

***vietjetair.com***

# ***Vietjet Aviation Joint Stock Company***

***Key Highlights - Q1/2018 Business result***

***April 2018***



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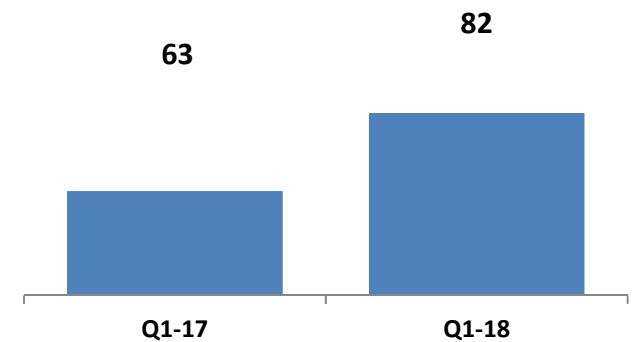
## Key Highlights

- Carried 5.28 m passengers in Q1 2018, an increase of **40.18%** compared with Q1 2017. (Total Passenger carried in Q1 2017 was 3.77 mil)
- Capacity in Q1 2018 is **6.18m** seat flown, increase **44 %** compared with Q1 2017.
- Vietjet operate **82** routes in Q1 2018 including **38** Domestic routes and **44** International routes, compared with **37** Domestic routes and **26** International routes in Q1 2017. In Q1-2018, Vietjet announced 2 new routes: Vietnam – India and Vietnam – Australia.
- Operating Revenue in Q1 2018 is **7,882.2** billion VND, increased **54%** compared with Q1 2017.
- Total Revenue in Q1 2018 is **12,560** billion VND, increased **146%** compared with Q1 2017
- Operating Profit in Q1 2018 reached **735** VND billion, 73.8% higher than that in Q1 2017 with **423** VND billion.
- Profit Before Tax in Q1 2018 reached **1481** VND billion, 253.9% higher than that in Q1 2017 with **418** VND billion
- Fuel (MOPs) price increased 25.28% compared with Q1/2017 from \$63.1/barrel to \$79.1/barrel in Q1/2018.
- Load Factor is maintained at high figure with nearly **85.4%** in Q1 2018.
- Achieved the highest technical reliability of **99.64%** among top Airlines in Asia Pacific region.
- Foreign Exchange rate as at 31/03/2018 is **22,458** VND/USD, compared with **22,276** VND/USD in 31/03/2017.
- In Q1 2018 Vietjet delivered and started operating **4 new A321** aircrafts among 17 A321 aircrafts receiving from Airbus for 2018.

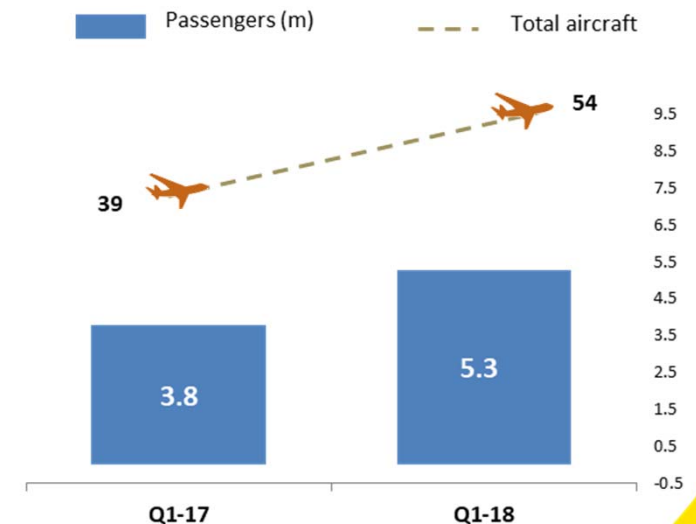
## Operating Statistics

- Modern and young fleet with average age of 2.7 years comprising **23** Airbus A320s and **30** A321s and **1** A321NEO as of 31/03/2018.
- Up to 31/03/2018, VJC has total **219** aircraft on order with Airbus and Boeing in which the company received **43** aircraft from Airbus.
- Pax Carried: **5.28 m** passengers in Q1 2018.
- Operated an extensive network of **38 domestic routes and 44 international routes**, services up to 31/03/2018.
- Vietjet operated a total of **28,830 flights** in Q1 2018.
- **Aircraft utilization** – **14.06** block hours per aircraft a day.
- Safety indicators of ground operations and Flight operations are also highest in the region.
- On-time performance ratio of **83.4%** in Q1 2018

