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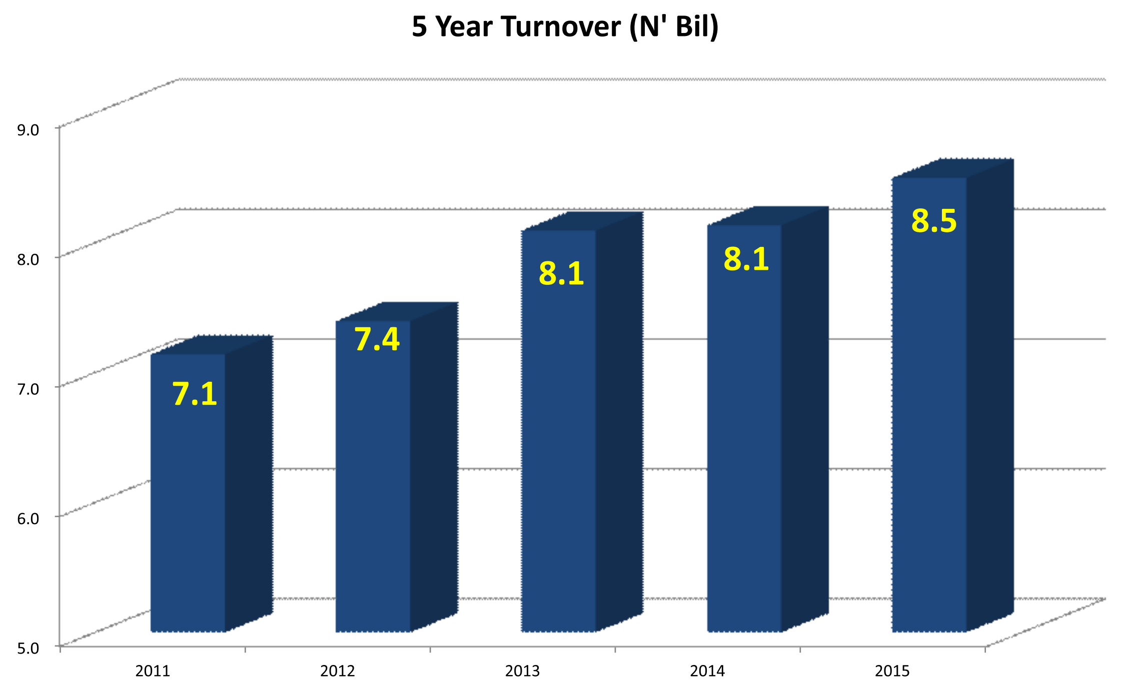
Corporate Information

Directors	
Chairman	Mallam Suleiman Yahyah OON
Vice Chairman	Mr. Denis Hasdenteufel (French)
Managing Director	Mr. Norbert Bielderman (Dutch)
Non -Executive Directors	Mr. Mobolaji Balogun Arc. Usman Arabi Musa Bello Dr. Faruk Umar Mr. Ike Nwachukwu Mr. Christopher Oshiafi Mr. David Thomas (German) Mr. Ahmed Uwais
Independent Director	Ms. Hadiza Aliko Mohammed
Company Secretary	Mrs. Folashade Ode
Registered Office	nahco aviance House Murtala Muhammed International Airport Ikeja Lagos
Auditors	Horwath Dafinone Chartered Accountants
Bankers	Eco Bank Plc First Bank of Nigeria Plc Guaranty Trust Bank Plc Keystone Bank Ltd. Nigerian International Bank Ltd. (Citigroup) Skye Bank Plc UBA Plc Zenith Bank Plc Stanbic IBTC Bank Plc
Registrars	CardinalStone Registrars Limited 358, Herbert Macaulay Way, Yaba, Lagos. P. O. Box 9117 Lagos, Nigeria
RC No.	30954

Financial Highlights

	Group 2015 ₦ '000	Group 2014 ₦ '000	Change %	Company 2015 ₦ '000	Company 2014 ₦ '000	Change %
Revenue	8,498,626	8,133,456	5	8,458,700	8,133,456	4
Profit before taxation	796,796	769,453	4	905,419	970,200	(7)
Taxation	(259,000)	(200,900)	29	(259,000)	(200,900)	29
Profit after taxation	537,796	568,553	(5)	646,419	769,300	(16)
Non-controlling interest	13,457	9,356	44	-	-	-
Profit after taxation and non-controlling interest	551,253	577,909	(5)	646,419	769,300	(16)
Total equity	6,096,459	5,853,975	4	6,807,803	6,456,696	5
Dividend proposed	324,844	295,312		324,844	295,312	
Per 50 kobo Ordinary Share Data:						
Basic earnings	34 kobo	39 kobo		40 kobo	52 kobo	
Diluted earnings	34 kobo	35 kobo		40 kobo	47 kobo	
Dividend proposed	20 kobo	20 kobo		20 kobo	20 kobo	
Net assets	375 kobo	396 kobo		419 kobo	437 kobo	
Stock exchange quotation as at:						
31^{st} December	₦3.78	₦ 4.75		₦3.78	₦ 4.75	
Number of shareholders	73,874	74,139		73,874	74,139	
Number of staff	1,889	1,887		1,873	1,874	

RESULTS AT A GLANCE



NAHCO HIGHLIGHTS

1,889 EMPLOYEES	7 INT'L AIRPORTS	14 DOMESTIC AIRPORTS	*Yr '15* ₦8.5Bil	*Yr '14* ₦8.1Bil	*Yr '15* ₦797Mil	*Yr '14* ₦769Mil
			CONSOLIDATED TURNOVER		CONSOLIDATED PBT	

1.43Mil Int. Inbound Passengers	1.67Mil Int. Outbound Passengers	4.68Bil Cargo Rev '15 ₦	4.75Bil Cargo Rev '14 ₦	NFZ* NE&P** Subsidiaries

**Nahco Free Trade Zone Ltd ** Nahco Energy & Power Ltd*

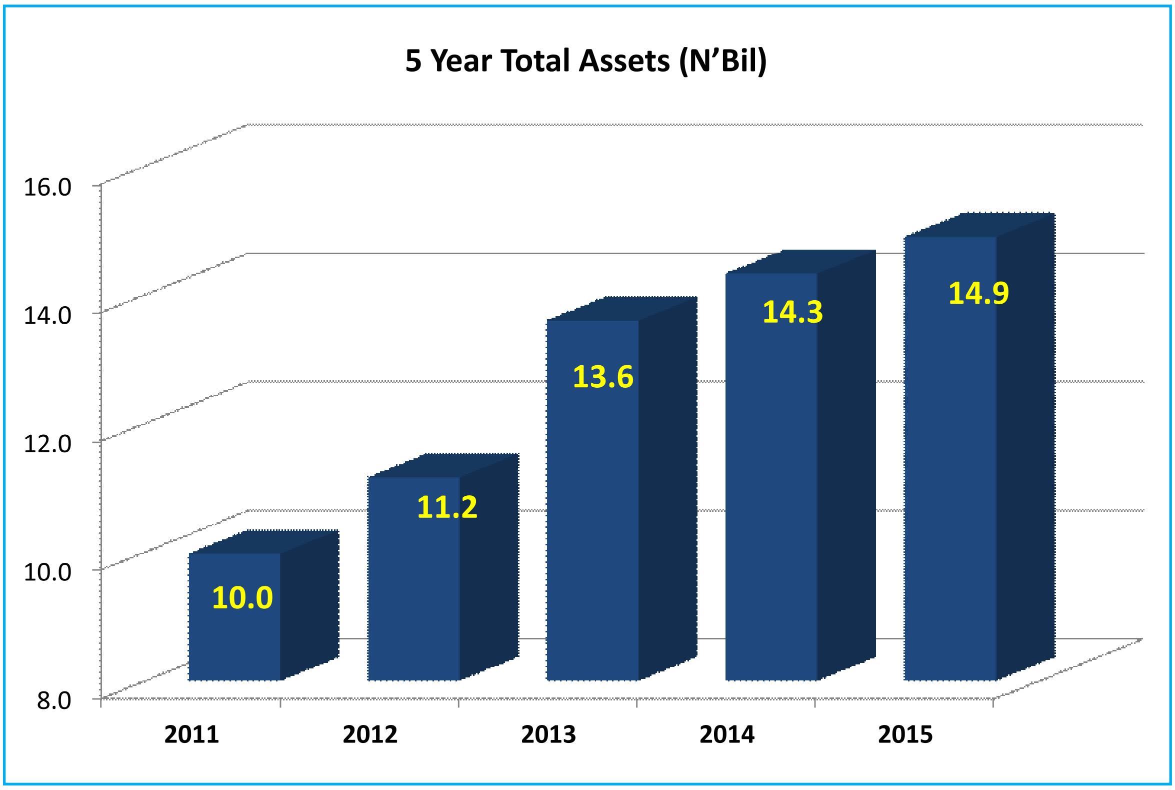
TURNOVER BREAKDOWN
BY ACTIVITY

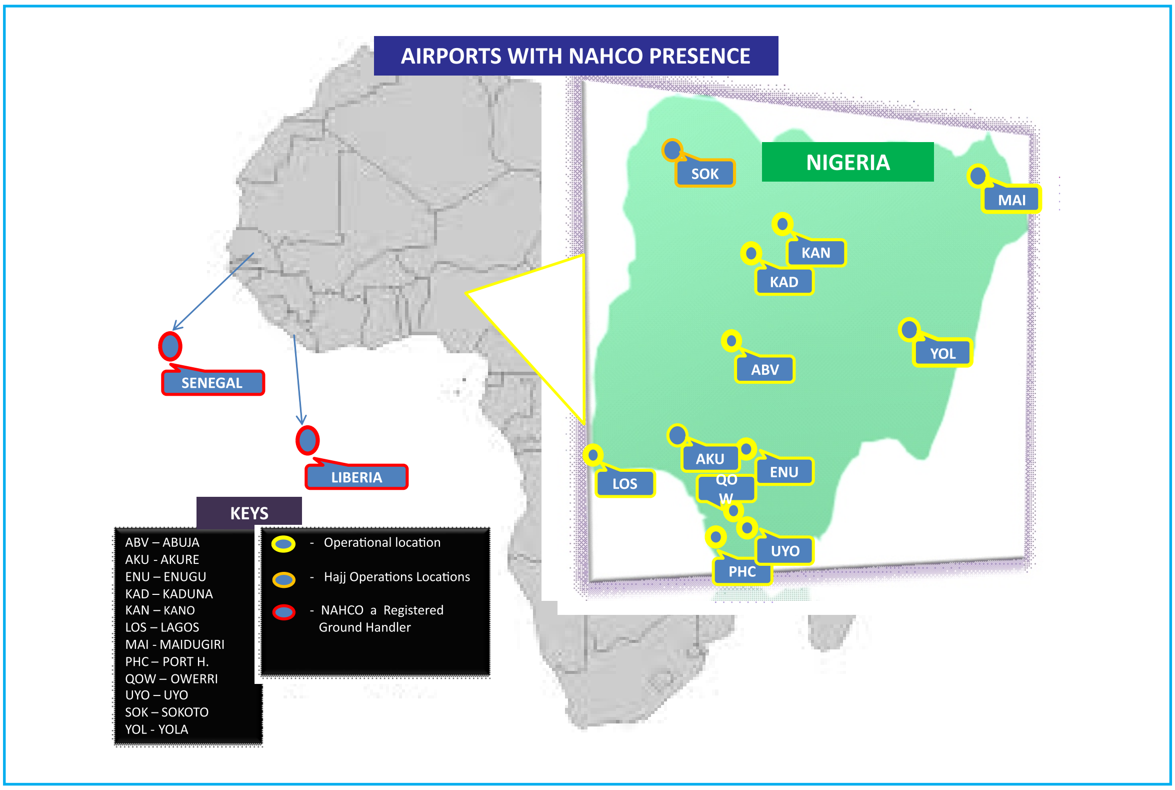
41% Aircraft Handling

4% Equipment Rental & Maintenance

55% Cargo Handling

RESULTS AT A GLANCE





NOTICE OF ANNUAL GENERAL MEETING

NOTICE is HEREBY GIVEN that the 35th Annual General Meeting of Nigerian Aviation Handling Company Plc (nahco aviance) will hold at Shehu Musa Yar' Adua Centre, Central Business District, Abuja on Tuesday, 26th July, 2016 at 11.00 a.m. to transact the following business:

Ordinary Business

1. To lay before the meeting the Audited Financial Statements for the year ended 31st December, 2015 together with the Reports of the Directors, Auditors and Audit Committee thereon.
2. To declare a Dividend.
3. To approve the appointment of Mrs Folashade Ode as an Executive Director.
4. To re-elect retiring Directors.
5. To appoint External Auditor. NOTICE IS HEREBY GIVEN THAT the proposed External Auditor is Ernst & Young (EY).
6. To authorize the Directors to fix the remuneration of the External Auditor.
7. To elect members of the Audit Committee.

Special Business

8. To consider, and if thought fit, pass the following ordinary resolutions:

   a. To approve the remuneration of the Directors for the year ending 2016.
   b. That pursuant to section 271 of Companies and Allied Matters Act CAP. 20 of the Laws of the Federation of Nigeria that the sum of N5 million per year be approved for a retiring Non-Executive Director of the Company.

9. To consider and if thought fit, pass the following special resolution:

   Article 84 – The words "until otherwise determined by members at a general meeting, the number of Directors shall not be less than ten (10) and shall not be more than thirteen (13)" should be deleted and be substituted with the words "until otherwise determined by members at a general meeting, the number of Directors shall not be less than seven (7) and shall not be more than (10)".

NOTES:

A) **PROXY**

A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy in his stead. Proxies need not to be members of the Company. To be valid, the proxy form attached to this notice must be returned to the Registrars (CardinalStone Securities Limited) at 358, Herbert Macaulay Street, Yaba, Lagos not less than 48 hours before the time fixed for the meeting.

B) **AUDIT COMMITTEE**

In accordance with Section 359(5) of the Companies and Allied Matters Act, 1990 any shareholder may nominate another shareholder for appointment to the Audit Committee. Such nomination should be in writing and should reach the Company Secretary at least 21 (twenty one) days before the Annual General Meeting. The Securities & Exchange Commission's Code of Corporate Governance for Public Companies has indicated that members of the Audit Committee should have basic financial literacy and should be able to read Financial Statements. We, therefore, request that nominations be accompanied by a copy of the nominee's certificate and curriculum vitae.

C) **CLOSURE OF REGISTER OF MEMBERS**

The Register of Members and Transfer Books of the Company will be closed from Monday 6th June, 2016 to Friday 10th June, 2016 (both dates inclusive) for the purpose of payment of dividend.

D) **DIVIDEND**

If the proposed dividend of 20 kobo per share recommended by Directors is approved by members at the Annual General Meeting, warrant will be posted on the 26th day of July, 2016 to members, whose names appear in the Register of Members at the close of business on Friday, 3rd June, 2016.

E) **E-DIVIDEND**

Notice is hereby given to all shareholders to open bank accounts for the purpose of dividend payment in line with the Securities and Exchange Commission (SEC) directives. Detachable application forms for e-dividend and e-bonus are attached to the Annual Report to enable all shareholders furnish the particulars of their bank accounts/CSCS details to the Registrars as soon as possible.

F) **PROFILE OF DIRECTORS**

The profile of Directors are included in the Annual Report and also available for viewing on www.nahcoaviance.com.

G) **RIGHTS OF SECURITIES HOLDERS TO ASK QUESTIONS**

Securities Holders have a right to ask questions not only at the Meeting, but also in writing prior to the Meeting, and such questions must be submitted to the Company on or before the 19th day of July, 2016.

DATED THIS 24TH DAY OF MARCH, 2016

By Order of the Board

MRS. FOLASHADE ODE
ED, Corporate, Legal Services &
Company Secretary
FRC/2013/NBA/00000003177

BRIEF HISTORY OF OWNERSHIP

Nigerian Aviation Handling Company Plc. (nahco aviance) is a Nigerian diversified enterprise with interests in aviation cargo, aircraft handling, passenger facilitation, crew transportation, fueling services and aviation training.

The Company currently serves more than 35 airlines at nine airports across Nigeria, with plans to expand operations to other African countries. It handles about 70% of domestic and foreign airlines operating in Nigeria.

nahco aviance was incorporated on December 6th, 1979, as an aviation servicing Company but started operations in April, 1979, with the commissioning of the Murtala Muhammed International Airport, Lagos. The Federal Government of Nigeria, through Federal Airports Authority of Nigeria (FAAN), initially held 60% equity interest in the Company while four foreign airlines - Air France, British Airways, Sabena and Lufthansa - shared the remaining 40% in various ratios.

In 2005, nahco aviance was privatized and subsequently listed on The Nigerian Stock Exchange in 2006. The Company is now owned by over 73, 000 individual shareholders and five (5) institutional shareholders, namely: Air France, Lufthansa Airlines, Sycor Private Investment Limited, Rosehill Group Nigeria Limited and Awhua Resources Limited. The Company's Stock Exchange symbol is "Nahco".

Since its privatization, the Company has embarked on business diversification programme that cut across industries and geography, as a result of which it has developed strategic global alliances through its membership of aviance, the global alliance of 10 reputable airport service providers operating from 112 stations in 17 countries, and The International Air Cargo Association (TIACA), which exists to promote the air cargo industry and world trade. In 2010, nahco aviance was awarded the ISAGO certification, the IATA Safety Audit for Ground Operations, becoming the first ground handling Company in West Africa to receive one of the aviation industry's highest honours for safety and service quality, and has been recertified till 2016. nahco aviance is rated Aa- by Augusto and A- by GCR.

Pursuant to the Company's commitment to exceptional value creation for shareholders, it is currently consolidating its aviation services operations and expanding across Africa.

The Company recently became the first ground handler to be granted a license by the Federal Government to operate a Free Trade Zone.

nahco aviance employs over 1,800 Nigerian and expatriate staff and in 2015 generated ₦8.5 billion in revenue.

"The Company currently serves more than 35 airlines at nine airports across Nigeria, with plans to expand operations to other African countries. It handles about 70% of domestic and foreign airlines operating in Nigeria."

Brief History of Ownership (Cont'd)

Business profile

The Company offers the following services to more than 35 airlines at seven airports across the nation:

Passenger Handling

Courtesy is the hallmark of the Passenger Services Department. From the point of contact at the check-in counter to the disembarkation point; the passenger with his or her baggage is given all the required attention by our staff. With the automated Departure Control System (DCS) at the at the airports where we operate, it takes just an average of three minutes to get through the documentation process - ticket, passport control, tagging and issuance of boarding passes. The installation of Integrated Multi-User System Environment (iMUSE) at the Airport has further boosted service excellence in passenger handling.

To further enhance efficiency, our staff are dedicated to work on a permanent basis with each of the airlines that nahco aviance handles. The objective is to get the staff attuned to the airlines standards and requirements. Passenger Service operatives are well trained in IATA requirements on general security, handling of Dangerous Goods, cargo and customer services operation.

An effective baggage handling and reconciliation system is in place to monitor baggage movement and track same in the event of misplacement or loss. It is the responsibility of the Passenger Services Department to ensure that passengers get their baggage on time.

Passenger Facilitation

Passenger profiling/security covers access control, passenger interviewing/screening, travel document verification, hold and hand baggage screening and baggage reconciliation, Passenger check-in formalities, and baggage handling (loading and offloading).

