to be offered reasonable security or indemnity by the holders of the Certificates of such Trust before proceeding to exercise any right or power under such Pass Through Trust Agreement or the Intercreditor Agreement at the request of such Certificateholders. (Section 7.03(e))

Subject to certain qualifications set forth in each Pass Through Trust Agreement and to the Intercreditor Agreement, the Certificateholders of each Trust holding Certificates evidencing fractional undivided interests aggregating not less than a majority in interest in such Trust shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee with respect to such Trust or pursuant to the terms of the Intercreditor Agreement, or exercising any trust or power conferred on such Trustee under such Pass Through Trust Agreement or the Intercreditor Agreement, including any right of such Trustee as Controlling Party under the Intercreditor Agreement or as holder of the Equipment Notes. (Section 6.04)

Subject to the Intercreditor Agreement, in certain cases, the holders of the Certificates of a Trust evidencing fractional undivided interests aggregating not less than a majority in interest of such Trust may on behalf of the holders of all the Certificates of such Trust waive any past "event of default" under such Trust (*i.e.*, any Indenture Default under any Indenture pursuant to which Equipment Notes held by such Trust were issued) and its consequences or, if the Trustee of such Trust is the Controlling Party, may direct such Trustee to instruct the applicable Loan Trustee to waive any past Indenture Default and its consequences, except (i) a default in the deposit of any Scheduled Payment or Special Payment or in the distribution thereof, (ii) a default in payment of the principal, premium, if any, or interest with respect to any of the Equipment Notes held by such Trust or (iii) a default in respect of any covenant or provision of the Pass Through Trust Agreement that cannot be modified or amended without the consent of each Certificateholder of such Trust affected thereby. (Section 6.05) Each Indenture will provide that, with certain exceptions, the holders of the majority in aggregate unpaid principal amount of the Equipment Notes issued thereunder may on behalf of all such holders waive any past default or Indenture Default thereunder and its consequences. (Indentures, Section 5.06) Notwithstanding such provisions of the Indentures, pursuant to the Intercreditor Agreement only the Controlling Party will be entitled to waive any such past default or Indenture Default. See "Description of the Intercreditor Agreement—Intercreditor Rights—Controlling Party".

Purchase Rights of Certificateholders

Upon the occurrence and during the continuation of a Certificate Buyout Event, with 15 days' written notice to the Class A Trustee and each other Class B Certificateholder, each Class B Certificateholder will have the right to purchase all but not less than all of the Class A Certificates on the third Business Day next following the expiry of such 15-day notice period. (Trust Supplements, Section 4.01) If Refinancing Certificates are issued, holders of such Refinancing Certificates will have the same right to purchase Class A Certificates as the Class B Certificates that such Refinancing Certificates refinanced. See "Possible Refinancing of Certificates".

In each case, the purchase price will be equal to the Pool Balance of the Class A Certificates plus accrued and unpaid interest thereon to the date of purchase, without any premium, but including any other amounts then due and payable to the Class A Certificateholders; *provided*, *however*, that (i) if such purchase occurs after a record date specified in the applicable Escrow Agreement relating to the distribution of unused Deposits and/or accrued and unpaid interest on Deposits and prior to or on the related distribution date thereunder, each Class A Certificateholder shall forthwith turn over to the purchaser(s) of its Certificate all amounts, if any, received by it on account of such distribution, and (ii) if such purchase occurs after a Record Date relating to any distribution and prior to or on the related Distribution Date, each Class A Certificateholder shall forthwith turn over to the purchaser(s) of its Certificate all amounts, if any, received by it on account of such distribution. Such purchase right may be exercised by any Class B Certificateholder entitled to such right. In each case, if prior to the end of the 15-day notice period, any other Class B Certificateholder notifies the purchasing Certificateholder that the other Certificateholder wants to participate in such purchase, then such other Certificateholder may join with the purchasing Certificateholder to purchase the Class A Certificates pro rata based on the fractional undivided interest in the Class B Trust held by each Certificateholder. If DNA Alpha, Emirates or any of their respective affiliates is a Certificateholder or holder of Refinancing Certificates, it will not have the purchase rights described above. (Trust Supplements, Section 4.01)

A "Certificate Buyout Event" means that a Lessee Bankruptcy Event has occurred and is continuing and the following events have occurred: (A) (i) the maximum "waiting period" of 60 calendar days applicable under Article XI, Alternative A, of the Protocol as in effect in the UAE (the "60-Day Period") has expired and (ii) Emirates or an applicable insolvency administrator (as defined in the Cape Town Treaty) has not cured all defaults under all of the Leases (other than a default constituted by the occurrence of the Lessee Bankruptcy Event) and agreed to perform all future obligations under all of the Leases, or if it has done so, thereafter a Lease Event of Default (other than a default constituted by the occurrence of the Lessee Bankruptcy Event) shall have occurred and be continuing; or (B) if prior to the expiry of the 60-Day Period, Emirates shall have abandoned any Aircraft. (Trust Supplements, Section 2.01)

PTC Event of Default

A Pass Through Certificate Event of Default (a "PTC Event of Default") with respect to each Pass Through Trust Agreement means the failure to pay within ten Business Days of the due date thereof:

- the outstanding Pool Balance of the applicable Class of Certificates on the Final Legal Maturity Date for such Class; or
- interest due on such Class of Certificates on any Distribution Date (unless the Subordination Agent shall have made an Interest Drawing, or a withdrawal from the Cash Collateral Account relating to the Liquidity Facility for such Class of Certificates, with respect thereto in an aggregate amount sufficient to pay such interest and shall have distributed such amount to the Trustee entitled thereto). (Intercreditor Agreement, Section 1.01)

Any failure to make expected principal distributions with respect to any Class of Certificates on any Regular Distribution Date (other than the Final Legal Maturity Date) will not constitute a PTC Event of Default with respect to such Certificates. A PTC Event of Default with respect to the most senior outstanding Class of Certificates resulting from an Indenture Default under all Indentures will constitute a Triggering Event.

Merger, Consolidation and Transfer of Assets

DNA Alpha will be prohibited from consolidating with or merging into any other person, and, except as provided in the Leases or the Indentures, will be prohibited from conveying, transferring or, leasing in one or more transactions all or substantially all of its assets as an entirety to any other person. (Note Purchase Agreement, Section 7.1.4)

Modifications of the Pass Through Trust Agreements and Certain Other Agreements

Each Pass Through Trust Agreement contains provisions permitting, at the request of DNA Alpha, the execution of amendments or supplements to such Pass Through Trust Agreement or, if applicable, to the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities, without the consent of the holders of any of the Certificates of the related Trust:

- To add to the covenants of DNA Alpha for the benefit of holders of such Certificates or to surrender any right or power conferred upon DNA Alpha in such Pass Through Trust Agreement, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities.
- To correct or supplement any provision of such Pass Through Trust Agreement, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities which may be defective or inconsistent with any other provision in such Pass Through Trust Agreement, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities, as applicable, or to cure any ambiguity or to modify any other provision with respect to matters or questions arising under such Pass Through Trust Agreement, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities, provided that such action shall not materially adversely affect the interests of the holders of such Certificates; to correct any mistake in such Pass Through Trust Agreement, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities; or, as provided in the Intercreditor Agreement, to give effect to or provide for a Replacement Facility.
- To comply with any applicable law, rules or regulations of any exchange or quotation system on which the Certificates are listed, or any regulatory body.
- To evidence and provide for the acceptance of appointment under such Pass Through Trust Agreement, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities by a successor Trustee and to add to or change any of the provisions of such Pass Through Trust Agreement, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities as shall be necessary to provide for or facilitate the administration of the Trusts under the Basic Agreement by more than one Trustee.
- To provide certain information to the Trustee as required in such Pass Through Trust Agreement.
- To make any other amendments or modifications to such Pass Through Trust Agreement; provided that such amendments or modifications shall apply to Certificates of any series to be hereafter issued.
- To provide for the issuance of Refinancing Certificates and other matters incidental thereto after the Delivery Period Termination Date, subject to certain terms and conditions. See "Possible Refinancing of Certificates".

In each case, no such modification or supplement may adversely affect the status of any Trust as a grantor trust under Subpart E, Part I of Subchapter J of Chapter 1 of Subtitle A of the Internal Revenue Code of 1986, as amended (the "Code"), for U.S. federal income tax purposes. (Section 9.01; Trust Supplements, Section 6.01)

Each Pass Through Trust Agreement also contains provisions permitting the execution, with the consent of the holders of the Certificates (including consents obtained in connection with a tender offer or exchange offer for the Certificates) of the related Trust evidencing fractional undivided interests aggregating not less than a majority in interest of such Trust, of amendments or supplements adding any provisions to or changing or eliminating any of the provisions of such Pass Through Trust

Agreement, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities to the extent applicable to such Certificateholders or of modifying the rights and obligations of such Certificateholders under such Pass Through Trust Agreement, the Deposit Agreements, the Escrow Agreements, the Intercreditor Agreement, the Note Purchase Agreement or the Liquidity Facilities, except that no such amendment or supplement may, without the consent of the holder of each outstanding Certificate so affected thereby:

- Reduce in any manner the amount of, or delay the timing of, any receipt by the Trustee (or, with respect to the Deposits, the Receiptholders) of payments with respect to the Equipment Notes held in such Trust or distributions in respect of any Certificate related to such Trust (or, with respect to the Deposits, payments upon the Deposits), or change the date or place of any payment in respect of any Certificate, or make distributions payable in coin or currency other than that provided for in such Certificates, or impair the right of any Certificateholder of such Trust to institute suit for the enforcement of any such payment when due.
- Permit the disposition of any Equipment Note held in such Trust, except as provided in such Pass Through Trust Agreement, or otherwise deprive such Certificateholder of the benefit of the ownership of the applicable Equipment Notes.
- Alter the priority of distributions specified in the Intercreditor Agreement in a manner materially adverse to the interest of any Certificateholders.
- Reduce the percentage of the aggregate fractional undivided interests of the Trust provided for in such Pass Through Trust Agreement, the consent of the holders of which is required for any such supplemental agreement or for any waiver (or compliance with certain provisions of such Pass Through Trust Agreement or certain defaults thereunder and their consequences) provided for in such Pass Through Trust Agreement.
- Modify any of the provisions relating to the rights of the Certificateholders to consent to the amendments or supplements referred to in this paragraph or in respect of certain waivers of Indenture Defaults, except to increase any such percentage or to provide that certain other provisions of such Pass Through Trust Agreement cannot be modified or waived without the consent of each Certificateholder affected thereby.
- Adversely affect the status of any Trust as a grantor trust under Subpart E, Part I of Subchapter J of Chapter 1 of Subtitle A of the Code for U.S. federal income tax purposes. (Section 9.02; Trust Supplements, Section 6.02)

In the event that a Trustee, as holder (or beneficial owner through the Subordination Agent) of any Equipment Note in trust for the benefit of the Certificateholders of the relevant Trust or as Controlling Party under the Intercreditor Agreement, receives (directly or indirectly through the Subordination Agent) a request for a consent to any amendment, modification, waiver or supplement under any Indenture, any Lease, any Equipment Note, the Note Purchase Agreement or certain other related documents, such Trustee shall forthwith send a notice of such proposed amendment, modification, waiver or supplement to each Certificateholder of the relevant Trust registered on the register of such Trust as of the date of such notice. Such Trustee shall request from the Certificateholders a direction as to:

- Whether or not to take or refrain from taking (or direct the Subordination Agent to take or refrain from taking) any action which a holder of such Equipment Note or the Controlling Party has the option to direct.
- Whether or not to give or execute (or direct the Subordination Agent to give or execute) any waivers, consents, amendments, modifications or supplements as a holder of such Equipment Note or as Controlling Party.
- How to vote (or direct the Subordination Agent to vote) any Equipment Note if a vote has been called for with respect thereto. (Section 10.01)

Provided such a request for Certificateholder direction shall have been made, in directing any action or casting any vote or giving any consent as the holder of any Equipment Note (or in directing the Subordination Agent in any of the foregoing):

- Other than as Controlling Party, such Trustee shall vote for or give consent to any such action with respect to such Equipment Note in the same proportion as that of (x) the aggregate face amount of all Certificates actually voted in favor of or for giving consent to such action by such direction of Certificateholders to (y) the aggregate face amount of all outstanding Certificates of the relevant Trust.
- As the Controlling Party, such Trustee shall vote as directed in such Certificateholder direction by the Certificateholders evidencing fractional undivided interests aggregating not less than a majority in interest in the relevant Trust. (Section 10.01)

For purposes of the immediately preceding paragraph, a Certificate shall have been "actually voted" if the Certificateholder has delivered to the applicable Trustee an instrument evidencing such Certificateholder's consent to such direction prior to one Business Day before such Trustee directs such action or casts such vote or gives such consent. Notwithstanding the foregoing, but subject to certain rights of the Certificateholders under the relevant Pass Through Trust Agreement and subject to the Intercreditor Agreement, a Trustee may, in its own discretion and at its own direction, consent and notify the relevant Loan Trustee or other directed party of such consent (or direct the Subordination Agent to consent and notify the relevant Loan Trustee or other directed party of such consent) to any amendment, modification, waiver or supplement under the relevant Indenture or Lease, any relevant Equipment Note, the Note Purchase Agreement or certain other related documents, if an Indenture Default under any Indenture shall have occurred and be continuing, or if such amendment, modification, waiver or supplement will not materially adversely affect the interests of the Certificateholders. (Section 10.01)

In determining whether the Certificateholders of the requisite fractional undivided interests of Certificates of any Class have given any direction under a Pass Through Trust Agreement, Certificates owned by DNA Alpha or Emirates or any of their respective affiliates will be disregarded and deemed not to be outstanding for purposes of any such determination. Notwithstanding the foregoing, (i) if any such person together with its affiliates owns 100% of the Certificates of any Class outstanding, such Certificates shall not be so disregarded, and (ii) if any amount of Certificates of any Class so owned by any such person have been pledged in good faith, such Certificates shall not be disregarded if the pledgee establishes to the satisfaction of the applicable Trustee the pledgee's right so to act with respect to such Certificates and that the pledgee is not DNA Alpha or Emirates or an affiliate of DNA Alpha or Emirates. (Section 1.04 (c))

Obligation to Purchase Equipment Notes

The Trustees will be obligated to purchase the Equipment Notes issued with respect to the Aircraft during the Delivery Period, and DNA III will be obligated to cause any equity contribution it makes to DNA Alpha for such Aircraft to be utilized to finance such Aircraft, subject to the terms and conditions of a note purchase agreement (the "Note Purchase Agreement"). Under the Note Purchase Agreement, DNA Alpha agrees to enter into a secured debt financing with respect to each Aircraft and to lease such Aircraft to Emirates. The Note Purchase Agreement provides for the relevant parties to enter into a Lease and an indenture (each, an "Indenture") and certain related documents relating to the financing and leasing of each Aircraft, each in substantially the form attached to the Note Purchase Agreement.

The description of such leasing and financing agreements in this offering circular is based on the forms of such agreements attached to the Note Purchase Agreement. However, the terms of the leasing and financing agreements actually entered into may differ from the forms of such agreements and, consequently, may differ from the description of such agreements contained in this offering circular. See “Description of the Equipment Notes”. Although such changes are permitted, under the Note Purchase Agreement, the terms of such agreements must not vary the Required Terms. In addition, DNA Alpha is obligated to certify to the Trustees that any substantive modifications do not materially and adversely affect the Certificateholders or the Liquidity Provider. DNA Alpha must also obtain written confirmation from the Rating Agency to the effect that the use of financing agreements modified in any material respect from the forms attached to the Note Purchase Agreement would not result in a withdrawal, suspension or reduction of the rating of any Class of Certificates then rated by the Rating gency. Further, under the Note Purchase Agreement, it is a condition precedent to the obligation of each Trustee to purchase the Equipment Notes related to the financing of an Aircraft that no Triggering Event shall have occurred. (Note Purchase Agreement, Section 3) The Trustees will have no right or obligation to purchase Equipment Notes after the Delivery Period Termination Date. (Note Purchase Agreement, Section 1(j))

The “Required Terms,” as defined in the Note Purchase Agreement, mandate that:

- The initial principal amount and principal amortization schedule for each of the Equipment Notes issued with respect to each Aircraft shall be as set forth in the following table (provided that if an Equipment Note is issued on or after any date scheduled for a principal payment in the applicable amortization table below, the initial principal amount of such Equipment Note will be reduced by the aggregate principal amount scheduled for payment on or prior to such issuance date and the principal amortization schedule for such Equipment Note shall commence on the first scheduled principal payment date in such schedule occurring after the issuance of such Equipment Note with corresponding changes to be made to the rent payable in U.S. dollars by Emirates under the related Lease for such Aircraft to reflect such reduced initial principal amount):

	MSN 132			
	Series A Equipment Note		Series B Equipment Note	
Date	Scheduled Payments of Principal	Equipment Note Ending Balance	Scheduled Payments of Principal	Equipment Note Ending Balance
At Issuance	$ 0.00	$115,500,000.00	$ 0.00	$42,000,000.00
November 30, 2013	0.00	115,500,000.00	0.00	42,000,000.00
May 30, 2014	4,968,237.06	110,531,762.94	3,012,332.65	38,987,667.35
November 30, 2014	5,076,917.25	105,454,845.69	3,093,289.09	35,894,378.26
May 30, 2015	5,187,974.81	100,266,870.88	3,176,421.24	32,717,957.02
November 30, 2015	5,301,461.76	94,965,409.11	3,261,787.56	29,456,169.46
May 30, 2016	5,417,431.24	89,547,977.87	3,349,448.10	26,106,721.36
November 30, 2016	5,535,937.55	84,012,040.33	3,439,464.52	22,667,256.85
May 30, 2017	5,657,036.18	78,355,004.15	3,531,900.12	19,135,356.72
November 30, 2017	5,780,783.85	72,574,220.30	3,626,819.94	15,508,536.78
May 30, 2018	5,907,238.49	66,666,981.81	3,724,290.73	11,784,246.06
November 30, 2018	6,036,459.34	60,630,522.47	3,824,381.04	7,959,865.02
May 30, 2019	6,168,506.88	54,462,015.59	3,927,161.28	4,032,703.74
November 30, 2019	6,303,442.97	48,158,572.62	4,032,703.74	0.00
May 30, 2020	6,441,330.79	41,717,241.83	0.00	0.00
November 30, 2020	6,582,234.90	35,135,006.93	0.00	0.00
May 30, 2021	6,726,221.29	28,408,785.65	0.00	0.00
November 30, 2021	6,873,357.38	21,535,428.27	0.00	0.00
May 30, 2022	7,023,712.07	14,511,716.20	0.00	0.00
November 30, 2022	7,177,355.77	7,334,360.43	0.00	0.00
May 30, 2023	7,334,360.43	0.00	0.00	0.00

	MSN 133			
	Series A Equipment Note		Series B Equipment Note	
Date	Scheduled Payments of Principal	Equipment Note Ending Balance	Scheduled Payments of Principal	Equipment Note Ending Balance
At Issuance	$ 0.00	$115,500,000.00	$ 0.00	$42,000,000.00
November 30, 2013	0.00	115,500,000.00	0.00	42,000,000.00
May 30, 2014	4,968,237.06	110,531,762.94	3,012,332.65	38,987,667.35
November 30, 2014	5,076,917.25	105,454,845.69	3,093,289.09	35,894,378.26
May 30, 2015	5,187,974.81	100,266,870.88	3,176,421.24	32,717,957.02
November 30, 2015	5,301,461.76	94,965,409.11	3,261,787.56	29,456,169.46
May 30, 2016	5,417,431.24	89,547,977.87	3,349,448.10	26,106,721.36
November 30, 2016	5,535,937.55	84,012,040.33	3,439,464.52	22,667,256.85
May 30, 2017	5,657,036.18	78,355,004.15	3,531,900.12	19,135,356.72
November 30, 2017	5,780,783.85	72,574,220.30	3,626,819.94	15,508,536.78
May 30, 2018	5,907,238.49	66,666,981.81	3,724,290.73	11,784,246.06
November 30, 2018	6,036,459.34	60,630,522.47	3,824,381.04	7,959,865.02
May 30, 2019	6,168,506.88	54,462,015.59	3,927,161.28	4,032,703.74
November 30, 2019	6,303,442.97	48,158,572.62	4,032,703.74	0.00
May 30, 2020	6,441,330.79	41,717,241.83	0.00	0.00
November 30, 2020	6,582,234.90	35,135,006.93	0.00	0.00
May 30, 2021	6,726,221.29	28,408,785.65	0.00	0.00
November 30, 2021	6,873,357.38	21,535,428.27	0.00	0.00
May 30, 2022	7,023,712.07	14,511,716.20	0.00	0.00
November 30, 2022	7,177,355.77	7,334,360.43	0.00	0.00
May 30, 2023	7,334,360.43	0.00	0.00	0.00

	MSN 134			
	Series A Equipment Note		Series B Equipment Note	
Date	Scheduled Payments of Principal	Equipment Note Ending Balance	Scheduled Payments of Principal	Equipment Note Ending Balance
At Issuance	$ 0.00	$115,500,000.00	$ 0.00	$42,000,000.00
November 30, 2013	0.00	115,500,000.00	0.00	42,000,000.00
May 30, 2014	4,968,237.06	110,531,762.94	3,012,332.65	38,987,667.35
November 30, 2014	5,076,917.25	105,454,845.69	3,093,289.09	35,894,378.26
May 30, 2015	5,187,974.81	100,266,870.88	3,176,421.24	32,717,957.02
November 30, 2015	5,301,461.76	94,965,409.11	3,261,787.56	29,456,169.46
May 30, 2016	5,417,431.24	89,547,977.87	3,349,448.10	26,106,721.36
November 30, 2016	5,535,937.55	84,012,040.33	3,439,464.52	22,667,256.85
May 30, 2017	5,657,036.18	78,355,004.15	3,531,900.12	19,135,356.72
November 30, 2017	5,780,783.85	72,574,220.30	3,626,819.94	15,508,536.78
May 30, 2018	5,907,238.49	66,666,981.81	3,724,290.73	11,784,246.06
November 30, 2018	6,036,459.34	60,630,522.47	3,824,381.04	7,959,865.02
May 30, 2019	6,168,506.88	54,462,015.59	3,927,161.28	4,032,703.74
November 30, 2019	6,303,442.97	48,158,572.62	4,032,703.74	0.00
May 30, 2020	6,441,330.79	41,717,241.83	0.00	0.00
November 30, 2020	6,582,234.90	35,135,006.93	0.00	0.00
May 30, 2021	6,726,221.29	28,408,785.65	0.00	0.00
November 30, 2021	6,873,357.38	21,535,428.27	0.00	0.00
May 30, 2022	7,023,712.07	14,511,716.20	0.00	0.00
November 30, 2022	7,177,355.77	7,334,360.43	0.00	0.00
May 30, 2023	7,334,360.43	0.00	0.00	0.00

	MSN 136			
	Series A Equipment Note		Series B Equipment Note	
Date	**Scheduled Payments of Principal**	**Equipment Note Ending Balance**	**Scheduled Payments of Principal**	**Equipment Note Ending Balance**
At Issuance	$ 0.00	$115,500,000.00	$ 0.00	$42,000,000.00
November 30, 2013	0.00	115,500,000.00	0.00	42,000,000.00
May 30, 2014	4,968,237.06	110,531,762.94	3,012,332.65	38,987,667.35
November 30, 2014	5,076,917.25	105,454,845.69	3,093,289.09	35,894,378.26
May 30, 2015	5,187,974.81	100,266,870.88	3,176,421.24	32,717,957.02
November 30, 2015	5,301,461.76	94,965,409.11	3,261,787.56	29,456,169.46
May 30, 2016	5,417,431.24	89,547,977.87	3,349,448.10	26,106,721.36
November 30, 2016	5,535,937.55	84,012,040.33	3,439,464.52	22,667,256.85
May 30, 2017	5,657,036.18	78,355,004.15	3,531,900.12	19,135,356.72
November 30, 2017	5,780,783.85	72,574,220.30	3,626,819.94	15,508,536.78
May 30, 2018	5,907,238.49	66,666,981.81	3,724,290.73	11,784,246.06
November 30, 2018	6,036,459.34	60,630,522.47	3,824,381.04	7,959,865.02
May 30, 2019	6,168,506.88	54,462,015.59	3,927,161.28	4,032,703.74
November 30, 2019	6,303,442.97	48,158,572.62	4,032,703.74	0.00
May 30, 2020	6,441,330.79	41,717,241.83	0.00	0.00
November 30, 2020	6,582,234.90	35,135,006.93	0.00	0.00
May 30, 2021	6,726,221.29	28,408,785.65	0.00	0.00
November 30, 2021	6,873,357.38	21,535,428.27	0.00	0.00
May 30, 2022	7,023,712.07	14,511,716.20	0.00	0.00
November 30, 2022	7,177,355.77	7,334,360.43	0.00	0.00
May 30, 2023	7,334,360.43	0.00	0.00	0.00

- The interest rate applicable to each Series of Equipment Notes must be equal to the interest rate applicable to the Certificates issued by the corresponding Trust.
- The payment dates for the Equipment Notes must be May 30 and November 30 and the rent payable in U.S. dollars under the Leases must be payable at least five Business Days prior to such dates.
- Rent payable in U.S. dollars and amounts payable by Emirates upon early termination of the Leases must be sufficient to pay amounts due with respect to the related Equipment Notes.
- The amounts payable under the all-risk aircraft hull insurance maintained with respect to each Aircraft must be sufficient to pay the applicable agreed value for such Aircraft (which, as of any date, must be sufficient to pay outstanding principal amounts of the related Equipment Notes as of such date together with accrued and unpaid interest thereon as of such date), subject to certain rights of self-insurance.
- (a) The past due rate in the Indentures, (b) the Make-Whole Premium payable under the Indentures, (c) the provisions relating to the redemption and purchase of Equipment Notes in the Indentures, (d) the minimum liability insurance amount on each Aircraft in the Leases, and (e) the indemnification of DNA Alpha, as lessor, Wilmington Trust, National Association, as securities intermediary, the Paying Agent, the Loan Trustees, Subordination Agent, Liquidity Providers, Trustees, Escrow Agents and registered holders of the Equipment Notes (in such capacity, the "Note Holders") with respect to certain taxes, liabilities and expenses, in each case shall be provided as set forth in the Note Purchase Agreement and the forms of Lease and Indenture attached as exhibits to the Note Purchase Agreement.
- In the case of the Indentures, modifications are prohibited in any material adverse respect to, among other things, (i) the Granting Clause of the Indentures so as to deprive the Note Holders under all the Indentures of a first priority security interest in the Aircraft and certain of Emirates'

rights under warranties with respect to the Aircraft, the Leases and the other collateral subject thereto or to eliminate the obligations intended to be secured thereby, (ii) to certain provisions relating to the issuance, redemption, payments, and ranking of the Equipment Notes (including the obligation to pay the Make-Whole Premium in certain circumstances), (iii) to certain provisions regarding Indenture Defaults (including cross-defaults among Indentures), and remedies relating thereto, (iv) to certain provisions relating to any replaced engines with respect to an Aircraft and (v) to the provision that New York law will govern the Indentures.

- In the case of the Leases, modifications are prohibited in any material adverse respect to certain provisions regarding the obligation of Emirates (i) to pay rent payable in U.S. dollars and amounts payable upon early termination of the Leases, (ii) to make certain filings and recordations and to maintain each Indenture as a first-priority perfected mortgage on the related Aircraft and a first priority perfected security interest with respect to the Lease, (iii) to furnish certain opinions with respect to a replacement engine or the re-registration of the Aircraft in a jurisdiction other than the UAE and (iv) to consent to the assignment of the Lease by DNA Alpha as collateral under the Indenture, as well as modifications which would either alter the provision that English law will govern the Lease or would deprive the Loan Trustee of rights expressly granted to it under the Leases.
- In the case of all of the Indentures, modifications are prohibited in any material adverse respect as regards the interest of the Note Holders, the Subordination Agent, the Liquidity Provider or the Loan Trustee in the definition of “Make-Whole Premium”.

Notwithstanding the foregoing, any such forms of financing agreements may be modified to correct or supplement any such provision which may be defective or to cure any ambiguity or correct any mistake, *provided* that any such action shall not materially adversely affect the interests of the Note Holders, the Subordination Agent, the Liquidity Provider, the Loan Trustee or the Certificateholders. (Note Purchase Agreement, Schedule III)

Liquidation of Original Trusts

On the earlier of (i) the first Business Day after the date that is nine months after the Issuance Date or, if later, the fifth Business Day after the Delivery Period Termination Date and (ii) the fifth Business Day after the occurrence of a Triggering Event (such Business Day, the “Transfer Date”), subject to the satisfaction of certain conditions, each of the Trusts established on the Issuance Date (the “Original Trusts”) will transfer and assign all of its assets and rights to a newly created successor trust (each, a “Successor Trust”) with substantially identical terms, except that (i) the Successor Trusts will not have the right to purchase new Equipment Notes and (ii) Delaware law will govern the Original Trusts and New York law will govern the Successor Trusts. (Trust Supplements, Section 7.01) The institution acting as Trustee of each of the Original Trusts (each, an “Original Trustee”) will also act as Trustee of the corresponding Successor Trust (each, a “New Trustee”). Each New Trustee will assume the obligations of the related Original Trustee under each transaction document to which such Original Trustee was a party pursuant to an assignment and assumption agreement. Upon the effectiveness of such transfer, assignment and assumption, each of the Original Trusts will be liquidated and each of the Certificates will represent the same percentage interest in the Successor Trust as it represented in the Original Trust immediately prior to such transfer, assignment and assumption. Unless the context otherwise requires, all references in this offering circular to the Trusts, the applicable Trustees, Pass Through Trust Agreements and similar terms shall apply to the Original Trusts until the effectiveness of such transfer, assignment and assumption, and thereafter shall be applicable with respect to the Successor Trusts. If for any reason such transfer, assignment and assumption cannot be effected to any Successor Trust, the related Original Trust will continue in existence until it is effected. For a discussion of the U.S. federal income tax treatment of the Original Trusts and the Successor Trusts, see “Certain U.S. Federal Income Tax Consequences”.

Termination of the Trusts

The obligations of DNA Alpha and the applicable Trustee with respect to a Trust will terminate upon the distribution to Certificateholders of such Trust of all amounts required to be distributed to them pursuant to the applicable Pass Through Trust Agreement and the disposition of all property held in such Trust. The applicable Trustee will send to each Certificateholder of such Trust notice of the termination of such Trust, the amount of the proposed final payment and the proposed date for the distribution of such final payment for such Trust. The final distribution to any Certificateholder of such Trust will be made only upon surrender of such Certificateholder's Certificates at the office or agency of the applicable Trustee specified in such notice of termination. (Trust Supplements, Section 7.01(a))

The Trustees

The Trustee for each Trust will be Wilmington Trust, National Association. The Trustee's address is Wilmington Trust, National Association, 1100 North Market Street, Wilmington, Delaware 19890-1605 Attention: Corporate Trust Administration.

Book-Entry; Delivery and Form

General

Certificates sold within the United States to "qualified institutional buyers" (as defined in Rule 144A) in compliance with Rule 144A will be available only in book-entry form, except in the limited circumstances set forth below. Such Certificates will initially be represented by one or more fully registered global Certificates (each, a "Restricted Global Certificate") in definitive, fully registered form without interest coupons with the legend substantially as provided below under "Transfer Restrictions" set forth thereon and will be deposited with the applicable Trustee, as custodian for The Depository Trust Company ("DTC"), and registered in the name of a nominee of DTC for credit to the respective accounts of the purchasers (or to such other account as they may direct). (Trust Supplements, Section 8.01(b))

Certificates sold outside the United States to non-U.S. persons in reliance on Regulation S will be available only in book-entry form, except in the limited circumstances set forth below. Such Certificates will initially be represented by one or more fully registered global Certificates (each, a "Regulation S Global Certificate" and, together with the Restricted Global Certificates, the "Global Certificates") in definitive, fully registered form without interest coupons and will be deposited with the applicable Trustee, as custodian for DTC, and registered in the name of a nominee of DTC, for the accounts of Euroclear Bank S.A., as operator of the Euroclear System ("Euroclear"), and Clearstream Banking société anonyme, Luxembourg ("Clearstream"). (Trust Supplements, Section 8.01(c)) Through and including the 40th consecutive day after the later of the commencement of the Offering and the Issuance Date (through and including such 40th day, the "Restricted Period"), beneficial interests in the Regulation S Global Certificates may be held only through Euroclear or Clearstream, and any resale or other transfer of such interests to U.S. persons shall not be permitted during such Restricted Period unless such resale or transfer is made pursuant to Rule 144A and in accordance with the certification requirements described below. (Trust Supplements, Section 8.06)

Beneficial interests in a Restricted Global Certificate or a Regulation S Global Certificate shall be delivered to all beneficial owners thereof in the definitive, certificated fully registered form ("Definitive Certificates") of Restricted Definitive Certificates or Regulation S Definitive Certificates, as the case may be, if (i) DTC notifies the Trustee that DTC is unwilling or unable to discharge properly its responsibilities as depositary for such Global Certificate and DNA Alpha is unable to locate a qualified successor, (ii) DNA Alpha elects to terminate the book-entry system through DTC, or (iii) after the occurrence of a PTC Event of Default, owners of beneficial interests in a Global Certificate (the "Certificate Owners") with fractional undivided interests aggregating not less than a majority in interest in the applicable Trust advise the Trustee, DNA Alpha and DTC through Direct Participants in writing that the continuation of a book-entry system through DTC or its successor is no longer in their best interests.

Transfers of interests in the Restricted Global Certificates will be subject to certain restrictions described under "Transfer Restrictions". In certain circumstances, as described below, transfers may be made as a result of which the transfer restrictions no longer apply. The Certificates are not issuable in bearer form.

Holders will not be charged for any registration of transfer or exchange of the Certificates, but the Trustees may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any such transaction. (Trust Supplements, Section 8.04) The Certificates are registered instruments, title to which passes upon registration of the transfer on the books of the applicable Trustee in accordance with the terms of Certificates.

Global Certificates

So long as DTC, or its nominee, is the registered holder of a Global Certificate, DTC or such nominee, as the case may be, will be considered the absolute owner or holder of the Certificates represented by such Global Certificate for all purposes under such Certificates. Participants in DTC ("Direct Participants"), as well as any other persons on whose behalf Direct Participants may act (including Euroclear and Clearstream and account holders and participants therein), will have no rights under the Pass Through Trust Agreements or under a Global Certificate. Owners of beneficial interests in a Global Certificate will not be considered to be the owners or holders of any Certificate under the Pass Through Trust Agreements. In addition, no beneficial owner of an interest in a Global Certificate will be able to exchange or transfer that interest, except in accordance with the applicable procedures of DTC, Euroclear and Clearstream, in each case to the extent applicable (the "Applicable Procedures") and the transfer restrictions applicable to the Certificates. (Trust Supplements, Sections 8.05(a) and 8.05(b))

DTC has advised DNA Alpha that DTC is a limited purpose trust company organized under the laws of the State of New York, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities for its Direct Participants and facilitate the clearance and settlement of securities transactions between Direct Participants through electronic book-entry changes in accounts of its Direct Participants, thereby eliminating the need for physical movement of certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. Indirect access to the DTC system is available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). Interests in a Global Certificate may also be held through Euroclear and Clearstream.

Until the expiration of the Restricted Period, purchasers must hold their interests in the Regulation S Global Certificates directly through Clearstream or Euroclear, if they are participants in such systems, or indirectly through organizations which are participants in such systems. After the expiration of the Restricted Period (but not earlier), investors may also hold such interests through organizations other than Clearstream or Euroclear that are participants in the DTC system. Clearstream and Euroclear will hold interests in the Regulation S Global Certificates on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositaries, which in turn will hold such interests in the Regulation S Global Certificates in customers' securities accounts in the depositaries' names on the books of DTC. Purchasers that are QIBs may hold their interests in the Restricted Global Certificates directly through DTC, if they are Direct Participants, or as Indirect Participants.

Payments in respect of each Global Certificate registered in the name of DTC or its nominee will be made to the order of DTC or its nominee as the registered owner of such Global Certificate. Payments, transfers, exchanges and other matters relating to beneficial interests in a Global Certificate may be subject to various policies and procedures adopted by DTC from time to time. Because DTC can only act on behalf of Direct Participants, who in turn act on behalf of Indirect Participants, the ability of a Certificateholder to pledge its interest to persons or entities that do not participate in the DTC system, or to otherwise act with respect to such interest, may be limited due to the lack of a physical certificate for such interest.

None of DNA Alpha, the Trustees or any of their agents will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial interests in the Global Certificates or for maintaining, supervising or reviewing any records relating to such beneficial interests.

DTC has advised DNA Alpha that its current practice, upon receipt of any payment of principal or interest in respect of a Global Certificate, is to immediately credit the accounts of Direct Participants with payments in amounts proportionate to their respective beneficial fractional undivided interests of such Global Certificate of such series as shown on the records of DTC or its nominee. Payments by Direct Participants and Indirect Participants to owners of beneficial interests in such Global Certificate will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such Direct Participant or Indirect Participant.

As mentioned above, unless and until Definitive Certificates with respect to a Global Certificate are issued under the limited circumstances described below, the only “Certificateholder” with respect to such Global Certificate will be Cede & Co., as nominee of DTC. Beneficial owners of an interest in a Global Certificate will be permitted to exercise the rights of Certificateholders only indirectly through DTC and Direct Participants. DTC has advised DNA Alpha that it will take any action permitted to be taken by a Certificateholder under the Pass Through Trust Agreements only at the direction of one or more Direct Participants to whose accounts with DTC the Certificates are credited. In the event any action requires approval by a certain percentage of Certificateholders, DTC will take such action only at the direction of and on behalf of Direct Participants whose holdings include undivided interests that satisfy the required percentage. DTC may take conflicting actions with respect to other undivided interests to the extent that such actions are taken on behalf of Direct Participants whose holdings include such undivided interests.

Definitive Certificates

Beneficial interests in the Regulation S Global Certificates and the Restricted Global Certificates will be exchangeable or transferable, as the case may be, for Definitive Certificates only if (i) DTC notifies the applicable Trustee that DTC is unwilling or unable to discharge properly its responsibilities as depositary for such Global Certificates and DNA Alpha is unable to locate a qualified successor, (ii) DNA Alpha elects to terminate the book-entry system through DTC or (iii) after the occurrence and during the continuance of a PTC Event of Default, Certificate Owners with fractional undivided interests aggregating not less than a majority in interest in the applicable Trust advise the applicable Trustee, DNA Alpha and DTC through Direct Participants in writing that the continuation of a book-entry system through DTC or its successor is no longer in their best interests. (Trust Supplements, Section 8.05(b))

Upon the occurrence of any event described in the immediately preceding paragraph, the applicable Trustee will be required to notify all Direct Participants having a beneficial interest in the Global Certificates of the availability of Definitive Certificates. Upon surrender by DTC of the Global Certificates and receipt of instructions for re-registration, the applicable Trustee will reissue the Certificates as Definitive Certificates to Certificate Owners. (Trust Supplements, Section 8.05(d))

In the case of Definitive Certificates issued in exchange for the Restricted Global Certificates in the limited circumstances described above, except as described in the next sentence, such Definitive Certificates shall bear the legend set forth on the Restricted Global Certificates. (Trust Supplements, Section 8.05(e)) Upon the transfer, exchange or replacement of Certificates bearing the legend, or upon specific request for removal of the legend on a Certificate, the applicable Trustee shall deliver only Certificates that bear such legend, or shall refuse to remove such legend, as the case may be, unless there is delivered to DNA Alpha and such Trustee a certificate in the form provided in the Pass Through Trust Agreements or such satisfactory evidence as may reasonably be required by DNA Alpha, which may include an opinion of U.S. counsel, that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act. (Trust Supplements, Section 8.06(d)) Definitive Certificates will be exchangeable or transferable for interests in other Definitive Certificates only as described under "—Replacement, Exchange and Transfers" below.

Distributions of principal of, interest on, and premium, if any, with respect to, Definitive Certificates will be made by the applicable Trustee directly in accordance with the procedures set forth in the Pass Through Trust Agreements, to holders in whose names the Definitive Certificates were registered at the close of business on the applicable record date. Such distributions will be made by check mailed to the address of such holder as it appears on the register maintained by such Trustee. The final payment on any Certificate, however, will be made only upon presentation and surrender of such Certificate at the office or agency specified in the notice of final distribution to Certificateholders.

The laws of some jurisdictions may require that certain purchasers take physical delivery of securities. Such laws may limit the market for beneficial interests in the Global Certificates.

Replacement, Exchange and Transfers

If any Certificate at any time is mutilated, destroyed, stolen or lost, such Certificate may be replaced at the cost of the applicant (including legal fees of DNA Alpha and the applicable Trustee) at the office of such Trustee upon provision of evidence satisfactory to such Trustee and DNA Alpha that such Certificate was destroyed, stolen or lost, together with such indemnity as such Trustee and DNA Alpha may require. Mutilated or defaced Certificates must be surrendered before replacements will be issued. (Section 3.06)

During the Restricted Period, transfers by an owner of a beneficial interest in a Regulation S Global Certificate to a transferee who takes delivery of such interest through a Restricted Global Certificate will be made only in accordance with the Applicable Procedures and upon receipt by the applicable Trustee of a written certification from the transferor and the transferee of the beneficial interest in the forms provided in the Pass Through Trust Agreements to the effect that such transfer is being made to a QIB within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction. After the expiration of the Restricted Period, such certification requirement will no longer apply to such transfers. (Trust Supplements, Sections 8.06(a), (b) and (c))

Transfers by an owner of a beneficial interest in a Restricted Global Certificate to a transferee who takes delivery of such interest through a Regulation S Global Certificate will be made only upon receipt by the applicable Trustee of a written certification from the transferor in the form provided in the Pass Through Trust Agreements to the effect that such transfer is being made in accordance with Regulation S. (Trust Supplements, Section 8.06(c))

Transfers between Direct Participants will be effected in the ordinary way in accordance with the Applicable Procedures and will be settled in same-day funds. Transfers between participants in Euroclear and Clearstream will be effected in the ordinary way in accordance with their respective rules and operating procedures.

Definitive Certificates may be exchanged or transferred in whole or in part in the principal amount of authorized denominations by surrendering such Definitive Certificates at the office of the applicable Trustee with a written instrument of transfer as provided in the Pass Through Trust Agreements. In addition, if the Definitive Certificates being exchanged or transferred contain a legend, additional certifications to the effect that such exchange or transfer is in compliance with the restrictions contained in such legend may be required. (Trust Supplements, Sections 8.06(a) and (d))

DESCRIPTION OF THE DEPOSIT AGREEMENTS

The following summary describes the material terms of the Deposit Agreements. The summary does not purport to be complete and is qualified in its entirety by reference to all of the provisions of the Deposit Agreements. You may obtain copies of the Deposit Agreements by requesting them in writing or by telephone at: Anson Fund Managers Limited, P.O. Box 405, Anson Place, Mill Court, La Charroterie, St Peter Port, Guernsey GY1 3GF or +44 (0) 1481 722 260. The Deposit Agreements, and not the summaries below, define your rights as a holder of Certificates. The provisions of the Deposit Agreements are substantially identical except as otherwise indicated.

General

Under the Escrow Agreements, the Escrow Agent with respect to each Trust will enter into a separate Deposit Agreement with the Depositary. Pursuant to the Escrow Agreements, the Depositary will establish separate accounts into which the proceeds of the Offering attributable to Certificates of the applicable Trust will be deposited (each, a "Deposit") on behalf of such Escrow Agent. Pursuant to the Deposit Agreement with respect to each Trust (each, a "Deposit Agreement"), on each Regular Distribution Date the Depositary will pay to the Paying Agent on behalf of the applicable Escrow Agent, for distribution to the Certificateholders of such Trust, an amount equal to interest accrued on the Deposits relating to such Trust during the relevant interest period at a rate per annum equal to the interest rate applicable to the Certificates issued by such Trust. (Deposit Agreements, Section 2.2) After the Issuance Date, upon each delivery of an Aircraft during the Delivery Period, the Trustee for each Trust will request the Escrow Agent relating to such Trust to withdraw from the Deposits relating to such Trust funds sufficient to enable the Trustee of such Trust to purchase the Equipment Note of the series applicable to such Trust issued with respect to such Aircraft. Accrued but unpaid interest on all such Deposits withdrawn to purchase Equipment Notes will be paid on the next Regular Distribution Date. Any portion of any Deposit withdrawn that is not used to purchase such Equipment Note will be re-deposited by each Trustee into an account relating to the applicable Trust. The Deposits relating to each Trust and interest paid thereon will not be subject to the subordination provisions of the Intercreditor Agreement and will not be available to pay any other amount in respect of the Certificates.

Unused Deposits

The Trustees' obligations to purchase the Equipment Notes issued with respect to each Aircraft are subject to satisfaction of certain conditions at the time of financing, as set forth in the Note Purchase Agreement. See "Description of the Certificates—Obligation to Purchase Equipment Notes". Since the Aircraft are scheduled for delivery from time to time during the Delivery Period, no assurance can be given that all such conditions will be satisfied at the time of delivery for each such Aircraft. Moreover, since the Aircraft will be newly manufactured, their delivery as scheduled is subject to delays in the manufacturing process and to the Aircraft manufacturer's right to postpone deliveries under its agreement with Emirates. See "Description of the Aircraft and Appraisals—Deliveries of Aircraft".

If any funds remain as Deposits with respect to any Trust at the end of the Delivery Period or, if earlier, upon the acquisition by the Trusts of the Equipment Notes with respect to all of the Aircraft (the "Delivery Period Termination Date"), such funds will be withdrawn by the Escrow Agent and distributed, with accrued and unpaid interest thereon but without premium, to the Certificateholders of such Trust after at least 15 days' prior written notice. (Deposit Agreements, Section 2.3(b), Escrow Agreements, Section 1.02(e))

Distribution Upon Occurrence of Triggering Event

If a Triggering Event shall occur prior to the Delivery Period Termination Date, the obligation to purchase the Equipment Notes will terminate and the Escrow Agent for each Trust will withdraw any funds then held as Deposits with respect to such Trust and cause such funds, with accrued and unpaid interest thereon but without any premium, to be distributed to the Certificateholders of such Trust by the Paying Agent on behalf of the Escrow Agent, after at least 15 days' prior written notice. (Deposit Agreements, Section 2.3(b), Escrow Agreements, Section 1.02(e)) Accordingly, if a Triggering Event occurs prior to the Delivery Period Termination Date, the Trusts will not acquire Equipment Notes issued with respect to Aircraft delivered after the occurrence of such Triggering Event.

Replacement of Depositary

If the Depositary's short-term unsecured debt rating by Moody's falls below the Depositary Threshold Rating or if such rating has been withdrawn or suspended, then DNA Alpha must use commercially reasonable efforts to cause, within 45 days of such event occurring, the Depositary to be replaced with a new depositary bank that has a short-term unsecured debt rating by Moody's equal to or higher than the Depositary Threshold Rating, subject to receipt of written confirmation from the Rating Agency to the effect that such replacement will not result in a withdrawal, suspension or downgrading of the ratings for any Class of Certificates then rated by such Rating Agency without regard to any downgrading of any rating of the Depositary being replaced. (Note Purchase Agreement, Section 6)

At any time during the Delivery Period, DNA Alpha may replace the Depositary, or the Depositary may replace itself, with a new depositary bank that has a short-term unsecured debt rating by Moody's equal to or higher than the Depositary Threshold Rating, subject to receipt of written confirmation from the Rating Agency to the effect that such replacement will not result in a withdrawal, suspension or downgrading of the ratings for any Class of Certificates then rated by such Rating Agency. (Note Purchase Agreement, Section 6)

"Depositary Threshold Rating" means the short-term unsecured debt rating of P-1 by Moody's.

"Rating Agency" means, at any time, each nationally recognized rating agency which shall have been requested by DNA Alpha to rate the Certificates and which shall then be rating the Certificates. The initial Rating Agency will be Moody's.

Depositary

Crédit Agricole Corporate and Investment Bank ("Crédit Agricole CIB"), acting via its New York Branch, will act as depositary (the "Depositary"). Crédit Agricole CIB is a French société anonyme (joint stock corporation) with a Board of Directors and is a credit institution licensed as a bank in France. The New York Branch of Crédit Agricole CIB is licensed by the New York State Department of Financial Services to conduct a banking business as a branch of a foreign bank.

The Depositary meets the Depositary Threshold Rating. Crédit Agricole CIB has long-term debt ratings from Standard & Poor's Credit Market Services France S.A.S. ("Standard & Poor's"), Moody's Investors Service Ltd. and Fitch France S.A.S. ("Fitch") of "A", "A2" and "A+", respectively, and short-term debt ratings from Standard & Poor's, Moody's Investors Service Ltd. and Fitch of "A-1", "P-1" and "F1+", respectively.

Each of Standard & Poor's, Moody's Investors Service Ltd. and Fitch is established in the EEA and registered under the CRA Regulation.

Crédit Agricole CIB is the corporate and investment banking division of Crédit Agricole S.A. Crédit Agricole CIB has total assets of €905,290 million and total equity capital of €15,667 million in each case at December 31, 2012.

Crédit Agricole CIB's registered office is located at 9, Quai du Président Paul Doumer, 92920 Paris La Défense Cedex, France, and its telephone number is 33 1 4189 0000. A copy of Crédit Agricole CIB's most recent publicly available annual report may be obtained from Eric Pons, Head of budget forecast and financial communications, 9 Quai du Président Paul Doumer, 92920 Paris La Défense Cedex, France, telephone number 33 1 4189 8462.

DESCRIPTION OF THE ESCROW AGREEMENTS

The following summary describes the material terms of the escrow and paying agent agreements (the “Escrow Agreements”). The summary does not purport to be complete and is qualified in its entirety by reference to all of the provisions of the Escrow Agreements. You may obtain copies of the Escrow Agreements by requesting them in writing or by telephone at: Anson Fund Managers Limited, P.O. Box 405, Anson Place, Mill Court, La Charroterie, St Peter Port, Guernsey GY1 3GF or +44 (0) 1481 722 260. The Escrow Agreements, and not the summaries below, define your rights as a holder of Certificates. The provisions of the Escrow Agreements are substantially identical except as otherwise indicated.