### TOTAL ROUTES OPERATED

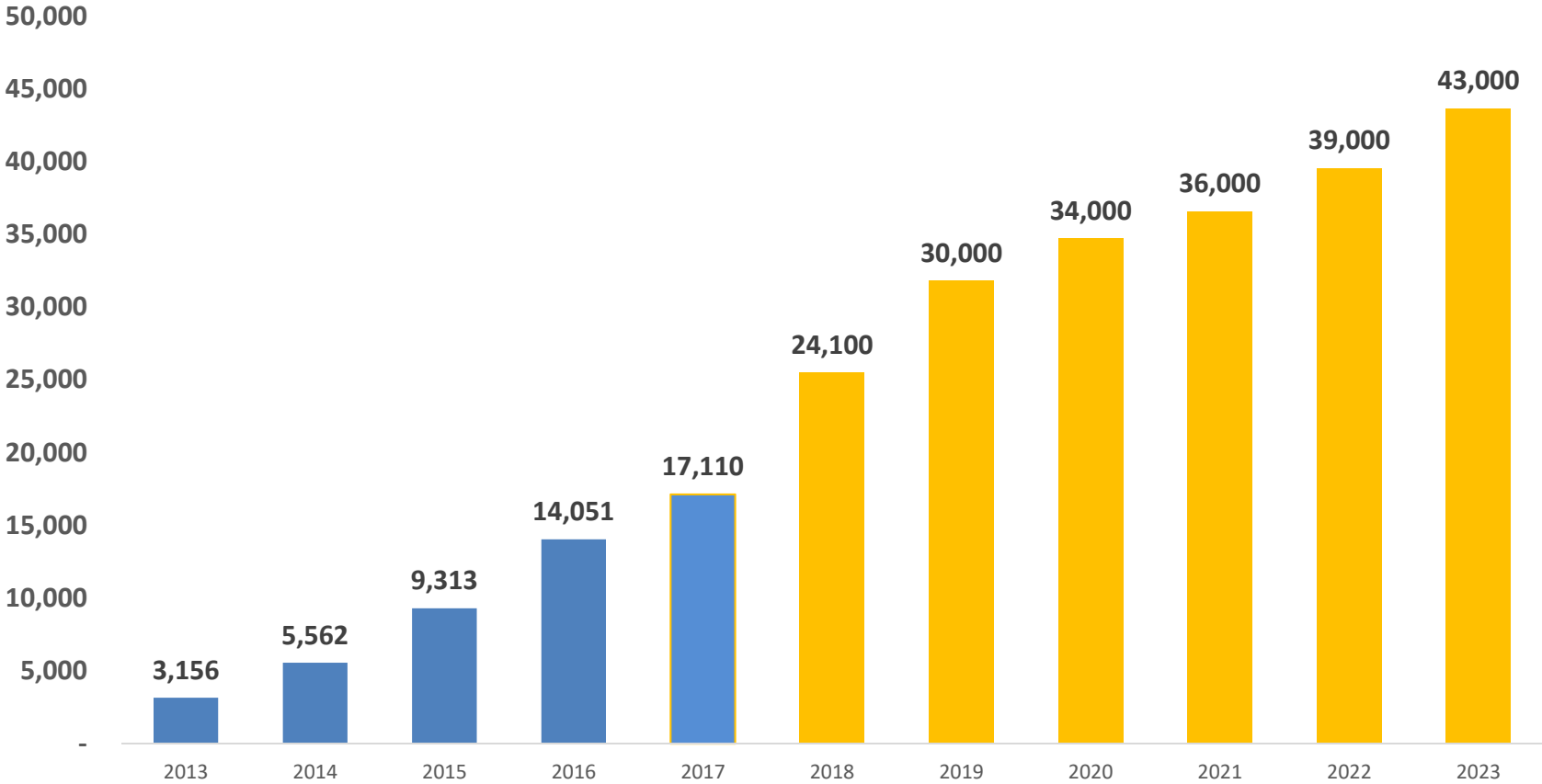


### Passengers & Aircraft growth



# Passenger Growth To More Than 40% Per Annum

## Total Passengers ('000 pax)



## Flight network extension

NEW DELHI

CHINA

TIANJIN

JINAN

SEOUL

KOREA

BUSAN

OSAKA

SUZHOU  
SHANGHAI  
NANJING  
NINGBO  
WUXI

LANZHOU

ZHENGZHOU

HEFEI

CHENGDU

XI'AN

WUHAN

HANGZHOU

KUNMING

CHONGQING

CHANGSHA

TAICHUNG

TAIPEI

VIETNAM

MACAU

HONGKONG

MYANMAR

CHIANGMAI