Cargo Handling

Cargo documentation services for airlines, import and export cargo facilitation through Nigeria's biggest network of customs bonded warehouses in Lagos, Kano, Abuja and Port Harcourt, using Galaxy system which ensures safe storage and easy retrieval of cargoes.

Aircraft Handling

Services include provision of ground power unit, aircraft cleaning, baggage loading/offloading, and aircraft pushback.

Fueling Services

We have a Fueling Services agreement with Cleanserve Integrated Energy Solution Limited to offer our numerous client airlines a one- stop shop service delivery package. Cleanserve Energy Solution Limited is an indigenous company operating from Lagos, Port Harcourt and Abuja. It currently renders fueling services to most of the leading airlines and aircraft operators in Nigeria.

The agreement is also expected to deepen the market penetration of the company due to our long list of customers and expanded scope of operations.

Aviation Training

Our Learning and Development Centre is the only IATA Authorized Training Centre (ATC) in the nation's ground handling sector. It is equipped with state of the art facilities such as: a syndicated room, main training room, e-learning, e-library, e-centre and a VIP lounge. The centre also provides training support for the nation's aviation industry, especially in ground handling competencies through 34 – day intensive training program in ramp and cargo operations and passenger services, IATA DGR Category 3, (Initial and Recurrent), IATA Cargo Introductory. It also carries out Education Consulting, Recurrent Test and Examination, Training Need Assessment, Personality Profiling, Competency assessment, Soft Skill Training and Aviation Certificated Training.

Nahco L&D centre is a member of the Nigerian Institute for Training & Development (NITAD) and Industrial Training Fund (ITF). It currently stands as a reference point for aviation training in Nigeria.

Crew Transportation

We provide an exclusive service designed for airlines crew/passengers, business people, dignitaries and private jet passengers, taking into account special requirements and time-

Brief History of Ownership (Cont'd)

bound schedules that require fast, extra-efficient service.

These services are delivered through a fleet of 18-seater Mercedes Benz sprinter buses (Full option) and 32-seater Toyota Coaster air-conditioned executive buses with full complement of baggage vans.

Certification of operations

We were the first to be certified by IATA on Safety Audit for Ground Operations (ISAGO). Also, we emerged as the first ground handling company in the country to pass and receive the Regulated Agent Third Country Validation Process (Ra3 Validation) in compliance with the European Union regulatory requirements.

With this validation, we have also become the ground handler of choice for major airlines operating aircraft from Nigeria to the European Union by reducing significantly the cost of conducting air cargo or mail carrier operating into the Union from a third Country Airport (ACC3). And shipments from us would be directly accepted in all EU Countries.

The validation has further strengthened airlines and potential airlines' confidence in our competences, security management, system processes and safety.

Airlines can now use our Ra3 for desk processing of ACC3 without recourse to bringing Ra3 Validator from Europe.

Client Airlines' Profile

The following high profile airlines- British Airways, Air France, Lufthansa Germany Airlines, KLM Royal Dutch Airlines, Virgin Atlantic Airways, Delta Airlines, Emirates, Qatar Airlines, Iberia, Royal Air Maroc, Turkish Airlines, Kenyan Airways, Ethiopian Airlines, DHL, Aero Contractors Airlines, Dana Air, Hak Air, Air Peace, Azman Air and ASKY Airlines are currently being handled by the company.

Global Alliances

We are an active member of several international organizations such as International Air Transport Association (IATA), Aviation Alliance (aviance), Airport Services Association (ASA), International Air Cargo Association (TIACA), Association of African Training Organisation (AATO) and others.

Aviance is the first ever international alliance of airport service providers world-wide. It has 11 reputable airport service providers serving in more than 120 airports in 18 countries with over 21,000 employees.

Membership of the alliance has provided a veritable platform for nahco aviance's re-branding programme which cuts across organizational culture and orientation, corporate uniforms and brand name. Aviance membership attracts benefits such as access to aviance global data base, market intelligence, cross trading, common purchasing, equipment pooling, joint venture, joint venture opportunities and staff exchange.

The Airport Services Association (ASA) is made up of ground handling companies from all parts of the world. The primary objective of ASA is to promote professionalism among its members while ensuring safety of airline operations.

In pursuit of global alliances that will accelerate the growth of its cargo handling business, nahco aviance joined The International Air Cargo Association (TIACA) in 2009. TIACA is a non-profit organization whose main purpose is to promote the air cargo industry world trade. The Association provides common ground for the exchange of ideas on all aspects of the international air cargo industry. It also develops and encourages high standards of service for those serving the air cargo industry.

Awards and Partnership

We emerged the 2013/2014 Aviation Handling Company of the Year at the Nigeria Transport Awards and Lecture held at the Oriental Hotel, Victoria Island, Lagos. The company also won the NIGAV Awards, as the "Cargo Company of the Year 2013" at the 6th Nigeria Aviation (NIGAV) Conference, Exhibition and Awards held at the Tinapa Resort, Cross Rivers State. Also in 2016, we won the logistics company of the year award at the Nigerian Transport Awards, and the Global Risks Award from the Institute of Risks Management, London. The award was for excelling in the face of adversity.

We also signed partnership agreement with the Nigerian Export Processing Zone and Lagos State Government on export promotion.

Brief History of Ownership (Cont'd)

Our many firsts

- First full-fledged ground handling Company in Nigeria.
- First ground handling Company to be privatized and listed on the Nigeria Stock Exchange.
- First ground handling Company to be ISAGO certified in Nigeria.
- First ground handling company to get EU validation on safety (Ra3) in Nigeria.
- First ground handling Company to get a 32-tonnes main deck loader in Nigeria.
- First ground handling Company to have IATA certified Training Centre in Nigeria.
- First ground handling Company to handle international airlines in Enugu, South East Nigeria.
- First ground handling Company to operate at the MMA2.
- First ground handling Company to handle Concorde aircraft in Nigeria.
- First ground handling Company to handle B747-800 aircraft in Nigeria.
- First ground handling Company to handle Boeing B787 Dreamliner aircraft in Nigeria.
- First to build and operate warehouses to handle 290,000 tonnes of cargo per annum in Nigeria.
- First to sign MOU with Nigerian Air force on training in Nigeria.
- First to provide aviation fuelling services (in conjunction with Cleanserve Energy Solutions Limited).
- First to become a member of African Aviation Training Organisation (AATO).
- First to secure operating license outside the shores of Nigeria.
- First to be awarded a Free Trade Zone license.
- And the first ground handling Company to commence a 24- hour cargo operations from the Lagos airport.

Newly Acquired Ground Support Equipment

Handling of Ethiopian Airlines A350 maiden flight to Lagos recently: Another first by nahco aviance.

Chairman's Statement

Mallam Suleiman YAHYAH, OON.
Chairman, Board of Directors

Distinguished shareholders, esteemed friends of NAHCO, members of the Board of Directors, our Regulators, Gentlemen of the press, ladies and gentlemen, I am delighted to welcome you to the 35th Annual General Meeting of our Company, the Nigerian Aviation Handling Company Plc.

All praises belong to The Almighty God. We thank Him for giving us the grace to lead the Company and navigate its affairs at this difficult time.

2015 was one of the most difficult years in recent history of Nigeria's business operating environment, which is a reflection of the global challenges facing major economies of the world including China, Europe and majority of the emerging markets.

We congratulate Nigerians for the successful and peaceful conclusion of the 2015 general election, which ushered in a new government headed by President Muhammadu Buhari; this peaceful transition strengthens and deepens democratic ethos and culture in Nigeria and has become a bench mark for a lot of countries.

Overview of the Global and the Nigerian Economy

2015 was a difficult year in several respects. "Africa rising" and Nigeria's recent yearly Gross Domestic Product GDP growth were both significantly interrupted by the global crash in commodity prices, the lack of foreign exchange buffer, lack of effective consistent response and strategy all combined to impact on the performance of our economy. The key indicators such as the GDP, declined from 6% in 2014 to 2.3% in 2015, inflation increased from 9% to 11%.

The Naira exchange rate depreciated significantly in both the official and autonomous markets, while interest rate and unemployment continue to rise to levels that have become unsustainable. At the sectorial level, nearly all the sectors of the economy including energy and electricity, agriculture, construction, manufacturing etc. suffered a shock and the lull was exercibated in the first quarter of 2016.

The Aviation industry, which was projected by IATA to grow at nearly 7% in 2015, suffered a significant decline, in both passenger load and cargo volume across the world including Nigeria. The Nigerian Stock Exchange also

Chairman's Statement Cont'd

witnessed significant decline in its all share price index becoming the worst performing Exchange in Africa in 2015. It is against this background that our company NAHCO operated hence, our stable performance.

Company Performance

In 2015, NAHCO maintained relative stability in its performance and operations. We handled a total of 39,699 flights compared to 35,557 flights handled in 2014. This is an improvement of 11%. However, this increase was made possible by domestic operation (non core) and the opening of the Owerri Station, which grew 564%; and Enugu flights, which increased by 218% within a short period. NAHCO, in 2015 commissioned the Enugu Cargo warehouse, which we believe would go a long way in opening the South Eastern regional economy to the rest of the world and enable Enugu to handle international cargo and enjoy international passenger services.

The total number of international passengers handled by NAHCO however decreased from 3,311,024 to 3,099,101 passengers impacting negatively on airline load and yield factors. Cargo volumes also decreased from 106 million kg down to 85 million kg, a major decrease of nearly 20% compared to 2014 reflecting reduced import for cargo volumes generally across the country due to consistent depreciation of the Naira and restriction of imports by the Federal Government. In 2015, the Federal Government banned 41 items from accessing the FOREX market for imports. This policy shift will impact trade and cargo import volumes in the medium term.

Diversification

The NAHCO Free Trade Zone (NFZ), which is our flagship subsidiary under our diversification program, began to perform and show good result. The Company is expected to break even in the 2nd quarter of 2016. It has already started attracting high quality international customers to its facilities, which is under development based on the phase one of the master plan. Our operating and management partners of the NAHCO Free Trade Zone, International Development of Ireland (IDI) are fully in charge of the operations and management of the Zone. The IDI has an international track record of establishing the first Free Trade Zone in the world at Shannon, Ireland. They have assisted, in the successful establishment of over 250 Free Trade Zones in over 70 countries. The partnership and management agreement between NAHCO FTZ and IDI will optimize efficiency and attract global presence and operations in the zone within two years. We are confident the NFZ will positively add value to our 2016 overall performance and provide long-term sustainability to NAHCO PLC. Also, our regional diversification and expansion initiatives to Cote d'Ivoire and Senegal is still ongoing now that the West Africa sub-region is Ebola free, and we hope to commence operation in one of the markets in 2016/2017.

Purchase of New Equipment

Sequel to your approval in 2014 NAHCO issued its series 2 Bond for N2 Billion. The Company made a strategic decision to apply the proceeds of the Bond to purchase new ultra modern equipment to support the planned operation and commissioning of the four new airport terminals, located in Lagos, Abuja, Kano and Port Harcourt international airports. These equipment have arrived Nigeria enhancing our equipment self-sufficiency and modernization programme from 105% to 125%, as well as improving our flexibility to support growth and expansion across the country. The investment was timely as it was concluded at the 2014 exchange rate when the Naira was at a reasonable exchange rate to the Dollar and there was Dollar availability within the country. Modernization of NAHCO equipment over the last eight years has gone a long way in giving the Company a cutting edge in operational efficiency, improving our rating and attractiveness, and ensuring that we comply with both IATA and ISAGO standards and certifications. IATA recently audited us and rated NAHCO 99% the highest for any aviation service provider in Nigeria. NAHCO in 2015 retained its ISAGO Certification and maintained AAA Augusto & Co credit rating.

Our Team

Several members of staff of NAHCO received excellence awards for integrity and service performance. We celebrated our staff that exhibited and demonstrated our core values of integrity and reliability in their service delivery. We also received international

Chairman's Statement Cont'd

awards for risk management and compliance. NAHCO is one of the ten Publicly Listed Companies that have been rated corporate governance compliant by the Nigerian Stock Exchange and was thus invited to ring the gong to close market and trading recently.

Financial Results 2015

Despite the challenges of the global and the Nigerian political economy, we marginally improved on our performance in 2015. Turnover increased from N8.1 Billion in 2014 to N8.5 Billion in 2015. Our Profit Before Tax increased from N769.5 Million in 2014 to N796.8 million in 2015. As a reflection of the difficult operating environment our cash reserve moved from N2.7 Billion to N2.2 Billion. Thus, our Company in 2015 remained profitable, maintained stability in its performance ratios with a sustained reasonable buffer and cash reserves to meet short-term challenges.

Proposed Dividend

Your Board is pleased to recommend a dividend of N324.8 million at 20kobo per ordinary share of 50kobo less withholding tax for the financial year ended 31st December 2015 for your approval. Upon your approval, this dividend pay out reflects the same rate as prior year yielding 7.2% and will enable us to maintain growth in our reserves and buffer to meet future demands.

Board Changes

Since the last Annual General Meeting Messrs Usman Arabi Bello and Bolaji Balogun, two of our long standing Directors have retired from the Board. We thank them for their services to the Company and wish them success in their future endeavours. We are also happy to inform you of the appointment of Mrs Folashade Ode as Executive Director, Corporate, Legal Services & Company Secretary.

In her over 10 years of service to NAHCO Board and Shareholders, Mrs. Ode has exhibited leadership with integrity and remains a valuable asset to the Company especially its relationship with numerous stakeholders. Her appointment to the Board was well-deserved and will enhance diversity and improve best practices and our corporate governance profile.

On behalf of the Board of Directors and the Shareholders we warmly welcome our new Director on board.

Appointment of a New CFO

We are pleased to inform you of the appointment of Mr. Bamidele Adelaja as the new Chief Financial Officer, (CFO), bringing years of experience and best practices to your Company. Mr. Adelaja is a Management Accounting expert with experience spanning about 25 years having served in various capacities in Banking and Audit firms including KPMG Audit Lagos (Now Akintola Williams Delloitte & Co) Ltd. He worked with the firm of Ensminger Beck & Thompson (Chartered Accountants) in Alberta, Canada. He is a member of the Institute of Chartered Accountants of Nigeria (ICAN) and a Fellow of the Chartered Institute of Taxation of Nigeria (CITN). His appointment followed the resignation of Mrs. Chinwe Chiji-Nnorom, your former CFO. We thank Mrs. Chiji-Nnorom for her services to the company and pray for a successful tenure for our new CFO.

Future Outlook

President Muhammadu Buhari's administration must be commended for the sustained fight against insurgency, reclaiming all lost territories in North Eastern Nigeria and for giving the country a new lease of life in public governance and accountability. This twin programme and accomplishment of the new leadership will bring hope and confidence that the Nigerian operating environment will be more secured and the risks and uncertainties associated with insurgency will be lowered while the security of lives and properties will be more assured.

We see head winds in the economic horizon. Current macro-economic indices have been weighed down by rising inflation, unemployment, global commodity price weakness, the delayed passage of the 2016 budget as well as the long time it took for key appointments into positions, to drive the economy. The escalated challenges of public governance and weak macro-economic performance will impact negatively on our GDP growth forecast for 2016 and our company performance in the short term.

Chairman's Statement Cont'd

As a result of this expectation your Board has decided to lower the cost of doing business and shift our funding structure from Debt to Equity. The Board has approved the repayment of the N2 Billion Series 1 Bond from our Bond cash reserve account, which is due by the third quarter of 2016. We have also approved the restructuring and sustained amortization of our N2 Billion Series 2 Bond effective June 2016. These two steps will free up cash for future distribution to shareholders as enhanced dividend and to increase our cash buffer.

The Board has also decided to invest in the NAHCO Agri-Zone Project in 2016, which was conceived four years ago to further diversify our income stream, and generate additional Forex export earnings. The project will be domiciled in Abuja and the foundation stone will be laid this year. The Agri-Zone Project is a partnership with Dube Trade Port of South Africa and will be involved in the value chain addition and processing of Nigerian produced fruits and vegetables for local Nigerian market and exports to the rest of the world, using our airport hub and operations as the platform for Agri diversification of foreign exchange earnings.

These steps will improve our efficiency and consolidate on our diversification strategy started five years ago so that your company will stay on a strategic growth path in the near term to mitigate the head wind we foresee.

The Board therefore remains confident that with the consistent execution of our planned actions in 2016 and strengthening our footprint in West Africa, NAHCO will return to its double-digit growth path in spite of the short-term challenges of the Nigerian Economy.

Nigeria remains one of the most attractive investment destinations in Africa due to its positive demography and rising size of an educated middle class, inspite of short term political economic challenges.

We are therefore cautiously confident that with the government planned commissioning of the new four airport terminals in 2016/2017, and the complimentary Federal Government planned investment in infrastructure and social welfare programmes to reduce income inequality and poverty, domestic aviation business and regional aviation travel will return to reasonable growth as from 2018.

The Board, with your continued support, will continue to seek for new avenues to enhance our overall prosperity and strengthening our sustainability in the face of current challenges. God bless Nigeria, NAHCO and all of us.

Mallam Suleiman Yahyah, OON,
Chairman, Board of Directors
FRC/2013/CISN/00000003340

Managing Director's Statement

Mr. Norbert BIELDERMAN
Managing Director/CEO

Dear Shareholders, it affords me great pleasure to be here this morning to render our stewardship of the Company for this last one year. I would like to thank you for your support for the modest achievements we made in 2015.

According to IATA, airlines expect to welcome some 3.6 billion passengers in 2016. These figures are revealed in the IATA Airline Industry Forecast 2012-2016. NAHCO would handle some of these. We plan to handle a higher percentage of this than we did last year. This industry consensus outlook for system-wide passenger growth sees passenger numbers expanding by an average of 5.3 percent per annum between 2012 and 2016. The 28.5 percent increase in passenger numbers over the forecast period will see almost 500 million new passengers traveling on domestic routes and 331 million new passengers on international services.

International freight volumes will grow at 3 percent per annum to total 34.5 million tonnes in 2016. That is 4.8 million more tonnes of air cargo than the 29.6 million tonnes carried in 2011.

The emerging economies of Asia-Pacific, Latin America and the Middle East will see the strongest passenger growth. This will be led by routes within or connected to China, which are expected to account for 193 million of the 831 million new passengers over the forecast period (159 million on domestic routes and 34 million traveling internationally). Passenger growth within the Asia-Pacific region (domestic and international) is expected to add around 380 million passengers over the forecast period.

It is comforting for us to note that **Africa** will report the strongest passenger growth with 6.8 per cent CAGR. International cargo demand will rise 4 percent; although the **five fastest growing international freight markets** over the 2011-2016 period will be Sri Lanka (8.7 percent CAGR), Vietnam (7.4 percent), Brazil (6.3 percent), India (6.0 percent) and Egypt (5.9 percent). Five of the 10 fastest growing countries are in the Middle East North Africa (MENA) region, reflecting MENA's growing importance in international air freight. As we can see, Nigeria is missing from this list. What this means in essence is that we shouldn't be too optimistic about this operating year.

The prevailing economic realities are indeed a mixed bag. Our ground handling operations especially with regards to international airlines generates revenues for us in foreign currency. Our cargo customers import cargoes into the country. These cargoes are paid for with foreign currency. The exchange rate of the naira to the dollar had not been very competitive. Infact, in the first quarter of this year and almost all of the second quarter, the forex had practically dried up. This had made the cargo import volume to touch a low level which it had not touched in a long while.