Wells Fargo Bank Northwest, National Association, as escrow agent in respect of each Trust (the “Escrow Agent”), Wilmington Trust, National Association, as paying agent on behalf of the Escrow Agent in respect of each Trust (the “Paying Agent”), each Trustee and the Initial Purchasers will enter into a separate Escrow Agreement for the benefit of the Certificateholders of each Trust as holders of the Escrow Receipts affixed thereto (in such capacity, a “Receiptholder”). The cash proceeds of the offering of Certificates of each Trust will be deposited on behalf of the Escrow Agent (for the benefit of Receiptholders) with the Depositary as Deposits relating to such Trust. Each Escrow Agent shall permit the Trustee of the related Trust to cause funds to be withdrawn from such Deposits on or prior to the Delivery Period Termination Date to allow such Trustee to purchase the related Equipment Notes pursuant to the Note Purchase Agreement. In addition, the Escrow Agent shall direct the Depositary to pay interest on the Deposits accrued in accordance with the Deposit Agreement to the Paying Agent for distribution to the Receiptholders.

Each Escrow Agreement requires that the Paying Agent establish and maintain, for the benefit of the related Receiptholders, one or more Paying Agent Account(s), which shall be non-interest-bearing. The Paying Agent shall deposit interest on Deposits and any unused Deposits withdrawn by the Escrow Agent in the related Paying Agent Account. The Paying Agent shall distribute these amounts on a Regular Distribution Date or Special Distribution Date, as appropriate. See “Description of the Certificates—Distributions”.

Upon receipt by the Depositary of cash proceeds from this Offering, the Escrow Agent will issue one or more escrow receipts (“Escrow Receipts”) which will be affixed by the relevant Trustee to each Certificate. Each Escrow Receipt evidences the related Receiptholder’s interest in amounts from time to time deposited into the Paying Agent Account and is limited in recourse to amounts deposited into such account. An Escrow Receipt may not be assigned or transferred except in connection with the assignment or transfer of the Certificate to which it is affixed. Each Escrow Receipt will be registered by the Escrow Agent in the same name and manner as the Certificate to which it is affixed. (Escrow Agreements, Section 1.03)

Each Receiptholder shall have the right (individually and without the need for any other action of any person, including the Escrow Agent or any other Receiptholder), upon any default in the payment of interest on the Deposits when due by the Depositary in accordance with the applicable Deposit Agreement, or upon any default in the payment of the final withdrawal when due by the Depositary in accordance with the terms of the applicable Deposit Agreement and Escrow Agreement, to proceed directly against the Depositary. The Escrow Agent will notify Receiptholders in the event of a default in any such payment and will promptly forward to Receiptholders upon receipt copies of all written communications relating to any payments due to the Receiptholders in respect of the Deposits. (Escrow Agreements, Sections 9 and 15)

DESCRIPTION OF THE LIQUIDITY FACILITIES

The following summary describes the material terms of the Liquidity Facilities and certain provisions of the Intercreditor Agreement relating to the Liquidity Facilities. The summary does not purport to be complete and is qualified in its entirety by reference to all of the provisions of the Liquidity Facilities and the Intercreditor Agreement. You may obtain copies of the Liquidity Facilities and the Intercreditor Agreement by requesting them in writing or by telephone at: Anson Fund Managers Limited, P.O. Box 405, Anson Place, Mill Court, La Charroterie, St Peter Port, Guernsey GY1 3GF or +44 (0) 1481 722 260. The Liquidity Facilities and the Intercreditor Agreement, and not the summaries below, define your rights as a holder of Certificates. The provisions of the Liquidity Facilities are substantially identical except as otherwise indicated.

General

Crédit Agricole Corporate and Investment Bank, acting via its New York Branch (the "Liquidity Provider"), will enter into a separate revolving credit agreement (each, a "Liquidity Facility") with the Subordination Agent with respect to each Trust. On any Regular Distribution Date, if, after giving effect to the subordination provisions of the Intercreditor Agreement, the Subordination Agent does not have sufficient funds for the payment of interest on the Class A or Class B Certificates, the Liquidity Provider under the relevant Liquidity Facility will make an advance (an "Interest Drawing") in the amount needed to fund such interest shortfall up to the Maximum Available Commitment. The maximum amount of Interest Drawings available under each Liquidity Facility is expected to provide an amount sufficient for the Subordination Agent to pay interest on the related Class of Certificates on up to four consecutive semiannual Regular Distribution Dates (without regard to any expected future payments of principal on such Certificates) at the respective interest rates shown on the cover page of this offering circular for such Certificates (the "Stated Interest Rates"). If interest payment defaults occur which exceed the amount covered by and available under the Liquidity Facility for a Trust, the Certificateholders of such Trust will bear their allocable share of the deficiencies to the extent that there are no other sources of funds. The Liquidity Provider for a Trust may be replaced by one or more other entities under certain circumstances.

Drawings

The aggregate amount available under the Liquidity Facility for each Trust at November 30, 2013, the first Regular Distribution Date after all Aircraft available to be financed in the Offering are scheduled to have been delivered, assuming that such Aircraft are so financed, that Equipment Notes in the maximum principal amount with respect to all such Aircraft are acquired by the Trusts and that all interest and principal due on or prior to November 30, 2013 is paid, will be as follows:

Trust	Available Amount
Class A	US $48,510,000
Class B	US $20,580,000

Except as otherwise provided below, the Liquidity Facility for each Trust will enable the Subordination Agent to make Interest Drawings thereunder promptly on or after any Regular Distribution Date if, after giving effect to the subordination provisions of the Intercreditor Agreement, there are insufficient funds available to the Subordination Agent to pay interest on the Certificates of such Trust at the Stated Interest Rate for such Trust; provided, however, that the maximum amount available to be drawn under the Liquidity Facility with respect to any Trust on any Regular Distribution Date to fund any shortfall of interest on Certificates of such Trust will not exceed the then Maximum Available Commitment under such Liquidity Facility. The "Maximum Available Commitment" at any time under each Liquidity Facility is an amount equal to the then Maximum Commitment of such Liquidity Facility less the aggregate amount of each Interest Drawing outstanding under such Liquidity Facility at such time, provided that following a Downgrade Drawing, a Special Termination Drawing, a Final Drawing or a Non-Extension Drawing under a Liquidity Facility, the Maximum Available Commitment under such Liquidity Facility shall be zero.

"Maximum Commitment" for the Liquidity Facility for the Class A Trust and the Class B Trust means initially US \$48,510,000 and US \$20,580,000, respectively, as the same may be reduced from time to time as described below.

"Required Amount" means, in relation to the Liquidity Facility for any applicable Trust for any day, the sum of the aggregate amount of interest, calculated at the rate per annum equal to the Stated Interest Rate for such Trust, that would be payable on such Class of Certificates on each of the four successive Regular Distribution Dates immediately following such day or, if such day is a Regular Distribution Date, on such day and the succeeding three Regular Distribution Dates, in each case calculated on the basis of the Pool Balance of the corresponding Class of Certificates on such day and without regard to expected future payments of principal on such Class of Certificates.

The Liquidity Facility for any applicable Class of Certificates does not provide for drawings thereunder to pay for principal of or premium on the Certificates of such Class or any interest on the Certificates of such Class in excess of the Stated Interest Rate for such Class or more than four semiannual installments of interest thereon or principal of or interest or premium on the Certificates of any other Class. (Liquidity Facilities, Section 2.02; Intercreditor Agreement, Section 3.5) In addition, the Liquidity Facility with respect to each Trust does not provide for drawings thereunder to pay any amounts payable with respect to the Deposits relating to such Trust.

Each payment by a Liquidity Provider reduces by the same amount the Maximum Available Commitment under the related Liquidity Facility, subject to reinstatement as described below. With respect to any Interest Drawing, upon reimbursement of the applicable Liquidity Provider in full or in part for the amount of such Interest Drawing plus interest thereon, the Maximum Available Commitment under the applicable Liquidity Facility will be reinstated by an amount equal to the amount of such Interest Drawing so reimbursed to an amount not to exceed the then Required Amount of such Liquidity Facility. However, the Maximum Available Commitment under such Liquidity Facility will not be so reinstated at any time if (i) a Liquidity Event of Default with respect to such Liquidity Facility shall have occurred and be continuing and less than 65% of the then aggregate outstanding principal amount of all Equipment Notes are Performing Equipment Notes or (ii) a Final Drawing, Downgrade Drawing, Special Termination Drawing or Non-Extension Drawing shall have been made or an Interest Drawing shall have been converted into a Final Advance. The Maximum Available Commitment under any Liquidity Facility will not be reinstated after a Final Drawing, Downgrade Drawing, Special Termination Drawing or Non-Extension Drawing thereunder. On the first Regular Distribution Date and on each date on which the Pool Balance of a Trust shall have been reduced by payments made to the related Certificateholders pursuant to the Intercreditor Agreement, the Maximum Commitment of the Liquidity Facility for the applicable Trust will be automatically reduced from time to time to an amount equal to the then Required Amount. (Liquidity Facilities, Section 2.04(a); Intercreditor Agreement, Section 3.5(j)).

"Performing Equipment Note" means an Equipment Note with respect to which no payment default has occurred and is continuing (without giving effect to any acceleration); *provided* that in the event of an insolvency proceeding under the laws of the United Arab Emirates in which Emirates is a debtor any payment default existing during the 60-Day Period shall not be taken into consideration until the expiration of the applicable period.

If at any time the long-term senior unsecured debt rating of the Liquidity Provider then issued by the Rating Agency is downgraded to lower than the applicable Liquidity Threshold Rating (including any additional downgrading by the Rating Agency if it had previously provided a confirmation of the type referred to in the following parenthetical) or if such rating has been withdrawn or suspended, unless the Rating Agency issuing such downgrade, withdrawal or suspension shall have confirmed in writing on or prior to the date 30 days after such downgrading, withdrawal or suspension that such downgrading, withdrawal or suspension will not result in the downgrading, withdrawal or suspension of the rating of the related Class of Certificates, and the applicable Liquidity Facility is not replaced with a Replacement Facility within 35 days after such downgrading, withdrawal or suspension and as otherwise provided in the Intercreditor Agreement, such Liquidity Facility will be drawn in full up to the then Maximum Available Commitment under such Liquidity Facility (the "Downgrade Drawing"). The proceeds of a Downgrade Drawing will be deposited into a cash collateral account (the "Cash Collateral Account") for the applicable Class of Certificates and used for the same purposes and under the same circumstances and subject to the same conditions as cash payments of Interest Drawings under such Liquidity Facility would be used. (Liquidity Facilities, Section 2.02(c); Intercreditor Agreement, Section 3.5(c)) If a qualified Replacement Facility is subsequently provided, the balance of the Cash Collateral Account will be repaid to the replaced Liquidity Provider.

"Liquidity Threshold Rating" means the long-term senior unsecured debt rating of Baa2 by Moody's.

If at any time during the 24-month period prior to the final expected Regular Distribution Date, the Pool Balance for a Trust is greater than the aggregate outstanding principal amount of Equipment Notes held in such Trust (other than any Equipment Notes previously sold or with respect to which the collateral securing such Equipment Notes has been disposed of), the Liquidity Provider may, in its discretion, give notice of special termination under the applicable Liquidity Facility (a "Special Termination Notice"). The effect of the delivery of such Special Termination Notice will be to cause (i) such Liquidity Facility to expire on the fifth Business Day after the date on which such Special Termination Notice is received by the Subordination Agent, (ii) the Subordination Agent to promptly request, and the Liquidity Provider to promptly make, a special termination drawing (a "Special Termination Drawing") in an amount equal to the Maximum Available Commitment thereunder and (iii) all amounts owing to the Liquidity Provider automatically to become accelerated. The proceeds of a Special Termination Drawing will be deposited into the Cash Collateral Account and used for the same purposes under the same circumstances and subject to the same conditions as cash payments of Interest Drawings under such Liquidity Facility would be used. (Liquidity Facilities, Section 6.02; Intercreditor Agreement, Section 3.5(m))

The Liquidity Facility for each Trust provides that the applicable Liquidity Provider's obligations thereunder will expire on the earliest of:

- 364 days after the Issuance Date (counting from and including the Issuance Date).
- The date on which the Subordination Agent delivers to such Liquidity Provider a certification that all of the Certificates of such Trust have been paid in full.
- The date on which the Subordination Agent delivers to such Liquidity Provider a certification that a Replacement Facility has been substituted for such Liquidity Facility.
- The fifth Business Day following receipt by the Subordination Agent of a Termination Notice from such Liquidity Provider (see "—Liquidity Events of Default").
- The fifth Business Day following receipt by the Subordination Agent of a Special Termination Notice from such Liquidity Provider.
- The date on which no amount is or may (including by reason of reinstatement) become available for drawing under such Liquidity Facility. (Liquidity Facilities, Section 1.01)

Each Liquidity Facility provides that it may be extended for additional 364-day periods by mutual agreement of the relevant Liquidity Provider and the Subordination Agent. The Intercreditor Agreement will provide for the replacement of any such Liquidity Facility for any applicable Trust if such Liquidity Facility is scheduled to expire earlier than 15 days after the Final Legal Maturity Date for the Certificates of such Trust and such Liquidity Facility is not extended at least 25 days prior to its then scheduled expiration date. If such Liquidity Facility is not so extended or replaced by the 25th day prior to its then scheduled expiration date, such Liquidity Facility will be drawn in full up to the then Maximum Available Commitment under such Liquidity Facility (the "Non-Extension Drawing"). The proceeds of the Non-Extension Drawing under any Liquidity Facility will be deposited in the Cash Collateral Account for the related Trust to be used for the same purposes and under the same circumstances, and subject to the same conditions, as cash payments of Interest Drawings under such Liquidity Facility would be used. (Liquidity Facilities, Section 2.02(b) and 2.10; Intercreditor Agreement, Section 3.5(d))

Upon receipt by the Subordination Agent of a Termination Notice with respect to any Liquidity Facility from the relevant Liquidity Provider, the Subordination Agent shall request a final drawing (a "Final Drawing") under such Liquidity Facility, in an amount equal to the then Maximum Available Commitment thereunder. The Subordination Agent will hold the proceeds of the Final Drawing in the Cash Collateral Account for the related Trust as cash collateral to be used for the same purposes and under the same circumstances, and subject to the same conditions, as cash payments of Interest Drawings under such Liquidity Facility would be used. (Liquidity Facilities, Section 2.02(d); Intercreditor Agreement, Section 3.5(i))

Drawings under any Liquidity Facility will be made by delivery by the Subordination Agent of a certificate in the form required by such Liquidity Facility. Upon receipt of such a certificate, the relevant Liquidity Provider is obligated to make payment of the drawing requested thereby in immediately available funds. Upon payment by the relevant Liquidity Provider of the amount specified in any drawing under any Liquidity Facility, such Liquidity Provider will be fully discharged of its obligations under such Liquidity Facility with respect to such drawing and will not thereafter be obligated to make any further payments under such Liquidity Facility in respect of such drawing to the Subordination Agent or any other person.

Replacement Liquidity Facility

A "Replacement Facility" for any Liquidity Facility will mean an irrevocable liquidity facility (or liquidity facilities) in substantially the form of the replaced Liquidity Facility, including reinstatement provisions, or in such other form (which may include a letter of credit) as shall permit the Rating Agency to confirm in writing the rating then in effect for the Certificates of an applicable Trust (before downgrading of such rating, if any, as a result of the downgrading of the replaced Liquidity Provider), in a face amount (or in an aggregate face amount) equal to the then Required Amount for the replaced Liquidity Facility and issued by a person (or persons) having a long-term senior unsecured debt rating issued by the Rating Agency which is equal to or higher than the Liquidity Threshold Rating. (Intercreditor Agreement, Section 1.1) The provider of any Replacement Facility will have the same rights (including, without limitation, priority distribution rights and rights as "Controlling Party") under the Intercreditor Agreement as the Liquidity Provider being replaced.

Subject to certain limitations, DNA Alpha may, at its option, arrange for a Replacement Facility at any time to replace the Liquidity Facility for any applicable Trust (including without limitation any Replacement Facility described in the following sentence). In addition, if the Liquidity Provider shall determine not to extend any Liquidity Facility, then the Liquidity Provider may, at its option, arrange for a Replacement Facility to replace such Liquidity Facility (i) during the period no earlier than 40 days and no later than 25 days prior to the then scheduled expiration date of such Liquidity Facility and (ii) at any time after a Non-Extension Drawing has been made. The Liquidity Provider may also arrange for a Replacement Facility to replace any of its Liquidity Facilities at any time after a Downgrade Drawing under such Liquidity Facility. If any Replacement Facility is provided at any time after a Downgrade Drawing, a Special Termination Drawing or a Non-Extension Drawing under any Liquidity Facility, the funds with respect to such Liquidity Facility on deposit in the Cash Collateral Account for such Trust will be returned to the Liquidity Provider being replaced. (Intercreditor Agreement, Section 3.5(e))

Reimbursement of Drawings

The Subordination Agent must reimburse amounts drawn under any Liquidity Facility by reason of an Interest Drawing, Final Drawing, Downgrade Drawing, Special Termination Drawing or Non-Extension Drawing and interest thereon, but only to the extent that the Subordination Agent has funds available therefor. See "Description of the Intercreditor Agreement—Priority of Distributions".

Interest Drawings, Special Termination Drawing and Final Drawing

Amounts drawn by reason of an Interest Drawing, Special Termination Drawing or Final Drawing will be immediately due and payable, together with interest on the amount of such drawing. From the date of the drawing to (but excluding) the third business day following the applicable Liquidity Provider's receipt of the notice of such Interest Drawing or Final Drawing, interest will accrue at the Base Rate plus 2.60% per annum. Thereafter, interest will accrue at LIBOR for the applicable interest period (or, as described in the fifth paragraph under "—Reimbursement of Drawings—Interest Drawings, Special Termination Drawing and Final Drawing", the Market Disruption Base Rate) plus 2.60% per annum. Any Special Termination Drawing under the Liquidity Facilities, other than any portion thereof applied to the payment of interest on the Certificates, will bear interest at the Base Rate for the applicable interest period plus a specified margin per annum from the date of the drawing to (but excluding) the third business day following the applicable Liquidity Provider's receipt of the notice of such Special Termination Drawing. Thereafter, interest will accrue at LIBOR for the applicable interest period (or, as described in the fifth paragraph under "—Reimbursement of Drawings—Interest Drawings, Special Termination Drawing and Final Drawing", the Market Disruption Base Rate) plus a specified margin per annum.

"Base Rate" means, on any day, a fluctuating interest rate per annum in effect from time to time, which rate per annum shall at all times be equal to (a) the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published for such day (or, if such day is not a business day, for the next preceding business day) by the Federal Reserve Bank of New York, or if such rate is not so published for any day that is a business day, the average of the quotations for such day for such transactions received by the applicable Liquidity Provider from three Federal funds brokers of recognized standing selected by it, plus (b) one-quarter of one percent (1/4 of 1%).

"LIBOR" means, with respect to any interest period, (i) the rate per annum appearing on Reuters Screen LIBOR01 Page (or any successor or substitute therefor) at approximately 11:00 a.m. (London time) two business days before the first day of such interest period, as the rate for dollar deposits with a maturity comparable to such interest period, or (ii) if the rate calculated pursuant to clause (i) above is not available, the average (rounded upwards, if necessary, to the next 1/16 of 1%) of the rates per annum at which deposits in dollars are offered for the relevant interest period by three banks of recognized standing selected by the applicable Liquidity Provider in the London interbank market at approximately 11:00 a.m. (London time) two business days before the first day of such interest period in an amount approximately equal to the principal amount of the drawing to which such interest period is to apply and for a period comparable to such interest period.

“Market Disruption Base Rate” means, with respect to any interest period, a fluctuating rate per annum equal to the highest of (a) the Federal Funds Rate plus 1/2 of 1.00%, (b) the rate of interest per annum from time to time published in the “Money Rates” section of the *Wall Street Journal* as being the “Prime Lending Rate” or, if no than one rate is published as the Prime Lending Rate, then the highest of such rates (each change in the Prime Lending Rate to be effective as of the date of publication in the *Wall Street Journal* of a “Prime Lending Rate” that is different from that published on the preceding business day); *provided*, that in the event that *The Wall Street Journal* shall, for any reason, fail or cease to publish the Prime Lending Rate, the Liquidity Provider shall choose a reasonably comparable index or source to use as the basis for the “Prime Lending Rate” and (c) LIBOR plus 1.00%.

If at any time, a Liquidity Provider shall have determined (which determination shall be conclusive and binding upon the Subordination Agent, absent manifest error), based on circumstances affecting the relevant interbank market generally, that LIBOR determined or to be determined for the current or the immediately succeeding interest period will not adequately and fairly reflect the cost to such Liquidity Provider (as conclusively certified by such Liquidity Provider, absent manifest error) of making or maintaining LIBOR advances, such Liquidity Provider shall give notice thereof (a “Rate Determination Notice”) to the Subordination Agent. If such notice is given, then the outstanding principal amount of the LIBOR advances under the applicable Liquidity Facility shall bear interest at the Market Disruption Base Rate from the date of the Rate Determination Notice until the interest period that immediately follows the withdrawal of such Rate Determination Notice. Each applicable Liquidity Provider shall withdraw a Rate Determination Notice given under the applicable Liquidity Facility when such Liquidity Provider determines that the circumstances giving rise to such Rate Determination Notice no longer apply to such Liquidity Provider. Each change in the Base Rate or Federal Funds Rate shall become effective immediately. (Liquidity Facilities, Section 3.07(g)

Downgrade Drawings and Non-Extension Drawings

The amount drawn under any Liquidity Facility by reason of a Downgrade Drawing or a Non-Extension Drawing will be treated as follows:

- Such amount will be released on any Distribution Date to the applicable Liquidity Provider to the extent that such amount exceeds the Required Amount.
- Any portion of such amount withdrawn from the Cash Collateral Account for such Certificates to pay interest on such Certificates will be treated in the same way as Interest Drawings.
- The balance of such amount will be invested in certain specified eligible investments.

Any Downgrade Drawing under any Liquidity Facility, other than any portion thereof applied to the payment of interest on the applicable Certificates, will bear interest (x) subject to clause (y) below, from the date of the drawing to (but excluding) the third business day following the applicable Liquidity Provider’s receipt of the notice of such Downgrade Drawing, at a rate equal to the Base Rate plus a specified margin per annum, and thereafter, at a rate equal to LIBOR for the applicable interest period (or, as described in the fifth paragraph under “—Reimbursement of Drawings—Interest Drawings, Special Termination Drawing and Final Drawing”, the Market Disruption Base Rate) plus a specified margin per annum on the outstanding amount from time to time of such Downgrade Drawing and (y) from and after the date, if any, on which it is converted into a Final Drawing as described below under “—Liquidity Events of Default”, at a rate equal to LIBOR for the applicable interest period (or, as described in the fifth paragraph under “—Interest Drawings, Special Termination Drawing and Final Drawing”, the Market Disruption Base Rate) plus 2.60% per annum.

Any Non-Extension Drawing under any Liquidity Facility, other than any portion thereof applied to the payment of interest on the applicable Certificates, will bear interest (x) subject to clause (y) below, in an amount equal to the investment earnings on amounts deposited in the Cash Collateral Account attributable to such Liquidity Facility plus a specified rate per annum on the outstanding amount from time to time of such Non-Extension Drawing and (y) from and after the date, if any, on which it is converted into a Final Drawing as described below under "—Liquidity Events of Default", at a rate equal to LIBOR for the applicable interest period (or, as described in the fifth paragraph under "—Interest Drawings, Special Termination Drawing and Final Drawing", the Market Disruption Base Rate) plus 2.60% per annum.

Liquidity Events of Default

Events of default under each Liquidity Facility (each, a "Liquidity Event of Default") will consist of:

- The acceleration of all of the Equipment Notes (*provided*, that if such acceleration occurs during the Delivery Period, the aggregate principal amount thereof exceeds US $255,000,000).
- Certain bankruptcy or similar events involving Emirates. (Liquidity Facilities, Section 1.01)

If (i) any Liquidity Event of Default under any Liquidity Facility has occurred and is continuing and (ii) less than 65% of the aggregate outstanding principal amount of all Equipment Notes are Performing Equipment Notes, the applicable Liquidity Provider may, in its discretion, give a notice of termination of such Liquidity Facility to the Subordination Agent (a "Termination Notice"). The Termination Notice will have the following consequences:

- Such Liquidity Facility will expire on the fifth Business Day after the date on which such Termination Notice is received by the Subordination Agent.
- The Subordination Agent will promptly request, and the applicable Liquidity Provider will make, a Final Drawing thereunder in an amount equal to the then Maximum Available Commitment thereunder.
- Any drawing remaining unreimbursed as of the date of termination will be automatically converted into a Final Drawing under such Liquidity Facility.
- All amounts owing to the applicable Liquidity Provider automatically will be accelerated.

Notwithstanding the foregoing, the Subordination Agent will be obligated to pay amounts owing to the Liquidity Provider only to the extent of funds available therefor after giving effect to the payments in accordance with the provisions set forth under "Description of the Intercreditor Agreement—Priority of Distributions". (Liquidity Facilities, Section 6.01) Upon the circumstances described below under "Description of the Intercreditor Agreement—Intercreditor Rights", the Liquidity Provider may become the Controlling Party with respect to the exercise of remedies under the Indentures, the Share Pledge and Security Agreement and the Guernsey Law Security Documents. (Intercreditor Agreement, Section 2.6(c))

Liquidity Provider

The initial liquidity provider for each Liquidity Facility will be Crédit Agricole Corporate and Investment Bank, acting via its New York Branch. The Liquidity Provider meets the Liquidity Threshold Rating.

DESCRIPTION OF THE INTERCREDITOR AGREEMENT

The following summary describes the material provisions of the Intercreditor Agreement (the "Intercreditor Agreement") among the Trustees, the Liquidity Provider and Wilmington Trust Company, as subordination agent (the "Subordination Agent"). The summary does not purport to be complete and is qualified in its entirety by reference to all of the provisions of the Intercreditor Agreement. You may obtain copies of the Intercreditor Agreement requesting them in writing or by telephone at: Anson Fund Managers Limited, P.O. Box 405, Anson Place, Mill Court, La Charroterie, St Peter Port, Guernsey GY1 3GF or +44 (0) 1481 722 260. The Intercreditor Agreement, and not the summaries below, define your rights as a holder of Certificates.

Intercreditor Rights

Controlling Party

Each Loan Trustee will be directed in taking, or refraining from taking, any action under an Indenture or with respect to the Equipment Notes issued under such Indenture, by the holders of at least a majority of the outstanding principal amount of the Equipment Notes issued under such Indenture (or, in the case of the Share Pledge and Security Agreement or any Guernsey Law Security Document, by the holders of a majority of the outstanding principal amount of the Equipment Notes issued under all Indentures), so long as no Indenture Default (which has not been cured by DNA Alpha or DNA III) shall have occurred and be continuing thereunder. For so long as the Subordination Agent is the registered holder of the Equipment Notes, the Subordination Agent will act with respect to the preceding sentence in accordance with the directions of the Trustees for whom the Equipment Notes issued under such Indenture (or under all Indentures, as the case may be) are held as Trust Property, to the extent constituting, in the aggregate, directions with respect to the required principal amount of Equipment Notes.

After the occurrence and during the continuance of an Indenture Default under an Indenture, each Loan Trustee will be directed in taking, or refraining from taking, any action thereunder or with respect (i) to the Equipment Notes issued under such Indenture, including acceleration of such Equipment Notes or foreclosing the lien on the related Aircraft, and (ii) the collateral subject to the Share Pledge and Security Agreement and the Guernsey Law Security Documents, including the exercising of remedies thereunder, by the Controlling Party, subject to the limitations described below. See "Description of the Certificates—Indenture Defaults and Certain Rights Upon an Indenture Default" for a description of the rights of the Certificateholders of each Trust to direct the respective Trustees.

The "Controlling Party" will be:

- If final distributions have not been paid to the holders of the Class A Certificates, the Class A Trustee.
- Upon payment of Final Distributions to the holders of Class A Certificates but not to the holders of the Class B Certificates, the Class B Trustee.
- Under certain circumstances, and notwithstanding the foregoing, the Liquidity Provider with the largest amount owed to it, as discussed in the next paragraph. (Intercreditor Agreement, Sections 2.6(b) and (c))

At any time after 24 months from the earliest to occur of (x) the date on which the entire available amount under any Liquidity Facility shall have been drawn (for any reason other than a Downgrade Drawing, Special Termination Drawing or Non-Extension Drawing that has not been converted into a Final Drawing) and shall remain unreimbursed, (y) the date on which the entire amount of any Downgrade Drawing, Special Termination Drawing or Non-Extension Drawing shall have been withdrawn from the relevant Cash Collateral Account to pay interest on the relevant Class of Certificates and shall remain unreimbursed and (z) the date on which all Equipment Notes under all Indentures shall have been accelerated (*provided* that (i) if such acceleration occurs prior to the Delivery Period Termination Date, the aggregate principal amount thereof exceeds US $255,000,000 and (ii) in the event of certain bankruptcy, reorganization or insolvency proceedings under the laws of the United Arab Emirates in which Emirates is a debtor, any amounts payable in respect of Equipment Notes which have become immediately due and payable shall not be considered accelerated for purposes of this clause (z) until the expiration of the 60 Day Period), the Liquidity Provider with the highest outstanding amount of Liquidity Obligations (so long as such Liquidity Provider has not defaulted in its obligation to make any drawing under any Liquidity Facility) shall have the right to become the Controlling Party.

For purposes of giving effect to the rights of the Controlling Party, each Trustee (to the extent not the Controlling Party) shall irrevocably agree, and the Certificateholders (other than the Certificateholders represented by the Controlling Party) will be deemed to agree by virtue of their purchase of Certificates, that the Subordination Agent, as record holder of the Equipment Notes, shall exercise its voting rights in respect of the Equipment Notes as directed by the Controlling Party. (Intercreditor Agreement, Section 2.6) For a description of certain limitations on the Controlling Party's rights to exercise remedies, see "Description of the Equipment Notes—Remedies".

"Final Distributions" means, with respect to the Certificates of any Trust on any Distribution Date, the sum of (x) the aggregate amount of all accrued and unpaid interest on such Certificates (excluding interest payable on the Deposits relating to such Trust) and (y) the Pool Balance of such Certificates as of the immediately preceding Distribution Date (less the amount of the Deposits for such Class of Certificates as of such preceding Distribution Date other than any portion of such Deposits thereafter used to acquire Equipment Notes pursuant to the Note Purchase Agreement). For purposes of calculating Final Distributions with respect to the Certificates of any Trust, any premium paid on the Equipment Notes held in such Trust which has not been distributed to the Certificateholders of such Trust (other than such premium or a portion thereof applied to the payment of interest on the Certificates of such Trust or the reduction of the Pool Balance of such Trust) shall be added to the amount of such Final Distributions.

Limitation on Exercise of Remedies

So long as any Certificates are outstanding, during nine months after the earlier of (x) the acceleration of the Equipment Notes under any Indenture and (y) a Lessee Bankruptcy Event, without the consent of each Trustee, (i) no Aircraft subject to the lien of such Indenture or such Equipment Notes may be sold in the exercise of remedies under such Indenture, if the net proceeds from such sale would be less than the Minimum Sale Price for such Aircraft or such Equipment Notes, (ii) the amount and payment dates of rentals payable by Emirates under the related Lease may not be adjusted, if, as a result of such adjustment, the discounted present value of all such rentals would be less than 75% of the discounted present value of the rentals payable by Emirates under such Lease before giving effect to such adjustment, in each case using the weighted average interest rate of the Equipment Notes issued pursuant to the related Indenture as the discount rate, and (iii) the collateral under the Share Pledge and Security Agreement may not be sold in the exercise of remedies if the net proceeds from such sale would be less than the Minimum Sale Price for such collateral. (Intercreditor Agreement, Section 4.1(a)(iii))

"Minimum Sale Price" means, (i) with respect to any Aircraft or the Equipment Notes issued in respect of such Aircraft, at any time, in the case of the sale of an Aircraft, 75%, or in the case of the sale of related Equipment Notes, 85%, of the Appraised Current Market Value of such Aircraft and (ii) with respect to the collateral subject to the Share Pledge and Security Agreement, 75% of the sum of the Appraised Current Market Values of the Aircraft for which the related Equipment Notes are then held by the Subordination Agent. (Intercreditor Agreement, Section 1.1)

Following the occurrence and during the continuation of an Indenture Default under any Indenture, in the exercise of remedies pursuant to such Indenture, the Loan Trustee under such Indenture may be directed to lease the Aircraft to any person (including DNA Alpha) so long as the Loan Trustee in doing so acts in a "commercially reasonable" manner within the meaning of Article 9 of the Uniform Commercial Code as in effect in any applicable jurisdiction (including Sections 9-610 and 9-627 thereof). (Intercreditor Agreement, Section 4.1(a)(ii))

If following certain events of bankruptcy, reorganization or insolvency with respect to Emirates described in the Leases (a "Lessee Bankruptcy Event") and during the pendency thereof, the Controlling Party receives a proposal from or on behalf of DNA Alpha or Emirates to restructure the financing of any one or more of the Aircraft, the Controlling Party will promptly thereafter give the Subordination Agent and each Trustee notice of the material economic terms and conditions of such restructuring proposal whereupon the Subordination Agent acting on behalf of each Trustee will endeavor using reasonable commercial efforts to make such terms and conditions of such restructuring proposal available to all Certificateholders (whether by posting on DTC's Internet board or otherwise) and to each Liquidity Provider that has not made a Final Drawing. Thereafter, neither the Subordination Agent nor any Trustee, whether acting on instructions of the Controlling Party or otherwise, may, without the consent of each Trustee, enter into any term sheet, stipulation or other agreement (whether in the form of an adequate protection stipulation or otherwise) to effect any such restructuring proposal with or on behalf of DNA Alpha or Emirates unless and until the material economic terms and conditions of such restructuring proposal shall have been made available to all Certificateholders and to each Liquidity Provider that has not made a Final Drawing for a period of not less than 15 calendar days (except that such requirement shall not apply to any such term sheet, stipulation or other agreement that is entered into on or prior to the expiry of the 60-Day Period and that is effective for a period not longer than the 60-Day Period). (Intercreditor Agreement, Section 4.1(c))

In the event that any holder of Class B Certificates gives irrevocable notice of the exercise of its right to purchase all (but not less than all) of the Class A Certificates (as described in "Description of the Certificates—Purchase Rights of Certificateholders"), prior to the expiry of the 15-day notice period specified above, such Controlling Party may not direct the Subordination Agent or any Trustee to enter into any such restructuring proposal with respect to any of the Aircraft, unless and until such holder fails to purchase such Class A Certificates on the date that it is required to make such purchase. (Intercreditor Agreement, Section 4.1(c))

Post Default Appraisals

Upon the occurrence and continuation of an Indenture Default under any Indenture, the Subordination Agent will be required to obtain three desktop appraisals from the appraisers selected by the Controlling Party setting forth the current market value, current lease rate and distressed value (in each case, as defined by the International Society of Transport Aircraft Trading) of the Aircraft subject to such Indenture (each such appraisal, an "Appraisal" and the current market value appraisals being referred to herein as the "Post Default Appraisals"). For so long as any Indenture Default shall be continuing under any Indenture, and without limiting the right of the Controlling Party to request more frequent Appraisals, the Subordination Agent will be required to obtain additional Appraisals on the date that is 364 days from the date of the most recent Appraisal or if a Lessee Bankruptcy Event shall have occurred and is continuing, on the date that is 180 days from the date of the most recent Appraisal. (Intercreditor Agreement, Section 4.1(c))

"Appraised Current Market Value" of any Aircraft means the lower of the average and the median of the three most recent Post Default Appraisals of such Aircraft. (Intercreditor Agreement, Section 1.1)

Priority of Distributions

All payments in respect of the Equipment Notes and certain other payments received on each Regular Distribution Date or Special Distribution Date (each, a "Distribution Date") will be promptly distributed by the Subordination Agent on such Distribution Date in the following order of priority:

- To the Subordination Agent, any Trustee, any Certificateholder and any Liquidity Provider to the extent required to pay certain out-of-pocket costs and expenses actually incurred by the Subordination Agent (or reasonably expected to be incurred by the Subordination Agent for the period ending on the next succeeding Regular Distribution Date, which shall not exceed US $150,000 unless approved in writing by the Controlling Party) or any Trustee or to reimburse any Certificateholder or the Liquidity Provider in respect of payments made to the Subordination Agent or any Trustee in connection with the protection or realization of the value of the Equipment Notes held by the Subordination Agent or any Collateral under (and as defined in) any Indenture or the Share Pledge and Security Agreement (collectively, the "Administration Expenses").
- To the Liquidity Provider (a) to the extent required to pay the accrued and unpaid Liquidity Expenses or (b) in the case of a Special Payment on account of the redemption, purchase or prepayment of all of the Equipment Notes issued pursuant to an Indenture (an "Equipment Note Special Payment"), so long as no Indenture Default has occurred and is continuing under any Indenture, the amount of accrued and unpaid Liquidity Expenses that are not yet due, multiplied by the Section 2.4 Fraction or, if an Indenture Default has occurred and is continuing, clause (a) will apply.
- To the Liquidity Provider (a) to the extent required to pay interest accrued and unpaid on the Liquidity Obligations and if a Special Termination Drawing has been made and has not been converted into a Final Drawing, to pay the outstanding amount of such Special Termination Drawing or (b) in the case of an Equipment Note Special Payment, so long as no Indenture Default has occurred and is continuing under any Indenture, to the extent required to pay accrued and unpaid interest then in arrears on the Liquidity Obligations plus an amount equal to the amount of accrued and unpaid interest on the Liquidity Obligations not in arrears, multiplied by the Section 2.4 Fraction and if a Special Termination Drawing has been made and has not been converted into a Final Drawing, the outstanding amount of such Special Termination Drawing or, if an Indenture Default has occurred and is continuing, clause (a) will apply.
- To (i) the Liquidity Provider to the extent required to pay the outstanding amount of all Liquidity Obligations and (ii) if applicable, with respect to any particular Liquidity Facility, unless (in the case of this clause (ii) only) (x) less than 65% of the aggregate outstanding principal amount of all Equipment Notes are Performing Equipment Notes and a Liquidity Event of Default shall have occurred and is continuing under such Liquidity Facility or (y) a Final Drawing shall have occurred under such Liquidity Facility or an Interest Drawing for such Liquidity Facility shall have been converted into a Final Drawing, the Subordination Agent to replenish the Cash Collateral Account with respect to such Liquidity Facility up to the Required Amount for the related Class of Certificates.
- To the Subordination Agent, any Trustee or any Certificateholder to the extent required to pay certain fees, taxes, charges and other amounts payable.
- To the Class A Trustee (a) to the extent required to pay accrued and unpaid interest at the Stated Interest Rate on the Pool Balance of the Class A Certificates (excluding interest, if any, payable with respect to the Deposits relating to such Class of Certificates) or (b) in the case of an Equipment Note Special Payment, so long as no Indenture Default has occurred and is continuing under any Indenture, to the extent required to pay any such interest that is then due

together with (without duplication) accrued and unpaid interest at the Stated Interest Rate on the outstanding principal amount of the Series A Equipment Notes held in the Class A Trust being redeemed, purchased or prepaid (excluding interest, if any, payable with respect to the Deposits relating to such Class of Certificates) or, if an Indenture Default has occurred and is continuing, clause (a) will apply.

- To the Class B Trustee (a) to the extent required to pay accrued and unpaid Class B Adjusted Interest on the Class B Certificates (excluding interest, if any, payable with respect to the Deposits relating to such Class of Certificates) or (b) in the case of an Equipment Note Special Payment, so long as no Indenture Default has occurred and is continuing under any Indenture, to the extent required to pay any such Class B Adjusted Interest that is then due (excluding interest, if any, payable with respect to the Deposits relating to such Class of Certificates) or, if an Indenture Default has occurred and is continuing, clause (a) will apply.
- To the Class A Trustee to the extent required to pay Expected Distributions on the Class A Certificates.
- To the Class B Trustee (a) to the extent required to pay accrued and unpaid interest at the Stated Interest Rate on the Pool Balance of the Class B Certificates (other than Class B Adjusted Interest paid above and interest, if any, payable with respect to the Deposits relating to such Class of Certificates) or, (b) in the case of an Equipment Note Special Payment, so long as no Indenture Default has occurred and is continuing under any Indenture, to the extent required to pay any such interest that is then due (other than Class B Adjusted Interest paid above) together with (without duplication) accrued and unpaid interest at the Stated Interest Rate on the outstanding principal amount of the Series B Equipment Notes held in the Class B Trust and being redeemed, purchased or prepaid (excluding interest, if any, payable with respect to the Deposits relating to such Class of Certificates) or, if an Indenture Default has occurred and is continuing, clause (a) will apply.
- To the Class B Trustee to the extent required to pay Expected Distributions on the Class B Certificates. (Intercreditor Agreement, Sections 2.4 and 3.2)

"Section 2.4 Fraction" means, with respect to any Special Distribution Date, a fraction, the numerator of which shall be the amount of principal of the applicable Series A Equipment Notes and Series B Equipment Notes being redeemed, purchased or prepaid on such Special Distribution Date, and the denominator of which shall be the aggregate unpaid principal amount of all Series A Equipment Notes and Series B Equipment Notes outstanding as of such Special Distribution Date.

"Liquidity Obligations" means the obligations of the Subordination Agent to reimburse or to pay the Liquidity Provider all principal, interest, fees and other amounts owing to it under each Liquidity Facility or certain other agreements.

"Liquidity Expenses" means the Liquidity Obligations other than any interest accrued thereon or the principal amount of any drawing under the Liquidity Facilities.

"Expected Distributions" means, with respect to the Certificates of any Trust on any Distribution Date (the "Current Distribution Date"), the difference between:

(A) the Pool Balance of such Certificates as of the immediately preceding Distribution Date (or, if the Current Distribution Date is the first Distribution Date, the original aggregate face amount of the Certificates of such Trust), and

(B) the Pool Balance of such Certificates as of the Current Distribution Date calculated on the basis that (i) the principal of the Equipment Notes other than Performing Equipment Notes (the "Non-Performing

Equipment Notes") held in such Trust has been paid in full and such payments have been distributed to the holders of such Certificates, (ii) the principal of the Performing Equipment Notes held in such Trust has been paid when due (but without giving effect to any acceleration of Performing Equipment Notes) and such payments have been distributed to the holders of such Certificates and (iii) the principal of any Equipment Notes formerly held in such Trust that have been sold pursuant to the Intercreditor Agreement has been paid in full and such payments have been distributed to the holders of such Certificates, but without giving effect to any reduction in the Pool Balance as a result of any distribution attributable to Deposits occurring after the immediately preceding Distribution Date (or, if the Current Distribution Date is the first Distribution Date, occurring after the initial issuance of the Certificates of such Trust).

For purposes of calculating Expected Distributions with respect to the Certificates of any Trust, any premium paid on the Equipment Notes held in such Trust that has not been distributed to the Certificateholders of such Trust (other than such premium or a portion thereof applied to the payment of interest on the Certificates of such Trust or the reduction of the Pool Balance of such Trust) shall be added to the amount of Expected Distributions.

"Class B Adjusted Interest" means, as of any Distribution Date, (I) any interest described in clause (II) of this definition accruing prior to the immediately preceding Distribution Date which remains unpaid and (II) interest at the Stated Interest Rate for the Class B Certificates (x) for the number of days during the period commencing on, and including, the immediately preceding Distribution Date (or, if the current Distribution Date is the first Distribution Date, the Issuance Date) and ending on, but excluding, the current Distribution Date, on the Preferred B Pool Balance on such Distribution Date and (y) on the principal amount calculated pursuant to clauses (B)(i), (ii), (iii) and (iv) of the definition of Preferred B Pool Balance for each Series B Equipment Note with respect to which a disposition, distribution, sale or Deemed Disposition Event has occurred since the immediately preceding Distribution Date (but only if no such event has previously occurred with respect to such Series B Equipment Note), for each day during the period, for each such Series B Equipment Note, commencing on, and including, the immediately preceding Distribution Date (or, if the current Distribution Date is the first Distribution Date, the Issuance Date) and ending on, but excluding the date of disposition, distribution, sale or Deemed Disposition Event with respect to such Series B Equipment Note, Aircraft or Collateral under (and as defined in) the related Indenture or the Share Pledge and Security Agreement (or related security documents, as the case may be.

"Preferred B Pool Balance" means, as of any date, the excess of (A) the Pool Balance of the Class B Certificates as of the immediately preceding Distribution Date (or, if such date is on or before the first Distribution Date, the original aggregate face amount of the Class B Certificates) (after giving effect to payments made on such date) over (B) the sum of (i) the outstanding principal amount of each Series B Equipment Note that remains unpaid as of such date subsequent to the disposition of the Collateral under (and as defined in) the related Indenture and after giving effect to any distributions of the proceeds of such disposition applied under such Indenture to the payment of each such Series B Equipment Note, (ii) the outstanding principal amount of each Series B Equipment Note that remains unpaid as of such date subsequent to the scheduled date of mandatory redemption of such Series B Equipment Note following a Total Loss with respect to the Aircraft which secured such Series B Equipment Note and after giving effect to the distributions of any proceeds in respect of such Total Loss applied under such Indenture to the payment of each such Series B Equipment Note, (iii) the excess, if any, of (x) the outstanding amount of principal and interest as of the date of sale of each Series B Equipment Note previously sold over (y) the purchase price received with respect to the sale of such Series B Equipment Note (net of any applicable costs and expenses of sale) and (iv) the outstanding principal amount of any Series B Equipment Note with respect to which a Deemed Disposition Event has occurred; *provided*, *however*, that if more than one of the clauses (i), (ii), (iii) and (iv) is applicable to any one Series B Equipment Note, only the amount determined pursuant to the clause that first became applicable shall be counted with respect to such Series B Equipment Note.

“Deemed Disposition Event” means, in respect of any Equipment Note, the continuation of an Indenture Default in respect of such Equipment Note without an Actual Disposition Event occurring in respect of such Equipment Note for a period of five years from the date of the occurrence of such Indenture Default.

“Actual Disposition Event” means, in respect of any Equipment Note, (i) the disposition of the Aircraft securing such Equipment Note, (ii) the occurrence of the mandatory redemption date for such Equipment Note following a Total Loss with respect to the Aircraft which secured such Equipment Note or (iii) the sale of such Equipment Note. (Intercreditor Agreement, Section 1.1)

Interest Drawings under the applicable Liquidity Facility and withdrawals from the applicable Cash Collateral Account in respect of interest on the Certificates of the Class A or B Trust, as applicable, will be distributed to the Trustee for such Trust, notwithstanding the priority of distributions set forth in the Intercreditor Agreement and otherwise described herein. (Intercreditor Agreement, Section 3.5(k)) All amounts on deposit in the Cash Collateral Account for any such Trust that are in excess of the Required Amount will be paid to the applicable Liquidity Provider. (Intercreditor Agreement, Section 3.5(f))

Voting of Equipment Notes

In the event that the Subordination Agent, as the registered holder of any Equipment Note, receives a request for its consent to any amendment, supplement, modification, consent or waiver under such Equipment Note or the related Indenture (or, if applicable, the related Lease, the Share Pledge and Security Agreement or any other related document), (i) if no Indenture Default shall have occurred and be continuing with respect to any Indenture, the Subordination Agent shall request directions from the applicable Trustee and shall vote or consent in accordance with such directions and (ii) if any Indenture Default (which, in the case of any Indenture, has not been cured by DNA Alpha or DNA III) shall have occurred and be continuing with respect to any Indenture, the Subordination Agent will exercise its voting rights as directed by the Controlling Party, subject to certain limitations; *provided* that no such amendment, modification, consent or waiver shall, without the consent of the Liquidity Provider and each affected Certificateholder, among other things, reduce the amount of principal or interest payable by DNA Alpha under any Equipment Note or change the time of payments or method of calculation of any amount under any Equipment Note, or reduce the amount of rent paid by Emirates under any Lease or any other amount payable by Emirates upon early termination of any such Lease. (Intercreditor Agreement, Section 9.1(b))

List of Certificateholders

Upon the occurrence of an Indenture Default, the Subordination Agent shall instruct the Trustee to, and the Trustee shall, request that DTC post on its Internet bulletin board a securities position listing setting forth the names of all the parties reflected on DTC’s books as holding interests in the Certificates. (Intercreditor Agreement, Section 5.1(c))

Reports

Promptly after the occurrence of a Triggering Event or an Indenture Default resulting from the failure of Emirates to make payments of rent under any Lease and on every Regular Distribution Date while such Triggering Event or such Indenture Default shall be continuing, the Subordination Agent will provide to the Trustee, the Liquidity Providers, the Rating Agency and DNA Alpha a statement setting forth the following information:

- After a Lessee Bankruptcy Event, with respect to each Aircraft, whether such Aircraft is subject to the 60-Day Period.

- To the best of the Subordination Agent's knowledge, after requesting such information from DNA Alpha, (i) whether DNA Alpha and/or any person acting on its behalf has commenced the exercise of any of the remedies available to it under the Leases or otherwise (including a description of any actions taken by or on behalf of it), (ii) whether the Aircraft are currently in service or parked in storage, (iii) the maintenance status of the Aircraft and (iv) location of the aircraft Engines (as defined in the Indentures). Emirates has agreed to provide such information upon request of DNA Alpha or the Security Trustee, but no more frequently than every three months with respect to each Aircraft so long as it is subject to the lien of an Indenture.
- The current Pool Balance of the Certificates, the Preferred B Pool Balance and outstanding principal amount of all Equipment Notes for all Aircraft.
- The expected amount of interest which will have accrued on the Equipment Notes and on the Certificates as of the next Regular Distribution Date.
- The amounts paid to each person on such Distribution Date pursuant to the Intercreditor Agreement.
- Details of the amounts paid on such Distribution Date identified by reference to the relevant provision of the Intercreditor Agreement and the source of payment (by Aircraft and party).
- If the Subordination Agent has made a Final Drawing under any Liquidity Facility.
- The amounts currently owed to each Liquidity Provider.
- The amounts drawn under each Liquidity Facility.
- After a Lessee Bankruptcy Event, any operational reports filed by Emirates with the bankruptcy court which are available to the Subordination Agent on a non-confidential basis. (Intercreditor Agreement, Section 5.1(d))

The Subordination Agent

Wilmington Trust, National Association, will be the Subordination Agent under the Intercreditor Agreement. DNA Alpha and its affiliates may from time to time enter into banking and trustee relationships with the Subordination Agent and its affiliates. The Subordination Agent's address is Wilmington Trust, National Association, 1100 North Market Street, Wilmington, Delaware 19890-1605 Attention: Corporate Trust Administration.

