FASTJET ANNOUNCES INTERIM RESULTS FOR THE SIX MONTHS ENDED 30TH JUNE 2015

News / Finance

fastjet, the low-cost African airline, announces its unaudited **interim results for the six months ended 30 June 2015** and operational highlights of 2015 to date.

Operational highlights H1 2015

· fastjet Tanzania
o 51% increase in aircraft utilisation (from 6.4 to 9.7 block hours per aircraft per day)
o 56% increase in total capacity (seats flown)
o 94% punctuality – (arrival earlier than or within 15 minutes of schedule)

· Legacy businesses
o Disposal of 100% of fastjet's holding in Fly 540 Ghana
o Loss-making services of Fly 540 Angola remain suspended

Q3 2015
· Routes

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o New international route added from Dar es Salaam to Malawi
o Flight frequencies increased on many existing routes

· Aircraft
o Fourth fastjet Tanzania aircraft entered into service in September 2015
o First fastjet Zimbabwe aircraft, the fifth aircraft in the fastjet group fleet, arrived in Harare on 18 September 2015
o As announced today, first owned aircraft was delivered on 25 September 2015. The sixth in the fastjet group fleet and expected to be the first in the fastjet Zambia fleet

Financial highlights
H1 2015

· fastjet Tanzania
o First half revenues US$31.5 million (H1 2014 US$19.0 million)
o 7% increase in average revenue per passenger to US$86.61 (H1 2014 US$81.69)
o 56% increase in passengers carried to 363,769 (H1 2014 232,855)
o First half losses before tax of US$9.0 million (H1 2014 US$13.9m)

· fastjet Group

o Operating loss before exceptionals US$12.8 million (H1 2014 US$17.3 million)
o Operating loss after exceptionals US$12.8 million (H1 2014 US$19.8 million)
o Closing net cash US$70.0 million (H1 2014 US$17.9 million)
o US$75 million equity fund raise (before costs), significantly broadening the institutional shareholder base
o Share capital reorganisation – consolidation of ordinary shares on the basis of one new share of £1 each for every 100 shares of 1p each

Ed Winter, fastjet Chief Executive Officer, commented:
· “Using the same assets as in H1 2014, three Airbus A319s, in H1 2015, through better utilisation we increased the number of seats flown by 56 per cent, total revenue increased by 66 per cent and operating losses reduced by 26%; a great achievement.
· “Since then, in Q3 2015, we have doubled the size of the fleet to six and are well on our way to having three bases, Tanzania, Zambia and Zimbabwe fully operational by the end of the year. This expansion of the fleet and network is particularly important in laying the foundations for profitable growth in 2016.
· “Whilst we have seen these very significant improvements, African currencies have lost considerable value against the US dollar, which combined with a worldwide reduction in commodity prices, has caused an economic downturn in both Tanzania and Zambia. In addition, the start of operations in Zambia and Zimbabwe has been delayed into Q4. Accordingly the Board has downgraded its forecast for full year 2015 but is confident of meeting its expectations for 2016. “

Clive Carver, fastjet Interim Chairman, commented:
· “I am pleased to introduce the results for the six months to 30 June 2015, a period in which the Company’s future was transformed by an equity fundraising of US$75 million to provide expansion working capital and funding for the acquisition of aircraft. The fundraising marked a major step towards achieving our vision of becoming the most successful pan-African low-cost airline through our strategy of operating domestic and international routes in all viable African markets.”
· “The impact of this funding, however, is not reflected in the results for the period under review during which we operated three A319 aircraft on essentially the same routes as 2014. The

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improvement in the financial results set out in this interim statement compared to the corresponding period in 2014 result from greater utilisation of the fleet from steadily increasing demand across the network."

· "As a result of slower than anticipated route development and the impact of weak African currencies, in particular the Tanzanian Shilling (TZS) against the US dollar, we now expect trading in the second half of 2015 to be materially behind management's expectations. The Board has not adjusted its forecasts for 2016."

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