WIZZ AIR HOLDINGS PLC – RESULTS FOR THE SIX MONTHS TO 30 SEPTEMBER 2017

WIZZ AIR REPORTS RECORD RESULTS IN H1 F18 WITH NET PROFIT UP 25%, REVENUES UP 25%, PASSENGERS UP 25%. F18 NET PROFIT GUIDANCE RANGE INCREASED TO BETWEEN €265M AND €280M

LSE: WIZZ

Geneva, 8 November 2017: 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 six months to 30 September 2017 ("first half" or "H1") for the Company as a whole, and separately for its airline ("Airline") and tour operator ("Wizz Tours") business units[1].

Six months to 30 September	2017 (million)	2016 (million)	Change
Passengers carried	**15.62**	12.50	+25.0%
Revenue (€)	**1,149.4**	921.2	+24.8%
EBITDAR (€)	**492.2**	385.9	+27.5%
EBITDAR margin (%)	**42.8**	41.9	+0.9ppt
Profit for the period[2] (€)	**288.6**	231.6	+24.6%
Profit margin for the period (%)	**25.1**	25.1	0.0%

RECORD H1 PROFITABILITY AND STRONG BALANCE SHEET

- Total revenue increased 24.8% to €1,149.4 million:
  - Ticket revenues increased 20.8% to €685.1 million.
  - Ancillary revenues grew 31.1% to €464.3 million.
- Profit for the period was a record €288.6 million in H1, a year-on-year increase of 24.6%.
- Total cash at the end of September 2017 was €1,193.4 million, of which €1,029.8 million was free cash.

AIRLINE AND WIZZ TOURS

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

- ***Airline:*** First half KPI performance:
  - Total unit revenue increased 0.7% to 4.27 Euro cents per available seat kilometre (ASK).
  - Total unit costs increased by 1.9% to 3.13 Euro cents per ASK.
  - Ex-fuel unit costs increased by 1.7% to 2.22 Euro cents per ASK.
  - Fuel unit costs increased by 2.2% to 0.91 Euro cents per ASK.
  - Load factors increased by 1.7 ppt to 92.8%.
- ***Wizz Tours:*** First six months package holiday revenues of €12.1 million.

LEADING POSITION IN CENTRAL AND EASTERN EUROPE

- Passengers carried increased 25.0% to 15.62 million, securing Wizz Air's position as CEE's leading low cost carrier.
- Network has continued to grow with the opening of two new bases in London Luton (UK) and Varna (Bulgaria).
- Wizz Air started 57 new routes in H1 and now offers more than 550 routes to 43 countries from 28 bases.
- Fleet expansion with six Airbus A321 and one Airbus A320 aircraft added during H1 taking the fleet to 86 aircraft, a mix of 64 A320s and 22 A321s.
- Average aircraft age of 4.5 years, one of the youngest fleets of any major European airline.
- Wizz Discount Club membership of over 1,000,000 at the end of H1.

1 The Company has separate reporting for its airline and tour operator business units. 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. See also Note 5 to the financial statements.

2 In 2016 the Company presented two profit measures: the IFRS profit for the period and the 'underlying' profit for the period. The latter included adjustments for exceptional items. As explained in Note 6 to these condensed consolidated interim financial statements, the adoption of IFRS 9 has removed the principal cause of such exceptional items and the Company is therefore not disclosing a separate underlying profit measure. The comparison in this table is made to the underlying profit for the comparable period in 2016.

BUSINESS DEVELOPMENTS AND INNOVATION

- Fleet delivery stream strengthened through an order of additional ten Airbus A321ceo aircraft powered by Pratt & Whitney V2500 engines to be delivered in 2018 and 2019.
- Customer satisfaction enhanced with the removal of the 'paid-for' cabin bag policy.
- Ancillary product innovation continued with a new 'fare lock' feature enabling customers to lock in Wizz Air's low fares for 48 hours before payment and a new 'Flexible Partner' feature allowing customers to book up to 10 tickets and name their travel partner(s) at the time of check-in.
- New subsidiary incorporated in the UK that in October filed an application for the grant of aviation licences with the UK Civil Aviation Authority – further signalling the Group's commitment to the important UK market.
- Enhanced leadership capacity by the promotion of Mr. Bela Szegedi to take the role of Chief Flight Operations Officer.

József Váradi, Wizz Air Chief Executive said:

Our results for the first half of the current financial year ending 31 March 2018 ("FY18") have been ahead of expectations with robust trading across all of our markets. We carried 15.6m passengers, 25% more than in the same period last year, generating 25% higher revenues. Our record first half net profits were also 25% higher compared to the first half of last year, maintaining a 25% net profit margin. In light of this strong performance and encouraging third quarter bookings the Company today raised its net profit guidance for the full year to a range of between €265 million to €280million.

Our network, routes and bases continued to expand rapidly to meet the demand from our core Central and Eastern European markets, highlighting the continued significant growth opportunity for the Company in the region. In the first half of FY18, we announced 57 new routes taking our network to over 550 routes to/from 28 bases in 43 countries, further securing our position as Central and Eastern Europe's leading low cost carrier. We have continued to grow our fleet, with the addition of six Airbus A321ceo and one A320ceo aircraft as well as strengthening our delivery stream with an additional order for 10 A321ceo to be delivered in 2018 and 2019.

Customer satisfaction and innovation remains at the forefront of our strategy and in the first half we announced the removal of our 'paid for' cabin bag policy and introduced the 'fare-lock' and 'Flexible Partner' products.

We also continue to prepare the Company for the significant planned growth ahead. As part of that planning, we have further strengthened our management team with the appointment of Stephen Jones to the new position of Executive Vice President and Deputy Chief Executive Officer, along with the internal promotions of Iain Wetherall to Chief Financial Officer and Heiko Holm to Chief Technical Officer, enhancing management depth and experience and bringing new innovative thinking to Wizz Air.

FULL-YEAR OUTLOOK

With the continued expansion of its network, Wizz Air estimates that it will grow capacity in terms of ASKs by around 23% in the 2018 financial year. Wizz Air's current expectations for full year performance are summarised below.

	2018 Financial Year	Comment
Capacity growth (ASKs)	23%	-
Average stage length	Modest increase	-
Load factor	+ 1ppt	-
Fuel CASK	+ 3%	Assumes H2 spot price of $545/MT
Ex-fuel CASK	Broadly flat	Assumes H2 €/$ rate of 1.18
Total CASK	+ 1%	-
RASK	Slight increase	Stable fuel and stable fares
Tax rate	6%	-
Net profit	Range of between €265m - €280m	Previously at the top end of a range of between €250m to €270m

ABOUT WIZZ AIR

Wizz Air is the largest low-cost airline in Central and Eastern Europe, operates a fleet of 87 Airbus A320 and Airbus A321 aircraft, and offers more than 550 routes from 28 bases, connecting 144 destinations across 43 countries. At Wizz Air, a team of approximately 3,500 aviation professionals delivers superior service and very low ticket prices making Wizz Air the preferred choice of 23.8 million passengers in the financial year ended 31 March 2017. 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 2016 Value Airline of the Year by the editors of Air Transport World, one of the leading airline trade magazines, as well as 2016 Low Cost Airline of the Year by the Center for Aviation (CAPA), a leading provider of independent aviation market intelligence.

