RECORD Q1 PROFIT OF €33.9 MILLION, FULL YEAR PROFIT GUIDANCE RAISED

LSE: WIZZ.LN

Geneva, 29 July 2015: Wizz Air Holdings Plc ("Wizz Air" or "the Company"), the largest low-cost airline in Central and Eastern Europe, today issues an unaudited interim management statement for the three months to 30 June 2015 ("first quarter" or "Q1").

Three months to 30 June	**2015 (million)**	2014 (million)	Change
Passengers carried	**4.9**	4.1	+20.3%
Revenue (€)	**332.5**	295.2	+12.7%
Profit before income tax (€)	**34.4**	31.0	+11.0%
Reported Net Profit (IFRS) (€)	**32.9**	29.2	+12.5%
Underlying Net Profit (€)	**33.9**	29.6	+14.7%

Record Q1 profitability despite negative Easter effect

- Total revenue increased 12.7% to €332.5 million while revenue per available seat kilometre (RASK) declined 4.0%.
- Ticket revenues increased 6.7% to €205.9 million and ancillary income grew 23.9% to €126.6 million.
- Ancillary revenue per passenger increased 3% to €26.0 for the first quarter.
- Reported (IFRS) net profit was €32.9 million, an increase of 12.5%.
- Underlying net profit was a record €33.9 million, an increase of 14.7%.
- Record Q1 performance despite Easter falling one week earlier than in prior year with an estimated negative impact of €5.5 million on Q1 revenue and profit.*
- Forward bookings indicate robust demand for the important peak summer period and as a result underlying net profit for the full year is now expected to be in the range of €175 million to €185 million (a €10 million increase versus previous guidance).

Increasing our cost advantage

- Total unit costs fell by 3.3% to 3.54 euro cents per ASK in Q1.
- Ex-fuel unit costs declined 1.8% to 2.20 euro cents. Fuel unit costs fell by 5.6% to 1.34 euro cents.
- Fleet expansion with seven aircraft added during the quarter, increasing fleet to 62 Airbus A320s.
- Average aircraft age of 3.6 years means Wizz Air has one of the youngest fleets of any major European airline.
- Load factor increased 1.3 percentage points to 88.8 per cent in Q1, one of the highest in the industry.

Building on our strong market position in Central and Eastern Europe

- Passengers carried increased 20% to 4.9 million consolidating Wizz Air's position as leading low cost carrier in CEE.
- Route network has continued to grow with the opening of two new bases and 22 new routes. Wizz now offers more than 380 routes to 38 countries from 22 bases.
- Memorandum of Understanding signed with Airbus to buy 110 A321 neo aircraft (plus options for an additional 90) to provide growth capacity until the end of 2024.

Enhancing our customer offering and experience

- Brand refresh launched on May 19 as Wizz Air embarks on its second decade of growth.
- Fully allocated seating on all services introduced in Q1 with seamless roll-out.
- Wizz Discount Club membership now exceeds 620,000, year-on-year growth of 26%.
- Digital investments ensure user friendly access to wizzair.com and a hassle free travel experience.

Strong balance sheet and cash flow

- Total cash at the end of June was €651 million of which €571 million is classified as free cash.
- Shareholders' equity reached €515 million,+166% versus June 2014 and +12% versus March 2015.
- Adjusted net debt to EBITDAR reduced from 2.2 times at June 2014 to 1.3 times at end of June 2015.

**Note: While Easter weekend fell within the first quarter of 2015 (i.e. early April), the timing meant that a certain amount of Easter related holiday travel was undertaken in the prior month (i.e. March 2015) thus impacting demand in Q1 2015 when compared to the prior year.*

AIRBUS A321 NEO ORDER

On 18 June 2015 the Company announced that it had signed a memorandum of understanding with Airbus S.A.S. to purchase 110 A321neo aircraft, with the first deliveries in 2019. The memorandum of understanding includes an option to purchase up to 90 A321neo additional aircraft and provides for the cancellation of 10 A320ceo due for delivery in 2018 under existing agreements. Wizz Air also has the right to substitute A320neo aircraft for A321neo aircraft depending on its needs. Completion of the order will be subject to the successful negotiation of a final purchase agreement and, thereafter, to Wizz Air shareholder approval.

This order will enable Wizz Air to deliver its fleet expansion plan and replace over 50 aircraft scheduled to leave the fleet between 2019 and 2024. By the end of this period Wizz Air expects to have a fleet totalling 154 aircraft, with significant flexibility to adjust up or down subject to market conditions. Apart from providing the capacity necessary to serve the long term growth potential of the CEE market, the order will provide for significantly lower operating costs through cabin innovations, the latest engine technology and other efficiency improvements. As with the 230-seat A321ceo, the first of which will be delivered later this year, the 239-seat A321neo will be deployed primarily on higher volume routes.

