

Air Arabia announces first quarter net profit of AED 78 million, up 81 per cent

Air Arabia (PSJC), the first and largest low-cost carrier (LCC) in the Middle East and North Africa, today released its financial results for the first quarter of the year ending March 31, 2008. The airline's net profit for the first quarter of 2008, stood at AED 78 million, an increase of 81 per cent compared to AED 43 million for the first quarter of 2007.

During the first quarter of 2008, the company posted a turnover of AED 383 million, up 59 per cent compared to AED 241 million during the first quarter of 2007. The airline served 757,000 passengers for the first quarter of 2008, an increase of 31 per cent compared to 577,000 passengers during the same period in 2007. Average seat factor -- passengers carried as a proportion of available seats - stood at 85 per cent for the first quarter of 2008, up 2 per cent compared to 83 per cent in first quarter of 2007.

Adel Ali, Board Member and Chief Executive Officer of Air Arabia, said: 'We are immensely proud of our long record of profitability and high achievement, and we look forward to continued positive returns and high profits in the time to come. The high and uncertainty of oil prices as well as increasing inflation rates puts additional challenge on air transport sector across the globe, but the rapid and strong economic growth of this region contributes to a sustained and subsequent market and travel growth'.

The first quarter of 2008 was an eventful one for the region's leading LCC. In addition to purchasing two new Airbus A320s aircraft, which increased the company's fleet size to 13 planes, Air Arabia also added two new destinations in India: Kozhikode (formerly known as Calicut) and New Delhi. The carrier now flies to a class-leading 39 destinations throughout the Middle East, North Africa, South Asia, Central Asia and Eastern Europe.

During the first quarter of 2008, Air Arabia also opened its new hub in Kathmandu, Nepal. The hub is also the home of Air Arabia's newest joint venture, FlyYeti.com, a joint venture with Yeti Airlines. The hub in Kathmandu and the connection of flights with FlyYeti.com, will give Air Arabia's passengers access to new destinations in South East Asia and the Far East, all with the same high quality of service and competitive fares they have come to recognise as being integral to Air Arabia.

Ali added: 'Our shareholders and passengers have helped make us the leader of the LCC segment in this region, and one of the fastest growing airlines in the world. This quarter has seen a continuation of the growth of our fleet as well as destinations and we fully intend to continue expanding and spreading our value for money philosophy to more destinations and more passengers throughout the regions we serve, and to more regions in the future.'

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