

Press Release

Air Arabia announces second quarter 2012 net profit of AED 66 million, up 31 per cent

- *Second quarter turnover reaches 729 million, up 23 per cent*
- *1.3 million passengers fly Air Arabia in the second quarter of 2012, up 15 per cent*
- *Impressive seat load factor of 85 per cent*

Sharjah, UAE; August 7, 2012: Air Arabia, the first and largest low-cost carrier (LCC) in the Middle East and North Africa, announced today its financial results for the three months ending June 30, 2012, demonstrating the continued strength of the airline's business model.

For the three months ending June 30, 2012, Air Arabia reported a net profit of AED 66 million, an increase of 31 per cent compared to AED 51 million in the corresponding period in 2011. The carrier's turnover for the second quarter of 2012 stood at AED 729 million, an increase of 23 per cent compared to AED 592 million reported in the same period of 2011.

The airline welcomed onboard 1.3 million passengers in the second quarter of 2012, an increase of 15 per cent compared to the same period last year. Air Arabia's average seat load factor – or passengers carried as a percentage of available seats – for the three months ending June 30, 2012, stood at an impressive 85 per cent, up 3 per cent on the same period last year.

"Air Arabia's expansion strategy and efficient operating model continue to be reflected in the airline's financial performance, amidst continues political challenges that the region is witnessing" said Sheikh Abdullah Bin Mohammad Al Thani, Chairman of Air Arabia. "In the second quarter of this year, our proven ability to identify and capitalise on underserved served routes continued to reap enormous benefits."

For the six months ending June 30, 2012, Air Arabia reported a net profit of AED 115 million, an increase of 22 per cent compared to AED 94 million in the corresponding period in 2011.

The carrier's turnover for the first half of 2012 stood at AED 1.3 billion, an increase of 22 per cent compared to AED 1.1 billion reported in the same period of 2011. The airline welcomed onboard 2.5 million passengers in the first half of 2012, an increase of 11 per cent compared to the same period last year.

"Looking ahead, we are confident about the outlook of low cost travel in the region. As we continue expanding into new markets and adding new services, we look forward to providing best-in-class services for our customers throughout the year and beyond" concluded Sheikh Abdullah Bin Mohammad Al Thani.

Air Arabia added two new routes in the first half of 2011, with Taif in Saudi Arabia and Salalah in Oman bringing the airlines global network to 75 destinations. Additionally, the airline increased the frequency of flights to Nagpur in India, Dammam and Riyadh in Saudi as well as to Kuwait. The first half of 2012 also saw the delivery of three new aircraft from Airbus as well as Air Arabia completing its first maintenance check with its new hangar facility.

The second quarter of 2012 saw Air Arabia being ranked as the world's second best performing airline in a study by *Aviation Week*, the leading global aviation magazine. The *Top-Performing Airlines (TPA) Study* ranked the top 10 performing airlines worldwide, based on five different performance categories, including financial and operational performance. Air Arabia was the only Middle East airline to claim a spot in the study.

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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 75 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.

For further information, please contact:

Housam Raydan
Corporate Communications Manager
Air Arabia PJSC
Sharjah, UAE
Tel: 971-6-5088968
Fax: 971-6-5580031
E-mail: hraydan@airarabia.com