20% PASSENGER GROWTH, LOAD FACTORS HIGHER AT 92% AND A NET PROFIT OF €50M IN Q1

LSE: WIZZ

Geneva, 25 July 2018: Wizz Air Holdings Plc ("Wizz Air" or "the Company"), the largest low-cost airline in Central and Eastern Europe ("CEE"), today issues unaudited results for the three months to 30 June 2018 ("first quarter" or "Q1") for the Company as a whole, and separately for its airline ("Airline") and tour operator ("Wizz Tours") business units[1].

Three months to 30 June	**2018 (million)**	2017 (million)	Change
Passengers carried	**8.6**	7.2	19.7%
Revenue (€ million)	**553.4**	469.3	17.9%
EBITDAR (€ million)[2]	**151.4**	155.9	(2.8)%
EBITDAR margin (%)[3]	**27.4**	33.2	(5.9)ppts
Profit for the period (€ million)	**50.0**	58.1	(14.0)%
Profit margin for the period (%)	**9.0**	12.4	(3.3)ppts
Ex-Fuel CASK (€ cent)	**2.27**	2.29	(1.1)%
CASK (€ cent)	**3.30**	3.23	2.2%
RASK (€ cent)[4]	**3.67**	3.72	(1.4)%
Cash and cash equivalents (€ million)	**1,116.6**	911.7	22.5%
Load factor (%)	**92.1**	91.2	0.9ppts

SOLID FINANCIAL PERFORMANCE IN Q1

- Total revenue increased 17.9% to €553.4 million:
  - Ticket revenues increased 24.5% to €330.4 million.
  - Ancillary revenues grew 9.3% to €223.0 million.
- Profit for the quarter was €50.0 million, a fall of €8.1m compared to Q1 FY18 reflecting the timing of Easter effect and higher than expected disruption costs.
- Total cash at the end of June 2018 was €1,281.5 million of which €1,116.6 million was free cash.

SIGNIFICANT DISRUPTION IN Q1

- Unprecedented number of disruptions caused mainly by European air traffic control issues, which are entirely beyond the control of airlines, led to a 426% increase in cancellations to 145 by Wizz Air (34 cancellations in Q1 2018).
- On time performance deteriorated by 7.8ppt to 74.4% as a result.
- Consequently, passenger delay and compensation costs incurred by the Company increased by 203% to €9.1m.

AIRLINE AND WIZZ TOURS

The segmented reporting illustrates the financial performance of the Airline and Wizz Tours business units separately:

- ***Airline:*** Q1 performance:
  - Total unit revenue decreased 1.4% to 3.67 euro cents per available seat kilometre (ASK).
  - Total unit costs increased 2.2% to 3.30 euro cents per ASK.
  - Ex-fuel unit costs decreased 1.1% to 2.27 euro cents per ASK.
  - Fuel unit costs increased 10.2% to 1.03 euro cents per ASK.
  - Load factors increased 0.9ppts to 92.1%
  - Ancillary revenue per passenger decreased 8.6% to €25.6 per passenger.
    - Value added services +€2.1 per passenger.
    - Baggage fees -€4.5 per passenger.
- ***Wizz Tours:*** Q1 package holiday revenues were €4.6 million.

LEADING POSITION IN CENTRAL AND EASTERN EUROPE

- Passengers carried increased 19.7% to 8.6 million expanding Wizz Air's position as CEE's leading low cost carrier.
- Network has continued to grow with the announcement of 20 new routes during Q1, Wizz Air now offers more than 600 routes to/from 44 countries from 25 bases.
- Fleet increased to 102 aircraft with the addition of nine A320 and A321 aircraft. The fleet mix at the end of Q1 was 71 A320 and 31 A321 Airbus aircraft.

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1 The Group discloses revenues and expenses for its airline and tour operator business units separately. Where a measure is reported for a business unit then this is explicitly stated. All other measures and statements relate to the Group as a whole.
2 EBITDAR: profit (or loss) before net financing costs (or gain), income tax expense (or credit), depreciation, amortisation and aircraft rentals.
3 EBITDAR Margin: EBITDAR divided by total revenue.
4 Under IFRS15, which was adopted by the Company from 1 April 2018, €1.2 million of compensation paid to customers is deducted from ticket revenue.

- Average aircraft age of 4.4 years, one of the youngest fleets of any major European airline.