The Subordination Agent may resign at any time, in which event a successor Subordination Agent will be appointed as provided in the Intercreditor Agreement. The Controlling Party may remove the Subordination Agent for cause as provided in the Intercreditor Agreement. In such circumstances, a successor Subordination Agent will be appointed as provided in the Intercreditor Agreement. Any resignation or removal of the Subordination Agent and appointment of a successor Subordination Agent does not become effective until acceptance of the appointment by the successor Subordination Agent. (Intercreditor Agreement, Section 8.1)

DESCRIPTION OF THE AIRCRAFT AND THE APPRAISALS

The Aircraft

The four Aircraft to be financed, in part, pursuant to this Offering will consist of four Airbus A380-861 aircraft, all of which will be newly delivered by the manufacturer, Airbus S.A.S. ("Airbus"), during the Delivery Period pursuant to Emirates' purchase agreement with Airbus. At the time of delivery of an Aircraft, the right to purchase such Aircraft will be assigned by Emirates to DNA Alpha. DNA Alpha will finance the purchase of such Aircraft from Airbus with the proceeds from the sale of the Equipment Notes, together with a portion of the proceeds from DNA III's equity contribution of approximately US$299,000,000 in cash to DNA Alpha and a combined initial rent payment of US$61,000,000 for all four Aircraft from Emirates. The Aircraft will be purchased by DNA Alpha for an aggregate cash purchase price of $980,000,000 ($245,000,000 per Aircraft). Simultaneously with the purchase of an Aircraft, DNA Alpha will lease such Aircraft to Emirates pursuant to a separate operating lease agreement.

The Aircraft have been designed to be in compliance with the International Civil Aviation Authority's Stage 4 noise level standards, which are the most restrictive regulatory standards currently in effect for aircraft noise abatement. The Airbus A380-861 aircraft is a long-range aircraft with a seating capacity of approximately 525 passengers in a standard three class configuration. The engine type utilized on Emirates' A380 aircraft is the Engine Alliance GP7200.

The Appraisals

The table below sets forth the appraised values of the Aircraft, as determined by Ascend, BK and MBA, independent aircraft appraisal and consulting firms (the "Appraisers"), as of June 18, 2013.

Aircraft Type	Expected Registration Number	Manufacturer's Serial Number	Scheduled Delivery Month (1)	Appraiser's Valuations			Appraised Value (2)
				Ascend	BK	MBA	
Airbus A380-861	A6-EEK	132	September 2013	$209,980,000	$241,200,000	$230,480,000	$227,220,000
Airbus A380-861	A6-EEL	133	October 2013	210,430,000	243,340,000	232,300,000	228,690,000
Airbus A380-861	A6-EEM	134	November 2013	210,430,000	243,340,000	232,660,000	228,810,000
Airbus A380-861	A6-EEO	136	November 2013	210,430,000	243,340,000	232,660,000	228,810,000

(1) The actual delivery date for any Aircraft may be subject to delay or acceleration. See "—Deliveries of Aircraft".

(2) The appraised value of each Aircraft for purposes of this Offering is the lesser of the average and median values of such Aircraft as appraised by the Appraisers.

For purposes of the foregoing chart, Ascend, BK and MBA each was asked to provide its opinion as to the appraised value of each Aircraft projected as of the scheduled delivery month of such Aircraft. As part of this process, all three Appraisers performed "desk-top" appraisals without any physical inspection of the Aircraft. The appraisals are based on various assumptions (which may not reflect current market conditions) and methodologies, which vary among the appraisals. The Appraisers have delivered letters summarizing their respective appraisals, copies of which are annexed to this offering circular as Appendix II. For a discussion of the assumptions and methodologies used in each of the appraisals, reference is hereby made to such summaries.

An appraisal is only an estimate of value. It is not indicative of the price at which an Aircraft may be purchased from the manufacturer or sold in the market. Nor should it be relied upon as a measure of realizable value. The proceeds realized upon a sale of any Aircraft may be less than its appraised value. The value of the Aircraft in the event of the exercise of remedies under the applicable Indenture will depend on various factors, including market and economic conditions, the availability of buyers, the condition of the Aircraft and other similar factors. Accordingly, there can be no assurance that the proceeds realized upon any such exercise with respect to the Equipment Notes and the Aircraft pursuant to the applicable Indenture would equal the appraised value of such Aircraft or be sufficient to satisfy in full payments due on such Equipment Notes or the full amount of distributions expected on the Certificates. See "Risk Factors—Risk Factors Relating to the Aircraft—The Appraisals are only estimates of Aircraft value".

Deliveries of Aircraft

The Aircraft are scheduled for delivery under Emirates' purchase agreement with Airbus from September 2013 to November 2013. It is possible for the delivery of an aircraft to be accelerated. The proposed delivery date has to be agreed between Emirates and Airbus thirty days in advance and even then may still be subject to change. See the table under "—The Appraisals" for the scheduled month of delivery of each such Aircraft. Under such purchase agreement, delivery of an aircraft may be delayed due to "Excusable Delay", which is defined to include, among other things, acts of God, war, governmental acts, strikes or other labor troubles, inability to procure materials or any other cause beyond Airbus's control or not occasioned by Airbus's fault or negligence.

The Note Purchase Agreement provides that the period for financing the Aircraft under this Offering (the "Delivery Period") will expire on the date that is nine months after the Issuance Date. In addition, if a labor strike occurs at Airbus prior to the scheduled expiration of the Delivery Period, the expiration date of the Delivery Period will be extended by the number of days that such strike continued in effect, such extension subject to the prior agreement of the Depositary.

If delivery of any Aircraft is delayed by more than 30 days after the month scheduled for delivery, DNA Alpha, with the consent of Emirates, has the right to replace such Aircraft with a Substitute Aircraft, subject to certain conditions. See "—Substitute Aircraft". If delivery of any Aircraft is delayed beyond the Delivery Period Termination Date and DNA Alpha does not exercise its right to replace such Aircraft with a Substitute Aircraft, there will be unused Deposits that will be distributed to Certificateholders together with accrued and unpaid interest thereon but without a premium. See "Description of the Deposit Agreements—Unused Deposits".

Substitute Aircraft

If the scheduled delivery date for any Aircraft is delayed more than 30 days after the last day of the month scheduled for delivery, DNA Alpha may identify for delivery a substitute aircraft (each, together with the substitute aircraft referred to below, a "Substitute Aircraft") therefor meeting the following conditions:

- A Substitute Aircraft must be of the same model as the Aircraft being replaced.
- DNA Alpha will be obligated to obtain written confirmation from the Rating Agency to the effect that substituting such Substitute Aircraft for the replaced aircraft will not result in a withdrawal, suspension or downgrading of the ratings of any Class of Certificates. (Note Purchase Agreement, Section 1(g))

DESCRIPTION OF THE EQUIPMENT NOTES

The following summary describes the material terms of the Equipment Notes. The summary makes use of terms defined in, and is qualified in its entirety by reference to all of the provisions of, the Equipment Notes, the Indentures, the Leases and the Note Purchase Agreement. You may obtain copies of these documents by requesting them in writing or by telephone at: Anson Fund Managers Limited, P.O. Box 405, Anson Place, Mill Court, La Charroterie, St Peter Port, Guernsey GY1 3GF or +44 (0) 1481 722 260. These documents, and not the summaries below, define your rights as a holder of Certificates. Except as otherwise indicated, the following summaries relate to the Note Purchase Agreement, the Equipment Notes, the Indenture and the Lease that may be applicable to each Aircraft.

Under the Note Purchase Agreement, DNA Alpha will enter into a secured debt financing with respect to each Aircraft. The Note Purchase Agreement provides for the relevant parties to enter into, among other things, a Lease and an Indenture relating to the leasing and financing of each Aircraft.

The description of such leasing and financing agreements in this offering circular is based on the forms of such agreements annexed to the Note Purchase Agreement. However, the terms of the leasing and financing agreements actually entered into may differ from the forms of such agreements and, consequently, may differ from the description of such agreements contained in this offering circular. Although such changes are permitted, under the Note Purchase Agreement the terms of such agreements must not vary the Required Terms. In addition, DNA Alpha will be obligated to certify to the Trustees that any substantive modifications do not materially and adversely affect the Certificateholders or the Liquidity Provider. DNA Alpha must also obtain written confirmation from the Rating Agency to the effect that the use of financing agreements modified in any material respect from the forms attached to the Note Purchase Agreement would not result in a withdrawal, suspension or downgrading of the ratings of any Class of Certificates. See “Description of the Certificates—Obligation to Purchase Equipment Notes”.

General

Equipment Notes will be issued in two series with respect to each Aircraft (the “Series A Equipment Notes” and the “Series B Equipment Notes”, and, collectively, the “Equipment Notes”). The Equipment Notes with respect to each Aircraft will be issued under a separate Indenture among DNA Alpha, Wilmington Trust, National Association, as securities intermediary, and Wilmington Trust, National Association, as mortgagee thereunder (each, a “Loan Trustee”). DNA Alpha’s obligations under the Equipment Notes will be general obligations of DNA Alpha.

DNA Alpha will lease each Aircraft to Emirates pursuant to a separate lease agreement (each, a “Lease”) between DNA Alpha and Emirates with respect to such Aircraft. Under each Lease, Emirates will be obligated to make or cause to be made rental and other payments to DNA Alpha in U.S. dollars and Sterling. The payments in U.S. dollars required to be made by Emirates under the Lease for each Aircraft will be in amounts sufficient to pay in full when due all payments required to be made with respect to the related Equipment Notes issued with respect to such Aircraft, and the other amounts payable by Emirates under such Lease are expected to be in amounts sufficient to pay DNA Alpha’s other obligations under the transaction documents relating to such Aircraft. However, if there is a shortfall in such funding, an Indenture Default might occur. See “Risk Factors—Risk Factors Relating to DNA Alpha—Recourse against DNA Alpha is limited, and payments by Emirates under the Leases may not be sufficient to pay all of DNA Alpha’s obligations”. The Equipment Notes issued with respect to the Aircraft are not direct obligations of, or guaranteed by, Emirates. Emirates’ rental obligations under each Lease will be general obligations of Emirates.

Subordination

The Indentures provide for the following subordination provisions applicable to the Equipment Notes:

- Series A Equipment Notes issued in respect of an Aircraft will rank senior in right of payment to the Series B Equipment Notes issued in respect of such Aircraft.
- Series B Equipment Notes issued in respect of an Aircraft will rank junior in right of payment to the Series A Equipment Notes issued in respect of such Aircraft.

Principal and Interest Payments

Subject to the provisions of the Intercreditor Agreement, interest paid on the Equipment Notes held in each Trust will be passed through to the Certificateholders of such Trust on the dates and at the rate per annum set forth on the cover page of this offering circular with respect to Certificates issued by such Trust until the final expected Regular Distribution Date for such Trust. Subject to the provisions of the Intercreditor Agreement, principal paid on the Equipment Notes held in each Trust will be passed through to the Certificateholders of such Trust in scheduled amounts on the dates set forth herein until the final expected Regular Distribution Date for such Trust.

Interest will be payable on the unpaid principal amount of each Equipment Note at the rate applicable to such Equipment Note on May 30 and November 30 of each year, commencing on the first such date to occur after initial issuance thereof. Such interest will be computed on the basis of a 360-day year of twelve 30-day months.

Scheduled principal payments on the Equipment Notes will be made on May 30 and November 30 of certain years, commencing on May 30, 2014. See "Description of the Certificates—Pool Factors" for a discussion of the scheduled payments of principal of the Equipment Notes and possible revisions thereto.

If any date scheduled for a payment of principal, premium (if any) or interest with respect to the Equipment Notes is not a Business Day, such payment will be made on the next succeeding Business Day without any additional interest.

DNA Alpha is also required to pay under each Indenture (whether or not reimbursed by Emirates pursuant to the related Lease) such Indenture's pro rata share of:

- the fees, the interest payable on drawings under each Liquidity Facility in excess of earnings on cash deposits from such drawings plus certain other amounts and certain other payments due to the Liquidity Provider under each Liquidity Facility and
- compensation and certain expenses payable to the Pass Through Trustee and the Subordination Agent. (Indentures, Section 2.02)

Mandatory Redemption

If a Total Loss occurs with respect to an Aircraft, the Equipment Notes issued with respect to such Aircraft will be redeemed, in whole, in each case at a price equal to the aggregate unpaid principal amount thereof, together with accrued interest thereon to, but not including, the date of redemption, but without premium, on the earlier to occur of (i) the 90th day after such Total Loss and (ii) the third business day (for purposes of the Lease) after the date on which payment is made of insurance proceeds with respect to such Total Loss. (Indentures, Section 2.10(a))

If Emirates exercises its right under a Lease to terminate such Lease prior to the final maturity date of the related Equipment Notes, such Equipment Notes will be redeemed, in whole, on a Special Distribution Date at a price equal to the aggregate unpaid principal amount thereof, together with accrued and unpaid interest thereon to, but not including, the date of redemption, plus Make-Whole Premium, if any. (Indentures, Section 2.10(b)). See "—Certain Provisions of the Leases—Lease Termination".

Optional Redemption

All of the Equipment Notes issued with respect to an Aircraft may be redeemed after the Delivery Period Termination Date upon at least 30 days' written notice to the related Loan Trustee and the Note Holders, at the option of DNA Alpha, only if all outstanding Equipment Notes with respect to all other Aircraft are simultaneously redeemed. In addition, DNA Alpha may elect to redeem the Series B Equipment Notes issued with respect to all Aircraft in connection with a refinancing of such Series. The redemption price for any optional redemption will be the unpaid principal amount of the relevant Equipment Notes, together with accrued and unpaid interest thereon to, but not including, the date of redemption, plus a Make-Whole Premium, if any. (Indentures, Section 2.11) See "Possible Refinancing of Certificates".

If (x) one or more Lease Events of Default shall have occurred and been continuing or, (y) (i) in the event of an insolvency proceeding involving Emirates, as debtor, under UAE law, (1) during the 60-Day Period, the insolvency administrator in such proceeding or Emirates does not cure all defaults and agree to perform its obligations under the related Lease or (2) at any time after agreeing to perform such obligations, such insolvency administrator or Emirates ceases to perform such obligations such that the stay period applicable under UAE insolvency laws comes to an end or (ii) the Equipment Notes with respect to such Aircraft have been accelerated or the Loan Trustee with respect to such Equipment Notes takes action or notifies DNA Alpha that it intends to take action to foreclose the lien of the related Indenture or otherwise commence the exercise of any significant remedy under such Indenture or the related Lease (any such event, a "Mortgagee Event"), then in each case all, but not less than all, of the Equipment Notes issued with respect to such Aircraft may be purchased by DNA III on the applicable purchase date at a price equal to the aggregate unpaid principal thereof, together with accrued and unpaid interest thereon to, but not including, the date of purchase, but without any premium; provided that no such purchase of Equipment Notes shall be permitted unless simultaneously with such purchase the outstanding Equipment Notes issued under all other Indentures are also purchased by DNA III; provided further that a Make-Whole Premium shall be payable with respect to the Equipment Notes if such Equipment Notes are to be purchased pursuant to clause (x) when a Lease Event of Default shall have occurred and been continuing for less than 120 days. (Indentures, Section 2.13)

"Make-Whole Premium" means, with respect to any Equipment Note, an amount (as determined by an independent investment bank of national standing) equal to the excess, if any, of (a) the present value of the remaining scheduled payments of principal and interest to maturity of such Equipment Note computed by discounting such payments on a semiannual basis on each payment date under the applicable Indenture (assuming a 360-day year of twelve 30-day months) using a discount rate equal to the Treasury Yield plus the applicable Make-Whole Spread over (b) the outstanding principal amount of such Equipment Note plus accrued interest to the date of determination. The "Make-Whole Spread" applicable to each Series of Equipment Notes is set forth below:

	Make Whole Spread
Series A Equipment Notes	0.50%
Series B Equipment Notes	0.50%

For purposes of determining the Make-Whole Premium, "Treasury Yield" means, at the date of determination with respect to any Equipment Note, the interest rate (expressed as a decimal and, in the case of United States Treasury bills, converted to a bond equivalent yield) determined to be the per annum rate equal to the semiannual yield to maturity for United States Treasury securities maturing on the Average Life Date of such Equipment Note and trading in the public securities markets either as determined by interpolation between the most recent weekly average yield to maturity for two series of United States Treasury securities trading in the public securities markets, (A) one maturing as close as possible to, but earlier than, the Average Life Date of such Equipment Note and (B) the other maturing as close as possible to, but later than, the Average Life Date of such Equipment Note, in each case as published in the most recent H.15(519) or, if a weekly average yield to maturity for United States Treasury securities maturing on the Average Life Date of such Equipment Note is reported in the most recent H.15(519), such weekly average yield to maturity as published in such H.15(519). "H.15(519)" means the weekly statistical release designated as such, or any successor publication, published by the Board of Governors of the Federal Reserve System. The date of determination of a Make-Whole Premium shall be the third Business Day prior to the applicable payment or redemption date and the "most recent H.15(519)" means the H.15(519) published prior to the close of business on the third Business Day prior to the applicable payment or redemption date.

"Average Life Date" for any Equipment Note shall be the date which follows the time of determination by a period equal to the Remaining Weighted Average Life of such Equipment Note. "Remaining Weighted Average Life" on a given date with respect to any Equipment Note shall be the number of days equal to the quotient obtained by dividing (a) the sum of each of the products obtained by multiplying (i) the amount of each then remaining scheduled payment of principal of such Equipment Note by (ii) the number of days from and including such determination date to but excluding the date on which such payment of principal is scheduled to be made, by (b) the then outstanding principal amount of such Equipment Note.

Security

The Equipment Notes issued with respect to each Aircraft will be secured by, among other things:

- A mortgage on such Aircraft (subject to no other liens other than (i) liens permitted under the related Lease (excluding liens attributable to DNA Alpha or any of its affiliates) and (ii) liens created pursuant to the transaction documents ("Permitted Liens")) and each of the other Aircraft for which Equipment Notes are outstanding. See "Description of the Equipment Notes—Liens".
- All insurance proceeds with respect to such Aircraft.
- An assignment by DNA Alpha to the Loan Trustee of DNA Alpha's rights, except for certain limited rights, under the Lease with respect to such Aircraft, including the right to receive payments of rent and maintenance reserves (to the extent maintenance reserves become payable by Emirates under such Lease) thereunder.
- An assignment to such Loan Trustee of certain of DNA Alpha's rights under the purchase agreement assignment between Emirates, as assignor, and DNA Alpha, as assignee, including certain rights under the purchase agreement between Emirates and the Aircraft manufacturer, which rights have been assigned to DNA Alpha, and certain other documents related thereto (including certain of Emirates' rights under warranties with respect to the Aircraft and aircraft engines).
- A pledge by DNA III to the Subordination Agent as pledgee (in such capacity, and as security trustee under the Guernsey Law Security Documents, the "Pledgee") under the Share Pledge and Security Agreement of all the outstanding share capital in DNA Alpha (the "DNA Alpha Shares"), together with certain rights with respect to the Aircraft under the Asset Management Agreement and the Agency Agreement.

- Cash, if any, held from time to time by the Loan Trustee pursuant to the Indenture with respect to such Aircraft.
- A security interest created by a Guernsey law security agreement (the “Guernsey Account Charge”), by DNA Alpha in favor of the Subordination Agent as security trustee thereunder, in a bank account into which all amounts payable by Emirates in Sterling under the Leases are to be paid and all amounts deposited in such account from time to time.

The “international interests” created by the Indenture and the Lease, and the assignment of the Lease to the Loan Trustee, are required to be registered under the Cape Town Treaty.

With respect to the DNA Alpha Shares, DNA III will also be required to pledge such shares pursuant to a Guernsey law security agreement (the “Guernsey Share Charge” and, together with the Guernsey Account Charge, the “Guernsey Law Security Documents”) by DNA III in favor of the Subordination Agent as security trustee thereunder.

Unless and until an Indenture Default with respect to an Aircraft has occurred and is continuing, the Loan Trustee may not exercise the rights of DNA Alpha under the related Lease, except DNA Alpha’s right to receive payments of rent payable in U.S. dollars due thereunder. Following an Indenture Default, the Loan Trustee may exercise all of the remedies available under the Indenture and related security documents (See “—Remedies”), including the right to exercise DNA Alpha’s rights under the related Lease (subject to the succeeding sentence). The assignment by DNA Alpha to the Loan Trustee of its rights under the related Lease will exclude certain rights of DNA Alpha, including the rights of DNA Alpha with respect to indemnification by Emirates, as lessee, for certain matters, insurance proceeds payable to DNA Alpha or DNA III in their individual capacity under public liability insurance maintained by Emirates under such Lease, insurance proceeds payable to DNA Alpha under certain casualty insurance maintained by DNA Alpha under such Lease and certain reimbursement payments made by Emirates to DNA Alpha (the “Excluded Payments”). (Indentures, Granting Clause)

Since the Equipment Notes are cross-collateralized, any proceeds from the sale of an Aircraft or other collateral securing Equipment Notes or other exercise of remedies under an Indenture, the Share Pledge and Security Agreement or any Guernsey Law Security Document with respect to such collateral will (subject to the provisions of applicable UAE insolvency laws) be available for application to shortfalls with respect to obligations due under the other Equipment Notes at the time such proceeds are received. In the absence of any such shortfall, excess proceeds will be held as additional collateral by the Loan Trustee under such Indenture for such other Equipment Notes. However, if an Equipment Note ceases to be held by the Subordination Agent (as a result of sale upon the exercise of remedies or otherwise), it ceases to be entitled to the benefits of cross-collateralization.

Loan to Value Ratios of Equipment Notes

The following tables set forth loan to Aircraft value ratios for the Equipment Notes issued in respect of the Aircraft as of the initial issuance and the Regular Distribution Dates thereafter. The loan to value ratio was obtained by dividing (i) the outstanding balance (assuming no payment default) of such Equipment Notes plus, in the case of the Series B Equipment Notes, the outstanding balance (assuming no payment default) of the Series A Equipment Notes, determined immediately after giving effect to the payments scheduled to be made on each such Regular Distribution Date by (ii) the appraised value of the Aircraft securing such Equipment Notes (see “Description of the Aircraft and the Appraisals—The Appraisals”), subject to the Depreciation Assumption (the “Depreciation Assumption”).

The Depreciation Assumption contemplates that the value of each Aircraft at issuance of the Equipment Notes included in the table below depreciates by approximately three percent (3%) of the initial appraised value per year, for each year prior to the final expected Regular Distribution Date.

Other rates or methods of depreciation may result in materially different loan to Aircraft value ratios, and no assurance can be given (i) that the depreciation rates and method assumed for the purposes of the tables are the ones most likely to occur or (ii) as to the actual future value of any Aircraft. Thus, the tables should not be considered a forecast or prediction of expected or likely loan to Aircraft value ratios, but simply a mathematical calculation based on one set of assumptions.

	MSN 132				
		Series A		Series B	
Date	Assumed Aircraft Value	Outstanding Balance	LTV	Outstanding Balance	LTV
Issuance Date	$227,220,000.00	$115,500,000.00	50.8%	$42,000,000.00	69.3%
November 30, 2013	227,220,000.00	115,500,000.00	50.8	42,000,000.00	69.3
May 30, 2014	223,811,700.00	110,531,762.94	49.4	38,987,667.35	66.8
November 30, 2014	220,403,400.00	105,454,845.69	47.8	35,894,378.26	64.1
May 30, 2015	216,995,100.00	100,266,870.88	46.2	32,717,957.02	61.3
November 30, 2015	213,586,800.00	94,965,409.11	44.5	29,456,169.46	58.3
May 30, 2016	210,178,500.00	89,547,977.87	42.6	26,106,721.36	55.0
November 30, 2016	206,770,200.00	84,012,040.33	40.6	22,667,256.85	51.6
May 30, 2017	203,361,900.00	78,355,004.15	38.5	19,135,356.72	47.9
November 30, 2017	199,953,600.00	72,574,220.30	36.3	15,508,536.78	44.1
May 30, 2018	196,545,300.00	66,666,981.81	33.9	11,784,246.06	39.9
November 30, 2018	193,137,000.00	60,630,522.47	31.4	7,959,865.02	35.5
May 30, 2019	189,728,700.00	54,462,015.59	28.7	4,032,703.74	30.8
November 30, 2019	186,320,400.00	48,158,572.62	25.8	0.00	0.0
May 30, 2020	182,912,100.00	41,717,241.83	22.8	0.00	0.0
November 30, 2020	179,503,800.00	35,135,006.93	19.6	0.00	0.0
May 30, 2021	176,095,500.00	28,408,785.65	16.1	0.00	0.0
November 30, 2021	172,687,200.00	21,535,428.27	12.5	0.00	0.0
May 30, 2022	169,278,900.00	14,511,716.20	8.6	0.00	0.0
November 30, 2022	165,870,600.00	7,334,360.43	4.4	0.00	0.0
May 30, 2023	162,462,300.00	0.00	0.0	0.00	0.0

	MSN 133				
		Series A		Series B	
Date	Assumed Aircraft Value	Outstanding Balance	LTV	Outstanding Balance	LTV
Issuance Date	$228,690,000.00	$115,500,000.00	50.5%	$42,000,000.00	68.9%
November 30, 2013	228,690,000.00	115,500,000.00	50.5	42,000,000.00	68.9
May 30, 2014	225,259,650.00	110,531,762.94	49.1	38,987,667.35	66.4
November 30, 2014	221,829,300.00	105,454,845.69	47.5	35,894,378.26	63.7
May 30, 2015	218,398,950.00	100,266,870.88	45.9	32,717,957.02	60.9
November 30, 2015	214,968,600.00	94,965,409.11	44.2	29,456,169.46	57.9
May 30, 2016	211,538,250.00	89,547,977.87	42.3	26,106,721.36	54.7
November 30, 2016	208,107,900.00	84,012,040.33	40.4	22,667,256.85	51.3
May 30, 2017	204,677,550.00	78,355,004.15	38.3	19,135,356.72	47.6
November 30, 2017	201,247,200.00	72,574,220.30	36.1	15,508,536.78	43.8
May 30, 2018	197,816,850.00	66,666,981.81	33.7	11,784,246.06	39.7
November 30, 2018	194,386,500.00	60,630,522.47	31.2	7,959,865.02	35.3
May 30, 2019	190,956,150.00	54,462,015.59	28.5	4,032,703.74	30.6
November 30, 2019	187,525,800.00	48,158,572.62	25.7	0.00	0.0
May 30, 2020	184,095,450.00	41,717,241.83	22.7	0.00	0.0
November 30, 2020	180,665,100.00	35,135,006.93	19.4	0.00	0.0
May 30, 2021	177,234,750.00	28,408,785.65	16.0	0.00	0.0
November 30, 2021	173,804,400.00	21,535,428.27	12.4	0.00	0.0
May 30, 2022	170,374,050.00	14,511,716.20	8.5	0.00	0.0
November 30, 2022	166,943,700.00	7,334,360.43	4.4	0.00	0.0
May 30, 2023	163,513,350.00	0.00	0.0	0.00	0.0

Date	MSN 134				
		Series A		Series B	
	Assumed Aircraft Value	Outstanding Balance	LTV	Outstanding Balance	LTV
Issuance Date	$228,810,000.00	$115,500,000.00	50.5%	$42,000,000.00	68.8%
November 30, 2013	228,810,000.00	115,500,000.00	50.5	42,000,000.00	68.8
May 30, 2014	225,377,850.00	110,531,762.94	49.0	38,987,667.35	66.3
November 30, 2014	221,945,700.00	105,454,845.69	47.5	35,894,378.26	63.7
May 30, 2015	218,513,550.00	100,266,870.88	45.9	32,717,957.02	60.9
November 30, 2015	215,081,400.00	94,965,409.11	44.2	29,456,169.46	57.8
May 30, 2016	211,649,250.00	89,547,977.87	42.3	26,106,721.36	54.6
November 30, 2016	208,217,100.00	84,012,040.33	40.3	22,667,256.85	51.2
May 30, 2017	204,784,950.00	78,355,004.15	38.3	19,135,356.72	47.6
November 30, 2017	201,352,800.00	72,574,220.30	36.0	15,508,536.78	43.7
May 30, 2018	197,920,650.00	66,666,981.81	33.7	11,784,246.06	39.6
November 30, 2018	194,488,500.00	60,630,522.47	31.2	7,959,865.02	35.3
May 30, 2019	191,056,350.00	54,462,015.59	28.5	4,032,703.74	30.6
November 30, 2019	187,624,200.00	48,158,572.62	25.7	0.00	0.0
May 30, 2020	184,192,050.00	41,717,241.83	22.6	0.00	0.0
November 30, 2020	180,759,900.00	35,135,006.93	19.4	0.00	0.0
May 30, 2021	177,327,750.00	28,408,785.65	16.0	0.00	0.0
November 30, 2021	173,895,600.00	21,535,428.27	12.4	0.00	0.0
May 30, 2022	170,463,450.00	14,511,716.20	8.5	0.00	0.0
November 30, 2022	167,031,300.00	7,334,360.43	4.4	0.00	0.0
May 30, 2023	163,599,150.00	0.00	0.0	0.00	0.0

Date	MSN 136				
		Series A		Series B	
	Assumed Aircraft Value	Outstanding Balance	LTV	Outstanding Balance	LTV
Issuance Date	$228,810,000.00	$115,500,000.00	50.5%	$42,000,000.00	68.8%
November 30, 2013	228,810,000.00	115,500,000.00	50.5	42,000,000.00	68.8
May 30, 2014	225,377,850.00	110,531,762.94	49.0	38,987,667.35	66.3
November 30, 2014	221,945,700.00	105,454,845.69	47.5	35,894,378.26	63.7
May 30, 2015	218,513,550.00	100,266,870.88	45.9	32,717,957.02	60.9
November 30, 2015	215,081,400.00	94,965,409.11	44.2	29,456,169.46	57.8
May 30, 2016	211,649,250.00	89,547,977.87	42.3	26,106,721.36	54.6
November 30, 2016	208,217,100.00	84,012,040.33	40.3	22,667,256.85	51.2
May 30, 2017	204,784,950.00	78,355,004.15	38.3	19,135,356.72	47.6
November 30, 2017	201,352,800.00	72,574,220.30	36.0	15,508,536.78	43.7
May 30, 2018	197,920,650.00	66,666,981.81	33.7	11,784,246.06	39.6
November 30, 2018	194,488,500.00	60,630,522.47	31.2	7,959,865.02	35.3
May 30, 2019	191,056,350.00	54,462,015.59	28.5	4,032,703.74	30.6
November 30, 2019	187,624,200.00	48,158,572.62	25.7	0.00	0.0
May 30, 2020	184,192,050.00	41,717,241.83	22.6	0.00	0.0
November 30, 2020	180,759,900.00	35,135,006.93	19.4	0.00	0.0
May 30, 2021	177,327,750.00	28,408,785.65	16.0	0.00	0.0
November 30, 2021	173,895,600.00	21,535,428.27	12.4	0.00	0.0
May 30, 2022	170,463,450.00	14,511,716.20	8.5	0.00	0.0
November 30, 2022	167,031,300.00	7,334,360.43	4.4	0.00	0.0
May 30, 2023	163,599,150.00	0.00	0.0	0.00	0.0

Limitation of Liability

The Equipment Notes will be issued by DNA Alpha, a special purpose company whose sole assets will consist of the Aircraft, the bank account subject to the Guernsey Account Charge and rights under the Leases and the other transaction documents. The Note Purchase Agreement provides that recourse (i) against DNA Alpha for its obligations under the transaction documents is limited to amounts payable to DNA Alpha under the transaction documents and the collateral for the Equipment Notes and (ii) against DNA III for its obligations under the transaction documents is limited to the amounts of the collateral pledged by it to secure the Equipment Notes. (Note Purchase Agreement, Sections 12.13 and 12.14) See "Risk Factors—Risk Factors Relating to DNA Alpha—Recourse against DNA Alpha is limited, and payments under the Leases may not be sufficient to pay all of DNA Alpha's obligations." The Equipment Notes will not be direct obligations of, or guaranteed by, Emirates or DNA III.

Except as otherwise provided in the Indentures, each Loan Trustee, in its individual capacity, will not be answerable or accountable under the Indentures or under the Equipment Notes under any circumstances except, among other things, for its own willful misconduct or gross negligence. (Indentures, Section 7.01)

Indenture Defaults, Notice and Waiver

Events of default under each Indenture ("Indenture Defaults") will include, among other things:

- The occurrence of any Lease Event of Default under the related Lease (other than the failure to make Excluded Payments to DNA Alpha or DNA III unless a notice is given by DNA Alpha or DNA III that such failure shall constitute an Indenture Default), including the lapse or cancellation of insurance required under such Lease.
- The failure by DNA Alpha to pay any amount, when due, under such Indenture, the Note Purchase Agreement or under any Equipment Note issued thereunder that continues for more than 10 Business Days, in the case of principal, interest or Make-Whole Premium (other than as a result of a Lease Event of Default or a Relevant Event), and, in all other cases, 10 Business Days after DNA Alpha or DNA III receives written notice from the related Loan Trustee of such failure.
- The failure by DNA Alpha or DNA III to discharge certain liens that continue after notice and specified cure periods.
- Any representation or warranty made by DNA Alpha or DNA III in the Note Purchase Agreement, such Indenture or certain related documents furnished to the Loan Trustee or any holder of an Equipment Note pursuant thereto being untrue or inaccurate in any material respect when made that continues to be material and adverse to the interests of the Loan Trustee or Note Holders and remains unremedied (to the extent of the adverse impact on the interests of the Loan Trustee or the Noteholders) after notice and specified cure periods.
- Failure by DNA Alpha or DNA III to perform or observe (or cause to be performed or observed) any covenant or obligation for the benefit of the Loan Trustee or holders of Equipment Notes under the Note Purchase Agreement, such Indenture or certain related documents that continues after notice and specified cure periods.
- The occurrence of an Indenture Default under any other Indenture.
- The occurrence of certain events of bankruptcy, reorganization or insolvency of DNA Alpha or DNA III. (Indentures, Section 5.01(a))

If Emirates fails to make any U.S. dollar basic rental payment due under any Lease, within a specified period after such failure, DNA Alpha or DNA III may, but are not required to, pay to the Loan

Trustee the amount due on the Equipment Notes issued with respect to the related Aircraft resulting from such failure of Emirates to make such rental payment, together with any interest on any overdue payments thereof, in which event the Loan Trustee and the Note Holders may not exercise any remedies otherwise available under such Indenture as the result of such failure to make such rental payment, unless DNA Alpha or DNA III has previously cured three or more immediately preceding U.S. dollar basic rental payment defaults or, in total, four or more previous U.S. dollar basic rental payment defaults. DNA Alpha or DNA III also may, but are not required to, cure any other default by Emirates in the performance of its obligations under any Lease that can be cured with the payment of money. (Indentures, Section 5.01(b))

The holders of a majority in principal amount of the outstanding Equipment Notes issued with respect to any Aircraft, by notice to the Loan Trustee, may on behalf of all the holders of Equipment Notes issued with respect to such Aircraft waive any existing default and its consequences under the Indenture with respect to such Aircraft, except a default in the payment of the principal of, or premium or interest on any such Equipment Notes or a default in respect of any covenant or provision of such Indenture that cannot be modified or amended without the consent of each holder of Equipment Notes issued with respect to such Aircraft. (Indentures, Section 5.06) See “Description of the Intercreditor Agreement—Voting of Equipment Notes” regarding the persons entitled to direct the vote of Equipment Notes.

Remedies

If an Indenture Default (other than certain events of bankruptcy, reorganization or insolvency) occurs and is continuing under an Indenture, the related Loan Trustee or the holders of a majority in principal amount of the Equipment Notes outstanding under such Indenture may, subject to DNA Alpha’s or DNA III’s right to cure (see—“Indenture Defaults, Notice and Waiver”), declare the principal of all such Equipment Notes issued thereunder immediately due and payable, together with all accrued but unpaid interest thereon, but without any premium. If certain events of bankruptcy, reorganization or insolvency occur with respect to DNA Alpha or DNA III or a Lessee Bankruptcy Event occurs, such amounts shall be immediately due and payable without any declaration or other act on the part of the related Loan Trustee or holders of Equipment Notes. The holders of a majority in principal amount of Equipment Notes outstanding under an Indenture may rescind any declaration of acceleration of such Equipment Notes at any time before any judgment or decree for the payment of the money so due shall be entered if (i) there has been paid to the related Loan Trustee an amount sufficient to pay all principal, interest and other amounts payable on any such Equipment Notes, to the extent such amounts have become due otherwise than by such declaration of acceleration and (ii) all other Indenture Defaults and incipient Indenture Defaults with respect to any covenant or provision of such Indenture have been cured. (Indentures, Section 5.02(b)) If an Indenture Default has occurred and is continuing with respect to any Indenture, the Pledgee under the Share Pledge and Security Agreement and the Guernsey Law Security Documents (in each case acting at the direction of a majority in principal amount of Equipment Notes outstanding under all Indentures) may exercise any and all remedies available to it thereunder, including the right (i) to foreclose its lien on the DNA Alpha Shares, (ii) to instruct DLC under the Asset Management Agreement and the Agency Agreement in the performance of its duties or to otherwise cause such arrangements to be terminated or replaced or (iii) to foreclose on the account into which amounts payable by Emirates in Sterling under the Leases is to be paid. Proceeds from the exercise of remedies with respect to any of the foregoing collateral will be available for distribution to the Certificateholders pursuant to the Intercreditor Agreement. See “Description of the Certificates— Payments and Distributions—Distributions”.

Each Indenture provides that if an Indenture Default under such Indenture has occurred and is continuing, the related Loan Trustee may exercise certain rights or remedies available to it under such Indenture or under applicable law, including (if the corresponding Lease has been declared in default) one or more of the remedies under such Indenture or such Lease with respect to the Aircraft subject to such Lease. If an Indenture Default arises solely by reason of one or more events or circumstances which constitute a Lease Event of Default, the Loan Trustee's right to exercise remedies under an Indenture is subject, with certain exceptions, to its having proceeded to exercise one or more of the dispossessory remedies under the Lease with respect to such Aircraft; *provided* that the requirement to exercise one or more of such remedies under such Lease shall not apply in circumstances where the Loan Trustee is, and has been, involuntarily stayed or prohibited by applicable law or court order for a continuous period in excess of 60 days subsequent to an entry of an order of relief pursuant to applicable UAE insolvency laws. (Indentures, Section 5.02(a); Leases, clause 21)

In the case of insolvency proceedings of Emirates in Dubai, the Protocol as adopted in the UAE provides special rights to holders of "international interests" registered under the Cape Town Treaty. The Protocol as adopted in the UAE includes Article XI, Alternative A which is similar to Section 1110 of the U.S. Bankruptcy Code. Such Alternative A provides that within 60 days after the commencement of insolvency proceedings with respect to Emirates in Dubai, Emirates would be required either:

- to give possession of the airframe and engines comprising the Aircraft subject to a Lease to the relevant Loan Trustee, or
- to cure all defaults (other than those based on the commencement of the insolvency proceedings) and agree to perform all future obligations under the Lease.

If Emirates agrees to perform all future obligations under the Lease but subsequently defaults, after the expiration of such 60 day period the Loan Trustee would be entitled to exercise all legally available remedies.

It is a condition to the Trustees' obligation to purchase Equipment Notes with respect to each Aircraft that external United Arab Emirates counsel to DNA Alpha provide its opinion to the Trustees that the relevant Loan Trustee will be entitled to the benefits of Article XI, Alternative A, of the Protocol, as adopted in the UAE, and the 60-Day Period with respect to the airframe and engines comprising such Aircraft in any insolvency proceeding of Emirates in Dubai. For a description of certain limitations on the Loan Trustee's exercise of rights contained in the Indenture, see "—Indenture Defaults, Notice and Waiver".

If an Indenture Default under any Indenture occurs and is continuing, any sums held or received by the related Loan Trustee may be applied to reimburse such Loan Trustee for any tax, expense or other loss incurred by it and to pay any other amounts due to such Loan Trustee prior to any payments to holders of the Equipment Notes issued under such Indenture. (Indentures, Section 3.03)

Modification of Indentures

Without the consent of holders of a majority in principal amount of the Equipment Notes outstanding under any Indenture, the provisions of such Indenture and any related Lease may not be amended or modified, except to the extent indicated below.

Without the consent of the Liquidity Provider and the holder of each Equipment Note outstanding under any Indenture affected thereby, no amendment, waiver, modification of, supplement or consent of such Indenture may among other things (a) reduce the principal amount of, or premium, if any, or interest payable on, any Equipment Notes issued under such Indenture or change the date on which any principal, premium, if any, or interest is due and payable, (b) permit the creation of any security interest with respect to the property subject to the lien of such Indenture, except as provided in such Indenture, or deprive any holder of an Equipment Note issued under such Indenture of the benefit of the lien of such Indenture upon the property subject thereto, (c) modify the percentage of holders of Equipment Notes issued under such Indenture required to take or approve any action under such Indenture or (d) reduce the amount or extend the time of payment of rent or amounts payable by

Emirates in connection with an early termination of the related Lease, or otherwise modify, amend or supplement such Lease where the result would be to release Emirates from its obligations to pay rent or amounts payable by Emirates as lessee in connection with an early termination of the related Lease or to alter the unconditional nature of Emirates' obligation to pay rent under such Lease. (Indentures, Section 10.01(b))

Any Indenture may be amended without the consent of any of the holders of the related Equipment Notes to, among other things, cure any defect or inconsistency in such Indenture or the Equipment Notes issued thereunder (provided that such change does not adversely affect the interests of any such holder) or provide for the issuance thereunder of new Series B Equipment Notes (and the issuance of new Series B Equipment Notes under the other Indentures) and any related credit support arrangements. See "Possible Refinancing of Certificates". (Indentures, Section 10.01(c))

Subject to certain limitations, certain provisions of the Lease and certain other documents related to an Indenture, may be amended or modified by the parties thereto without the consent of any holders of the Equipment Notes outstanding under such Indenture. In the case of each Lease, such provisions include, among others, provisions relating to (i) Excluded Payments and (ii) the return to DNA Alpha of the related Aircraft at the end of the term of such Lease (except to the extent that such amendment would affect the rights or exercise of remedies under the Lease). (Indentures, Section 10.01(a))

Certain Provisions of the Leases

Each Aircraft will be owned by DNA Alpha and leased to Emirates by DNA Alpha under the applicable Lease.

Lease Term and Rentals

Each Aircraft will be leased separately by DNA Alpha to Emirates for an initial term commencing on the date on which the Aircraft is acquired by DNA Alpha and expiring on the tenth anniversary of such date, subject to Emirates' right to extend the Lease term for an additional two years. (Leases, clause 3.2)

Rent under each Lease is payable by Emirates in U.S. dollars on each Lease Payment Date and in Sterling on certain monthly payment dates. The rent payable in U.S. dollars under each Lease of an Aircraft due on a Lease Payment Date will include an amount in U.S. dollars sufficient to pay the scheduled principal amount of and accrued interest on the Equipment Notes relating to such Aircraft due on the Regular Distribution Date immediately succeeding such Lease Payment Date, and such amount is required to be paid by Emirates directly to an account in the U.S. of the Loan Trustee. On each such Regular Distribution Date, amounts paid to such account of the Loan Trustee will be applied, first, to pay certain expenses of the Loan Trustee, second, to pay the scheduled principal amount of and accrued interest on the related Equipment Notes due on such Regular Distribution Date and, third, so long as no Indenture Default has occurred and is continuing, any remaining amounts will be payable to DNA Alpha. The rent due and payable by Emirates in Sterling will be paid to the Pledged Guernsey Account. Amounts standing to the credit of the Guernsey Pledged Account may be released to DNA Alpha in accordance with the Guernsey Account Charge; provided, however, that if an Indenture Default shall have occurred and be continuing on such date, then such amounts may not be so released but will instead be distributed to the Loan Trustees to be held and applied as proceeds of collateral in accordance with the Indentures. See "Description of the Equipment Notes—Security". In certain cases, the scheduled rent payable in U.S. dollars by Emirates under the Leases may be adjusted, provided that any such adjustment may not result in such scheduled payments by Emirates being less than the scheduled payments on the related Equipment Notes and the other amounts payable by DNA Alpha under the transaction documents.

"Lease Payment Date" means, with respect to each Lease, each semi-annual payment date at least five Business Days prior to each Regular Distribution Date under the Equipment Notes.

Net Lease; Maintenance

Under the terms of each Lease, Emirates' obligations in respect of each Aircraft will be those of a lessee under a "net lease". Accordingly, Emirates is obligated under each Lease, among other things and at its expense, to keep each Aircraft duly registered and insured, to pay all costs of operating the Aircraft and to maintain, service, repair and overhaul the Aircraft so as to keep it in as good an operating condition as when delivered to Emirates, ordinary wear and tear excepted, and in such condition as required to maintain the airworthiness certificate for the Aircraft in good standing at all times. (Leases, clauses 13, 15 and 16)

Possession, Sublease and Transfer

Each Aircraft may be operated by Emirates, or, subject to certain restrictions, by certain other persons. Normal interchange, pooling and borrowing agreements with respect to any aircraft engine, in each case customary in the commercial airline industry, are permitted. Subleases are also permitted to certain specified U.S. air carriers and foreign air carriers, subject to a reasonably satisfactory legal opinion that, among other things, DNA Alpha's title to, and Loan Trustee's security interest in respect of, the applicable Aircraft would not be impaired by such sublease and that such title and security interest are perfected in the jurisdiction of regulation of such Aircraft. In addition, a sublessee may not be subject to insolvency or similar proceedings at the commencement of such sublease and the Aircraft may be re-registered in connection with a permitted sublease, subject to certain terms and restrictions as described in "—Registration" below. (Leases, clause 12) Under the Lease, Emirates will at its own cost and expense, among other things, do all acts and things which DNA Alpha or the Loan Trustee may reasonably require to preserve the title, rights and interest of DNA Alpha and/or the Loan Trustee to and in the Aircraft, the Lease, the Indenture and certain other documents (including, without limitation, to perfect or protect the Loan Trustee's rights under the Indenture) within the jurisdiction of any signatory which has ratified the terms of the Convention of the International Recognition of Rights in Aircraft, signed at Geneva, Switzerland, on 19th June 1948 (the "Convention") and in any territory in which the Aircraft is or may be operated. (Leases, clause 11.2.4) It is uncertain to what extent the relevant Loan Trustee's security interest would be recognized if an Aircraft is located in a jurisdiction not a party to the Convention or the Cape Town Treaty. Moreover, in the case of an Indenture Default, the ability of the related Loan Trustee to realize upon its security interest in an Aircraft could be adversely affected as a legal or practical matter if such Aircraft were located outside the UAE.

Registration

Emirates is required to keep each Aircraft duly registered under applicable UAE law, subject to Emirates' right to re-register an Aircraft in connection with a permitted sublease, and to file, register or record each Lease and Indenture and certain other documents to ensure that the rights, title and interest of DNA Alpha and the Loan Trustee are appropriately protected and recorded to the extent possible under applicable UAE law (or in any other jurisdiction in which an Aircraft may be registered from time to time). (Leases, clause 15.2) In addition, DNA Alpha is required to register the "international interests" created pursuant to the Lease and Indenture, and the assignment of the "international interest" created by the Lease to the Loan Trustee, under the Cape Town Treaty. (Note Purchase Agreement, Section 3.1.3) Such recordation of the Indenture and certain other documents with respect to each Aircraft will give the relevant Loan Trustee a first-priority, perfected security interest in such Aircraft and the Lease to the extent possible under applicable law. The Convention provides that such security interest will be recognized, with certain limited exceptions, in those jurisdictions that have ratified or adhere to the Convention. The Cape Town Treaty provides that a registered "international interest" has priority over a subsequently registered interest and with certain limited exceptions over an unregistered interest for purposes of the law of those jurisdictions that have ratified the Cape Town Treaty. There are many jurisdictions in the world that have not ratified either the Convention or the Cape Town Treaty, and the Aircraft may be located in any such jurisdiction from time to time.

So long as no Lease Event of Default exists, Emirates has the right to register any Aircraft subject to such Lease in a country other than the UAE at its own expense in connection with a permitted sublease of the Aircraft to a permitted sublessee, subject to certain conditions set forth in the related Lease or to the consent of DNA Alpha and the Loan Trustee. These conditions include a requirement that an opinion of counsel be provided that the lien of the applicable Indenture will continue as a first priority security interest in the applicable Aircraft and such Lease. (Leases, clause 12)

Liens

Emirates is required to maintain each Aircraft free of any liens, other than the rights of the relevant Loan Trustee, the holders of the related Equipment Notes, Emirates, and DNA Alpha arising under the applicable Indenture, the Lease or the other transaction documents related thereto, and other than certain limited liens permitted under such documents, including but not limited to (i) liens for taxes not yet assessed, not yet due or being contested in good faith by appropriate proceedings; (ii) liens of an airport or air navigation authority, or mechanics' and other similar liens arising in the ordinary course of business by operation of law in respect of obligations that either are not yet due or are being contested in good faith by appropriate proceedings; and (iii) any other lien as to which DNA Alpha or and Loan Trustee have consented to in writing; provided that in the case of each of the liens described in the foregoing clauses (i) and (ii), adequate resources have been provided by Emirates for the payment of such obligations, and such proceedings do not involve any material likelihood of the sale, forfeiture or loss of such Aircraft or the interest of the Loan Trustee therein or impair the lien of the relevant Indenture, or of criminal liability on DNA Alpha or the Loan Trustee. (Leases, clause 11.2)

Replacement of Parts; Alterations

Emirates is obligated to replace all parts and aircraft engines at its expense that may from time to time be incorporated or installed in or attached to any Aircraft and that may become lost, damaged beyond repair, worn out, stolen, seized, confiscated or rendered permanently unfit for use. Emirates has the right, at its own expense, to make changes and improvements with respect to each Aircraft, so long as such alteration, modification, addition or removal does not diminish or impair the value, utility, condition, residual value or useful life of the related Aircraft or diminish the warranties relating to the Aircraft. (Leases, clause 13.7.2) So long as no Lease Event of Default has occurred and is continuing, Emirates may replace any aircraft engine with a replacement engine having a value and utility equal to or greater that the aircraft engine which is being replaced, subject to certain conditions. (Leases, clause 13.11)

Insurance

Emirates is required to maintain, at its expense (or at the expense of a permitted sublessee), all-risk aircraft hull insurance covering each Aircraft, at all times in an amount not less than the agreed value of such Aircraft (which as of any date will exceed the aggregate outstanding principal amount of the Equipment Notes relating to such Aircraft, together with accrued interest thereon as of such date). In the event of a loss involving insurance proceeds in excess of US $2,500,000 per occurrence, such proceeds up to the agreed value of the relevant Aircraft will be payable to the applicable Loan Trustee, for so long as the relevant Indenture shall be in effect. In the event of a loss involving insurance proceeds of up to US $2,500,000 per occurrence, such proceeds will be payable directly to Emirates so long as DNA Alpha or, so long as the relevant Indenture shall be in effect, the Loan Trustee, has not notified the insurance underwriters that a Lease Event of Default or on event which with the giving of notice and/or lapse of time would constitute a Lease Event of Default (a "Relevant Event") exists. So long as the loss does not constitute an Total Loss, insurance proceeds will be applied to repair or replace the property. (Leases, clause 16 and Schedule 6)

In addition, Emirates is obligated to maintain comprehensive airline liability insurance at its expense (or at the expense of a permitted sublessee), including, without limitation, passenger liability, baggage liability, cargo and mail liability, and general third party liability insurance with respect to each Aircraft. The amount of such liability insurance coverage per occurrence may not be less than US $1,250,000,000. (Leases, clause 16 and Schedule 6) All insurances must be on a direct basis with insurers of recognized standing who normally participate in aviation insurances in leading international insurance markets and led by reputable underwriter(s), in each case approved by DNA Alpha, or with a single insurer or group of insurers reasonably approved by DNA Alpha who does not fully retain the risk but effects substantial reinsurance with reinsurers in leading international insurance markets and through brokers each of recognized standing and, in each case, reasonably acceptable to DNA Alpha for a percentage of not less than ninety percent (90%), which is reasonably acceptable to DNA Alpha and the Loan Trustee of all risks insured.