Challenges of operating at the Airport

More than at any other time in our history, we face multiple obstacles in our operating environment. Multiple charges is only one of such.

We are charged for facilities which ordinary should be available free for our use under our

Managing Director's Statement Cont'd

concession agreement with FAAN. FAAN now bills us even for infrastructure that we assisted in putting in place. You may be aware of the well – publicized letter of one of the unions in the sector, NUATE, to the Minister of State for Aviation in which they complained bitterly that FAAN's mode of business is stifling businesses at the airports. We fully align with that position. The amount charged us by FAAN for allowing our equipment to access our place of business continues to rise geometrically while we have to cough out great resources to pay for even our staff to enter the Airport to perform their lawful duties.

Continually Falling Margins

There is no business that faces the kinds of challenges that we face that would be high on profits at the end of the day. With the falling margins, the Airlines are also asking that handling charges be reduced. What made the present situation so tough is that we have a standard that we cannot compromise on. As a matter of fact, NAHCO is the benchmark. How possible is it for us to reduce our excellent service quality because of reducing margins? Others could do it and probably get away with it. But the industry knows that NAHCO does not do that.

Certification

In 2015, ICAO awarded us Ra3 Validation for our operations in Port Harcourt Airport. The Company was actually the first in the country to pass and receive the Ra3 Validation in compliance with the European Union regulatory requirements. NAHCO had previously received the first Ra3 validation for the Lagos operations in 2013 and later Abuja. The Regulated Agent Third Country Validation Process (Ra3 Validation) for Port Harcourt brings to three the number of airports where nahco aviance had secured the all-important validation which is much sought out for in the Aviation industry.

Withdrawing Airlines

As you may be aware, one of our client airlines, Iberia had pulled out of the Country. It no longer flies the Lagos – Madrid route. This is a loss of revenue to us. We had been handling this airline since June 2004, for four times a week. Now they are gone! As if to further emphasise that bad times are not limited to just one operator in the industry, another airline this time, United Airline also had withdrawn from the Lagos route. Again, this means a loss of revenue, not for us, but for the competition. This goes to show that this stormy weather coming upon Aviation will not isolate anyone.

Permit us for the moment to mention therefore that the immediate outlook does not look so good. It is safe to project that some airlines struggling on this route would follow the lead and example of Iberia and United airlines. Although it is good to hope for the best; it is better to face realities well projected. This will only prepare us for less disappointment. We should not be optimistic about grossing extra billion of revenues in an economy that is increasingly shrinking and in which its managers had repeatedly warned is headed towards a deep recession.

New Businesses

But it is not just a tale of disengaging businesses. We also have a story to tell of new businesses won. We have continued to win new businesses on the domestic front. We already have in the kitty, deals that would ensure that nahco aviance operates in three additional airports of Akure, Maiduguri and Yola. We have Azman Air, to handle it's entire Nigeria Operations.

On the international routes, we have the Mid-African Airlines (New Gambia Flag Carrier) - LOS, with Operations set to start July 2016. We have won the bid to handle Meridiana Fly (Italian Airline) whose starting date is also set for July 2016. Of course, Rwandair to Abuja, just got on board. This is a new route won and signed and sealed in Kigali on June 1, 2016. Also in June this year, we signed a business deal with Mainstream Aviation, MainStream Aviation is a major Cargo Air-Freight (Logistics) Airline operating both international and local flights. We expect to seal more deals in the next few months.

Managing Director's Statement Cont'd

This definitely is good news we are happy to share with our shareholders. We will continue to seek for ways to expand our business and increase our revenues.

A Pledge and a Promise

Dear Shareholders, we are proud of what we achieved this outgone year. Repeatedly, we had won awards as the Most Resilient Company in the Aviation sector. This is a testimony to our hard-work and our ability to surmount all obstacles in the conduct of our business. We pledge that we will not relent on our oars as we face the obstacles present in the current operating year. Our pledge and our promise is that we will strive for excellence. We will give our best. Government policies are some of the things that we cannot control. We are however prepared that however and whichever way these policies come, they will not catch us napping. We are in this business for the long term; and for the successful term.

Thank you for your kind attention.

Norbert Bielderman
MD/CEO
FRC/2015/IODN/00000011580

Profile of Directors

Mallam Suleiman YAHYAH, OON.
Chairman Board of Directors

Suleiman Yahyah OON, is an advocate of best practice in Corporate Governance. He is INSEAD France first African certified Corporate Governance Director. A former member of The Nigerian Securities and Exchange Commission (SEC) committee that authored the 2010 Nigerian Code of Corporate Governance and also served as a Member of the Vision 20-20-20 Federal Government strategy group.

Mallam Yahyah holds a Masters of Philosophy Degree in Economics and Politics of Development from Cambridge University England, and a First Class Honors degree in Economics from Bayero University, Kano, Nigeria. He is a trained Investment Banker, and started his career with CHASE Manhattan/Continental Bank of Nigeria in 1987, a qualified Chartered stockbroker and a specialist in Debt Securitization as well as Primary and Secondary Capital Market Issues and regulation. He served as one of the pioneer Directors of NUB International Bank Plc for six years until its consolidation driven merger with Finbank in 2006. He also served on the Boards of FCMB Group and the FCMB Bank as a Director for several years until 2014.

Yahyah is the Chairman of ROSEHILL GROUP, which he founded in 1999. The Group is involved with the growth and development of the Nigerian economy in three key areas, namely, Infrastructure Investment and Management Support, Corporate Governance as well as Advocacy. He is also the founder and chairman of the Abuja Business Council (ABC) which is involved with Corporate Governance and Sustainable Investment Matching and Policy Advocacy. He currently serves as the Chairman of Nahco Group, the leading company in Aviation Handling, Cargo Management and Free Trade Zone Development Company. NAHCO is a publicly listed company in Nigerian Stock Exchange. He is also currently the Chairman of Lafarge Ashaka Cement Plc, a leading cement producer in the North East Nigeria, a subsidiary of the LAFARGE HOLCIM Africa Group and is a Publicly Listed Company.

Mallam Yahyah is a fellow of the Nigerian Institute of Directors (IOD) and a member of the London Institute of Directors, Pall Mall. Mallam Suleiman Yahyah is involved with several philanthropic projects and youth empowerment through the Suleiman Yahyah Foundation. He was appointed a director of Nigerian Aviation Handling Company Plc in November, 2006 and Chairman of the Board in July, 2012.

Profile of Directors (Cont'd)

Mr. Denis HASDENTEUFEL
Vice Chairman

Mr. Denis Hasdenteufel (French) attended Master of Commerce High School in Paris. He has held various positions in Air France ranging from General Manager at Charles de Gaule Airport to that of International Purchasing Vice President, also of the Airport. He also represented Air France on the Board of CIAS (Singapore), AIDA (Mauritius) and AFSL (Great Britain).

Denis became a a director of Nigerian Aviation Handling Company Plc in 2000 and was appointed Vice Chairman of the Board in 2012. He represents the interests of Air France on the Board of nahco aviance.

Mr. Norbert BIELDERMAN
Managing Director/CEO

Norbert Bielderman joined nahco aviance in May 2010. From Netherlands (Holland), he is an alumnus of the University of the Netherlands Antilles where he studied Fiscal Law from 1979 to 1982. In 1998, he qualified for the IATA certificate on Dangerous Goods & Radioactive Materials in Yerevan, Armenia. He is a tested aviation practitioner with 29 years hands-on experience in ground handling operations, project management, feasibility study, strategy implementation and logistics chain management.

Prior to joining nahco aviance, he had worked in senior positions at Thor Shipping Group of Companies, South Africa, Transafrik International Ltd, Aerocharter/Swissport Services, Cancun & Mexico City, Swissport Basel AG, Switzerland, National Flight Services, Jeddah, Saudi Arabia, KLM Cargo Central America & Caribbean among other companies. He was confirmed Managing Director/Chief Executive Officer in April, 2015.

Profile of Directors (Cont'd)

Mr. Ike NWACHUKWU
Director

Mr. Ike Nwachukwu attended the Nigerian Military School, Zaria, Nigeria and St Augustine's College, Westgate, Kent, England for his Secondary School; Brighton College, Brighton, England, for his A-Level and Ithaca College, Ithaca, New York, USA for his B. Sc. Finance. Mr. Nwachukwu started his career with All Tech Investment Group, Montvale (New Jersey, USA) in 1995 as a trader. He later served as an Associate, Manhattan Planning Group, New York, USA. He was Managing Director, Santon Energy LLC, New York, USA; Principal, Quosol LLC, New York, USA. He was Managing Director, Santon Energy LLC; and Managing Director, Assured Risks Ltd., Lagos. He is the Principal at Occrient Limited, Lagos.

He also held non-executive board positions in the following organizations: F & F International Limited, Octopol Energy Limited, Balair Trading Company (UK), Ablantis Healthcare Limited and Sandatone Securities Limited. Mr. Nwachukwu joined the Board of nahco aviance in July, 2012.

Mr. Chris OSHIAFI
Director

Mr. Chris Oshiafi attended the University of London, United Kingdom, where he graduated with second class honours degree (upper Division) in Accounting and Finance. He also obtained a Master of Business Administration (MBA) from University of Lagos, Nigeria.

He has worked as a Group Treasurer of The Lion of Africa Insurance Company, then a subsidiary of the Guardian Royal Exchange, United Kingdom, from where he joined Goldpath Finance and Securities Limited, as Chief Operating Officer. He was Managing Director/CEO of Truebond Private Equity Limited in 2000, the position he held till 2005 when he was appointed as the Executive Director (Investment Banking) in the defunct Citizens International Bank Plc (now Enterprise Bank Limited). He is currently the Managing Director/CEO, PanAfrican Capital Plc, a leading investment Bank in Africa.

He is a Fellow of Institute of Chartered Accountants of Nigeria (FCA); an Associate of the Chartered Insurance Institute of London, (ACII) UK, the Chartered Institute of Taxation of Nigeria (ACIT). He has attended several courses in Finance, Management and Leadership, of the prestigious Columbia Business School, New York, United States and Insead Business School, Fontainebleau, France, The IESE Business School in Barcelona Spain and the Chief Executive Programme (CEP 17) class of the Lagos Business School.

Chris Oshiafi joined the Board of nahco aviance on July 11, 2012.

Profile of Directors (Cont'd)

Faruk UMAR PhD.
Director

A Fellow of the Institute of Directors (IOD), Dr Umar is an alumnus of Ahmadu Bello University, Zaria where he obtained his Bachelor and Master Degrees in Education and Educational Psychology in 1976 and 1979 respectively. He also obtained his Doctorate Degree in Educational Psychology from University of Wisconsin, USA, in 1987. Dr. Umar started his working carrier at the School of Preliminary Studies, Kano as a Lecturer in 1977. Between 1983 and 1984, he served as the Permanent Secretary, Special Duties, with Kano State Government and later worked as Manager, Research and Educational Services, at Kano State Foundation from 1988 to 1991. A Boardroom guru, Dr. Umar had served as a member on the Boards of Ashaka Cement Plc, Union Homes Savings and Loans Plc and 1004 Estates Limited, among others. He is currently serving on the Boards of American Hospitals Ltd and Board of Governors, Pearls Awards. Dr. Umar was a member of several Audit Committees and now serves on the Audit Committees of Aso Savings Plc, Seplat Plc and Nascon Plc. He was recently been appointed by SEC to serve on the committee for the review of CAMA and Trustees Investment Act.

Dr Umar has attended several Executive Education courses at Harvard University. He is also an alumnus of INSEAD Institute. Dr Umar has also attended a course on Accounting and Finance for Non-Financial Executives at Stanford University.

Dr. Umar also served as a member of the Finance and Economy Committee, Presidential Policy Advisory Committee (PPAC), member, Finance Committee, Vision 20:2020 and member, Review of Investment and Securities Act. Dr. Umar was the National President of Rumfa Old Boys Association from 2009-2011 and currently the President of the Association for the Advancement of the Rights of Nigerian Shareholders (AARNS). He is currently a member of the Panel of Judges of the Kano Multi-door Court in Nigeria. He was appointed a Director in June, 2011.

Mr. David THOMAS
Director

Mr. Thomas was born in Wilkie Saskatchewan, Canada and obtained a Diploma in Technology, Hotel Management & Food Services in 1979. He also has qualifications in Wage & Salary Negotiation, Labour Relations as well as holding Journeymanship papers as a Cook (Red Seal) from Southern Albert Institute of Technology and attended several leadership trainings at Ashridge in the United Kingdom. He has held several managerial positions and served on the Boards of several companies.

He was appointed Director of Operations, West Africa for Lufthansa in April, 2012 and now is Director of Operations for Sub Sahara Africa. He joined nahco aviance Board representing Lufthansa German Airline in December, 2012.

Profile of Directors (Cont'd)

Mr. Ahmed Tijjani UWAIS
Director

Mr. Ahmed Tijjani Uwais was born on 6th December, 1970; he is the youngest member on the Board, bringing to the Board his youthful energy, insight and style.

Mr. Uwais is the Principal Counsel, Ahmed Uwais & Co, Abuja. He worked as Counsel and Senior Counsel at Abdullahi Ibrahim & Company, Kaduna between 1995 and 1998, Managing Partner, Wali, Uwais & Co, Abuja, between 1998 and 2003. He attended the Nigerian Law School, Lagos for his BL (Practicing Certificate) from 1994 to 1995, after obtaining an LLB from the prestigious University of Ibadan, Oyo State in 1994. Mr. Uwais is a member of various professional bodies such as: Nigerian Bar Association, International Bar Association, Capital Market Solicitors and an Associate, Chartered Institute of Arbitrators (Nigeria). He is a Notary Public of Nigeria.

He is also a Co-Editor of the Nigerian Monthly Law Reports. He joined the Board of nahco aviance in May, 2013.

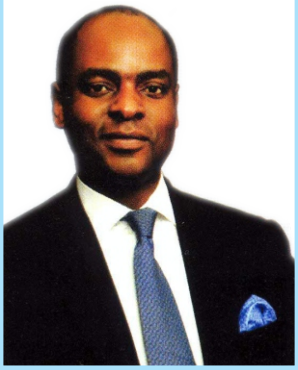
Ms. Hadiza Aliko MOHAMMED
Director

Hadiza has over two decades of work experience. She started as a management trainee with the Nelson Hurst International Brokers in London. She became the pioneer underwriter of Medical insurance at IGI Insurance Company Limited in Lagos from 1992-1995. Subsequently, she was appointed the first Executive Director in charge of Finance and Administration at Turners Building Products Arewa Limited in Kaduna, 1995-2002. She was later appointed the Managing Director of the same Company from 2002.

In 2013 and 2014 respectively, she became certified in the area of Addiction counselling and general counselling from the Institute of Counselling in Scotland, UK. She is an associate of the chartered institute of insurance (ACII) United Kingdom; member Institute of Islamic Banking; Chartered Insurance Institute of Nigeria; Chartered Institute of Marketing, United Kingdom; and the Federation of Muslim Women's Association of Nigeria. She is a member of the Boards of Trustees of Al Amanah Foundation; Kaduna International School, Mariacutty Empowerment Foundation, WIC Foundation.She has a degree in Business Studies and Sociology from University of Surrey, a Marketing Diploma from the Institute of Marketing UK and an Ordinary National Diploma in Business Administration (B/Tech) from Padworth College Reading UK.

She was appointed into the board of nahco aviance as an Independent Director in July, 2013

Profile of Directors



Mr. Mobolaji Balogun
Director

Mr. Balogun attended London School of Economics, University of London where he obtained a B.Sc Degree(Hons) in Economics in 1989. He is an associate Member of the chartered Institute of stockbrokers, Nigeria as well as an Authorised Dealing clerk of the Nigeria Stock Exchange. He is a renowned investment expert whose commitment to national development encouraged his involvement in various Government reform programmes in Telecommunication, Banking and the Capital Market.

Mr. Balogun actively manages various businesses, professional and social organisations, including stock broking firms. He is a member of the committee on the Nigeria corporate Governance Code among others.

He has held various directional and senior executive management positions in the areas of investment Banking/Stock Broking. He was also a founding director of Econet Wireless Nigeria Limited (now Airtel). He was appointed to the Johannesburg Stock Exchange, Africa Board Advisory Committee in September, 2009. He joined nahco aviance board in November, 2006.

Arc. Usman Arabi Musa Bello
Director

Arc. Bello attended Ahmadu Bello University, Zaria from where he bagged a B.Sc.(Hons) Degree in Architecture, as well as M.Sc Architecture and MBA. He is a member of the Nigeria Institute of Architects, the Architect Registration Council of Nigeria, and an Associate Member of the Nigeria Institute of Management.

He is a property expert with considerable experience. He is also an administrator of repute with enviable records. His directional responsibilities cover Bells Properties & Services Ltd. HNB Security and Protective Company, Polyfibre Industrial Limited, and Confidence Finance Ltd. He is a member of the Amateur Basketball Association and Federal Road Safety Commission.
He joined nahco aviance board in November, 2006.

Ramp Handling

Corporate Governance

Nigerian Aviation Handling Company Plc is committed to observing high standards of corporate governance. The Board of Directors recognises the importance of applying best corporate governance principles, its valuable contribution to long term business prosperity and accountability to its shareholders. Consequently, the Company has undertaken to create the institutional framework conducive to defending the integrity of our directors and is convinced that, on account of this, the Board of "nahco aviance" is functioning in a highly effective manner. The Board will continue to challenge itself to improve the standard in areas where the need for improvement is identified.

Governance Structure

The Board

The Board comprises ten (10) Directors, made up of eight (8) non-Executives and two (2) Executive Directors. The Board is responsible to shareholders for creating and delivering sustainable value through its general supervision of the Company's business. The positions of the Chairman and the Chief Executive Officer are held by different persons, in order to avoid undue concentration of power. The Chairman is responsible for the leadership of the Board and creating the conditions for overall effectiveness of the individual Directors' and the Board in general. All of the Directors bring various and varied competencies to bear on all Board decisions. Each individual Director has the experience, knowledge, qualifications, expertise and integrity that is necessary to effectively discharge the duties of the Board of Directors. The Board meets regularly and is responsible for effective control and monitoring of the Company's strategy.

The Board has established a number of committees to assist it in the discharge of its responsibilities. The Company has established the Board Charter and the Board Committees Charters. The Board and the Committees Charters spell out the responsibilities, appointment, terms of references, composition, and the review of the charter among other things.

During the year under review the Board met at various times to provide strategic directions, policy and leadership in attaining the objectives of the Company.

The Board monitors the activities of the Executive Management and the accomplishment of set objectives through reports at its meetings.

Relationship with shareholders

As a deliberate policy nahco aviance maintains an effective and candid communication with its shareholders which enables them to understand the Company's business, financial conditions and operating performance and trends. The Board places considerable importance on effective communication with its shareholders as it recognizes the importance of ensuring an appropriate balance in meeting their needs. The Company strives at all times to build enduring relationships with the shareholders. The Board ensures that shareholders receive prior notice of meetings and that all other statutory notices and information are communicated regularly. Shareholders can freely communicate their thoughts and recommendations whenever they feel the need to do so by contacting the Company Secretary or Head, Corporate Governance and Stakeholder Relations.