BUSINESS DEVELOPMENTS AND INNOVATION

- Wizz Air UK received Air Operator's Certificate and Operating Licence and started operating on 3 May further demonstrating Wizz Air's commitment to Europe's single largest aviation market.
- Celebrated the opening of Wizz Air's newest base, Vienna and the start of operations of its newest station, Tallinn.
- Announced investment into a brand new state-of-the-art crew training centre in Budapest, initial daily training capacity will be over 125 pilots and cabin crew.
- Refined baggage policy, putting further emphasis on complementary services like WIZZ Priority effective from 20 June.

József Váradi, Wizz Air Chief Executive said:

"Wizz Air has once again delivered double-digit growth in passenger numbers and revenues, while also delivering ever higher load factors and net profit of €50m in the first quarter. This was a very solid performance given the absence of high yielding Easter traffic which fell into the end of the last financial year as well as a backdrop of significant challenges caused by European air traffic control issues. With these disruptions likely to continue into autumn and on the back of a continued rise in fuel prices in the first quarter the Company took the decision to trim its full year growth target from 20% to 18%.

Looking beyond the quarter, we are making exciting progress in continuing to build WIZZ into Europe's lowest cost airline. Our fleet grew past the milestone of 100 aircraft in Q1 and we carried more than 30 million passengers over the last 12 months. Despite the success we have had, our ambition to drive WIZZ's growth and further lower our cost base is undiminished. We have game-changing "NEO" aircraft technology starting delivery from next January, an enviable committed aircraft order book, a valuable employee base as well as an investment grade balance sheet with over €1.1 billion of free cash all of which will help us deliver our goals. Our base and route network continues to grow and we added Vienna to our list of bases during Q1 and also commenced operations under our UK AOC with 7 aircraft and almost 250 employees now operating out of Luton.

WIZZ is well positioned to deliver in 2019 and beyond and we remain confident in our full year guidance of €310 to €340 million net profit for the year."

FULL YEAR OUTLOOK

The table below sets out the components of the Company's full year outlook.

	2019 Financial Year	Comment
Capacity growth (ASKs)	+ 18%	Reduced from 20%
Average stage length	Moderate Increase	-
Load factor	+ 1 ppt	-
Fuel CASK	+ 15%	Fuel price of $685, €/$ of 1.20
Ex-fuel CASK	- 1%	-
Total CASK	+ 3%	-
RASK	+ 3%	-
Tax rate	6%	-
Net profit	€310-340 million	-

ABOUT WIZZ AIR

Wizz Air is the largest low-cost airline in Central and Eastern Europe, operates a fleet of 104 Airbus A320 and Airbus A321 aircraft, and offers more than 600 routes from 25 bases, connecting 142 destinations across 44 countries. At Wizz Air, a team of more than 4,000 aviation professionals delivers superior service and very low ticket prices making Wizz Air the preferred choice of over 30 million passengers in the past 12 months. Wizz Air is listed on the London Stock Exchange under the ticker WIZZ and is included in the FTSE 250 and FTSE All-Share Indices. Wizz Air is registered under the International Air Transport Association (IATA), Operational Safety Audit (IOSA), the global benchmark in airline safety recognition. The company was recently named 2017 - European Airline of the Year by Airline Economics' Aviation 100 Award, a renown annual publication that recognizes the year's most outstanding performers in the aerospace industry.

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Q1 GROUP FINANCIAL REVIEW

In the first quarter, Wizz Air carried 8.6 million passengers, a 19.7% increase compared to the same period in the previous year, and generated revenues of €553.4 million, growth of 17.9%. These growth rates compare to capacity growth measured in terms of ASKs of 19.8% and additional seats of 18.6%. The load factor increased from 91.2% to 92.1%.

The profit for the first quarter was €50.0 million.