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H1 GROUP FINANCIAL REVIEW

In the first half, Wizz Air carried 15.6 million passengers, a 25.0% increase compared to the same period in the previous year, and generated revenues of €1,149.4 million, growth of 24.8%. These growth rates compare to capacity growth measured in terms of ASKs of 24.0% and additional seats of 22.6%. The load factor increased from 91.1% to 92.8%.

The profit for the first half was €288.6 million, 24.6% higher than the underlying profit of €231.6 million in the same period of 2016. The increase in profits is in line with the growth of the Company based on a stable net profit margin of 25.1%.

Consolidated statement of comprehensive income (unaudited)

For the six months ended 30 September

Continuing operations	Airline 2017 € million	Wizz Tours 2017 € million	Consolidation adjustment € million	Group 2017 € million	Group 2016 € million	Change in Group results
Passenger ticket revenue	**681.0**	**4.1**		**685.1**	567.2	20.8%
Ancillary revenue	**462.1**	**8.0**	**(5.8)**	**464.3**	354.0	31.1%
Total revenue	**1,143.1**	**12.1**	**(5.8)**	**1,149.4**	921.2	24.8%
Staff costs	**72.6**	**0.1**		**72.7**	57.3	26.9%
Fuel costs	**244.2**			**244.2**	192.6	26.8%
Distribution and marketing	**18.1**	**0.5**		**18.5**	14.5	27.3%
Maintenance materials and repairs	**49.8**			**49.8**	38.1	30.6%
Aircraft rentals	**139.1**			**139.1**	110.5	25.9%
Airport, handling and en-route charges	**241.6**			**241.6**	205.3	17.7%
Depreciation and amortisation	**48.6**			**48.6**	24.3	100.2%
Net other expenses	**24.4**	**11.8**	**(5.8)**	**30.4**	27.4	10.9%
Total operating expenses	**838.3**	**12.4**	**(5.8)**	**844.9**	670.0	26.1%
Operating profit	**304.8**	**(0.3)**		**304.5**	251.2	21.3%
Financial income	**1.2**			**1.2**	0.5	
Financial expenses	**(1.8)**			**(1.8)**	(11.9)	
Net foreign exchange (loss)/gain	**(3.2)**			**(3.2)**	1.4	
Net exceptional financial income	**-**			**-**	21.4	
Net financing (expense)/income	**(3.8)**			**(3.9)**	11.3	
Profit/(loss) before income tax	**301.0**	**(0.3)**		**300.7**	262.5	14.5%
Income tax expense	**(12.0)**			**(12.0)**	(9.2)	
Profit/(loss) for the period	**289.0**	**(0.3)**		**288.6**	253.3	14.0%

Airline revenues

Passenger ticket revenue increased 21.7% to €681.0 million and ancillary income (or "non-ticket" revenue) increased by 31.3% to €462.1 million. Total revenue per ASK (RASK) increased 0.7% to 4.27 Euro cents from 4.24 Euro cents in the same period of 2016 due to the continued strong economic performance of CEE, slight moderation of market capacity and Wizz Air further strengthening its ancillary revenue production leadership in Europe.

Average revenue per passenger was €73.2 during the first half, unchanged compared to H1 2016. Average ticket revenue per passenger decreased from €45.4 in H1 2016 to €43.9 in H1 2017, a decline of €1.5, while average ancillary revenue per passenger increased from €27.8 in H1 2016 to €29.3 in H1 2017, an increase of €1.5. For the purposes of this analysis, out of the total €5.8 million intra-group revenue earned by the Airline (that is part of the €462.1 million airline ancillary revenue in the table above), €4.1 million was reclassified from ancillary revenue to ticket revenue.

Airline operating expenses

Operating expenses for the first half increased by 26.4% to €838.3 million from €663.4 million in H1 2016. Total cost per ASK (CASK) increased by 1.9% to 3.13 Euro cents in H1 2017 from 3.08 Euro cents in H1 2016 principally driven by a 6.6% increase in the average fuel price and higher depreciation costs. CASK excluding fuel expenses increased 1.7% to 2.22 Euro cents in H1 compared to 2.18 Euro cents in H1 2016 due to higher depreciation costs.

Staff costs increased by 26.9% to €72.6 million in H1 2017, up from €57.2 million in H1 2016 reflecting the growth in capacity.

Fuel expenses increased by 26.8% to €244.2 million in H1 2017, up from €192.6 million in the same period of 2016. The increase, was driven by the growth of the Company and higher average fuel prices. The average fuel price (including hedging impact and into-plane premium) paid by Wizz Air in the first half was US$581 per tonne, an increase of 6.6% from US$545 in the same period in 2016.

Distribution and marketing costs rose 29.7% to €18.1 million from €13.9 million in the first half of 2016 mostly due to an increase in volume following the growth of the Airline.

Maintenance, materials and repair costs increased by 30.6% to €49.8 million in H1 2017 from €38.1 million in H1 2016. This cost increase was primarily the result of fleet growth, opening new bases which require setting up operations with new line maintenance providers and also a higher number of scheduled maintenance events.

Aircraft rental costs rose 25.9% to €139.1 million in the first half, from €110.5 million in 2016. This increase was largely due to fleet growth and also higher average lease rate for the growing number of larger A321 aircraft in the fleet.

Airport, handling and en-route charges increased 17.7% to €241.6 million in the first half of 2017 versus €205.3 million in the same period of 2016. This category comprised €140.4 million of airport and handling fees and €101.2 million of en-route and navigation charges in 2017 compared with €117.4 million of airport and handling fees and €87.9 million of en-route and navigation charges in 2016. The cost increase was primarily due to 18.1% growth in the number of flights, a 25.0% rise in passenger numbers and a 1.1% increase in stage length.

Depreciation and amortisation charges rose by 100.2% to €48.6 million in the first half, up from €24.3 million in the same period in 2016 due to higher engine-related maintenance and component depreciation as in the last twelve months new maintenance fixed assets were capitalized and their depreciation started in relation to a significant number of future engine heavy maintenance events.

Net other expenses increased 13.6% to €24.4 million in the first half from €21.5 million in the same period in 2016. Customer compensation costs are included in other expenses and increased by €3.0 million compared to the same period last year. Approximately half is due to carrying 25% more passengers and half is attributable to an increasing trend of passenger claims across the industry.

Income tax expense was €12.0 million (2016: €9.2 million), giving an effective tax rate for the Group of 4.0% (2016: 3.5%). 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 revenues by selling package holidays made up of flight tickets purchased from the Airline and hotel accommodation purchased from wholesalers (bed banks). Revenues in the first half were €12.1 million and operating costs were €12.4 million.

Q2 GROUP FINANCIAL REVIEW

In the three months to 30 September 2017 ("Q2" or "second quarter"), Wizz Air carried 8.4 million passengers, a 24.8% increase compared to the same period in the previous year, and generated revenues of €680.1 million, growth of 22.3%. These growth rates compare to capacity growth measured in terms of ASKs of 23.6% and additional seats of 22.4%. The load factor increased from 92.4% to 94.3%.

The profit for the second quarter was €230.6 million, 19.5% higher than the underlying profit of €193.0 million in the same period of 2016. This equates to a 0.8 percentage point decrease in the after tax profit margin from 34.7% to 33.9%.