Emirates is also required to maintain war-risk and allied perils insurance if it (or any permitted sublessee) operates any Aircraft, airframe or aircraft engine in any declared war zone or area of recognized hostilities or if Emirates (or any permitted sublessee) maintains such insurance with respect to other aircraft in its fleet. (Leases, clause 16 and Schedule 6)

In respect of each Aircraft, Emirates is required to name as additional insured parties each Loan Trustee and holders of the Equipment Notes, DNA Alpha, and the Liquidity Provider under all liability, hull and property and war risk and allied perils insurance policies required with respect to such Aircraft. In addition, the insurance policies will be required to provide that, in respect of the interests of such additional insured persons, the insurance shall not be invalidated or impaired by any act or omission of Emirates, any permitted sublessee or any other person. (Leases, clause 16 and Schedule 6)

Lease Termination

The original scheduled expiration date under each Lease is the date that is ten years from the commencement of such Lease. Emirates has the option to extend the term under each Lease for an additional two years, subject to certain conditions. Emirates is required to give notice of its intention not to exercise such extension option at least 20 months prior to the original scheduled expiration date with respect to the first Aircraft to be financed under this Offering (such expiration date, the "Mandatory Early Termination Date"), which notice may not be withdrawn. If Emirates does not give such notice by such deadline, the extension option under such Lease will be deemed to be automatically exercised by Emirates. If Emirates sends notice of its intention not to extend any Lease prior to such deadline, it is required to pay to DNA Alpha on the Mandatory Early Termination Date the following amounts under such Lease: (i) the discounted present value of rent that would have been payable had the term of such Lease been extended for such additional two year period and (ii) all other amounts then due and payable by Emirates thereunder and under certain other documents related to the leasing of the Aircraft to which Emirates is a party (such amounts, collectively, the "OED Termination Amount"). Emirates must pay the OED Termination Amount under such Lease on the Mandatory Early Termination Date. (Leases, clause 3.2)

Upon the payment in full by Emirates of such amounts, (i) the lien of the related Indenture and the related Lease shall terminate with respect to the applicable Aircraft and (ii) the obligation of Emirates thereafter to make the scheduled rent payments with respect thereto shall cease. The payments described in the preceding paragraph made under any Lease by Emirates shall be deposited with the applicable Loan Trustee. Amounts in excess of the amounts due and owing under the Equipment Notes issued with respect to such Aircraft and in respect of certain other obligations under the other Operative Documents will be distributed by such Loan Trustee to DNA Alpha. (Indentures, Sections 2.06 and 3.02)

In addition, Emirates may terminate any Lease by way of exercising its purchase option upon the occurrence of certain events, as described below under "—Purchase Options". (Leases, clause 3.3)

Total Loss

If Total Loss occurs with respect to the airframe or the airframe and aircraft engines of an Aircraft, Emirates must promptly notify DNA Alpha and the Loan Trustee and on the earlier to occur of (i) the 90th day following the date of occurrence of such Total Loss and (ii) the third Business Day following the receipt of the insurance proceeds in respect of such Total Loss, pay, or procure that the insurers or reinsurers (if relevant) pay, to the Loan Trustee the relevant agreed value, which must be an amount sufficient to pay in full the aggregate unpaid amount of Equipment Notes outstanding with respect to such Aircraft as of such date together with accrued and unpaid interest on all such Equipment Notes as of such date, and any other amounts then due and payable by Emirates under the Lease and certain other documents relating to the leasing of such Aircraft to which Emirates is party, but, in any case, without any Make-Whole Premium. (Leases, clause 17.3; Indentures, Section 2.10(a))

Upon the payment in full by Emirates of such amounts, (i) the lien of the Indenture and the related Lease shall terminate with respect to such Aircraft, (ii) the obligation of Emirates thereafter to make the scheduled rent payments with respect thereto shall cease and (iii) DNA Alpha shall transfer all of its right, title and interest in and to the related Aircraft to Emirates. The payments described in the preceding paragraph made under the Leases by Emirates shall be deposited with the applicable Loan Trustee. Amounts in excess of the amounts due and owing under the Equipment Notes issued with respect to such Aircraft and in respect of certain other obligations under the other Operative Documents will be distributed by such Loan Trustee to DNA Alpha. (Indentures, Sections 2.06 and 3.02)

If a Total Loss occurs with respect to an aircraft engine alone, Emirates will be required to replace such aircraft engine as soon as possible after the occurrence of such Total Loss with another engine, free and clear of all liens (other than certain permitted liens). Such replacement engine shall be the same make and model as the aircraft engine to be replaced, or an improved model, suitable for installation and use on the airframe, and having a value, utility and remaining useful life at least equal to the aircraft engine to be replaced, assuming that such aircraft engine had been maintained in accordance with the relevant Lease. (Leases, clauses 13 and 17.3)

A "Total Loss" with respect to any property (including any Aircraft, airframe or any aircraft engine) means any of the following events with respect to such property:

- the actual or constructive total loss of such property (including any damage to such property which results in an insurance settlement on the basis of a total loss, or requisition for use or hire of such property which results in an insurance settlement on the basis of a total loss or constructive total loss);
- such property being destroyed or damaged beyond repair;
- the requisition of title or other compulsory acquisition, requisition, appropriation, expropriation, deprivation or confiscation for any reason of such property by any governmental entity or other competent authority, but shall exclude requisition for use or hire not involving requisition of title of such property (a "Compulsory Acquisition");
- the hijacking, theft, confiscation, capture, detention, seizure or requisition for use or hire of such property, other than as a result of a Compulsory Acquisition of such property, which deprives the operator of the use of such property for more than ninety (90) consecutive days, excluding requisition for use or hire by any government entity of the jurisdiction where the Aircraft is registered; or
- the use of such property for transportation of persons is prohibited by the GCAA or other relevant aviation authority in the jurisdiction where the Aircraft is registered or otherwise in accordance with applicable law affecting property of such type for a period exceeding six (6) consecutive calendar months by reason of applicable law. (Leases, clause 1.1)

Purchase Options

Emirates may elect to purchase the Aircraft subject to any Lease in the following circumstances (subject to certain conditions):

- where Emirates has not exercised its extension option with respect to the leasing of such Aircraft and DNA Alpha has notified Emirates of its intention to sell and/or remarket the Aircraft;
- if Emirates has exercised its extension option with respect to the leasing of such Aircraft, on the extended expiration date of such Lease;
- where the Aircraft is requisitioned for hire during the term of such Lease (and provided such Aircraft has not become a Total Loss) and such requisition for hire is continuing at the scheduled expiration date then in effect; and
- where Emirates has served a notice to purchase such Aircraft following certain specified material breaches by DNA Alpha of its obligations owed to Emirates under such Lease (a "Special Termination Event"). (Leases, clause 3.3)

In each such case, Emirates shall pay to DNA Alpha (or, in certain instances, DNA Alpha shall cause to be paid to the Loan Trustee) the relevant option price for such Aircraft and all other amounts due or becoming due on or prior to the applicable purchase date (including any OED Termination Amount resulting from Emirates not exercising its extension option with respect to such Lease), provided that if such purchase date is prior to the discharge of the lien of the related Indenture, the option price shall not be less than the sum of (i) the aggregate unpaid principal amount of all Equipment Notes outstanding with respect to such Aircraft as of such purchase date, together with accrued and unpaid interest on all such Equipment Notes as of such purchase date and any Make-Whole Premium payable pursuant to the related Indenture in connection with a prepayment of the Equipment Notes issued under such Indenture on such purchase date and (ii) all other amounts then due and payable by Emirates under the Lease and certain other documents relating to the leasing of such Aircraft to which Emirates is a party.

In addition, subject to certain exceptions, Emirates may terminate any Lease before its scheduled expiration by purchasing the related Aircraft or requesting the sale of such Aircraft by DNA Alpha following the occurrence of certain changes in law or events that materially adversely affect the leasing of such Aircraft to Emirates or its ability to make payments under such Lease (including the Government of Dubai ceasing to beneficially own and control, directly or indirectly, at least fifty-one percent (51%) of Emirates or ceasing to retain the power to direct the management and policies of Emirates). In connection with any such termination, Emirates must pay to DNA Alpha on the applicable termination date: (i) the aggregate unpaid principal amount of all Equipment Notes outstanding with respect to such Aircraft as of such termination date, together with accrued and unpaid interest on all such Equipment Notes as of such termination date and any Make-Whole Premium payable pursuant to the related Indenture in connection with a prepayment of the Equipment Notes issued under such Indenture on such termination date and (ii) all other amounts then due and payable by Emirates under the Lease and certain other documents relating to the leasing of such Aircraft to which Emirates is a party. (Leases, clauses 20, 21 and 23)

Upon the purchase of any Aircraft by Emirates and payment in full by Emirates of the related amounts due under such Lease, the lien of the related Indenture shall terminate with respect to that Aircraft.

Events of Default under the Leases

Lease Events of Default under each Lease (which are referred to as "Termination Events" therein) include, among other things:

- Failure by Emirates to pay any amount payable by it under and in the manner required by such Lease or certain other documents relating to the leasing of such Aircraft to which Emirates is a party within five Business Days after the same shall have become due.

- Failure by Emirates to obtain and maintain in full force and effect insurance on and in respect of the Aircraft, airframe and aircraft engines, in accordance with the provisions of such Lease.
- Emirates defaults in the due performance or observance of any of its obligations or undertakings under such Lease or certain other documents relating to the leasing of such Aircraft to which Emirates is a party (other than those referred to above) and, if such default is capable of remedy, Emirates fails to remedy such default within thirty (30) days after receipt by Emirates of notice from DNA Alpha or the Loan Trustee requiring the same to be remedied, provided however that this paragraph shall not apply to any obligation or undertaking the performance or observance of which by Emirates has become illegal or unlawful as a result of a change in law.
- Any representation or warranty made or deemed to be made or repeated by Emirates in or pursuant to such Lease or certain other documents relating to the leasing of such Aircraft to which Emirates is a party, or in any document, certificate or statement referred to in or delivered under such Lease or other documents is or proves to have been incorrect in any material respect when made or deemed made or repeated, and such incorrectness will have a material adverse effect at the time in question.
- Any indebtedness of Emirates in excess of twenty five million Dollars (US $25,000,000) (or the equivalent thereof in any other currency) (i) is not paid when due after the expiry of any applicable grace period or (ii) becomes due and payable prior to the date when it would otherwise have become due and payable as a consequence of an event of default (however defined) by Emirates under the financing documentation evidencing or giving rise to such indebtedness and Emirates is not contesting its liability therefor in good faith by appropriate proceedings.
- The occurrence of a Lease Event of Default under any other Lease.
- The occurrence of a Lessee Bankruptcy Event. (Leases, clause 20)

Remedies Exercisable upon Events of Default under the Lease

If a Lease Event of Default has occurred and is continuing, DNA Alpha may (or, so long as the Indenture shall be in effect, the applicable Loan Trustee acting through DNA Alpha may, subject to the terms of the Indenture) exercise one or more of the remedies provided in such Lease with respect to the related Aircraft. These remedies include the right to repossess and use or operate such Aircraft, to rescind or terminate such Lease, and to sell or re-lease such Aircraft free and clear of Emirates' rights and retain and/or apply the proceeds against the amounts due and payable by Emirates under such Lease in connection with such Lease Event of Default. (Leases, clause 21; Indentures, Section 5.02)

Indemnification

Emirates will be required to indemnify each Loan Trustee, each Liquidity Provider, the Subordination Agent, the Escrow Agent and each Trustee, but not the Certificateholders, for certain losses, claims and other matters relating to the Aircraft.

POSSIBLE REFINANCING OF CERTIFICATES

DNA Alpha may, but is not required to, elect to redeem the Series B Equipment Notes then outstanding and issue new Series B Equipment Notes (any such new Equipment Notes, the "Refinancing Equipment Notes") in respect of all (but not less than all) of the Aircraft. In such case, DNA Alpha will fund the sale of such Refinancing Equipment Notes through the sale of pass through certificates (the "Refinancing Certificates") issued by a DNA Alpha pass through trust (the "Refinancing Trust"). The Refinancing Certificates relating to the new Series B Equipment Notes may have the benefit of a liquidity facility.

The trustee of the Refinancing Trust will become a party to the Intercreditor Agreement, and the Intercreditor Agreement will be amended by written agreement of DNA Alpha, Emirates and the Subordination Agent to provide for the subordination of the Refinancing Certificates to the Administration Expenses, the Liquidity Obligations and the Class A Certificates in the same manner that the Class B Certificates being so refinanced were subordinated. Such issuance of Refinancing Equipment Notes and Refinancing Certificates, and any such amendment of the Intercreditor Agreement (and any amendment of an Indenture in connection with such re-issuance) is contingent upon the Rating Agency providing written confirmation to the effect that such actions will not result in a withdrawal, suspension, or downgrading of the rating of the Class A Certificates that remains outstanding. (Intercreditor Agreement, Section 9.1(c); Note Purchase Agreement, Section 6(ii); Indentures, Section 2.11(b))

CERTAIN GUERNSEY AND OTHER JURISDICTION TAX CONSIDERATIONS

The statements on taxation below are intended to be a general summary of certain Guernsey tax consequences that may result to DNA Alpha and Certificateholders. The statements are based on the law and common practice in force in Guernsey at the date of this offering circular and do not constitute legal or tax advice. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment is made in the Certificates will endure indefinitely.

Prospective investors should familiarize themselves with and, where appropriate, take advice on the laws and regulations (such as those relating to taxation and exchange controls) applicable to the subscription for, and the holding and redemption of, Certificates in the places of their citizenship, residence and domicile. The tax consequences for each investor of acquiring, holding, redeeming or disposing of Certificates will depend upon the relevant laws of any jurisdiction to which the Certificateholder is subject. Prospective investors should seek their own professional advice as to this, as well as to any relevant exchange control or other laws and regulations.

Taxation of DNA Alpha

Guernsey introduced a 'Zero/Ten' corporate tax regime with effect from January 1, 2008. Under this new tax regime, there are three rates of corporate taxation: The company higher rate of 20% (applies to income from Guernsey land or property and income from activities regulated by the Office of Utilities Regulation), the company intermediate rate of 10% (applies to specific banking activities) and the company standard rate of 0% (applies to all activities not taxable at the 10% or 20% tax rates).

DNA Alpha should be subject to tax in Guernsey at the company standard rate of 0% on its worldwide income, on the basis that it does not conduct activities that are currently taxable at the company intermediate or company higher tax rates.

Taxation of Investors

Certificateholders (unless they are resident in the Islands of Guernsey, Alderney or Herm for tax purposes) will not suffer any income tax in Guernsey in respect of the acquisition, holding or disposal of the Certificates.

Certificateholders resident in Guernsey, Alderney or Herm for tax purposes may, subject to their own circumstances, be subject to Guernsey income tax in respect of any interest or other income received from the holding of the Certificates.

No Guernsey tax will be required to be withheld from interest or other payments made to Certificateholders.

Other Taxes

There are no death duties, capital inheritance, capital gains, gift or value added taxes levied in Guernsey in connection with the acquisition, holding, conversion or disposal of Certificates.

No stamp duty is chargeable in Guernsey on the issue, transfer, conversion or redemption of Certificates, with the exception of an ad valorem charge payable for the grant of probate in Guernsey upon the death of a Certificateholder.

EU Savings Directive

Guernsey is not subject to the European Union Directive on the Taxation of Savings Income (the "EU Savings Tax Directive"). However, Guernsey has introduced measures that are similar to the EU Savings Tax Directive. DNA Alpha should not be regarded as an undertaking for collective investment established in Guernsey that is equivalent to a UCITS authorized in accordance with EC Directive 85/611/EEC of the Council for the purposes of the application in Guernsey of the bilateral agreements on the taxation of savings income entered into by Guernsey with EU Member States; consequently, in accordance with current States of Guernsey guidance on the application of the bilateral agreements, where the Paying Agent is located in Guernsey, it should not be required to retain tax from, or exchange information regarding, distributions made to Certificateholders and/or the proceeds of the sale, refund, or redemption of Certificates. Amendments to the EU Savings Tax Directive could potentially lead to Guernsey introducing equivalent amending measures. This could lead to changes that may affect DNA Alpha.

Review of Guernsey's Corporate Tax Regime

In keeping with its ongoing commitment to meeting international standards, the State of Guernsey is currently undertaking a review of its corporate tax regime with the expectation of implementing any required revisions to the regime in the period between 2013 and 2015. As at the date of this Offering Circular, the key features of any revised regime have yet to be determined. Any changes to the Guernsey corporate tax regime could have an impact on DNA Alpha's liability to Guernsey tax.

The proposed EU Financial Transactions Tax

In September 2011, the EU Commission attempted to introduce an EU-wide financial transactions tax. However not all the Member States were in favour of such a tax and so the tax could not be implemented in all Member States. Subsequently, 11 Member States of the EU requested that the Commission develop a proposal for the introduction of a common financial transactions tax ("FTT") for each of those Member States. The Commission developed such a proposal under the EU's enhanced cooperation procedure which allows 9 or more Member States to implement common legislation. In January 2013 the EU Council of Ministers authorised the Commission to proceed with enhanced cooperation for a common FTT and the Commission has now published a legislative proposal for a Directive containing proposals for the FTT. This FTT is intended to be introduced in the 11 participating Member States (Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia). Additional Member States may decide to participate.

The proposed FTT imposes a charge on a wide range of financial transactions including purchases and sales of financial instruments including bonds; this charge will be levied at not less than 0.1% of the sale price. Material modifications of financial instruments also attract a charge at the applicable rate. In both cases the charge is applied separately to each financial institution that is party to a transaction; if a financial institution does not pay the tax then its counterparty will be jointly and severally liable.

A charge to FTT will arise if at least one party to a financial transaction is established in a participating Member State and a financial institution established in (or is treated as established in) a participating Member State is a party to the transaction, for its own account, for the account of another person, or if the financial institution is acting in the name of a party to the transaction.

It is important to be aware that a financial institution will be treated as established in a participating Member State if, among other things, its seat is there, it is authorised there (as regards transactions amended by that authorisation) or it is acting via a branch in that Member State (as regards branch transactions). It may also be treated as established in a participating Member State in relation to a particular transaction, merely because it is entering into the financial transaction with another person who is established in that Member State.

Furthermore, a financial institution which is not otherwise established in a participating Member State will be treated as established in a participating Member State in respect of a financial transaction if it is a party (for its own account or for the account of another person) or is acting in the name of a party, to a financial transaction in respect of a financial instrument issued within that Member State. The other party to such a transaction will, to the extent not otherwise established in a participating Member State, also be treated as established in that Member State.

There are limited exemptions to the proposed FTT. There are no broad exemptions for financial intermediaries or market makers. Therefore the effective cumulative rate applicable to some dealings in financial instruments could be greatly in excess of the headline rate of the tax.

Even though the FTT is to be introduced only in the participating Member States, it can be seen from what is said above that it could make dealings in financial instruments more costly for persons both inside and outside the 11 participating Member States, and the FTT could be payable in relation to Certificates issued under this offering circular if the FTT is introduced and the conditions for a charge to arise are satisfied.

The proposed FTT is still under review and it may therefore change before it is implemented. In particular, in April 2013, the UK Government announced that is to challenge the legality of certain aspects of the proposed FTT. This challenge may lead to changes in the scope of the FTT.

It is currently proposed that the FTT should be introduced in the participating Member States on 1st January, 2014. Prospective holders of the Certificates are strongly advised to seek their own professional advice in relation to the FTT.

CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES

To ensure compliance with Internal Revenue Service Circular 230, Certificateholders are notified that: (a) any discussion of U.S. federal tax issues in this offering circular is not intended or written to be relied on, and cannot be relied on, by Certificateholders for the purpose of avoiding penalties that may be imposed on Certificateholders under the Code; (b) the discussion is written in connection with the promotion or marketing of the transaction or matters addressed below; and (c) Certificateholders should seek advice based on their particular circumstances from an independent tax advisor.

General

The following summary describes all material generally applicable U.S. federal income tax consequences to Certificateholders of the purchase, ownership and disposition of the Certificates. Except as otherwise specified, the summary is addressed to beneficial owners of Certificates that are citizens or residents of the United States, corporations created or organized in or under the laws of the United States or any state therein or the District of Columbia, estates the income of which is subject to U.S. federal income taxation regardless of its source, or trusts if: (a) a U.S. court is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust or (b) the trust has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person ("U.S. Certificateholders") . This summary does not address the tax treatment of U.S. Certificateholders that may be subject to special tax rules, such as banks, insurance companies, dealers in securities or commodities, partnerships, holders subject to the mark-to-market rules, regulated investment companies, tax-exempt entities, holders that will hold Certificates as part of a straddle or as part of a hedging, constructive sale or conversion transaction, holders subject to the alternative minimum tax, or holders that have a "functional currency" other than the U.S. dollar, nor, except as otherwise specified, does it address the tax treatment of U.S. Certificateholders that do not acquire Certificates at the public offering price as part of the initial offering. The summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase Certificates. This summary does not describe any tax consequences arising under the laws of any state, locality or taxing jurisdiction other than the United States.

The summary is based upon the tax laws and practice of the United States as in effect on the date of this offering circular, as well as judicial and administrative interpretations thereof (in final or proposed form) available on or before such date. All of the foregoing are subject to change, which change could apply retroactively. We have not sought any ruling from the U.S. Internal Revenue Service (the "IRS") with respect to the tax consequences described below, and we cannot assure you that the IRS will not take contrary positions. The Trusts are not indemnified for any U.S. federal income taxes that may be imposed upon them, and the imposition of any such taxes on a Trust could result in a reduction in the amounts available for distribution to the Certificateholders of such Trust. **Prospective investors should consult their own tax advisors with respect to the federal, state, local and foreign tax consequences to them of the purchase, ownership and disposition of the Certificates.**

Tax Status of the Trusts

Although there is no authority addressing the characterization of entities that are similar to the Trusts in all material respects, based upon an interpretation of analogous authorities and the terms of the transaction documents, all as in effect on the date hereof, each of the Trusts will be classified for U.S. federal income tax purposes either as a grantor trust or as a partnership, and will not be treated as a corporation or publicly traded partnership taxable as a corporation, provided the "qualifying income" test described below is met.

Each Trust intends to file income tax returns and report to investors on the basis that it is a grantor trust. Except as set forth under "Taxation of Certificateholders Generally—Trusts Classified as

Partnerships", below, the discussion assumes that each Trust will be classified as a grantor trust. If the Trusts are classified as partnerships for U.S. federal income tax purposes, they will not be treated as publicly traded partnerships taxable as corporations provided that at least 90% of each Trust's gross income for each taxable year of its existence is "qualifying income" (which is defined to include, among other things, interest income, gain from the sale or disposition of capital assets held for the production of interest income, and income derived with respect to a business of investing in securities). Income derived by the Trusts from the Equipment Notes will constitute qualifying income and the Trusts therefore will meet the 90% test described above, assuming that the Trusts operate in accordance with the terms of the Pass Through Trust Agreements and other agreements to which they are parties.

Taxation of Certificateholders Generally

Trusts Classified as Grantor Trusts

Assuming that a Trust is classified as a grantor trust, a U.S. Certificateholder will be treated as owning its pro rata undivided interest in the relevant Deposits and each of the Equipment Notes held by the Trust, the Trust's contractual rights and obligations under the Note Purchase Agreement, and any other property held by the Trust. Accordingly, subject to the discussion below under "–Certain Contingent Payments", each U.S. Certificateholder's share of interest paid on Equipment Notes will be taxable as ordinary income, as it is paid or accrued, in accordance with such U.S. Certificateholder's method of accounting for U.S. federal income tax purposes, and a U.S. Certificateholder's share of premium, if any, paid on redemption of an Equipment Note will be treated as capital gain. The Deposits will likely be subject to the short-term obligation rules, with the result that a U.S. Certificateholder using the cash method of accounting will be required to defer interest deductions with respect to the debt incurred or continued to purchase or carry an interest in a Deposit unless the U.S. Certificateholder elects (or is required under the short-term obligation rules) to include income from the Deposit using the accrual method of accounting. Any amounts received by a Trust under a Liquidity Facility in order to make interest payments likely should be treated for U.S. federal income tax purposes as having the same characteristics as the payments they replace.

In the case of a subsequent purchaser of a Certificate, the purchase price for the Certificate should be allocated among the relevant Deposits and the assets held by the relevant Trust (including the Equipment Notes and the rights and obligations under the Note Purchase Agreement with respect to Equipment Notes not theretofore issued) in accordance with their relative fair market values at the time of purchase. Any portion of the purchase price allocable to the right and obligation under the Note Purchase Agreement to acquire an Equipment Note should be included in the purchaser's basis in its share of the Equipment Note when issued. Although the matter is not entirely clear, in the case of a purchaser after initial issuance of the Certificates but prior to the Delivery Period Termination Date, if the purchase price reflects a "negative value" associated with the obligation to acquire an Equipment Note pursuant to the Note Purchase Agreement being burdensome under conditions existing at the time of purchase (e.g., as a result of the interest rate on the unissued Equipment Notes being below market at the time of purchase of a Certificate), such negative value probably would be added to such purchaser's basis in its interest in the Deposits and the remaining assets of the Trust and reduce such purchaser's basis in its share of the Equipment Notes when issued. The preceding two sentences do not apply to purchases of Certificates following the Delivery Period Termination Date.

A U.S. Certificateholder who is treated as purchasing an interest in an Equipment Note at a market discount (generally, at a cost less than its remaining principal amount) that exceeds a statutorily defined de minimis amount will be subject to the "market discount" rules of the Code. These rules provide, in part, that gain on the sale or other disposition of a debt instrument with a term of more than one year and partial principal payments (including partial redemptions) on such a debt instrument are treated as ordinary income to the extent of accrued but unrecognized market discount. The market discount rules also provide for deferral of interest deductions with respect to debt incurred or continued to purchase or carry a debt instrument that has market discount. A U.S. Certificateholder who purchases an interest in an Equipment Note at a premium may elect to amortize the premium as an offset to interest income on the Equipment Note under rules prescribed by the Code and Treasury regulations promulgated under the Code.

Each U.S. Certificateholder will be entitled to deduct, consistent with its method of accounting, its pro rata share of fees and expenses paid or incurred by the corresponding Trust to the extent provided in Section 162 or 212 of the Code. Certain fees and expenses, including fees paid to the Trustee and the Liquidity Provider, will be borne by parties other than the Certificateholders. It is possible that the payments related to such fees and expenses will be treated as constructively received by the Trust, in which event a U.S. Certificateholder will be required to include in income and will be entitled to deduct its pro rata share of such fees and expenses. If a U.S. Certificateholder is an individual, estate or trust, the deduction under Section 212 for such holder's share of such fees or expenses will be allowed only to the extent that all of such holder's miscellaneous itemized deductions, including such holder's share of such fees and expenses, exceed 2% of such holder's adjusted gross income. In addition, in the case of U.S. Certificateholders who are individuals, certain otherwise allowable itemized deductions will be subject generally to additional limitations on itemized deductions under applicable provisions of the Code.

Trusts Classified as Partnerships

If a Trust is classified as a partnership (and not as a publicly traded partnership taxable as a corporation) for U.S. federal income tax purposes, income or loss with respect to the assets held by the Trust would be calculated at the Trust level but the Trust itself will not be subject to U.S. federal income tax. A U.S. Certificateholder would be required to report its share of the Trust's items of income and deduction on its tax return for its taxable year within which the Trust's taxable year (which should generally be a calendar year) ends as well as income from its interest in the relevant Deposits. A U.S. Certificateholder's basis in its interest in the Trust generally would be equal to its purchase price therefor (including its share of any funds withdrawn from the Depositary and used to purchase Equipment Notes), plus its share of the Trust's net income, minus its share of any net losses of the Trust, and minus the amount of any distributions to it from the Trust. In the case of an original purchaser of a Certificate that is a calendar year taxpayer, income or loss generally should be the same as it would be if the Trust were classified as a grantor trust, except that income or loss would be reported on an accrual basis even if the U.S. Certificateholder otherwise uses the cash method of accounting. A subsequent purchaser, however, generally would be subject to tax on the same basis as an original holder with respect to its interest in the Trust, and would not be subject to the market discount rules or the bond premium rules during the duration of the Trust, except that it is possible that, in the case of a subsequent purchaser that purchases Certificates at a time when the total adjusted tax basis of the Trust's assets exceeds their fair market value by more than US $250,000, taxable income would be computed as if the adjusted basis of the Trust's assets were reduced by the amount of such excess.

Effect of Reallocation of Payments under the Intercreditor Agreement

In the event that the Class B Trust receives less than the full amount of the interest, principal or premium paid with respect to the Equipment Notes held by it because of the subordination of the Class B Trust under the Intercreditor Agreement, the corresponding owners of beneficial interests in the Class B Certificates would probably be treated for federal income tax purposes as if they had:

- received as distributions their full share of interest, principal or premium;
- paid over to the Class A Certificateholders an amount equal to their share of the amount of the shortfall; and
- retained the right to reimbursement of the amount of the shortfall to the extent of future amounts payable to them on account of the shortfall.

Under this analysis:

- Class B Certificateholders incurring a shortfall would be required to include as current income any interest or other income of the Class B Trust that was a component of the shortfall, even though that amount was in fact paid to the Class A Certificateholders;
- any resulting loss generally would only be allowed to Class B Certificateholders when their right to receive reimbursement of the shortfall becomes worthless (i.e., when it becomes clear that funds will not be available from any source to reimburse the shortfall); and
- reimbursement of the shortfall before a claim of worthlessness would not be taxable income to the Class B Certificateholders because the amount reimbursed would have been previously included in income.

These results should not significantly affect the inclusion of income for Class B Certificateholders on the accrual method of accounting, but could accelerate inclusion of income to Class B Certificateholders on the cash method of accounting by, in effect, placing them on the accrual method.

Under the above analysis, Class A Certificateholders that are deemed to receive payments from the Class B Certificateholders probably would have the same tax treatment for such payments as they would if they had received distributions of interest, principal or premium payments (as the case may be) on the Equipment Notes. In addition, Class A Certificateholders probably would not have a deduction or loss when reimbursement payments are made to the Class B Certificateholders.

Certain Contingent Payments

In certain circumstances DNA Alpha may redeem or may be required to redeem in whole or in part the Equipment Notes by paying an amount equal to the aggregate principal amount plus accrued and unpaid interest and a Make-Whole Premium (see "Description of the Equipment Notes – Mandatory Redemption" and "Description of the Equipment Notes – Optional Redemption"). Under the U.S. Treasury Regulations, if it is the case that, based on the facts and circumstances on the date of issuance of Equipment Notes, (i) there is more than a remote likelihood that the Equipment Notes would be redeemed in circumstances requiring payment of a Make-Whole Premium and (ii) under reasonably expected market conditions the Make-Whole Premium might be significant relative to the total expected amount of the payments due under the Equipment Notes, then the Equipment Notes would be subject to special U.S. federal income tax rules dealing with "contingent payment debt instruments" ("CPDIs"). DNA Alpha and the Trustee do not plan to treat the Equipment Notes as CPDIs. However, the IRS is not bound to follow DNA Alpha's and the Trustee's treatment of the Equipment Notes, and if the IRS were to assert the Equipment Notes should be treated as CPDIs, then U.S. Certificateholders might be required to accrue income with respect to the Equipment Notes in excess of stated interest, and to treat as ordinary income rather than capital gain any income realized on a taxable disposition of their Certificates. U.S. Certificateholders should consult their tax advisors regarding the potential application to the Equipment Notes of the CPDI rules and the consequences thereof.

Dissolution of Original Trusts and Formation of New Trusts

Assuming that the Original Trusts are classified as grantor trusts, the dissolution of an Original Trust and distribution of interests in the related Successor Trust will not be a taxable event to U.S. Certificateholders, who will continue to be treated as owning their shares of the property transferred from the Original Trust to the Successor Trust. If the Original Trusts are classified as partnerships and the Successor Trusts are classified as grantor trusts, a U.S. Certificateholder likely will be deemed to receive its share of the Equipment Notes and any other property transferred by the Original Trust to the Successor Trust in liquidation of its interest in the Original Trust in a non-taxable transaction. In such case, the U.S. Certificateholder's basis in the property so received will be equal to its basis in its interest in the Original Trust, allocated among the various assets received based upon their bases in the hands of the Original Trust and any unrealized appreciation or depreciation in value in such assets, and the U.S. Certificateholder's holding period for the Equipment Notes and other property will include the Original Trust's holding period.

Sale or Other Disposition of the Certificates

Upon the sale, exchange or other disposition of a Certificate, a U.S. Certificateholder generally will recognize capital gain or loss (subject to the possible recognition of ordinary income under the market discount rules) equal to the difference between the amount realized on the disposition (other than any amount attributable to accrued interest which will be taxable as ordinary income and any amount attributable to any Deposits) and the U.S. Certificateholder's adjusted tax basis in the Note Purchase Agreement, Equipment Notes and any other property held by the corresponding Trust. Any such gain or loss will be long-term capital gain or loss to the extent attributable to property held by the Trust for more than one year. In the case of individuals, estates and trusts, the maximum rate of tax on net long-term capital gains generally is 20%. Any gain with respect to an interest in a Deposit will likely be treated as ordinary income. Notwithstanding the foregoing, if the Trusts are classified as partnerships, gain or loss with respect to a disposition of an interest in a Trust will be calculated and characterized by reference to the U.S. Certificateholder's adjusted tax basis and holding period for its interest in the Trust.

3.8% Medicare Tax On "Net Investment Income"

Beginning in 2013, U.S. Certificateholders that are individuals, estates, and certain trusts generally will be subject to an additional 3.8% tax on all or a portion of their "net investment income," which may include the interest payments and any gain realized with respect to the Equipment Notes and the Deposits, to the extent of their net investment income that, when added to their other modified adjusted gross income, exceeds U.S.$200,000 for an unmarried individual, U.S.$250,000 for a married taxpayer filing a joint return (or a surviving spouse), U.S.$125,000 for a married individual filing a separate return or an applicable threshold amount for a trust or estate. U.S. Certificateholders should consult their advisors with respect to the 3.8% Medicare tax.

Backup Withholding

Payments made on the Certificates and proceeds from the sale of Certificates will not be subject to a backup withholding tax (at the rate of 28%) unless, in general, a U.S. Certificateholder fails to comply with certain reporting procedures or otherwise fails to establish an exemption from such tax under applicable provisions of the Code.

Non-U.S. Certificateholders

Subject to the discussion of backup withholding above, payments of principal, interest or premium on the Equipment Notes or associated Deposits to, or on behalf of, any beneficial owner of a Certificate that is for U.S. federal income tax purposes a nonresident alien (other than certain former U.S. citizens or residents), foreign corporation, foreign trust, or foreign estate (a "non-U.S. Certificateholder") and any capital gain (not including any amount treated as interest) realized upon the sale, exchange, retirement or other disposition of a Certificate or upon receipt of premium paid on an Equipment Note by a non-U.S. Certificateholder will not be subject to U.S. federal income or withholding taxes if (i) such U.S. Certificateholder's income or gain is not effectively connected with a U.S. trade or business of the holder and (ii) with respect to gain on sale, exchange, retirement or other disposition in the case of an individual, such holder is not present in the United States for 183 days or more in the taxable year of the sale, exchange, retirement or other disposition or receipt.

CERTAIN DELAWARE TAXES

The Trustee is a national banking association with its corporate trust office in Delaware. In the opinion of Morris James LLP, Wilmington, Delaware, counsel to the Trustee, under currently applicable law, assuming that the Trusts will not be taxable as corporations, but, rather, will be classified as grantor trusts under subpart E, Part I of Subchapter J of the Code or as partnerships under Subchapter K of the Code, (i) the Trusts will not be subject to any tax (including, without limitation, net or gross income, tangible or intangible property, net worth, capital, franchise or doing business tax), fee or other governmental charge under the laws of the State of Delaware or any political subdivision thereof and (ii) Certificateholders that are not residents of or otherwise subject to tax in Delaware will not be subject to any tax (including, without limitation, net or gross income, tangible or intangible property, net worth, capital, franchise or doing business tax), fee or other governmental charge under the laws of the State of Delaware or any political subdivision thereof as a result of purchasing, holding (including receiving payments with respect to) or selling a Certificate.

Neither the Trusts nor the Certificateholders will be indemnified for any state or local taxes imposed on them, and the imposition of any such taxes on a Trust could result in a reduction in the amounts available for distribution to the Certificateholders of such Trust. In general, should a Certificateholder or any Trust be subject to any state or local tax which would not be imposed if the Trustee were located in a different jurisdiction in the United States, the Trustee will resign and a new Trustee in such other jurisdiction will be appointed.

CERTAIN ERISA CONSIDERATIONS

The Employee Retirement Income Security Act of 1974, as amended ("ERISA"), imposes certain requirements on employee benefit plans subject to Title I of ERISA ("ERISA Plans"), and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, including, but not limited to, the requirement of investment prudence and diversification and the requirements that an ERISA Plan's investments be made in accordance with the documents governing the Plan.

Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of an ERISA Plan (as well as those plans that are not subject to ERISA but which are subject to Section 4975 of the Code, such as individual retirement accounts (together with ERISA Plans, "Plans")) and certain persons (referred to as "parties in interest" or "disqualified persons") having certain relationships to such Plans, unless a statutory or administrative exemption is applicable to the transaction. A party in interest or disqualified person who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code.

The Department of Labor has promulgated a regulation, 29 CFR Section 2510.3-101 (the "Plan Asset Regulation"), describing what constitutes the assets of a Plan with respect to the Plan's investment in an entity for purposes of ERISA and Section 4975 of the Code. Under the Plan Asset Regulation, as modified by Section 3(42) of ERISA, if a Plan invests (directly or indirectly) in a Certificate, the Plan's assets will include both the Certificate and an undivided interest in each of the underlying assets of the corresponding Trust, including the Equipment Notes held by such Trust, unless it is established that equity participation in such Trust by benefit plan investors (including but not limited to Plans and entities whose underlying assets include Plan assets by reason of an employee benefit plan's investment in the entity) is not "significant" within the meaning of the Plan Asset Regulation, as modified by Section 3(42) of ERISA. In this regard, the extent to which there is equity participation in a particular Trust by, or on behalf of, employee benefit plans will not be monitored. If the assets of a Trust are deemed to constitute the assets of a Plan, transactions involving the assets of such Trust could be subject to the prohibited transaction provisions of ERISA and Section 4975 of the Code unless a statutory or administrative exemption is applicable to the transaction.

The fiduciary of a Plan that proposes to purchase and hold any Certificates should consider, among other things, whether such purchase and holding may involve a direct or indirect (i) extension of credit to a party in interest or a disqualified person, (ii) sale or exchange of any property between a Plan and a party in interest or a disqualified person, and (iii) transfer to, or use by or for the benefit of, a party in interest or a disqualified person, of any Plan assets. Such parties in interest or disqualified persons could include, without limitation, DNA Alpha, DNA III, Emirates and their respective affiliates, the Initial Purchasers, the Loan Trustee, the Escrow Agent, the Depositary, the Trustees and the Liquidity Provider. In addition, if one Class of Certificates is purchased by a Plan and another Class of Certificates is held by a party in interest or a disqualified person with respect to such Plan, the exercise by the holder of the subordinate Class of Certificates of its right to purchase the senior Class of Certificates upon the occurrence and during the continuation of a Certificate Buyout Event could be considered to constitute a prohibited transaction unless a statutory or administrative exemption were applicable. Depending on the identity of the Plan fiduciary making the decision to acquire or hold Certificates on behalf of a Plan, Prohibited Transaction Class Exemption ("PTCE") 91-38 (relating to investments by bank collective investment funds), PTCE 84-14 (relating to transactions effected by a "qualified professional asset manager"), PTCE 95-60 (relating to investments by an insurance company general account), PTCE 96-23 (relating to transactions directed by an in-house professional asset manager) or PTCE 90-1 (relating to investments by insurance company pooled separate accounts) (collectively, the "Class Exemptions") could provide an exemption from the prohibited transaction provisions of ERISA and Section 4975 of the Code. However, there can be no assurance that any of these Class Exemptions or any other exemption will be available with respect to any particular transaction involving the Certificates.

In addition to the Class Exemptions referred to above, an individual exemption may apply to the purchase, holding and secondary market sale of Class A Certificates by Plans, provided that certain specified conditions are met. In particular, the Department of Labor has issued individual administrative exemptions to each of the Initial Purchasers, which are substantially the same as the administrative exemptions issued to Goldman, Sachs & Co., Prohibited Transaction Exemption 89-88 (54 Fed. Reg. 42, 582 (1989)), as amended (together, the "Underwriter Exemption"). The Underwriter Exemption generally exempts from the application of certain, but not all, of the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code certain transactions relating to the initial purchase, holding and subsequent secondary market sale of pass through certificates which represent an interest in a trust that holds secured credit instruments that bear interest or are purchased at a discount in transactions by or between business entities (including equipment notes secured by aircraft or leases of aircraft) and certain other assets, provided that certain conditions set forth in the Underwriter Exemption are satisfied.

The Underwriter Exemption sets forth a number of general and specific conditions which must be satisfied for a transaction involving the initial purchase, holding or secondary market sale of certificates representing a beneficial ownership interest in a trust to be eligible for exemptive relief thereunder. In particular, the Underwriter Exemption requires that the acquisition of certificates by a Plan be on terms that are at least as favorable to the Plan as they would be in an arm's-length transaction with an unrelated party; the rights and interests evidenced by the certificates not be subordinated to the rights and interests evidenced by other certificates of the same trust estate; the certificates at the time of acquisition by the Plan be rated in one of the three highest generic rating categories by Moody's, Standard & Poor's, Fitch Ratings or DBRS; and the investing Plan be an accredited investor as defined in Rule 501(a)(1) of Regulation D under the Securities Act.

In addition, the trust corpus generally must be invested in qualifying receivables, such as the Equipment Notes, but may not in general include a pre-funding account (except for a limited amount of pre-funding which is invested in qualifying receivables within a limited period of time following the closing not to exceed three months). With respect to the investment restrictions set forth in the Underwriter Exemption, an investment in a Class A Certificate will evidence both an interest in the respective Original Trust as well as an interest in the Deposits held in escrow by the Escrow Agent for the benefit of the Certificateholder. Under the terms of the Escrow Agreements, the proceeds from the Offering of the Certificates of each Class will be paid over by the Initial Purchasers to the Depositary on behalf of the Escrow Agent (for the benefit of such Certificateholders as the holders of the Escrow Receipts) and will not constitute property of the Trusts. Under the terms of each Escrow Agreement, the Escrow Agent will be irrevocably instructed to enter into the corresponding Deposit Agreement with the Depositary and to effect withdrawals upon the receipt of appropriate notice from the relevant Trustee so as to enable such Trustee to purchase the identified Equipment Notes on the terms and conditions set forth in the Note Purchase Agreement. Interest on the Deposits relating to each Trust will be paid to the Certificateholders of such Trust as Receiptholders through a Paying Agent appointed by the Escrow Agent. Pending satisfaction of such conditions and withdrawal of such Deposits, the Escrow Agent's rights with respect to the Deposits will remain plan assets subject to the fiduciary responsibility and prohibited transaction provisions of ERISA and Section 4975 of the Code.

There can be no assurance that the Department of Labor would determine that the Underwriter Exemption would be applicable to Class A Certificates in these circumstances. In particular, the Department of Labor might assert that the escrow arrangement is tantamount to an impermissible pre-funding rendering the Underwriter Exemption inapplicable. In addition, even if all of the conditions of the Underwriter Exemption are satisfied with respect to the Class A Certificates, no assurance can be given that the Underwriter Exemption would apply with respect to all transactions involving the Class A Certificates or the assets of the Class A Trust. In particular, it appears that the Underwriter Exemption would not apply to the purchase by Class B Certificateholders of Class A Certificates in connection with the exercise of their rights upon the occurrence and during the continuance of a Certificate Buyout Event. Therefore, the fiduciary of a Plan considering the purchase of a Class A Certificate should consider the availability of the exemptive relief provided by the Underwriter Exemption, as well as the availability of any other exemptions that may be applicable, such as the Class Exemptions.

Transactions involving the Class B Certificates would not be eligible for the Underwriter Exemption. Therefore, the fiduciary of a Plan considering the purchase of a Class B Certificate should consider the availability of other exemptions, such as the Class Exemptions.

Governmental plans, certain church plans and non-U.S. plans, while not subject to the fiduciary responsibility provisions of ERISA or the prohibited transaction provisions of ERISA and Section 4975 of the Code, may nevertheless be subject to other laws that are substantially similar to the foregoing provisions of ERISA and the Code. Fiduciaries of any such plans should consult with their counsel before purchasing any Certificates.

Any Plan fiduciary which proposes to cause a Plan to purchase any Certificates should consult with its counsel regarding the applicability of the fiduciary responsibility and prohibited transaction provisions of ERISA and Section 4975 of the Code to such an investment, and to confirm that such purchase and holding will not constitute or result in a non-exempt prohibited transaction or any other violation of an applicable requirement of ERISA.

Each person who acquires or accepts a Certificate or an interest therein will be deemed by such acquisition or acceptance to have represented and warranted that either: (i) no Plan assets have been used to purchase or hold such Certificate or an interest therein or (ii) the purchase and holding of such Certificate or an interest therein are exempt from the prohibited transaction restrictions of ERISA and the Code pursuant to one or more prohibited transaction statutory or administrative exemptions. In addition, if a person acquiring or accepting a Certificate or an interest therein is a governmental, church, non-US or other employee benefit plan that is subject to any federal, state, local or non-US law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the Code, such person will be deemed by such acquisition or acceptance to have represented and warranted that the purchase and holding of such Certificate or an interest therein do not constitute or result in a non-exempt violation of any such substantially similar law.

PLAN OF DISTRIBUTION

DNA Alpha, DNA III, the Depositary and the initial purchasers listed below (collectively, the "Initial Purchasers") have entered into a purchase agreement (the "Certificate Purchase Agreement") with respect to the Class A and Class B Certificates. Subject to certain conditions, DNA Alpha has agreed to cause each Trust to sell to the Initial Purchasers, and the Initial Purchasers have agreed to purchase, the face amount of the Class A and Class B Certificates indicated in the following table.

Initial Purchasers	Face Amount of Class A Certificates	Face Amount of Class B Certificates
Goldman, Sachs & Co.	$201,300,000	$ 73,200,000
Citigroup Global Markets Limited	$123,016,667	$ 44,733,333
Morgan Stanley & Co. LLC	$123,016,667	$ 44,733,333
Credit Agricole Securities (USA) Inc.	$ 14,666,666	$ 5,333,334
Total	$462,000,000	$168,000,000

The Initial Purchasers are committed to take and pay for all of the Certificates being offered, if any are taken. The initial offering prices are set forth on the cover page of this offering circular. After the Certificates are released for sale, the Initial Purchasers may change the offering prices and other selling terms. The offering of the Certificates by the Initial Purchasers is subject to receipt and acceptance and subject to the Initial Purchasers' right to reject any order in whole or in part.

The Certificates have not been, and will not be, registered under the Securities Act. Each Initial Purchaser has agreed that it will only offer or sell the notes (a) in the United States to QIBs, in reliance on Rule 144A under the Securities Act or (b) outside the United States to non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act. Terms used above have the meanings given to them by Rule 144A and Regulation S under the Securities Act.

In connection with sales outside the United States, each Initial Purchaser has agreed that it will not offer, sell or deliver the Certificates to, or for the account or benefit of, U.S. persons (i) as part of such Initial Purchaser's distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the Offering or the Issuance Date. Each Initial Purchaser will send to each dealer to whom it sells such Certificates during such 40-day period a confirmation or other notice setting forth the restrictions on offers and sales of the Certificates within the United States or to, or for the account or benefit of, U.S. persons.

In addition, with respect to Certificates initially sold pursuant to Regulation S, until 40 days after the later of the commencement of the Offering or the Issuance Date, an offer or sale of such Certificates within the United States by a dealer (whether or not participating in the Offering) may violate the registration requirements of the Securities Act.

DNA Alpha has agreed in the Certificate Purchase Agreement, subject to certain exceptions, that for a period of 90 days after the date of this Offering, neither it, nor any of its subsidiaries or other affiliates over which it exercises management or voting control, nor any person acting on its behalf will, without the prior written consent of the Initial Purchasers, offer, sell, contract to sell or otherwise dispose of any securities that are substantially similar to the Certificates.

The Certificates are a new issue of securities with no established trading market. DNA Alpha has applied to the Irish Stock Exchange for the Certificates to be admitted to listing on the Official List and to be admitted to trading on the Regulated Market of the Irish Stock Exchange. DNA Alpha has been advised by the Initial Purchasers that the Initial Purchasers intend to make a market in the Certificates but are not obligated to do so and may discontinue market making at any time without notice. No assurance can be given as to the liquidity of the trading market for the Certificates.

DNA Alpha expects that delivery of the Certificates will be made against payment therefor on or about the closing date specified on the cover page of this offering circular, which will be the tenth business day following the date of the trade (this settlement cycle being referred to as T+10). Under Rule 15c6-1 under the Exchange Act, trades in the U.S. secondary market generally are required to settle in three business days, unless the parties to the trade expressly agree otherwise. Accordingly, purchasers who wish to trade Certificates in the U.S. secondary market on a day prior to the third business day before the date of initial delivery of the Certificates will be required, by virtue of the fact that the Certificates initially will settle on a delayed basis, to specify an alternate settlement cycle at the time of any trade to prevent a failed settlement and should consult their own advisor.

In connection with the Offering, the Initial Purchasers may purchase and sell the Certificates in the open market. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Short sales involve the sale by an Initial Purchaser of a greater number of Certificates than it is required to purchase in the Offering. Stabilizing transactions consist of certain bids or purchases made for the purpose of preventing or retarding a decline in the market price of the Certificates while the Offering is in progress.

