

Press Release

Air Arabia reports third quarter 2012 net profit of AED 226 million, up 126 per cent

- *Third quarter turnover reaches 836 million, up 19 per cent*
- *1.3 million passengers fly Air Arabia in the third quarter of 2012, up 14 per cent*
- *Airline continues on growth trajectory for its value-for-money services*

Sharjah, UAE; November 12, 2012: Air Arabia Group, the first and largest low-cost carrier (LCC) in the Middle East and North Africa, announced today its financial results for the third quarter of 2012, demonstrating its ability to deliver strong profits quarter after quarter.

For the three months ending September 30, 2012, Air Arabia reported a net profit of AED 226 million, an increase of 126 per cent as compared to AED 100 million in the corresponding period in 2011; reflecting the airline's strong financial position and outstanding performance.

Beating analysts' forecasts, the carrier's turnover for the third quarter reached AED 836 million, an increase of 19 per cent compared to the same period last year, suggesting that the airline is well on track to achieve a remarkable year.

Sheikh Abdullah Bin Mohammad Al Thani, Chairman of Air Arabia, described the exceptional financial performance as a result of the airline's strong business model, excellent cost control margins and its prudent growth strategy.

He said: "The sustained profitability and solid growth margins signal that Air Arabia is on a steady growth trajectory. The extremely positive financials further validates our concerted efforts to unlock opportunities for the low-cost model, which is pioneered by Air Arabia in the wider Arab region, while continuously making air travel accessible to millions of customers every year".

The low-cost pioneer enjoyed ever increasing demand for its value-for-money services, registering 14 per cent increase in passenger traffic to 1,368,728 million in the third quarter of this year. Air Arabia's average seat load factor – or passengers carried as a percentage of available seats – for the same quarter stood at an impressive 82 per cent.

Sheikh Al Thani continued: "With market conditions rebounding, there remain great opportunities for low cost travel segment in the region. Air Arabia remains focused on capitalizing on the existing potential and securing best return-on-investment for its shareholders".

Air Arabia's net profit for the nine months of 2012 stood at AED 342 million, an increase of 75 per cent compared to AED 195 million for the same period in 2011. During the first nine months of this year, the company registered a turnover of AED 2.187 billion, an increase of 21 per cent compared to the same period last year. The airline served more than 3.9 million passengers during the first nine months of 2012, an increase of 12 per cent compared the same period last year while the average seat load for the same period stood at a strong 83 per cent.

Sheikh Al Thani concluded: "Air Arabia will continue to serve as the preferred choice for passengers seeking to travel in the Middle East, North Africa, Europe and Asia. We will continue to enter into new markets and launch new ventures, while providing our customers with an even wider choice of value-for-money travel options."

As part of its commitment to enable more people to fly efficiently and affordably, Air Arabia continues to enter into new markets. In the past quarter, it has added three new destinations - Erbil in Iraq, Uffa in Russia and Odessa in Ukraine – expanded operations from its hubs in Morocco & Egypt and announced launch of additional four routes in October 2012, bringing Air Arabia's global network to reach 81 destinations. This reflects the airline's continued focus on expanding its footprint into high growth markets while simultaneously strengthening services to existing routes.

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About Air Arabia:

Air Arabia (PJSC), listed on the Dubai Financial Market, is the Middle East and North Africa's leading low-cost carrier (LCC). Air Arabia commenced operations in October 2003 and currently operates a total fleet of 31 new Airbus A320 aircraft, serving over 80 routes from three hubs in UAE, Morocco and Egypt.

Air Arabia is an award-winning airline that focuses on offering comfort, reliability and value-for-money air travel. For further information, please visit: www.airarabia.com