OTHER INFORMATION

1. Cash, equity and leverage

Total cash at the end of the first half increased by 27.6% to €1,193.4 million versus September 2016, of which over €1,029.8 million is free cash. Adjusted net debt to EBITDAR was at a ratio of 1.3 times at the end of September 2017, the same as at the end of September 2016. Shareholders' equity reached €1,241.9 million, an increase of €291.4 million versus 30 September 2016 and €289.4 million since 31 March 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).

During the 2017 fiscal year the Company started to hedge the GBP, its largest non-EUR revenue currency, against EUR in order to smooth out potential future volatility due to Brexit. Unlike for the US Dollar, there is no minimum coverage set, while the maximum is 60% of projected net GBP exposure on a rolling twelve-month basis. Details of the current hedging positions (as of 31 October 2017) are set out below:

FX hedge coverage

Euro/US Dollar

Period covered	**FY18** 6 months	**FY19** 12 months
Exposure (million)	$429	$1,067
Hedge coverage (million)	$290	$434
Hedge coverage for the period	**68%**	**41%**
Weighted average ceiling	$1.13	$1.16
Weighted average floor	$1.10	$1.13

Euro/British pound

Period covered	**FY18** 6 months	**FY19** 12 months
Exposure (million)	£86	-
Hedge coverage (million)	£30	-
Hedge coverage for the period	**35%**	**-**
Weighted average floor	0.860	-
Weighted average ceiling	0.827	-

Fuel hedge coverage

Period covered	**FY18** 6 months	**FY19** 12 months
Exposure in metric tons ('000)	443	1,021
Coverage in metric tons ('000)	310	237
Hedge coverage for the period	**70%**	**23%**
Blended capped rate	$524	$523
Blended floor rate	$471	$471

Sensitivities

- Pre-hedging, a one cent movement in the Euro/US Dollar exchange rate impacts the 2018 financial year operating expenses by €3 million.
- Pre-hedging, a one penny movement in the Euro/British Pound exchange rate impacts the 2018 financial year operating expenses by €1.1 million.
- Pre-hedging, a $10 (per metric ton) movement in the price of jet fuel impacts the 2018 financial year fuel costs by $4.4 million.

3. Fully diluted share capital

The figure of 126,790,889 should be used for the Company's theoretical fully diluted number of shares as at 30 September 2017. This figure comprises 72,679,671 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 30 September 2017 (excluding any ordinary shares that would be issued in respect of accrued but unpaid interest on that date) and 34,000 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 six months ended 30 September

	2017	2016	Change
Capacity			
Number of aircraft at end of period	**86**	73	17.8%
Equivalent aircraft	**82.74**	69.48	19.1%
Utilisation (block hours per aircraft per day)	**13.49**	13.42	0.5%
Total block hours	**204,398**	170,641	19.8%
Total flight hours	**177,844**	148,224	20.0%
Revenue departures	**87,779**	74,343	18.1%
Average departures per day per aircraft	**5.79**	5.85	(1.0)%
Seat capacity	**16,830,940**	13,724,440	22.6%
Average aircraft stage length (km)	**1,589**	1,571	1.1%
Total ASKs ('000 km)	**26,739,784**	21,556,895	24.0%
Operating data			
RPKs ('000 km)	**24,847,697**	19,647,755	26.5%
Load factor	**92.8%**	91.1%	1.7ppt
Number of passenger segments	**15,623,473**	12,498,480	25.0%
Fuel price (average US$ per ton, including hedging impact and into-plane premium)	**581**	545	6.6%
Foreign exchange rate (average US$/€, including hedging impact)	**1.12**	1.12	0.1%

CASK (for the Airline only)

For the six months ended 30 September

	2017 ***Euro cents***	**2016** *Euro cents*	**Change** *Euro cents*
Fuel costs	**0.91**	0.89	0.02
Staff costs	**0.27**	0.27	0.01
Distribution and marketing	**0.07**	0.06	0.01
Maintenance, materials and repairs	**0.19**	0.18	0.02
Aircraft rentals	**0.52**	0.51	0.01
Airport, handling and en-route charges	**0.90**	0.95	(0.06)
Depreciation and amortisation	**0.18**	0.11	0.07
Other expenses	**0.09**	0.10	(0.01)
Total CASK	**3.13**	3.08	0.06
Total ex-fuel CASK	**2.22**	2.18	0.04

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 2017, 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 26 to 30 of our Annual Report for the financial year ended 31 March 2017, available at corporate.wizzair.com, with the comments added below.

As with all airlines in Europe, the outcome of the Brexit vote has created significant uncertainty for our business. While overall demand on our routes to and from the United Kingdom has not weakened and we added 9% capacity in H1, demand has seen some weakening on routes to and from the regional airports of the United Kingdom. The weakness of the Pound Sterling following the Brexit vote has adversely affected the Euro value of the revenue. However, the most critical issue facing the Company and all European airlines is the lack of clarity on how the Brexit negotiations will affect access to the liberalised market between the United Kingdom and the rest of the European Union. Wizz Air firmly believes that the liberalised air market has significant benefits for both the United Kingdom and the European Union and urges all parties to settle as a matter of priority on the continuation of access to the liberalised market. If no agreement is reached relating to access to the aviation market between the United Kingdom and the European Union, then there is a significant risk that flights between the European Union and the United Kingdom could suffer serious disruption. However, whatever the outcome and while we continue to have a strong United Kingdom business, we have always believed that diversification of our network and our customers is a key part of a sustainable business. That remains the case and we are confident that there remains a large addressable market in CEE which will continue to provide opportunities for profitable growth should our UK business be adversely affected. We have also recently incorporated a subsidiary company in the United Kingdom, Wizz Air UK Limited, and have applied to the United Kingdom Civil Aviation Authority for a United Kingdom air operator’s certificate, operating licence and route licence which, if granted, is intended to ensure that we continue to be able to operate flights between the United Kingdom and a number of non-European Union countries.

Wizz Air is a people business. We know that our people are the backbone of our business and it is their dedication, day in, day out, that allows us to deliver our low-cost, quality service. But we know that we cannot take our people for granted and that competition for the high quality people we seek is keen and may become even more so. If we were unable to recruit sufficient numbers of crew then our operation could be disrupted resulting in lower utilisation of aircraft and, potentially, compensation payments to customers in relation to cancelled flights. From time to time, pilots and others can be in short supply. We invest a huge amount of time in recruiting pilots and also training them to maintain our high standards. In order to ensure the future availability of pilots of the right calibre and in addition to our existing cadet pilot training schemes, we have recently launched a part-sponsored cadet training programme in Poland and intend to roll it out across a number of our base countries, which will provide cadet pilots to Wizz Air.