YANGOON

THAILAND

BANGKOK

HANOI

HAI PHONG

Thanh Hoa

Vinh

Dong Hoi

Hue

DA NANG

Che-Lai

Pleiku

Phu Yen

Buon Ma Thuot

Da Lat

PHNOM PENH

HO CHI MINH CITY

Phu Quoc

CAN THO

TAINAN

KAOHSIUNG

HOANG SA

TRUONG SA

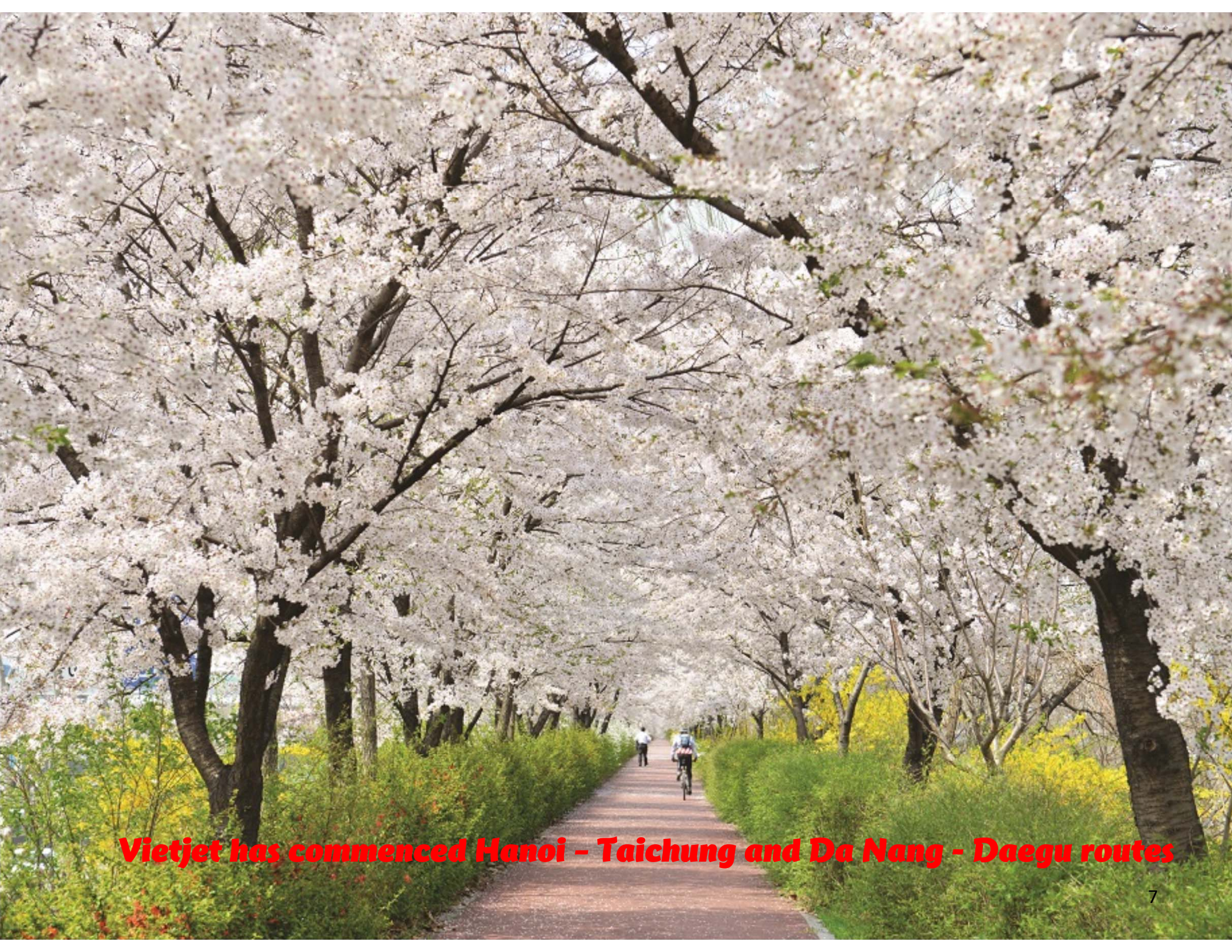
PHUKET

KUALA LUMPUR

SINGAPORE

AUSTRALIA

The number of routes: **82** routes  
(includes **38** domestic routes & **44** international routes)  
grew by **19** routes over the same period last year