These activities by the Initial Purchasers, as well as other purchases by the Initial Purchasers for their respective accounts, may stabilize, maintain or otherwise affect the market price of the Certificates. As a result, the price of the Certificates may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued by the Initial Purchasers at any time. These transactions may be effected in the over-the-counter market or otherwise.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State), each Initial Purchaser has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the Relevant Implementation Date) it has not made and will not make an offer of Certificates which are the subject of the Offering contemplated by this offering circular to the public in that Relevant Member State other than:

(a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the issuer for any such offer; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive;

provided that no such offer of Certificates shall require DNA Alpha or any Initial Purchaser to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of Certificates to the public” in relation to any Certificates in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe the Certificates, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

Additional United Kingdom Securities Law

Each Initial Purchaser has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 ("FSMA") received by it in connection with the issue or sale of the Certificates in circumstances in which Section 21(1) of the FSMA does not apply to the issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Certificates in, from or otherwise involving the United Kingdom.

Hong Kong

The Certificates may not be offered or sold by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), and no advertisement, invitation or document relating to the Certificates may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to Certificates which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Singapore

This offering circular has not been registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Cap. 289 of Singapore (the "SFA"). Accordingly, this offering circular and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Certificates may not be circulated or distributed, nor may the Certificates be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) under Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to an offer referred to in Section 275(1A) of the SFA, and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Certificates are subscribed or purchased under Section 275 by a relevant person specified in Section 276 of the SFA which is: (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, the shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the Certificates under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person as defined in Section 275(2) of the SFA, or any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights or interest in that trust are acquired at a consideration of not less than S$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets and further for corporations, in accordance with the conditions specified in Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; (2) where no consideration is given or will be given for the transfer; (3) by operation of law; or (4) as specified in Section 276(7) of the SFA.

Japan

The Certificates have not been and will not be registered under the Financial Instruments and Exchange Law of Japan Law No. 25 of 1948, as amended (the "Financial Instruments and Exchange Law") and each Initial Purchaser has agreed that it will not offer or sell any Certificates, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

DNA Alpha has agreed to indemnify the Initial Purchasers against certain liabilities, including liabilities under the Securities Act.

The Initial Purchasers and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities.

In the ordinary course of its various business activities, the Initial Purchasers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/ or instruments of DNA Alpha. The Initial Purchasers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

TRANSFER RESTRICTIONS

The Certificates have not been, and will not be, registered under the Securities Act, the "blue sky laws" or other securities laws of any jurisdiction and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except (i) in compliance with the registration requirements of the Securities Act and all other applicable securities laws, or (ii) pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws. Accordingly, the Certificates are being offered and sold only (i) to QIBs in compliance with Rule 144A and (ii) outside the United States to persons other than U.S. persons (as defined in Regulation S) which term shall include dealers or other professional fiduciaries in the United States acting on a discretionary basis for foreign beneficial owners (other than an estate or trust), in reliance upon Regulation S under the Securities Act. In addition, purchasers of Certificates will be required to make certain representations regarding compliance with ERISA. **PURCHASERS ARE ADVISED TO CONSULT LEGAL COUNSEL PRIOR TO MAKING ANY OFFER, RESALE, PLEDGE OR TRANSFER OF ANY OF THE CERTIFICATES.**

By its purchase of Certificates, each purchaser of Certificates (other than the Initial Purchasers) will be deemed to:

1. Represent that it is purchasing the Certificates for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is (i) a QIB, and is aware that the sale to it is being made in reliance on Rule 144A or (ii) a non-U.S. person that is outside the United States (or a non-U.S. person that is a dealer or other fiduciary as referred to above).

2. Acknowledge that the Certificates have not been registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below.

3. Agree that if it should resell or otherwise transfer any Certificate prior to the date which is one year after the later of the original issuance of such Certificate or the last date on which such Certificate was held by DNA Alpha, DNA III, Emirates, any Trustee or any affiliate of such persons, it will do so only (i) to DNA Alpha or DNA III, (ii) to a QIB in compliance with Rule 144A, (iii) to non-U.S. persons outside the United States in compliance with Regulation S under the Securities Act, (iv) pursuant to any other exemption from registration under the Securities Act (if available) or (v) pursuant to an effective registration statement under the Securities Act. Subject to the procedures set forth under "Description of the Certificates—Book-Entry; Delivery and Form", prior to any proposed transfer of any Certificate (otherwise than pursuant to an effective registration statement) the holder thereof must check the appropriate box set forth on its Certificate relating to the manner of such transfer and submit the Certificate to the Trustee.

4. Agree that it will deliver to each person to whom it transfers Certificates notice of any restrictions on transfer of such Certificates.

5. If it is a non-U.S. person outside the United States, understand that the Certificates will initially be represented by the Regulation S Global Certificate and that transfers thereof are restricted as described under "Description of the Certificates—Book-Entry; Delivery and Form" for a period ending 40 days after the later of the commencement of the Offering of the Certificates and the Issuance Date. If it is a QIB, it understands that the Certificates offered in reliance on Rule 144A will be represented by one or more Restricted Global Certificates. Before any interest in a Restricted Global Certificate may be offered, sold, pledged or otherwise transferred to a person who is not a QIB, the transferor will be required to provide the Trustee with a written certificate (the form of which certification can be obtained from the Trustee) as to compliance with the transfer restriction referred to above.

6. Understand that the Certificates will bear a legend substantially to the following effect unless otherwise agreed by DNA Alpha and the holder thereof:

> THIS CERTIFICATE HAS NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR THE "BLUE SKY" LAWS OF THE STATES WITHIN THE UNITED STATES OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION, AND ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY PERSONS EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION OR ACCEPTANCE HEREOF, THE HOLDER (1) REPRESENTS THAT (A) IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) OR (B) IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS CERTIFICATE IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT; (2) AGREES THAT IT WILL NOT WITHIN ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUANCE OF THIS CERTIFICATE OR THE LAST DATE ON WHICH THIS CERTIFICATE WAS HELD BY EMIRATES, DNA ALPHA LIMITED, THE TRUSTEE OR ANY AFFILIATE OF ANY OF SUCH PERSONS RESELL OR OTHERWISE TRANSFER THIS CERTIFICATE EXCEPT (A) TO EMIRATES, DNA ALPHA LIMITED OR DORIC NIMROD AIR THREE LIMITED, (B) TO A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT, (C) TO A NON-U.S. PERSON OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT, (D) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT (IF AVAILABLE) OR (E) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT; AND (3) AGREES THAT IF IT SHOULD RESELL OR OTHERWISE TRANSFER THIS CERTIFICATE IT WILL DELIVER TO EACH PERSON TO WHOM THIS CERTIFICATE IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. IN CONNECTION WITH ANY TRANSFER OF THIS CERTIFICATE WITHIN ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUANCE OF THIS CERTIFICATE OR THE LAST DATE ON WHICH THIS CERTIFICATE WAS HELD BY EMIRATES, DNA ALPHA LIMITED, DORIC NIMROD AIR THREE LIMITED, THE TRUSTEE OR ANY AFFILIATE OF ANY OF SUCH PERSONS, THE HOLDER MUST CHECK THE APPROPRIATE BOX SET FORTH ON THE REVERSE HEREOF RELATING TO THE MANNER OF SUCH TRANSFER AND SUBMIT THIS CERTIFICATE TO THE TRUSTEE. AS USED HEREIN, THE TERMS "OFFSHORE TRANSACTION", "UNITED STATES" AND "U.S. PERSON" HAVE THE MEANINGS GIVEN TO THEM BY REGULATION S UNDER THE SECURITIES ACT. THE PASS THROUGH TRUST AGREEMENT CONTAINS A PROVISION REQUIRING THE REGISTRAR TO REFUSE TO REGISTER ANY TRANSFER OF THIS CERTIFICATE IN VIOLATION OF THE FOREGOING RESTRICTIONS.

Each Global Certificate shall bear the following legend on the face thereof:

> UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC") OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IN EXCHANGE FOR THIS CERTIFICATE IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT HEREON IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL CERTIFICATE SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL CERTIFICATE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN SECTIONS 8.05 AND 8.06 OF THE TRUST SUPPLEMENT REFERRED TO HEREIN.

8. Acknowledge that DNA Alpha, Emirates, the Trustees, the Initial Purchasers and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations, warranties and agreements and agrees that, if any of the acknowledgments, representations, warranties and agreements deemed to have been made by its purchase of the Certificates is no longer accurate, it shall promptly notify DNA Alpha, Emirates, the Trustees and the Initial Purchasers. If it is acquiring any Certificates as a fiduciary or agent of one or more investor accounts, it represents that it has sole investment discretion with respect to each such investor account and that it has full power to make the foregoing acknowledgments, representations and agreements on behalf of each such investor account.

DNA Alpha has no obligation to, and does not intend to register the Certificates under the Securities Act or any other securities laws.

LEGAL MATTERS

The validity of the Certificates is being passed upon for DNA Alpha by Clifford Chance US LLP, New York, New York, and for the Initial Purchasers by Hughes Hubbard & Reed LLP, New York, New York. Morris James LLP, Wilmington, Delaware, counsel for Wilmington Trust, National Association, as Trustee, will pass on matters of Delaware law relating to the Pass Through Trust Agreements.

INDEPENDENT AUDITORS

The consolidated financial statements of the Group for each of the two financial years ended March 31, 2013 and 2012 included in this offering circular have been audited by PricewaterhouseCoopers, Dubai Branch (“PricewaterhouseCoopers”), independent auditors registered to practice as auditors with the Ministry of Economy in the United Arab Emirates, as set forth in their reports thereon included herein. Their address is at Emaar Square, Building 4, Level 8, P.O. Box 11987, Dubai, UAE.

INDEPENDENT APPRAISERS

The references to Ascend, BK and MBA, and to their appraisal reports, each dated as of June 18, 2013, are included herein in reliance upon the authority of each such firm as an expert with respect to the matters contained in its appraisal report.

GENERAL INFORMATION

1. It is expected that listing of the Certificates on the Official List and admission of the Certificates to trading on the Regulated Market will be granted on or before the business day following the closing date of the offering contemplated hereby. Prior to official listing and admission to trading, however, dealings will be permitted by the Irish Stock Exchange in accordance with its rules. Transactions will normally be effected for delivery on the third working day after the day of the transaction.

2. The Certificates have been accepted for clearance through the Euroclear, Clearstream and DTC systems (which are the entities in charge of keeping the records). The relevant securities codes for the Certificates are as follows:

Regulation S Global Certificate

ISIN: Class A: USG27836AA60 Class B: USG27836AB44

CUSIP: Class A: G27836 AA6 Class B: G27836 AB4

Rule 144A Global Certificate:

ISIN: Class A: US233283AA86 Class B: US233283AB69

CUSIP: Class A: 233283 AA8 Class B: 233283 AB6

The address of Euroclear is Euroclear Bank S.A./N.V., 1 Boulevard du Roi Albert II, B-1210 Brussels. The address of Clearstream is Clearstream Banking, 42 Avenue JF Kennedy, L-1885 Luxembourg. The address of DTC is 55 Water Street, New York, New York 10041, United States of America.

3. Where information in this offering circular has been sourced from third parties, this information has been accurately reproduced and, as far as DNA Alpha is aware and is able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third-party information is identified where used.

DNA Alpha

1. DNA Alpha has obtained all necessary consents, approvals and authorizations in connection with the issue and performance of the Equipment Notes and the Certificates. The issue of the Equipment Notes and Certificates was authorized by the Board of Directors of DNA Alpha on June 20, 2013.

2. DNA Alpha estimates that the amount of expenses related to the admission to trading of the Certificates will be approximately EUR 13,440.

3. As of the date of this offering circular, DNA Alpha has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which either is aware) since its date of incorporation which may have or have in such period had a significant effect on the financial position or profitability of DNA Alpha.

4. The Issuer has not commenced operations and no financial statements have been made up as at the date of the offering circular.

5. DNA Alpha is authorized to issue an unlimited number of shares in one or more classes. DNA Alpha may issue the shares of any class with par value or no par value. As of July 5, 2013, DNA Alpha had 201,593,719 shares issued and outstanding. All issued and outstanding shares were of the same class. Holders of the Shares of DNA Alpha have the following rights:

Dividends: Subject to compliance with the Companies Law, the board of directors of DNA Alpha may declare and pay dividends as appear to be justified by the position of DNA Alpha.

Voting: DNA Alpha's shareholders have the right to receive notice of and to attend, speak and vote at general meetings of DNA Alpha and each shareholder has one vote in respect of each share held.

Winding Up: In the event of a winding up of DNA Alpha, the surplus assets of DNA Alpha available for distribution after payment of all other debts (including the Equipment Notes) and liabilities of DNA Alpha (and of the costs, charges and expenses of any such winding up) shall be available for distribution to DNA Alpha's shareholders.

6. For a period of 12 months following the date of this offering circular, copies of the following documents related to DNA Alpha will be available in electronic form for inspection at the registered office of DNA Alpha during normal business hours on any weekday (Saturdays and Public Holidays excepted):

(a) the Certificate of Incorporation of DNA Alpha;

(b) the Memorandum and Articles of Incorporation of DNA Alpha;

(c) the offering circular (including the letters of each of BK, Ascend and MBA attached as Appendix II thereto); and

(d) each other document required by law or regulation to be made available for inspection by DNA Alpha.

7. DNA Alpha confirms that payments required to be made by Emirates under each lease backing the issue of the Certificates have characteristics that demonstrate capacity to produce funds to service any payments due and payable on the Certificates. Investors are advised that this confirmation is based on the information available to DNA Alpha at the date of this offering circular and may be affected by the future performance of the assets backing the issue of the Certificates. Investors are advised to review carefully any disclosure in the offering circular together with any amendments or supplements thereto.

Emirates

1. On February 6, 2013, Emirates issued U.S.$750,000,000 4.50 percent Notes due 2025 which have been admitted to the Official List and to trading on the Regulated Market of the Irish Stock Exchange.

2. Emirates is not and has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which either is aware) during the 12 months preceding the date of this offering circular which may have or have in such period had a significant effect on the financial position or profitability of Emirates.

3. PricewaterhouseCoopers has audited, and rendered unqualified audit reports on, the consolidated financial statements of the Group for the two years ended March 31, 2012 and March 31, 2013. The auditors have no material interest in DNA Alpha or the Group.

4. There has been no significant change in the financial or trading position of the Group, and no material adverse change in the prospects of the Group, since March 31, 2013.

5. For a period of 12 months following the date of this offering circular, copies (and English translations, which will be accurate and direct translations, where the documents in question are not in English) of the following documents related to Emirates will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the registered office of DNA Alpha:

(a) Decree Number (2) of 1985 concerning the establishment of Emirates;

(b) Decree Number (7) of 1991 amending Decree Number (2) of 1985; and

(c) the published annual report which includes the audited consolidated financial statements of the Group for each of the two years ended March 31, 2012 and March 31, 2013.

APPENDIX I—INDEX OF TERMS

APPENDIX II

ASCEND
Advisory

Our Ref: 213C218A_V4/OR/MG/sb

Doric Nimrod Air Three Limited
DNA Alpha Limited
Anson Place, Mill Court
La Charroterie, St Peter Port
Guernsey
GY1 1EJ
United Kingdom

18th June 2013

Dear Sir / Madam,

EXECUTIVE SUMMARY

BASE VALUATION OF FOUR
AIRBUS A380-800 AIRCRAFT, MSNs 132, 133, 134 & 136
DELIVERING NEW IN 2013

In accordance with your instructions, we are pleased to be able to provide our Base Value on Delivery opinions for the above captioned Airbus A380-800 aircraft, due for delivery to Emirates in September, October and November (2) 2013. You requested this valuation as a part of the aircraft financing process.

The summary of the appraised value opinions is as follows:

	MSN	Delivery Date	"Half-Life" BV	"Full-Life" BV
	132	Sep-2013	US $204.15m	US $209.98m
Airbus A380-800	133	Oct-2013	US $204.60m	US $210.43m
	134	Nov-2013	US $204.60m	US $210.43m
	136	Nov-2013	US $204.60m	US $210.43m

We assume each of the above aircraft has its first flight in 2013.

The above values should only be considered in conjunction with the assumptions, methodologies, and definitions described in the appended report.

Please note that valuations given by Ascend are valid only as at the date of issue. Subsequent to that date, there may be alterations in the world aviation market or in the status and physical condition of the subject aircraft, their engines, or other general factors that may affect Ascend's valuation. Ascend consents to the inclusion of this appraisal report dated 18th June 2013 in the Offering Circular and to the references to Ascend's name in the Offering Circular under the caption "Independent Appraisers".

Yours sincerely,

Olga Razzhivina
Manager—Valuations

"This report is intended for Doric Nimrod Air Three Limited and DNA Alpha Limited only, and is valid for the date of issue only. This report has been prepared solely for the purposes of Doric Nimrod Air Three Limited and DNA Alpha Limited based on the information, circumstances and purposes expressly imparted by Doric Nimrod Air Three Limited and DNA Alpha Limited to Ascend. This report is not to be made available or copied in whole or in part to any other person without the prior written consent of Ascend. No consideration in this report has been made of the interests and concerns of any third party and Ascend denies any responsibility howsoever arising to any third party that may become privy to or aware of this report."

ASCEND
Advisory

BASE VALUATION OF FOUR
AIRBUS A380-800 AIRCRAFT, MSNs 132, 133, 134 & 136
DELIVERING NEW IN 2013

Ascend is pleased to be able to provide its Base Value opinions for the above captioned Airbus A380-800 aircraft, due for delivery to Emirates in September, October and November 2013 respectively.

Ascend's valuation of the aircraft takes into account both the data supplied by DNA Alpha Limited regarding their identity, specifications and maintenance status as well as the data held in the Ascend Online Fleets and V1 Values database. We have also assumed that, unless otherwise indicated, each of the aircraft will be delivered new and will be at time of delivery a typical example of its type, model and age, generally in good condition, with no damage history and all Airworthiness Directives (ADs) and significant Service Bulletins (SBs) complied with. We also assume each will have a full and complete set of technical records and documentation available in English.

Ascend has not undertaken a physical inspection of the subject aircraft in relation to this assignment, and no attempt made to verify the information available to us, which is therefore assumed to be correct.

With the subject aircraft as yet undelivered, it is assumed there will be no changes to their Base Values between now and delivery and all workings take into account the current values.

Subject Aircraft – Identification

Type and Model:	Airbus A380-861			
MSN:	132	133	134	136
Registration:	A6-EEK	A6-EEL	A6-EEM	A6-EEO
Operator:	Emirates			
Date of Manufacture (First Flight):	Feb-13	Apr-13	May-13	2013*
Scheduled Date of Delivery (to Emirates):	Sep-13	Oct-13	Nov-13	Nov-13
Hours / Cycles:	Negligible on delivery			

* Scheduled.

Basic Specification – Weights and Engines

MSN:	132	133, 134 & 136
Maximum Take-Off Weight:	1,254,430lb / 569,000kg	1,267,659lb / 575,000kg
Maximum Landing Weight:	862,007lb / 391,000kg	868,622lb / 394,000kg
Maximum Zero Fuel Weight:	793,666lb / 360,000kg	813,506lb / 369,000kg
Fuel Capacity:	85,472 US Gallons	
Engines:	4 x GP7270	
Interior Configuration:	First 14 / Business 76 / Economy 399	
Other Equipment:	None specified	

ASCEND
FG Advisory

AIRCRAFT HISTORIES – MSNs 132, 133, 134 and 136:

Event	Registration	Date
Date of Manufacture (First Flight):	A6-EEK A6-EEL A6-EEM A6-EEO	22-Feb-2013 10-Apr-2013 13-May-2013 2013*
Scheduled to be delivered to Emirates:	A6-EEK A6-EEL A6-EEM A6-EEO	Sep-2013 Oct-2013 Nov-2013 Nov-2013

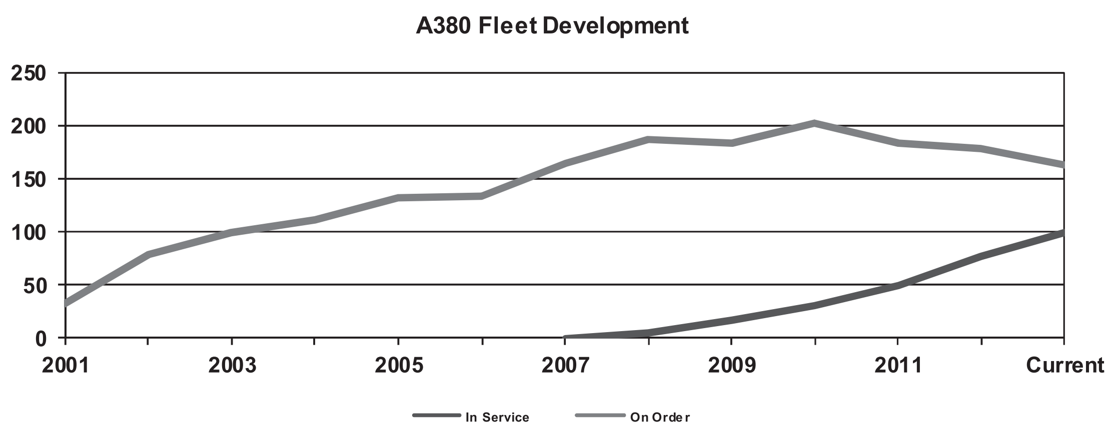
* Scheduled.

AIRBUS A380 MARKET COMMENTARY

Fleet Overview

There are a total of 105 aircraft in passenger service with nine operators and 156 on order with 18 customers (programme total of 261).

The in-service fleet consists of 56 Rolls-Royce-powered aircraft and 45 aircraft with Engine Alliance (GE / P&W) powerplants. The on-order fleet includes 89 Engine Alliance-powered aircraft, 52 with Rolls-Royce engines and 19 with engines yet to be announced.

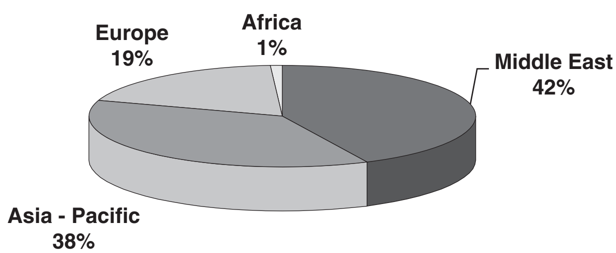


Source: Ascend Online Fleets

Regional Distribution

Currently there are 261 Airbus A380 aircraft in-service / on order with airline operators, including 110 aircraft with three carriers in the Middle East, 98 aircraft with ten carriers in Asia-Pacific, 51 aircraft with five carriers in Europe and two aircraft with Air Austral in Africa.

Airbus A380 Fleet Distribution
(In Service / On Order)



Source: Ascend Online Fleets

Market Activity

A summary of market activity in Q1 2013 shows:

Variant	Net Orders	Deliveries	Sales	Leases	Lease Returns	Cargo Conversions	Retirements
800 (Engines Unannounced) . . .	0	0	0	0	0	N/A	0
840 (RR)	0	4	3	0	0	N/A	0
860 (EA)	0	0	0	0	0	N/A	0
Total.	**0**	**4**	**3**	**0**	**0**	**N/A**	**0**

Source: Ascend Online Fleets

Orders

No orders were recorded for the Airbus A380 during Q1 2013.

Cancellations and Deferrals

No order cancellations or deferrals were recorded for the Airbus A380 during Q1 2013.

Deliveries

We observed the following deliveries for the Airbus A380 during Q1 2013:

Operator	Variant (Engines)	Qty.
China Southern Airlines	840 (RR)	1
Malaysia Airlines	840 (RR)	2
Thai Airways Int'l	840 (RR)	1

Sales

During Q1 2013 we have registered a total of two sale/leasebacks on delivery:

Variant (Engines)	Vendor	Buyer	New Operator	Transaction	Qty.
840 (RR)	China Southern Airlines	ICBC Leasing Co	China Southern Airlines	SLB delivery	1
840 (RR)	Malaysia Airlines	Turus Pesawat	Malaysia Airlines	SLB delivery	1

* S&LB=Sale/leaseback
* S&LB Delivery=Sale/leaseback on Delivery

Storage

There are currently no aircraft in storage.

Availability

We are not aware of any A380 aircraft being publicly marketed as available for sale or lease.

Future Events

- Market Values and Lease Rates last declined as we entered the 2013 new year, although in constant terms the new year of build has increased in Market Value and remained stable for Lease Rates compared with this time last year.
- Airbus reached its 2012 target of 30 deliveries – reaching and exceeding its 3 per month target rate in the second half with 13 deliveries in the last quarter resulting in a rate above 4 aircraft per month.

- However, deliveries will slow in 2013 to 25 in order to allow for the wing support bracket cracking fix and implementation in the production process. Existing aircraft are being modified, but will require eight weeks (or 30,000 man hours) downtime if repairs are implemented in a single instalment – as Emirates has opted for. Airbus does expect most operators, however, to adopt the phased approach spread out over three two-year heavy checks so as to reduce operational disruptions.
- Some 120 aircraft will be affected before new deliveries with the revised wing in 2014 – the first aircraft not to require retrofit will be for Qatar Airways.
- British Airways is due to be the next new operator in mid-2013, but says it has no current plans to increase fleet above the 12 it has on firm order.
- In March 2013, Lufthansa signed a Letter of Intent for an additional two additional A380s.
- Cathay Pacific is evaluating A380 and 747-8I for mid-2013 decision.
- Air Austral has ordered 840-seat configured A380s for tourist flights from France, but says it might defer deliveries by two years.
- The A380 now has an established route network from Europe to North America, South Africa, direct to the Asia-Pacific or via the Middle East, and Asia-Pacific to North America. Also high density intra-Asia and China markets.
- Emirates, which has ordered 90 aircraft, is the major market player – taking one per month.
- The A380 leads the way in offering a new premium cabin, reducing emissions per seat and also reducing noise. The 575-ton MTOW is introducing in 2013 while the 590-ton has been postponed indefinitely.
- The A380 has been accepted well by financiers with sale and leaseback activity for initial deliveries with a growing number of players. In December 2012, for instance, syndications including Sumitomo Mitsui Banking Corporation (SMBC), Sumitomo Mitsui Trust Bank (SMTB), Development Bank of Japan (DBJ), Citibank, Natixis and Bayerische Landesbank were all involved in financing A380s.
- In December 2012, Hong Kong Airlines noted that it might cancel its ten A380 orders or swap them for a smaller widebody type to focus on short-haul routes, which would reduce the order backlog and number of operators planning to use A380s. Backlog also includes five by Kingfisher (not operating) and six by Virgin (delivery deferred), so ca. 10% of backlog is uncertain. In addition, Air France and Qantas have deferred some of their outstanding orders – in the latter case, to the end of decade.

Medium and Long-Term Market Outlook

- The A380 is setting the new benchmark in large aircraft and, as the operator base builds, we expect to see more customers – albeit a very niche aircraft for large operators. Replacement of 747-400 is split between the A380 and 777-300ER, with 747-8I on the fringe.
- China Eastern, Turkish Airlines and TransAsia Airways are reported to be evaluating the type. US market is being targeted – United and Delta 747-400s need replacing – as is the Japanese market.
- Airbus is introducing a higher maximum take-off weight (MTOW) version in 2013 – up by six tons to 575-ton – which will increase the range of the aircraft to about 8,500nm. The GP7272 and a Trent 900 performance improvement package (PIP) will be available.
- The nearest competitor for the aircraft type is the 747-8I, which is smaller and yet another 747 derivative. The 747-8 programme was delayed with the first passenger version just been delivered. This, together with the fact that only five customers have placed orders to date for the passenger version, also Lufthansa recently decided not to take one of its orders, raises questions about the 747-8I's likely level of sales versus the A380. Boeing is looking at 400-seater 777-9X for 2020+.
- The A380 freighter programme has been indefinitely delayed, and both launch customers (FedEx and UPS) cancelled their orders. However, freighter convertibility is built into the A380 design, which is an important factor for re-marketability. We do not foresee a production freighter until the later 2020s at the earliest, but conversions are also likely, for integrator high-volume routes.
- The size of the aircraft may restrict its operator base to the world's largest airlines and hence limit the secondary market. However, its selection by Air Austral, Skymark and Transaero indicates that there is also demand among smaller airlines in growth markets or with different business models (e.g. high density).
- A stretched -900 version of the A380 may follow in the longer-term (2025 and beyond), despite some airlines already calling for one.
- Airbus encouraging operators to follow Emirates with all-economy main deck configuration with premium upstairs only. The aim of this would be to lower reconfiguration costs in the event of secondary market transactions, thereby potentially boosting the A380's liquidity. Singapore Airlines is already following suit.

ASCEND
Advisory

VALUATIONS

As requested, we have provided our value opinions under the scenario of **Base Value on Delivery (the "Full-Life" BV referred to below).** It is important that all parties understand the value definitions, and that such values are always considered in context of their definitions.

BASE VALUE ON DELIVERY

The International Society of Transport Aircraft Trading (ISTAT) defines 'Base Value' as follows:

Base Value is the appraiser's opinion of the underlying economic value of an aircraft in an open, unrestricted, stable market environment with a reasonable balance of supply and demand, and assumes full consideration of its "highest and best use". An aircraft's Base Value is founded on the historical trend of values and in the projection of value trends and presumes an arm's-length, cash transaction between willing, able, and knowledgeable parties, acting prudently, with an absence of duress and with a reasonable period of time available for marketing.

This "Base Value" is perhaps the value that most closely reflects the theory that the current value of an aircraft is a function of its future earning potential. At Ascend, we believe that historical market values reflect the future expectations of an aircraft's earning potential and thus these historical market values need to be incorporated into any analysis of an aircraft's future value. However, history alone cannot indicate the future; historical trends need to be combined with the appraiser's perception of the current market as well as expected future earning power and market developments.

The term "Half-Life" refers to the airframe, engines, landing gear, APU and all major components being half way between major overhauls, inspections or performance restorations as appropriate; with engine Life-Limited Parts (LLPs) having 50% of their certified lives remaining. The subject aircraft will be in "Half-Life" or better condition for the first years of their lives, owing to newness. Because the subject aircraft are being appraised as new upon delivery, the "Half-Life" Values are for comparison purposes.

The subject aircraft will be delivered new, effectively in a "Full-Life" condition. The term "Full-Life" refers to the airframe, engines, landing gear, APU and all major components being new; with engine LLPs having 100% of their certified lives remaining.

In consideration of the foregoing, we are of the opinion that the Base Values on Delivery of the subject aircraft will be in the order of:

	MSN	Delivery Date	"Half-Life" BV	"Full-Life" BV
	132	Sep-2013	US $204.15m	US $ 209.98m
Airbus A380-800	133	Oct-2013	US $204.60m	US $ 210.43m
	134	Nov-2013	US $204.60m	US $ 210.43m
	136	Nov-2013	US $204.60m	US $ 210.43m

We assume each of the above aircraft has its first flight in 2013.

BK Associates, Inc.

1295 Northern Boulevard
Manhasset, New York 11030
(516) 365-6272 • Fax (516) 365-6287

June 18, 2013

DNA Alpha Limited

Doric Nimrod Air Three Limited
Anson Place, Mill Court
La Charroterie, St. Peter Port
Guernsey GY1 1EJ

Ladies & Gentlemen:

In response to your request, BK Associates, Inc. is pleased to provide this opinion on the current base value (BV) on delivery of four new Airbus A380-861 aircraft, powered by four Engine Alliance GP7270 engines (Aircraft). The Aircraft are further identified below by manufacturer's serial number and expected delivery date. We understand they will be purchased by DNA Alpha Limited and delivered on lease to Emirates at that time.

Aircraft MSN	Delivery Date
132	09/2013
133	10/2013
134	11/2013
136	11/2013

A380 BACKGROUND

Engineering efforts on the A380 began in 1994. The program was launched in December 2000 after orders were received from Emirates and Air France. The first flight was on April 27, 2005 and the aircraft was certified in December 2006. It first entered service in October 2007 with Singapore Airlines.

A freighter version was planned with orders from FedEx and UPS but problems in the development that resulted in slippage of the early deliveries caused the freighter version to be deferred indefinitely.

The base A380 model is meant to carry 525 passengers in a three-class layout with a range of 8,000 n.mi. (nautical miles). Two engine choices are available: Rolls-Royce Trent 970 or the Engine Alliance GP7270. A VIP version denoted the "A380 Flying Palace" is also available but none have been delivered yet. As of May 15, 2013, there are 103 A380s in service with nine airlines. Between these nine airlines and 10 other airlines who have placed orders, there are 159 more aircraft on order and the backlog extends beyond 2021.

Basic Specs: A380-861	MSN 132	MSN 133, 134 & 136
Wing Span	79.8 Meters	
Length	73 Meters	
Maximum Takeoff Weight	569,000Kgs.	575,000Kgs.
Maximum Landing Weight	391,000Kgs.	394,000Kgs.
Maximum Zero Fuel Weight	360,000Kgs.	369,000Kgs.
Fuel Capacity	85,471.8 U.S. Gal.	

Seating—489 Passengers (14 1st Class Suites (Seat/Beds); 76 Business Class; 399 Economy Class) (MSN 132, 133, 134 & 136)

Design Range—(with full passengers) . . . . 8,000 n.mi.
8,000 n.mi.,
15,200 Km.

The Emirates A380s also include extensive optional and buyer furnished equipment which enhance the value of the Aircraft. These include such things as two showers, changing rooms in first class, three lounges and bars, extensive crew rest areas and an extensive in-flight entertainment system.

CONCLUSIONS

Based upon our knowledge of the A380 aircraft and the GP7200 series engines, our knowledge of the capabilities and uses to which they have been put in various parts of the world, our knowledge of the marketing of used aircraft, and our knowledge of aircraft generally, it is our opinion that the base values of each Aircraft on the related delivery date is as shown below.

This assumes the Aircraft is new or in "full life" condition. For comparison purposes it is the convention to appraise the aircraft in "half-life" condition or to assume that the aircraft is halfway between the major, expensive maintenance events. An adjustment is then added to account for the actual current maintenance status.

Since we estimate that the average cost of airframe and engine maintenance in September 2013 will be $51.73 million, artificially reducing the new base value to half-life results in the "half-life" base value shown.

MSN	Full-Life Base Value	Half-Life Base Value
132	$241,200,000	$215,330,000
133	$243,340,000	$217,470,000
134	$243,340,000	$217,470,000
136	$243,340,000	$217,470,000

DEFINITIONS

According to the International Society of Transport Aircraft Trading's (ISTAT) definition of base value, to which BK Associates subscribes, the base value is the Appraiser's opinion of the underlying economic value of an aircraft in an open, unrestricted, stable market environment with a reasonable balance of supply and demand, and assumes full consideration of its "highest and best use". An aircraft's base value is founded in the historical trend of values and in the projection of future value trends and presumes an arm's length, cash transaction between willing, able and knowledgeable parties, acting prudently, with an absence of duress and with a reasonable period of time available for marketing. The base value normally refers to a transaction involving a single aircraft. When multiple aircraft are acquired in the same transaction, the trading price of each unit may be discounted.

MARKET DISCUSSION & METHODOLOGY

For a newly delivered aircraft one can argue that, almost by definition, the base values are approximately equal to the actual selling price. Without the existence of "white tails" or finished aircraft for which there is no buyer, the very existence of a buyer and seller at the agreed price suggests the market is in balance and the purchase price is the base value.

We do not know the price of the Aircraft. We do know the list price of a new A380 averages about \$403.9 million depending on the configuration and options. We also know that nobody pays the list price and the discount is normally at least 15 percent. Discounts of 35 to 50 percent are often applied for airlines placing large orders. We know of some deliveries in the vicinity of 50 percent of list price for certain aircraft. Emirates with its order for 90 aircraft will make it the largest operator by far of the A380 and they likely obtained a significant discount. We are aware of A380 deliveries to other airlines in the past five years at \$195 to \$215 million. It is likely that escalation in the new price and the options and buyer furnished equipment on the Emirates aircraft add at least \$20 million to the cost. Considering this and the configuration and specifications of the Aircraft, especially the maximum takeoff weight for each Aircraft which is higher than others in the global fleet, we conclude its likely new price is approximately \$243,340,000 for MSNs 133, 134 and 136, or \$241,200,000 for the lower takeoff weight on MSN 132.

ASSUMPTIONS & DISCLAIMER

It should be understood that BK Associates has neither inspected the Aircraft nor the maintenance records, but has relied upon the information provided by the addressees and in the BK Associates database. The assumptions have been made that upon delivery all Airworthiness Directives have been complied with; and accident damage has not been incurred that would affect market values. Further, we have assumed unless otherwise stated, that the Aircraft are in typical configuration for the type. Deviations from these assumptions can change significantly our opinion regarding the values.

BK Associates, Inc. has no present or contemplated future interest in the Aircraft, nor any interest that would preclude our making a fair and unbiased estimate. This appraisal represents the opinion of BK Associates, Inc. and reflects our best judgment based on the information available to us at the time of preparation and the time and budget constraints imposed by the client. It is not given as a recommendation, or as an inducement, for any financial transaction and further, BK Associates, Inc. assumes no responsibility or legal liability for any action taken or not taken by the addressee, or any other party, with regard to the appraised equipment. By accepting this appraisal, the addressee agrees that BK Associates, Inc. shall bear no such responsibility or legal liability. This appraisal is prepared for the use of the addressee and shall not be provided to other parties without the express consent of the addressees.

BK Associates, Inc. consents to the inclusion of this appraisal report dated June 18, 2013 in the Offering Circular and to the references to BK Associates, Inc.'s name in the Offering Circular under the caption "Independent Appraisers".

Sincerely,

BK ASSOCIATES, INC.

David Griffin
Associate

John F. Keitz
President
ISTAT Senior Certified Appraiser
And Appraiser Fellow

DG/kf

mba | morten beyer & agnew

aviation consulting

Desktop Appraisal of:
Four (4) Future Delivery Airbus A380-800 Aircraft

Client:
Doric Nimrod Air Three Limited and DNA Alpha Limited

Date:
June 18, 2013

Washington D.C.
2101 Wilson Boulevard
Suite 1001
Arlington, Virginia 22201
Tel: 1 703 276 3200
Fax: 1 703 276 3201

Frankfurt
Herriotstrasse 1
60528 Frankfurt
Germany
Tel: 49 60 (0) 81587 081

Singapore
Ocean Financial Centre
10 Collyer Quay
Level40, Suite 5
Singapore 049315
Tel: 65 6808 6097

ISTAT

www.mba.aero

I. Introduction and Executive Summary

Table of Contents:

Morten Beyer & Agnew ("mba") has been retained by Doric Nimrod Air Three Limited and DNA Alpha Limited (the "Client"), to provide a Desktop Appraisal to determine the Base Values of four (4) Future Delivery Airbus A380-800 aircraft. These aircraft are further identified in Section IV of this report.

In performing this appraisal, mba relied on industry knowledge and intelligence, confidentially obtained data points, its market expertise and current analysis of market trends and conditions, along with information from its semiannual publication mba **Future Aircraft Values ("FAV") – Jet Transport Plus, April 2013 Update.**

Based on the information set forth in this report, it is our opinion that the total Base Value of the aircraft in this portfolio is as follows and as set forth in Section IV.

	Current Base Value (USD$)
MSN 132	$230,480,000
MSN 133	$232,300,000
MSN 134	$232,660,000
MSN 136	$232,660,000
4 A380-800 Aircraft (Total)	$928,100,000

Section II of this report presents definitions of various terms, such as Base Value as promulgated by the Appraisal Program of the International Society of Transport Aircraft Trading (ISTAT). ISTAT is a non-profit association of management personnel from banks, leasing companies, airlines, manufacturers, brokers, and others who have a vested interest in the commercial aviation industry and who have established a technical and ethical certification program for expert appraisers.

II. Definitions

Desktop Appraisal

A desktop appraisal is one which does not include any inspection of the aircraft or review of its maintenance records. It is based upon assumed aircraft condition and maintenance status or information provided to the appraiser or from the appraiser's own database. A desktop appraisal would normally provide a value for a mid-time, mid-life aircraft (ISTAT Handbook).

Base Value

ISTAT defines Base Value as the Appraiser's opinion of the underlying economic value of an aircraft, engine, or inventory of aircraft parts/equipment (hereinafter referred to as "the asset"), in an open, unrestricted, stable market environment with a reasonable balance of supply and demand. Full consideration is assumed of its “highest and best use”. An asset’s Base Value is founded in the historical trend of values and in the projection of value trends and presumes an arm’s-length, cash transaction between willing, able, and knowledgeable parties, acting prudently, with an absence of duress and with a reasonable period of time available for marketing. In most cases, the Base Value of an asset assumes the physical condition is average for an asset of its type and age. It further assumes the maintenance time/life status is at mid-time, mid-life (or benefiting from an above-average maintenance status if it is new or nearly new, as the case may be). Since Base Value pertains to a somewhat idealized asset and market combination it may not necessarily reflect the actual current value of the asset in question, but is a nominal starting value to which adjustments may be applied to determine an actual value. Because it is related to long-term market trends, the Base Value definition is commonly applied to analyses of historical values and projections of residual values.

Qualifications

mba is a recognized provider of aircraft and aviation-related asset appraisals and inspections. mba and its principals have been providing appraisal services to the aviation industry for over 20 years; and its employees adhere to the rules and ethics set forth by the International Society of Transport Aircraft Trading (“ISTAT”). mba’s clients include most of the world’s major airlines, lessors, financial institutions, and manufacturers and suppliers. mba maintains offices in Washington, Frankfurt and Singapore.

mba publishes the semiannual *Future Aircraft Values* (“FAV”), a two-volume compendium of current and projected aircraft values for the next 20 years for over 150 types of jet, turboprop and cargo aircraft.

mba also provides consulting services to the industry relating to operations, marketing, and management with emphasis on financial/operational analysis, airline safety audits and certification, utilizing hands-on solutions to current situations. mba also provides expert testimony and witness support on cases involving collateral/asset disputes, bankruptcies, financial operations, safety, regulatory and maintenance concerns.

III. Current Market Conditions

General Market Observation—1st Quarter 2013

Values for new and used jet transport aircraft are driven primarily by the state of the world’s economies. Of the many factors that influence airline profits and the industry in general, there are two that drive aircraft market values: passenger traffic growth on the positive side and fuel prices on the negative side.

During periods of economic growth, traffic grows at high single-digit rates. Such increases in demand for aircraft utilization stimulate increases in aircraft market values. During periods of economic distress, passenger traffic declines. This decreases demand for aircraft utilization causing a surplus of aircraft thus depressing their market value. Over the years, it has been demonstrated that passenger traffic demand is closely aligned with the cyclic nature of regional and world gross domestic product.

Airline financial performance improved in the 2nd and 3rd quarters of 2012, rebounding from a decline in the 1st quarter, according to the December 2012 Industry Financial Forecast from the International Air Transport Association (“IATA”). Actions by the airlines to cut costs have resulted in better than expected financial performance, which in turn has caused IATA to predict a 1.3% net profit increase over 2012. The resultant profit forecast of USD$6.7 billion is below that of 2011, but better than initially expected.

Traffic growth, as reported by IATA, continues to increase but the rate of growth in the 4th quarter 2012 was down significantly. When considering performance throughout the year, the annualized rate of growth was just 3.0% between January and November 2012. On a positive note, IATA also reported that business confidence, a good leading indicator of premium travel growth, indicates a stable business and growth environment in the months ahead. Looking forward, the downward pressure on air travel markets seen throughout 2012 is now showing signs of easing in the months ahead.

The structure of the industry has changed in recent years with consolidation in the U.S. domestic market, where several mergers have contributed to the stability of capacity at a level some 10.0% below pre-recession levels. In long-haul markets, such as the North Atlantic, the development of several joint ventures and a marginal reduction in capacity has resulted in higher load factors. Other domestic markets, such as India and Japan, have also seen capacity reductions.

Air freight markets continued to struggle over the last six months of 2012. According to IATA, there was a slight year-over-year uptick of 0.6% in September followed by a disappointing 3.5% decrease in the year-over-year measure in October. Overall, airline cargo demand continued to fall throughout the entire fourth quarter of 2012 and yields trended downward. Although world trade volumes continue to expand, growth has slowed as the European economy struggles to recover from its banking crisis and North America eases out of the 2008 economic downturn; both factors are reflected in the depressed demand for air-freight.

In its annual year-ahead forecast, Bank of America Merrill Lynch ("BAML") predicted a "stable but high" USD$110.00 per barrel as the 2013 average price of Brent Crude. At USD$110.00, Brent would essentially maintain the 2012 average that has caused operating pressure for airlines in years past. BAML commodity strategist Sabine Schels adds that Brent could likely touch USD$120.00 by the end of June, as continuing uncertainty over U.S. government fiscal policy leaves markets anxious. Schels believes the "cap" for Brent in 2013 will be USD$140.00, which is within sight of Brent's all-time high in the run-up to the onset of the financial crisis in the summer of 2008.

Boeing booked 1,203 commercial airplane orders in 2012, the second largest number in company history. The company also delivered 601 airplanes, the most since 1999. Boeing's unfilled commercial airplane orders at the end of the year stood at 4,373, the most in its history.

Airbus obtained gross orders of 914 aircraft, down from the record 1,608 orders in 2011, and had a record number of deliveries of 588 aircraft, up from 534 in 2011. Airbus had an end of year backlog of 4,682 aircraft. Airbus added 162 orders in January and February 2013.

Airbus A380-800—Current Market

The A380-800 entered into service with Singapore Airlines in October 2007. The A380-800 is the first version, with a freighter potentially on the horizon. The A380 is Airbus' answer to the "very large" aircraft segment of the market. It is the largest western-built aircraft in commercial operation with the Boeing 747-8I being its closest competitor but only attaining 31 orders from 4 operators, 6 of which have already been delivered to Lufthansa.

Overview

- In 2013, an increase of maximum takeoff weight capability to 575 tonnes will allow the aircraft to operate an additional 500 nm of range. Airbus is also introducing a low weight 490 tonne version which will meet noise QC1 noise restrictions on night time departures at London airports.
- Recent capital markets transactions for financing deliveries of A380 aircraft demonstrate appetite for the asset in the aviation finance arena.
- Popular aircraft from a passenger perception standpoint.
- Slot restrictions at airports will drive need for higher capacity aircraft such as the A380.
- High reconfiguration costs may impact movement to new operators however Airbus' recent announcement that will assist customers in managing reconfiguration costs may ease this concern. The program announced by Airbus provides for a fixed cost reconfiguration to a select layout.
- Concern over secondary market existence for the type once it has moved beyond original operator, however history has shown with previous widebody aircraft, such as the 747-400, that many first tier operators retain their use well into the aircrafts maturity.
- Airbus delivered 30 aircraft in 2012 and is targeting 25 aircraft in 2013. The slowdown in production is attributed to the implementation of modifications to the wing rib feet which encountered cracking issues in 2012.
- As of April 2013, there are 101 active A380 aircraft with nine operators.

    - Emirates
    - Singapore Airlines
    - Qantas
    - Lufthansa
    - Air France
    - Korean Air
    - Malaysia Airlines
    - China Southern Airlines
    - Thai Airways International

Fleet Status	A380-800
Ordered	299
Cancelled/Transferred	37
Net Orders	262
Backlog	161
Built/Delivered	101
Destroyed/Retired	0
Not in Service/Parked	0
Active Aircraft	101
Number of Operators	9
Average Daily Utilization (Hrs)	8.5
Average Fleet Age (Yrs)	2.16

Source: ACAS April 2013

Recent Developments

As of May 2013, Airbus had delivered six A380's matching the number delivered within the same period last year.

In November 2012, Airbus announced new higher and lower weight variants for the A380. The first of the three additional variants is a 575 tonne take-off weight, which is the highest offered by Airbus and will increase the range of the aircraft to about 8,500 nautical miles. This weight will enter service in 2013. The other two weight variants are the 573 tonne and the 490 tonne, the latter of which is designed to meet QC1 noise criteria (Flightglobal).

In June 2012, Russian carrier Transaero firmed up its preliminary agreement to take four A380 aircraft (Flightglobal).

In January 2013, Singapore Airlines firmed up their order for five additional A380's. (Flightglobal)

In March 2013, Lufthansa ordered two additional A380's. (CAPA)

Demographics & Availability

The aircraft is powered by two types of engines, the Rolls-Royce Trent 970 and the Engine Alliance GP7200. The Trent powered A380s hold a market share of 55.5% of the current fleet.

Airbus A380-800 Aircraft
Engine Selection

Engine Model	In Service	Parked	Total	% of Total
Trent 900	56		56	55.45%
GP7200	45		45	44.55%
Grand Total	**101**	**0**	**101**	**100.00%**

Source: ACAS April 2013

mba | morten beyer & agnew

The largest operator of the A380 is Emirates with approximately 30.7% of the total in service fleet. The second largest is Singapore Airlines with 18.8% of the fleet.

Airbus A380-800 Aircraft
Current Fleet by Operator

Operator	In Service	Parked	Total	% of Total
Emirates Airline	31		31	30.69%
Singapore Airlines	19		19	18.81%
Qantas	12		12	11.88%
Lufthansa	10		10	9.90%
Air France	8		8	7.92%
Korean Air	6		6	5.94%
Malaysia Airlines	6		6	5.94%
China Southern Airlines	5		5	4.95%
Thai Airways International	4		4	3.96%
Grand Total	**101**	**0**	**101**	**100.00%**

Source: ACAS April 2013

The Middle East and Pacific Rim have proven to be the preferred location of the fleet of A380s. The Pacific Rim is home to approximately 51.5% of the current fleet of A380 aircraft. So far no orders or deliveries have been placed for this aircraft in North or South America. Taking into account the aging fleet of large US operators like United and Delta, it is feasible that the A380 will make its way into the North American market.

Airbus A380-800 Aircraft
Current Fleet by Region

Region	In Service	Parked	Total	% of Total
Pacific Rim	52		52	51.49%
Middle East	31		31	30.69%
Europe	18		18	17.82%
Grand Total	**101**	**0**	**101**	**100.00%**

Source: ACAS April 2013

The most recent economic downturn that began in 2008 has negatively affected demand for aircraft, and aircraft values have correspondingly suffered. New generation aircraft like the A380 are not exempt, but have suffered less, particularly since its base of operators is located in the Middle East and Asia-Pacific where the downturn was much less apparent.

According to Airfax, as of June 2013, there are no Airbus A380-800s available for sale or lease.

Outlook

The A380-800 offers unique passenger capacity/range capabilities and good per seat costs to its operators. The aircraft has seen reasonable demand and additional demand may develop driven by low orders for Boeing's 747-8I, indicating future potential for orders from current 747-400 operators once additional fleet replacement comes into play. mba expects values and lease rentals for the type to remain stable in the short to medium term.