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

Condensed consolidated interim statement of profit or loss and other comprehensive income

For the half year ended 30 September 2017 (unaudited)

	Note	**Six months ended 30 Sep 2017 € million**	Six months ended 30 Sep 2016 € million
Passenger ticket revenue	5	**685.1**	567.2
Ancillary revenue	5	**464.3**	354.0
Total revenue	5	**1,149.4**	921.2
Staff costs		**(72.7)**	(57.3)
Fuel costs		**(244.2)**	(192.6)
Distribution and marketing		**(18.5)**	(14.5)
Maintenance materials and repairs		**(49.8)**	(38.1)
Aircraft rentals		**(139.1)**	(110.5)
Airport, handling and en-route charges		**(241.6)**	(205.3)
Depreciation and amortisation		**(48.6)**	(24.3)
Net other expenses		**(30.4)**	(27.4)
Total operating expenses		**(844.9)**	(670.0)
Operating profit		**304.5**	251.2
Financial income	7	**1.2**	0.5
Financial expenses	7	**(1.8)**	(11.9)
Net foreign exchange (loss)/gain	7	**(3.2)**	1.4
Net exceptional financial income	7	**-**	21.4
Net financing (expense)/income	7	**(3.9)**	11.3
Profit before income tax		**300.7**	262.5
Income tax expense	8	**(12.0)**	(9.2)
Profit for the period		**288.6**	253.3
Other comprehensive income – items that may be subsequently reclassified to profit or loss:			
Net movements in cash flow hedging reserve, net of tax		**(0.7)**	8.0
Other comprehensive income for the period, net of tax		**(0.7)**	8.0
Total comprehensive income for the period		**287.9**	261.3
Earnings per share (Euro/share)	9	**4.45**	4.43
Diluted earnings per share (Euro/share)	9	**2.28**	2.01

Condensed consolidated interim statement of financial position

For the half year ended 30 September 2017 (unaudited)

	Note	**30 Sep 2017 € million unaudited**	31 March 2017 € million audited	30 Sep 2016 € million unaudited*
ASSETS				
Non-current assets				
Property, plant and equipment	10	**519.4**	505.7	378.0
Intangible assets		**11.5**	10.3	8.4
Restricted cash		**160.6**	154.7	128.6
Deferred tax assets		**-**	-	0.1
Deferred interest		**4.3**	4.7	4.9
Derivative financial instruments		**2.0**	0.1	0.8
Trade and other receivables		**56.5**	67.3	66.5
Total non-current assets		**754.3**	742.7	587.3
Current assets				
Inventories		**21.5**	24.9	20.3
Trade and other receivables		**174.0**	141.4	127.9
Financial assets available for sale		**-**	1.0	1.0
Derivative financial instruments		**20.2**	10.0	5.7
Deferred interest		**1.2**	1.2	1.2
Restricted cash		**3.0**	1.2	1.2
Cash and cash equivalents		**1,029.8**	774.0	805.5
Total current assets		**1,249.6**	953.7	962.7
Total assets		**2,004.0**	1,696.3	1,550.0
EQUITY AND LIABILITIES				
Equity attributable to owners of the parent				
Share capital		**-**	-	-
Share premium		**378.3**	378.2	377.0
Reorganisation reserve		**(193.0)**	(193.0)	(193.0)
Equity part of convertible debt		**8.3**	8.3	8.3
Cash flow hedging reserve		**8.0**	2.6	(5.0)
Retained earnings		**1,040.6**	756.4	763.2
Total equity		**1,242.2**	952.5	950.5
Non-current liabilities				
Borrowings		**5.0**	5.3	5.6
Convertible debt		**26.7**	26.8	26.8
Deferred income		**110.9**	107.9	99.3
Deferred tax liabilities		**6.4**	6.5	5.7
Derivative financial instruments		**1.9**	0.8	0.3
Provisions for other liabilities and charges	11	**95.9**	77.5	44.0
Total non-current liabilities		**246.8**	224.7	181.8
Current liabilities				
Trade and other payables		**232.3**	197.7	189.3
Current tax liabilities		**7.4**	2.4	6.4
Borrowings		**0.6**	0.6	0.5
Convertible debt		**0.3**	0.3	0.3
Derivative financial instruments		**11.2**	1.1	1.9
Deferred income		**220.7**	280.9	178.0
Provisions for other liabilities and charges	11	**42.4**	36.2	41.2
Total current liabilities		**514.9**	519.1	417.7
Total liabilities		**761.7**	743.8	599.4
Total equity and liabilities		**2,004.0**	1,696.3	1,550.0

* Voluntary disclosure.

Condensed consolidated interim statement of changes in equity

For the half year ended 30 September 2016 (unaudited)

	Share capital € million	Share premium € million	Reorganisation reserve € million	Equity part of convertible debt € million	Cash flow hedging reserve € million	Retained earnings € million	Total equity € million
Balance at 1 April 2016	-	377.0	(193.0)	8.3	(13.0)	509.4	688.8
Comprehensive income							
Profit for the period	-	-	-	-	-	253.3	253.3
Other comprehensive income							
Hedging reserve	-	-	-	-	8.0	-	8.0
Total other comprehensive income	-	-	-	-	8.0	-	8.0
Total comprehensive income	-	-	-	-	-	762.7	950.0
Transactions with owners							
Proceeds from shares issued	-	-	-	-	-	-	-
Share based payment charge	-	-	-	-	-	0.5	0.5
Total transactions with owners	-	-	-	-	-	0.5	0.5
Balance at 30 September 2016	-	377.0	(193.0)	8.3	(5.0)	763.2	950.5

For the half year ended 30 September 2017 (unaudited)

	Share capital € million	Share premium € million	Reorganisation reserve € million	Equity part of convertible debt € million	Cash flow hedging reserve € million	Retained earnings € million	Total equity € million
Balance at 1 April 2017 (as stated before)	**-**	**378.2**	**(193.0)**	**8.3**	**2.6**	**756.4**	**952.5**
Hedge time value reclassification*	-	-	-	-	6.1	(6.1)	-
Balance at 1 April 2017 (restated)	-	**378.2**	**(193.0)**	**8.3**	**8.7**	**750.3**	**952.5**
Comprehensive income							
Profit for the period	-	-	-	-	-	288.6	288.6
Other comprehensive income							
Hedging reserve	-	-	-	-	(0.7)	-	(0.7)
Total other comprehensive income	-	-	-	-	(0.7)	-	(0.7)
Total comprehensive income	**-**	**-**	**-**	**-**	**(0.7)**	**288.6**	**287.9**
Transactions with owners							
Proceeds from shares issued	-	0.1	-	-	-	-	0.1
Share based payment charge	-	-	-	-	-	1.6	1.6
Total transactions with owners	**-**	**0.1**	**-**	**-**	**-**	**1.6**	**1.7**
Balance at 30 September 2017	**-**	**378.3**	**(193.0)**	**8.3**	**8.0**	**1,040.6**	**1,242.2**

* The Group adopted IFRS 9 by restating the opening balances of reserves on 1 April 2017. The €6.1 million gain that related to the time value of open hedge instruments was reclassified from retained earnings into the cash flow hedging reserve. This is presented separately from the other movements in reserves in the period.

