

Advent Air Limited
 (“Advent Air” or the “Company”)

Audited Results for the 12 months ended 30th June 2006

8TH November 2006

Highlights

- Improvements in Operating Performance.
- Revenues increased to \$98.9m.
- Group EBITDAR increased to \$17.853m.
- Group Cash balances increased to \$24.5m, with negligible bank debt.
- Airline operations continue to grown in revenue and passenger numbers.
- 3rd and Final Dividend payment for the year of 0.53 cents per share.
- Company considers buybacks and other capital management initiatives.

The results for the full year ended 30 June 2006 (based on the Audited Financial Statements as reported) are as follows:

<i>In Singapore dollars</i>	Consolidated 12 months ended 30 June 2006
Revenue from ordinary activities	98,948,644
EBITDAR (earnings before interest, tax, depreciation and aircraft rental)	17,852,737
Net Profit after income tax	4,718,709
Profit attributable to shareholders	3,968,687
Earnings Per Share	3.08 cents

Group consolidated figures at June 30th 2006 include minority interests from the then remaining Minority Shareholders of Skywest Ltd. As at the date of this report Skywest Ltd is now a 100% wholly owned subsidiary. The Company results are audited under Singapore Financial Reporting Standards (“SFRS”) and are required to be reported to shareholders. The Company’s principal operating subsidiary Skywest Ltd and its subsidiaries are audited under Australian International Financial Reporting Standards. Under the AIM Rules, the Company is required to publish by 31 December 2006 Annual Audited Accounts prepared in accordance with certain specified Accounting Standards, which in the Company’s case will be International Accounting Standards (“IFRS”) or Australian International Accounting Standards. The Company will therefore be preparing Accounts audited to IFRS or Australian IFRS and these will be sent to shareholders in accordance with the above requirement. The Accounts under SFRS state “that the adoption of IFRS did not result in substantial changes to the Group’s accounting policies” and these accounts are in accordance with Singapore company law being sent to shareholders and will also be available from the Company’s registered office: 510 Thomson Road, #12-04 SLF Building, Singapore 298 135 and on the Company’s website: www.advent.com.sg. Any material changes in the Audited Accounts under IFRS will be announced on RNS in due course.

As at the date of this announcement the exchange rate between GBP and SGD is approximately 1 : 2.975.

Chairman's Statement

The Company announces an improvement in operating performance with Group revenues for the year increasing to S\$98.9 million compared to S\$46 million in the last reported period comprising the 15 months to June 30th 2005. Net group profit attributable to the shareholders of the Company for FY2006 was S\$4.0 million, an increase over the S\$1.4 million in 2005. As at June 30th 2006, the Group had negligible borrowings and \$24.5million cash at bank. The Company is considering capital management initiatives including buybacks and other measures to better utilize the strength of its currently unleveraged balance sheet. Consolidated earnings per share increased to 3.08 cents per share.

The Company intends to declare a final dividend amounting in aggregate to S\$1.08 million in FY2006 representing 0.53 cents per share, the payment of this final dividend is subject to shareholder approval at the AGM. The Company has previously declared and paid an interim dividend of 0.196 cents per ordinary share. Furthermore, the Company distributed all the investment in its subsidiary, Avation.net Inc to the shareholders of by way of an interim dividend in the form of a distribution of shares in Avation PLC. Avation PLC was introduced to Plus Markets on the 7th of November 2006.

Results for this financial year improved across several measures including revenue and profit increases, passenger number increases, which increased to 355,291 for the year and air traffic as measured by revenue passenger kilometers. The Group results were negatively impacted by certain specific issues: As at June 30th Skywest Ltd had certain minority interests. As at the date of this statement, all minority shareholders interests have been purchased and Skywest Ltd is now a wholly owned subsidiary. Aircraft Rental due to the leasing of three jet aircraft costs were recorded at \$6.1 million which has increased from previous reported years. The Group depreciates Aircraft over a period of 6 years, which the Company understands is conservative compared with the typical useable aircraft life of 20 to 25 years. Consequently, a depreciation cost of \$5.5 million was recorded. As at the date of this announcement, the Group owns 6 aircraft, with 9 in operation in total. The Company estimates that the aircraft operated and owned within the group have a useful life of approximately 70% remaining which will amount to 12 to 15 years of use.

Skywest's Exclusive Sole Operating Rights

Skywest is the operator of services on the coastal network of Western Australia under an exclusive right granted by the Government of Western Australia for a term of 3 years commencing January 2006, with an option for a further 2-year extension. This exclusive right represents approximately 70% of the Company's passenger numbers.

Acquisition of the remaining minority interests in Skywest Ltd

The Company successfully completed the takeover and compulsory acquisition process of Skywest Ltd in respect as of 12 October 2006. This means that Advent Air Ltd now owns 100% of Skywest Ltd and the Company has de-listed Skywest Ltd from the Official List of the Australian Stock Exchange.

Fuel

Some relief has been felt on the fuel prices. After prices peaked in October, up 20% on July, by December the Company benefited from a 13% drop in the average fuel price. Skywest maintains a fuel levy on its ticket sales, which is reviewed and adjusted from time to time by the management.

Core Market Outlook

The Group's airline revenues are expected to continue to grow on the Skywest traditional routes including Albany, Esperance, Geraldton, Carnarvon, and Learmonth. Skywest continues to seek opportunities for growth and in particular is focusing on securing additional charter business as result of opportunities presenting from the robust mining and resource industry in Western Australia. The Company believes that activity within the mining and resource sectors remain the key driver for increased passenger numbers. A joint venture with the Avion Group of Iceland involving the deployment of additional Airbus A320 aircraft provides the fleet capacity for the Company to explore new routes or alternatively provide for the use of larger aircraft on existing routes.

