



GULF AIR POSTS BEST ANNUAL RESULTS SINCE 2004

News / Finance



Gulf Air has posted its 2014 financial and operational results, the airline's strongest financial **results** in a decade.

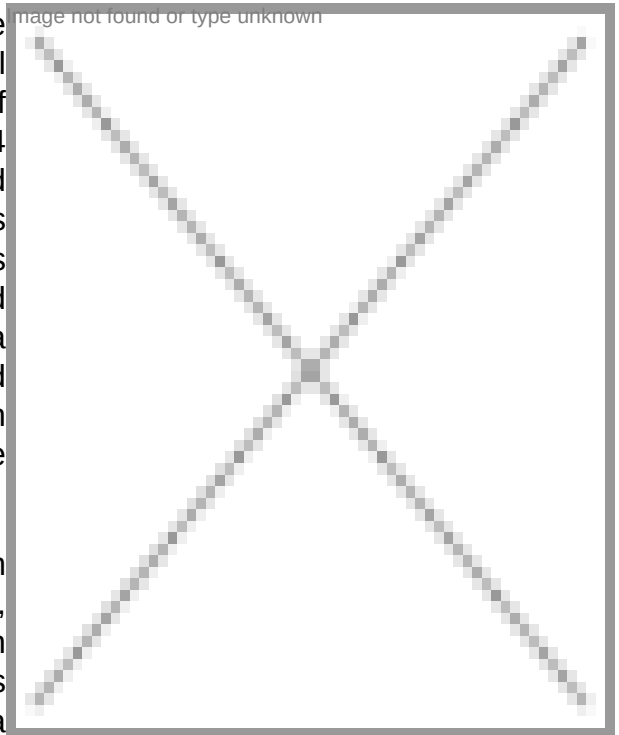
The results reflect a fall in annual losses from BHD93.3 million in 2013 to BHD62.7 million in 2014 – equivalent to a 32.8% reduction.

Commenting on the airline's ongoing positive development in 2014 H.E. Shaikh Khalid bin Abdulla Al Khalifa (right), Deputy Prime Minister and Chairman of Gulf Air's Board of Directors said: "Gulf Air's 2014 performance reflects a steady and continued improvement in its financial and operational business with targeted efforts to maintaining the airline's strategic direction that ultimately encouraged solid customer growth, enhanced global bookings and a resultant marked improvement in financial and operational results – all over the previous year and with the support and direction received across both the operational and administrative level."

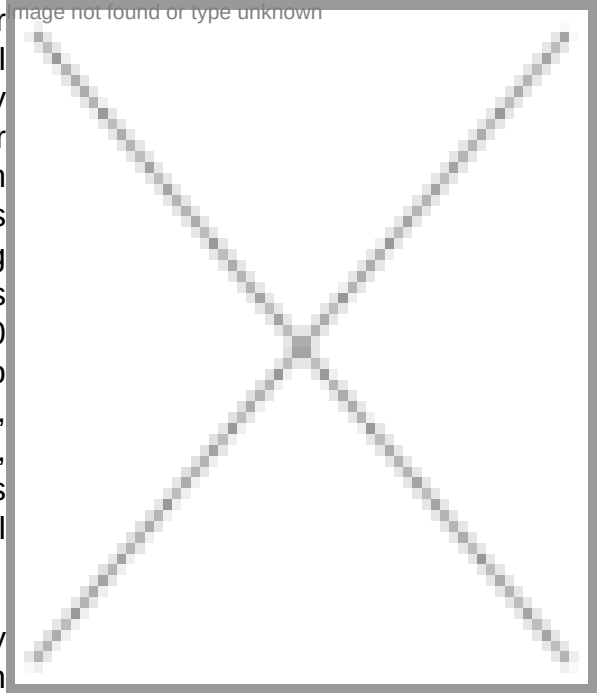
The airline, in 2014, continued to strategically shift from low-value transit traffic through Bahrain to high-yield, high-demand, point-to-point routes focused largely on the MENA region while, in tandem, better utilising its existing assets to push the business forward. As a result Gulf Air witnessed, over the course of the year, a 15.4% rise in total revenue passengers.