Condensed consolidated interim statement of cash flows

For the half year ended 30 September 2017 (unaudited)

	Six months ended 30 Sep 2017 € million	Six months ended 30 Sep 2016 € million
Cash flows from operating activities		
Profit before tax	**300.7**	262.5
Adjustments for:		
Depreciation	**46.8**	23.1
Amortisation	**1.8**	1.2
Financial income	**(1.3)**	(34.9)
Financial expense	**5.0**	24.4
Gain on sale of PPE	**(3.2)**	-
Share based payment charges	**1.6**	0.5
	351.4	276.7
Changes in working capital (excluding the effects of exchange differences on consolidation)		
(Increase)/decrease in trade and other receivables	**(27.4)**	4.3
Increase in restricted cash	**(11.1)**	(27.6)
Decrease in deferred interest	**0.4**	1.1
Decrease/(increase) in inventory	**3.5**	(2.7)
Increase in provisions	**0.7**	0.6
Increase in trade and other payables	**29.7**	12.5
Decrease in deferred income	**(68.2)**	(52.4)
Cash generated by operating activities before tax	**278.9**	212.5
Income tax paid	**(7.1)**	(5.0)
Net cash generated by operating activities	**271.8**	207.5
Cash flows from investing activities		
Purchase of aircraft maintenance assets	**(28.9)**	(24.1)
Purchases of tangible and intangible assets	**(7.0)**	(23.9)
Proceeds from the sale of tangible assets	**23.8**	-
Proceeds from the sale of financial assets	**1.0**	-
Advances paid for aircraft	**(63.3)**	(54.9)
Refund of advances paid for aircraft	**59.1**	58.5
Interest received	**0.5**	0.1
Net cash used in investing activities	**(14.8)**	(44.4)
Cash flows from financing activities		
Proceeds from the issue of share capital	**0.2**	-
Interest paid	**(1.1)**	(2.0)
Commercial loan repaid	**(0.3)**	(0.3)
Net cash used in financing activities	**(1.2)**	(2.3)
Net increase in cash and cash equivalents	**255.8**	160.9
Cash and cash equivalents at the beginning of the year	**774.0**	645.6
Effect of exchange rate fluctuations on cash and cash equivalents	**(0.1)**	(1.0)
Cash and cash equivalents at the end of the year	**1,029.8**	805.5

Notes to the condensed consolidated interim financial information (unaudited)

1. General information

Wizz Air Holdings plc ("the Company") is a limited liability company incorporated in Jersey under the address 44 Esplanade, St Helier JE4 9WG, Jersey. The Company is managed from Switzerland. The Company and its subsidiaries (together referred to as "the Group" or "Wizz Air") provide low-cost, low-fare passenger air transportation services on scheduled short-haul and medium-haul point-to-point routes across Europe and the Middle East. The Company's ordinary shares are listed in the premium segment of the Official List of the Financial Conduct Authority and admitted to the Main Market of the London Stock Exchange.

2. Basis of preparation

This condensed consolidated financial information presents the financial track record of the Group for the six-month periods ended 30 September 2016 and 30 September 2017. This condensed consolidated financial information has been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority, IAS 34 'Interim Financial Reporting' as adopted by the European Union and with those parts of the Companies (Jersey) Law 1991 applicable to companies reporting under IFRS. The interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2017, which have been prepared in accordance with IFRSs and IFRICs as adopted by the European Union and with those parts of the Companies (Jersey) Law 1991 applicable to companies reporting under IFRS.

The comparative figures included for the year ended 31 March 2017 do not constitute statutory financial statements of the Group based on Article 105 (11) of the Companies (Jersey) Law 1991. The consolidated financial statements of the Group for the year ended 31 March 2017, together with the Independent Auditors' Report, have been filed with the Jersey Financial Services Commission and are also available on the company's website (wizzair.com). The Independent Auditors' Report on those financial statements was unqualified.

Going concern

Having assessed the Group's financial performance and position to date, together with a review of its forecasts, including a reassessment of the principal risks that the Group is facing, the Directors considered it appropriate to adopt the going concern basis of accounting in preparing the condensed consolidated interim financial information.

3. Accounting policies

This condensed consolidated interim financial information has been prepared in accordance with the accounting policies, methods of computation and presentation applied in the Group's most recent published consolidated financial statements for the year ended 31 March 2017, save for the changes explained below.

The preparation of condensed consolidated interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial information the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 March 2017, with the exception of changes in estimates that are required in determining the provision for income taxes. Taxes on income in the interim periods are accrued using the rate that would be applicable to expected total annual profit or loss.

A number of amendments to IFRSs became effective for the financial year beginning on 1 April 2017. The Group adopted IFRS 9, 'Financial Instruments' as of 1 April 2017. The adoption of IFRS 9 had the following implications for the Group:

a. The Group determined the classification for financial assets and liabilities under IFRS 9 as follows:

Description in the statement of financial position	Category
Non-current assets	
Restricted cash	Financial assets measured at amortised cost
Trade and other receivables	Financial assets measured at amortised cost
Current assets	
Trade and other receivables	Financial assets measured at amortised cost
Financial assets available for sale	Fair value through other comprehensive income
Derivative financial instruments	Fair value through profit or loss
Restricted cash	Financial assets measured at amortised cost
Cash and cash equivalents	Financial assets measured at amortised cost
Non-current liabilities	
Borrowings	Financial liabilities measured at amortised cost
Convertible debts	Financial liabilities measured at amortised cost
Current liabilities	
Trade and other payables	Financial liabilities measured at amortised cost
Borrowings	Financial liabilities measured at amortised cost
Convertible debt	Financial liabilities measured at amortised cost
Derivative financial instruments	Fair value through profit or loss

b. Changes in the time value of unexpired hedge instruments are recorded in other comprehensive income. In transitioning from IAS 39 to IFRS 9 the Group restated the 1 April 2017 opening position of reserves but did not restate the prior period financial statements. Accordingly, the €6.1 million gain that related to the time value of open hedge instruments as at 1 April 2017 was reclassified from retained earnings into the cash flow hedging reserve.

c. Impairment policy
Management reviewed the Group's different customer payment channels and the receivables from these channels. The most significant business case is ticket sales and the various forms of payment for tickets. The vast majority of tickets are paid either by bank cards or with bank transfer, in any case prior to flight. Based on their nature, in practice there is no impairment required for these. The other, less significant business cases involving credit risk are commissions receivable from non-ticket revenue partners and marketing support receivable from airports and other parties. Management reviewed the historic payment and impairment statistics for the transactions in these channels and considered the future plans of the Group, and concluded that the impairment of receivables in these channels does not have a material impact on the financial statements of the Group.

4. Financial risk management

There was no change in the risk management policies of the Group since the year end.

Hedge transactions during the periods

The Group uses non-derivatives and zero-cost collar instruments to hedge its foreign exchange exposures and uses zero-cost collar instruments to hedge its jet fuel exposures. The time horizon of the hedging programme with derivatives is a maximum of 18 months; however, this horizon can be exceeded at the Board's discretion.

The volume of hedge transactions expired during the periods was as follows:

a) Foreign exchange hedge (USD versus EUR)
Six months ended 30 September 2017: US$189.0 million (six months ended 30 September 2016: US$151.0 million).

b) Foreign exchange hedge (GBP versus EUR)
Six months ended 30 September 2017: GBP 18.0 million (six months ended 30 September 2016: GBP nil).

c) Fuel hedge
Six months ended 30 September 2017: 376,000 metric tons (six months ended 30 September 2016: 197,000 metric tons).

Hedge period-end open positions

At the end of each period the Group had the following open hedge positions:

a) Foreign exchange hedge with derivatives
The fair value of the open positions was a €11.4 million loss as at 30 September 2017 (31 March 2017: €5.8 million gain). The fair value hedges are recognised as assets or liabilities, depending on whether they are in-the-money or out-of-the-money, respectively.

The notional amount of the open positions was US$445 million and GBP 30 million as at 30 September 2017 (31 March 2017: US$297 million and nil GBP, respectively).

b) Foreign exchange hedge with non-derivatives
The notional amount of the open positions was US$243.6 million as at 30 September 2017 (31 March 2017: US$238.5 million).