IV. Valuation

In developing the Values of the aircraft in this portfolio, mba did not inspect the aircraft or the records and documentation associated with the aircraft, but relied on partial information supplied by the Client. This information was not independently verified by mba. Therefore, we used certain assumptions that are generally accepted industry practice to calculate the value of aircraft when more detailed information is not available.

The principal assumptions for the aircraft in this portfolio are as follows:

1. The aircraft is in good overall condition;
2. The overhaul status of the airframe, engines, landing gear and other major components are the equivalent of mid-time/mid-life, or new, unless otherwise stated;
3. The historical maintenance documentation has been maintained to acceptable international standards;
4. The specifications of the aircraft are those most common for an aircraft of its type and vintage;
5. The aircraft is in a standard airline configuration;
6. The aircraft is current as to all Airworthiness Directives and Service Bulletins;
7. Its modification status is comparable to that most common for an aircraft of its type and vintage;
8. Its utilization is comparable to industry averages;
9. There is no history of accident or incident damage; and
10. In the case of the Base Value, no accounting is made for lease revenues, obligations or terms of ownership unless otherwise specified.

Portfolio Description

No.	Aircraft Type	Serial Number	Registration	Manufacture Date	MTOW (lbs)	Engine Type	Operator
1	A380-800	132	A6-EEK	Sep-13	1,254,430	GP7270	Emirates
2	A380-800	133	A6-EEL	Oct-13	1,267,659	GP7270	Emirates
3	A380-800	134	A6-EEM	Nov-13	1,267,659	GP7270	Emirates
4	A380-800	136	A6-EEO	Nov-13	1,267,659	GP7270	Emirates

Portfolio Valuation ($US Million)

No.	Aircraft Type	Serial Number	Manufacture Date	BV w/ Newness	MTOW Adj.	BV
1	A380-800	132	Sep-13	$228.34	$ 2.14	$230.48
2	A380-800	133	Oct-13	$228.71	$ 3.59	$232.30
3	A380-800	134	Nov-13	$229.07	$ 3.59	$232.66
4	A380-800	136	Nov-13	$229.07	$ 3.59	$232.66
			Total	$915.19	$12.91	$928.10

Legend–

BV w/ Newness	Base Value adjusted to Month of Build
MTOW Adj.	Value adjustment for non-standard MTOW
BV	Base Value

V. Covenants

This report has been prepared for the exclusive use of Doric Nimrod Air Three Limited and DNA Alpha Limited and shall not be provided to other parties by mba without the express consent of Doric Nimrod Air Three Limited and DNA Alpha Limited. mba certifies that this report has been independently prepared and that it fully and accurately reflects mba's opinion as to the Base Values as requested and outlined in Section IV. mba further certifies that it does not have, and does not expect to have, any financial or other interest in the subject or similar aircraft and engine. mba consents to the inclusion of this appraisal report dated June 18, 2013 in the Offering Circular and to the references to mba's name in the Offering Circular under the caption "Independent Appraisers".

This report represents the opinion of mba as to the Base Values of the subject aircraft as requested and is intended to be advisory only, in nature. Therefore, mba assumes no responsibility or legal liability for any actions taken, or not taken, by Doric Nimrod Air Three Limited and DNA Alpha Limited or any other party with regard to the subject aircraft and engine. By accepting this report, all parties agree that mba shall bear no such responsibility or legal liability.

PREPARED BY:

Sarah A. Smith
Analyst—Valuations
Morten Beyer & Agnew

June 18, 2013

REVIEWED BY:

Thomas E. Burke
Managing Director—Valuations
Morten Beyer & Agnew
ISTAT Certified Appraiser

FINANCIAL STATEMENTS OF THE GROUP

EMIRATES

INDEPENDENT AUDITOR'S REPORT TO THE OWNER OF EMIRATES

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Emirates and its subsidiaries (together referred to as "Emirates"), which comprise the consolidated statement of financial position as of 31 March 2013 and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Emirates as of 31 March 2013, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

PricewaterhouseCoopers 5 May 2013

Warwick Hunt
Registered Auditor Number 643
Dubai, United Arab Emirates

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2013

	Note	2013 AED m	2012 AED m
Revenue	4	71,159	61,508
Other operating income	5	1,954	779
Operating costs	6	(70,274)	(60,474)
Operating profit		**2,839**	**1,813**
Finance income	7	406	414
Finance costs	7	(900)	(657)
Share of results in associates and joint ventures	12	127	103
Profit before income tax		**2,472**	**1,673**
Income tax expense	8	(64)	(53)
Profit for the year		**2,408**	**1,620**
Profit attributable to non-controlling interests		**125**	**118**
Profit attributable to Emirates' Owner		**2,283**	**1,502**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2013

Profit for the year		**2,408**	**1,620**
Currency translation differences	18	9	(9)
Cash flow hedges	18	56	(259)
Actuarial losses on retirement benefit obligations	24	(70)	(116)
Other comprehensive income		**(5)**	**(384)**
Total comprehensive income for the year		**2,403**	**1,236**
Total comprehensive income attributable to non-controlling interests		**125**	**118**
Total comprehensive income attributable to Emirates' Owner		**2,278**	**1,118**

Notes 1 to 38 form an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2013

	Note	2013 AED m	2012 AED m
ASSETS			
Non-current assets			
Property, plant and equipment	10	57,039	49,198
Intangible assets	11	910	902
Investments in associates and joint ventures	12	485	430
Advance lease rentals	13	807	370
Loans and other receivables	14	508	917
Derivative financial instruments	34	92	69
Deferred income tax asset	28	15	10
		59,856	**51,896**
Current assets			
Inventories	15	1,564	1,469
Trade and other receivables	16	8,744	8,126
Derivative financial instruments	34	67	8
Short term bank deposits	32	18,048	8,055
Cash and cash equivalents	32	6,524	7,532
		34,947	**25,190**
Total assets		**94,803**	**77,086**
EQUITY AND LIABILITIES			
Capital and reserves			
Capital	17	801	801
Other reserves	18	(768)	(833)
Retained earnings		22,729	21,256
Attributable to Emirates' Owner		**22,762**	**21,224**
Non-controlling interests		**270**	**242**
Total equity		**23,032**	**21,466**
Non-current liabilities			
Trade and other payables	29	269	—
Borrowings and lease liabilities	19	35,483	26,843
Deferred revenue	26	1,460	1,074
Deferred credits	27	294	350
Derivative financial instruments	34	1,016	957
Provisions	23	1,930	1,350
		40,452	**30,574**
Current liabilities			
Trade and other payables	29	25,013	19,882
Income tax liabilities		24	36
Borrowings and lease liabilities	19	5,042	4,037
Deferred revenue	26	1,147	915
Deferred credits	27	87	136
Derivative financial instruments	34	6	40
		31,319	**25,046**
Total liabilities		**71,771**	**55,620**
Total equity and liabilities		**94,803**	**77,086**

Notes 1 to 38 form an integral part of the consolidated financial statements.

The consolidated financial statements were approved on 5 May 2013 and signed by:

Sheikh Ahmed bin Saeed Al-Maktoum
Chairman and Chief Executive

Timothy Clark
President

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2013

		Attributable to Emirates' Owner					
	Note	Capital AED m	Other reserves AED m	Retained earnings AED m	Total AED m	Non-controlling interests AED m	Total equity AED m
1 April 2011		801	(565)	20,370	20,606	207	20,813
Currency translation differences	18	—	(9)	—	(9)	—	(9)
Cash flow hedges	18	—	(259)	—	(259)	—	(259)
Actuarial losses on retirement benefit obligations	24	—	—	(116)	(116)	—	(116)
Other comprehensive income		**—**	**(268)**	**(116)**	**(384)**	**—**	**(384)**
Profit for the year		—	—	1,502	1,502	118	1,620
Total comprehensive income		**—**	**(268)**	**1,386**	**1,118**	**118**	**1,236**
Dividends		—	—	(500)	(500)	(83)	(583)
Transactions with owners		**—**	**—**	**(500)**	**(500)**	**(83)**	**(583)**
31 March 2012		**801**	**(833)**	**21,256**	**21,224**	**242**	**21,466**
Currency translation differences	18	—	9	—	9	—	9
Cash flow hedges	18	—	56	—	56	—	56
Actuarial losses on retirement benefit obligations	24	—	—	(70)	(70)	—	(70)
Other comprehensive income		**—**	**65**	**(70)**	**(5)**	**—**	**(5)**
Profit for the year		—	—	2,283	2,283	125	2,408
Total comprehensive income		**—**	**65**	**2,213**	**2,278**	**125**	**2,403**
Dividends		—	—	(740)	(740)	(97)	(837)
Transactions with owners		**—**	**—**	**(740)**	**(740)**	**(97)**	**(837)**
31 March 2013		**801**	**(768)**	**22,729**	**22,762**	**270**	**23,032**

Notes 1 to 38 form an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2013

	Note	2013 AED m	2012 AED m
Operating activities			
Profit before income tax		2,472	1,673
Adjustments for:			
Depreciation and amortisation	6	5,136	4,134
Finance costs—net	7	494	243
Gain on sale of property, plant and equipment		(10)	(52)
Share of results in associates and joint ventures	12	(127)	(103)
Net provision for impairment of trade receivables	16	(2)	24
Provision for employee benefits	6	510	430
Net movement on derivative financial instruments		(1)	27
Employee benefit payments		(442)	(394)
Income tax paid		(112)	(82)
Change in inventories		(95)	(179)
Change in receivables and advance lease rentals		(521)	(738)
Change in provisions, payables, deferred credits and revenue		5,512	3,124
Net cash generated from operating activities		**12,814**	**8,107**
Investing activities			
Proceeds from sale of property, plant and equipment		439	223
Additions to intangible assets	11	(119)	(83)
Additions to property, plant and equipment	33	(5,773)	(6,800)
Investments in associates and joint ventures	12	(29)	(23)
Movement in short term bank deposits		(9,993)	(4,278)
Interest income		312	312
Dividends from associates and joint ventures	12	102	83
Net cash used in investing activities		**(15,061)**	**(10,566)**
Financing activities			
Proceeds from bonds and loans		6,382	3,706
Repayment of bonds and loans		(2,165)	(885)
Aircraft financing costs		(689)	(500)
Other finance charges		(83)	(40)
Repayment of lease liabilities		(2,068)	(1,899)
Dividend paid		(40)	(500)
Dividend paid to non-controlling shareholders		(97)	(83)
Net cash generated from / (used in) financing activities		**1,240**	**(201)**
Net decrease in cash and cash equivalents		**(1,007)**	**(2,660)**
Cash and cash equivalents at beginning of year		7,527	10,187
Cash and cash equivalents at end of year	32	**6,520**	**7,527**

Notes 1 to 38 form an integral part of the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

1. General information

Emirates comprises Emirates and its subsidiaries. Emirates was incorporated, with limited liability, by an Emiri Decree issued by H. H. Sheikh Maktoum bin Rashid Al-Maktoum on 26 June 1985 and is wholly owned by the Investment Corporation of Dubai, a Government of Dubai entity. Emirates commenced commercial operations on 25 October 1985 and is designated as the International Airline of the UAE.

Emirates is incorporated and domiciled in Dubai, UAE. The address of its registered office is Emirates Group Headquarters, PO Box 686, Dubai, UAE.

The main activities of Emirates comprise:

- commercial air transportation which includes passenger, cargo and postal carriage services
- wholesale and retail of consumer goods
- in-flight and institutional catering
- hotel operations

2. Summary of significant accounting policies

A summary of the significant accounting policies, which have been applied consistently in the preparation of these consolidated financial statements, is set out below.

Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRIC interpretations. The consolidated financial statements are prepared under the historical cost convention except for those financial assets and financial liabilities that are measured at fair value as stated in the accounting policies below.

Provision for maintenance amounting to AED 719 m has been restated in the comparative consolidated statement of financial position from 'Trade and other payables' in current liabilities to 'Provisions' in non-current liabilities to appropriately reflect the nature of the balance and expected settlement pattern.

Standards, interpretations and amendments to published standards that are not yet effective, have not been early adopted and are relevant to Emirates' operations

At the date of authorisation of these consolidated financial statements, certain new standards, interpretations and amendments to the existing standards have been published that are mandatory for accounting periods commencing after 1 April 2013 or later periods, but have not been early adopted. Management is currently assessing the following standards, interpretations and amendments which are likely to have an impact on Emirates' operations:

- IAS 1 (revised), Presentation of Financial Statements (effective from 1 July 2012)
- IAS 19 (revised), Employee Benefits (effective from 1 January 2013)
- IAS 28 (revised), Investments in Associates and Joint Ventures (effective from 1 January 2013)
- IFRS 10, Consolidated Financial Statements (effective from 1 January 2013)
- IFRS 11, Joint Arrangements (effective from 1 January 2013)

- IFRS 12, Disclosure of Interest in Other Entities (effective from 1 January 2013)
- IFRS 13, Fair value Measurement (effective from 1 January 2013)
- IFRS 9, Financial Instruments (effective from 1 January 2015)
- Annual Improvements 2009-2011 Cycle (effective from 1 January 2013)

Basis of consolidation

Subsidiaries are those entities (including special purpose entities) in which Emirates has the power to govern the entity's operating and financial policies generally accompanying a shareholding of more than one half of the voting rights. Subsidiaries are consolidated from the date on which control is transferred to Emirates and are deconsolidated from the date that control ceases. Inter-company transactions, balances and unrealised gains and losses arising on transactions between Emirates and subsidiaries are eliminated.

The acquisition method of accounting is used to account for the acquisition of subsidiaries. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred and the liabilities incurred to the former owners of the acquiree. Acquisition-related costs are expensed as incurred. Identifiable assets, including intangible assets acquired, liabilities and contingent liabilities incurred or assumed in a business combination, are measured initially at their fair values at the acquisition date. Any non-controlling interest in the acquiree is recognised on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions—that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Associates are those entities in which Emirates has significant influence but not control, generally accompanying a shareholding between 20% and 50% of the voting rights. Investments in associates are accounted for by applying the equity method and include goodwill (net of accumulated impairment loss, if any) identified on acquisition.

Joint ventures are contractual arrangements which establish joint control. Investments in jointly controlled entities are accounted for by applying the equity method and include goodwill (net of accumulated impairment loss, if any) identified on acquisition.

All material unrealised gains and losses arising on transactions between Emirates and its associates and joint ventures are eliminated to the extent of Emirates' interest.

Accounting policies of subsidiaries, associates and joint ventures have been changed where necessary to ensure consistency with Emirates' accounting policies.

When control, significant influence or joint control ceases, the retained interest in the entity is remeasured to fair value as at that date, with the change in the carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequent accounting of the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the related assets or liabilities have been directly disposed of. This could result in amounts previously recognised in other comprehensive income being reclassified to profit or loss. If the ownership in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss.

Revenue

Passenger and cargo sales are recognised as revenue when the transportation is provided. Revenue documents (e.g. tickets or airway bills) sold but unused are held in the consolidated statement of financial position under current liabilities as passenger and cargo sales in advance. Unused flight documents are recognised as revenue based on their terms and conditions and historical trends.

Revenue from the sale of goods is recognised when risks and rewards of ownership are transferred to the customer and are stated net of discounts and returns. Other revenue is recognised net of discounts when services are rendered.

Interest income is recognised on a time proportion basis using the effective interest method.

Liquidated damages

Income from claims for liquidated damages is recognised in the consolidated income statement when a contractual entitlement exists, amounts can be reliably measured and receipt is virtually certain. When such claims do not relate to a compensation for loss of income or towards incremental operating costs, the amounts are taken to the consolidated statement of financial position and recorded as a reduction in the cost of the related asset.

Foreign currency translation

Emirates' consolidated financial statements are presented in UAE Dirhams (AED), which is also the parent company's functional currency. Subsidiaries determine their own functional currency and items included in the financial statements of these companies are measured using that functional currency.

Foreign currency transactions are translated into the functional currency at the exchange rates prevailing at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing at the end of the reporting period. The resultant foreign exchange gains and losses, other than those on qualifying cash flow hedges deferred in other comprehensive income, are recognised in the consolidated income statement.

Income and cash flow statements of subsidiaries are translated into UAE Dirhams at average exchange rates for the year that approximate the cumulative effect of rates prevailing on the transaction dates and their assets and liabilities are translated at the exchange rates ruling at the end of reporting period. The resulting exchange differences are recognised in other comprehensive income.

Share of results in associates and joint ventures are translated into UAE Dirhams at average exchange rates for the year. Translation differences relating to investments in subsidiaries, associates, joint ventures and monetary assets and liabilities that form part of a net investment in a foreign operation, are recognised in other comprehensive income. When investments in subsidiaries, associates or joint ventures are disposed of, the translation differences held in equity are recognised in the consolidated income statement as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the exchange rates prevailing at the end of reporting period.

Income tax

The tax expense for the period comprises current and deferred tax.

Taxation is provided for as and when the liability arises except where management is of the opinion that exemption from such liability will ultimately be granted by the relevant authorities in the countries concerned.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where Emirates' subsidiaries operate and generate taxable income.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Also deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill in a business combination. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted at the end of reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation. Cost consists of purchase cost, together with any incidental expenses of acquisition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow and the cost can be measured reliably. Repairs and maintenance are charged to the consolidated income statement during the period in which they are incurred.

Land is not depreciated. Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their cost, less estimated residual values, over the estimated useful lives of the assets or the lease term, if shorter.

The estimated useful lives and residual values are:

Aircraft—new	15 years (residual value 10%)
Aircraft—used	5 = 8 years (residual value 10 = 20%)
Aircraft engines and parts	5 = 15 years (residual value 0 = 10%)
Buildings	15 = 40 years
Other property, plant and equipment	3 = 20 years or over the lease term, if shorter

Major overhaul expenditure is depreciated over the shorter of the period to the next major overhaul, the remaining lease term or the useful life of the asset concerned.

The residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

During the year, the useful lives of certain buildings have been revised from 20 years to 40 years.

Capital projects are stated at cost. When the asset is ready for its intended use, it is transferred from capital projects to the appropriate category under property, plant and equipment and depreciated.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are recognised in the consolidated income statement.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of the assets until such time the assets are substantially ready for their intended use. Where funds are borrowed specifically for the purpose of obtaining a qualifying asset, any investment income earned on temporary surplus funds is deducted from borrowing costs eligible for capitalisation. In the case of general borrowings, a capitalisation rate, which is the weighted average rate of general borrowing costs, is applied to the expenditure on qualifying assets and included in the cost of the asset.

All other borrowing costs are recognised as an expense when incurred.

Manufacturers' credits

Emirates receives credits from manufacturers in connection with the acquisition of certain aircraft and engines. Depending on their nature, these credits are either recorded as a reduction to the cost of the related aircraft and engines or reduced from ongoing operating expenses. Where the aircraft are held under operating leases, these credits are deferred and reduced from the operating lease rentals on a straight-line basis over the period of the related lease as deferred credits.

Finance and operating leases

Where property, plant and equipment have been financed by lease agreements under which substantially all of the risks and rewards incidental to ownership are transferred to Emirates, they are classified as finance leases. Finance leases are capitalised at the commencement of the lease at the lower of the present value of the minimum lease payments or the fair value of the leased asset. The corresponding lease obligations are included under liabilities. Lease payments are treated as consisting of capital and interest elements. The interest element is charged to the consolidated income statement over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Property, plant and equipment acquired under finance leases are depreciated in accordance with Emirates' policies.

Leases, where a significant portion of risks and rewards of ownership are retained by the lessor, are classified as operating leases. Lease rental charges, including advance rentals in respect of operating leases, are charged to the consolidated income statement on a straight-line basis over the period of the lease.

Gains and losses arising on sale and leaseback transaction resulting in operating lease and where the sale price is at fair value, are recognised immediately in the consolidated income statement. Where the sale price is below fair value, any gains and losses are immediately recognised in the consolidated income statement, except where the loss is compensated for by future lease payments at below market price, it is deferred and amortised in proportion to the lease payments over the period for which the asset is expected to be used. Where the sale price is above fair value, the excess over fair value is deferred and amortised over the period for which the asset is expected to be used.

In the case of profits arising on sale and leaseback transactions resulting in finance leases, the excess of sale proceeds over the carrying amount is deferred and amortised over the lease term.

Lease classification is made at the inception of the lease. Lease classification is changed only if, at any time during the lease, the parties to the lease agreement agree to change the provisions of the lease (without renewing it) in a way that it would have been classified differently at inception had the changed terms been in effect at that time.

The revised agreement is considered as a new agreement and accounted for prospectively over the remaining term of the lease.

Goodwill

Goodwill represents the excess of the consideration transferred over the fair value of the share of the net identifiable assets at the date of acquisition.

Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate a potential impairment and is carried at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill is allocated to cash generating units or group of cash generating units that are expected to benefit from the business combination in which the goodwill arose. An impairment loss is recognised when the carrying value of the cash generating units or group of cash generating units exceeds its recoverable amount. Impairment losses on goodwill are not reversed.

Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Other intangible assets

Intangible assets are capitalised at cost only when future economic benefits are probable. Cost includes the purchase price together with any directly attributable expenditure.

Intangible assets are amortised on a straight-line basis over their estimated useful lives which are:

Service rights.	15 years
Trade names	20 years
Contractual rights	15 years
Computer software.	5 years

Impairment of non-financial assets

Goodwill is not subject to amortisation and is tested annually for impairment. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cashflows (cash generating units). Non-financial assets other than goodwill are reviewed at the end of each reporting period for possible reversal of the impairment loss.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such amounts are initially recognised at fair value including transaction costs and carried at amortised cost using the effective interest method. The amounts are derecognised when rights to receive cash flows have expired or have been transferred along with substantially all the risks and rewards of ownership.

At the end of each reporting period, an assessment is made whether there is any objective evidence of impairment. Where necessary, the carrying amount is written down through the consolidated income statement to the present value of expected future cash flows discounted at the effective interest rate computed at initial recognition.

Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. Derivatives are designated either as a hedge of the fair value of a recognised asset or liability or of a firm commitment (fair value hedge) or a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge). Fair values are obtained from quoted market prices or dealer quotes for similar instruments, discounted cash flow models and option pricing models as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

Emirates' criteria to account for a derivative financial instrument as a hedge include:

- formal documentation of the hedging instruments, hedged items, hedging objective, strategy and basis of measuring effectiveness all of which are prepared prior to applying hedge accounting; and
- documentation showing that the hedge effectiveness is assessed on an ongoing basis and is determined to have been highly effective in offsetting the risk of the hedged item throughout the reporting period.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges and that are highly effective are recorded in the consolidated income statement, along with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. This accounting treatment is discontinued when the fair value hedging instrument expires or is sold, terminated or exercised, or the hedge no longer meets the criteria for hedge accounting.

Changes in the fair value of derivatives that are designated and qualify as cash flow hedges and that prove to be highly effective in relation to the hedged risk, are recognised in other comprehensive income. When the forecasted transaction results in the recognition of an asset or of a liability, the gains and losses previously recognised in other comprehensive income are transferred from equity and recognised in profit or loss in the same period during which the asset or liability affects profit or loss. In all other cases, amounts previously recognised in other comprehensive income are transferred to the consolidated income statement in the period during which the forecasted transaction affects the consolidated income statement and are presented in the same line item as the gains and losses from hedged items.

When a cash flow hedging instrument expires or is sold, terminated or exercised, or when a hedge no longer meets the criteria for hedge accounting under IAS 39, any cumulative gain or loss existing in equity at that time is retained in equity and is ultimately recognised in the consolidated income statement when the forecasted transaction occurs. If a forecasted transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the consolidated income statement. The gain or loss on the ineffective portion is recognised in the consolidated income statement.

Changes in the fair value of derivative instruments that do not qualify for hedge accounting are recognised immediately in the consolidated income statement.

Inventories

Inventories are stated at the lower of cost and estimated net realisable value. Cost is determined on the weighted average cost basis with the exception of consumer goods inventory which is determined on a first-in-first-out basis.

Trade receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Where there is objective evidence of amounts that are not collectible, a provision is made for the difference between the carrying amount and the present value of the estimated future cash flows, discounted at the original effective interest rate.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost with any difference between the proceeds (net of transaction costs) and the redemption value recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

Provisions

Provisions are made when an obligation exists for a future liability in respect of a past event and where the amount of the obligation can be reliably estimated. Provision for maintenance represents the estimate of the cost to meet the contractual return conditions on certain aircraft held under operating leases. The present value of the expected cost is recognised during the lease term considering the existing fleet plan and long-term maintenance schedules.

Retirement benefit obligations

Emirates operates or participates in various end of service benefit plans, which are classified either as defined contribution or defined benefit plans.

A defined contribution plan is a pension scheme under which Emirates pays fixed contributions and has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to settle the benefits relating to the employees service in the current and prior periods. Contributions to the pension fund are charged to the consolidated income statement in the period in which they fall due.

A defined benefit plan is a plan which is not a defined contribution plan. The liability recognised in the consolidated statement of financial position for a defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets at that date. The defined benefit obligation is calculated by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting estimated future cash outflows using market yields at the end of the reporting period of high quality corporate bonds that have terms to maturity approximating to the estimated term of the post-employment benefit obligations.

Actuarial gains and losses arising from changes in actuarial assumptions and experience adjustments are recognised in equity through consolidated statement of comprehensive income in the period in which they arise.

Frequent flyer programme

Emirates operates a frequent flyer programme that provides a variety of awards to programme members based on a mileage credit for flights on Emirates and other airlines that participate in the programme. Members can also accrue miles by utilising the services of non-airline programme participants.

Emirates accounts for award credits as a separately identifiable component of the sales transaction in which they are granted. The consideration in respect of the initial sale is allocated to award credits based on their fair value and is accounted for as a liability (deferred revenue) in the consolidated statement of financial position. The fair value is determined using estimation techniques that take into account the fair value of awards for which miles could be redeemed. Miles accrued through utilising the services of programme partners and paid for by the participating partners are also accounted for as deferred revenue until they are utilised. In these instances, a liability is not recognised for miles that are expected to expire.

Revenue is recognised in the consolidated income statement only when Emirates fulfils its obligations by supplying free or discounted goods or services on redemption of the miles accrued.

Trade payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial assets and financial liabilities

Financial assets are derecognised only when the contractual rights to the cash flows expire or substantially all the risks and rewards of ownership are transferred along with the contractual rights to receive cash flows. Financial liabilities are derecognised only when they are extinguished i.e. when the obligations specified in the contract are discharged or cancelled or expire.

Cash and cash equivalents

Cash and cash equivalents comprise cash and liquid funds with an original maturity of three months or less. Other bank deposits with maturity less than a year are classified as short term bank deposits. Bank overdrafts are shown within current borrowings and lease liabilities in the consolidated statement of financial position.

Dividend distribution

Dividend distribution to Emirates' Owner is recognised as a liability in the consolidated financial statements in the period in which the dividends are approved.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

3. Critical accounting estimates and judgements

In the preparation of the consolidated financial statements, a number of estimates and associated assumptions have been made relating to the application of accounting policies and reported amounts of assets, liabilities, income and expense. The estimates and associated assumptions are assessed on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The following discussion addresses the accounting policies that require subjective and complex judgements, often as a result of the need to make estimates.

Depreciation of property, plant and equipment

Management assigns useful lives and residual values to property, plant and equipment based on the intended use of assets and the economic lives of those assets. Subsequent changes in circumstances such as technological advances or prospective utilisation of the assets concerned could result in the actual useful lives or residual values differing from initial estimates. Management has reviewed the residual values and useful lives of major items of property, plant and equipment and determined that no significant adjustments are required.

Income tax

Income tax liabilities are not provided for when management is of the opinion that exemption from income tax will ultimately be granted by the relevant authorities in the concerned jurisdictions. In making its judgement, management considers the status of discussions with the relevant authorities in different countries, the existence of reciprocal exemptions or of a memorandum of understanding. The resolution of issues is not always within the control of management and is often dependant upon external parties. When, due to a change in circumstances, it is unlikely that a tax exemption will be obtained, the income tax liability is fully provided for on a conservative basis until a resolution is reached or the final tax outcome is determined.

Provision for maintenance

The measurement of the provision for maintenance return conditions includes assumptions relating to expected costs, escalation rates, discount rates commensurate with the expected obligation maturity and long-term maintenance schedules. An estimate is therefore made at each reporting date to ensure that the provision corresponds to the present value of the expected costs to be borne by Emirates.

A significant level of judgement is exercised by management given the long-term nature and diversity of assumptions that go into the determination of the provision. It is also difficult to present the sensitivity of a change in the value of the assumptions given the complexity of the workings.

Frequent flyer programme

Emirates accounts for award credits as a separately identifiable component of the sales transaction in which they are granted. The consideration in respect of the initial sale is allocated to award credits based on their fair value and is accounted as a liability (deferred revenue) in the consolidated statement of financial position.

Estimation techniques are used to determine the fair value of mile credits and reflect the weighted average of a number of factors i.e. fare per sector, flight upgrades and partner rewards. A rolling 12 month historical trend forms the basis of the calculations. Adjustments to the fair value of miles are also made for miles not expected to be redeemed by members and the extent to which the demand for an award cannot be met for the dates requested.

A level of judgement is exercised by management due to the diversity of inputs that go into determining the fair value of miles. It is also difficult to present the sensitivity of a change in the value of the assumptions given the complexity of the workings.

4. Revenue

	2013 AED m	2012 AED m
Services		
Passenger	57,477	48,950
Cargo	10,346	9,546
Excess baggage	388	332
Hotel operations	234	155
Destination and leisure	226	245
Others	307	263
	68,978	**59,491**
Sale of goods		
Consumer goods	1,196	1,081
Food and beverage	502	454
In-flight catering	483	482
	2,181	**2,017**
	71,159	**61,508**

5. Other operating income

Other operating income includes AED 1,098 m (2012: AED 194 m) from liquidated damages and other compensation received in connection with aircraft, AED 25 m (2012: AED 69 m) being the gain on sale and leaseback of aircraft, aircraft engines and parts, and income of AED 831 m (2012: AED 516 m) from ancilliary services and activities incidental to Emirates' operations.

6. Operating costs

	2013 AED m	2012 AED m
Jet fuel	27,855	24,292
Employee (see (a) below)	9,029	7,936
Aircraft operating leases (see (b) below)	5,916	4,788
Sales and marketing	5,270	4,381
Depreciation (Note 10)	5,046	4,053
Handling	4,073	3,584
In-flight catering and related costs	3,159	2,836
Overflying	2,086	1,878
Aircraft maintenance	1,865	1,296
Office accommodation and IT costs	1,649	1,450
Landing and parking	1,335	1,128
Cost of goods sold	1,042	926
Amortisation (Note 11)	90	81
Corporate overheads (see (c) below)	1,859	1,845
	70,274	**60,474**

(a) Employee costs include AED 510 m (2012: AED 430 m) in respect of post-employment benefits.

(b) Aircraft operating lease charges include AED 160 m (2012: AED 361 m) in respect of "wet" leases of freighter aircraft.

(c) Corporate overheads include non-aircraft operating lease charges amounting to AED 544 m (2012: AED 474 m) and a net foreign exchange loss of AED 244 m (2012: AED 356 m).

7. Finance income and costs

	2013 AED m	2012 AED m
Finance income		
Interest income on short term bank deposits	341	336
Related parties (Note 36)	65	76
Other finance income	—	2
	406	**414**
Finance costs		
Aircraft financing costs	(717)	(559)
Interest charges and other finance costs	(183)	(98)
	(900)	**(657)**

8. Income tax expense

	2013 AED m	2012 AED m
The components of income tax expense are:		
Current tax expense	68	65
Deferred tax credit (Note 28)	(4)	(12)
	64	**53**

Emirates has secured tax exemptions by virtue of double taxation agreements and airline reciprocal arrangements in most of the jurisdictions in which it operates. Therefore, the income tax expense relates only to certain overseas stations where Emirates is subject to income tax. Providing information on effective tax rates is therefore not meaningful.

9. Segment information

Emirates' management monitors the operating results of its business units for the purpose of making decisions about resource allocation and performance assessment. The airline business unit, which provides commercial air transportation including passenger and cargo services, is the main reportable segment. In-flight catering is another reportable segment which provides in-flight and institutional catering services.

Other segments include wholesale and retail of consumer goods, food and beverage operations and hotel operations. As none of these segments meet the quantitative thresholds for determining reportable segments under IFRS 8, Operating segments, these are categorised as "all other segments".

The performance of airline, in-flight catering and other segments is evaluated based on net profit or loss and is measured consistently with profit for the year in the consolidated financial statements.

Segment revenue is measured in a manner consistent with that in the consolidated income statement, with the exception of notional revenues and costs in the airline segment arising from the usage of transportation services e.g. leave passage of staff and duty travel of staff and consultants that are eliminated when preparing the consolidated financial statements. This adjustment is presented in the reconciliation. The breakdown of revenue from external customers by nature of business activity is provided in Note 4.

Segment assets include inter-segment loans and receivables, which are eliminated on consolidation. This consolidation adjustment is represented in the reconciliation.

The segment information for the year ended 31 March 2013 is as follows:

	Airline AED m	In-flight catering AED m	All other segments AED m	Recon-ciliation AED m	Total AED m
Total segment revenue	69,169	1,814	1,825	(274)	72,534
Inter-segment revenue	—	1,331	44	—	1,375
Revenue from external customers	69,169	483	1,781	(274)	71,159
Segment profit for the year	1,951	244	213	—	2,408
Finance income	419	5	1	(19)	406
Finance costs	(897)	(3)	(19)	19	(900)
Income tax (expense) / income	(99)	—	35	—	(64)
Depreciation and amortisation	(4,925)	(75)	(136)	—	(5,136)
Share of results in associates and joint ventures	—	—	127	—	127
Segment assets	88,740	1,786	5,068	(791)	94,803
Investments in associates and joint ventures	—	—	485	—	485
Additions to property, plant and equipment	12,535	70	654	—	13,259
Additions to intangible assets	118	—	1	—	119
Additions to advance lease rentals	617	—	—	—	617

The segment information for the year ended 31 March 2012 is as follows:

	Airline AED m	In-flight catering AED m	All other segments AED m	Recon-ciliation AED m	Total AED m
Total segment revenue	59,596	1,733	1,596	(124)	62,801
Inter-segment revenue	—	1,251	42	—	1,293
Revenue from external customers	59,596	482	1,554	(124)	61,508
Segment profit for the year	1,176	301	143	—	1,620
Finance income	438	4	1	(29)	414
Finance costs	(651)	(6)	(29)	29	(657)
Income tax (expense) / income	(93)	—	40	—	(53)
Depreciation and amortisation	(3,949)	(68)	(117)	—	(4,134)
Share of results in associates and joint ventures	—	—	103	—	103
Segment assets	71,908	1,789	4,385	(996)	77,086
Investments in associates and joint ventures	—	—	430	—	430
Additions to property, plant and equipment	12,955	120	486	—	13,561
Additions to intangible assets	79	—	4	—	83
Additions to advance lease rentals	93	—	—	—	93

Geographical information

	2013 AED m	2012 AED m
Revenue from external customers:		
East Asia and Australasia	20,884	18,227
Europe	20,140	17,058
Americas	8,275	6,696
West Asia and Indian Ocean	8,031	7,083
Gulf and Middle East	7,117	6,314
Africa	6,712	6,130
	71,159	**61,508**

Revenue from inbound and outbound airline operations between the UAE and the overseas point are attributed to the geographical area in which the respective overseas points are located. Revenue from other segments are reported based upon the geographical area in which sales are made or services are rendered.

The major revenue earning asset is the aircraft fleet, which is registered in the UAE. Since the aircraft fleet is deployed flexibly across Emirates' route network, providing information on non-current assets by geographical areas is not considered meaningful.

No single external customer contributes 10% or more of Emirates' revenues.

10. Property, plant and equipment

	Aircraft AED m	Aircraft engines and parts AED m	Land and buildings AED m	Other property, plant and equipment AED m	Capital projects AED m	Total AED m
Cost						
1 April 2011	24,979	3,378	6,447	8,358	7,093	50,255
Additions	—	201	16	1,629	11,715	13,561
Transfer from capital projects	8,069	312	970	408	(9,759)	—
Disposals / write off	(459)	(23)	(1)	(586)	—	(1,069)
Currency translation differences	—	—	3	1	(5)	(1)
31 March 2012	**32,589**	**3,868**	**7,435**	**9,810**	**9,044**	**62,746**
Depreciation						
1 April 2011	3,951	911	1,359	4,186	—	10,407
Charge for the year	1,698	211	349	1,795	—	4,053
Disposals / write off	(345)	(16)	(1)	(552)	—	(914)
Currency translation differences	—	—	—	2	—	2
31 March 2012	5,304	1,106	1,707	5,431	—	13,548
Net book amount						
31 March 2012	**27,285**	**2,762**	**5,728**	**4,379**	**9,044**	**49,198**

	Aircraft AED m	Aircraft engines and parts AED m	Land and buildings AED m	Other property, plant and equipment AED m	Capital projects AED m	Total AED m
Cost						
1 April 2012	32,589	3,868	7,435	9,810	9,044	62,746
Additions	—	254	157	2,377	10,471	13,259
Transfer from capital projects	9,135	886	1,726	733	(12,480)	—
Disposals / write off	(30)	(490)	—	(1,300)	—	(1,820)
Currency translation differences	—	—	2	1	7	10
31 March 2013	41,694	4,518	9,320	11,621	7,042	74,195
Depreciation						
1 April 2012	5,304	1,106	1,707	5,431	—	13,548
Charge for the year	2,241	251	374	2,180	—	5,046
Disposals / write off	(30)	(115)	—	(1,293)	—	(1,438)
31 March 2013	7,515	1,242	2,081	6,318	—	17,156
Net book amount						
31 March 2013	34,179	3,276	7,239	5,303	7,042	57,039

The net book amount of property, plant and equipment includes AED 32,593 m (2012: AED 25,479 m) in respect of aircraft held under finance leases.

The net book amount of aircraft, aircraft engines and parts includes an amount of AED 1,042 m (2012: AED 1,125 m) in respect of assets provided as security against term loans.

Land of AED 396 m (2012: AED 306 m) is carried at cost and is not depreciated.

The net book amount of land and buildings include assets amounting to AED 155 m (2012: Nil) purchased under a deferred payment scheme. The legal titles will be transferred upon settlement of the obligations.

Property, plant and equipment includes capitalised interest amounting to AED 218 m (2012: AED 209 m). The interest on general borrowings were capitalised using a weighted average capitalisation rate of 4.3% (2012: 4.1%).

Capital projects include pre-delivery payments of AED 5,137 m (2012: AED 6,165 m) in respect of aircraft (Note 30) due for delivery between 2013 and 2024.

11. Intangible assets

	Goodwill AED m	Service rights AED m	Trade names AED m	Contractual rights AED m	Computer software AED m	Total AED m
Cost						
1 April 2011	564	162	19	27	539	1,311
Additions	—	—	—	—	83	83
Disposals / write off	—	—	—	—	(1)	(1)
31 March 2012	**564**	**162**	**19**	**27**	**621**	**1,393**
Amortisation and impairment						
1 April 2011	7	65	2	4	332	410
Amortisation for the year	—	11	1	2	67	81
31 March 2012	**7**	**76**	**3**	**6**	**399**	**491**
Net book value						
31 March 2012	**557**	**86**	**16**	**21**	**222**	**902**

	Goodwill AED m	Service rights AED m	Trade names AED m	Contractual rights AED m	Computer software AED m	Total AED m
Cost						
1 April 2012	564	162	19	27	621	1,393
Additions	—	—	—	—	119	119
Disposals / write off	—	—	—	—	(22)	(22)
Currency translation differences	—	—	—	1	—	1
31 March 2013	**564**	**162**	**19**	**28**	**718**	**1,491**
Amortisation and impairment						
1 April 2012	7	76	3	6	399	491
Amortisation for the year	—	11	1	2	76	90
31 March 2013	**7**	**87**	**4**	**8**	**475**	**581**
Net book value						
31 March 2013	**557**	**75**	**15**	**20**	**243**	**910**

Computer software includes an amount of AED 88 m (2012: AED 80 m) in respect of projects under implementation.

For the purpose of testing goodwill impairment, the recoverable amounts for cash generating units have been determined on the basis of value-in-use calculations using cash flow forecasts approved by management covering a three year period. Cash flows beyond the three year period have been extrapolated using the terminal growth rates stated below. The key assumptions used in the value-in-use calculations include a risk adjusted pre-tax discount rate, gross margins consistent with historical trends and growth rates based on management's expectations for market development. The growth rate does not exceed the long term average growth rate for the markets in which the cash generating units operate. The goodwill allocated to the cash generating unit, or group of cash generating units, and the key assumptions used in the value-in-use calculations are as follows:

			Goodwill				
Cash generating unit	**Location**	**Reportable segment**	**2013 AED m**	**2012 AED m**	**Discount rate %**	**Gross margin %**	**Terminal growth %**
Consumer goods	UAE	Others	159	159	12	25	4
In-flight catering	UAE	In-flight catering	369	369	12	33	4
Food and beverages	UAE	Others	25	25	12	22	4
Food and beverages	Australia	Others	4	4	12	20	4
			557	**557**			

12. Investments in subsidiaries, associates and joint ventures

	Percentage of equity owned	**Principal activities**	**Country of incorporation and principal operations**
Principal subsidiaries			
Maritime & Mercantile International L.L.C.	68.7	Wholesale and retail of consumer goods	UAE
Maritime & Mercantile International Holding L.L.C.	100.0	Holding company	UAE
Emirates Leisure Retail Holding L.L.C.	100.0	Holding company	UAE
Emirates Leisure Retail L.L.C.	68.7	Food and beverage operations	UAE
Emirates Leisure Retail (Oman) L.L.C.	70.0	Food and beverage operations	Oman
Emirates Leisure Retail (Singapore) Pte Ltd.	100.0	Food and beverage operations	Singapore
Emirates Leisure Retail (Australia) Pty Ltd.	100.0	Food and beverage operations	Australia
Emirates Hotel L.L.C.	100.0	Hotel operations	UAE
Emirates Hotels (Australia) Pty Ltd.	100.0	Hotel operations	Australia
Emirates Flight Catering Company L.L.C.	90.0	In-flight and institutional catering	UAE
Principal joint ventures			
Emirates-CAE Flight Training L.L.C.	50.0	Flight simulator training	UAE
Premier Inn Hotels L.L.C.	51.0	Hotel operations	UAE
CAE Flight Training (India) Private Ltd.	50.0	Flight simulator training	India
CAE Middle East Holdings Limited	50.0	Holding company	UAE
Independent Wine and Spirit (Thailand) Company Limited	49.0	Wholesale and retail of consumer goods	Thailand

The investment in CAE Middle East Holdings Limited was made during the previous year and the investment in Independent Wine and Spirit (Thailand) Company Limited was acquired during the previous year.

Premier Inn Hotels L.L.C. and Independent Wine and Spirit (Thailand) Company Limited are subject to joint control and are therefore accounted for as jointly controlled entities.

Movement of investments in associated companies and joint ventures

	2013 AED m	2012 AED m
Balance brought forward	**430**	**386**
Investments during the year	29	10
Acquisition	—	13
Share of results	127	103
Dividends	(102)	(83)
Currency translation differences	1	1
Balance carried forward	**485**	**430**

The carrying value of the investments in associates amounted to AED 99 m (2012: AED 91 m) and the share of results amounted to AED 78 m (2012: AED 71 m).

Summarised financial information in respect of the associates is set out below:

	2013 AED m	2012 AED m
Total assets	383	390
Total liabilities	90	112
Net assets	293	278
Revenue	602	572
Profit for the year	185	169

Summarised financial information in respect of Emirates' share in jointly controlled entities is set out below:

	2013 AED m	2012 AED m
Non-current assets	660	588
Current assets	117	82
Non-current liabilities	311	278
Current liabilities	80	53
Total income	256	176
Total expense	207	144

13. Advance lease rentals

	2013 AED m	2012 AED m
Balance brought forward	**474**	**480**
Additions during the year	617	93
Charge for the year	(127)	(99)
Balance carried forward	**964**	**474**
Advance lease rentals will be charged to the consolidated income statement as follows:		
Within one year (Note 16)	**157**	**104**
Total over one year	**807**	**370**

Advance lease rentals are non-refundable in the event of the related lease being terminated prior to its expiry.

Advance lease rentals include AED 311 m (2012: Nil) paid to a company under common control.

14. Loans and other receivables

	2013 AED m	2012 AED m
Related parties (Note 36)	349	784
Other receivables	62	62
	411	**846**
Prepayments	97	71
	508	**917**
The amounts (excluding prepayments) are receivable as follows:		
Between 2 and 5 years	401	831
After 5 years	10	15
	411	**846**
Loans and other receivables (excluding prepayments) are denominated in the following currencies:		
UAE Dirhams	65	64
US Dollars	318	747
Others	28	35

The fair value of loans and other receivables (excluding prepayments) amounts to AED 411 m (2012: AED 851 m). Fair value is determined by discounting projected cash flows using the interest rate yield curve for the remaining term to maturity and currencies based on credit spreads applicable at the end of each reporting period.

The maximum exposure to credit risk at the reporting date is the carrying value of the loans and other receivables. At the end of the reporting period, loans and other receivables were neither past due nor impaired.

15. Inventories

	2013 AED m	2012 AED m
Engineering	604	577
In-flight consumables	554	551
Consumer goods	262	217
Other	144	124
	1,564	**1,469**

In-flight consumables include AED 256 m (2012: AED 286 m) relating to items which are not expected to be consumed within twelve months after the reporting period.

16. Trade and other receivables

	2013 AED m	2012 AED m
Trade receivables—net of provision	5,005	4,332
Related parties (Note 36)	1,239	2,226
Prepayments	1,224	1,045
Advance lease rentals (Note 13)	157	104
Operating lease and other deposits	814	767
Other receivables	813	569
	9,252	**9,043**
Less: Receivables over one year (Note 14)	(508)	(917)
	8,744	**8,126**

The impairment charge on trade receivables recognised in the consolidated income statement during the year mainly relates to ticketing agents who are in unexpected difficult economic situations and are unable to meet their obligations under the IATA agency programme. This charge is included in operating costs. Amounts charged to the provision account are written off when there is no expectation of further recovery.

Movements in the provision for impairment of trade receivables are as follows:

	2013 AED m	2012 AED m
Balance brought forward	**135**	**122**
Charge for the year	51	66
Unused amounts reversed	(53)	(42)
Amounts written off as uncollectible	(11)	(9)
Currency translation differences	(4)	(2)
Balance carried forward	**118**	**135**

The other classes of trade and other receivables do not contain impaired assets.

The maximum exposure to credit risk of trade and other receivables at the reporting date is the carrying value of each class of receivables.

Ageing of receivables that are past due but not impaired is as follows:

	2013 AED m	2012 AED m
Below 3 months	196	292
3-6 months	29	41
Above 6 months	150	104
	375	**437**

17. Capital

Capital represents the permanent capital of Emirates.

18. Other reserves

	Cash flow hedge reserve AED m	Translation reserve AED m	Total AED m
1 April 2011	**(661)**	**96**	**(565)**
Currency translation differences	—	(9)	(9)
Loss on fair value of cash flow hedges	(476)	—	(476)
Transferred to the consolidated income statement	217	—	217
31 March 2012	**(920)**	**87**	**(833)**
Currency translation differences	—	9	9
Loss on fair value of cash flow hedges	(138)	—	(138)
Transferred to the consolidated income statement	194	—	194
31 March 2013	**(864)**	**96**	**(768)**

The amounts transferred to the consolidated income statement have been (debited)/credited to the following line items:

	2013 AED m	2012 AED m
Revenue	22	103
Operating costs	(11)	(29)
Finance costs	(205)	(291)
	(194)	**(217)**

19. Borrowings and lease liabilities

	2013 AED m	2012 AED m
Non-current		
Bonds (Note 20)	9,954	5,933
Term loans (Note 21)	764	914
Lease liabilities (Note 22)	24,765	19,996
	35,483	**26,843**
Current		
Bonds (Note 20)	2,371	2,020
Term loans (Note 21)	151	145
Lease liabilities (Note 22)	2,516	1,867
Bank overdrafts (Note 32)	4	5
	5,042	**4,037**
	40,525	**30,880**

	2013 AED m	2012 AED m
Borrowings and lease liabilities are denominated in the following currencies:		
UAE Dirhams	3,487	2,530
US Dollars	36,592	27,912
Singapore Dollars	444	438
Others	2	—

The effective interest rate per annum on lease liabilities and term loans was 2.9% (2012: 2.9%) and on bonds was 3.8% (2012: 3.4%).

20. Bonds

	2013 AED m	2012 AED m
Balance brought forward	**7,968**	**5,020**
Additions during the year	6,428	3,673
Repayments during the year	(2,020)	(744)
Currency translation differences	6	19
Balance carried forward	**12,382**	**7,968**
Less: Transaction costs	(57)	(15)
	12,325	**7,953**
Bonds are repayable as follows:		
Within one year (Note 19)	**2,371**	**2,020**
Between 2 and 5 years	6,394	5,933
After 5 years	3,560	—
Total over one year (Note 19)	**9,954**	**5,933**
Bonds are denominated in the following currencies:		
Fixed interest rate bonds		
Singapore Dollars	444	438
US Dollars	10,101	3,673
	10,545	**4,111**
Floating interest rate bonds		
UAE Dirhams	1,837	1,837
US Dollars	—	2,020
	1,837	**3,857**
	12,382	**7,968**
Less: Transaction costs	(57)	(15)
	12,325	**7,953**

Contractual repricing dates for the floating interest rate bonds are set at six month intervals.

USD bonds include AED 3,673 m raised during the year from an Islamic ‘sukuk’ (bond) to finance aircraft and related assets. The Islamic ‘sukuk’ (bond) amounting to AED 2,020 m settled during the year was previously raised to finance the construction of certain buildings.

	2013 AED m	2012 AED m
The fair values of the bonds are as follows:		
Fixed interest rate bonds		
Singapore Dollars	455	405
US Dollars	10,198	3,802
	10,653	**4,207**
Floating interest rate bonds		
UAE Dirhams	1,831	1,784
US Dollars	—	2,018
	1,831	**3,802**
	12,484	**8,009**

The fair value of the bonds with fixed interest rates is based on listed prices. The fair value of the other bonds is determined by discounting projected cash flows using the interest rate yield curve for the remaining term to maturities and currencies adjusted for credit spread.

21. Term loans

	2013 AED m	2012 AED m
Balance brought forward	**1,070**	**1,161**
Additions during the year	—	50
Repayments during the year	(145)	(141)
Balance carried forward	**925**	**1,070**
Less: Transaction costs	(10)	(11)
	915	**1,059**
Loans are repayable as follows:		
Within one year (Note 19)	**151**	**145**
Between 2 and 5 years	412	481
After 5 years	352	433
Total over one year (Note 19)	**764**	**914**

	2013 AED m	2012 AED m
Loans are denominated in the following currencies:		
UAE Dirhams	106	175
US Dollars	809	884

Contractual repricing dates are set at three to six month intervals. Term loans amounting to AED 814 m (2012: AED 895 m) are secured on aircraft, aircraft engines and parts.