BOARD MEETINGS

Directors	Designation	Number of meetings during tenure	Number of meetings attended
Mall. Suleiman Yahyah	Chairman	4	4
Mr. Denis Hasdenteufel	Vice Chairman	4	4
Mr. Norbert Bielderman	Managing Director/CEO	4	4
Mr. Mobolaji Balogun	Non Executive	4	4
Arc. Usman Bello	Non Executive	4	4
Dr. Faruk Umar	Non Executive	4	4
Mr. Ike Nwachukwu	Non Executive	4	4
Mr. Christopher Oshiafi	Non Executive	4	4
Mr. David Thomas	Non Executive	4	4
Mr. Ahmed Uwais	Non Executive	4	4
Ms. Hadiza Mohammed	Non Executive	4	4

Board committees

In performing its oversight functions of the Company's business the Board operates as a full Board or through the Board Committees whose compositions and functions are listed below:

All Board Committees make the appropriate recommendations for approval by the full Board. They are as follows:

(1.) Finance, Strategy and Operations Committee.
(2.) Governance, Compliance and Establishment Committee.
(3.) Risk and Investment Committee.

Finance, Strategy and Operations Committee

The Committee was chaired by a non-executive director and was made up of four (4) other non executive directors and one (1) executive director.

The terms of reference include:

(a) Stay informed on a timely basis about the Company's financial status.
(b) As appropriate, review and recommend to the Board, key financial policy matters, oversee development of the budget, financial reporting, its policies and processes.
(c) To review and recommend to the Board the strategic planning process, long range objectives and strategic plan along with specific business and marketing plans of the Company.

Corporate Governance (Cont'd)

(d) To support Management on the redefinition of market and support management in seeking new ways of being innovative by updating traditional ways of doing business and adding new ones.
(e) Oversee the strategic direction of the Company's innovation and product development programmes, to ensure alignment with the Company's overall corporate strategy.
(f) To review Management submission of capital project as approved by the Board.
(g) To review and make recommendation to the Board on capital project which are beyond the scope of approval limit of Management.
(h) To review Management proposal on the purchase of Ground Support Equipment (GSE) in line with the Company's strategic plan.

Governance, Compliance and Establishment Committee

The Committee was chaired by a non-executive director and made up of four (4) other non-executive directors.

The terms of reference include:

(a) To establish and review on regular bases, the existence of an appropriate code of conduct which focuses on leadership policies and general behaviour within the Company.
(b) Oversees the Board's performance evaluation process.
(c) Access the effectiveness of the Board of Directors as a whole.
(d) Oversees the compliance of all the Company's committees with the Company's corporate Governance policies and standards.
(e) To make recommendation on the composition of the Board and define the criteria and the procedure for the appointment of Directors to the Board.
(f) To conduct evaluation competency on the appointment of non executive directors and the senior management.
(g) Ensures the Company's remuneration policies and practices support recruitment, development and retention of Executive Directors and senior management and recommend remuneration and promotion of executives and senior management.

Risk and Investment Committee

The Committee was chaired by a non-executive director and made up of four (4) other non-executive directors and one (1) executive director.

The terms of reference include:

(a) Oversight function on all risk related issues.
(b) Determine the efficiency and effectiveness of administrative operating and accounting controls used by the Company.
(c) Reviewing Company's policies and practices as regards the business conduct, ethics and integrity. Encourage whistle blowing process.
(d) To keep under review the effectiveness of the Company internal controls, audit function and risk management system.
(e) To set the overall investment policies of the Company subject to board approval; and establish investment guidelines, including the Policy Portfolio, regarding asset classes, asset allocation ranges and prohibited investments.
(f) To provide guidance and oversight on investment strategy and reinvestment of the funds of the Company.

Decisions and actions of the Committee are presented to the Board for approval.

MEETINGS HELD BY THE COMMITTEES

Finance, Strategy and Operations Committee meetings held on 21st January, 18th March, 14th July and 14th October, 2015.

Members	Number of meetings during tenure	Number of meetings Attended
1. Mr. Christopher Oshiafi - *Chairman*	4	4
2. Mr. Ike Nwachukwu – *Vice Chairman*	4	4
3. Dr. Faruk Umar	4	4
4. Arc. Usman Bello	4	4
5. Mr. David Thomas	4	4
6. Mr. Norbert Bielderman	4	4

Governance, Compliance and Establishment Committee meetings held on 14th July, 13th October and 3rd November, 2015.

Members	Number of meetings during tenure	Number of meetings Attended
1. Mr. David Thomas – Chairman	3	3
2. Dr. Faruk Umar – Vice Chairman	3	3
3. Mr. Chris Oshiafi	3	3
4.Mr. Ahmed Uwais	3	3
5.Ms. Hadiza Aliko Mohammed	3	3

Risk and Investment Committee meetings held on 13th March, 14th July, 14th October, 2015.

Members	Number of meetings during tenure	Number of meetings Attended
1. Ms. Hadiza Aliko Mohammed – Chairman	3	3
2. Mr. David Thomas – Vice Chairman	3	3
3. Mr. Ike Nwachukwu	3	3
4. Mr. Ahmed Uwais	3	3
5. Mr. Norbert Bielderman	3	3

The Audit Committee

The Audit Committee was composed of six members made up of three representatives of the Shareholders elected at the 2014 Annual General Meeting held on 11th June, 2015 for a tenure of one year till the conclusion of the 2015 Annual General Meeting; and three representatives of the Board of Directors nominated by the Board.

The terms of reference include as provided in section 359 (6) of the Companies and Allied Matters Act CAP C20 Laws of the Federation of Nigeria, 2004:

1. ascertains whether the accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices;
2. reviews the scope and planning of audit requirements;
3. reviews the findings on management matters in conjunction with the external auditor and departmental responses thereon;
4. keeps under review the effectiveness of the Company's system of accounting and internal control;

Corporate Governance (Cont'd)

5. makes recommendations to the Board in regard to the appointment, removal and remuneration of the external auditors of the Company; and
6. authorises the internal auditor to carry out investigations into any activities of the Company which may be of interest or concern to the Committee.

Audit Committee meetings held on 19th March, 23rd April, 14th July and 15th October, 2015.

Members	Number of Meetings during tenure	Number of Meetings attended
1. Dr.Okpan Awa - Chairrman	4	4
2. Mrs. Bisi Bakare - Vice Chairman	4	4
3. Mr. Mohammed Gambo	4	4
4. Arc. Usman Bello	4	4
5. Dr. Faruk Umar	4	4
6. Mr. Ahmed Uwais	4	4

Complaint Management Policy

The Board approved the Complaint Management Policy pursuant to the Rules of the Securities & Exchange Commission ("SEC") on the Complaints Management Framework of the Nigerian Capital Market ("Framework") released on 16th February 2015 and also on the directive of the Nigerian Stock Exchange ("the NSE") contained in its Circular No. NSE/LARD/LRD/CIR6/15/04/22 issued on 22nd April 2015 to all listed Companies. The Policy is published on the Company's website.

Board Evaluation

A Board evaluation was conducted during the year. The performance of the Board, Board Committees and individual Directors were adjudged satisfactorily, and necessary feedbacks arising from the exercise were given to the individual Directors.

Insider Trading

The Board approved an Insider Trading Policy which is compliant with the provisions of Section 14 of the Amended Listing Rules of the Nigerian Stock Exchange. The Policy applies to all Directors, Audit Committee, Employees of the Company and any other person in possession of insider information from dealing with the Company's shares during the Non-Authorised Trading Periods. The Company's Directors, Audit Committee and employees are therefore notified and prohibited from dealing in the Company's shares during the Non-Authorised Trading Periods, in accordance with the Investment and Securities Act, 2007, the Post Listing Rules of the Nigerian Stock Exchange and the Company's policy on Insider Trading, published on the Company's website.

REPORT OF THE DIRECTORS

The Directors are pleased to present to the members of the Company their Report and Audited Financial Statements for the year ended 31st December, 2015, which are in compliance with the requirement of the International Financial Reporting Standards (IFRS).

Principal Activities	The principal activity of the Company is the provision of aircraft, passenger and cargo handling services and other related services.	
Significant events	**January 2015**	Donations to Little Sisters of the Poor, Home for the Elderly, Guardian Angels and Motherless Babies Home, all in Enugu.
	February 2015	Engaged and deployed personnel of the Nigerian Security and Civil Defense Corps at our terminals for effective security.
	March 2015	Hosted shareholders who paid the Company a courtesy call. Held the first ever Air Cargo Summit.
	April 2015	Board and Management visited Sokoto State Government on trade facilitation. Appointment of the new Cargo Services Manager.
	May 2015	Successfully renegotiated the cargo tariff review.
	June 2015	Signed partnership agreement with Creseada Int'l Ltd. Held the 34th AGM in Abuja. Sponsored the Kaduna Badminton tournament.
	July 2015	Presentation of a bus to ANLCA. Presentation of signage and furniture to NAGAFF.
	August 2015	Successful handling of Hajj operations. Commenced implementation of the cargo tariff increase. Visit by the Board and Management to the Egyptian Ambassador on trade facilitation.
	September 2015	Commissioned the Enugu warehouse.
	October 2015	Promotion of over 400 staff of different cadres. Signed agreement with Shoreline Group for ground handling rights at Osubi Airport.
	November2015	Shortlisted for the Global Risk Awards 2016.
	December2015	Inspection of the cargo warehouse by the Minister for Transportation.
Review of business and future prospects	The review of the Company's business and furure prospects contained in the Chairman's statement are an integral part of the Directors Report and should be read in conjunction with Directors Report.	

Report of the Directors (Cont'd)

Results for the year	Group 2015 ₦ '000
Group profit for the year before taxation	796,796
Taxation for the year	(259,000)
Profit for the year after taxation	537,796
Non-controlling interest	13,457
Retained profit for the year	551,253

The Directors will propose a gross dividend of 20 kobo (2014:20 kobo) per ordinary share of 50 kobo each amounting to ₦ 324.8 million (2014: ₦ 295.3 million), to the members at the Annual General Meeting for approval.

Directors

The Directors who served on the Board during the year under review and up to the date of signing these financial statements are:

Mallam Suleiman Yahyah OON	Chairman	
Mr. Denis Hadenteufel	Vice Chairman	(French)
Mr. Norbert Bielderman	Managing Director/CEO	(Dutch)
Mrs. Folashade Ode	Executive Director	(Appointed 22nd March, 2016)
Mr. Mobolaji Balogun		(Resigned 22nd March, 2016)
Arc. Usman Bello		(Resigned 22nd March, 2016)
Dr. Faruk Umar		
Mr. Christopher Oshiafi		
Mr. Ike Nwachukwu		
Mr. David Thomas		
Mr. Ahmed Uwais		
Ms. Hadiza Aliko Mohammed	Independent Director	

Directors retiring by rotation

In accordance with the Articles of Association of the Company and provisions of the Companies and Allied Matters Act, CAP 20, LFN, 2004, Mallam Suleiman Yahyah, Mr. Christopher Oshiafi and Mr. Denis Hadenteufel are the Directors retiring by rotation and being eligible offer themselves for re-election. Their performances in the Directors' evaluation conducted for the year 2015 were satisfactory.

Report of the Directors (Cont'd)

Directors' Interest

The direct and indirect interests of the Directors in the issued share capital of the Company as recorded in the register of Directors' shareholdings and/or notified by them for the purpose of Sections 275 of the Companies and Allied Matters Act, CAP C 20 LFN 2004 were as follows:

Names	No of Shares 31st December, 2014	No of Shares 31st December, 2015	No of Shares 28th February, 2016
Mallam Suleiman Ismail Yahyah OON			
- Direct	2,350.856	2,585,941	2,585,941
- Indirect (Rosehill Group Ltd)	140, 589,065	31,010,148	31,010,148
Mr. Denis Hasdenteufel - Indirect (Air France)	85,851,561	94,436,717	94,436,717
Arc. Usman Bello	1,729,687	46,405	46,405
Mr. Mobolaji Balogun - Indirect (Chapelhill Investment Management Ltd)	371,250	408,375	408,375
Mr. Ahmed Uwais - Indirect (Sycor Private Investment Ltd)	131,835,937	145,019,530	145,019,530
Dr. Faruk Umar	930,679	1,023,745	1,023,745
Mr. David Thomas - Indirect (Lufthansa Commercial Holding GmbH)	88,593,750	97,453,125	97,453,125
Mr. Christopher Oshiafi	5,110,000	5,621,000	5,621,000
Mr. Ike Nwachukwu			
- Direct	10,000	11,000	11,000
- Indirect (Rosehill Group Ltd)	-	123,637,822	123,637,822
Ms. Hadiza Aliko Mohammed	1,687	1,687	1,687
Mr. Norbert Bielderman	-	-	-

Some of the Directors have notified the Company for the purposes of section 277 of the Companies and Allied Matters Act, CAP C20 LFN 2004,to the effect that they were members or held some specified Companies which could be regarded as interested in any contracts with which the Company was involved during the year under review.

Related party transactions

The Company carries out business for Airlines, some of whom are founder shareholders of the Company. However, in line with Company policy, transactions are carried out at arm's length basis.

Shareholding

The Registrars have advised that the called up and fully paid shares of the Company as at 31st December 2015 was beneficially held as follows:

Share Range Analysis:

			31st December, 2015			28th February, 2016		
Range			No. of holders	No. of Units	%	No. of holders	No. of Units	%
	-	10,000	64,280	134,451,877	8.2779	64,282	134,318,029	8.270
10,001	-	100,000	8,479	246,738,031	15.1912	8,470	245,980,803	15.145
100,001	-	1,000,000	1,031	245,454,319	15.1121	1,034	246,609,626	15.183
1,000,001	-	10,000,000	75	159,193,714	9.8012	73	158,992,957	9.789
10,000,001	-	100,000,000	12	454,513,777	27.9835	12	454,450,303	27.980
100,000,001	-	1,476,562,500	3	383,867,032	23.6339	3	383,867,032	23.634
Grand total			**73,880**	**1,624,218,750**	**100**	**73,874**	**1, 624,218,750**	**100**

The following shareholders held more than 5% of the issued share capital:

	31st December, 2015	28th February, 2016
Rosehill Group Ltd	9.52%	9.52%
Sycor Private Investment Limited	8.93%	8.93%
AWHUA Resources Limited	7.11%	7.11%
Lufthansa Commercial Holding GmBH	6.00%	6.00%
Air France	5.81%	5.81%

Directors' Responsibilities

The Companies and Allied Matters Act, CAP C 20 LFN 2004 requires the Directors to prepare the financial statements, in respect of each financial year, that give a true and fair view of the state of affairs of the Company as at the end of the year and of the profit or loss, and cash flows generated by the Company for the year ended on that date.

In preparing the financial statements the Directors are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Ensure that the applicable accounting standards have been followed, and in the case of any material departure, that these have been fully disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis, unless it is deemed inappropriate to assume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any point in time, the financial position of the Company, and enable them to ensure that financial statements comply with the Financial Reporting Council of Nigeria Act, No 6, 2011 and the Companies and Allied Matters Act, CAP C20 LFN 2004. The Directors are also responsible for the safeguarding of the assets of the Company, and for taking any reasonable steps for the prevention and detection of fraud and other irregularities.

Acquisition of its own shares

The Company did not acquire any of its shares during the year.

Audit Committee

Pursuant to Section 359(3) of the Companies and Allied Matters Act, CAP C20, LFN 2004, the Company has an Audit Committee comprising of Directors and Shareholders. The report of the Audit Committee is included in the financial statements and their functions are laid out in Section 359(6) of the Companies and Allied Matters Act CAP C20 LFN 2004.

Report of the Directors (Cont'd)

SHAREHOLDERS' INFORMATION

Share Capital History

Date	Authorized Share Capital Increased from (₦)	Authorized Share Capital Increased to (₦)	Issued Share Capital Increased from (₦)	Issued Share Capital Increased to (₦)	Consideration
25 May 2007	150,000,000	500,000,000	150,000,000	375,000,000	Bonus (3:2)
25 May 2007	-	500,000,000	375,000,000	392,500,000	Rights
25 May 2007	-	500,000,000	392,500,000	437,500,000	Public Offer
09 May 2008	-	500,000,000	437,500,000	492,187,500	Bonus (1:8)
21 August 2009	500,000,000	750,000,000	-	492,187,500	-
21 August 2009	-	-	492,187,500	615,234,375	Bonus (1:4)
7 June 2012	-	-	615,234,375	738,281,250	Bonus (1:5)
11 Jun 2015	750,000,000	1,500,000,000	738,281,250	812,109,375	Bonus (1:10)

Donations

The Company made donations and gifts amounting to the following:

	₦ '000
African Diplomatic Group	250
Kaduna Badminton Club	322
Association of Nigerian Licensed Customs Agents	6,773
League of Airport Aviation Correspondents	150
NAF Hospital	100
Home for the elderly Port-Harcourt	500
Daily Trust (IOP) Relief Fund	1,000
Bayero University Kano	5,000
Compassion Centre for Physically Challenged Children	500
Air Transport Services Senior Staff Association of Nigeria	550
National Union of Air Transport Employees	250
Rotary Club of Maryland	250
	15,645

The Company did not make any donation or gift to any political party, political association or for any political purpose in the course of the year under review.

Unclaimed dividends

Shareholders who are yet to receive their dividend are advised to contact the Registrar: CardinalStone Registrars Limited, 358, Herbert Marcaulay Way, Yaba, Lagos.

Physically - challenged Persons

It is the company policy not to discriminate against physically challenged persons.

Employees Health, Safety and Welfare

Health and safety regulations are in force within the Company for the benefit of all employees. A staff clinic is maintained and in addition the Company has made arrangement with private hospitals and clinics for the treatment of employees on referral basis. Also, the Company has a dedicated unit for Health, Safety Environment and Quality in line with standard policy applicable to aviation industry.

Employees' development

This is carried out at various levels within the Company through internal and external training.

Auditors

In line with the Rotation of External Auditors as estrenched in the code of corporate governance for public companies in Nigeria (Section 33 (2), Horwath Dafinone, having been engaed for 10 years, retires and a resolution will be proposed authorising the Directors to appoint a new auditor and fix their remuneration.

By Order of the Board

Mrs. Folashade O. Ode,
FRC/2013/NBA/00000003177
Company Secretary
22nd March, 2016

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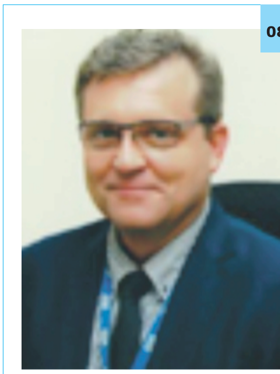

SENIOR MANAGEMENT TEAM

1. **Mr. Norbert Bielderman**
   Managing Director / Chief Executive Officer
2. **Mrs. Folashade Ode**
   Executive Director,
   Corporate, Legal Services & Company Secretary
3. **Mr. Hassan Yahaya**
   Chief Operating Officer
4. **Mr. Ahmed Gulma**
   Head, Corporate Services
5. **Mr. Oluseyi Adewale**
   Chief Commercial Officer
6. **Mr. Bamidele Adelaja**
   Ag. Chief Finance Officer
7. **Mr Baba Yusuf**
   Chief Strategy Officer
8. **Mr Maarten Klijnstra**
   Cargo Services Manager

REPORT OF THE AUDIT COMMITTEE

TO THE MEMBERS OF NIGERIAN AVIATION HANDLING COMPANY PLC.

