



# WIZZ AIR HOLDING: RECORD Q1 PROFITABILITY ON 18% PASSENGER GROWTH

News / Airlines, Finance



**Wizz Air Holdings Plc (“Wizz Air” or “the Company”), the largest low-cost airline in Central and Eastern Europe<sup>1</sup>, today issues an unaudited interim management statement for the three months to 30 June 2016 (“first quarter”, “Q1” or “Q1 F17”).**

## **RECORD Q1 PROFITABILITY AND STRONG BALANCE SHEET**

? Total revenue increased 9.8% in Q1 to €364.9 million:

o Ticket revenues increased 3.0% in Q1 to €212.0 million. o Ancillary income grew 20.8% in Q1 to €152.9 million.

? Reported net profit (IFRS) was a record €50.7 million in Q1, a year on year increase of 54.2%.

? Underlying net profit was a record €38.6 million in Q1, a year on year increase of 13.9%.

? Total cash at the end of June 2016 was €827.7 million of which €707.1 million was classified as free cash.

## **STRONG OPERATING PERFORMANCE ACROSS KEY METRICS**

? Total unit costs fell by 10.0% to 3.19 euro cents per ASK<sup>3</sup> in Q1.

? Ex-fuel unit costs increased 2.3% year on year to 2.26 euro cents per ASK in Q1 entirely due to

foreign currency gains in the prior year on prepayments returned on aircraft deliveries.

? Fleet expansion with three A321 aircraft added during the quarter, increasing fleet to 70 aircraft at the end of Q1.

? Average aircraft age of 4.1 years gives Wizz Air one of the youngest fleets of any major European airline.

? Wizz Discount Club membership exceeded 915,000 by the end of Q1, year-on-year growth of 47.6%.

#### MARKET LEADING POSITION IN CENTRAL AND EASTERN EUROPE

? Passengers carried increased 17.9% to 5.8 million underpinning Wizz Air's position as leading low cost carrier in CEE.

? Load factor increased 0.7 percentage points to 89.5 per cent in Q1, one of the highest in the industry.

? Route network expansion with 29 new routes announced in the first quarter.

#### DEVELOPMENTS IN SECOND QUARTER OF THE 2017 FINANCIAL YEAR

? Obtained Operational Safety Audit (IOSA) certification from IATA, the global benchmark in airline safety recognition.

? Signed \$2.5 billion contract with Pratt & Whitney to supply next generation engines for our future A321 neo aircraft.

? Halving intended second half growth to the UK as a direct result of BREXIT and the weaker British pound and re-deploying this capacity to other non-UK routes.

József Váradi, Wizz Air Chief Executive said:

"Our record first quarter financial performance underpins the resilience of our ultra-low cost business model. While Wizz Air is not immune to the recent challenges in our industry we believe our ultra-low cost base, diversified point-to-point network and ability to adjust capacity quickly when needed enables us to better respond to these challenges than many other European airlines and also means we are well placed to exploit market opportunities as they arise. It is on this basis that today we are confirming our underlying net profit guidance for the full financial year ended 31 March 2017.

Our ultra-low cost model, reinforced with a delivery stream of brand new A321 aircraft, gives us a clear cost advantage versus most of our rivals. We have a strong balance sheet, proven management team, best-in-class fleet and the leading market position in CEE. This winning formula leaves Wizz Air well placed to continue to deliver significant growth and returns for our shareholders".

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