The fair value of the term loans amounts to AED 903 m (2012: AED 1,045 m). The fair value is determined by discounting projected cash flows using the interest rate yield curve for the remaining term to maturities and currencies adjusted for credit spread.

22. Lease liabilities

Finance leases

	2013 AED m	2012 AED m
Gross lease liabilities:		
Within one year	3,274	2,481
Between 2 and 5 years	13,275	10,413
After 5 years	15,591	13,453
	32,140	**26,347**
Future interest	(4,859)	(4,484)
Present value of finance lease liabilities	**27,281**	**21,863**
The present value of finance lease liabilities is repayable as follows:		
Within one year (Note 19)	**2,516**	**1,867**
Between 2 and 5 years	10,716	8,039
After 5 years	14,049	11,957
Total over one year (Note 19)	**24,765**	**19,996**

	2013 AED m	2012 AED m
The present value of finance lease liabilities are denominated in the following currencies:		
US Dollars	25,737	21,348
UAE Dirhams	1,544	515

The lease liabilities are secured on the related aircraft and aircraft engines.

The fair value of lease liabilities amounts to AED 26,738 m (2012: AED 21,297 m). The fair value is determined by discounting projected cash flows using the interest rate yield curve for the remaining term to maturities and currencies adjusted for credit spread.

Operating leases

	2013 AED m	2012 AED m
Future minimum lease payments are as follows:		
Aircraft fleet	44,983	32,497
Others	2,054	2,276
	47,037	**34,773**
Within one year	6,696	5,148
Between 2 and 5 years	23,247	18,317
After 5 years	17,094	11,308
	47,037	**34,773**

In the event of the aircraft leases being terminated prior to their expiry, penalties are payable. Had these leases been cancelled at 31 March 2013, the penalties would have been AED 280 m (2012: AED 459 m).

Emirates is entitled to extend certain aircraft leases for a further period of one to six years at the end of the initial lease period. Further, Emirates is entitled to purchase nine out of one hundred and twenty eight (2012: thirteen out of one hundred and thirteen) aircraft under these leases.

In addition, Emirates has five (2012: nine) Boeing aircraft contracted on operating leases for delivery between April 2013 and March 2016.

23. Provisions

	2013 AED m	2012 AED m
Retirement benefit obligations (Note 24)	769	631
Provision for maintenance (Note 25)	1,161	719
	1,930	**1,350**

24. Retirement benefit obligations

In accordance with the provisions of IAS 19, management has carried out an exercise to assess the present value of its defined benefit obligations at 31 March 2013, in respect of employees' end of service benefits payable under relevant local regulations and contractual arrangements. The assessment assumed expected salary increases averaging 4.5% (2012: 5.0%) and a discount rate of 4.0% (2012: 5.0%) per annum. The present values of the defined benefit obligations at 31 March 2013 were computed using the actuarial assumptions set out above.

The liabilities recognised in the consolidated statement of financial position are:

	2013 AED m	2012 AED m
Funded scheme		
Present value of defined benefit obligations	1,508	1,251
Less: Fair value of plan assets	(1,493)	(1,236)
	15	**15**
Unfunded scheme		
Present value of defined benefit obligations	**754**	**616**
Liability recognised in the consolidated statement of financial position	**769**	**631**

(i) Funded scheme

Senior employees based in the UAE participate in a defined benefit provident scheme to which Emirates contributes a specified percentage of basic salary based upon the employee's grade and duration of service. Amounts contributed are invested in a trustee administered scheme and accumulate along with returns earned on investments. Contributions are made on a monthly basis irrespective of fund performance and are not pooled, but are separately identifiable and attributable to each participant. The fund comprises a diverse mix of managed funds and investment decisions are controlled directly by the participating employees.

Benefits receivable under the provident scheme are subject to vesting rules, which are dependent upon a participating employee's length of service. If at the time an employee leaves employment, the accumulated vested amount, including investment returns, is less than the end of service benefits that would have been payable to that employee under relevant local regulations, Emirates pays the shortfall amount directly to the employee. However, if the accumulated vested amount exceeds the end of service benefits that would have been payable to an employee under relevant local regulations, the employee receives between seventy five and one hundred percent of their fund balance. Vested assets of the scheme are not available to Emirates or its creditors in any circumstances.

The liability of AED 15 m (2012: AED 15 m) represents the amount that will not be settled from plan assets and is calculated as the excess of the present value of the defined benefit obligation for an individual employee over the fair value of the employee's plan assets at the end of the reporting period.

The movement in the fair value of the plan assets are as follows:

	2013 AED m	2012 AED m
Balance brought forward	**1,236**	**1,087**
Contributions received	233	195
Benefits paid	(47)	(55)
Change in fair value	71	9
Balance carried forward	**1,493**	**1,236**

Contributions received include the transfer of accumulated benefits from unfunded schemes. Emirates expects to contribute approximately AED 250 m for existing plan members during the year ending 31 March 2014.

Actuarial gains and losses and expected return on plan assets are not calculated given that investment decisions relating to plan assets are under the direct control of participating employees.

(ii) Unfunded schemes

End of service benefits for employees who do not participate in the provident scheme or other defined contribution plans follow relevant local regulations, which are mainly based on periods of cumulative service and levels of employees' final basic salaries. The liability recognised in the consolidated statement of financial position is the present value of the defined benefit obligation at the end of the reporting period.

The movement in the defined benefit obligation is as follows:

	2013 AED m	2012 AED m
Balance brought forward	**616**	**467**
Current service cost	98	65
Interest cost	28	20
Actuarial losses	70	116
Payments made during the year	(58)	(52)
Balance carried forward	**754**	**616**

Payments made during the year include the transfer of accumulated benefits to Emirates' funded scheme.

The cumulative amount of actuarial losses recognised in other comprehensive income is AED 277 m (2012: AED 207 m).

The total amount recognised in the consolidated income statement is as follows:

	2013 AED m	2012 AED m
Defined benefit plan		
Funded scheme		
Contributions expensed	221	188
Net change in the present value of defined benefit obligations over plan assets	—	3
	221	**191**
Unfunded scheme		
Current service cost	98	65
Interest cost	28	20
	126	**85**
Defined contribution plan		
Contributions expensed	**163**	**154**
Recognised in the consolidated income statement	**510**	**430**

25. Provision for maintenance

Movements in the provision for maintenance are as follows:

	2013 AED m
Balance brought forward	**757**
Charge for the year	397
Used during the year	(6)
Unwinding of discount	85
Balance carried forward	**1,233**

The provision is expected to be used as follows:

	2013 AED m
Within one year (Note 29)	**72**
Over one year (Note 23)	**1,161**

26. Deferred revenue

	2013 AED m	2012 AED m
Balance brought forward	**1,989**	**1,722**
Additions during the year	1,647	1,330
Recognised during the year	(1,029)	(1,063)
Balance carried forward	**2,607**	**1,989**
Deferred revenue will be recognised as follows:		
Within one year	**1,147**	**915**
Over one year	**1,460**	**1,074**

Deferred revenue relates to the frequent flyer programme and represents the fair value of outstanding award credits. Revenue is recognised when Emirates fulfills its obligations by supplying free or discounted goods or services on the redemption of the award credits.

Deferred revenue is classified within current and non-current liabilities based on the expected redemption patterns.

27. Deferred credits

	2013 AED m	2012 AED m
Balance brought forward	**486**	**537**
Net additions during the year	42	97
Recognised during the year	(147)	(148)
Balance carried forward	**381**	**486**
Deferred credits will be recognised as follows:		
Within one year	**87**	**136**
Over one year	**294**	**350**

28. Deferred income tax

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes relate to the same income tax authority. The analysis of the deferred tax asset and the deferred tax liability is as follows:

	2013 AED m	2012 AED m
Deferred income tax asset	**15**	**10**
The movement in the deferred income tax account is as follows:		
Balance brought forward	**10**	**(2)**
Credited to the consolidated income statement (Note 8)	4	12
Currency translation differences	1	—
Balance carried forward	**15**	**10**

The deferred income tax asset is on account of unused tax losses and is recognised to the extent that the realisation of the related tax benefit through future taxable profit is probable.

A deferred tax asset has not been recognised in respect of carried forward tax losses amounting to AED 1,882 m (2012: AED 1,869 m).

29. Trade and other payables

	2013 AED m	2012 AED m
Trade payables and accruals	13,514	9,764
Related parties (Note 36)	513	622
Passenger and cargo sales in advance	10,483	9,458
Provision for maintenance (Note 25)	72	38
Dividend payable	700	—
	25,282	**19,882**
Less: Payables over one year	(269)	—
	25,013	**19,882**

The carrying value of trade and other payables over one year approximate their fair value.

30. Commitments

Capital commitments

	2013 AED m	2012 AED m
Authorised and contracted:		
Aircraft fleet	141,660	163,489
Non-aircraft	4,969	2,021
Joint ventures	39	116
	146,668	**165,626**
Authorised but not contracted:		
Non-aircraft	5,184	4,683
Joint ventures	25	30
	5,209	**4,713**
	151,877	**170,339**

Commitments have been entered into for the purchase of aircraft for delivery as follows (Note 10):

Financial year	Aircraft
2013 – 2014	23
Beyond 2013 – 2014	170

In addition, options are held on fifty Airbus and twenty Boeing aircraft.

Operational commitments

	2013 AED m	2012 AED m
Sales and marketing	3,191	1,881

31. Guarantees

	2013 AED m	2012 AED m
Performance bonds and letters of credit provided by bankers in the normal course of business	365	370

32. Short term bank deposits and cash and cash equivalents

	2013 AED m	2012 AED m
Bank deposits	20,361	14,284
Cash and bank	4,211	1,303
Cash and bank balances	**24,572**	**15,587**
Less: Short term bank deposits—over 3 months	(18,048)	(8,055)
Cash and cash equivalents as per the consolidated statement of financial position	**6,524**	**7,532**
Bank overdraft (Note 19)	(4)	(5)
Cash and cash equivalents as per the consolidated statement of cash flows	**6,520**	**7,527**

Cash and bank balances earned an effective interest rate of 2.6% (2012: 2.6%) per annum.

33. Cash outflow on property, plant and equipment

For the purposes of the consolidated statement of cash flows, cash outflow on property, plant and equipment is analysed as follows:

	2013 AED m	2012 AED m
Payments for property, plant and equipment	13,259	13,561
Less: Assets acquired under finance leases	(7,486)	(6,761)
	5,773	**6,800**

34. Derivative financial instruments

Description	2013		2012	
	Term	AED m	Term	AED m
Cash flow hedge				
Non-current assets				
Currency swaps and forwards	2013-2017	92	2012-2017	69
		92		**69**
Current assets				
Currency swaps and forwards		67		8
		67		**8**
Cash flow hedge				
Non-current liabilities				
Interest rate swaps	2013-2023	(961)	2012-2023	(830)
Currency swaps and forwards	2013-2016	(55)	2012-2016	(127)
		(1,016)		**(957)**
Current liabilities				
Interest rate swaps		(1)		(1)
Currency swaps and forwards		(5)		(39)
		(6)		**(40)**

The notional principal amounts outstanding are:

	2013 AED m	2012 AED m
Interest rate contracts	11,107	11,715
Currency contracts	3,244	4,082

The full fair value of the derivative instrument is classified as non-current if the remaining maturity of the hedged item is more than 12 months as at the end of the reporting period.

Net losses on account of terminated currency derivatives amounting to AED 8 m (2012: AED 3 m) will enter into the determination of profit between 2013 and 2017.

The maximum exposure to credit risk at the reporting date is the fair value of the derivative assets in the consolidated statement of financial position.

35. Classification of financial instruments

The accounting policies for financial instruments have been applied to the line items below:

Description	Loans and receivables	Derivative financial instruments	Financial liabilities at amortised cost	Total
	AED m	AED m	AED m	AED m
2012				
Assets				
Loans and other receivables (excluding prepayments)	846	—	—	846
Derivative financial instruments	—	77	—	77
Trade and other receivables (excluding prepayments and advance lease rentals)	7,048	—	—	7,048
Short term bank deposits	8,055	—	—	8,055
Cash and cash equivalents	7,532	—	—	7,532
Total	**23,481**	**77**	**—**	**23,558**
Liabilities				
Borrowings and lease liabilities	—	—	30,880	30,880
Provision for maintenance	—	—	757	757
Trade and other payables (excluding passenger and cargo sales in advance and other non financial liabilities)	—	—	9,669	9,669
Derivative financial instruments	—	997	—	997
Total	**—**	**997**	**41,306**	**42,303**

Description	Loans and receivables	Derivative financial instruments	Financial liabilities at amortised cost	Total
	AED m	AED m	AED m	AED m
2013				
Assets				
Loans and other receivables (excluding prepayments)	411	—	—	411
Derivative financial instruments	—	159	—	159
Trade and other receivables (excluding prepayments and advance lease rentals)	7,460	—	—	7,460
Short term bank deposits	18,048	—	—	18,048
Cash and cash equivalents	6,524	—	—	6,524
Total	**32,443**	**159**	**—**	**32,602**
Liabilities				
Borrowings and lease liabilities	—	—	40,525	40,525
Provision for maintenance	—	—	1,233	1,233
Trade and other payables (excluding passenger and cargo sales in advance and other non financial liabilities)	—	—	14,104	14,104
Derivative financial instruments	—	1,022	—	1,022
Total	**—**	**1,022**	**55,862**	**56,884**

Financial instruments held at fair value by level of fair value hierarchy

The levels of fair value hierarchy are defined as follows:

Level 1 : Measurement is made by using quoted prices (unadjusted) from active market.

Level 2 : Measurement is made by means of valuation methods with parameters derived directly or indirectly from observable market data.

Level 3 : Measurement is made by means of valuation methods with parameters not based exclusively on observable market data.

Derivative financial instruments fall into Level 2 of the fair value hierarchy.

36. Related party transactions

The following transactions were carried out with related parties:

	2013 AED m	2012 AED m
Trading transactions:		
(i) Sale of goods and services		
Sale of goods—Associates	56	46
Sale of goods—Companies under common control	11	9
Sale of goods—Joint ventures	12	—
Services rendered—Companies under common control	81	59
Services rendered—Joint ventures	11	11
	171	**125**
(ii) Purchase of goods and services		
Purchase of goods—Associates	194	165
Purchase of goods—Companies under common control	4,288	3,793
Services received—Companies under common control	2,472	2,019
Services received—Joint ventures	15	14
	6,969	**5,991**
Other transactions:		
(i) Finance income		
Joint ventures	6	7
Companies under common control	59	69
	65	**76**
(ii) Compensation to key management personnel		
Salaries and short term employee benefits	98	96
Post-employment benefits	15	15
	113	**111**

	2013 AED m	2012 AED m
Year end balances		
(i) Receivables—sale of goods and services		
Associates	26	20
Joint ventures	2	3
Companies under common control	79	2
	107	**25**
(ii) Receivables—other transactions		
Joint ventures	18	6
Companies under common control	488	776
	506	**782**
Receivable within one year	**345**	**466**
Receivable over one year (Note 14)	**161**	**316**

The amounts outstanding at year end are unsecured and will be settled in cash. No impairment charge has been recognised during the year in respect of amounts owed by related parties.

	2013 AED m	2012 AED m
(iii) Payables—purchase of goods and services (Note 29)		
Associates	26	29
Companies under common control	487	570
	513	**599**
(iv) Other payables (Note 29)		
Parent company	—	23
(v) Loans		
Joint ventures	65	83
Companies under common control	556	1,331
	621	**1,414**
Movement in the loans were as follows:		
Balance brought forward	**1,414**	**1,158**
Additions during the year	312	608
Repayments during the year	(1,103)	(346)
Currency translation differences	(2)	(6)
Balance carried forward	**621**	**1,414**
Receivable within one year	**436**	**948**
Receivable over one year (Note 14)	**185**	**466**

The effective interest rate on the loans was 4.5% (2012: 3.8%) per annum.

Receivables from and loans to companies under common control relate to government entities, which are unrated. Management is of the opinion that the amounts are fully recoverable.

In addition to the above, Emirates has also entered into transactions with other government controlled entities in the normal course of business. The amounts involved are, both individually and in aggregate, not significant.

	2013 AED m	2012 AED m
(vi) Loans and advances to key management personnel		
Balance brought forward	**5**	**4**
Additions during the year	4	6
Repayments during the year	(4)	(5)
Balance carried forward	**5**	**5**
Receivable within one year	**2**	**3**
Receivable over one year (Note 14)	**3**	**2**

Loans and advances are interest free and repayable over a period up to sixty months. Emirates has the right to recover outstanding loans and advances against the final dues payable to the employees.

37. Financial risk management

Financial risk factors

Emirates is exposed to a variety of financial risks which involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Emirates' aim is, therefore, to achieve an appropriate balance between risk and return and minimise potential adverse effects on Emirates' financial performance.

Emirates' risk management procedures are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information. Emirates regularly reviews its risk management procedures and systems to reflect changes in markets, products and emerging best practice. Emirates uses derivative financial instruments to hedge certain risk exposures.

A risk management programme is carried out under procedures that are approved by a steering group comprising of senior management. Identification, evaluation and hedging financial risks is done in close cooperation with the operating units. Senior management is also responsible for the review of risk management and the control environment. The various financial risk elements are discussed below.

(i) Credit risk

Emirates is exposed to credit risk, which is the risk that the counterparty will cause a financial loss to Emirates by failing to discharge an obligation. Financial assets that potentially subject Emirates to credit risk consist principally of deposits with banks and other financial institutions, derivative counterparties as well as receivables from agents selling commercial air transportation. Emirates uses external ratings such as Standard & Poor's and Moody's or their equivalent in order to measure and monitor its credit risk exposures to financial institutions. In the absence of independent ratings, credit quality is assessed based on the counterparty's financial position, past experience and other factors.

Emirates manages limits and controls concentrations of risk wherever they are identified. In the normal course of business, Emirates places significant deposits with high credit quality banks and financial institutions. Transactions with derivative counterparties are similarly limited to high credit quality financial institutions. Exposure to credit risk is also managed through regular analysis of the ability of counterparties and potential counterparties to meet their obligations and by changing their limits where appropriate. Approximately 48% (2012: 27%) of short term bank deposits and cash and cash equivalents are held with financial institutions under common control. Approximately 93% (2012: 89%) of cash and bank balances are held with financial institutions based in the UAE.

The sale of passenger and cargo transportation is largely achieved through International Air Transport Association (IATA) approved sales agents. All IATA agents have to meet a minimum financial criteria applicable to their country of operation to remain accredited. Adherence to the financial criteria is monitored on an ongoing basis by IATA through their Agency Programme. The credit risk associated with such sales agents is relatively small owing to a broad diversification.

Other receivables mainly include advances to employees, VAT receivables and interest accruals on bank deposits. Emirates has the right to recover outstanding employee advances against the final dues payable to the employees.

The table below presents an analysis of short term bank deposits and bank balances by rating agency designation at the end of the reporting period based on Standard & Poor's ratings or its equivalent for Emirates' main banking relationships:

	2013 AED m	**2012 AED m**
AA- to AA+	2	489
A- to A+	9,519	13,872
BBB+	13,784	
Lower than BBB+	1	866

(ii) Market risk

Emirates is exposed to market risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk—jet fuel price risk, currency risk and interest rate risk.

Jet fuel price risk

Emirates is exposed to volatility in the price of jet fuel and closely monitors the actual cost against the forecast cost. To manage the price risk, Emirates utilises commodity futures and options to achieve a level of control over higher jet fuel costs so that profitability is not adversely affected. Hedging activity during the year was not significant.

Currency risk

Emirates is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises due to exchange rate fluctuations between the UAE Dirham and other currencies generated from Emirates revenue earning and borrowing activities. Long term debt obligations are mainly denominated in UAE Dirhams, the functional currency or in US Dollars to which the UAE Dirham is pegged. Currency exposure exists on the Singapore Dollar bond, the summarised quantitative data for which is available in Note 20. Senior management monitors currency positions on a regular basis.

Emirates is in a net payer position with respect to the US Dollar and in a net surplus position for other currencies. Currency surpluses are converted to US Dollar and UAE Dirham funds. Currency risks arise mainly from Emirates' revenue earning activities in Pounds Sterling, Euro, Australian Dollars, Japanese Yen, Indian Rupees, Chinese Yuan and South African Rand. Currency risks are hedged using forwards and options, as appropriate, as well as by way of a natural hedge between foreign currency inflows and outflows.

Emirates is also subject to the risk that countries in which it may earn revenues may impose restrictions or prohibition on the export of those revenues. Emirates seeks to minimise this risk by repatriating surplus funds to the UAE on a monthly basis. Cash and cash equivalents for the current year include AED 529 m (2012: AED 217 m) held in a country where exchange controls and other legal restrictions apply.

Interest rate risk

Emirates is exposed to the effects of fluctuations in the prevailing levels of interest rates on borrowings and investments. Exposure arises from interest rate fluctuations in the international financial markets with respect to interest cost on its long term debt obligations, operating lease rentals and interest income on its cash surpluses. The key reference rates based on which interest costs are determined are LIBOR, EIBOR for UAE Dirhams and SIBOR for Singapore Dollars. Summarised quantitative data is available in Note 19 for interest cost exposures.

Borrowings taken at variable rates expose Emirates to cash flow interest rate risk while borrowings issued at fixed rates expose Emirates to fair value interest rate risk. Emirates targets a balanced portfolio approach, whilst nevertheless taking advantage of opportune market movements, by hedging around half of its net interest rate exposure going forward, using appropriate hedging solutions including interest swaps. Variable rate debt and cash surpluses are mainly denominated in UAE Dirhams and US Dollars.

Sensitivity analysis of market risk

The following sensitivity analysis, relating to existing financial instruments, shows how profit and equity would change if the market risk variables had been different at the end of the reporting period with all other variables held constant and has been computed on the basis of assumptions and indices used and considered by other market participants.

	2013		2012	
	Effect on profit	Effect on equity	Effect on profit	Effect on equity
	AED m	AED m	AED m	AED m
Interest cost				
- 25 basis points				
UAE Dirhams	9	9	2	2
US Dollars	33	(97)	30	(95)
Others	—	(1)	—	(3)
	42	**(89)**	**32**	**(96)**
+ 25 basis points				
UAE Dirhams	(9)	(9)	(2)	(2)
US Dollars	(33)	97	(30)	95
Others	—	1	—	3
	(42)	**89**	**(32)**	**96**

	2013		2012	
	Effect on profit	Effect on equity	Effect on profit	Effect on equity
	AED m	AED m	AED m	AED m
Interest income				
- 25 basis points	(15)	(15)	(10)	(10)
+ 25 basis points	15	15	10	10
Currency—Pounds Sterling				
+1%	6	2	2	(2)
-1%	(6)	(2)	(2)	2
Currency—Euro				
+1%	3	(4)	3	(2)
-1%	(3)	4	(3)	2
Currency—Australian Dollars				
+1%	1	(2)	4	(5)
-1%	(1)	2	(4)	5
Currency—Japanese Yen				
+1%	—	(3)	—	(4)
-1%	—	3	—	4
Currency—Singapore Dollars				
+1%	(4)	(4)	(4)	(4)
-1%	4	4	4	4

(iii) Liquidity risk

Liquidity risk is the risk that Emirates is unable to meet its payment obligations associated with its financial liabilities when they fall due and to replace funds when they are withdrawn.

Emirates liquidity management process as monitored by the senior management, includes the following:

- Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met. This includes replenishment of funds as they mature. Emirates maintains diversified credit lines to enable this to happen.
- Maintaining rolling forecasts of Emirates' liquidity position on the basis of expected cash flows.
- Monitoring liquidity ratios against internal standards.
- Maintaining debt financing plans.
- Entering into stand-by credit facility arrangements.

Sources of liquidity are regularly reviewed by senior management to maintain a diversification by geography, provider, product and term.

Summarised below in the table is the maturity profile of financial liabilities and net-settled derivative financial liabilities based on the remaining period at the end of reporting period to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

	Less than 1 year	2 - 5 years	Over 5 years	Total
	AED m	AED m	AED m	AED m
2013				
Borrowings and lease liabilities	6,303	21,492	19,829	47,624
Derivative financial instruments	223	748	28	999
Provision for maintenance	73	694	986	1,753
Trade and other payables (excluding passenger and cargo sales in advance and other non financial liabilities)	13,835	269	—	14,104
	20,434	**23,203**	**20,843**	**64,480**

	Less than 1 year	2 - 5 years	Over 5 years	Total
	AED m	AED m	AED m	AED m
2012				
Borrowings and lease liabilities	4,950	17,672	13,917	36,539
Derivative financial instruments	241	655	7	903
Provision for maintenance	39	123	991	1,153
Trade and other payables (excluding passenger and cargo sales in advance and other non financial liabilities)	9,669	—	—	9,669
	14,899	**18,450**	**14,915**	**48,264**

38. Capital management

Emirates' objective when managing capital is to safeguard its ability to continue as a going concern in order to provide returns for its Owner and to maintain an optimal capital structure to reduce the cost of capital.

Emirates monitors the return on Owner's equity, which is defined as the profit attributable to the Owner expressed as a percentage of average Owner's equity. Emirates seeks to provide a better return to the Owner by borrowing and taking aircraft on operating leases to meet its growth plans. In 2013, Emirates achieved a return on Owner's equity funds of 10.4% (2012: 7.2%) in comparison to an effective interest rate of 3.1% (2012: 3.0%) on borrowings.

Emirates also monitors capital on the basis of a gearing ratio which is calculated as the ratio of borrowings and lease liabilities, net of cash to total equity. In 2013, this ratio is 69.3% (2012: 71.2%) and if aircraft operating leases are included, the ratio is 186.4% (2012: 162.1%).

INDEPENDENT AUDITOR'S REPORT TO THE OWNER OF EMIRATES

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Emirates and its subsidiaries (together referred to as "Emirates"), which comprise the consolidated statement of financial position as of 31 March 2012 and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Emirates as of 31 March 2012, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

PricewaterhouseCoopers 2 May 2012

/originally signed by/
Warwick Hunt
Registered Auditor Number 643
Dubai, United Arab Emirates

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2012

	Note	2012 AED m	2011 AED m
Revenue	4	61,508	52,945
Other operating income	5	779	1,286
Operating costs	6	(60,474)	(48,788)
Operating profit		**1,813**	**5,443**
Other gains and losses	7		(4)
Finance income	8	414	521
Finance costs	8	(657)	(506)
Share of results in associates and joint ventures	13	103	91
Profit before income tax		**1,673**	**5,545**
Income tax expense	9	(53)	(78)
Profit for the year		**1,620**	**5,467**
Profit attributable to non-controlling interests		**118**	**92**
Profit attributable to Emirates' Owner		**1,502**	**5,375**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2012

	Note	2012 AED m	2011 AED m
Profit for the year		**1,620**	**5,467**
Currency translation differences	19	(9)	38
Cash flow hedges	19	(259)	(282)
Actuarial losses on retirement benefit obligations	24	(116)	(57)
Other comprehensive income		**(384)**	**(301)**
Total comprehensive income for the year		**1,236**	**5,166**
Total comprehensive income attributable to non-controlling interests		**118**	**92**
Total comprehensive income attributable to Emirates' Owner		**1,118**	**5,074**

Notes 1 to 39 form an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2012

	Note	2012 AED m	2011 AED m
ASSETS			
Non-current assets			
Property, plant and equipment	11	49,198	39,848
Intangible assets	12	902	901
Investments in associates and joint ventures	13	430	386
Advance lease rentals	14	370	384
Loans and other receivables	15	917	1,704
Derivative financial instruments	33	69	—
Deferred income tax asset	27	10	—
		51,896	**43,223**
Current assets			
Inventories	16	1,469	1,290
Trade and other receivables	17	8,126	6,481
Derivative financial instruments	33	8	123
Short term bank deposits	31	8,055	3,777
Cash and cash equivalents	31	7,532	10,196
		25,190	**21,867**
Total assets		**77,086**	**65,090**
EQUITY AND LIABILITIES			
Capital and reserves			
Capital	18	801	801
Retained earnings		21,256	20,370
Other reserves	19	(833)	(565)
Attributable to Emirates' Owner		**21,224**	**20,606**
Non-controlling interests		**242**	**207**
Total equity		**21,466**	**20,813**
Non-current liabilities			
Borrowings and lease liabilities	20	26,843	20,502
Retirement benefit obligations	24	631	479
Deferred revenue	25	1,074	930
Deferred credits	26	350	401
Deferred income tax liability	27	—	2
Trade and other payables	28	—	31
Derivative financial instruments	33	957	642
		29,855	**22,987**
Current liabilities			
Trade and other payables	28	20,601	17,551
Income tax liabilities		36	22
Borrowings and lease liabilities	20	4,037	2,728
Deferred revenue	25	915	792
Deferred credits	26	136	136
Derivative financial instruments	33	40	61
		25,765	**21,290**
Total liabilities		**55,620**	**44,277**
Total equity and liabilities		**77,086**	**65,090**

Notes 1 to 39 form an integral part of the consolidated financial statements.

The consolidated financial statements were approved on 2 May 2012 and signed by:

Sheikh Ahmed bin Saeed Al-Maktoum
Chairman and Chief Executive

Timothy Clark
President

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARTH 2012

	Attributable to Emirates' Owner					
	Capital AEDm	Other reserves AEDm	Retained earnings AEDm	Total AEDm	Non-controlling interests AEDm	Total equity AEDm
1 April 2010—as reported earlier	801	(321)	16,794	17,274	201	17,475
Effect of change in accounting policy (Note 38)	—	—	(34)	(34)	—	(34)
1 April 2010—as restated	801	(321)	16,760	17,240	201	17,441
Currency translation differences	—	38	—	38	—	38
Cash flow hedges	—	(282)	—	(282)	—	(282)
Actuarial losses on retirement benefit obligations	—	—	(57)	(57)	—	(57)
Other comprehensive income	**—**	**(244)**	**(57)**	**(301)**	**—**	**(301)**
Profit for the year	—	—	5,375	5,375	92	5,467
Total comprehensive income for the year	**—**	**(244)**	**5,318**	**5,074**	**92**	**5,166**
Dividends	—	—	(1,708)	(1,708)	(86)	(1,794)
Transactions with owners	**—**	**—**	**(1,708)**	**(1,708)**	**(86)**	**(1,794)**
31 March 2011	**801**	**(565)**	**20,370**	**20,606**	**207**	**20,813**
Currency translation differences	—	(9)	—	(9)	—	(9)
Cash flow hedges	—	(259)	—	(259)	—	(259)
Actuarial losses on retirement benefit obligations	—	—	(116)	(116)	—	(116)
Other comprehensive income	**—**	**(268)**	**(116)**	**(384)**	**—**	**(384)**
Profit for the year	—	—	1,502	1,502	118	1,620
Total comprehensive income for the year	**—**	**(268)**	**1,386**	**1,118**	**118**	**1,236**
Dividends	—	—	(500)	(500)	(83)	(583)
Transactions with owners	**—**	**—**	**(500)**	**(500)**	**(83)**	**(583)**
31 March 2012	**801**	**(833)**	**21,256**	**21,224**	**242**	**21,466**

Notes 1 to 39 form an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2012

	2012 AED m	2011 AED m
Operating activities		
Profit before income tax	1,673	5,545
Adjustments for:		
Depreciation and amortisation (Note 6)	4,134	3,677
Finance costs—net (Note 8)	243	(15)
Gain on sale of property, plant and equipment	(52)	(454)
Gain on sale of available-for-sale investments (Note 5)		(195)
Gain on sale of associate		(15)
Share of results in associates and joint ventures (Note 13)	(103)	(91)
Net provision for impairment of trade receivables (Note 17)	24	42
Provision for employee benefits (Note 6)	430	371
Change in fair value of derivative financial instruments at fair value through profit or loss	—	4
Net movement on derivative financial instruments	27	(40)
Employee benefit payments	(394)	(347)
Income tax paid	(82)	(77)
Change in inventories	(179)	(204)
Change in receivables and advance lease rentals	(738)	133
Change in payables, deferred credits and deferred revenue	3,124	2,670
Net cash generated from operating activities	**8,107**	**11,004**
Investing activities		
Proceeds from sale of property, plant and equipment	223	3,241
Additions to intangible assets (Note 12)	(83)	(49)
Additions to property, plant and equipment (Note 32)	(6,800)	(6,504)
Investments in associates and joint ventures (Note 13)	(23)	—
Proceeds from sale of investments in associates and joint ventures (Note 13)	—	82
Proceeds from sale of available-for-sale investments	—	195
Movement in short term bank deposits	(4,278)	(2,601)
Interest income	312	451
Dividends from associates and joint ventures (Note 13)	83	93
Net cash used in investing activities	**(10,566)**	**(5,092)**
Financing activities		
Proceeds from bonds and loans	3,706	979
Repayment of bonds and loans	(885)	(2,077)
Aircraft financing costs	(500)	(412)
Other finance charges	(40)	(59)
Repayment of lease liabilities	(1,899)	(1,083)
Dividend paid	(500)	(2,308)
Dividend paid to non-controlling shareholders	(83)	(86)
Net cash used in financing activities	**(201)**	**(5,046)**
Net (decrease) / increase in cash and cash equivalents	**(2,660)**	**866**
Cash and cash equivalents at beginning of year	10,187	9,322
Effects of exchange rate changes	—	(1)
Cash and cash equivalents at end of year (Note 31)	**7,527**	**10,187**

Notes 1 to 39 form an integral part of the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

1. General information

Emirates comprises Emirates and its subsidiaries. Emirates was incorporated, with limited liability, by an Emiri Decree issued by H. H. Sheikh Maktoum bin Rashid Al-Maktoum on 26 June 1985 and is wholly owned by the Investment Corporation of Dubai, a Government of Dubai entity. Emirates commenced commercial operations on 25 October 1985 and is designated as the International Airline of the UAE.

Emirates is incorporated and domiciled in Dubai, UAE. The address of its registered office is Emirates Group Headquarters, PO Box 686, Dubai, UAE.

The main activities of Emirates comprise:

- commercial air transportation which includes passenger, cargo and postal carriage services
- wholesale and retail of consumer goods
- in-flight and institutional catering
- hotel operations

2. Summary of significant accounting policies

A summary of the significant accounting policies, which have been applied consistently in the preparation of these consolidated financial statements, is set out below.

Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRIC interpretations. The consolidated financial statements are prepared under the historical cost convention except for those financial assets and financial liabilities that are measured at fair value as stated in the accounting policies below.

Standards, interpretations and amendments to published standards that are not yet effective, have not been early adopted and are relevant to Emirates' operations

At the date of authorisation of these consolidated financial statements, certain new standards, interpretations and amendments to the existing standards have been published that are mandatory for accounting periods commencing after 1 April 2012 or later periods, but have not been early adopted. Management is currently assessing the following standards, interpretations and amendments which are likely to have an impact on Emirates' operations:

- IAS 1 (revised), Presentation of Financial Statements (effective from 1 July 2012)
- IAS 19 (revised), Employee Benefits (effective from 1 January 2013)
- IAS 28 (revised), Investments in Associates and Joint Ventures (effective from 1 January 2013)
- IFRS 10, Consolidated Financial Statements (effective from 1 January 2013)
- IFRS 11, Joint Arrangements (effective from 1 January 2013)
- IFRS 12, Disclosure of Interest in Other Entities (effective from 1 January 2013)
- IFRS 13, Fair value Measurement (effective from 1 January 2013)
- IFRS 9, Financial Instruments (effective from 1 January 2015)

Basis of consolidation

Subsidiaries are those entities (including special purpose entities) in which Emirates has the power to govern the entity's operating and financial policies generally accompanying a shareholding of more than one half of the voting rights. Subsidiaries are consolidated from the date on which control is transferred to Emirates and are de-consolidated from the date that control ceases. Inter-company transactions, balances and unrealised gains and losses arising on transactions between Emirates and subsidiaries are eliminated.

The acquisition method of accounting is used to account for the acquisition of subsidiaries. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred and the liabilities incurred to the former owners of the acquiree. Acquisition-related costs are expensed as incurred. Identifiable assets, including intangible assets acquired, liabilities and contingent liabilities incurred or assumed in a business combination, are measured initially at their fair values at the acquisition date. Any non-controlling interest in the acquiree is recognised on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Associates are those entities in which Emirates has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for by applying the equity method and include goodwill (net of accumulated impairment loss, if any) identified on acquisition.

Joint ventures are contractual arrangements which establish joint control. Investments in jointly controlled entities are accounted for by applying the equity method.

All material unrealised gains and losses arising on transactions between Emirates and its associates and joint ventures are eliminated to the extent of Emirates' interest.

Accounting policies of subsidiaries, associates and joint ventures have been changed where necessary to ensure consistency with Emirates' accounting policies.

When control or significant influence ceases, the retained interest in the entity is remeasured to fair value as at that date, with the change in the carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the related assets or liabilities have been directly disposed of. This could result in amounts previously recognised in other comprehensive income being reclassified to profit or loss. If the ownership in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss.

Revenue

Passenger and cargo sales are recognised as revenue when the transportation is provided. Revenue documents (e.g. tickets or airway bills) sold but unused are held in the consolidated statement of financial position under current liabilities as passenger and cargo sales in advance. Unused flight documents are recognised as revenue based on their terms and conditions and historical trends.

Revenue from sale of goods is recognised when risks and rewards of ownership are transferred to the customer and are stated net of discounts and returns. Other revenue is recognised net of discounts when services are rendered.

Interest income is recognised on a time proportion basis using the effective interest method.

Liquidated damages

Income from claims for liquidated damages is recognised in the consolidated income statement when a contractual entitlement exists, amounts can be reliably measured and receipt is virtually certain. When such claims do not relate to a compensation for loss of income or towards incremental operating costs, the amounts are taken to the consolidated statement of financial position and recorded as a reduction in the cost of the related asset.

Foreign currency translation

Emirates' consolidated financial statements are presented in UAE Dirhams (AED), which is also the parent company's functional currency. Subsidiaries determine their own functional currency and items included in the financial statements of these companies are measured using that functional currency.

Foreign currency transactions are translated into the functional currency at the exchange rates prevailing at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing at the end of the reporting period. The resultant foreign exchange gains and losses, other than those on qualifying cash flow hedges deferred in other comprehensive income, are recognised in the consolidated income statement.

Income and cash flow statements of subsidiaries are translated into UAE Dirhams at average exchange rates for the year that approximate the cumulative effect of rates prevailing on the transaction dates and their assets and liabilities are translated at the exchange rates ruling at the end of reporting period. The resulting exchange differences are recognised in other comprehensive income.

Share of results in associates and joint ventures are translated into UAE Dirhams at average exchange rates for the year. Translation differences relating to investments in subsidiaries, associates, joint ventures and monetary assets and liabilities that form part of a net investment in a foreign operation, are recognised in other comprehensive income. When investments in subsidiaries, associates or joint ventures are disposed of, the translation differences held in equity are recognised in the consolidated income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the exchange rates prevailing at the end of reporting period.

Emissions liability

Under the European Union Emissions Trading Scheme ("ETS") regulations, effective 1 January 2012, airlines with flights originating or landing in the European Union member states must monitor their CO_2 emissions, annually report them and are obliged every year to return an amount of emission allowances to the government that is equivalent to their CO_2 emissions in that year. Emirates is allocated an initial emission allowance free of charge under the scheme and has an obligation to return any excess emission over the free allowance through the purchase of additional allowances. An expense is recognised on actual usage and is measured on the basis of the estimated weighted average cost expected to be incurred for the annual reporting period under the ETS.

Taxation

The tax expense for the period comprises current and deferred tax.

Taxation is provided for as and when the liability arises except where management is of the opinion that exemption from such liability will ultimately be granted by the relevant authorities in the countries concerned.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Also deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill in a business combination. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted at the end of reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation. Cost consists of purchase cost, together with any incidental expenses of acquisition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow and the cost can be measured reliably. Repairs and maintenance are charged to the consolidated income statement during the period in which they are incurred.

Land is not depreciated. Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their cost, less estimated residual values, over the estimated useful lives of the assets or the lease term, if shorter.

The estimated useful lives and residual values are:

Aircraft—new	15 years (residual value 10%)
Aircraft—used	5 = 8 years (residual value 10 = 20%)
Aircraft engines and parts	5 = 15 years (residual value 0 = 10%)
Buildings	15 = 20 years
Other property, plant and equipment	3 = 15 years or over the lease term, if shorter

Major overhaul expenditure is depreciated over the shorter of the period to the next major overhaul, the remaining lease term or the useful life of the asset concerned.

The residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An impairment review is carried out whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. When the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its estimated recoverable amount and is reviewed at the end of each reporting period for possible reversal of the impairment loss. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

Capital projects are stated at cost. When the asset is ready for its intended use, it is transferred from capital projects to the appropriate category under property, plant and equipment and depreciated.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are recognised in the consolidated income statement.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of the assets until such time the assets are substantially ready for their intended use. Where funds are borrowed specifically for the purpose of obtaining a qualifying asset, any investment income earned on temporary surplus funds is deducted from borrowing costs eligible for capitalisation. In the case of general borrowings, a capitalisation rate, which is the weighted average rate of general borrowing costs, is applied to the expenditure on qualifying assets and included in the cost of the asset.

All other borrowing costs are recognised as an expense when incurred.

Manufacturers' credits

Emirates receives credits from manufacturers in connection with the acquisition of certain aircraft and engines. Depending on their nature, these credits are either recorded as a reduction to the cost of the related aircraft and engines or reduced from ongoing operating expenses. Where the aircraft are held under operating leases, these credits are deferred and reduced from the operating lease rentals on a straight-line basis over the period of the related lease as deferred credits.

Finance and operating leases

Where property, plant and equipment have been financed by lease agreements under which substantially all of the risks and rewards incidental to ownership are transferred to Emirates, they are classified as finance leases. Finance leases are capitalised at the commencement of the lease at the lower of the present value of the minimum lease payments or the fair value of the leased asset. The corresponding lease obligations are included under liabilities. Lease payments are treated as consisting of capital and interest elements. The interest element is charged to the consolidated income statement over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Property, plant and equipment acquired under finance leases are depreciated in accordance with Emirates' policies.

Leases, where a significant portion of risks and rewards of ownership are retained by the lessor, are classified as operating leases. Lease rental charges, including advance rentals in respect of operating leases, are charged to the consolidated income statement on a straight-line basis over the period of the lease.

Profits arising on sale and leaseback transactions resulting in operating leases are recognised in the consolidated income statement to the extent that the sale proceeds do not exceed the fair value of the assets concerned. Any excess of sale proceeds over the fair value is accounted for as deferred credit and amortised over the lease term. In the case of profits arising on sale and leaseback transactions resulting in finance leases, the excess of sale proceeds over the carrying amount is deferred and amortised over the lease term.

Lease classification is made at the inception of the lease. Lease classification is changed only if, at any time during the lease, the parties to the lease agreement agree to change the provisions of the lease (without renewing it) in a way that it would have been classified differently at inception had the changed terms been in effect at that time.

The revised agreement is considered as a new agreement and accounted for prospectively over the remaining term of the lease.

Goodwill

Goodwill represents the excess of the consideration transferred over the fair value of the share of the net identifiable assets at the date of acquisition.

Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate a potential impairment and is carried at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill is allocated to cash generating units or group of cash generating units that are expected to benefit from the business combination in which the goodwill arose. An impairment loss is recognised when the carrying value of the cash generating unit exceeds its recoverable amount. Impairment losses on goodwill are not reversed.

Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Other intangible assets

Intangible assets are capitalised at cost only when future economic benefits are probable. Cost includes the purchase price together with any directly attributable expenditure.

An impairment review is carried out whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. When the carrying amount of an intangible asset is greater than its estimated recoverable amount, it is written down immediately to its estimated recoverable amount and is reviewed at the end of each reporting period for possible reversal of the impairment loss. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

Intangible assets are amortised on a straight-line basis over their estimated useful lives which are:

Service rights	15 years
Trade names	20 years
Contractual rights	15 years
Computer software	5 years

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated in this category or not classified as loans and receivables, held-to-maturity financial assets or financial assets at fair value through profit or loss. Such investments are initially recognised in the consolidated statement of financial position on the trade date at fair value including transaction costs. Assets in this category are included in non-current assets unless management intends to dispose of the investment within 12 months from the end of reporting period. The investments are derecognised when rights to receive cash flows have expired or have been transferred along with substantially all the risks and rewards of ownership.

Quoted investments are subsequently measured at their fair value based on quoted bid prices.

Unrealised gains and losses arising from a change in fair value are recognised in other comprehensive income until the investment is sold or impaired, at which time the cumulative gain or loss previously recognised in equity is included in the consolidated income statement.

At the end of each reporting period, an assessment is made whether there is any objective evidence of impairment. In such instances, the cumulative loss—measured as the difference between the acquisition cost and the current fair value, less impairment loss previously recognised in the consolidated income statement—is reclassified from equity to the consolidated income statement.

Held-to-maturity financial assets

Non-derivative financial assets with fixed or determinable payments and fixed maturity that management has the intent and ability to hold to maturity are recognised in the consolidated statement of financial position on the trade date as held-to-maturity financial assets. Such investments are initially recognised at fair value including transaction costs and are carried at amortised cost using the effective interest method. The investments are derecognised when rights to receive cash flows have expired or have been transferred along with substantially all the risks and rewards of ownership.

At the end of each reporting period, an assessment is made whether there is any objective evidence of impairment. Where necessary, the carrying amount is written down through the consolidated income statement to the present value of expected future cash flows discounted at the effective interest rate computed at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such amounts are initially recognised at fair value including transaction costs and carried at amortised cost using the effective interest method. The amounts are derecognised when rights to receive cash flows have expired or have been transferred along with substantially all the risks and rewards of ownership.

At the end of each reporting period, an assessment is made whether there is any objective evidence of impairment. Where necessary, the carrying amount is written down through the consolidated income statement to the present value of expected future cash flows discounted at the effective interest rate computed at initial recognition.

Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. Derivatives are designated either as a hedge of the fair value of a recognised asset or liability or of a firm commitment (fair value hedge) or a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge). Fair values are obtained from quoted market prices or dealer quotes for similar instruments, discounted cash flow models and option pricing models as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

Emirates' criteria to account for a derivative financial instrument as a hedge include:

- formal documentation of the hedging instruments, hedged items, hedging objective, strategy and basis of measuring effectiveness all of which are prepared prior to applying hedge accounting; and
- documentation showing that the hedge effectiveness is assessed on an ongoing basis and is determined to have been highly effective in offsetting the risk of the hedged item throughout the reporting period.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges and that are highly effective are recorded in the consolidated income statement, along with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. This accounting treatment is discontinued when the fair value hedging instrument expires or is sold, terminated or exercised, or the hedge no longer meets the criteria for hedge accounting.

Changes in the fair value of derivatives that are designated and qualify as cash flow hedges and that prove to be highly effective in relation to the hedged risk, are recognised in other comprehensive income. When the forecasted transaction results in the recognition of an asset or of a liability, the gains and losses previously deferred in equity are transferred from equity and recognised in profit or loss in the same period during which the asset or liability affects profit or loss. In all other cases, amounts deferred in equity are transferred to the consolidated income statement in the period during which the forecasted transaction affects the consolidated income statement and are presented in the same line item as the gains and losses from hedged items.

When a cash flow hedging instrument expires or is sold, terminated or exercised, or when a hedge no longer meets the criteria for hedge accounting under IAS 39, any cumulative gain or loss existing in equity at that time is retained in equity and is ultimately recognised in the consolidated income statement when the forecasted transaction occurs. If a forecasted transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the consolidated income statement. The gain or loss on the ineffective portion is recognised in the consolidated income statement.

Changes in the fair value of derivative instruments that do not qualify for hedge accounting are recognised immediately in the consolidated income statement.

Inventories

Inventories are stated at the lower of cost and estimated net realisable value. Cost is determined on the weighted average cost basis with the exception of consumer goods inventory which is determined on a first-in-first-out basis.

Trade receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Where there is objective evidence of amounts that are not collectible, a provision is made for the difference between the carrying amount and the present value of the estimated future cash flows, discounted at the original effective interest rate.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost with any difference between the proceeds (net of transaction costs) and the redemption value recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

Retirement benefit obligations

Emirates operates or participates in various end of service benefit plans, which are classified either as defined contribution or defined benefit plans.

A defined contribution plan is a pension scheme under which Emirates pays fixed contributions and has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to settle the benefits relating to the employees service in the current and prior periods. Contributions to the pension fund are charged to the consolidated income statement in the period in which they fall due.

A defined benefit plan is a plan which is not a defined contribution plan. The liability recognised in the consolidated statement of financial position for a defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets at that date. The defined benefit obligation is calculated by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting estimated future cash outflows using market yields at the end of the reporting period of high quality corporate bonds that have terms to maturity approximating to the estimated term of the post-employment benefit obligations.

Actuarial gains and losses arising from changes in actuarial assumptions and experience adjustments are recognised in equity through other comprehensive income in the period in which they arise.

Frequent flyer programme

Emirates operates a frequent flyer programme that provides a variety of awards to programme members based on a mileage credit for flights on Emirates and other airlines that participate in the programme. Members can also accrue miles by utilising the services of non-airline programme participants.

Emirates accounts for award credits as a separately identifiable component of the sales transaction in which they are granted. The consideration in respect of the initial sale is allocated to award credits based on their fair value and is accounted for as a liability (deferred revenue) in the consolidated statement of financial position. The fair value is determined using estimation techniques that take into account the fair value of awards for which miles could be redeemed. Miles accrued through utilising the services of programme partners and paid for by the participating partners are also accounted for as deferred revenue until they are utilised. In these instances, a liability is not recognised for miles that are expected to expire.

Revenue is recognised in the consolidated income statement only when Emirates fulfils its obligations by supplying free or discounted goods or services on redemption of the miles accrued.

Trade payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial assets and financial liabilities

Financial assets are derecognised only when the contractual rights to the cash flows expire or substantially all the risks and rewards of ownership are transferred along with the contractual rights to receive cash flows. Financial liabilities are derecognised only when they are extinguished, *i.e.*, when the obligations specified in the contract are discharged or cancelled or expire.

Cash and cash equivalents

Cash and cash equivalents comprise cash, liquid funds with an original maturity of three months or less. Other bank deposits with maturity less than a year are classified as short term bank deposits. Bank overdrafts are shown within current borrowings and lease liabilities in the consolidated statement of financial position.