In due course an annual report and notice of meeting for the Annual General Meeting. Copies of the annual report will be available on the company website at www.advent.com.sg, or at the offices of the Company.

R J (Jeff) Chatfield
Executive Chairman,
London this 8th of November 2006

Financial Statements,**Audited Consolidated Group Income Statement**

<i>In Singapore dollars</i>	12 months ended 30 June 2006	15 months ended 30 Jun 2005
Revenue	98,948,644	45,638,527
Cost of sales	<u>(51,333,293)</u>	<u>(24,939,307)</u>
Gross profit	47,615,351	20,699,220
Other operating income	4,730,458	2,831,124
Selling, general and administrative expenses	(33,937,964)	(15,738,526)
Other operating expenses	<u>(555,108)</u>	<u>(244,971)</u>
Earnings before rental of aircraft, depreciation and finance cost	17,852,737	7,546,847
Rental of aircraft	(6,103,590)	(2,688,382)
Depreciation	(5,495,449)	(2,162,902)
Finance cost	<u>(456,701)</u>	<u>(355,887)</u>
Earnings after rental of aircraft, depreciation and finance cost	5,796,997	2,339,676
Income tax	<u>(1,078,288)</u>	<u>40,778</u>
Profit after income tax	4,718,709	2,380,454
Minority interests	<u>(750,022)</u>	<u>(935,891)</u>
Profit attributable to shareholders of the company	<u>3,968,687</u>	<u>1,444,563</u>
Earnings per share	<u>3.08 cents</u>	<u>2.69 cents</u>

Audited Consolidated Balance Sheet

In Singapore dollars

30 June 2006

30 June 2005

ASSETS

Non-current assets

Fixed assets	29,981,443	29,387,169
Goodwill	9,710,276	9,925,959
Total non-current assets	39,691,719	39,313,128

Current assets

Available for sale financial assets	26,598	107,002
Inventories	1,023,708	934,715
Trade receivables	5,373,692	9,083,030
Other receivables	3,474,172	1,869,267
Cash	24,543,185	10,203,269
Total current assets	34,441,355	22,197,283

Total assets	74,133,074	61,510,411
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EQUITY AND LIABILITIES

Equity

Share capital	41,167,116	14,320,414
Share premium	-	15,654,105
Assets revaluation reserve	42,648	625
Currency translation reserve	-	705,336
Accumulated losses	(3,433,128)	(16,722,786)
	37,776,636	13,957,694
Minority interest	7,786,026	8,955,988
	45,562,662	22,913,682

Non-current liabilities

Borrowings	86,517	1,749,161
Convertible bonds	-	579,242
Deferred tax liabilities	984,629	369,980
Provisions	169,221	135,568
	1,240,367	2,833,951

Current liabilities

Trade payables	10,733,074	12,396,725
Other payables	12,517,815	14,500,716
Borrowings	-	5,000,000
Provisions	3,803,701	3,823,985
Income tax payable	275,455	41,352
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	27,330,045	35,762,778

Total liabilities and equities

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	74,133,074	61,510,411

Consolidated cash flow statement for the financial year ended 30 June 2006

In Singapore dollars	12 months ended 30/06/2006	15 months ended 30/06/2005
Cash flows from operating activities		
Profit before income tax	5,796,997	2,339,676
Adjustments for:		
Depreciation of fixed assets	5,495,449	2,162,902
Gain from dilution of interest in a subsidiary	-	(2,142,277)
Foreign currency translation	423,919	-
Deemed gain on disposal of subsidiary	118,439	-
Interest expenses	450,316	355,887
Interest received	(453,631)	(259,802)
Operating profit before working capital changes	11,831,489	2,456,386
Inventories	(88,993)	149,158
Trade and other receivables	2,104,433	(4,155,679)
Trade and other payables	(3,862,925)	10,735,995
Cash generated from operations	9,984,004	9,185,860
Interest paid	(450,316)	(355,887)
Interest received	453,631	259,802
Income tax paid	(842,155)	(84,401)
Net cash generated from operating activities	9,145,164	9,005,374
Investing activities		
Acquisition of subsidiaries	-	(12,972,412)
Sales of available-for-sale financial assets	(80,404)	(23,361)
Purchase of fixed assets	(8,581,506)	(3,609,242)
Net cash used in investing activities	(8,661,910)	(16,605,015)
Financing activities		
(Repayment of)/proceeds from borrowings	(6,662,644)	4,238,432
Interim dividends paid	(4,425,584)	-
Proceeds from issuing convertible bonds	-	579,242
Proceeds from shares issued	24,939,148	12,255,296
Net cash generated from financing activities	13,850,920	17,072,970
Net increase in cash and cash equivalents	14,334,174	9,473,329
Net effect of exchange difference in consolidation of foreign subsidiaries	5,742	82,124
Cash and cash equivalents at beginning of year	10,203,269	647,816
Cash and cash equivalent at end of year	24,543,185	10,203,269

Notes:

1. The company intends to declare a final dividend of 0.53 cents (Singapore) per share.
2. The results for the period are derived from continuing activities.

3. The calculations on earnings per share have been based on the for the 12 months period and on a weighted average of 128,992,791 ordinary shares in issue during the period. The profit per share for the prior period of 15 months was based on a weighted average of 53,671,465 ordinary shares in issue during that period.
4. The audited results have been prepared on a going concern basis and on the basis of the accounting policies adopted in the audited accounts for the period ended 30 June 2006

Enquires:

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Websites

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