Consolidated statement of comprehensive income (unaudited)

For the three months ended 30 June – rounded to one decimal place

Continuing operations	Airline 2018 € million	Wizz Tours 2018 € million	Consolidation Adjustment € million	Group 2018 € million	Group 2017 € million	Change in Group Results
Passenger ticket revenue	330.4	1.6	(1.6)	330.4	265.3	24.5%
Ancillary revenue	220.6	3.0	(0.6)	223.0	204.0	9.3%
Total revenue	551.0	4.6	(2.2)	553.4	469.3	17.9%
Staff costs	46.3	0.1		46.4	34.0	36.6%
Fuel costs	154.7			154.7	117.1	32.1%
Distribution and marketing	10.4	0.6		10.9	9.3	17.9%
Maintenance materials and repairs	28.3			28.3	25.8	9.3%
Aircraft rentals	73.5			73.5	70.7	4.0%
Airport, handling and en-route charges	138.9			138.9	113.2	22.7%
Depreciation and amortisation	23.0	0.4		23.4	23.3	0.5%
Other expenses	20.4	4.5	(2.1)	22.8	14.1	62.4%
Total operating expenses	495.4	5.6	(2.1)	498.9	407.4	22.5%
Operating profit/(loss)	55.6	(1.0)		54.5	61.9	(11.9)%
Financial income	0.3			0.3	0.4	
Financial expenses	(1.1)			(1.1)	(1.0)	
Net foreign exchange loss	(1.7)			(1.7)	(0.8)	
Net financing expense	(2.5)			(2.4)	(1.3)	
Profit before income tax	53.1	(1.0)		52.1	60.5	(13.9)%
Income tax expense	(2.1)			(2.1)	(2.4)	
Profit for the period	51.0	(1.0)		50.0	58.1	(14.0)%

Airline revenues

Passenger ticket revenue increased 24.5% to €330.4 million and ancillary income (or "non-ticket" revenue) increased by 9.5% to €220.6 million. Total revenue per ASK (RASK) decreased by 1.4% to 3.67 euro cents from 3.72 euro cents in the same period of 2017 as significant air traffic disruptions led to a 426% increase in cancellations and the corresponding lost revenues and weaker than expected bag revenues. Under IFRS15, which was adopted by the Company from 1 April 2018, €1.2 million of compensation paid to customers is deducted from revenue and other expenses.

Average revenue per passenger decreased to €63.8 in Q1 2018 which was 1.4% lower than Q1 2017 levels of €64.8. Average ticket revenue per passenger increased from €36.8 in Q1 2017 to €38.3 in Q1 2018, an increase of 4.0%, while average ancillary revenue per passenger declined from €28.0 in Q1 2017 to €25.6 in Q1 2018, a decrease of 8.6%. This decrease in ancillary revenue was due to the continued impact of the removal of the Company's 'paid for' cabin bag policy in October 2017. (Note: figures for Q1 2017 are amended compared to the original disclosure made in July 2017 by reclassifying €1.6 million from airline ancillary revenue into airline ticket revenue. Group figures are not impacted.)

Airline operating expenses

Operating expenses for the three months increased by 22.4% to €495.4 million from €404.7 million in Q1 2017. Cost per ASK (CASK) reflect higher fuel prices and increased by 2.2% to 3.30 euro cents in Q1 2018 from 3.23 euro cents in Q1 2017. CASK excluding fuel expenses decreased by 1.1% to 2.27 euro cents in Q1 2018 from 2.29 euro cents in Q1 2017.

Staff costs increased by 36.6% to €46.3 million in Q1 2018, up from €33.9 million in Q1 2017 reflecting the growth in capacity and also a ramp up in crew recruitment and training needed to operate 17 incremental new aircraft which were delivered for the 2018 summer season.

Fuel expenses increased by 32.1% to €154.7 million in Q1 2018, up from €117.1 million in the same period of 2017. The increase was driven by the growth of the Company and higher average fuel prices, partially offset by a weaker US dollar. The average fuel price (including hedging impact but excluding into-plane premium) paid by Wizz Air during the first quarter was US$693 per tonne, an increase of 19.9% from US$578 the same period in 2017.

Distribution and marketing costs rose 14.3% to €10.4 million from €9.1 million in the first quarter of 2017, primarily driven by the growth of the Airline.

Maintenance, materials and repair costs increased by 9.3% to €28.3 million in Q1 2018 from €25.8 million in Q1 2017 which is mainly a function of a fleet growth.

Aircraft rental costs rose 4.0% to €73.5 million in the first quarter, from €70.7 million in 2017 due to fleet growth (equivalent aircraft expanded 19.6%), partly offset by a weaker US dollar.

Airport, handling and en-route charges increased 22.7% to €138.9 million in the first quarter of 2018 versus €113.2 million in the same period of 2017. This category comprised €84.8 million of airport and handling fees and €54.1 million of en-route and navigation charges in Q1 2018 compared with €65.5 million of airport and handling fees and €47.7 million of en-route and navigation charges in Q1 2017. The cost increase was primarily due to 16.2% growth in the number of flights, a 19.7% rise in passenger numbers and a stage length increase of 1.0%.