FULL YEAR OUTLOOK

With the continued expansion of our network, Wizz Air expects to grow capacity by around 17% in the 2016 financial year, spread evenly across the year. We continue to believe that there will be no earnings benefit from the decline in fuel prices over the last 12 months as the US dollar has strengthened against the euro over the same period and, as expected, lower fuel prices are feeding through to lower unit revenues. We expect the downward trend in unit revenues to continue for the foreseeable future.

Nonetheless, our forward bookings indicate robust demand for the peak summer period. Increased visibility over this important trading period means we now expect to deliver an improved outcome for the full year. Our current expectation is for Group post tax profit (excluding unusual and exceptional items) to be in the range of €175 million and €185 million. While we have limited visibility on the second half of the year, our current expectations for full year performance are summarised below.

	Current Guidance	Previous Guidance	Comment
Capacity growth (ASKs)	17%	17%	H1: 17%, H2 17%
Average stage length	Unchanged	Unchanged	
Load Factor (%)	Modest improvement	Modest improvement	-
Fuel CASK	-3.0%	-1.5%	Assumes spot price of $600/MT
Ex-fuel CASK	+1.0%	+1.0%	Assumes $/€ rate of $1.10
Total CASK	- 0.5%	Unchanged	
Revenue per ASK	Down low single digit	Down low single digit	Pass through of lower fuel prices
Tax rate	6%	6%	
Net profit	€175-185 million	€165-175 million	Excluding unusual or exceptional items

Q2 OUTLOOK

For the second quarter (July to September 2015) of the 2016 financial year, we expect to grow capacity, in terms of ASKs, by around 16% and anticipate a modest rise in load factor compared to the same period in the prior year. Despite continued downward pressure on unit revenues, both operating margins and underlying net profit margins are expected be modestly ahead of the prior year.

József Váradi, Wizz Air Chief Executive said:

"The first quarter has been an exciting period for Wizz Air. We have continued to grow our network and increase our passenger numbers throughout the period while maintaining an industry leading, ultra-low cost base. Today we are pleased to announce a record set of results for the first quarter with a strong performance against all key operating and financial performance measures. We are particularly pleased to have announced the signing of a memorandum of understanding relating to an order, subject to shareholder consent, for 110 Airbus A321 neo aircraft, worth in excess of $12.5 billion at current list prices. This order will provide us with aircraft to continue delivering strong growth for the next decade.

We continue to deliver against our ambition to make safe, reliable, affordable air travel available to everyone in Central and Eastern Europe. Our ultra-low cost model gives us a clear cost advantage versus most of our rivals, including many other low cost airlines, and as a result we are able to offer our passengers low fares and sustain a relatively high growth rate compared to other carriers. We have a strong balance sheet, proven management team, best-in-class fleet and leading market position in CEE. This winning formula leaves Wizz Air well placed to continue to deliver significant growth and returns for our shareholders".

Q1 FINANCIAL REVIEW

In the first quarter, Wizz Air carried a total of 4.9 million passengers, a 20.3% increase compared to the previous year, and generated revenues of €332.5 million, growth of 12.7%. These growth rates compare to capacity growth measured in terms of ASKs of 17.4%. The load factor increased from 87.4% to 88.8%.

Passenger ticket revenue increased 6.7% to €205.9 million and ancillary income (or "non-ticket" revenue) increased by 23.9% to €126.6 million. Total revenue per ASK declined 4.0% to 3.95 euro cents from 4.12 euro cents in the same period of 2014.

Average revenue per passenger fell from €72.8 in Q1 last year to €68.2 in Q1 this year, a decline of 6.3%. Average ticket revenue per passenger decreased from €47.6 in 2014 to €42.2, a decline of 11.3%, while average ancillary revenue per passenger increased from €25.2 in 2014 to €26.0 in 2015, an increase of 3.0%.

Income tax expense for the first quarter was €1.5 million (2014: €1.8 million) giving an effective tax rate for the Group of 4.4% (2014: 5.7%). The main components of this charge are local business tax and innovation tax paid in Hungary and corporate income tax paid in Switzerland.

The reported profit for the first quarter was €32.9 million and included a €1.0 million net loss from unusual and exceptional items, none of which impacted operating profit.