In compliance with the provisions of Section 359 (6) of the Companies and Allied Matters Act, CAP C20 LFN, 2004, we, the members of the Audit Committee of Nigerian Aviation Handling Company Plc, confirm that the accounting and reporting policies of the Company as contained in the audited financial statements for the year ended 31st December, 2015 are in accordance with legal requirements and agreed ethical practices.

We confirm that the External Auditors, Horwath Dafinone have issued an unqualified opinion on the Company's financial statement for the year ended 31st December, 2015.

In our opinion, the scope and planning of the audit for the year ended 31st December, 2015 was adequate and we confirm that the response by the Management to the External Auditors' findings on Management matters were satisfactory.

CHIEF (DR) OKPAN AWA E. FNIM
Chairman, Audit Committee
FRC/2014/NIM/00000008663

Dated this 22nd Day of March, 2016.

Members of the Audit Committee

Chief (Dr) Okpan Awa E, FNIM	Chairman
Mrs. Bisi Bakare	Member
Dr. Faruk Umar	Member
Arc. Usman Bello	Member
Mr. Ahmed Uwais	Member
Mr. Madu Gambo	Member

The Executive Director, Corporate, Legal Services and Company Secretary, Mrs. Folashade Ode acted as Secretary to the Committee during the year.

REPORT OF INDEPENDENT AUDITORS

Horwath Dafinone

Horwath Dafinone
Chartered Accountants
Ceddi Towers
16, Wharf Road, Apapa
P. O. Box 2151 Marina
Lagos, Nigeria.
Tel: +234 1 4600518 - 9
+234 1 7615480
+234 1 4600619
+234 803 978 6138
Fax: +234 1 4600618
E-mail: info@dafinone.com
TIN NO: 01660732-0001

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NIGERIAN AVIATION HANDLING COMPANY PLC

We have audited the financial statements of Nigerian Aviation Handling Company Plc ("the Company") and its subsidiaries (together "the Group") for the year ended 31st December, 2015. These financial statements are set out on pages 42 to 75 and comprise the statements of comprehensive income, financial position, changes in equity, cash flows for the year then ended together with the statement of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

The management is responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards and the International Statements of Accounting Standards. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and Nigerian Standards on Auditing issued by the Institute of Chartered Accountants of Nigeria. The standards require that we comply with ethical requirements, plan and perform the audit so as to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

Basis of our opinion

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

REPORT OF INDEPENDENT AUDITORS (CONT'D)

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NIGERIAN AVIATION HANDLING COMPANY PLC (CONT'D)

Basis of our opinion (cont'd)

In making those risk assessments, the auditors considers internal controls relevant to the entity's preparation and fair presentation of the 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 information contained within the financial statements.

We obtained all of the information and explanations that were required for the purpose of our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

Report on other legal and regulatory requirements

In accordance with the Companies and Allied Matters Act CAP C20 LFN 2004 we confirm that the financial statements are in agreement with the accounting records, which have been properly kept.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company and the Group at 31st December, 2015 and of the financial performance and the cash flows for the Company and the Group for the year ended on that date, and comply with the Financial Reporting Council of Nigeria Act No 6, 2011, the Companies and Allied Matters Act CAP C20 LFN 2004 and the International Financial Reporting Standards.

Lagos, Nigeria
22nd March, 2016

Mr. Igho O. Dafinone
FRC/2012/ICAN/0000000622
For: Horwath Dafinone
Chartered Accountants

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
819968

Horwath Dafinone Is an Independent member of Crowe Horwath International, with offices and associated firms Worldwide. A list of partners' names Is available at the above address.

Consolidated and separate statement of profit or loss and other comprehensive income for the year ended 31st December, 2015

	Note	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
Revenue	6	8,498,626	8,133,456	8,458,700	8,133,456
Operating costs	7(i)	(5,270,687)	(4,713,287)	(5,441,460)	(4,806,407)
Gross profit		3,227,939	3,420,169	3,017,240	3,327,049
Other gains	8	214,982	190,986	204,250	186,989
Administrative expenses	7(ii)	(2,257,668)	(2,415,372)	(2,008,876)	(2,164,509)
Selling and distribution expenses	7(iii)	(137,782)	(146,495)	(137,782)	(146,495)
Profit from operations		1,047,471	1,049,288	1,074,832	1,203,034
Net finance costs	9	(250,675)	(279,835)	(169,413)	(232,834)
Profit before tax		796,796	769,453	905,419	970,200
Income tax expense	11(a)	(259,000)	(200,900)	(259,000)	(200,900)
Profit after tax		537,796	568,553	646,419	769,300
Other comprehensive income		-	-	-	-
Total comprehensive income		537,796	568,553	646,419	769,300
Non-controlling interest	12	13,457	9,356	-	-
Attributable to owners of the Company		551,253	577,909	646,419	769,300
Earnings per share					
Basic earnings per share (kobo)	13	34	39	40	52
Diluted earnings per share (kobo)	13	34	35	40	47

The accounting policies and notes on pages 46 to 75 are integral parts of these financial statements.

Consolidated and Separate Statement of Financial Position as at 31st December, 2015

	Notes	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
Assets					
Property, plant and equipment	14	6,820,436	6,942,354	5,311,651	5,424,507
Intangible assets	15	231,752	264,658	138,130	171,036
Investment property	16	138,127	142,194	138,127	142,194
Investment in subsidiaries	17	-	-	39,500	35,500
Deposit for shares	18	-	-	1,554,538	1,554,538
Loan to subsidiary	19	-	-	373,820	272,194
Other non-current assets	20	2,668,002	2,171,074	2,668,002	2,171,074
Total non-current assets		9,858,317	9,520,280	10,223,768	9,771,043
Current assets					
Inventories	21	159,276	156,751	159,276	156,751
Trade and other receivables	22	1,339,283	1,200,550	1,451,737	1,213,261
Intercompany receivables	23	-	-	968,136	348,000
Loan to subsidiary	19	-	-	188,018	66,156
Prepayments	24	1,386,279	797,760	540,880	723,160
Cash and bank balances	25	2,186,023	2,654,648	2,037,847	2,629,407
Total current assets		5,070,861	4,809,709	5,345,894	5,136,735
Total assets		14,929,178	14,329,989	15,569,662	14,907,778
Equity					
Share capital	26	812,109	738,281	812,109	738,281
Share premium	27	1,914,758	1,914,758	1,914,758	1,914,758
Retained earnings	29	3,494,749	3,312,636	4,080,936	3,803,657
Total equity attributable to equity holders of the company		6,221,616	5,965,675	6,807,803	6,456,696
Non-controlling interests	30	(125,157)	(111,700)	-	-
Total equity		6,096,459	5,853,975	6,807,803	6,456,696
Liabilities					
Borrowings	31	4,165,924	4,127,682	4,165,924	4,127,682
Deferred tax liabilities	11(c)	895,615	828,615	895,615	828,615
Total non-current liabilities		5,061,539	4,956,297	5,061,539	4,956,297
Current tax liabilities	11(b)	365,053	387,407	365,053	387,407
Trade and other payables	32	3,248,579	3,071,501	3,206,883	3,046,569
Deferred income	33	157,548	60,809	128,384	60,809
Total current liabilities		3,771,180	3,519,717	3,700,320	3,494,785
Total liabilities		8,832,719	8,476,014	8,761,859	8,451,082
Total equity and liabilities		14,929,178	14,329,989	15,569,662	14,907,778

Alhaji Suleiman Yahyah
Chairman
FRC/2013/CISN/00000003340

Mr. Norbert Bielderman
Managing Director
FRC/2015/IODN/00000011580

Mr. Bamidele Adelaja
Ag. Chief Finance Officer
FRC/2016/ICAN/00000013885

22rd March, 2016

The accounting policies and notes on pages 46 to 75 are integral parts of these financial statements.

Consolidated and Separate Statement of Changes in Equity as at 31st December, 2015

Attributable to equity holders of the Group

	Share capital ₦ '000	Share premium ₦ '000	Retained earnings ₦ '000	Total ₦ '000	Non-controlling interest ₦ '000	Total ₦ '000
Group balance at 1st January, 2015	738,281	1,914,758	3,312,636	5,965,675	(111,700)	5,853,975
Bonus issued	73,828	-	(73,828)	-	-	-
Dividend paid	-	-	(295,312)	(295,312)	-	(295,312)
Profit for the year		-	551,253	551,253	(13,457)	537,796
	812,109	**1,914,758**	**3,494,749**	**6,221,616**	**(125,157)**	**6,096,459**
Other comprehensive income	-	-	-	-	-	-
Group balance at 31st December, 2015	**812,109**	**1,914,758**	**3,494,749**	**6,221,616**	**(125,157)**	**6,096,459**

Attributable to equity holders of the Company

	Share capital ₦ '000	Share premium ₦ '000	Retained Earnings ₦ '000	Total ₦ '000
Company balance at 1st January, 2015	738,281	1,914,758	3,803,657	6,456,696
Bonus issued	73,828	-	(73,828)	-
Dividend paid	-	-	(295,312)	(295,312)
Profit for the year	-	-	646,419	646,419
	812,109	1,914,758	**4,080,936**	**6,807,803**
Other comprehensive income for the year	-	-	-	-
Company balance at 31st December, 2015	**812,109**	**1,914,758**	**4,080,936**	**6,807,803**

The accounting policies and notes on pages 46 to 75 are integral parts of these financial statements.

Consolidated and Separate Statement of Cash Flows for the Year ended 31st December, 2015

	Notes	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
Cash flows from operating activities					
Profit for the year		1,047,471	1,049,288	1,074,832	1,203,034
Adjustments for non-cash income and expenses:					
Depreciation of property, plant and equipment	14	880,767	817,110	727,435	780,262
Amortization of intangible asset	15	32,906	33,197	32,906	33,197
Depreciation of investment property	16	5,119	3,110	5,119	3,110
Profit on disposal of Property, plant & equipment		18,257	-	18,257	-
Derecognised investment property	16	8,893	-	8,893	-
Adjustment/library stock written off		-	(7,753)	-	(7,753)
Loans and borrowings restated at amortised costs	31	38,242	(22,171)	38,242	(22,171)
Changes in operating assets and liabilities					
Increase in inventories	21	(2,525)	(37,613)	(2,525)	(37,613)
Increase in trade and other receivables	22	(138,733)	(34,360)	(238,476)	(47,147)
(Increase)/decrease in prepayments	24	(588,519)	(524,521)	182,280	(449,921)
Increase in trade and other payables	32	177,078	755,976	160,314	737,404
Increase /(decrease) in deffered income	33	96,739	(126,534)	67,575	(126,534)
Cash generated from operations		1,575,695	1,905,729	2,074,852	2,065,868
Taxation paid	11(b)	(214,354)	(202,951)	(214,354)	(202,951)
Net cash inflow provided by operating activities		1,361,341	1,702,778	1,860,498	1,862,917
Cash flows from investing activities and liabilities					
Acquisition on investment property	16	(9,945)	-	(9,945)	-
Acquisition of property, plant and equipment	14	(780,285)	(1,971,259)	(636,015)	(416,564)
Proceeds from disposal of property, plant and equipment		3,179	1,555,026	3,179	1,555,026
Acquisition of intangible assets	15	-	(112,711)	-	(19,089)
Bond repayment fund	20	(496,928)	(1,110,111)	(496,928)	(1,110,111)
Deposit for shares	18	-	-	-	(1,554,538)
Loans granted	19	-	-	(223,488)	(338,350)
Interest received	9	422,063	338,937	504,185	385,872
Increase in investment in subsidiaries	17	-	-	(4,000)	-
Net cash used in investing activities		(861,916)	(1,300,118)	(863,012)	(1,497,754)
Cash flows from financing activities					
InterCompany	23	-	-	(620,136)	48,561
Interest paid	9	(672,738)	(618,772)	(673,598)	(618,706)
Dividends paid	28	(295,312)	(442,968)	(295,312)	(442,968)
Net cash outflow from financing activities		(968,050)	(1,061,740)	(1,589,046)	(1,013,113)
Net decrease in cash and cash equivalents		(468,625)	(659,080)	(591,560)	(647,950)
Cash at bank and in hand, beginning of year		2,654,648	3,313,728	2,629,407	3,277,357
Cash at bank and in hand, end of year	25	2,186,023	2,654,648	2,037,847	2,629,407
Cash and bank balances					
This comprise:					
Cash at bank and in hand		1,088,861	519,445	1,040,737	494,204
Investment in treasury bills		50,000	1,735,616	50,000	1,735,616
Other deposits with banks		1,047,162	399,587	947,110	399,587
		2,186,023	2,654,648	2,037,847	2,629,407

The accounting policies and notes on pages 46 to 75 are integral parts of these financial statements.

Notes to the consolidated and separate financial statements for the year ended 31st December, 2015

1. Reporting entity

Nigerian Aviation Handling Company PLC ("nahco aviance" or "the Company") is a Company domiciled in Nigeria with its registered office at Murtala Muhammed International Airport, Ikeja, Lagos. The consolidated and separate financial statements of the Company for the year ended 31st December, 2015 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities"). The Group is primarily involved in provision of services including aircraft handling, cargo handling, passenger profiling, crew transportation, leasing of ground handling equipment and equipment rental.

2. Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

The financial statements were authorised for issue by the directors on 22nd March, 2016.

(b) Functional and presentation currency

The financial statements are presented in Nigerian Naira, which is the Group's functional currency. Except as otherwise indicated, the financial information has been presented in Naira and rounded to the nearest thousand.

(c) Basis of measurement

The financial statements have been prepared on a historical cost basis.

The financial statements have been prepared on a going concern basis.

(d) Use of estimates and judgements

The preparation of financial statements in conformity with IFRSs requires the management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented within these financial statements.

3. Significant accounting policies (continued)

(a) Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. Control occurs where Nigerian Aviation Handling Company Plc has greater than 50% of the equity voting right of the Company. The financial statements of subsidiaries are included in the consolidated and separate financial statements from the date that control commences and are deconsolidated from the date that control ceases.

Investments in subsidiaries are carried at cost.

Transactions eliminated on consolidation

IntraCompany balances, and income and expenses (except for foreign currency translation gains or losses) arising from intra- Company transactions, are eliminated in preparing the consolidated and separate financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group entities at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at each reporting date are converted to the functional currency at the exchange rates ruling as at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in the functional currency translated at the exchange rate at the end of the year.

(c) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are carried at cost less accumulated depreciation and impairment losses. Cost includes the expenditure directly attributable to the acquisition of the asset. The attributable cost of each asset is transferred to the relevant asset category immediately the asset is available for use and depreciated accordingly.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of the equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that future economic benefits embodied within the part of the item of property plant and equipment will flow to the Company and its cost can be measured reliably.

The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property plant and equipment are recognised in profit or loss as incurred.

3. Significant accounting policies (continued)

(c) Property, plant and equipment (continued)

Depreciation

Depreciation is recognised on a straight-line basis to write down the cost of each asset, to their residual values over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets under finance lease are depreciated over the shorter of the lease term and their useful lives. Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date the asset is completed and available for use. Depreciation ceases at the earlier of the date that the asset is derecognised or classified as held for sale in accordance with IFRS 5. A non-current asset or disposal group is not depreciated while it is classified as being held for sale.

The estimated useful lives for the current and comparative period are as follows:

Class of asset	Period
Buildings	50 years
Land	over the lease period
Computer hardware	3-10 years
Computer, fittings & equipment	2-10 years
Motor vehicles	4-5 years
Plant and machinery	6 -15 years
Capital work-in-progress	not depreciated

Depreciation methods, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

De-recognition

An item of property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the (asset) is included in profit or loss in the year the asset is derecognised.

(d) Intangible assets

Intangible assets comprise softwares that are not integral part of the related hardware. The intangible assets have finite useful lives and are measured at cost less accumulated amortisation and accumulated impairment losses. The Group's intangible assets represents the licence granted the subsidiary, Nahco FTZ Limited to operate a Free Trade Zone by the Nigerian Export Processing Zone Authority (NEPZA).

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

3. Significant accounting policies (continued)

(d) Intangible assets (continued)

De-recognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss when the asset is derecognised.

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(e) Inventories

Inventories are shown at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories is determined on the basis of specific identification of their individual costs and includes all expenditure required to bring the asset to the present condition and location.

(f) Financial instruments

(i) Recognition

Non-derivation financial instruments – recognition and measurement

Non derivative financial instruments comprise trade receivables, other receivables, amounts due from related parties, cash and cash equivalents, loans and borrowings, amounts due to related parties, trade payables and other payables. Financial instruments are initially recognised at fair value, plus attributable transaction costs for instruments not at fair value through profit or loss. Subsequent to initial recognition, financial instruments are measured as described below.

Cash and cash equivalents

Cash and cash equivalents comprise of cash, bank balances and call deposits with original maturities of three months or less.

Trade and other payables

Trade and other payables are stated at amortised cost using the effective interest method. Short-duration other payables with no stated interest rate are measured at original invoice amount unless the effect of imputing interest would be significant.

Other

Other non-derivative financial instruments which comprise of loans and receivables, and other financial liabilities are measured at amortised cost using the effective interest method, less any impairment losses. Short-term trade receivables, other receivables, trade payables and other payables with no stated interest rate are carried at original invoice amounts where the effect of discounting is not significant.

3. Significant accounting policies (continued)

(f) Financial instruments (continued)

(ii) Derecognition

The Group derecognises a financial asset when the contractual rights to cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or has assumed an obligation to pay those cashflows to one or more recipients, subject to certain criteria.

Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire. Where the Group enters into transactions under which it transfers assets recognised on its statement of financial position, but retains either all risks and rewards of the transferred assets or a portion of them, then the transferred assets are not derecognised from the statement of financial position if all or substantially all risks and rewards are retained. In transactions where the Group neither retains nor transfers substantially all the risks and rewards of ownership of a financial asset, it derecognises the asset if control over the asset is lost.

The rights and obligations retained in the transfer are recognised separately as assets and liabilities as appropriate. In transfers where control over the asset is retained, the Group continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

(g) Share capital

Ordinary shares

Ordinary shares are classified as equity.

Dividends paid on ordinary shares

Dividends paid on the Group's ordinary shares are recognised in equity in the period in which they are paid or, if earlier, approved by the Group's shareholders.

(h) Taxation

Income tax on the profit or loss for the year comprises current tax. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the balance sheet date and after any adjustments required for prior period.

Deferred tax is recognised in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Deferred tax is not recognised for the temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Currently enacted tax rates are used to determine deferred tax. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

3. Significant accounting policies (continued)

(i) Impairment

Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of the asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. All impairment losses are recognised in the statement of comprehensive income.

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of comprehensive income.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine its recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(j) Non-current assets held for sale

Non-current assets (or disposal groups comprising assets and liabilities) that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. Immediately before classification as held for sale, the assets (or components of a disposal group) are measured in accordance with the Group's accounting policies. Thereafter, the assets (or disposal group) are measured at the lower of their carrying amount and fair value less cost to sell. Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

3. Significant accounting policies (continued)

(k) Employee benefits

Defined contribution plan

A defined contribution plan is a post employment benefit plan under which an entity pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(l) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(m) Revenue recognition

Services

Revenue from services rendered is recognised in profit and loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to services performed to date as a percentage of total services to be performed.

The Group is involved in aviation cargo, aircraft handling, crew and passenger transportation service delivery and power distribution. When the services under a single arrangement are rendered in different reporting periods, the consideration is allocated on a relative fair value basis between the services.

