

FINANCIAL HIGHLIGHTS FOR THE FIRST QUARTER ENDED 30 JUNE 2019

Air Mauritius Group and Company results

The first quarter is a low season period and traditionally loss making. For the quarter ended 30 June 2019, the Group and the Company recorded reduced losses of Eur 4.0 million and Eur 4.1 million respectively as compared to losses of Eur 14.9 million for both the Group and the Company for the same period last year.

With intensifying competition, capacity was modulated to avoid further pressure on yield. The number of seats offered dropped by 2.4% and the Passenger Load Factor improved from 78.0% to 80.2%. As a result, total passengers carried during the quarter decreased by 1.0% to reach 395,192 as compared to 399,184 passengers carried during the quarter ended 30 June 2018. The passenger yield went up by 0.8%.

For the quarter ended June 30, 2019 the Operating revenue decreased by 2.3% from Eur 121.3 million to Eur 118.5 million. The operating expenses also dropped by 7.3% to reach Eur 121.3 million mainly on account of reduction in the level of operations.

As from the start of this financial year, the Group and the Company has adopted IFRS 16 Leases using the modified retrospective approach, with no restatement of comparatives. The Group and the Company have several operating leases for assets including aircraft, property and other equipment. The first time application of IFRS 16 has resulted in an increase in assets and liabilities by about Eur 440m.

Shareholders' Funds

Total Shareholders' Funds for the Company increased from Eur 58.6 million as at 31 March 2019 to Eur 62.2 million as at 30 June 2019. The resulting net assets per share as at 30 June 2019 was Eur 0.61 (Rs 24.51) as compared to Eur 0.57 (Rs 22.39) as at 31 March 2019.

Outlook

Outlines of a new economic model were presented to the Annual Meeting of shareholders last month. Moreover, the increase in capital which was approved at the special meeting of shareholders in June 2019, will be effected in the second quarter.

Plans to modernize the fleet and improve product offering reached another milestone with the entry into service of two brand new Airbus A330neo in April and June.

The Company is further exploring all opportunities to boost traffic on its network and taking various initiatives to reduce its cost base. In spite of challenging environment and growing competition in our major markets, the Company expects to improve its financial performance for this year.