

GRUPO VIVA AEROBUS INCREASED BY 49% ITS OPERATING REVENUE IN 1Q2018

Mexico City, April 26, 2018.- Grupo Viva Aerobus, holding company of Viva Aerobus, Mexico's ultra-low-cost airline, **reported a 49% increase in its 1Q2018** operating revenue compared to the 1Q2017, reaching \$ 1,992 million pesos.

This increase was the result of the trust placed by more than **2.1 million passengers** who chose Viva Aerobus as their flight option. In this way, **Viva Aerobus increased the total number of passengers this quarter by 30%**, compared to the same period of 2017. Moreover, **the load factor stood at 87.4%, an increase of 0.8 percentage points** compared to the 1Q2017.

"These figures confirm, once again, the attractiveness of **the offer of Viva Aerobus**, which combines the most competitive prices with a customer-focused service. Therefore, Viva Aerobus continues **to grow in its participation in the domestic aviation market** reaching **17.5%** at the end of March 2018", mentioned Gian Carlo Nucci, CEO of Grupo Viva Aerobus.

As part of Viva Aerobus' commitment to offer a real ultra-low-cost alternative efficiently, this quarter, José Golfier joined as Chief Financial Officer of Grupo IAMSА and Grupo Viva Aerobus, reporting directly to Gian Carlo Nucci.

José Golfier has had a successful professional career, playing high-profile strategic and managerial roles, including Managing Director at greenTEK Ventures, Vice President of Business Development at General Electric and Director of Intel Capital at Intel, among others. Thus, he has accomplished an outstanding experience in corporate finance, financial analysis, mergers and acquisitions and investment banking.

Besides, Viva Aerobus continues with its national expansion and fleet modernization. In this sense, during this quarter, a new Airbus A320ceo aircraft was received and the new Mérida-Tuxtla Gutiérrez route was launched. As a result of these efforts, the airline's **capacity, measured in available seats, increased by 27%**.

Additionally, in its earnings report corresponding to the **1Q2018**, Grupo Viva Aerobus shows the following:

- **Total operating revenue ended at 1,992 million pesos, an increase of 49%** compared to the 1,335 million pesos obtained in 1Q17. From this total, **passenger revenues represented 54%** and reported a **growth of 46%** compared to 1Q2017, reaching **1,073 million pesos**. Ancillary revenue represented 46% of total operating revenue and also **increased by 53%** compared to 1Q2017, reaching **919 million pesos**.
- The **available seat kilometers** reached **2,625 million**; which represents an **increase of 37%** compared to the 1,914 of 1Q2017.
- **Operating expenses** reached \$2,184 million pesos, 52% higher than those recorded in 1Q2017. This variation is directly related to the increase in the international price of the turbosine. In this first quarter, the price of the gallon of fuel was equal to \$ 1.88 dollars, which represents an increase of 25.5% over the same period of the previous year.
- In 1Q2018, **EBITDAR reached \$470 million pesos, a 83% increase** compared to the \$257 million pesos reported in 1Q2017. The EBITDAR margin was of 23.6%, 4.4 percentage points higher than in 1Q2017.
- At the end of 1Q2018, there was a net loss of 37 mdp.
- At the end of 1Q2018, Grupo Viva continues with the newest fleet in Mexico and one of the youngest in the world with **25 aircraft: 23 Airbus 320ceo and 2 Airbus 320neo**. Grupo Viva Aerobus moves forward with its fleet expansion and modernization plan, which objective is to reach 55 aircraft by 2022.



"Behind our commitment to offer a real ultra-low-cost alternative, is our focus on smart, safe, reliable and efficient management. We pay special attention to operational efficiency, especially in an environment of high volatility of the fuel price and the exchange rate", said José Golfier.

About Grupo Viva Aerobus

It is the holding of several companies, including the airline Viva Aerobus.

Viva Aerobus is Mexico's low-cost airline. It started operations in 2006 and today operates the *youngest* Latin American fleet with 25 Airbus A320, including two A320neo, in 91 routes to 37 destinations. With a clear vision to give all people the opportunity to fly, Viva Aerobus has democratized the airline industry with the lowest rates in México and the lowest costs in Latin America, making their flights the best value offer.

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