Depreciation and amortisation charges decreased by 1.2% to €23.0 million in the first quarter, down from €23.3 million in the same period in 2017 due to changes in timing of the maintenance events.

Other expenses increased 75.5% to €20.4 million in the first quarter from €11.6 million in the same period in 2017. Customer compensation and related costs are included in other expenses and increased by 163% or €4.9 million to €7.9m compared to the same period last year. As indicated under the section *'Revenues'* €1.2m of compensation paid to customers is deducted from both 'other expenses' and 'revenue'. Total delay and compensation costs incurred was 203% higher at €9.1m in the quarter.

Income tax expense was €2.1 million (2017: €2.4 million) giving an effective tax rate of 4.0% (2016: 4.0%). The main components of this charge are local business tax and innovation tax paid in Hungary and corporate income tax paid in Switzerland.

Wizz Tours

Wizz Tours generates revenue by selling package holidays made up of flight tickets purchased from the airline and hotel accommodation purchased from wholesalers (or bedbanks). Revenues in Q1 2018 were €4.6 million compared to €4.9 million during the same period of 2017 and operating expenses were €5.6 million compared to €5.0 million in 2017. Of the €0.6 million increase in operating expenses €0.4 million is caused by accelerated depreciation of the old sales platform that is being phased out during 2018. Operating expenses in both years comprise primarily the value of the flight tickets and hotel accommodation purchased.

OTHER INFORMATION

1. Cash, equity and leverage

Total cash at the end of the first quarter increased by 12.2% to €1,281.5 million versus 31 March 2018, of which over €1,116.6 million is free cash. Shareholders' equity reached €1,333.3 million, an increase of €91.4 million versus 31 March 2018 and €340.6 million since 30 June 2017.

2. Hedging positions

Wizz Air operates under a clear set of treasury policies approved by the Board and supervised by the Audit Committee. The aim of our hedging policy is to reduce short-term volatility in earnings and liquidity. Wizz Air hedges a minimum of 50 per cent. of the projected US Dollar and jet fuel requirements for the next twelve months (40 per cent. on an 18-month hedge horizon).

Details of the current hedging positions (as of 17 July 2018) are set out below:

Foreign exchange (FX) hedge coverage of Euro/US Dollar

Period covered	F19 9 months	F20 9 months
Exposure (million)	$827	$1,004
Hedge coverage (million)	$494	$232
Hedge coverage for the period	60%	23%
Weighted average ceiling	$1.23	$1.27
Weighted average floor	$1.18	$1.21

Fuel hedge coverage

Period covered	F19 9 months	F20 9 months
Exposure in metric tons ('000)	803	1,055
Coverage in metric tons ('000)	545	213
Hedge coverage for the period	68%	20%
Blended capped rate	$641	$674
Blended floor rate	$591	$614

Sensitivities

- Pre-hedging, a one cent movement in the Euro/US Dollar exchange rate impacts the 2019 financial year operating expenses by €6.1 million.

- Pre-hedging, a $10 (per metric ton) movement in the price of jet fuel impacts the 2019 financial year fuel costs by $8 million.

3. Fully diluted share capital

The figure of 127,166,972 should be used for the Company's theoretical fully diluted number of shares as at 20 July 2018. This figure comprises 72,746,171 issued ordinary shares, 29,830,503 convertible shares, 24,246,715 new ordinary shares which would have been issued if the full principal of outstanding convertible notes had been fully converted on 20 July 2018 (excluding any ordinary shares that would be issued in respect of accrued but unpaid interest on that date) and 343,583 new ordinary shares which may be issued upon exercise of vested but unexercised employee share options.

4. EEA ownership

The Company remains within the 49% maximum permitted level of Ordinary Share ownership by Non-Qualifying Nationals set by the Company's Board of Directors ("the Permitted Maximum"). The Company's Board of Directors will continue to monitor the situation closely and will take such action as it considers necessary and as contemplated by the Company's articles of association.