Underlying profit after tax increased 14.7% from €29.6 million in the quarter ended 30 June 2014 to €33.9 million in the same period this year. This equates to a 0.2 percentage point rise in the underlying after tax profit margin from 10.0% to 10.2%.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended 30 June

Continuing operations	**2015 € million**	2014 € million	Change
Passenger ticket revenue	**205.9**	193.0	6.7%
Ancillary revenue	**126.6**	102.2	23.9%
Total revenue	**332.5**	295.2	12.7%
Staff costs	**22.9**	18.3	24.8%
Fuel costs	**112.4**	101.4	10.8%
Distribution and marketing	**6.2**	5.6	9.7%
Maintenance materials and repairs	**21.3**	14.9	42.3%
Aircraft rentals	**35.8**	32.7	9.5%
Airport, handling and en-route charges	**84.5**	72.4	16.8%
Depreciation and amortisation	**6.3**	9.3	(32.8%)
Other expenses	**8.5**	7.5	13.7%
Total operating expenses	**297.8**	262.2	13.6%
Operating profit	**34.7**	32.9	5.3%
Financial income	**0.5**	0.2	
Financial expenses	**(1.2)**	(1.6)	
Net foreign exchange gain/(loss)	**(13.5)**	(0.5)	
Net exceptional financial income	**13.9**	-	
Net financing income/(expense)	**(0.3)**	(2.0)	
Profit before income tax	**34.4**	31.0	
Income tax expense	**(1.5)**	(1.8)	
Profit for the quarter	**32.9**	29.2	12.5%

Q1 OPERATING EXPENSES

Operating expenses for the first quarter increased by 13.6% to €297.8 million in 2015 from €262.2 million in 2014. Cost per ASK (CASK) declined by 3.3% to 3.54 euro cents in 2015 from 3.66 euro cents in 2014. This CASK reduction was principally driven by a reduction in the average fuel price and favourable developments in both aircraft lease expense and depreciation cost categories. CASK excluding fuel expenses declined 1.8% to 2.20 euro cents in 2015 from 2.24 euro cents in 2014.

Staff costs increased by 24.8% to €22.9 million in 2015, up from €18.3 million 2014 reflecting capacity growth and an increase in pilot sector pay effective from 1 April 2015.

Fuel expenses rose by 10.8% to €112.4 million in 2015, up from €101.4 million in the same period of 2014. The major drivers of the increase were the 17.4% growth in ASKs, a 19.3% appreciation of the US dollar against the euro (8% after hedging), offset by a 0.9% reduction in fuel consumption per block hour and an 18.9% decline in the fuel price. The average fuel price (including hedging impact and into-plane premium) paid by Wizz Air in the quarter was US$854 per tonne, a decline of 18.9% from the same period in 2014.

Distribution and marketing costs rose 9.7% to €6.2 million from €5.6 million in the June quarter of 2014.

Maintenance, materials and repair costs increased by 42.3% to €21.3 million in 2015 from €14.9 million in 2014. This cost increase was a function of fleet growth and the implementation of a new engine maintenance contract which resulted in a one-off cost of €3 million.

Aircraft rental costs rose 9.5% to €35.8 million in the first quarter, from €32.7 million in 2014. This increase was largely due to fleet growth (equivalent aircraft expanded 18.6%), a higher average lease rate as older aircraft were replaced by new aircraft with higher ownership costs and the stronger US dollar.

Airport, handling and en-route charges increased 16.8% to €84.5 million in the first quarter of 2015 versus €72.4 million in the same period of 2014. This category comprised €47.7 million of airport and handling fees and €36.8 million of en-route and navigation charges in 2015 compared with €41.7 million of airport and handling fees and €30.6 million of en-route and navigation charges in 2014. The cost increase was primarily due to 18.5% growth in the number of flights, a 19.8% rise in passenger numbers and a stage length decline of 0.9%.

Depreciation and amortisation charges declined 32.8% to €6.3 million in the first quarter, down from €9.3 million in the same period in 2014. This was driven by the implementation of a new engine maintenance contract which takes into account the greater reliability and therefore the longer on-wing times of the airline's engines.

Other expenses increased 13.7% to €8.5 million in the first quarter from €7.5 million in the same period in 2014.

UNDERLYING PROFIT

For the three months ended 30 June

	2015 € million	2014 € million
Profit for the quarter	32.9	29.2
Adjustments (exclusions):		
Unrealised foreign exchange (gain)/loss	14.9	0.3
Exceptional items (net gain)	(13.9)	
Realised FX gain from replacing US dollar collateral with Euro collateral	*(8.8)*	
Time value gain on open hedge positions	*(5.1)*	
Sum of adjustments	1.0	0.3
Underlying profit after tax	33.9	29.6

OTHER INFORMATION

1. CASH, EQUITY AND LEVERAGE

Total cash at the end of Q1 increased 99% to €651 million versus the same period of 2014 of which over €571 million is classified as free cash. Group leverage (adjusted net debt divided by EBITDAR) fell from 2.2 times in June 2014 to 1.3 times in June 2015. Shareholders' equity reached €515 million at the end of June 2015, an increase of 166% compared to June 2014 and 12% ahead of March 2015.