Rental income

Rental income from investment property is recognised as revenue on a straight line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. Rental income from other property is recognised as other income.

3. Significant accounting policies (continued)

(n) Finance income and expense

Finance income comprise of interest on funds invested. Finance costs comprise interest expense on borrowings, exchange differences on financial instruments and bank charges.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the statement of comprehensive income using the effective interest method.

Foreign currency gains and losses are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position except for foreign currency translation differences recorded in other comprehensive income.

(o) Leased assets

Leases in term of which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

(p) Lease payments

Payments made under operating leases are recognised on a straight-line basis over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Determining whether an arrangement contains a lease

At inception of an arrangement, the Company determines whether such an arrangement is or contains a lease. A specific asset is the subject to a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Company the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other considerations required by such an arrangement into those for other elements on the basis of their relative fair values, If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised on a straight line.

(q) Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production of goods and services or for administrative purposes. Investment property is measured at cost less accumulated depreciation and impairment loss. Cost includes expenditure that is directly attributable to the acquisition of the investment property. Investment property held by the Group is depreciated over the estimated useful life of 50 years. Fair values are determined at the end of the reporting period and disclosed.

3. Significant accounting policies (continued)

(r) Earnings per share

The Group presents basic earnings per share (EPS) data for its ordinary share. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

(s) New standards and interpretations not adopted

A number of new standards and amendments to standards and interpretations are effective for annual period beginning after 1st January, 2014.

IFRS 9, "Financial Instruments" addressed the classification, measurement and recognition of financial assets and liabilities. The complete version of IFRS 9 was issued in July, 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes thre measurement categories for financial assets: amortised cost, fair value through Other Comprehensive Income and fair value through P or L. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset.

Investment in equity instrument are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in Other Comprehensive Income not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirement for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instruments and for the hedged ratio to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under IFRS 9. The standard is effective for accounting periods beginning on or after 1st January, 2018. Early adoption is permitted. The Group does not plan to adopt this standard early.

4. Determination of fair values

A number of the Company's accounting policies and disclosures require the determination of fair value, both for financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods:

Trade and other receivables

The fair value of trade and other receivables is estimated as the present of the future cash flows, discounted at the market rates of interest at the reporting date. For trade and other receivables with a remaining life of less than one year, the notional amount is deemed to reflect the fair value.

Other non-derivative financial liabilities

Fair value is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rates of interest at the reporting date. For trade and other creditors with a remaining life of less than one year, the notional amount is deemed to reflect the fair value.

5. Financial risk management

Financial risk management is an integral part of the management of the Company's operatiosn. Financial risk management shall be carried out centrally using policies as defined by the Board. Such policies define the categories of risk and specify the procedures and operating limites for each type of transactions and/or instrument.

Financial risk management shall rest with Finance and Strategy Department which has the task of evaluating the risks and putting into place the relative hedges under the supervision of the Chief Financial Officer.

The department shall liase with the Company's bankers and other financial market players for the realization of the financial risk management objectives on behalf of the Company.

The Group's activities expose it to a variety of financial risks which are:

Liquidity risk
Credit risk
Market risk
- Foreign exchange rate risk
- Interest rate risk
- Price risk

The Management programme seeks to minimize the potential adverse effects on the group's financial performance. Risk management is carried out by management on behalf of the Board of Directors.

This note presents information about the Group's exposure to each of the above risks, in respect of the Group's management of it's capital. Further quantitative disclosures are included throughout these consolidated financial statements.

Investments

The Group limits its exposure to credit by investing only in liquid debt securities and only with counterparties that have a credit rating BB+ from Standard & Poor's and A from Moody's. Management actively monitors credit ratings and given that the Group only has invested in securities with high credit ratings, management does not expect any counterparty to fail to meet its obligations.

Liquidity Risk Governance Policy

This policy is approved by the Board of Directors of the Company and subject to regular reviews to ensure that it is consistently aligned with the Company's business plan, economic and financial directions or any other significant internal and external changes which affect the Company. The Board of Directors will receive regular reports on the liquidity and funding positions of the Company. The Management ensures that the policy is effectively implemented and is responsible for establishing prudent liquidity risk management and risk control procedures.

Liquidity Risk Management

Liquidity risk is defined as the risk of incurring losses due to the inability of an organisation to meet it payment obligations in a timely manner when they become due. Liquidity risk is categorised into two risk types:

- **Funding Liquidity Risk:** this happens when the Company cannot fulfil its payment obligations because of insufficient fund inflow from operations and at the same time not able to inject fresh funds to the system.
- **Market Liquidity Risk:** this is when the Company is unable to sell or convert its Liquidity Buffer** into cash without significant losses.

5. Financial risk management (continued)

Liquidity Risk Management (continued)

The Finance and Strategy department has the responsibity of maintaining the right balance between the Company's receivables and payable so that it is able to meet payment obligations as they fall due.

The department further ensures a balance in her investment assets such that spontaneous convertibility to cash will not result in severe loss of value in the expected returns from such investment assets.

The Finance and Strategy Department is entrusted with the responsibility to execute this function on behalf of the Company.

Liquidity Risk Tolerance

The key matrix the Company uses to measure and limit liquidity is the ***Survival Horizon***. The survival horizon measures the time the Company is able to fulfil all its payment obligations stemming from ongoing business operations under a severe stress scenario. The Company's target survival horizon is 6 months but with baseline survival horizon of 3 months.

	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
Exposure to liquidity risk				
Cash and bank balances (note 25)	2,186,023	2,654,648	2,037,847	2,629,407
Deposit in DSRA (note 20)	2,496,249	1,722,557	2,496,249	1,722,557
Trade and other receivables(note 22)	1,339,283	1,200,550	1,451,737	1,213,261
Total financial assets	6,021,555	5,577,755	5,985,833	5,565,225
Trade & Other payables (Note 32)	3,248,579	3,071,501	3,206,883	3,046,569
Loans and borrowings (Note 31)	4,165,924	4,127,682	4,165,924	4,127,682
Total financial liabilities	7,414,503	7,199,183	7,372,807	7,174,251
Net exposure	(1,392,948)	(1,621,428)	(1,386,974)	(1,609,026)

Credit risk

Credit risk is the risk of financial loss to the Company if a customer fails to meet its contractual obligations and arises principally from the Group's receivables from customers.

The Group's principal exposure to credit risk is in its trade and other receivables. Trade receivables principally represent amounts received by the Group from its customers and credit risk is managed at that level. Credit evaluations are carried out on all customers regularly. The Company has no significant concentration of credit risk, with exposure spread over all existing customers.

Exposure to credit risk

The carrying value of the Group's financial assets represents its maximum exposure to credit risk. The maximum exposure to credit risk at the reporting date was:

	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
Trade receivables	762,097	578,888	754,190	578,888
Other receivables	577,186	621,662	697,547	634,373
	1,339,283	1,200,550	1,451,737	1,213,261

5. Financial risk management (continued)

Market risk
Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(a) Foreign exchange rate risk:

This is the risk of possible adverse movement in the exchange rate of the transactions denominated in foreign currency in relation to the base currency before the date where the transaction is consummated.

The Group undertakes transactions in foreign currency hence are exposed to foreign exchange risk. This risk is managed by the Finance and Strategy department through its operating units of Treasury and Credit Control.

The operating units are responsible for gathering relevant information inherent in such transactions. Foreign exchange risks are mainly on our sales and purchases invoices of applicable transactions.

The department is responsible for assessing and managing the net posision of the exchange rate vitality.

(b) Interest rate risk:

This is a risk to the earnings or market value of a portfolio due to uncertain future interest rates. Ordinarily, the management of this risk involves achieving a balance between the fixed –rate debts and floating rate debts.

While the Group currently has fixed-rate debt only, Finance and Strategy Department shall maintain a balance in its Investment Assets to hedge the Group from Interest Rate Risk on Investments.

(c) Price risk:

Fair Value estimates
The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to the short term nature of the trade receivables and payables.

6. Revenue

(a) The Group's revenue represents the amount invoiced to customers for aircraft handling, cargo handling and equipment rentals but excluding value added tax.

	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
Aircraft handling	3,509,198	3,108,293	3,509,198	3,108,293
Cargo handling	4,675,591	4,748,119	4,635,665	4,748,119
Equipment rental and maintenance	313,837	277,044	313,837	277,044
	8,498,626	8,133,456	8,458,700	8,133,456

Aircraft Handling: Income from aircraft handling includes invoices raised for Ramp services, passenger profiling, security, baggage handling (loading and offloading) and crew transportation.

Cargo Handling: These include invoices raised for; cargo documentation services for airlines, import and export cargo facilitation through Nigeria's biggest network of customs bonded warehouses in Lagos, Kano, Abuja, Port-harcourt and Enugu.

Equipment rental and maintenance: The Company leases its equipment to airlines for services that are not covered in the Standard Ground Handling Agreement.

(b) Major customer

Ten prominent customers contributed ₦ 2.5 billion (2014: ₦ 2.3 billion) towards the revenue of the group.

Notes to the consolidated and separate financial statements for the year ended 31st December, 2015 (Cont'd)

7. Expenses by nature

Expenses by nature have been disclosed in the statement of comprehensive income as follows:

	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
(i) Operational costs				
Payroll costs	2,950,095	2,758,265	2,934,086	2,758,265
Pension	122,092	195,053	121,815	195,053
Staff participatory scheme	41,025	42,290	41,025	42,290
Ground rent	207,680	148,358	207,680	148,358
Concession fees	427,716	259,857	427,716	259,857
Management service fee	308,369	298,808	308,369	298,808
Machine and equipment spare parts	75,905	57,568	60,447	57,568
Depreciation	555,445	512,008	408,384	512,008
Computer expenses	240,268	220,323	240,268	220,323
Staff uniforms and protective equipment	15,952	16,905	15,952	16,905
Security charges	70,475	59,164	70,475	59,164
Other operating expenses	89,812	31,306	66,911	31,306
Fuel and lubricant	141,402	108,726	141,402	108,726
Lease rental	24,451	4,656	396,930	97,776
	5,270,687	4,713,287	5,441,460	4,806,407
(ii) Administrative expenses				
Payroll costs	396,664	347,691	300,849	315,632
Directors' remuneration	154,398	224,381	122,598	193,981
Entertainment	23,613	11,377	23,613	9,328
Laundry and cleaning	36,971	23,515	36,971	23,515
Medical expenses	82,420	81,654	81,767	81,337
Motor vehicle running	15,360	21,862	14,490	21,513
Insurance	74,160	81,720	72,713	81,217
Pension costs	47,111	44,624	41,536	44,624
Printing and stationery	19,098	40,905	18,245	40,782
Training	138,682	209,067	135,576	190,127
Transport and travelling	150,429	303,837	130,273	287,446
Legal charges and expenses	2,253	35,400	2,253	35,400
Audit fee	18,000	14,500	15,000	13,000
Rent and rates	11,561	27,027	9,236	9,849
Newspapers and periodicals	1,239	1,788	1,013	1,788
Donation and subscription	17,282	12,318	8,638	12,318
Fuel and oil expenses	51,365	31,613	51,090	31,169
Professional expenses	153,917	135,149	98,275	98,934
Depreciation	363,347	341,409	357,075	304,561
Repair and maintenance	123,223	113,084	121,573	113,084
Utilities	77,555	48,405	77,363	35,690
Telephone and postage	7,150	7,642	7,110	7,642
Board expenses	179,591	146,297	170,281	102,828
Computer expenses	23,186	20,868	22,245	19,505
Staff participatory scheme	17,093	17,239	17,093	17,239
Employee compensation scheme	36,000	36,000	36,000	36,000
Industrial training fund	36,000	36,000	36,000	36,000
	2,257,668	2,415,372	2,008,876	2,164,509
(iii) Selling and distribution expenses				
Marketing	137,782	146,495	137,782	146,495

Notes to the consolidated and separate financial statements for the year ended 31st December, 2015 (Cont'd)

	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
8. Other gains and losses				
Rental income	221,573	205,103	210,841	205,103
Sundry income	76,037	70,555	76,037	66,558
Bad debt	(7,639)	(10,164)	(7,639)	(10,164)
Impairment loss	(47,839)	(74,508)	(47,839)	(74,508)
Loss on disposal	(18,257)	-	(18,257)	-
Derecognised asset	(8,893)	-	(8,893)	-
Gain for the year	214,982	190,986	204,250	186,989
9. Net finance costs				
Foreign exchange gain	-	1,228	-	7,824
Interest income on treasury bills	64,462	147,032	64,462	147,032
Interest income on other deposits	106,332	30,790	105,456	30,790
Interest income on debt service reserve account	251,269	146,370	251,269	146,370
Other bond income	-	13,517	-	13,517
Interest on loan (note 19)	-	-	82,998	40,339
Finance income	422,063	338,937	504,185	385,872
Bank charges	25,066	13,368	23,658	13,302
Interest on the bond	592,125	605,404	592,125	605,404
Other bond charges	44,294	-	44,294	-
Foreign exchange loss	11,253	-	13,521	-
Finance cost	672,738	618,772	673,598	618,706
Net finance cost	250,675	279,835	169,413	232,834

Finance income comprises interest income on funds invested and foreign exchange gain on transactions. Finance costs comprise of interest expenses on borrowings and bank charges on accounts maintained with the various financial institutions. Interest of 13% was charged on the ₦ 2.15 billion bond and 15.25% on the ₦ 2.05 billion bond raised. Finance income and costs are netted off to get the net finance cost or income.

Notes to the consolidated and separate financial statements for the year ended 31st December, 2015 (Cont'd)

10. Employee benefits expenses

(a) Employee benefit expenses include:

	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
Payroll cost	3,336,126	3,136,356	3,234,935	3,073,897
Pension costs	169,203	239,677	163,351	239,677
Medical	82,420	81,337	81,767	81,337
Training	138,682	209,064	135,576	190,127
Staff participating scheme	58,118	59,529	58,118	59,529
Industrial training fund	36,000	36,000	36,000	36,000
Employee compensation	36,000	36,000	36,000	36,000
	3,856,549	3,797,963	3,745,747	3,716,567

(b) Employees remuneration scale:

	Group 2015	Group 2014	Company 2015	Company 2014
₦ 650,001 - ₦ 700,000	115	267	115	267
₦ 750,001 - ₦ 800,000	519	355	519	355
₦ 850,001 - ₦ 900,000	186	245	186	245
₦ 900,001 - ₦ 950,000	92	73	92	72
₦ 950,001 - Above	977	947	961	935
	1,889	1,887	1,873	1,874

(i) The average number of full time persons:

	Group 2015	Group 2014	Company 2015	Company 2014
Operations	1,655	1,644	1,653	1,644
Administration	234	243	220	230
	1,889	1,887	1,873	1,874

(c) Directors' remuneration:

Remuneration paid to directors of the Group was as follows:

	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
Directors' fees	45,000	45,000	45,000	45,000
Other expenses	31,677	41,078	27,500	38,412
Other emoluments	67,465	77,140	39,842	49,406
Retirement benefits	-	50,820	-	50,820
Participatory scheme	10,256	10,343	10,256	10,343
	154,398	224,381	122,598	193,981
Chairman	8,025	12,735	8,025	12,735
Highest paid director	36,283	40,678	36,283	40,678

Number of other directors' earnings

	Number	Number	Number	Number
₦ 6,000,000 - ₦ 6,700,000	1	-	1	-
₦ 8,000,000 - ₦ 8,700,000	9	-	9	-
₦ 12,000,000 - ₦ 12,700,000	-	9	-	9
₦ 17,000,000 - ₦ 18,700,000	9	-	9	-
₦ 21,000,000 - ₦ 25,700,000	-	1	-	1
₦ 30,000,000 - ₦ 32,700,000	1	-	-	-
₦ 32,000,000 - ₦ 34,700,000	-	1	-	-

Notes to the consolidated and separate financial statements for the year ended 31st December, 2015 (Cont'd)

11. Taxation

(a) The tax charge for the year comprises:

	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
Company income tax	158,500	157,000	158,500	157,000
Education tax	33,500	37,000	33,500	37,000
Deferred tax charge	67,000	6,900	67,000	6,900
	259,000	200,900	259,000	200,900

Tax liabilities at year end:

	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
Income tax payable	323,863	342,830	321,261	342,830
Education tax payable	43,604	44,577	43,792	44,577
Current tax liabilities	367,467	387,407	365,053	387,407
Deferred tax	926,898	828,615	895,615	828,615
	1,294,365	1,216,022	1,260,668	1,216,022

(b) The movement on the current tax payable account during the year was as follows:

	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
Balance, beginning of year	387,407	396,358	387,407	396,358
Charge for the year (note(a))	192,000	194,000	192,000	194,000
Payments made during the year	(185,586)	(149,807)	(185,586)	(149,807)
Back duty assessment paid	(28,768)	(53,144)	(28,768)	(53,144)
Balance at end of year	365,053	387,407	365,053	387,407

Payments made during the year includes withholding tax credit notes of ₦ 151 million (2014: ₦ 118 million) recovered by the Company.

(c) The movement on the deferred tax payable account during the year was as follows:

	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
Balance at beginning of year	828,615	821,715	828,615	821,715
Charge for the year	67,000	6,900	67,000	6,900
Balance, end of year	895,615	828,615	895,615	828,615

Notes to the consolidated and separate financial statements for the year ended 31st December, 2015 (Cont'd)

	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
12. Profit from continuing operations				
Profit for the year from continuing operations is attributable to:				
Owners of the Company	537,796	568,553	646,419	769,300
Non-controlling interests	13,457	9,356	-	-
	551,253	577,909	646,419	769,300

Profit for the year from continuing operations has been arrived at after charging/(crediting):

	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
(a) Impairment losses on financial assets				
Impairment loss recognised on trade receivables(see note 34)	47,839	74,508	47,839	74,508
(b) Depreciation				
Depreciation of property, plant and equipment	880,767	817,110	727,435	780,262
Amortisation of intangible assets	32,906	33,197	32,906	33,197
Depreciation of investment property	5,119	3,110	5,119	3,110
	918,792	853,417	765,460	816,569
(c) Other significant expenses				
Board expenses	179,591	146,297	170,281	102,828
Management services fees	308,369	298,808	308,369	298,808
Concession fees	427,716	259,857	427,716	259,857
Training expenses	138,682	209,067	135,576	190,127
Auditors' remuneration	18,000	14,500	15,000	13,000
Marketing expenses	137,782	146,495	137,782	146,495
Interest on bond (net)	385,150	312,664	385,150	312,664

13. Earnings per share

(a) Basic earnings per share

The calculations of basic earnings per share at 31st December, 2015 is based on the total comprehensive income after tax but before dividends paid and attributable to ordinary shareholders of 162.4 million ordinary shares of 50 kobo each being the average number of shares in issue during 2015.

(b) Diluted earnings per share

The diluted earnings per share is calculated by taking into account, the bonus issue of 148 million ordinary shares.

