

الجزيرة.  
**Jazeera.**  
Earnings Webcast

November 7, 2018





# Agenda

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- ◆ **Headline Results**
- ◆ **9M18 Highlights**
- ◆ **9M18 Financial Review**
- ◆ **Q&A**





# Headline Results

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# Headline Results

## Operational Highlights

3Q18

▲  
**Passengers +37.2%**  
(3Q17: 448k – 3Q18: 615k)

▲  
**Load Factor +4.2%**  
(3Q17: 75.8% – 3Q18: 80.0%)

▲  
**Utilization +11.0%**  
(3Q17: 13.4hrs – 3Q18: 14.8hrs)



# Headline Results

## Financial Highlights

3Q18

**Operating Revenue:**  
**KWD29.2 mn**



3Q17: KWD21,933,176  
3Q18: KWD29,248,188  
Difference: 33.4%

**Operating Profit:**  
**KWD7.6 mn**

(Adjusted: KWD8.5 mn – YoY: +1.8%)\*



3Q17: KWD8,303,690  
3Q18: KWD7,604,530  
Difference: -8.4%

**Net Profit:**  
**KWD7.0 mn**

(Adjusted: KWD7.8 mn – YoY: -3.7%)\*



3Q17: KWD8,201,455  
3Q18: KWD7,047,740  
Difference: -14.1%

\* Includes KWD727k one offs related to irregular events in 3Q18 and KWD123K operating loss related to facilities operations.



# Headline Results

## Financial Highlights

9M18

**Operating Revenue:**  
**KWD63.7 mn**

▲  
9M17: KWD46,018,707  
9M18: KWD63,695,403  
Difference: 38.4%

**Operating Profit:**  
**KWD8.9 mn**

(Adjusted: KWD10.1 mn – YoY: +6.5%)\*

▼  
9M17: KWD9,499,816  
9M18: KWD8,940,847  
Difference: -5.7%

**Net Profit:**  
**KWD8.5 mn**

(Adjusted: KWD9.6 mn – YoY: +1.1%)\*

▼  
9M17: KWD9,543,999  
9M18: KWD8,476,185  
Difference: -11.2%

\* Includes KWD885k one offs related to irregular events in 9M18 and KWD287K operating loss related to facilities operations.



# Headline Results

## Commercial Highlights

9M18

### E commerce Sales

▲  
+39.7% Vs. 9M17

### Ancillary Revenue

▲  
+42.0% Vs. 9M17



# Headline Results

## 3Q18 Key Highlights



Signed contract to provide Blue-Box IFE Streaming on our aircrafts.



Kochi flood caused airport closure affecting our flight schedules.



Yields remained under pressure as regional over capacity lingers on.



Several global airlines reviewed their outlook downwards citing increase in fuel costs and weaker price pass-through power.



Hyderabad flare and wing incidents put one aircraft out of service for almost three weeks in July.



Fuel prices continued their uptrend since late last year.



Seasonal shift in vacations and school start impacted September performance versus last year.



# Headline Results

الجزيرة  
Jazeera.

## Network Highlights



6 New  
Destinations 2018

2017

Launched  
1Q18

Launched  
2Q18

Increased frequency to  
majority of destinations



# Headline Results

## Fleet Highlights



Current fleet of 9 aircrafts up from 7 at the end of 2017.



The latest addition was the first A320 neo to be delivered in the region.

### ▶ The A320 neo offers:

- ◆ significant fuel savings up to 18% over traditional engines.
- ◆ Allows more flying time expanding flying radius to +6hrs.
- ◆ Improved customer experience due to lower noise.



Contracts signed for 3 new A320 neo's to be added to the fleet in 2019.



# Headline Results

## Jazeera Facilities

**9M18**

Terminal carried 795,218 passengers since opening.

Several concessions were operating through their grace periods.

All Jazeera passengers in 3Q18 flew through the terminal.

Retail lease ongoing, F&B will start operations in November.

Duty Free finalized permits and opened early 4Q18.

Business lounge to open before year end.