Non-derivatives are existing financial assets that hedge highly probable foreign currency cash flows in the future and therefore act as a natural hedge. At the end of the period out of its non-derivative financial assets the Group had US$13.5 million designated for hedge accounting (31 March 2017: US$23.6 million). The rest of the open positions, in the amount of US$230.1 million, relate to PDP refunds expected within 18 months from the end of the period (31 March 2017: US$214.9 million), for which no hedge accounting is applied.

c) Fuel hedge
The fair value of the open positions was a €20.5 million gain as at 30 September 2017 (31 March 2017: €2.5 million gain). The fair value of hedges are recognised as assets or liabilities, depending on whether they are in-the-money or out-of-the-money, respectively.

The notional amount of the open positions was 514,000 metric tons as at 30 September 2017 (31 March 2017: 598,000 metric tons).

5. Segment information

Reportable segment information

The Group has two reportable segments: the airline and the tour operator business units, marketed under the Wizz Air and the Wizz Tours brand names, respectively. Wizz Air sells flight tickets and related services to external customers and, to a smaller extent, to Wizz Tours. Wizz Tours sells travel packages to external customers covering the network of Wizz Air.

Six months ended 30 September 2017

	Airline € million	**Tour operator € million**	**Group € million**
Total revenue	**1,143.1**	**12.1**	**1,155.2**
Less: inter-segment revenue	**(5.8)**	**-**	**(5.8)**
Revenue from external customers	**1,137.3**	**12.1**	**1,149.4**
Operating expenses	**838.3**	**12.4**	**844.9**
Operating profit/(loss)	**304.8**	**(0.3)**	**304.5**
Profit/(loss) after tax	**289.0**	**(0.3)**	**288.6**

Six months ended 30 September 2016

	Airline € million	Tour operator € million	Group € million
Total revenue	915.0	11.9	926.9
Less: inter-segment revenue	(5.7)	-	(5.7)
Revenue from external customers	909.3	11.9	921.2
Operating expenses	663.4	12.4	670.0
Operating profit/(loss)	251.6	(0.5)	251.2
Profit/(loss) after tax	253.8	(0.5)	253.3
Underlying profit/(loss) after tax	232.0	(0.5)	231.6

Financial income, financial expenses, depreciation and amortisation, and income tax expenses reported for the Group in the period are all related to the airline business. There were no material non-cash items in the period for the tour operator business.

Entity-wide disclosures

Products and services

Revenue from external customers can be analysed by groups of similar services as follows:

	Six months ended 30 Sep 2017 € million	Six months ended 30 Sep 2016 € million
Airline passenger ticket revenue	**681.0**	563.0
Airline ancillary revenues	**456.2**	346.3
Tour operator revenues	**12.1**	11.9
Total revenue from external customers	**1,149.4**	921.2

Airline ancillary revenues arise mainly from baggage charges, booking/payment handling fees, airport check-in fees, fees for various convenience services (priority boarding, extended legroom, reserved seat), loyalty programme membership fees, and from commission on the sale of on-board catering, accommodation, car rental, travel insurance, bus transfers, premium calls and co-branded cards, all directly attributable to the low-fare business. For the purposes of the Group financial statements the tour operator revenues are analysed between passenger ticket revenues and ancillary revenues.

Geographic areas
Revenue from external customers can be analysed by geographic areas as follows:

	Six months ended 30 Sep 2017 € million	Six months ended 30 Sep 2016 € million
Jersey (country of domicile)	**-**	-
EU	**1,025.2**	852.4
Other (non-EU)	**124.1**	68.8
Total revenue from external customers	**1,149.4**	921.2

Revenue was allocated to geographic areas based on the location of the first departure airport on each ticket booking.

Major customers
The Group derives the vast majority of its revenues from its passengers, and sells most of its tickets directly to the passengers as final customers rather than through corporate intermediaries (tour operators, travel agents or similar). Therefore the Group does not have any major corporate customer.

6. Exceptional items and underlying profit

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group. They are material items of income or expense that have been shown separately due to the significance of their nature or amount.

Until 31 March 2017 the Group used to identify exceptional items and calculate an underlying profit measure that was different from the statutory profit after tax measure. The principal source of these exceptional items was the change in the time value of open hedges, the accounting for which was passed through the income statement. Following the adoption of IFRS 9, the Group changed its treatment of the change in the time value of such open hedges, recording them as reserve movements rather than through the income statement. As a consequence, unless new material exceptional items arise, from the current period the Group has decided to present only the statutory profit after tax measure in its reporting.

	Six months ended 30 Sep 2017 € million	Six months ended 30 Sep 2016 € million
Profit for the period	**288.6**	253.3
Adjustments (exclusions):		
Unrealised foreign exchange gain	**-**	(0.4)
Net exceptional financial income	**-**	(21.4)
Sum of adjustments	**-**	(21.7)
Underlying profit after tax	**288.6**	231.6

Adjustments in the prior period related to elements of financial expense or income – see these explained in Note 7 below. While there was unrealised foreign exchange impact also in the current period (€3.1 million loss, compared to €0.4 million gain a year before), for the reasons explained above in the current period this was not any longer considered as an adjustment for underlying profit after tax.

7. Net financing income and expense

	Six months ended 30 Sep 2017 € million	Six months ended 30 Sep 2016 € million
Interest income	**1.2**	0.4
Ineffective hedge gain	**-**	0.1
Financial income	**1.2**	0.5
Interest expense		
Convertible debt	**(0.9)**	(1.0)
Finance lease	**(0.2)**	(0.3)
Fuel caps premium	**-**	(9.0)
Other	**(0.7)**	(1.6)
Financial expenses	**(1.8)**	(11.9)
Foreign exchange (loss)/gain		
Realised	**(0.1)**	1.0
Unrealised	**(3.1)**	0.4
Net foreign exchange (loss)/gain	**(3.2)**	1.4
Net exceptional financial income	**-**	21.4
Net financing income and expense	**(3.9)**	11.3

The fuel caps premium of €9.0 million in 2016 relates to the option fees for fuel caps expired in the period – these were paid in the second half of the financial year ended 31 March 2015. No fuel cap deals were used by the Group in this period ended in September 2017.

The net exceptional financial income of €21.4 million in 2016 is related to the time value gain on open hedge instruments (€16.8 million) and to the net gain on fuel caps sold before expiry (€4.5 million). According to the contracts the caps had their expiry dates in the second half of the financial year (October 2016 to February 2017); however, they were sold in order to enable the Group to enter into new deals (zero-cost collars) at more favourable rates without breaching the fuel hedge coverage limits set in the hedge policy of the Group.

8. Income tax expense

The Group's consolidated effective tax rate in respect of operations for the six months ended 30 September 2017 was 4% (30 September 2016: 3.5%). The tax charge for the six months ended 30 September 2017 was €12 million (30 September 2016: €9.2 million). The tax charge for 2017 was calculated under IAS 34, by applying the effective tax rate estimated for the financial year ending 31 March 2018.

9. Earnings per share

Basic earnings per share

	Six months ended 30 Sep 2017	Six months ended 30 Sep 2016
Profit for the half year (€ million)	**288.6**	253.3
Weighted average number of Ordinary Shares in issue (thousands)	**64,800**	57,141
Basic earnings per share (€)	**4.45**	4.43

There were also 29,830,503 Convertible Shares in issue at 30 September 2017 (30 September 2016: 44,830,503). These shares are non-participating, i.e. the profit attributable to them is €nil. Therefore these shares are not included in the basic earnings per share calculation above.