2. HEDGING POSITIONS

Wizz Air operates under a clear set of treasury policies supervised by the Board. The aim of the Company's hedging policy is to reduce short-term volatility in earnings and liquidity. Therefore Wizz Air hedges a minimum of 50% of the projected US dollar and jet fuel requirements for the next twelve months (40% for the full 18-month hedge horizon). Details of the current hedging positions (as at 29 July 2015) are set out below:

FX Hedge Coverage (Euro/US Dollar)

	F16	**F17**
Period covered	8 months	12 months
Exposure (million)	$460	$784
Hedge Coverage (million)	$256	$184
Hedge Coverage for the period %	**56%**	**24%**
Weighted average floor	$1.24	$1.10
Weighted average ceiling	$1.26	$1.15

Fuel Hedge Coverage

	F16	F17
Period covered	8 months	12 months
Exposure in metric tons ('000)	416	736
Coverage in metric tons ('000)	287	449
Coverage with zero cost collars	*206*	*47*
Coverage with fuel caps	*81*	*402*
Hedge Coverage for the period %	**69%**	**61%**
Blended capped rate	$804	$676
Blended floor rate*	$785	$672

* Fuel caps provide the Company with protection against the risk of higher fuel prices and also enable the Company to benefit from lower fuel costs should fuel prices fall. The blended floor rate for fuel hedges shown in the table is only applicable to zero cost collar hedges.

3. FULLY DILUTED SHARE CAPITAL

The figure of 126,494,779 should be used for the Company's theoretical fully diluted number of shares as at 30 June 2015. This figure comprises 52,280,115 issued ordinary shares, 48,830,503 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 June 2015 (excluding any ordinary shares that would be issued in respect of accrued but unpaid interest on that date) and 1,137,446 new ordinary shares which may be issued upon exercise of vested but unexercised employee share options.

4. EEA OWNERSHIP

As at 6 July 2015 the Company understands that approximately 60% of its ordinary shares were owned by Qualifying Nationals. 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 third country (whether or not such an undertaking is itself granted an operating license). A Non-Qualifying national is any person who is not a Qualifying National in accordance with the above definition.

KEY STATISTICS

For the three months ended 30 June

	2015	2014	Change
CAPACITY			
Number of aircraft at end of period	**62**	52	19.2%
Equivalent aircraft	**58**	49	18.6%
Utilisation (block hours per aircraft per day)	**13.0**	13.2	(1.2%)
Total block hours	**68,998**	58,882	17.2%
Total flight hours	**59,794**	51,130	16.9%
Revenue departures	**30,528**	25,760	18.5%
Average departures per day per aircraft	**5.77**	5.78	(0.1%)
Seat capacity	**5,495,040**	4,636,800	18.5%
Average aircraft stage length (km)	**1,531**	1,546	(0.9%)
Total ASKs ('000 km)	**8,413,329**	7,166,210	17.4%
OPERATING DATA			
RPKs ('000 km)	**7,473,531**	6,247,691	19.6%
Load factor	**88.8%**	87.4%	1.3 ppt
Number of passenger segments	**4,877,043**	4,054,654	20.3%
Fuel price (average) (US$ per ton) (including hedging impact and into-plane premium)	**854**	1,053	(18.9%)
Foreign exchange rate (average) (US$/€) (including hedging impact)	**1.26**	1.37	(8.1%)
FINANCIAL MEASURES			
Yield (€ cents)	**4.45**	4.72	(5.8%)
Average revenue per seat (€)	**60.51**	63.65	(4.9%)
Average revenue per passenger (€)	**68.18**	72.79	(6.3%)
RASK (€ cents)	**3.95**	4.12	(4.0%)
CASK (including exceptional item) (€ cents)	**3.54**	3.66	(3.3%)
CASK (excluding exceptional item) (€ cents)	**3.54**	3.66	(3.3%)
Ex-fuel CASK (including exceptional item) (€ cents)	**2.20**	2.24	(1.8%)
Ex-fuel CASK (excluding exceptional item) (€ cents)	**2.20**	2.24	(1.8%)
Operating profit margin (including exceptional item) (%)	**10.4**	11.2	(0.7%)
Operating profit margin (excluding exceptional item) (%)	**10.4**	11.2	(0.7%)
Profit margin for the period (reported net profit after tax divided by revenue)	**9.9**	9.9	0.0%
Underlying profit margin for the period (underlying net profit after tax divided by revenue) (%)	**10.2**	10.0	0.2%

- END -

ABOUT WIZZ AIR

Wizz Air is the largest low-cost airline in Central and Eastern Europe, operates a fleet of 63 Airbus A320 aircraft and offers more than 380 routes from 22 bases, connecting 112 destinations across 38 countries. At Wizz Air, a team of approximately 2,200 aviation professionals delivers superior service and very low ticket prices making Wizz Air the preferred choice of 16.5 million passengers in the financial year ended 31 March 2015. 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.

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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.