Notes to the consolidated and separate financial statements for the year ended 31st December, 2015 (Cont'd)

14. Property, plant and equipment at 31st December, 2015

COMPANY	Land ₦ '000	Buildings ₦ '000	Plant & Machinery ₦ '000	Motor Vehicles ₦ '000	Computer Equipment ₦ '000	Furniture & Equipment ₦ '000	Capital WIP ₦ '000	Total ₦ '000
Cost								
At 1st January, 2015	675	2,687,953	4,926,062	543,825	899,456	339,826	55,386	9,453,183
Additions during the year	49,543	171,550	198,044	65,713	112,274	38,891	-	636,015
Disposal	-	-	-	(44,520)	(9,712)	(337)	(7,700)	(62,269)
Balance at 31st December, 2015	50,218	2,859,503	5,124,106	565,018	1,002,018	378,380	47,686	10,026,929
Accumulated depreciation								
At 1st January, 2015	46	204,204	2,361,110	418,768	780,413	264,135	-	4,028,676
Charge for the year	3,858	64,495	408,384	72,690	128,757	49,251	-	727,435
Disposal	-	-	-	(31,299)	(9,414)	(120)	-	(40,833)
Balance at 31st Dec.,2015	3,904	268,699	2,769,494	460,159	899,756	313,266	-	4,715,278
Net book value								
At 31st December, 2015	46,314	2,590,804	2,354,612	104,859	102,262	65,114	47,686	5,311,651
At 31st December, 2014	629	2,483,749	2,564,952	125,057	119,043	75,691	55,386	5,424,507

Depreciation charge amounting to ₦ 408 million (2014: ₦ 512 million) is included in the operating costs.

Notes to the consolidated and separate financial statements for the year ended 31st December, 2015 (Cont'd)

14. Property, plant and equipment at 31st December, 2015 (continued)

GROUP	Land ₦ '000	Buildings ₦ '000	Plant & Machinery ₦ '000	Motor Vehicles ₦ '000	Computer Equipment ₦ '000	Furniture & Equipment ₦ '000	Capital WIP ₦ '000	Total ₦ '000
Cost								
At 1st January, 2015	675	2,687,953	6,480,600	543,825	899,613	339,826	55,386	11,007,878
Additions during the year	49,543	259,665	198,044	74,701	117,748	80,584	-	780,285
Disposal	-	-	-	(44,520)	(9,712)	(337)	(7,700)	(62,269)
Balance at 31st Dec.,2015	**50,218**	**2,947,618**	**6,678,644**	**574,006**	**1,007,649**	**420,073**	**47,686**	**11,725,894**
Accumulated depreciation								
At 1st January, 2015	46	204,204	2,397,946	418,768	780,425	264,135	-	4,065,524
Charge for the year	3,858	65,291	555,445	73,746	130,291	52,136	-	880,767
Disposal	-	-	-	(31,299)	(9,414)	(120)	-	(40,833)
Balance at 31st Dec.,2015	**3,904**	**269,495**	**2,953,391**	**461,215**	**901,302**	**316,151**	**-**	**4,905,458**
Net book value								
At 31st December, 2015	46,314	2,678,123	3,725,253	112,791	106,347	103,922	47,686	6,820,436
At 31st December, 2014	629	2,483,749	4,082,654	125,057	119,188	75,691	55,386	6,942,354

Depreciation charge amounting to ₦ 555 million (2014: ₦ 512 million) is included in the operating costs. Proceeds on disposal of property, plant and equipment amounting to ₦ 3.18 million (2014: ₦ 0.5 millon) are recognised in the Statement of profit or loss account.

Notes to the consolidated and separate financial statements for the year ended 31st December, 2015 (Cont'd)

15. Intangible assets

	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
Cost				
Balance at 1st January	413,509	300,798	319,887	300,798
Additions	-	112,711	-	19,089
Balance at 31st December	413,509	413,509	319,887	319,887
Amortisation				
Balance at 1st January	148,851	115,654	148,851	115,654
Amortization for the year	32,906	33,197	32,906	33,197
Balance at 31st December	181,757	148,851	181,757	148,851
Carrying amounts				
At 31st December	231,752	264,658	138,130	171,036
At 1st January	264,658	185,144	171,036	185,144

A useful life of 10 years was assigned to calculate the amortisation of software.

16. Investment property

	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
Cost				
Balance at 1st January	157,428	157,242	157,428	157,242
Additions	9,945	-	9,945	-
Derecognised	(9,846)	-	(9,846)	-
Adjustment	-	186	-	186
Balance at 31st December	157,527	157,428	157,527	157,428
Depreciation				
Balance at 1st January	15,234	12,124	15,234	12,124
Charge for the year	5,119	3,110	5,119	3,110
Derecognised	(953)	-	(953)	-
Balance at 31st December	19,400	15,234	19,400	15,234
Carrying amounts				
At 31st December	138,127	142,194	138,127	142,194
At 1st January	142,194	145,118	142,194	145,118

The fair value of the investment property as at 31st December, 2015 was ₦ 1.686 billion. Total revenue generated from the investment property as at 31st December, 2015 was ₦ 211 million (2014: ₦ 205 million).

Description

The cargo complex is a purpose designed and built multi-tenant office building, comprising of two adjoining blocks each on two and three floors respectively.

The Group's investment property (Cargo Complex) is situated at the Cargo Terminal of Murtala Muhammed International Airport, Ikeja (MMIA).

The land is under a lease agreement with Federal Airport Authority of Nigeria (FAAN) for a period of thirty (30) years, commencing from 1st January, 1996 and renewable thereafter.

16. Investment property (continued)

Methodology and assumptions:

The properties were valued in line with the International Valuation Standards (IVS) and also under the premise of value in continued use as a going concern.

The Group contacted an accredited Estate Surveyor/Valuer in line with IFRS requirement to conduct a valuation exercise on the investment property in order to ascertain the fair value. The Estate Surveyor/Valuer conducted the valuation exercise which was certified on 11th January, 2016.

During the year under review, a portion of the investment property got burnt, the net book value of the burnt portion is estimated at ₦ 8.9 milion. This has been derecognized and included in other gains and losses during the year in the statement of profit or loss and other comprehensive income.

The following assumptions were made:

1. That there are no charges or other encumbrances attached to the Property.
2. That the asset will continue in the same line of business for a considerable time in the future
3. That there is no town planning, environmental or any other government regulations that would prevent the assets from being employed in their present use.

17. Investment in subsidiaries

	Company 2015 ₦ '000	Company 2014 ₦ '000
Shares in subsidiaries		
Nahco FTZ Limited	10,000	10,000
Nahco Energy and Power Limited	25,500	25,500
Mainland Cargo Options Ltd	4,000	-
Balance at 31st December	39,500	35,500

Details of the Group's subsidiaries at the end of the reporting period are as follows:

(i) Nahco FTZ Limited

The Company holds 10 million ordinary shares of ₦ 1 in this subsidiary representing 100% of the issued share capital of ₦ 10 million. The principal activity of this subsidiary is the management and operation of Free Trade Zone which includes: leasing of plant and equipment, logistics, warehousing, transhipment, manufacturing and provision of related services. NAHCO FTZ Limited was granted approval to operate at the Murtala Mohammed International Airport Lagos as Nahco Free Zone by the Nigerian Export Processing Zone Authority (NEPZA) in February, 2014 and the applicable fees have been paid. Operation commenced in 2015.

(ii) Nahco Energy and Power Limited

The Company holds 25.5 million ordinary shares of ₦ 1 in this subsidiary representing 63% of the issued share capital of ₦ 40.5 million. The remaining shares are held by RHG, a shareholder of Nigerian Aviation Handling Company Plc. The Company intends to carry out energy and power distribution in Nigeria.

Inter company balances between the holding Company and its subsidiaries have been eliminated on consolidation.

(iii) Mainland Cargo Options Ltd

The Company holds 4 million ordinary shares in this subsidiary representing 40% of the issued share capital of ₦ 10 million. The Company is into cargo logistics and started operations in 2015.

Notes to the consolidated and separate financial statements for the year ended 31st December, 2015 (Cont'd)

18. Deposit for shares

	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
Deposit for shares	-	-	1,554,538	1,554,538
	======	======	=========	=========

This balance represents deposit made by the holding Company for the shares in its subsidiary, Nahco FTZ Limited.

19. Loan to subsidiary

	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
As at 1st January	-	-	338,350	-
Additions (note(i))	-	-	223,488	338,350
	-	-	561,838	338,350
	======	======	=======	=======
Disclosed as follows:				
Due within 12 months	-	-	188,018	66,156
Due after 12 months	-	-	373,820	272,194
Total	-	-	561,838	338,350
	======	======	=======	======-

(i) This represents additional loan granted by the Company to its subsidiary, Nahco FTZ Limited during the year. This facility is payable within five (5) years from 1st January, 2017. The facilities were granted at an interest rate of 17.25% (365 days a year).

20. Other non current assets

	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
Other non current assets comprise of:				
Bond repayment fund analysed as:				
Payments made to Trustees at year end	2,013,625	1,491,202	2,013,625	1,491,202
Interest earned	482,624	231,355	482,624	231,355
Amounts due not paid at year end	654,377	448,517	654,377	448,517
Interest due from Trustees	(482,624)	-	(482,624)	-
Balance at 31st December	2,668,002	2,171,074	2,668,002	2,171,074
	=========	=========	=========	=========

The balance on this account represents the amount available in the Debt Service Reserve Account maintained by the Trustees of the Bond for the repayment of the principal and interest to the Bondholders. The ₦ 654.377 million (2014: ₦ 448.517 million) represents accrual for outstanding months instalments of principal and interest that were due but not yet paid to the Trustees of the Bond by the Company as at 31st December, 2015. There is a total interest balance of ₦ 482.6 million (2014: ₦ 231.4 million) in the debt service reserve account which is being used by the Company to set-off amount payable into the account during the year.

Notes to the consolidated and separate financial statements for the year ended 31st December, 2015 (Cont'd)

	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
21. Inventories				
Spare parts	136,436	105,556	136,436	105,556
Stationery	13,992	34,361	13,992	34,361
Medical	2,094	4,184	2,094	4,184
Diesel	6,754	12,650	6,754	12,650
	159,276	156,751	159,276	156,751
22. Trade and other receivables				
Trade and other receivables:				
Trade receivables (note 34)	762,097	578,888	754,190	578,888
Withholding tax receivable	469,534	480,989	469,534	480,989
Interest receivable	-	-	123,337	40,339
Other receivables	107,652	140,673	104,676	113,045
	1,339,283	1,200,550	1,451,737	1,213,261
23. InterCompany receivables				
Nahco FTZ Limited	-	-	539,962	14,714
Power and energy Limited	-	-	387,795	333,286
Mainland Cargo Options Ltd.	-	-	40,379	-
	-	-	968,136	348,000
24. Prepayments				
Prepayments comprise:				
Deposit for fixed assets	1,285,004	667,890	451,817	602,490
Prepaid rent	15,679	11,020	15,679	1,820
Prepaid insurance	21,599	42,909	21,599	42,909
Other	63,997	75,941	51,785	75,941
	1,386,279	797,760	540,880	723,160

Notes to the consolidated and separate financial statements for the year ended 31st December, 2015 (Cont'd)

25. Cash and bank balances

	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
Cash balances	4,642	612	4,642	612
Bank balances:				
Current account	390,609	306,126	352,830	280,885
Domiciliary accounts	693,610	212,707	683,265	212,707
Investment in Treasury bills	50,000	1,735,616	50,000	1,735,616
Other deposits (note(i))	1,047,162	399,587	947,110	399,587
	2,186,023	2,654,648	2,037,847	2,629,407

(i) Included in other deposits during the year is an amount of ₦ 362.99 million (2014: 362.56 million) invested by the Company in respect of the unclaimed dividend liability.

26. Share capital

	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
(a) Authorised 3 billion (2014:1.5 billion) ordinary shares of 50 kobo each	1,500,000	750,000	1,500,000	750,000
(b) Called-up and fully paid ordinary share capital of 50 kobo each	812,109	738,281	812,109	738,281
Balance as at 1st January	738,281	738,281	738,281	738,281
Amount capitalised during the year (note 29)	73,828	-	73,828	-
Balance as at 31st December	812,109	738,281	812,109	738,281
(c) Number of shares in issue at the end of the year	1,624,218	1,476,562	1,624,218	1,476,562
Nominal value of share in issue at the end of the year	812,109	738,281	812,109	738,281

At the Company's annual general meeting held on 11th June, 2015, a bonus issue of ₦73.8 million was approved. During the year, the sum of the ₦73.8 million was accordingly capitalised from the revenue reserves and issued as bonus shares to existing shareholders in proportions previously held by the them. The authorised share capital was also increased to 3 billion ordinary shares by the creation of additional 1.5 billion ordinary shares. The holders of ordinary shares are entitled to receive dividend as declared from time to time, and are entitled to one vote per share at meetings of the Company.

27. Share premium

	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
Balance at year end	1,914,758	1,914,758	1,914,758	1,914,758

The share premium relates to the net surplus from the issues of shares by way of a rights issue and public offer in 2008.

28. Dividend

	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
Balance, beginning of year	295,312	442,968	295,312	442,968
Dividend proposed	324,844	295,312	324,844	295,312
Paid during the year	(295,312)	(442,968)	(295,312)	(442,968)
Balance at year end	324,844	295,312	324,844	295,312

Dividend recommended by the directors before approval by the shareholders does not qualify as provision under IAS 37 Provisions, contingent liabilities and contingent assets. Although a dividend of ₦ 324.8 million was recommended by the directors for the year ended 31st December, 2015, no provision has been made to this effect in these financial statements.

29. Retained earnings

	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
Balance, beginning of year	3,312,636	2,734,727	3,803,657	3,034,357
Bonus issue (note 26)	(73,828)	-	(73,828)	-
Dividend paid	(295,312)	-	(295,312)	-
Profit for the year	551,253	577,909	646,419	769,300
	3,494,749	3,312,636	4,080,936	3,803,657

30. Non-controlling interests

	Group 2015 ₦ '000	Group 2014 ₦ '000
Balance, beginning of year	15,000	15,000
Share of current losses	(140,157)	(126,700)
Balance at year end	(125,157)	(111,700)

This represents the portion of the minority shareholder in the called up share capital of the subsidiary, NAHCO ENERGY & POWER LIMITED, together with their share of losses that are attributable to their proportion of the ordinary share capital.

31. Borrowings

	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
Balance at the beginning of the year	4,127,682	4,149,853	4,127,682	4,149,853
Amortisation	38,242	(22,171)	38,242	(22,171)
Balance at the end of the year	4,165,924	4,127,682	4,165,924	4,127,682

31. Borrowings (continued)

In September 2009, the Company obtained an approval for a ₦ 5 billion bond and decided to raise the amount in tranches.

The first tranche, a sum of ₦ 2.15 billion was raised in October, 2011. The proceed was used to finance the expansion and modernisation of the warehouse as well as acquisition of state of the art Ground Support Equipments (GSE). The equipments have been delivered to the Company while the work on warehouse has been completed and commissioned.

Repayment of the capital sum is expected to be made after 5 years and is to run till September, 2016. Interest at 13% is being paid to investors bi-anually and would be paid in ten instalments.

The Company in agreement with the trustee, First Trustees Limited, maintains an independent account, Debt Service Reserve Account (DSRA), and sets aside monthly, a sum deemed sufficient for the payment of interests to investors and the eventual repayment of the Bond (See note 20). The Company's cashflow is not expected to be affected at maturity because repayment would have been duly provided for and backed with cash.

The sum of ₦ 251 million (2014: ₦ 146 million) was earned during the year as income on amount deposited in the account. The account is being managed by the trustee.

The Company, having utilised the first tranche decided to raise an additional ₦ 2.05 billion in December, 2013. The net proceeds of ₦ 1.986 billion was used for further inorganic expansion that would enhance income generation for the Company and its stakeholders. The tenor of the tranche 2 bond is seven years but interest at 15.25% would be paid bi- annually to investors.

In line with IFRS, the Company, with the use of an "effective rate analysis" adopted the fair value model for the disclosure of the bond. The Bond is unsecured.

32. Trade and other payables	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
Trade and other payables comprise:				
Trade payables	395,504	348,626	395,504	348,626
Other payables (note (i))	2,853,075	2,722,875	2,811,379	2,697,943
	3,248,579	3,071,501	3,206,883	3,046,569
(i) Other payables				
Bond repayment (note 20)	171,753	448,517	171,753	448,517
Management support agreement fee	105,934	77,683	105,934	77,683
Amount due to Government agencies	384,506	242,211	359,864	236,650
Concession fee, FAAN Rental and service charge	774,626	517,814	774,626	517,814
Other accruals	683,130	627,076	666,076	620,092
Directors' retirement	190,753	233,380	190,753	233,380
Industrial training fund	72,669	53,344	72,669	53,344
Staff participatory scheme	68,375	95,642	68,375	83,255
Performance bonus	75,021	64,645	75,021	64,645
Unclaimed dividend (note 25(i))	326,308	362,563	326,308	362,563
	2,853,075	2,722,875	2,811,379	2,697,943
33. Deferred income				
Short term deferred income	157,548	60,809	128,384	60,809

This represents advance rent received in respect of the investment property.

34. Impairment losses

The aging of trade receivables at the reporting date was:

	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
Current (1-30 days)	326,878	378,276	318,971	378,276
Past due 30-60 days	315,308	105,689	315,308	105,689
Past due 60-180 days	125,747	95,320	125,747	95,320
More than 180 days	872,840	830,440	872,840	830,440
	1,640,773	1,409,725	1,632,866	1,409,725
Impairment (see below)	(878,676)	(830,837)	(878,676)	(830,837)
	762,097	578,888	754,190	578,888

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	Group 2015 ₦ '000	Group 2014 ₦ '000	Company 2015 ₦ '000	Company 2014 ₦ '000
Balance at 1st January	(830,837)	(756,329)	(830,837)	(756,329)
Impairment losses recognised	(47,839)	(74,508)	(47,839)	(74,508)
Balance at 31st December	(878,676)	(830,837)	(878,676)	(830,837)

The impairment on trade receivables was in respect of trade receivables for which the Group has determined that there are objective indications of impairment losses. Impairment losses have been recognised based on the difference between the carrying amounts and the present value of the estimated future cash flows on these receivables. The Group holds no collateral in respect of its trade receivables. Impairment loss on trade receivables which management considers adequate, is recognised in statement of comprehensive income.

35. Related parties

The following are the related parties of the Company:

1. Key management personnel of NAHCO and close members of their families
2. Key management personnel of the subsidiaries, NAHCO FTZ, NAHCO Energy and Power Limited and Mainland Cargo Options Ltd.
3. Entities controlled by the above or where they have significant influence.

Key management personnel

Key management personnel are those who have authority and responsibility of planning, directing and controlling activities in the Company either directly or indirectly. These include:

1. Executive director.
2. Management team that implements board strategy by Board delegated authority.
3. Key management personnel of the Company's subsidiaries; NAHCO FTZ, NAHCO Energy and Power Limited and Mainland Cargo Options Ltd.

Transactions with key management personnel

There were no transactions with key management personnel or their close family members (2014: Nil).

35. Related parties (continued)

Loans to directors

The Group did not lend money to any of its directors during the year under review (2014: Nil).

Payments on behalf of key management personnel

There were no payments on behalf of key management personnel during the year under review (2014: Nil).

Key management personnel compensation

Variable pay is applicable to executive directors and other senior management personnel. A total of ₦ 9.7 million (2014: ₦ 33.9 million) is deferred subject to performance condition of the Company and 20.3 million (2014: ₦ 33.9 million) for the Group.