Diluted earnings per share

	Six months ended 30 Sep 2017	Six months ended 30 Sep 2016
Profit for the half year (€ million)	**288.6**	253.3
Interest expense on convertible debt (net of tax) (€ million)	**0.8**	1.0
Profit used to determine diluted earnings per share (€ million)	**289.5**	254.3
Weighted average number of Ordinary Shares in issue (thousands)	**64,800**	57,141
Adjustment for assumed conversion of convertible instruments (thousands)	**61,991**	69,627
Weighted average number of shares for diluted earnings per share (thousands)	**126,791**	126,768
Diluted earnings per share (€)	**2.28**	2.01

Convertible instruments include Convertible Shares, convertible debt and vested employee share options – each are convertible into Ordinary Shares of the Company.

Proforma earnings per share

	Six months ended 30 Sep 2017	Six months ended 30 Sep 2016
Underlying profit for the half year (€ million)	**288.6**	231.6
Interest expense on convertible debt (net of tax) (€ million)	**0.8**	1.0
Profit used to determine proforma earnings per share (€ million)	**289.5**	232.6
Number of shares (Ordinary and Convertible) in issue at period end (thousands)	**102,510**	102,188
Adjustment for assumed conversion of convertible debt instruments (thousands)	**24,247**	24,247
Adjustment for assumed conversion of employee share options (thousands)	**34**	337
Fully diluted number of shares for proforma earnings per share (thousands)	**126,791**	126,771
Proforma earnings per share (€)	**2.28**	1.83

The proforma earnings per share is a fully diluted non-IFRS measure defined by the Company. The calculation of the proforma EPS is different from the calculation of the IFRS diluted EPS measure in the following:

- For earnings the underlying profit for the period was used (see Note 6), as opposed to the statutory (IFRS) profit for the period.
- For the fully diluted number of shares the position at the end of the period was taken rather than the weighted average number for the period that is required by IFRS.

While these factors had relevance until March 2017 they did not have relevance in the current period; therefore, the proforma earnings per share measure is now equal to the diluted earnings per share. The proforma earnings per share measure is being disclosed only because of its relevance in the prior period.

10. Property, plant and equipment

	Land and buildings € million	Aircraft maintenance assets € million	Aircraft parts € million	Fixtures and fittings € million	Advances paid for aircraft € million	Advances paid for aircraft maintenance assets € million	Total € million
Cost							
At 1 April 2016	7.7	149.1	32.2	5.0	142.3	93.9	430.2
Additions	0.5	15.1	26.7	1.0	54.9	7.8	106.0
Disposals	-	(7.6)	-	(0.2)	(58.5)	-	(66.3)
Transfers	-	27.6	-	-	-	(27.6)	-
At 30 September 2016	8.2	184.2	58.9	5.8	138.7	74.1	469.9
At 31 March 2017	9.6	256.0	69.5	6.2	206.3	74.7	622.3
Additions	-	40.9	15.8	0.5	63.3	25.3	145.8
Disposals	(0.1)	(10.2)	(24.3)	-	(59.1)		(93.7)
Transfers	-	9	-	-	-	(9)	-
At 30 September 2017	**9.5**	**295.7**	**61.0**	**6.7**	**210.5**	**91.0**	**674.4**
Accumulated depreciation							
At 1 April 2016	1.3	63.7	8.1	3.5	-	-	76.6
Depreciation charge for the period	0.3	19.6	2.9	0.3	-	-	23.1
Disposals	-	(7.6)	-	(0.2)	-	-	(7.8)
At 30 September 2016	1.6	75.7	11.0	3.6	-	-	91.9
At 31 March 2017	2.0	95.9	14.9	3.8	-	-	116.6
Depreciation charge for the period	0.4	41.7	4.4	0.3	-	-	46.8
Disposals	-	(5.9)	(2.5)	-	-	-	(8.4)
At 30 September 2017	**2.4**	**131.7**	**16.8**	**4.1**	**-**	**-**	**155.0**
Net book amount							
At 1 April 2016	6.4	85.4	24.1	1.5	142.3	93.9	353.6
At 30 September 2016	6.6	108.5	47.9	2.2	138.7	74.1	378.0
At 31 March 2017	7.6	160.1	54.6	2.4	206.3	74.7	505.7
At 30 September 2017	**7.1**	**164.0**	**44.2**	**2.6**	**210.5**	**91.0**	**519.4**

Land and buildings include the following amounts where the Group is a lessee under a finance lease:

	30 Sep 2017 € million	31 March 2017 € million
Cost from capitalised finance lease	**7.5**	7.5
Accumulated depreciation	**(2.1)**	(1.8)
Net book amount	**5.4**	5.7

11. Provisions for other liabilities and charges

	Aircraft maintenance € million	Other € million	Total € million
At 1 April 2016	83.7	1.2	84.9
Capitalised within property, plant and equipment	15.3	-	15.3
Charged to comprehensive income	-	0.9	0.9
Used during the period	(15.6)	(0.3)	(15.9)
At 30 September 2016	83.4	1.8	85.2
At 31 March 2017	111.8	1.9	113.7
Capitalised within property, plant and equipment	40.6	-	40.6
Charged to comprehensive income	-	1.0	1.0
Used during the period	(16.7)	(0.3)	(17.0)
At 30 September 2017	**135.7**	**2.6**	**138.3**
Non-current provisions	95.9	-	95.9
Current provisions	39.8	2.6	42.4

Aircraft maintenance provisions relate to future aircraft maintenance obligations of the Group on leased aircraft and spare engines. Other provisions relate to future liabilities under the Group's customer loyalty programme.

12. Subsidiaries

The Group has the following subsidiaries:

	Country of incorporation	Principal activity	Class of shares held	Percentage held	Financial year end
Subsidiary undertakings					
Wizz Air Hungary Kft.	Hungary	Airline operator	Ordinary	100%	31 March
Cabin Crew Professionals Sp. z.o.o.	Poland	Crew company	Ordinary	100%	31 December
Wizz Air Bosnia d.o.o.	Bosnia and Herzegovina	Crew company	Ordinary	100%	31 December
Wizz Air Netherland Holding B.V.	The Netherlands	Dormant	Ordinary	100%	31 March
Dnieper Aviation LLC	Ukraine	Dormant	Ordinary	100%	31 December
Wizz Air Ukraine Airlines LLC	Ukraine	Dormant	Ordinary	100%	31 December
Wizz Tours Kft.	Hungary	Online tour operator	Ordinary	100%	31 March
Wizz Aviation Professionals S.R.L.	Moldavia	Crew company	Ordinary	100%	31 December
WA Pilot Academy Sp. z.o.o.	Poland	Special purpose company	Ordinary	100%	31 December
Wizz Air UK Limited	UK	Airline operator	Ordinary	100%	31 March

WA Pilot Academy Sp. z.o.o. was newly acquired in the period. Its future purpose is to provide loans to students entering into the Group's cadet school programme in Poland. The acquired company was insignificant – hence the acquisition was not treated as a business combination.

Wizz Air UK Limited was newly registered in the period, with the purpose of establishing airline operations licensed by the UK Civil Aviation Authority.

