WIZZ AIR INCREASES Q1 PROFIT BY 50% TO A RECORD €58 MILLION, PASSENGER NUMBERS INCREASED 25% TO 7.2 MILLION.

LSE: WIZZ

Geneva, 19 July 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 three months to 30 June 2017 ("first quarter" or "Q1") for the Company as a whole, and separately for its airline ("Airline") and tour operator ("Wizz Tours") business units[1].

Three months to 30 June	2017 (million)	2016 (million)	Change
Passengers carried	**7.2**	5.8	+25.2%
Revenue (€)	**469.3**	364.9	+28.6%
EBITDAR (€)	**155.9**	108.4	+43.8%
EBITDAR margin (%)	**33.2**	29.7	+3.5ppt
Profit for the period[2] (€)	**58.1**	38.6	+50.4%
Profit margin for the period[2] (%)	**12.4**	10.6	+1.8ppt

RECORD Q1 PROFITABILIY AND STRONG CASH GENERATION CONTINUES

- Total revenue increased 28.6% to €469.3 million:
    - Ticket revenues increased 25.1% to €265.3 million.
    - Ancillary revenues grew 33.4% to €204.0 million.
- Net profit for the period was a record €58.1 million in Q1, a year on year increase of 50.4%.
- Total cash at the end of June 2017 was €1,064.3 million of which €911.7 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:*** Q1 performance:
    - Total unit revenue increased by 3.4% to 3.72 euro cents per available seat kilometre (ASK).
    - Total unit costs increased by 2.1% to 3.23 euro cents per ASK.
    - Ex-fuel unit costs increased by 2.9% to 2.29 euro cents per ASK.
    - Fuel unit costs were unchanged at 0.93 euro cents per ASK.
    - Net profit margin increased 1.8ppt to 12.5%.
    - Ancillary revenues per passenger increased by €1.8 to €28.2 per passenger.
- ***Wizz Tours:*** Q1 package holiday revenues were €4.9 million.

Q1 BUSINESS HIGHLIGHTS

- Passengers carried increased 25.2% to 7.2 million securing Wizz Air's position as CEE's leading low cost carrier.
- Operational expansion continued with the opening of the Company's 28th operating base in London Luton.
- Route network expansion with 10 new routes announced in Q1 including to new airports in Russia, Kazakhstan and Morocco, taking the network to more than 500 routes to/from 42 countries.
- Fleet growth with the delivery of four additional brand new Airbus aircraft comprising of one A320ceo and three A321ceo aircraft bringing the total fleet to 83 aircraft, a mix of 64 A320ceos and 19 A321ceos.
- Secured an additional 10 A321ceo aircraft to be delivered in the next three years supporting the Company's growth plans.
- Continuous improvements to our customer offering by removing our "paid for" large cabin bag policy.

József Váradi, Wizz Air Chief Executive said:

"I'm pleased to report a record first quarter performance which saw net profit increase by 50% to €58m and passenger numbers grow by 25% to 7.2 million passengers. The Company experienced a particularly strong performance from Easter traffic in the first quarter. Our ultra-low cost base allows us to offer the lowest fares and that continues to stimulate the market for air travel in Central and Eastern Europe and, as economic growth in the region continues to push ahead of Western Europe, ever more customers take the opportunity to fly with Wizz Air.

This first quarter performance together with encouraging summer bookings and the favourable fuel price environment are setting the Company up for a strong year. However, as we have seen in recent history, airlines tend to compete away the benefit of lower fuel prices with extra capacity and therefore we remain cautious on the prevailing yield environment in the second half of this

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[1] The Company provides 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.

[2] Following the EU endorsement of International Accounting Standard IFRS9 on Financial Instruments in November 2016 the Company has adopted IFRS 9 effective 1 April 2017. Prior year figures have not been restated under IFRS9 and therefore the Company uses prior year 'underlying net profit' as a comparative.

financial year, a period in which the Company has very limited visibility. Therefore the Company is today guiding towards the higher end of a full year net profit guidance range of between €250m and €270m.

We continue to drive our ultra-low cost base even lower with a delivery stream of brand new A321 aircraft which deliver double digit cost savings compared to A320 aircraft. By March 2018 Wizz Air will be operating 26 A321 aircraft – representing a third of the airline's planned seat capacity - which will give us a clear cost advantage versus most of our rivals. This winning formula leaves Wizz Air well placed to continue to deliver significant growth and returns for our shareholders.