Key management personnel compensation for the year comprised:

	Group 2015 Number	Group 2014 Number	Company 2015 Number	Company 2014 Number
Aggregate no. of persons senior management	12	11	8	10
Aggregate no. of persons Non-executive directors	13	13	10	10
	25	24	18	20
	₦ '000	₦ '000	₦ '000	₦ '000
Short-term employee benefits - fixed	163,298	179,339	96,688	179,339
Short-term employee benefits - variable	20,327	33,932	9,727	33,932
	183,625	213,271	106,415	213,271

Fees paid to the directors have been disclosed in note 10(c).

(i) The following related parties had transactions with the Company:

Rosehill Group Limited (RHG), a shareholder has an agreement with the Company to provide technical management services for a fee of 3.5% of the operational income of the Company. Mallam Suleiman Yahyah, the Chairman of nahco aviance is also a director of Rosehill Group Limited (RHG).

Ericon Bello Consortium was appointed as consultants for the remodelling of office interior for Nahco FTZ Limited. Arc. Bello is also a director in Ericon Bello Consortium.

Rosecom.net Limited is the internet service provider for NAHCO Lagos, Port-Harcourt and Abuja stations. The director of Rosecom.net Limited, Mr Aliyu Yahyah, is a brother to the chairman of nahco aviance.

35. Related parties (continued)

The transaction values and outstanding balances due to the above related parties were as follows:

	Transaction value 2015 ₦ '000	Transaction value 2014 ₦ '000	Balance outstanding 2015 ₦ '000	Balance outstanding 2014 ₦ '000
RHG	316,217	305,328	105,934	77,683
Ericon Bello & Associates	803	2,840	-	-
Rosecom.net Limited	47,500	50,954	-	-
	364,520	359,122	105,934	77,683

(ii) Lufthansa Airline, KLM and Airfrance (shareholders of the Company) entered into a Standard Ground Handling Agreement (SGHA) with the Company. The value of services rendered during the year is disclosed below:

	Transaction value 2015	Transaction value 2014	Balance outstanding 2015	Balance outstanding 2014
Lufthansa Airlines	370,181	324,794	44,580	31,448
KLM Airlines/Air France	207,264	176,822	69,644	23,831
	577,445	501,616	114,224	55,279

All outstanding balances due from the related parties are stated at arm's length and are due for settlement in cash. None of these balances are secured.

36. Guarantees and other financial commitments

(a) Guarantees

The Company did not enter into any guarantees during the year ended 31st December, 2015.

(b) Pending litigation

There are pending lawsuits against the Company in the various courts of law. The lawsuits are being handled by external legal counsel. The contingent liabilities in respect of pending litigations and claims amounted to ₦ 367.2 million (2014: ₦ 366 million). No provision has been made in the financial statement for the claims. In the opinion of the directors and based on legal advice, the Company's liability is not likely to be significant.

37. Capital commitments

	Group & Company 2015 ₦ '000	Group & Company 2014 ₦ '000
Contracted for but not provided	102,180	72,811
Authorised but not contracted for	-	-
	102,180	72,811

35. Comparative figures

Certain comparative figures have been reclassified in line with the current year's presentation.

36. Proposed dividends to be declared

The board of directors have recommended that a dividend of 20 kobo per ordinary share (2014: 20 kobo per ordinary share) be paid subject to the payment of withholding tax at the appropriate rate, upon the approval of the shareholders at the next annual general meeting.

37. Events after the reporting date

There are no significant events after the reporting date which could have had a material effect on the state of affairs of the Company as at 31st December, 2015 that have not been adequately provided for or disclosed in these financial statements.

38. Approval of the Financial Statements

The financial statements were approved by the Board of Directors on 22nd March, 2016.

Statement of Value added for the year ended 31st December, 2015

	Group 2015 ₦ '000	%	Group 2014 ₦ '000	%	Company 2015 ₦ '000	%	Company 2014 ₦ '000	%
Revenue	8,498,626		8,133,456		8,458,700		8,133,456	
Other gains	214,982		190,986		204,250		186,989	
	8,713,608		8,324,442		8,662,950		8,320,445	
Less: Bought in goods & services:	(2,463,629)		(2,398,707)		(2,695,001)		(2,390,294)	
	6,249,979	100	5,925,735	100	5,967,949	100	5,930,151	100
Applied in the following ways:								
To pay employees and directors:								
Salaries, wages, pensions and related costs	4,010,947	64	4,013,674	68	3,868,345	68	3,910,548	66
To providers of capital:								
Net finance cost	250,675	4	279,835	5	169,413	3	232,834	4
Dividend to shareholders	259,312	4	-	-	259,312	4	-	-
To Government:								
Income tax expense	259,000	4	200,900	3	259,000	4	200,900	3
To provide for replacement and development:								
Depreciation	918,792	15	853,417	14	765,460	13	816,569	14
Profit retained	551,253	9	557,909	10	646,419	11	769,300	13
	6,249,979	100	5,925,735	100	5,967,949	100	5,930,151	100

Five Year Financial Summary (Group Value)

Year ended 31st December, 2015	2015 ₦ 'm	2014 ₦ 'm	2013 ₦ 'm	2012 ₦ 'm	2011 ₦ 'm
Profit or loss account					
Revenue	8,499	8,133	8,093	7,396	7,141
Profit before tax	797	769	1,049	852	1,339
Income tax	(259)	(201)	(171)	(143)	(434)
Profit after tax	538	568	878	709	905
Interim dividend paid	-	-	-	-	(184)
Profit after tax and interim dividend	538	568	878	709	721
Financial position					
Non-current assets	9,858	9,521	8,727	8,815	6,192
Current assets	5,071	4,809	4,872	2,347	3,786
Total assets	14,929	14,330	13,599	11,162	9,978
Non-current liabilities	5,062	4,957	4,972	3,033	3,038
Current liabilities	3,771	3,520	2,900	2,478	1,692
Total liabilities	8,833	8,477	7,872	5,511	4,730
Share capital	812	738	738	738	615
Share premium	1,914	1,914	1,914	1,914	1,914
Dividend reserve	-	-	443	369	307
Retained earnings	3,370	3,201	2,632	2,630	2,412
Total equity	6,096	5,853	5,727	5,651	5,248
Total equity and liabilities	14,929	14,330	13,599	11,162	9,978

Five Year Financial Summary (Company Value)

Year ended 31st December, 2015	2015 ₦ 'm	2014 ₦ 'm	2013 ₦ 'm	2012 ₦ 'm	2011 ₦ 'm
Profit or loss account					
Revenue	8,459	8,133	8,093	7,396	7,141
Profit before tax	905	970	1,181	852	1,339
Income tax	(259)	(201)	(171)	(143)	(434)
Profit after tax	646	769	1,010	709	905
Interim dividend paid	-	-	-	-	(184)
Profit after tax and interim dividend	646	769	1,010	709	721
Financial position					
Non-current assets	10,224	9,771	8,763	8,815	6,192
Current assets	5,346	5,136	5,232	2,347	3,786
Total assets	15,570	14,907	13,995	11,162	9,978
Non-current liabilities	5,062	4,956	4,972	3,033	3,038
Current liabilities	3,701	3,495	2,893	2,478	1,692
Total liabilities	8,763	8,451	7,865	5,511	4,730
Share capital	812	738	738	738	615
Share premium	1,914	1,914	1,914	1,914	1,914
Dividend reserve	-	-	443	369	307
Retained earnings	4,081	3,804	3,035	2,630	2,412
Total equity	6,807	6,456	6,130	5,651	5,248
Total equity and liabilities	15,570	14,907	13,995	11,162	9,978

Review of Organizational Performance

ISSUES	2014	2015
Warehouse	The crowd control efforts was strengthened with the deployment of officers of the Nigerian Security and Civil Defense Corps.	The synergy between the Nigerian Security and Civil Defense Corps and our internal security team has been most rewarding. This has kept the warehouse better organized.
Security	We have deployed security personnel at strategic places as well as installed close circuit security cameras covering all our areas of operation.	In the course of the year, we had no security challenges, having covered all areas appropriately
Clientele	We handled the inaugural flight of Kenya Airways in Abuja, won handling rights for Air Peace, Hak Air and Discovery Air.	We handled the inaugural flight Ethiopian Airlines to Enugu, won handling rights at Osubi Airstrip as well as Air Peace in Akure.
Expansion	Liberia and other African operations were halted as a result of the outbreak of Ebola Virus Disease. Nahco Free Trade Zone began operations. Mainland Cargo Options Ltd.,and Nahco Agric Zone were formed.	The Nahco Agric Zone has commenced operations with office located in Abuja; Mainland Cargo Options Limited has been performing creditably and the FTZ is on course.
Certification	Aside the ISAGO and IATA Certification, we acquired the Ra3 Certification and became member of AATO.	We have retained all Certifications and on the verge of getting more.
Others	Signed MoU with Cleanserve on aviation fueling. We began a 24-hour cargo cleaning operations Endowed a Professional Chair in Aviation Economics and restructures for effectiveness.	New appointments were made and a further restructuring for visible repositioning was carried out

NAHCO AVIANCE PLC FLIGHT AND CARGO TONNAGE
STATISTICS AND ANALYSIS, 2015 AND 2014

2015 and 2014 Monthly Total Flight Analysis by Location

Location:	MMIA			MMA2		
Month	2015	2014	% Change	2015	2014	% Change
Jan	671	724	-7%	1,118	707	58%
Feb	572	629	-9%	948	794	19%
Mar	627	716	-12%	985	908	8%
Apr	608	680	-11%	1,065	959	11%
May	623	631	-1%	1,004	914	10%
Jun	607	613	-1%	1,073	887	21%
Jul	652	688	-5%	1,029	917	12%
Aug	641	686	-7%	1,068	949	12%
Sep	635	621	2%	1,053	912	15%
Oct	643	694	-7%	1,069	920	16%
Nov	629	658	-4%	1,049	1,101	-5%
Dec	672	679	-1%	1,051	1,179	-11%
	7,580	8,019	-5%	12,509	11,145	12%

Location:	CARGO RAMP			PHC		
Month	2015	2014	% Change	2015	2014	% Change
Jan	220	228	-4%	354	295	20%
Feb	192	207	-7%	313	258	21%
Mar	204	231	-12%	297	293	1%
Apr	184	224	-18%	294	304	-3%
May	178	214	-17%	302	307	-2%
Jun	197	199	-1%	290	290	0%
Jul	192	220	-13%	304	309	-2%
Aug	188	198	-5%	361	312	16%
Sep	189	213	-11%	344	296	16%
Oct	189	236	-20%	358	318	13%
Nov	212	231	-8%	328	328	0%
Dec	212	182	16%	341	325	5%
	2,357	2,583	-9%	3,886	3,635	7%

+ Increase
- Decrease

2015 and 2014 Monthly Total Flight Analysis by Location (Cont'd)

Location:	ABUJA			KANO		
Month	**2015**	**2014**	**% Change**	**2015**	**2014**	**% Change**
Jan	694	371	87%	104	84	24%
Feb	646	429	51%	96	88	9%
Mar	737	507	45%	87	100	-13%
Apr	731	490	49%	80	89	-10%
May	756	528	43%	82	149	-45%
Jun	765	544	41%	89	131	-32%
Jul	818	556	47%	90	160	-44%
Aug	812	575	41%	79	133	-41%
Sep	822	521	58%	77	132	-42%
Oct	833	620	34%	79	143	-45%
Nov	785	622	26%	68	129	-47%
Dec	801	700	14%	78	121	-36%
	9,200	6,463	42%	1,009	1,459	-31%

Location:	UYO			KADUNA		
Month	**2015**	**2014**	**% Change**	**2015**	**2014**	**% Change**
Jan	116	130	-11%	25	39	-36%
Feb	93	112	-17%	35	50	-30%
Mar	117	123	-5%	26	48	-46%
Apr	109	147	-26%	29	45	-36%
May	42	118	-64%	25	47	-47%
Jun	58	122	-52%	30	43	-30%
Jul	53	80	-34%	30	47	-36%
Aug	47	70	-33%	31	43	-28%
Sep	32	60	-47%	30	59	-49%
Oct	30	60	-50%	31	43	-28%
Nov	30	106	-72%	31	49	-37%
Dec	88	121	-27%	11	43	-74%
	815	1,249	-35%	334	556	-40%

+ Increase
- Decrease

2015 and 2014 Monthly Total Flight Analysis by Location (Cont'd)

Location:	ENUGU			OWERRI		
Month	**2015**	**2014**	**% Change**	**2015**	**2014**	**% Change**
Jan	69	18	283%	84	-	N/A
Feb	68	13	423%	65	-	N/A
Mar	81	14	479%	74	-	N/A
Apr	73	13	462%	81	-	N/A
May	71	15	373%	81	-	N/A
Jun	73	17	329%	93	-	N/A
Jul	75	17	341%	103	-	N/A
Aug	75	17	341%	97	-	N/A
Sep	74	17	335%	96	-	N/A
Oct	76	26	192%	103	16	544%
Nov	72	47	53%	110	60	83%
Dec	79	65	22%	136	93	46%
	886	279	218%	1,123	169	564%

+ Increase
- Decrease

2015 and 2014 Monthly Total Cargo Turnover Analysis by Location

Location:	CARGO - LAGOS			CARGO - PHC		
Month	**2015**	**2014**	**(Kg) % Change**	**2015**	**2014**	**(Kg) % Change**
Jan	6,960,630	6,757,039	3%	820,122	364,604	125%
Feb	5,496,351	5,448,958	1%	745,165	287,015	160%
Mar	5,799,165	7,358,355	-21%	440,793	408,936	8%
Apr	5,372,342	7,781,938	-31%	460,122	496,020	-7%
May	5,070,011	7,092,171	-29%	351,669	399,178	-12%
Jun	6,121,934	6,869,634	-11%	347,161	468,451	-26%
Jul	5,909,346	6,984,579	-15%	386,595	512,383	-25%
Aug	5,560,472	8,135,854	-32%	442,092	641,477	-31%
Sep	4,558,331	8,384,855	-46%	353,421	677,512	-48%
Oct	4,866,211	8,548,464	-43%	421,297	741,728	-43%
Nov	5,749,413	5,276,056	9%	408,683	442,234	-8%
Dec	6,325,462	7,767,001	-19%	455,746	591,070	-23%
	67,789,666	86,404,906	-22%	5,632,866	6,030,608	-7%

+ Increase
- Decrease
Kg - Cargo turnover in Kilogrammes

2015 and 2014 Monthly Total Cargo Turnover Analysis by Location

Location:	CARGO - ABUJA			CARGO - KANO		
			(Kg)			(Kg)
Month	**2015**	**2014**	**% Change**	**2015**	**2014**	**% Change**
Jan	217,977	330,793	-34%	796,904	571,849	39%
Feb	518,696	391,946	32%	543,230	561,739	-3%
Mar	681,423	397,825	71%	440,538	608,367	-28%
Apr	598,921	353,993	69%	520,121	777,800	-33%
May	335,319	441,372	-24%	695,348	788,455	-12%
Jun	484,887	390,279	24%	709,767	731,671	-3%
Jul	411,472	394,790	4%	447,622	1,013,623	-56%
Aug	194,113	358,031	-46%	490,658	694,391	-29%
Sep	267,726	341,862	-22%	295,530	665,933	-56%
Oct	465,927	344,812	35%	445,066	777,730	-43%
Nov	311,985	411,424	-24%	411,528	598,690	-31%
Dec	311,658	481,588	-35%	539,829	713,047	-24%
	4,800,104	4,638,716	3%	6,336,141	8,503,293	-25%

+ Increase
- Decrease
Kg - Cargo turnover in Kilogrammes

Proxy Form

The 35th Annual General Meeting of Nigerian Aviation Handling Company Plc (nahco aviance) will hold at Shehu Musa Yar'Adua Centre, Central Business District, Abuja on Tuesday, 26th July, 2016 at 11.00 a.m.

*I/We, ………………………………………………………………………………………..being a member/members of the above named company hereby appoint**…………………………………………………………………… or failing him, the Chairman of the meeting as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Tuesday, 26th July, 2016 at 11.00 a.m at Shehu Musa Yar'Adua Centre, Abuja and at any adjournment thereof.

Dated ……day of …………2016 ……………………………………………

Shareholder's Signature

Ordinary Resolution	For	Against	Abstain
1. To declare a dividend.			
2. To approve the appointment of Mrs Folashade Ode as an Executive Director.			
3. To re-elect Directors who retire by rotation. - Mallam Suleiman Yahyah,OON. - Mr. Denis Hasdenteufel. - Mr. Christopher Oshiafi.			
4. To appoint External Auditor. NOTICE IS HEREBY GIVEN THAT the proposed External Auditor is Ernst & Young (EY).			
5. To authorize the Directors to fix the remuneration of the External Auditor.			
6. To elect members of the Audit Committee.			
7. To approve the remuneration of the Directors for the year ending 2016.			
8. That pursuant to section 271 of Companies and Allied Matters Act CAP. 20 of the Laws of the Federation of Nigeria that the sum of N5 million per year be approved for a retiring Non -Executive Director of the Company.			
Special Resolution			
9. Under Article 84 – The words "until otherwise determined by members at a general meeting, the number of Directors shall not be less than ten (10) and shall not be more than thirteen (13)" should be deleted and be substituted with the words "until otherwise determined by members at a general meeting, the number of Directors shall not be less than seven (7) and shall not be more than (10)".			

Please indicate "x" in the appropriate space you wish your votes to be cast on the resolutions set out above. Unless otherwise instructed, the proxy will vote or abstain from voting at his/her discretion.

NOTES:

*The Proxy Form has been prepared to enable you exercise your right to vote.

A Write your name in BLOCK LETTERS on the Proxy Form where marked*

B Write the name of your proxy where marked** and ensure that the Proxy Form is dated and signed by you. The common seal must be affixed on the Proxy Form if executed by a corporation.

PLEASE NOTE THAT this Proxy Form must reach the Registrar's office at the address overleaf or deposited thereat not less than 48 (forty-eight) hours before the date of Annual General Meeting.

Signature: Dated this: day of: 2016

ADMISSION FORM

nahco aviance

*Please admit ………………………………………………………………….. to the Annual General Meeting of Nigerian Aviation Handling Company Plc which will be held at Shehu Musa Yar'Adua Centre, Abuja on 26th July, 2016 at 11.00 a.m.

Name of Shareholder…………………………………………………………

……………………………………… ……………………………………………

Number of Shares Held Signature of person attending

The Registrar
CardinalStone Registrars Limited
358, Herbert Macaulay Road,
Yaba, Lagos.
P.O. Box 9117, Lagos,
Nigeria

MANDATE FORM

NIGERIAN AVIATION HANDLING COMPANY (nahco aviance)
Mandate for Dividend payment to banks

TO:
The Registrar,
CardinalStone Registrars Ltd.
358, Herbert Macaulay Road,
P.O. Box 9117,
Lagos

I hereby request that from now on, all my dividend warrants due to me from my holdings in Nigerian Aviation Handling Company Plc be paid directly to my bank named below:

SHAREHOLDER'S FULL NAME (Surname first) ______________________

SHAREHOLDER'S ADDRESS ______________________

SHAREHOLDER'S SIGNATURE ______________________

BANK'S NAME ______________________

BANK'S BRANCH ______________________

BANK ADDRESS ______________________

ACCOUNT NUMBER ______________________

For Banks use only

Official Stamp and Authorised Signature

Page Number/Name

We agree to the Customer's request as stated above

Notes