In line with the ongoing holistic strategy implemented since Gulf Air's 2013 restructuring, the national carrier's financial trajectory remains on a positive upswing reflected by its consistently falling losses as the airline moves closer to achieving full commercial sustainability. In tandem, Gulf Air's 2014 developments are visible across a broad spectrum of deliverables.

On the network front, 2014 saw Gulf Air maintain its leadership position in the Middle East by operating one of the largest regional networks while balancing its regional stronghold with strategic global links extending to 41 destinations by the end of 2014. Gulf Air's network in 2014 saw landmark growth with flights launched to 06 destinations in all of Europe, the Indian Subcontinent and the Middle East. This was further enhanced by the airline's continuous, dynamic schedule adjustments with increased frequencies to various destinations across its network in response to passenger demand. Strategically utilizing its fleet capability to cater to the airline's growing capacity and network requirements, Gulf Air's 28 strong all-Airbus wide and narrow body fleet of predominantly new aircraft underwent specific, targeted enhancements that were completed by the end of 2014.



Commenting on the airline's 2014 progress, Gulf Air Acting Chief Executive Officer, Mr Maher Salman Al Musallam (right) said: "We are moving strategically forward, making changes to Bahrain's national carrier that are not only positive in the short term but that form part of our greater long term strategy towards transforming the airline across many fronts. Reducing our budget requirement doesn't just involve cutting costs and saving money, it involves a strategic 360 assessment of our business that includes looking into how we can best nurture and develop our operations, technical capabilities, network, fleet, product, workforce, customers and more. We are working towards all of this and I am delighted with our progress to date," said Mr. Al Musallam.



Operationally, 2014 saw Gulf Air's on-time-punctuality results position the airline as one of the global leaders in on-time-punctuality, with an average annual on-time-performance of 89%. Operating one of the largest regional networks with double daily flights to over 10 regional cities, Gulf Air's record punctuality facilitates its seamless operations across its network. The year also saw, on the technical front, the national carrier completing its first insourced Airbus A330 18-Month Check at the airline's base maintenance facility. Channeling its strong in-house technical expertise and further building Bahraini, home-grown engineering skills and capabilities, Gulf Air is moving towards establishing a robust aircraft maintenance system and this most recent development delivered important cost savings while preserving the quality of aircraft servicing.

Looking back on the national carrier's positive 2014 results Mr. Al Musallam said: "Our 2014 results were promising and trends are favorable. Most crucially, we are now, more than ever, embracing our role as a key national infrastructure asset providing critical business links which are important for the Kingdom of Bahrain's wider economic development. Gulf Air's strategy today is one that not only supports and strengthens the national carrier but that of the community and economy in which we are entrenched – our future vision extends well beyond 2015 to ensure the longevity of this airline and its role in driving value to Bahrain and the industry as a whole. Our success to date in realizing the positive turnaround of Gulf Air over the past two years gives me great confidence in our 2015 results. Perceptions of our national carrier are changing and confidence is boosted both internally and externally – I am delighted with our achievements to date as we serve the airline industry, our greater community and the Kingdom of Bahrain."

As the national carrier of the Kingdom of Bahrain, and an integral national infrastructure asset Gulf Air continued, throughout 2014, to be involved in key events supporting the local community including taking on the role of official airline sponsor of the Kingdom of Bahrain's annual International Quran Recitation Contest and as title sponsor of the prestigious 2014 Formula One Gulf Air Bahrain Grand Prix. Alongside this and with 64% Bahrainisation, Gulf Air continues to be a key employer committed to developing a national workforce of aviation professionals.

Gulf Air's 2014 financial results were audited by the international accounting firm Ernst and Young and approved at the AGM in the presence of representatives from Bahrain's Ministry of Industry and Commerce and the airline's external auditor.

- See more at: <http://www.arabianaerospace.aero/gulf-air-posts-best-annual-results-since->

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