# Financial Review

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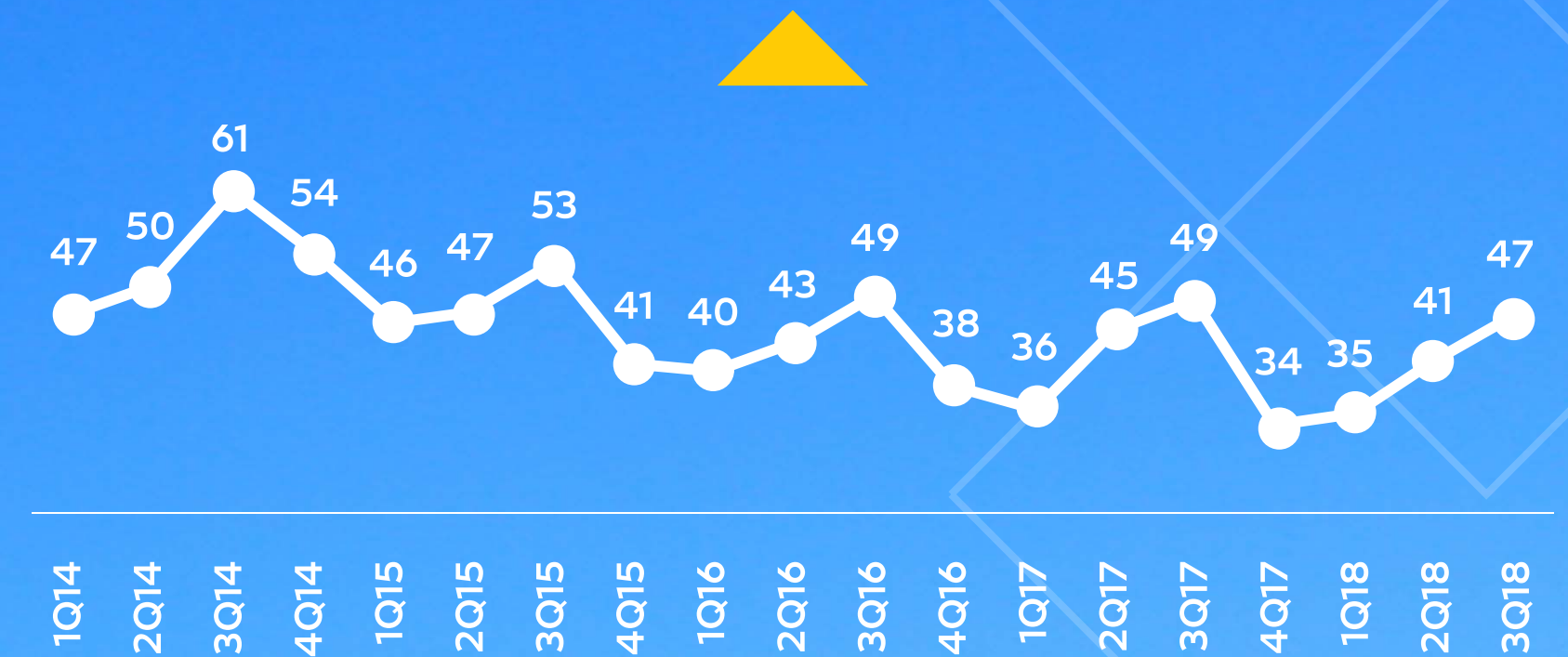
# Financial Review

9M18

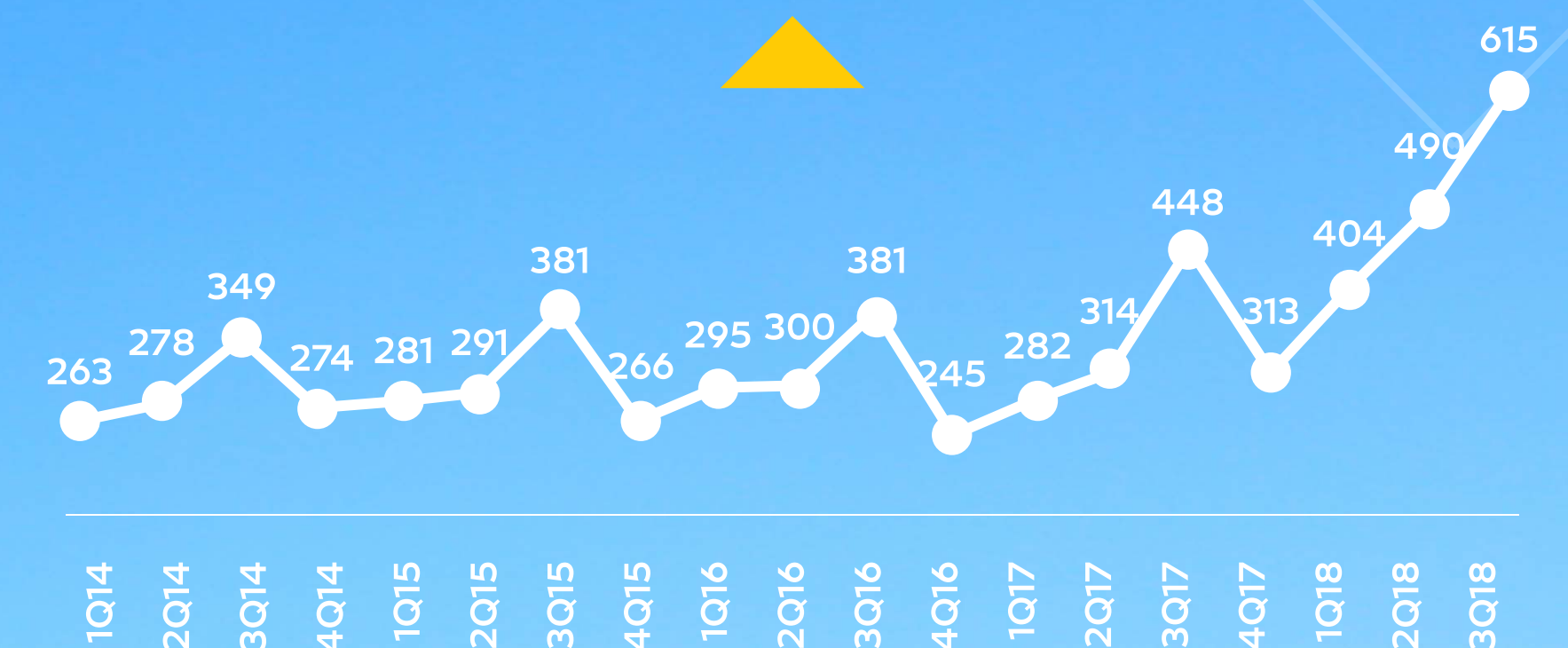
	9M17	9M18	CHANGE
Operating Revenue	46,018,707	63,695,403	38.4%
Operating Expenses	36,518,891	54,754,556	49.9%
Operating Profit	9,499,816	8,940,847	-5.9%
Net Profit	9,543,999	8,476,185	-11.2%