Our new cabin luggage policy announced today underlines our commitment to continuously provide excellent consumer experience every step of the customer journey. Wizz Air prides itself on its user-friendly software solutions reflected in our website and new mobile app, state-of-the-art technology and efficiency of our fleet as well as the outstanding on-board service and professionalism of staff. We are working hard on ensuring that the WIZZ experience is as smooth and hassle free as it can get, thus no more fees for hand luggage on all Wizz Air flights from 29 October will further underline our commitment to this mission."

FULL YEAR OUTLOOK

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

	2018 Financial Year	**Comment**
Capacity growth (ASKs)	+ 23 %	H1: 23% H2: 23%
Average stage length	Modest increase	-
Load Factor	+ 1%	-
Fuel CASK	+ 3%	Jet price of $480/MT
Ex-fuel CASK	Broadly flat	Assumes €/$1.13
Total CASK	+ 1%	-
RASK	Slightly positive	Lower fuel prices lead to lower fares
Tax rate	6%	-
Net profit	Between €250 - €270 million	Towards the top end of the range

ABOUT WIZZ AIR

Wizz Air is the largest low-cost airline in Central and Eastern Europe, operates a fleet of 84 Airbus A320 and Airbus A321 aircraft, and offers more than 500 routes from 28 bases, connecting 142 destinations across 43 countries. At Wizz Air, a team of approximately 3,300 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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Q1 GROUP FINANCIAL REVIEW

In the first quarter, Wizz Air carried 7.2 million passengers, a 25.2% increase compared to the same period in the previous year, and generated revenues of €469.3 million, growth of 28.6%. These growth rates compare to capacity growth measured in terms of ASKs of 24.5% and additional seats of 22.9%. The load factor increased from 89.5% to 91.2%.

The profit for the first quarter was €58.1 million, 50.4% higher than the profit of €38.6 million in the same period of 2016. The increase represents a 1.8 percentage point rise in the profit margin from 10.6% to 12.4% in the quarter.

Consolidated statement of comprehensive income (unaudited)

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

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	263.6	1.7		265.3	212.0	25.1%
Ancillary revenue	203.1	3.3	(2.4)	204.0	152.9	33.4%
Total revenue	466.7	4.9	(2.4)	469.3	364.9	28.6%
Staff costs	33.9	0.1		34.0	27.6	22.9%
Fuel costs	117.1			117.1	93.8	24.8%
Distribution and marketing	9.1	0.2		9.3	7.1	30.9%
Maintenance materials and repairs	27.0			27.0	20.7	30.7%
Aircraft rentals	70.7			70.7	53.1	33.0%
Airport, handling and en-route charges	112.0			112.0	95.0	17.8%
Depreciation and amortisation	23.3			23.3	11.3	106.6%
Other expenses	11.6	4.8	(2.4)	14.1	12.3	14.4%
Total operating expenses	404.7	5.0	(2.4)	407.4	321.0	26.9%
Operating profit	62.0	(0.2)		61.9	43.9	40.8%
Financial income	0.4			0.4	0.6	
Financial expenses	(1.0)			(1.0)	(5.9)	
Net foreign exchange gain/(loss)	(0.8)			(0.8)	1.7	
Net exceptional financial income/(expense)					12.1	
Net financing income/(expense)	(1.4)			(1.3)	8.4	
Profit before income tax	60.7	(0.2)		60.5	52.3	15.6%
Income tax expense	(2.4)			(2.4)	(1.6)	
Profit for the period	58.3	(0.2)		58.1	50.7	14.6%

Airline revenues

Passenger ticket revenue increased 25.3% to €263.6 million and ancillary income (or "non-ticket" revenue) increased by 33.5% to €203.1 million. Total revenue per ASK (RASK) increase 3.4% to 3.72 euro cents from 3.60 euro cents in the same period of 2016 as the fare environment improved on the back of capacity moderation in the CEE.