Qualifying Nationals include (1) EEA nationals, (2) nationals of Switzerland and (3) in respect of any undertaking, an undertaking which satisfies the conditions as to nationality of ownership and control of undertakings granted an operating licence contained in Article 4(f) of the Regulation (EC) No. 1008/2008, as such conditions may be amended, varied, supplemented or replaced from time to time, or as provided for in any agreement between the EU and a third country (whether or not such an undertaking is itself granted an operating licence). A Non-Qualifying National is any person who is not a Qualifying National in accordance with the above definition. (http://corporate.wizzair.com/en-GB/investor_relations/news/press_releases)

KEY STATISTICS

For the three months ended 30 June

	2018	2017	Change
Capacity			
Number of aircraft at end of period	**102**	83	22.9%
Equivalent aircraft	**96.92**	81.02	19.6%
Utilisation (block hours per aircraft per day)	**12.85**	13.10	(1.9)%
Total block hours	**113,364**	96,570	17.4%
Total flight hours	**98,752**	84,004	17.6%
Revenue departures	**48,098**	41,381	16.2%
Average departures per day per aircraft	**5.45**	5.61	(2.8)%
Seat capacity	**9,375,074**	7,902,360	18.6%
Average aircraft stage length (km)	**1,602**	1,587	1.0%
Total ASKs ('000 km)	**15,018,595**	12,537,925	19.8%
Operating data			
RPKs ('000 km)	**13,822,647**	11,448,316	20.7%
Load factor	**92.1%**	91.2%	0.9ppt
Number of passenger segments	**8,630,080**	7,207,169	19.7%
Fuel price (average US$ per ton, including hedging impact but excluding into-plane premium)	**693**	578	19.9%
Foreign exchange rate (average US$/€, including hedging impact)	**1.20**	1.09	10.1%

CASK (for the Airline only)

*For the three months ended 30 June**

	2018 *euro cents*	2017 *euro cents*	Change *euro cents*
Fuel costs	**1.03**	0.93	0.10
Staff costs	**0.31**	0.27	0.04
Distribution and marketing	**0.07**	0.07	-
Maintenance, materials and repairs	**0.19**	0.21	(0.02)
Aircraft rentals	**0.49**	0.56	(0.07)
Airport, handling and en-route charges	**0.92**	0.90	0.02
Depreciation and amortisation	**0.15**	0.19	(0.03)
Other expenses	**0.14**	0.09	0.04
Total CASK	**3.30**	3.23	**0.07**
Total ex-fuel CASK	**2.27**	2.29	**(0.02)**

*Figures are rounded to 2 decimal places

FORWARD LOOKING STATEMENTS

The information in this announcement includes forward-looking statements which are based on the Company's or, as appropriate, the Company's directors' current expectations and projections about future events. These forward-looking statements may be identified by the use of forward-looking terminology including, but not limited to, the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussion of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements are subject to risks, uncertainties and assumptions about the Company and its subsidiaries and investments, including, among other things, the development of its business, trends in its operating industry and future capital expenditures. In light of these risks, uncertainties and assumptions, the events or circumstances referred to in the forward-looking statements may differ materially from those indicated in these statements. Forward-looking statements may, and often do, materially differ from actual results.

None of the future projections, expectations, estimates or prospects or any other statements contained in this announcement should be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared are correct or exhaustive or, in the case of the assumptions, fully stated in the announcement. Forward-looking statements speak only as of the date of this announcement. Subject to obligations under the listing rules and disclosure and transparency rules made by the Financial Conduct Authority under Part VI of the Financial Services and Markets Act 2000 (as amended from time to time), neither the Company nor any of its affiliates, or individuals acting on its behalf, undertakes to publicly update or revise any such forward-looking statement, or any other statements contained in this announcement, whether as a result of new information, future events or otherwise.

As a result of these risks, uncertainties and assumptions, you should not place undue reliance on these forward-looking statements as a prediction of actual results or otherwise. The information and opinions contained in this announcement are provided as at the date of this announcement and are subject to change without notice.

PRINCIPAL RISKS AND UNCERTAINTIES

The aviation industry is subject to many risks and Wizz Air’s business is no exception. A number of risks, as described in our Annual Report for the financial year ended 31 March 2018, have the potential to adversely affect Wizz Air’s expected results for the remainder of the current financial year. These risks include competitive moves, political and economic events, safety events, foreign exchange rates and the price of fuel. The Directors consider that the principal risks to the Company’s business during the second half of the financial year remain those set out on pages 25 to 29 of our Annual Report for the financial year ended 31 March 2018, available at corporate.wizzair.com, with the comments added below.

This announcement includes inside information.