	9M17	9M18	CHANGE
Current Assets	32,100,132	23,644,335	-26.3%
Non Current Assets	26,595,335	37,773,219	42.0%
Total Assets	58,695,467	61,417,554	4.6%
Debt	0	0	0.0%
Total Liabilities	19,189,836	21,772,249	13.5%
Equity	39,505,631	39,645,305	0.4%

YIELD BY QUARTER (KD)



PASSENGERS BY QUARTER (000)

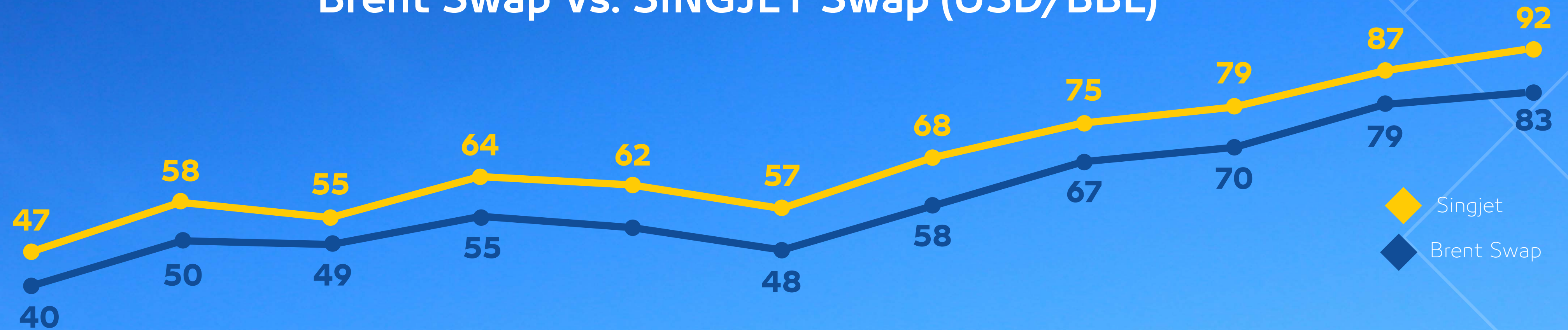




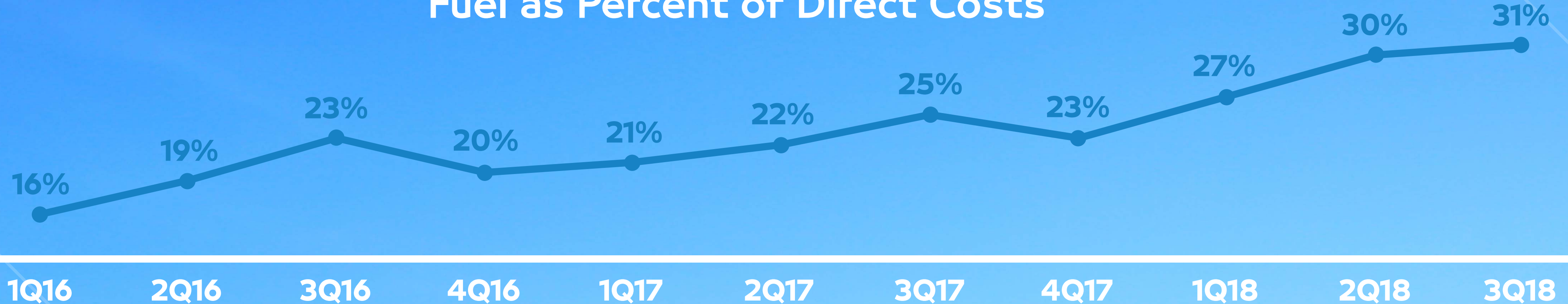
# Financial Review

9M18

## Brent Swap Vs. SINGJET Swap (USD/BBL)



## Fuel as Percent of Direct Costs





# Q&A



# Key Contacts & Links

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**Jazeera Airways KSC is listed on the Kuwait Stock Exchange**

Bloomberg: Jazeera KK

Reuters: JAZK.KW

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A group of six Emirates flight crew members, including two pilots and four cabin crew members, are standing in a line on an airport tarmac. They are all smiling and looking towards the right. The background shows the tail fin of an Emirates aircraft with the airline's logo. The image is decorated with white geometric line patterns in the corners.

Thank you