Average revenue per passenger increased from €63.0 in Q1 2016 to €64.8 in Q1 2017, an increase of 2.8%. Average ticket revenue per passenger remained unchanged at €36.6 in Q1 as during the same period in 2016, while average ancillary revenue per passenger increased from €26.4 in Q1 2016 to €28.2 in Q1 2017, an increase of €1.8. For the purposes of this analysis, out of the total €2.4 million intra-group revenue earned by the Airline (that is part of the €203.1 million ancillary revenue in the table above) €1.7 million was reclassified from ancillary revenue to ticket revenue.

Airline operating expenses

Operating expenses for the three months increased by 27.2% to €404.7 million from €318.3 million in Q1 2017. Cost per ASK (CASK) increased by 2.1% to 3.23 euro cents in Q1 2017 from 3.16 euro cents in Q1 2016. This CASK increase was principally driven by the effect of heavy maintenance depreciation linked with an all leased fleet and further strengthening of the USD versus the EUR by 3.2% from $1.13 in Q1 2016 to $1.09 in Q1 2017.

Staff costs increased by 22.9% to €33.9 million in Q1 2017, up from €27.6 million in Q1 2016 reflecting further improving efficiency when compared to growth in capacity.

Fuel expenses increased by 24.8% to €117.1 million in Q1 2017, up from €93.8 million in the same period of 2016. The increase is in line with the Company growth in terms of ASKs. The average fuel price (including hedging impact and into-plane premium) paid by Wizz Air during the third quarter was US$578 per tonne, an increase of 0.8% from US$573 the same period in 2016.

Distribution and marketing costs rose 35.4% to €9.1 million from €6.7 million in the first quarter of 2016, primarily driven by volume growth but also reflects a new trend of higher credit card fees being levied by credit card companies.

Maintenance, materials and repair costs increased by 30.7% to €27.0 million in Q1 2017 from €20.7 million in Q1 2016. This cost increase was primarily a function of continued fleet growth.

Aircraft rental costs rose 33.0% to €70.7 million in the first quarter, from €53.1 million in 2016. This increase was due to a combination of fleet growth (equivalent aircraft expanded 19.6%), higher average lease rate for the larger A321 aircraft and the stronger US dollar in the quarter.

Airport, handling and en-route charges increased 17.8% to €112.0 million in the first quarter of 2017 versus €95.0 million in the same period of 2016. The cost increase was broadly in line with 18.2% growth in the number of flights.

Depreciation and amortisation charges rose by 106.6% to €23.3 million in the first quarter, up from €11.3 million in the same period in 2016 as the airline is preparing to return older leased aircraft back to lessors and engine maintenance programs are required.

Other expenses increased 16.1% to €11.6 million in the first quarter from €10.0 million in the same period in 2016 reflecting the growth of the business.

Income tax expense was €2.4 million (2016: €1.6 million) giving an effective tax rate of 4.0% (2016: 3.0%). The main components of this charge are local business tax and innovation tax paid in Hungary and corporate income tax paid in Switzerland.

Wizz Tours
Wizz Tours generates revenue by selling package holidays made up of flight tickets purchased from the airline and hotel accommodation purchased from wholesalers (bedbanks). Revenue grew by 8.9 per cent. in the first quarter to €4.9 million from €4.5 million in 2016. Operating costs in the same period increased from €4.9 million to €5.1 million.

OTHER INFORMATION

1. Cash, equity and leverage

Total cash at the end of the first quarter increased by 28.6% to €1,064.3 million versus 30 June 2016, of which over €911.7 million is free cash. Adjusted net debt to EBITDAR was at a ratio of 1.5 at the end of June 2017 similarly to 1.5 a year earlier. Shareholders' equity reached €992.7 million, an increase of €241.6 million versus 30 June 2016 and €40.2 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. Therefore 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 it largest non-EUR revenue currency, GBP 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 rolling twelve-month basis.
Details of the current hedging positions (as at 15 July 2017) are set out below:

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

Period covered	F18 9 months	F19 9 months
Exposure (million)	$650	$735
Hedge coverage (million)	$385	$178
Hedge coverage for the period	59%	24%
Weighted average ceiling	$1.14	$1.10
Weighted average floor	$1.10	$1.08

Foreign exchange (FX) hedge coverage of Euro/British Pound

Period covered	F18 9 months	F19*
Exposure (million)	£136	N/A
Hedge coverage (million)	£48	N/A
Hedge coverage for the period	35%	N/A
Weighted average floor	0.860	N/A
Weighted average ceiling	0.827	N/A

*GBP hedging program is applicable on a twelve-month horizon, started in April 2017, so currently covering F18 only.