Dividend distribution

Dividend distribution to Emirates' Owner is recognised as a liability in the consolidated financial statements in the period in which the dividends are approved.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

3. Critical accounting estimates and judgements

In the preparation of the consolidated financial statements, a number of estimates and associated assumptions have been made relating to the application of accounting policies and reported amounts of assets, liabilities, income and expense. The estimates and associated assumptions are assessed on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The following discussion addresses the accounting policies that require subjective and complex judgements, often as a result of the need to make estimates.

Depreciation of property, plant and equipment

Management assigns useful lives and residual values to property, plant and equipment based on the intended use of assets and the economic lives of those assets. Subsequent changes in circumstances such as technological advances or prospective utilisation of the assets concerned could result in the actual useful lives or residual values differing from initial estimates. Management has reviewed the residual values and useful lives of major items of property, plant and equipment and determined that no adjustment is necessary.

Taxation

Income tax liabilities are not provided for when management is of the opinion that exemption from income tax will ultimately be granted by the relevant authorities in the concerned jurisdictions. In making its judgement, management considers the status of discussions with the relevant authorities in different countries, the existence of reciprocal exemptions or of a memorandum of understanding. The resolution of issues is not always within the control of management and is often dependent upon external parties. When, due to a change in circumstances, it is unlikely that a tax exemption will be obtained, the income tax liability is fully provided for on a conservative basis until a resolution is reached or the final tax outcome is determined.

Frequent flyer programme

Emirates accounts for award credits as a separately identifiable component of the sales transaction in which they are granted. The consideration in respect of the initial sale is allocated to award credits based on their fair value and is accounted as a liability (deferred revenue) in the consolidated statement of financial position.

Estimation techniques are used to determine the fair value of mile credits and reflect the weighted average of a number of factors, *i.e.,* fare per sector, flight upgrades and partner rewards. A rolling 12 month historical trend forms the basis of the calculations. Adjustments to the fair value of miles are also made for miles not expected to be redeemed by members and the extent to which the demand for an award cannot be met for the dates requested.

A level of judgement is exercised by management due to the diversity of inputs that go into determining the fair value of miles. It is also difficult to present the sensitivity of a change in the value of one or set of the inputs given the complexity of the workings.

4. Revenue

	2012 AED m	2011 AED m
Services		
Passenger	48,950	41,415
Cargo	9,546	8,803
Excess baggage	332	293
Destination and leisure	245	226
Hotel operations	155	148
Others	263	286
	59,491	**51,171**
Sale of goods		
Consumer goods	1,081	957
In-flight catering	482	395
Food and beverage	454	422
	2,017	**1,774**
	61,508	**52,945**

5. Other operating income

Other operating income includes AED 194 m (2011: AED 209 m) from liquidated damages, AED 69 m (2011: AED 479 m) being the gain on sale and leaseback of aircraft, aircraft engines and parts, AED Nil (2011: AED 195 m) being the gain on sale of available-for-sale financial assets, AED Nil (2011: AED 5 m) being net foreign exchange gain and income from ancilliary services and activities incidental to Emirates' operations is AED 516 m (2011: AED 398 m).

6. Operating costs

	2012 AED m	2011 AED m
Jet fuel	24,292	16,820
Employee (see (a) below)	7,936	7,615
Aircraft operating leases (see (b) below)	4,788	4,317
Depreciation (Note 11)	4,053	3,600
Sales and marketing	4,023	3,862
Handling	3,584	3,137
In-flight catering and related costs	2,836	2,305
Overflying	1,878	1,620
Office accommodation and IT costs	1,450	1,281
Aircraft maintenance	1,296	1,030
Landing and parking	1,128	974
Cost of goods sold	926	839
Amortisation (Note 12)	81	77
Corporate overheads (see (c) below)	2,203	1,311
	60,474	**48,788**

(a) Employee costs include AED 430 m (2011: AED 371 m) in respect of post-employment benefits and AED Nil (2011: AED 770 m) in respect of an employee profit share scheme.

(b) Aircraft operating lease charges include AED 361 m (2011: AED 433 m) in respect of "wet" leases of freighter aircraft.

(c) Corporate overheads include non-aircraft operating lease charges amounting to AED 474 m (2011: AED 451 m) and a net foreign exchange loss of AED 356 m (2011: Nil).

7. Other gains and losses

Other gains and losses represent changes in the fair value of financial instruments at fair value through profit and loss. As part of its programme of managing jet fuel costs, Emirates uses certain derivatives that do not qualify for hedge accounting.

8. Finance income and costs

	2012 AED m	2011 AED m
Finance income		
Interest income on short term bank deposits	336	448
Related parties (Note 35)	76	68
Other finance income	2	5
	414	**521**
Finance costs		
Aircraft financing costs	(559)	(444)
Interest charges on borrowings	(95)	(59)
Other finance costs	(3)	(3)
	(657)	**(506)**

Finance costs of AED 209 m (2011: AED 84 m) were capitalised during the year using a weighted average capitalisation rate of 4.1% (2011: 2.4%).

9. Income tax expense

	2012 AED m	2011 AED m
The components of income tax expense are:		
Current tax expense	65	80
Deferred tax credit (Note 27)	(12)	(2)
	53	**78**

Emirates has secured tax exemptions by virtue of double taxation agreements and airline reciprocal arrangements in most of the jurisdictions in which it operates. Therefore, the income tax expense relates only to certain overseas stations where Emirates is subject to income tax. Providing information on effective tax rates is therefore not meaningful.

10. Segment information

Emirates' management monitors the operating results of its business units for the purpose of making decisions about resource allocation and performance assessment. The airline business unit, which provides commercial air transportation including passenger and cargo services, is the main reportable segment.

The in-flight catering operation qualifies as a reportable segment in the current year. Prior year numbers are restated for comparative purposes.

Other segments include wholesale and retail of consumer goods, food and beverage operations and hotel operations. As none of these segments meet the quantitative thresholds for determining reportable segments under IFRS 8, Operating segments, these are categorised as "all other segments".

The performance of airline, in-flight catering and other segments is evaluated based on net profit or loss and is measured consistently with profit for the year in the consolidated financial statements.

Segment revenue is measured in a manner consistent with that in the consolidated income statement, with the exception of notional revenues from staff leave passage and duty travel which are included in total segment revenue under the airline segment but adjusted against operating costs when preparing the consolidated financial statements. This adjustment is presented in the reconciliation. The breakdown of revenue from external customers by nature of business activity is provided in Note 4.

Segment assets include inter-segment loans and receivables, which are eliminated on consolidation. This consolidation adjustment is represented in the reconciliation.

The segment information for the year ended 31 March 2012 is as follows:

	Airline AED m	In-flight catering AED m	All other segments AED m	Recon-ciliation AED m	Total AED m
Total segment revenue	59,596	1,733	1,596	(124)	62,801
Inter-segment revenue		1,251	42		1,293
Revenue from external customers	59,596	482	1,554	(124)	61,508
Segment profit for the year	1,176	301	143		1,620
Finance income	438	4	1	(29)	414
Finance costs	(651)	(6)	29	(29)	(657)
Income tax expense	(93)	—	40	—	(53)
Depreciation and amortisation	(3,949)	(68)	(117)	—	(4,134)
Share of results in associates and joint ventures			103		103
Segment assets	71,908	1,789	4,385	(996)	77,086
Investments in associates and joint ventures			430		430
Additions to property, plant and equipment	12,955	120	486	—	13,561
Additions to intangible assets	79	—	4	—	83
Additions to advance lease rentals	93	—	—	—	93

The segment information for the year ended 31 March 2011 is as follows:

	Airline AED m	In-flight catering AED m	All other segments AED m	Recon-ciliation AED m	Total AED m
Total segment revenue	51,261	1,351	1,449	(124)	53,937
Inter-segment revenue	—	956	36	—	992
Revenue from external customers	51,261	395	1,413	(124)	52,945
Segment profit for the year	4,939	252	276		5,467
Finance income	540	5	3	(27)	521
Finance costs	(497)	(9)	27	(27)	(506)
Income tax expense	(76)	—	(2)	—	(78)
Depreciation and amortisation	(3,509)	(62)	(106)	—	(3,677)
Share of results in associates and joint ventures	—	—	91	—	91
Segment assets	60,611	1,448	3,899	(868)	65,090
Investments in associates and joint ventures	—	—	386	—	386
Additions to property, plant and equipment	11,787	51	351	—	12,189
Additions to intangible assets	44	—	5	—	49
Additions to advance lease rentals	262	—	—	—	262

Geographical information

	2012 AED m	2011 AED m
Revenue from external customers:		
East Asia and Australasia	18,227	15,503
Europe	17,058	14,433
West Asia and Indian Ocean	7,083	6,405
Americas	6,696	5,518
Gulf and Middle East	6,314	5,488
Africa	6,130	5,598
	61,508	**52,945**

Revenue from inbound and outbound airline operations between the UAE and the overseas point are attributed to the geographical area in which the respective overseas points are located. Revenue from other segments are reported based upon the geographical area in which sales are made or services are rendered.

The major revenue earning asset is the aircraft fleet, which is registered in the UAE. Since the aircraft fleet is deployed flexibly across Emirates' route network, providing information on non-current assets by geographical areas is not considered meaningful.

No single external customer contributes 10% or more of Emirates' revenues.

11. Property, plant and equipment

	Aircraft AED m	Aircraft engines and parts AED m	Land and buildings AED m	Other property, plant and equipment AED m	Capital projects AED m	Total AED m
Cost						
1 April 2010	21,866	3,546	6,167	7,219	4,215	43,013
Additions	487	393	13	1,488	9,808	12,189
Transfer from capital projects	5,901	222	378	428	(6,929)	—
Disposals / write off	(3,275)	(783)	(162)	(787)	—	(5,007)
Currency translation differences	—	—	51	10	(1)	60
31 March 2011	**24,979**	**3,378**	**6,447**	**8,358**	**7,093**	**50,255**
Depreciation						
1 April 2010	3,723	1,152	1,216	3,169	—	9,260
Charge for the year	1,535	200	302	1,563	—	3,600
Disposals / write off	(1,307)	(441)	(162)	(548)	—	(2,458)
Currency translation differences	—	—	3	2	—	5
31 March 2011	**3,951**	**911**	**1,359**	**4,186**	**—**	**10,407**
Net book amount						
31 March 2011	**21,028**	**2,467**	**5,088**	**4,172**	**7,093**	**39,848**

	Aircraft AED m	Aircraft engines and parts AED m	Land and buildings AED m	Other property, plant and equipment AED m	Capital projects AED m	Total AED m
Cost						
1 April 2011	24,979	3,378	6,447	8,358	7,093	50,255
Additions	—	201	16	1,629	11,715	13,561
Transfer from capital projects	8,069	312	970	408	(9,759)	
Disposals / write off	(459)	(23)	(1)	(586)	—	(1,069)
Currency translation differences	—	—	3	1	(5)	(1)
31 March 2012	**32,589**	**3,868**	**7,435**	**9,810**	**9,044**	**62,746**
Depreciation						
1 April 2011	3,951	911	1,359	4,186		10,407
Charge for the year	1,698	211	349	1,795		4,053
Disposals / write off	(345)	(16)	(1)	(552)		(914)
Currency translation differences				2		2
31 March 2012	5,304	1,106	1,707	5,431		13,548
Net book amount						
31 March 2012	**27,285**	**2,762**	**5,728**	**4,379**	**9,044**	**49,198**

The net book amount of property, plant and equipment includes AED 25,479 m (2011: AED 19,497 m) in respect of aircraft held under finance leases.

The net book amount of aircraft, aircraft engines and parts includes an amount of AED 1,125 m (2011: AED 1,209 m) in respect of assets provided as security against term loans.

Land of AED 306 m (2011: AED 306 m) is carried at cost and is not depreciated.

Property, plant and equipment includes capitalised interest amounting to AED 209 m (2011: AED 84 m) using a weighted average capitalisation rate of 4.1% (2011: 2.4%).

Capital projects include pre-delivery payments of AED 6,165 m (2011: AED 4,995 m) in respect of aircraft (Note 29) due for delivery between 2012 and 2024.

12. Intangible assets

	Goodwill AED m	Service rights AED m	Trade names AED m	Contractual names AED m	Computer software AED m	Total AED m
Cost						
1 April 2010	564	162	19	19	496	1,260
Additions	—	—	—	5	44	49
Disposals / write off	—	—	—	—	(1)	(1)
Currency translation differences	—	—	—	3	—	3
31 March 2011	**564**	**162**	**19**	**27**	**539**	**1,311**
Amortisation and impairment						
1 April 2010	7	55	1	1	269	333
Amortisation for the year	—	10	1	2	64	77
Disposals / write off	—	—	—	—	(1)	(1)
Currency translation differences	—	—	—	1	—	1
31 March 2011	**7**	**65**	**2**	**4**	**332**	**410**
Net book value						
31 March 2011	**557**	**97**	**17**	**23**	**207**	**901**

	Goodwill AED m	Service rights AED m	Trade names AED m	Contractual names AED m	Computer software AED m	Total AED m
Cost						
1 April 2011	564	162	19	27	539	1,311
Additions	—	—	—	—	83	83
Disposals / write off	—	—	—	—	(1)	(1)
31 March 2012	564	162	19	27	621	1,393
Amortisation and impairment						
1 April 2011	7	65	2	4	332	410
Amortisation for the year	—	11	1	2	67	81
31 March 2012	7	76	3	6	399	491
Net book value						
31 March 2012	**557**	**86**	**16**	**21**	**222**	**902**

Computer software includes an amount of AED 80 m (2011: AED 52 m) in respect of projects under implementation.

For the purpose of testing goodwill for impairment, the recoverable amounts for cash generating units have been determined on the basis of value-in-use calculations using cash flow forecasts approved by management covering a three year period. The key assumptions used in the value-in-use calculations include a risk adjusted pre-tax discount rate, growth rates based on management's expectations for market development and historical gross margins. The growth rate does not exceed the long term average growth rate for the markets in which the cash generating units operate. The goodwill allocated to the cash generating unit, or group of cash generating units, and the key assumptions used in the value-in-use calculations are as follows:

Cash generating unit	Location	Reportable segment	Goodwill 2012 AED m	Goodwill 2011 AED m	Gross margin %	Terminal growth %	Discount rate %
Consumer goods	UAE	Others	159	159	25	4	12
In-flight catering	UAE	In-flight catering	369	369	35	4	12
Food and beverages	UAE	Others	25	25	21	3	10
Food and beverages	Australia	Others	4	4	20	3	12
			557	557			

13. Investments in subsidiaries, associates and joint ventures

	Percentage of equity owned	Principal activities	Country of incorporation and principal operations
Principal subsidiaries			
Maritime & Mercantile International L.L.C.	68.7	Wholesale and retail of consumer goods	UAE
Maritime & Mercantile International Holding L.L.C.	100.0	Holding company	UAE
Emirates Leisure Retail Holding L.L.C.	100.0	Holding company	UAE
Emirates Leisure Retail L.L.C.	68.7	Food and beverage operations	UAE
Emirates Leisure Retail (Oman) L.L.C.	70.0	Food and beverage operations	Oman
Emirates Leisure Retail (Singapore) Pte Ltd.	100.0	Food and beverage operations	Singapore
Emirates Leisure Retail (Australia) Pty Ltd.	100.0	Food and beverage operations	Australia
Emirates Hotel L.L.C.	100.0	Hotel operations	UAE
Emirates Hotels (Australia) Pty Ltd.	100.0	Hotel operations	Australia
Emirates Flight Catering Company L.L.C.	90.0	In-flight and institutional catering	UAE

Principal associates

The investment in Alpha Flight Services Pty Ltd. was sold during the previous year.

Principal joint ventures

Emirates-CAE Flight Training L.L.C.	50.0	Flight simulator training	UAE
Premier Inn Hotels L.L.C.	51.0	Hotel operations	UAE
CAE Flight Training (India) Private Ltd.	50.0	Flight simulator training	India
CAE Middle East Holdings Limited	50.0	Holding company	UAE
Independent Wine and Spirit (Thailand) Company Limited	49.0	Wholesale and retail of consumer goods	Thailand

The investment in CAE Middle East Holdings Limited was made during the year and the investment in Independent Wine and Spirit (Thailand) Company Limited was acquired during the year.

Premier Inn Hotels L.L.C. and Independent Wine and Spirit (Thailand) Company Limited are subject to joint control and therefore accounted for as jointly controlled entities.

Movement of investments in associated companies and joint ventures

	2012 AED m	2011 AED m
Balance brought forward	**386**	**461**
Investments during the year	10	—
Acquisition	13	—
Share of results	103	91
Dividends	(83)	(93)
Currency translation differences	1	9
Disposal during the year		(82)
Balance carried forward	**430**	**386**

The carrying value of the investments in associates amounted to AED 91 m (2011: AED 91 m) and the share of results amounted to AED 71 m (2011: AED 76 m).

Summarised financial information in respect of the associates is set out below:

	2012 AED m	2011 AED m
Total assets	390	382
Total liabilities	112	114
Net assets	278	268
Revenue	572	938
Profit for the year	169	176

Summarised financial information in respect of Emirates' share in jointly controlled entities is set out below:

	2012 AED m	2011 AED m
Non-current assets	588	550
Current assets	82	74
Non-current liabilities	278	274
Current liabilities	53	55
Total income	176	135
Total expense	144	120

14. Advance lease rentals

	2012 AED m	2011 AED m
Balance brought forward	**480**	**283**
Additions during the year	93	262
Charge for the year	(99)	(65)
Balance carried forward	**474**	**480**
Advance lease rentals will be charged to the consolidated income statement as follows:		
Within one year (Note 17)	**104**	**96**
Total over one year	**370**	**384**

Advance lease rentals are non-refundable in the event of the related lease being terminated prior to its expiry.

15. Loans and other receivables

	2012 AED m	2011 AED m
Related parties (Note 35)	784	1,558
Other receivables	62	65
	846	**1,623**
Prepayments	71	81
The amounts (excluding prepayments) are receivable as follows:	**917**	**1,704**
Between 2 and 5 years	831	1,596
After 5 years	15	27
Loans and other receivables (excluding prepayments) are denominated in the following currencies:	**846**	**1,623**
UAE Dirhams	64	55
US Dollars	747	1,523
Others	35	45

The fair value of loans and receivables amounts to AED 851 m (2011: AED 1,623 m). Fair value is determined by discounting projected cash flows using the interest rate yield curve for the remaining term to maturity and currencies based on credit spreads applicable at the end of each reporting period.

The maximum exposure to credit risk at the reporting date is the carrying value of the loans and other receivables. At the end of the reporting period, loans and other receivables were neither past due nor impaired.

16. Inventories

	2012 AED m	2011 AED m
Engineering	577	548
In-flight consumables	551	454
Consumer goods	217	186
Other	124	102
	1,469	**1,290**

In-flight consumables include AED 286 m (2011: AED 239 m) relating to items which are not expected to be consumed within twelve months after the reporting period.

17. Trade and other receivables

	2012 AED m	2011 AED m
Trade receivables—net of provision	4,332	3,487
Related parties (Note 35)	2,226	1,977
Prepayments	1,045	1,026
Advance lease rentals (Note 14)	104	96
Operating lease and other deposits	767	905
Other receivables	569	694
	9,043	**8,185**
Less: Receivables over one year (Note 15)	(917)	(1,704)
	8,126	**6,481**

The impairment charge on trade receivables recognised in the consolidated income statement during the year mainly relates to ticketing agents who are in unexpected difficult economic situations and are unable to meet their obligations under the IATA agency programme. This charge is included in operating costs. Amounts charged to the provision account are written off when there is no expectation of further recovery.

Movements in the provision for impairment of trade receivables are as follows:

	2012 AED m	2011 AED m
Balance brought forward	**122**	**90**
Charge for the year	66	76
Unused amounts reversed	(42)	(34)
Amounts written off as uncollectible	(9)	(13)
Currency translation differences	(2)	3
Balance carried forward	**135**	**122**

The other classes of trade and other receivables do not contain impaired assets.

The maximum exposure to credit risk of current trade and other receivables at the reporting date is the carrying value of each class of receivables.

Ageing of receivables that are past due but not impaired is as follows:

	2012 AED m	2011 AED m
Below 3 months	292	275
3-6 months	41	19
Balance brought forward	104	109
	437	**403**

18. Capital

Capital represents the permanent capital of Emirates.

19. Other reserves

	Fair value reserve			
	Hedging instruments AED m	Other AED m	Translation reserve AED m	Total AED m
1 April 2010	**(379)**	**—**	**58**	**(321)**
Currency translation differences	—	—	53	53
Loss on available-for-sale financial assets	—	195	—	195
Loss on fair value of cash flow hedges	(525)	—	—	(525)
Transferred to the consolidated income statement	243	(195)	(15)	33
31 March 2011	**(661)**	**—**	**96**	**(565)**
Currency translation differences	—	—	(9)	(9)
Loss on fair value of cash flow hedges	(476)	—	—	(476)
Transferred to the consolidated income statement	217	—	—	217
31 March 2012	**(920)**		**87**	**(833)**

The amounts transferred to the consolidated income statement have been (debited)/credited to the following line items:

	2012 AED m	2011 AED m
Revenue	103	(41)
Other operating income	—	210
Operating costs	(29)	(38)
Finance costs	(291)	(164)
	(217)	**(33)**

20. Borrowings and lease liabilities

	2012 AED m	2011 AED m
Non-current		
Bonds (Note 21)	5,933	4,290
Term loans (Note 22)	914	1,009
Lease liabilities (Note 23)	19,996	15,203
	26,843	**20,502**
Current		
Bonds (Note 21)	2,020	727
Term loans (Note 22)	145	139
Lease liabilities (Note 23)	1,867	1,853
Bank overdrafts (Note 31)	5	9
	4,037	**2,728**
	30,880	**23,230**
Borrowings and lease liabilities are denominated in the following currencies:		
UAE Dirhams	2,015	2,023
US Dollars	28,427	19,860
Singapore Dollars	438	1,164
Others	—	183

The effective interest rate per annum on lease liabilities and term loans was 2.9% (2011: 3.0%) and on bonds was 3.4% (2011: 1.8%).

21. Bonds

	2012 AED m	2011 AED m
Bonds are denominated in the following currencies:		
UAE Dirhams	1,837	1,836
Singapore Dollars	438	1,164
US Dollars	5,693	2,020
	7,968	**5,020**
Less: Transaction costs	(15)	(3)
	7,953	**5,017**

	2012 AED m	2011 AED m
Bonds are repayable as follows:		
Within one year (Note 20)	**2,020**	**727**
Between 2 and 5 years	5,933	3,854
After 5 years	—	436
Total over one year (Note 20)	**5,933**	**4,290**

Contractual repricing dates are set at six month intervals except for bonds denominated in Singapore Dollars amounting to AED 438 m (2011: AED 582 m) and US Dollars amounting to AED 3,673 m (2011: Nil) which carry a fixed interest rate over their term.

USD bonds, carried at AED 2,020 m (2011: AED 2,020 m), represent the proceeds raised from an Islamic 'sukuk' (bond) issue to finance the construction of certain buildings.

The fair value of the bonds in aggregate amounts to AED 8,009 m (2011: AED 4,802 m). The fair value of the Singapore Dollar bonds is AED 405 m (2011: AED 1,095 m) and the fair value of the fixed rate US Dollar bonds is AED 3,802 m (2011: Nil), which are based on listed prices. The fair value of the other bonds is determined by discounting projected cash flows using the interest rate yield curve for the remaining term to maturities and currencies adjusted for credit spread.

22. Term loans

	2012 AED m	2011 AED m
Balance brought forward	**1,161**	**409**
Additions during the year	50	992
Repayments during the year	(141)	(240)
Balance carried forward	**1,070**	**1,161**
Less: Transaction costs	(11)	(13)
	1,059	**1,148**
Loans are repayable as follows:		
Within one year (Note 20)	**145**	**139**
Between 2 and 5 years	481	498
After 5 years	433	511
Total over one year (Note 20)	**914**	**1,009**

	2012 AED m	2011 AED m
Loans are denominated in the following currencies:		
UAE Dirhams	175	189
US Dollars	884	959

Contractual repricing dates are set at three to six month intervals. Term loans amounting to AED 895 m (2011: AED 973 m) are secured on aircraft, aircraft engines and parts.

The fair value of the term loans amounts to AED 1,045 m (2011: AED 1,129 m). The fair value is determined by discounting projected cash flows using the interest rate yield curve for the remaining term to maturities and currencies adjusted for credit spread.

23. Lease liabilities

Finance leases

	2012 AED m	2011 AED m
Gross lease liabilities:		
Within one year	2,481	2,390
Between 2 and 5 years	10,413	7,671
After 5 years	13,453	11,238
	26,347	**21,299**
Future interest	(4,484)	(4,243)
Present value of finance lease liabilities	**21,863**	**17,056**
The present value of finance lease liabilities is repayable as follows:		
Within one year (Note 20)	**1,867**	**1,853**
Between 2 and 5 years	8,039	5,549
After 5 years	11,957	9,654
Total over one year (Note 20)	**19,996**	**15,203**

	2012 AED m	2011 AED m
The present value of finance lease liabilities are denominated in the following currencies:		
US Dollars	21,863	16,878
Others	—	178

The lease liabilities are secured on the related aircraft and aircraft engines. In the event of these finance leases being terminated prior to their expiry, penalties are payable. Had these leases been cancelled at 31 March 2012, the penalties would have been AED Nil (2011: AED 64 m).

The fair value of lease liabilities amounts to AED 21,297 m (2011: AED 16,377 m). The fair value is determined by discounting projected cash flows using the interest rate yield curve for the remaining term to maturities and currencies adjusted for credit spread.

Operating leases

	2012 AED m	2011 AED m
Future minimum lease payments are as follows:		
Aircraft fleet	32,497	28,832
Other	2,276	2,444
	34,773	**31,276**
Within one year	5,148	4,485
Between 2 and 5 years	18,317	16,807
After 5 years	11,308	9,984
	34,773	**31,276**

In the event of the aircraft leases being terminated prior to their expiry, penalties are payable. Had these leases been cancelled at 31 March 2012, the penalties would have been AED 459 m (2011: AED 414 m).

Emirates is entitled to extend certain aircraft leases for a further period of one to six years at the end of the initial lease period. Further, Emirates is entitled to purchase thirteen out of one hundred and thirteen (2011: fifteen out of one hundred and three) aircraft under these leases.

In addition, Emirates has nine (2011: seven) Boeing aircraft contracted on operating leases for delivery between April 2012 and March 2016.

24. Retirement benefit obligations

In accordance with the provisions of IAS 19, management has carried out an exercise to assess the present value of its defined benefit obligations at 31 March 2012, in respect of employees' end of service benefits payable under relevant local regulations and contractual arrangements. The assessment assumed expected salary increases averaging 5.0% (2011: 5.0%) and a discount rate of 5.0% (2011: 6.0%) per annum. The present values of the defined benefit obligations at 31 March 2012 were computed using the actuarial assumptions set out above.

The liabilities recognised in the consolidated statement of financial position are:

	2012 AED m	2011 AED m
Funded scheme		
Present value of defined benefit obligations	1,251	1,099
Less: Fair value of plan assets	(1,236)	(1,087)
	15	**12**
Unfunded scheme		
Present value of defined benefit obligations	**616**	**467**
Liability recognised in the consolidated statement of financial position	**631**	**479**

(i) Funded scheme

Senior employees based in the UAE participate in a defined benefit provident scheme to which Emirates contributes a specified percentage of basic salary based upon the employee's grade and duration of service. Amounts contributed are invested in a trustee administered scheme and accumulate along with returns earned on investments. Contributions are made on a monthly basis irrespective of fund performance and are not pooled, but are separately identifiable and attributable to each participant. The fund comprises a diverse mix of managed funds and investment decisions are controlled directly by the participating employees.

Benefits receivable under the provident scheme are subject to vesting rules, which are dependent upon a participating employee's length of service. If at the time an employee leaves employment, the accumulated vested amount, including investment returns, is less than the end of service benefits that would have been payable to that employee under relevant local regulations, Emirates pays the shortfall amount directly to the employee. However, if the accumulated vested amount exceeds the end of service benefits that would have been payable to an employee under relevant local regulations, the employee receives between seventy-five and one hundred percent of their fund balance. Vested assets of the scheme are not available to Emirates or its creditors in any circumstances.

The liability of AED 15 m (2011: AED 12 m) represents the amount that will not be settled from plan assets and is calculated as the excess of the present value of the defined benefit obligation for an individual employee over the fair value of the employee's plan assets at the end of the reporting period.

The movement in the fair value of the plan assets are as follows:

	2012 AED m	2011 AED m
Balance brought forward	**1,087**	**851**
Contributions received	195	170
Benefits paid	(55)	(41)
Change in fair value	9	107
Balance carried forward	**1,236**	**1,087**

Contributions received include the transfer of accumulated benefits from unfunded schemes. Emirates expects to contribute approximately AED 222 m for existing plan members during the year ending 31 March 2013.

Actuarial gains and losses and expected return on plan assets are not calculated given that investment decisions relating to plan assets are under the direct control of participating employees.

(ii) Unfunded schemes

End of service benefits for employees who do not participate in the provident scheme or other defined contribution plans follow relevant local regulations, which are mainly based on periods of cumulative service and levels of employees' final basic salaries. The liability recognised in the consolidated statement of financial position is the present value of the defined benefit obligation at the end of the reporting period.

The movement in the defined benefit obligation is as follows:

	2012 AED m	2011 AED m
Balance brought forward—as reported earlier	**—**	**354**
Effect of change in accounting policy (Note 38)	—	34
Balance brought forward—as restated	**467**	**388**
Current service cost	65	61
Interest cost	20	17
Actuarial losses	116	57
Payments made during the year	(52)	(56)
Balance carried forward	**616**	**467**

Payments made during the year include the transfer of accumulated benefits to Emirates' funded scheme.

The cumulative amount of actuarial losses recognised in other comprehensive income is AED 207 m (2011: AED 91 m).

The total amount recognised in the consolidated income statement is as follows:

	2012 AED m	2011 AED m
Defined benefit plan		
Funded scheme		
Contributions expensed	188	159
Net change in the present value of defined benefit obligations over plan assets	3	2
	191	**161**
Unfunded scheme		
Current service cost	65	61
Interest cost	20	17
	85	**78**
Defined contribution plan		
Contributions expensed	**154**	**132**
Recognised in the consolidated income statement	**430**	**371**

25. Deferred revenue

Deferred revenue relates to the frequent flyer programme and represents the fair value of outstanding award credits. Revenue is recognised when Emirates fulfills its obligations by supplying free or discounted goods or services on the redemption of the award credits.

Deferred revenue is classified within current and non-current liabilities based on the expected redemption pattern.

26. Deferred credits

	2012 AED m	2011 AED m
Balance brought forward	**537**	**622**
Net additions during the year	97	109
Recognised during the year	(148)	(167)
Transferred to property, plant and equipment	—	(27)
Balance carried forward	**486**	**537**

	2012 AED m	2011 AED m
Deferred credits will be recognised as follows:		
Within one year	**136**	**136**
Over one year	**350**	**401**

Deferred credits transferred to property, plant and equipment are consequent to a change in the classification of certain aircraft from an operating lease to a finance lease.

27. Deferred income tax

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes relate to the same income tax authority. The analysis of the deferred tax asset and the deferred tax liability is as follows:

	2012 AED m	2011 AED m
Deferred income tax asset	10	
Deferred income tax liability		(23)
	10	**(2)**
The movement in the deferred income tax account is as follows:		
Balance brought forward	**(2)**	**(4)**
Credited to the consolidated income statement (Note 9)	12	2
Balance carried forward	**10**	**(2)**

The deferred income tax asset is on account of unused tax losses.

A deferred tax asset has not been recognised in respect of carried forward tax losses amounting to AED 1,869 m (2011: AED 1,620 m).

28. Trade and other payables

	2012 AED m	2011 AED m
Trade payables and accruals	10,521	10,112
Related parties (Note 35)	622	390
Passenger and cargo sales in advance	9,458	7,080
	20,601	**17,582**
Less: Payables over one year	—	(3)
	20,601	**17,551**

The carrying value of trade and other payables over one year approximate their fair value.

29. Commitments

Capital commitments

	2012 AED m	2011 AED m
Authorised and contracted:		
Aircraft fleet	163,489	140,145
Non-aircraft	2,021	1,451
Joint ventures	116	66
	165,626	**141,662**
Authorised but not contracted:		
Non-aircraft	4,683	2,429
Joint ventures	30	61
	4,713	**2,490**
	170,339	**144,152**

Commitments have been entered into for the purchase of aircraft for delivery as follows (Note 11):

Financial year	Aircraft
2012 – 2013	32
Beyond 2012 – 2013	191

In addition, options are held on fifty Airbus and twenty Boeing aircraft.

Operational commitments

	2012 AED m	2011 AED m
Sales and marketing	1,881	1,347

30. Guarantees

	2012 AED m	2011 AED m
Performance bonds and letters of credit provided by bankers in the normal course of business	370	357

31. Short term bank deposits and cash and cash equivalents

	2012 AED m	2011 AED m
Bank deposits	14,284	12,753
Cash and bank	1,303	1,220
Cash and bank balances	**15,587**	**13,973**
Less: Short term bank deposits—over 3 months	(8,055)	(3,777)
Cash and cash equivalents as per the consolidated statement of financial position	**7,532**	**10,196**
Bank overdraft (Note 20)	(5)	(9)
Cash and cash equivalents as per the consolidated statement of cash flows	**7,527**	**10,187**

Cash and bank balances earned an effective interest rate of 2.6% (2011: 3.6%) per annum.

32. Cash outflow on property, plant and equipment

For the purposes of the consolidated statement of cash flows, cash outflow on property, plant and equipment is analysed as follows:

	2012 AED m	2011 AED m
Payments for property, plant and equipment	13,561	12,189
Less: Assets acquired under finance leases	(6,761)	(5,685)
	6,800	**6,504**

33. Derivative financial instruments

Description	2012 Term	2012 AED m	2011 Term	2011 AED m
Non-current assets				
Cash flow hedge				
Currency swaps and forwards	2012-2017	69		—
		69		—
Current assets				
Cash flow hedge				
Currency swaps and forwards		8		53
Fair value through profit and loss				
Jet fuel price futures and options		—		70
		8		**123**
Non-current liabilities				
Cash flow hedge				
Interest rate swaps	2012-2023	(830)	2011-2021	(552)
Currency swaps and forwards	2012-2016	(127)	2011-2017	(90)
		(957)		**(642)**
Current liabilities				
Cash flow hedge				
Interest rate swaps		(1)		(4)
Currency swaps and forwards		(39)		(57)
		(40)		**(61)**

The notional principal amounts outstanding are:

	2012 AED m	2011 AED m
Interest rate contracts	11,715	6,822
Currency contracts	4,082	4,998
Fuel price contracts	—	4,297

The full fair value of the derivative instrument is classified as non-current if the remaining maturity of the hedged item is more than 12 months as at the end of the reporting period.

Net losses on account of terminated currency derivatives amounting to AED 3 m (2011: AED 27 m) will enter into the determination of profit between 2012 and 2017.

Gains on account of terminated interest rate derivatives amounting to AED 3 m (2011: AED 19 m) will enter into the determination of profit during 2012.

The maximum exposure to credit risk at the reporting date is the fair value of the derivative assets in the consolidated statement of financial position.

34. Classification of financial instruments

The accounting policies for financial instruments have been applied to the line items below:

Description	Loans and receivables	Derivative financial instruments	Financial liabilities at amortised cost	Total
	AED m	AED m	AED m	AED m
2011				
Assets				
Loans and other receivables (excluding prepayments)	1,623	—	—	1,623
Derivative financial instruments	—	123	—	123
Trade and other receivables (excluding prepayments and advance lease rentals)	5,440	—	—	5,440
Short term bank deposits	3,777	—	—	3,777
Cash and cash equivalents	10,196	—	—	10,196
Total	**21,036**	**123**	**—**	**21,159**
Liabilities				
Borrowings and lease liabilities	—	—	23,230	23,230
Trade and other payables (excluding passenger and cargo sales in advance and other non-financial liabilities)	—	—	9,665	9,665
Derivative financial instruments	—	703	—	703
Total	**—**	**703**	**32,895**	**33,598**

Description	Loans and receivables	Derivative financial instruments	Financial liabilities at amortised cost	Total
	AED m	AED m	AED m	AED m
2012				
Assets				
Loans and other receivables (excluding prepayments)	846	—	—	846
Derivative financial instruments	—	77	—	77
Trade and other receivables (excluding prepayments and advance lease rentals)	7,048	—	—	7,048
Short term bank deposits	8,055	—	—	8,055
Cash and cash equivalents	7,532	—	—	7,532
Total	**23,481**	**77**	**—**	**23,558**
Liabilities				
Borrowings and lease liabilities		—	30,880	30,880
Trade and other payables (excluding passenger and cargo sales in advance and other non-financial liabilities)		—	10,426	10,426
Derivative financial instruments		997	—	997
Total		**997**	**41,306**	**42,303**

Financial instruments held at fair value by level of fair value hierarchy

The levels of fair value hierarchy are defined as follows:

Level 1 : Measurement is made by using quoted prices (unadjusted) from active market.

Level 2 : Measurement is made by means of valuation methods with parameters derived directly or indirectly from observable market data.

Level 3 : Measurement is made by means of valuation methods with parameters not based exclusively on observable market data.

Derivative financial instruments fall into Level 2 of the fair value hierarchy.

35. Related party transactions

The following transactions were carried out with related parties:

	2012 AED m	2011 AED m
Trading transactions:		
(i) Sale of goods and services		
Sale of goods—Associates	46	51
Sale of goods—Companies under common control	9	12
Services rendered—Joint ventures	11	12
Services rendered—Companies under common control	59	78
	125	**153**
(ii) Purchase of goods and services		
Purchase of goods—Associates	165	268
Purchase of goods—Companies under common control	3,793	2,668
Services received—Companies under common control	2,019	1,634
Services received—Joint ventures	14	—
	5,991	**4,570**
Other transactions:		
(i) Finance income		
Joint ventures	7	8
Companies under common control	69	60
	76	**68**
(ii) Compensation to key management personnel		
Salaries and short term employee benefits	96	187
Post-employment benefits	15	14
	111	**201**

	2012 AED m	2011 AED m
(iii) Sale of investment		
Sale of investment in associate—Companies under common control	—	82
Year end balances		
(i) Receivables—sale of goods and services		
Associates	20	14
Joint ventures	3	9
Companies under common control	2	13
	25	**36**
(ii) Receivables—other transactions		
Joint ventures	6	6
Companies under common control	776	773
	782	**779**
Receivable within one year	**466**	**115**
Receivable over one year (Note 15)	**316**	**664**

The amounts outstanding at year end are unsecured and will be settled in cash. No impairment charge has been recognised during the year in respect of amounts owed by related parties.

	2012 AED m	2011 AED m
(iii) Payables - purchase of goods and services (Note 28)		
Associates	29	30
Companies under common control	570	360
	599	**390**
(iv) Other payables (Note 28)		
Parent company	23	—
(iv) Loans		
Joint ventures	83	96
Companies under common control	1,331	1,062
Movement in the loans were as follows:	**1,414**	**1,158**
Balance brought forward	**1,158**	**604**
Additions during the year	608	571
Repayments during the year	(346)	(18)
Currency translation differences	(6)	1
Balance carried forward	**1,414**	**1,158**
Receivable within one year	**948**	**265**
Receivable over one year (Note 15)	**466**	**893**

The effective interest rate on the loans was 3.8% (2011: 5.2%) per annum.

Receivables from and loans to companies under common control relate to government entities, which are unrated. Management is of the opinion that the amounts are fully recoverable.

	2012 AED m	2011 AED m
(v) Loans and advances to key management personnel		
Balance brought forward	**4**	**6**
Additions during the year	6	3
Repayments during the year	(5)	(5)
Balance carried forward	**5**	**4**
Receivable within one year	**3**	**3**
Receivable over one year (Note 15)	**2**	**1**

Loans and advances are interest free and repayable over a period up to sixty months. Emirates has the right to recover outstanding loans and advances against the final dues payable to the employees.

In addition to the above, Emirates has also entered into transactions with other government controlled entities in the normal course of business. The amounts involved are, both individually and in aggregate, not significant.

36. Financial risk management

Financial risk factors

Emirates is exposed to a variety of financial risks which involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Emirates' aim is, therefore, to achieve an appropriate balance between risk and return and minimise potential adverse effects on Emirates' financial performance.

Emirates' risk management procedures are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information. Emirates regularly reviews its risk management procedures and systems to reflect changes in markets, products and emerging best practice. Emirates uses derivative financial instruments to hedge certain risk exposures.

Risk management programme is carried out under procedures that are approved by a steering group comprising of senior management. Identification, evaluation and hedging financial risks is done in close cooperation with the operating units. Senior management is also responsible for the review of risk management and the control environment. The most important types of risk are credit risk, market risk and liquidity risk. Market risk includes commodity price risk, currency risk and interest rate risk.

(i) Credit risk

Emirates is exposed to credit risk, which is the risk that the counterparty will cause a financial loss to Emirates by failing to discharge an obligation. Financial assets that potentially subject Emirates to credit risk consist principally of deposits with banks and other financial institutions, derivative counterparties as well as receivables from agents selling commercial air transportation. Emirates uses external ratings such as Standard & Poor's and Moody's or their equivalent in order to measure and monitor its credit risk exposures to financial institutions. In the absence of independent ratings, credit quality is assessed based on counterparty's financial position, past experience and other factors.

Emirates manages limits and controls concentrations of risk wherever they are identified. In the normal course of business, Emirates places significant deposits with high credit quality banks and financial institutions. Transactions with derivative counterparties are similarly limited to high credit quality financial institutions. Exposure to credit risk is also managed through regular analysis of the ability of counterparties and potential counterparties to meet their obligations and by changing their limits where appropriate. Approximately 27% (2011: 38%) of short term bank deposits and cash and cash equivalents are held with financial institutions under common control. Approximately 89% (2011: 93%) of cash and bank balances are held with financial institutions based in the UAE.

The sale of passenger and cargo transportation is largely achieved through International Air Transport Association (IATA) approved sales agents. All IATA agents have to meet a minimum financial criteria applicable to their country of operation to remain accredited. Adherence to the financial criteria is monitored on an ongoing basis by IATA through their Agency Programme. The credit risk associated with such sales agents is relatively small owing to a broad diversification.

Other receivables mainly include advances to employees, VAT receivables and interest accruals on bank deposits. Emirates has the right to recover outstanding employee advances against the final dues payable to the employees.

The table below presents an analysis of short term bank deposits and cash and cash equivalents by rating agency designation at the end of the reporting period based on Standard & Poor's ratings or its equivalent for Emirates' main banking relationships:

	2012 AED m	2011 AED m
AA- to AA+	489	388
A- to A+	13,872	12,167
Lower than A-	866	977

(ii) Market risk

Emirates is exposed to market risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk—jet fuel price risk, currency risk and interest rate risk.

Jet fuel price risk

Emirates is exposed to volatility in the price of jet fuel and closely monitors the actual cost against the forecast cost. To manage the price risk, Emirates utilises commodity futures and options to achieve a level of control over higher jet fuel costs so that profitability is not adversely affected. The hedging activity during the year was not significant.

Currency risk

Emirates is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises due to exchange rate fluctuations between the UAE Dirham and other currencies generated from Emirates revenue earning and borrowing activities. Long term debt obligations are mainly denominated in UAE Dirhams, the functional currency or in US Dollars to which the UAE Dirham is pegged. Currency exposure exists on the Singapore Dollar bond, the summarised quantitative data for which is available in Note 21. Senior management monitors currency positions on a regular basis.

Emirates is in a net payer position with respect to the US Dollar and in a net surplus position for other currencies. Currency surpluses are converted to US Dollar and UAE Dirham funds. Currency risks arise mainly from Emirates' revenue earning activities in UK Pounds, Euro, Australian Dollars and Japanese Yen. Currency risks are hedged using forwards and options, as appropriate, as well as by way of a natural hedge between foreign currency inflows and outflows.

Interest rate risk

Emirates is exposed to the effects of fluctuations in the prevailing levels of interest rates on borrowings and investments. Exposure arises from interest rate fluctuations in the international financial markets with respect to interest cost on its long term debt obligations, operating lease rentals and interest income on its cash surpluses. The key reference rates based on which interest costs are determined are LIBOR, EIBOR for UAE Dirhams and SIBOR for Singapore Dollars. Summarised quantitative data is available in Note 20 for interest cost exposures.

Borrowings taken at variable rates expose Emirates to cash flow interest rate risk while borrowings issued at fixed rates expose Emirates to fair value interest rate risk. Emirates targets a balanced portfolio approach, whilst nevertheless taking advantage of opportune market movements, by hedging around half of its net interest rate exposure going forward, using appropriate hedging solutions including interest swaps. Variable rate debt and cash surpluses are mainly denominated in UAE Dirhams and US Dollars.

Sensitivity analysis of market risk

The following sensitivity analysis shows how profit and equity would change if the market risk variables had been different at the end of the reporting period with all other variables held constant and has been computed on the basis of assumptions and indices used and considered by other market participants.

	2012		2011	
	Effect on profit	**Effect on equity**	**Effect on profit**	**Effect on equity**
	AED m	**AED m**	**AED m**	**AED m**
Interest income				
- 100 basis points				
UAE Dirhams	8	8	21	21
US Dollars	119	(381)	76	(209)
Singapore Dollars	1	1	6	6
Others	—	(13)	—	(21)
	128	**(385)**	**103**	**(203)**
+ 100 basis points				
UAE Dirhams	(8)	(8)	(21)	(21)
US Dollars	(119)	381	(76)	209
Singapore Dollars	(1)	(1)	(6)	(6)
Others	—	13	—	21
	(128)	**385**	**(103)**	**203**

	2012		2011	
	Effect on profit	Effect on equity	Effect on profit	Effect on equity
	AED m	AED m	AED m	AED m
Interest income				
- 100 basis points	(42)	(42)	(29)	(29)
+ 100 basis points	42	42	29	29
Currency—UK Pounds				
+ 1%	2	(2)	1	(5)
- 1%	(2)	2	(1)	5
Currency—Euro				
+ 1%	3	(2)	2	(7)
- 1%	(3)	2	(2)	7
Currency—Australian Dollars				
+ 1%	4	(5)	1	(5)
- 1%	(4)	5	(1)	5
Currency—Japanese Yen				
+ 1%	—	(4)	—	(3)
- 1%	—	4	—	3
Currency—Singapore Dollars				
+ 1%	(4)	(4)	(12)	(12)
- 1%	4	4	12	12
Fuel price				
+ 5 US Dollar	—	—	—	44
- 5 US Dollar	—	—	—	(22)

(iii) Liquidity risk

Liquidity risk is the risk that Emirates is unable to meet its payment obligations associated with its financial liabilities when they fall due and to replace funds when they are withdrawn.

Emirates liquidity management process as monitored by the senior management, includes the following:

- Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met. This includes replenishment of funds as they mature. Emirates maintains diversified credit lines to enable this to happen.
- Maintaining rolling forecasts of Emirates' liquidity position on the basis of expected cash flows.
- Monitoring liquidity ratios against internal standards.
- Maintaining debt financing plans.
- Entering into stand-by credit facility arrangements.

Sources of liquidity are regularly reviewed by senior management to maintain a diversification by geography, provider, product and term.

Summarised below in the table is the maturity profile of financial liabilities and net-settled derivative financial liabilities based on the remaining period at the end of reporting period to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

	Less than 1 year	2 - 5 years	Over 5 years	Total
	AED m	AED m	AED m	AED m
2012				
Borrowings and lease liabilities	4,950	17,672	13,917	36,539
Derivative financial instruments	241	655	7	903
Trade and other payables (excluding passenger and cargo sales in advance and other non-financial liabilities)	10,426	—	—	10,426
	15,617	**18,327**	**13,924**	**47,868**

	Less than 1 year	2 - 5 years	Over 5 years	Total
	AED m	AED m	AED m	AED m
2011				
Borrowings and lease liabilities	3,196	12,523	12,328	28,047
Derivative financial instruments	299	335	(24)	610
Trade and other payables (excluding passenger and cargo sales in advance and other non financial liabilities)	9,634	31	—	9,665
	13,129	**12,889**	**12,304**	**38,322**

37. Capital management

Emirates' objective when managing capital is to safeguard its ability to continue as a going concern in order to provide returns for its Owner and to maintain an optimal capital structure to reduce the cost of capital.

Emirates monitors the return on Owner's equity, which is defined as the profit attributable to the Owner expressed as a percentage of average Owner's equity. Emirates seeks to provide a better return to the Owner by borrowing and taking aircraft on operating leases to meet its growth plans. In 2012, Emirates achieved a return on Owner's equity funds of 7.2% (2011: 28.4%) in comparison to an effective interest rate of 3.0% (2011: 2.7%) on borrowings.

Emirates also monitors capital on the basis of a gearing ratio which is calculated as the ratio of borrowings and lease liabilities, net of cash to total equity. In 2012 this ratio was 71.2% (2011: 44.5%) and if aircraft operating leases are included, the same ratio was 162.1% (2011: 127.6%).

38. Effect of change in accounting policy

Emirates has changed its accounting policy for the recognition of retirement benefit obligations from the corridor to the equity approach with effect from 1 April 2011. This is consistent with the direction that the International Accounting Standards Board (IASB) has taken to reflect retirement benefit obligations more appropriately in the future standard. As a result, actuarial gains and losses are recognised in equity through other comprehensive income in the period in which they arise. Previously, actuarial gains and losses in excess of the corridor limits determined in accordance with IAS 19, were charged/credited in the consolidated income statement over a period of three years.

In line with the guidance provided in IAS 8, the change in accounting policy has been applied retrospectively and comparative figures for 2011 have been restated. Opening retained earnings at

1 April 2010 have decreased by AED 34 m and the opening retirement benefit obligation at 1 April 2010 has increased by AED 34 m, which represents the unrecognised actuarial gains and losses under the corridor approach as at 1 April 2010.

The effect of change in accounting policy is tabulated below:

	2012 AED m	2011 AED m
Decrease in operating costs	18	2
Increase in profit before income tax	18	2
Decrease in other comprehensive income	116	57
Decrease in total comprehensive income for the year	98	55
Increase in retirement benefit obligation	187	89
Decrease in retained earnings	187	89

39. Comparatives

The following comparative figures have been reclassified to conform with the current year's presentation so that they appropriately reflect the nature of the balances and transactions:

- Certain intercompany transactions have been presented on a net basis which has resulted in both revenue and operating costs decreasing by AED 153 m.
- Deferred revenue relating to Emirates' frequent flyer programme amounting to AED 792 m has been reclassified from non-current liabilities to current liabilities to reflect the expected redemption pattern.

$630,000,000

DNA Alpha Limited

2013-1 Pass Through Trusts
Pass Through Certificates, Series 2013-1

OFFERING CIRCULAR

Goldman, Sachs & Co.