The liquidation of Wizz Air Polska Sp. z o.o. was finished in the period and the company was deleted from the Polish companies' register.

Certain subsidiaries have a financial year end different from the Group's financial year due to the requirements of local legislation.

13. Capital commitments

There has been no significant change during the period in capital commitments compared to what was disclosed in the annual report for the year ended 31 March 2017.

14. Contingent liabilities

Legal disputes

European Commission state aid investigations

Five of the European Commission's ongoing state aid investigations, which are in their formal phase, concern arrangements between Wizz Air and certain airports to which it flies, namely, Timişoara, Cluj-Napoca, Târgu Mureş, Beauvais and Girona. Wizz Air has submitted its legal observations and supporting economic analyses of these arrangements to the European Commission. Ultimately, an adverse decision by the European Commission could result in a repayment order for the recovery from Wizz Air of any amount determined by the European Commission to be illegal state aid. None of these ongoing investigations are expected to lead to exposure that is material to the Group.

The European Commission has given notice that the state aid investigations involving Wizz Air will be assessed on the basis of new "EU Guidelines on State aid to airports and airlines" which were adopted by the European Commission on 20 February 2014. Where relevant, Wizz Air has made further submissions to the European Commission in connection with this notification.

Claims by Carpatair

Carpatair, a regional airline based in Romania, started a number of cases in the Romanian courts during 2012 and 2013 which relate to Carpatair's allegations that Timişoara airport granted unlawful state aid to Wizz Air pursuant to an agreement between the parties or by virtue of the publicly available scheme of charges published by Timişoara airport. Wizz Air is intervening in the defence of these claims, either in its own right or in support of Timişoara airport. One of these cases determined that state aid existed in the 2010 scheme of charges, but failed to substantiate that decision or to quantify the amount involved. Following this decision, Carpatair began a case in which both Timişoara airport and Wizz Air are named as defendants and, pursuant to which, Carpatair aims to have the alleged state aid under the 2010 scheme of charges quantified and a repayment order issued. Wizz Air understands that the Romanian Chamber of Accounts has issued a decision requiring Timişoara airport to recover from Wizz Air an amount of approximately €3 million in respect of the state aid attributable to the 2010 and 2011 scheme of charges despite there having been no expert quantification of the amount and the airport has now started proceedings which Wizz Air is defending.

In January 2016 Carpatair filed a new legal action – registered with the Bucharest Tribunal – against Timişoara airport, the Romanian Ministry of Transports, the Ministry of Public Finances representing the Romanian State and Wizz Air. By the said legal action Carpatair asked the court to order the four defendants to pay, jointly, to Carpatair damages preliminarily estimated to amount to €92 million and interest related to the said amount, resulting from alleged state aid granted by Timişoara airport to Wizz Air, from the existence of a marketing agreement between Timişoara airport and Wizz Air and from an abuse of dominant position on the part of Timişoara airport.

The court's decision delivered in December 2016 upheld the objection raised by the Company that the Bucharest Tribunal lacked jurisdiction to hear the case and that the case should be heard by the Administrative Litigation Section of the Bucharest Court of Appeals. The case was therefore forwarded to the Bucharest Court of Appeals – Administrative and Fiscal Litigation Section where a hearing was scheduled in May 2017. The Bucharest Court of Appeals decided however that the competent court was the Bucharest Tribunal and sent the case to the High Court to settle the conflict of jurisdiction. On 27 September 2017 the High Court confirmed that the competent court to hear the case was the Bucharest Tribunal. The High Court is currently drafting the full decision and it will now forward the case to the Bucharest Tribunal, which will set the date of the first hearing.

Management estimates that the maximum potential exposure for these cases could be in the region of €113 million (including the €3 million and the €92 million specifically mentioned above). No provision has been made by the Group in relation to these issues because there is currently no reason to believe that the Group will incur charges from these cases.

15. Subsequent events

There were no matters arising, between the statement of financial position date and the date on which this interim financial information was approved by the Board of Directors, requiring adjustment or disclosure in accordance with IAS 10, 'Events After the Reporting Period'.

16. Related parties

The Group has related party relationships with Indigo, its key management personnel (Directors and Officers), and Éden Rent Kft., one of the logistics suppliers of the Group.

There were no related party transactions in the period ended 30 September 2017 that materially affected the financial position or the performance of the Group during that period and there were no changes to the related party positions described in the 2017 annual report that could have a material effect on the financial position or performance of the Group in the same period.

During the period Indigo sold 10,740,633 of its existing holding of Ordinary Shares in the Company and converted 15,000,000 of its holding of Convertible Shares into Ordinary Shares of the Company.

17. Seasonality of operation

The Group's results of operations, like those of most other airlines in Europe, vary significantly from quarter to quarter within the financial year. Historically, the Group has had higher passenger revenue during the summer season in comparison to the winter season (with the exception of the period around Christmas, the New Year and Easter) as this is the period during which many Europeans tend to take their annual holiday. Flight frequency, load factor and average ticket prices all tend to be higher during such peak periods compared to other periods of the year.

Statement of Directors' responsibilities

The Directors are responsible for preparing the interim report in accordance with applicable law and regulations.

The Directors confirm that the condensed consolidated interim financial information has been prepared in accordance with International Accounting Standard 34 ('Interim Financial Reporting') as adopted by the European Union.

The interim management report includes a fair review of the information required by the Disclosure and Transparency Rules paragraphs 4.2.7 and 4.2.8, namely:

- an indication of important events that have occurred during the six months ended 30 September 2017 and their impact on the condensed set of financial information, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related-party transactions during the six months ended 30 September 2017 and any material changes in the related-party transactions described in the last Annual report and accounts 2017.

The Directors of Wizz Air Holdings plc are listed in the Annual report and accounts 2017. There have been no changes since the date of publication. A list of current Directors is maintained on the Wizz Air Holdings plc website: wizzair.com.

The interim report was approved by the Board of Directors and authorised for issue on 7 November 2017 and signed on its behalf by:

József Váradi
Director

Independent review report to Wizz Air Holdings plc

Report on the condensed consolidated interim financial information

Our conclusion

We have reviewed Wizz Air Holdings plc's condensed consolidated interim financial information (the "interim financial statements") in the condensed consolidated interim financial report of Wizz Air Holdings plc for the 6 months period ended 30 September 2017 (the 'half-yearly report"). Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

What we have reviewed

The interim financial statements comprise:

- the condensed consolidated interim statement of financial position as at 30 September 2017;
- the condensed consolidated interim statement of profit and loss and other comprehensive income for the period then ended;
- the condensed consolidated interim statement of changes in equity for the period then ended;
- the condensed consolidated interim statement of cash flows for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the half-yearly report have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

As disclosed in note 2 to the interim financial statements, the financial reporting framework that has been applied in the preparation of the full annual financial statements of the Group is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Responsibilities for the condensed consolidated interim financial information and the review

Our responsibilities and those of the directors

The half-yearly report, including the interim financial statements, is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly report in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

Our responsibility is to express a conclusion on the interim financial statements in the half-yearly report based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What a review of condensed consolidated financial statements involves

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the half-yearly report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

PricewaterhouseCoopers LLP
Chartered Accountants
7 November 2017
London

(a) The maintenance and integrity of the Wizz Air Holdings plc website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the interim financial statements since they were initially presented on the website.

(b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.