Fuel hedge coverage

Period covered	F18 9 months	F19 9 months
Exposure in metric tons ('000)	685	766
Coverage in metric tons ('000)	514	237
Hedge coverage for the period	75%	31%
Blended capped rate	$517	$523
Blended floor rate	$470	$471

Sensitivities

- Pre-hedging, a one cent movement in the Euro/US Dollar exchange rate impacts the 2018 financial year operating expenses by €5 million.
- Pre-hedging, a one penny movement in the Euro/British Pound exchange rate impacts the 2018 financial year operating expenses by €2.3 million.
- Pre-hedging, a $10 (per metric ton) movement in the price of jet fuel impacts the 2018 financial year fuel costs by $6.8 million.

3. Ten additional Airbus A321ceo order

During the quarter the Company placed an order for ten additional Airbus A321ceo aircraft, powered by IAE International Aero Engines AG's V2500 engines. The additional aircraft will join Wizz Air's fleet in 2018 and 2019 and support the significant growth plans as the Company responds to strong and growing demand for air travel within Central and Eastern Europe. The Company will retain flexibility in determining the most favourable method of financing these aircraft. Given the size of the list price commitments under this purchase agreement relative to the size of the Company, the purchase constitutes a "class 1 transaction" under the Listing Rules and therefore requires Wizz Air shareholder approval. This approval will be sought at a General Meeting to be held in due course.

4. Fully diluted share capital

The figure of 126,770,889 should be used for the Company's theoretical fully diluted number of shares as at 18 July 2017. This figure comprises 72,479,671 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 18 July 2017 (excluding any ordinary shares that would be issued in respect of accrued but unpaid interest on that date) and 214,000 new ordinary shares which may be issued upon exercise of vested but unexercised employee share options.

5. 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 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. (http://corporate.wizzair.com/en-GB/investor_relations/news/press_releases)

KEY STATISTICS

For the three months ended 30 June

	2017	2016	Change
Capacity			
Number of aircraft at end of period	**83**	70	18.6%
Equivalent aircraft	**81.02**	67.72	19.6%
Utilisation (block hours per aircraft per day)	**13.10**	13.08	0.1%
Total block hours	**96,570**	80,607	19.8%
Total flight hours	**84,004**	70,008	20.0%
Revenue departures	**41,381**	35,022	18.2%
Average departures per day per aircraft	**5.61**	5.68	(1.2)%
Seat capacity	**7,902,360**	6,428,460	22.9%
Average aircraft stage length (km)	**1,587**	1,567	1.3%
Total ASKs ('000 km)	**12,537,925**	10,071,260	24.5%
Operating data			
RPKs ('000 km)	**11,448,316**	9,025,031	26.9%
Load factor	**91.2%**	89.5%	1.7ppt
Number of passenger segments	**7,207,169**	5,754,320	25.2%
Fuel price (average US$ per ton, including hedging impact and into-plane premium)	**578**	573	0.8%
Foreign exchange rate (average US$/€, including hedging impact)	**1.09**	1.13	(3.2)%

CASK (for the Airline only)

*For the three months ended 30 June**

	2017 *euro cents*	2016 *euro cents*	Change *euro cents*
Fuel costs	**0.93**	0.93	-
Staff costs	**0.27**	0.27	-
Distribution and marketing	**0.07**	0.07	-
Maintenance, materials and repairs	**0.22**	0.21	0.01
Aircraft rentals	**0.56**	0.53	0.03
Airport, handling and en-route charges	**0.89**	0.94	(0.05)
Depreciation and amortisation	**0.19**	0.11	0.08
Other expenses	**0.09**	0.10	(0.01)
Total CASK	**3.23**	3.16	0.07
Total ex-fuel CASK	**2.29**	2.23	0.07

*Figures are rounded to 2 decimal places

FORWARD LOOKING STATEMENTS

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

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

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

PRINCIPAL RISKS AND UNCERTAINTIES

The aviation industry is subject to many risks and Wizz Air's business is no exception. A number of risks, as described in our Annual Report for the financial year ended 31 March 2017, have the potential to affect adversely 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 last quarter 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.

This announcement includes inside information.