**Vietjet has commenced Hanoi - Taichung and Da Nang - Daegu routes**

## Products - Services

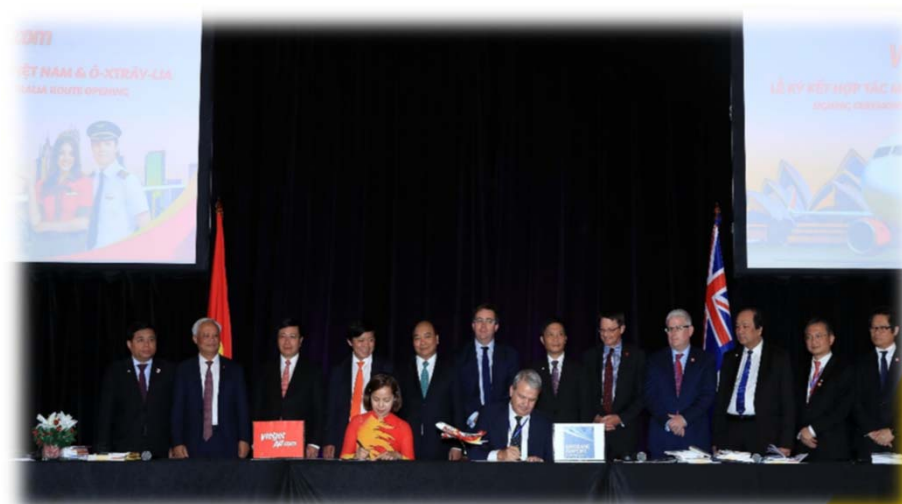
- ✈ Reasonable and economical price with varied ticket types for choosing. Added services were offered, such as check-in priority, boarding priority, hot meals, pre-ordered beverages, and much more, were made available.
- ✈ “12pm, It’s time to Vietjet” promotion campaign offered millions of tickets from VND0 to bring flying opportunities for domestic and foreign passengers
- ✈ Travel insurance products to minimize travel risks were adjusted and sold to passengers via [www.vietjetair.com](http://www.vietjetair.com)
- ✈ Our Skyshop continued to improve its services. Apart from hot meals and typical Vietjet souvenirs, many seasonal products were purchased onboard by passengers, for example, summertime products, wintertime products, Tet holiday products, and more.
- ✈ Duty-free products proved popular on Vietjet’s international flights; a wide-range of cosmetics, perfumes, alcohols, cigarettes, and more, were sold at reasonable prices





## Typical events of the Q1 2018

- ✈ Signed USD7.3 billion agreements with Safran - CFM, GECAS in France.
- ✈ Announced the launching of direct route connecting Vietnam and India at Vietnam - India Business Forum.
- ✈ Signed an agreement to open a direct route connecting Vietnam and Australia at Sydney, Australia.
- ✈ Being awarded the Third-Grade Labor Order of State President for outstanding achievements in charity and humanitarian work and contributions to the country's development.
- ✈ Secretary of the HCMC Party Committee Nguyen Thien Nhan visited Vietjet on the first working day of the Lunar New Year 2018.
- ✈ Welcomed the aircraft featuring the official logo for the 45th anniversary of diplomatic relations between Vietnam and France.
- ✈ Celebrated the third anniversary of the Vietnam-Taiwan service operation



## Awards

- ✈️ Top 100 Best Places to Work in Vietnam voted by Anphabe and Nielsen
- ✈️ Top 10 Sustainable Development Businesses as recognized by Vietnam Economic Times' Editorial Board and readers
- ✈️ Won the Top Airlines by Absolute Passenger Growth in Southeast Asia at Changi Airline Awards 2018



## Fleet Expansion

- ✈ Vietjet's aircraft fleet by 31<sup>th</sup> March, 2018 stood at 54 aircraft including 23 Airbus A320s and 31 Airbus A321s with the **average age of 2.7 years**.
- ✈ The fleet of aircraft has seat configuration from 180 to 220-230 seats and the designs are in tune with the low cost airline business model.
- ✈ Vietjet made an order of 119 Airbus A320/321 aircraft and an order of another 100 737MAX 200 aircraft with Boeing.
- ✈ The orders with Airbus and Boeing will be completed at the end of 2023.



## Young, modern and Fuel Efficient Fleet

AC Type	Vietjet	Air Asia (AK)	Indigo	Jetstar (JQ)	easyJet (U2)	Ryanair
A319 ( 156 seats)					91	
A320	23	87	131	52	103	
A321 ( 230 seats)	31			8		
B737 NG						436
Avg. Age (y)	<b>2.7</b>	5.6	6.1	7.8	7.7	6.8
Total	54	87	131	60	194	436

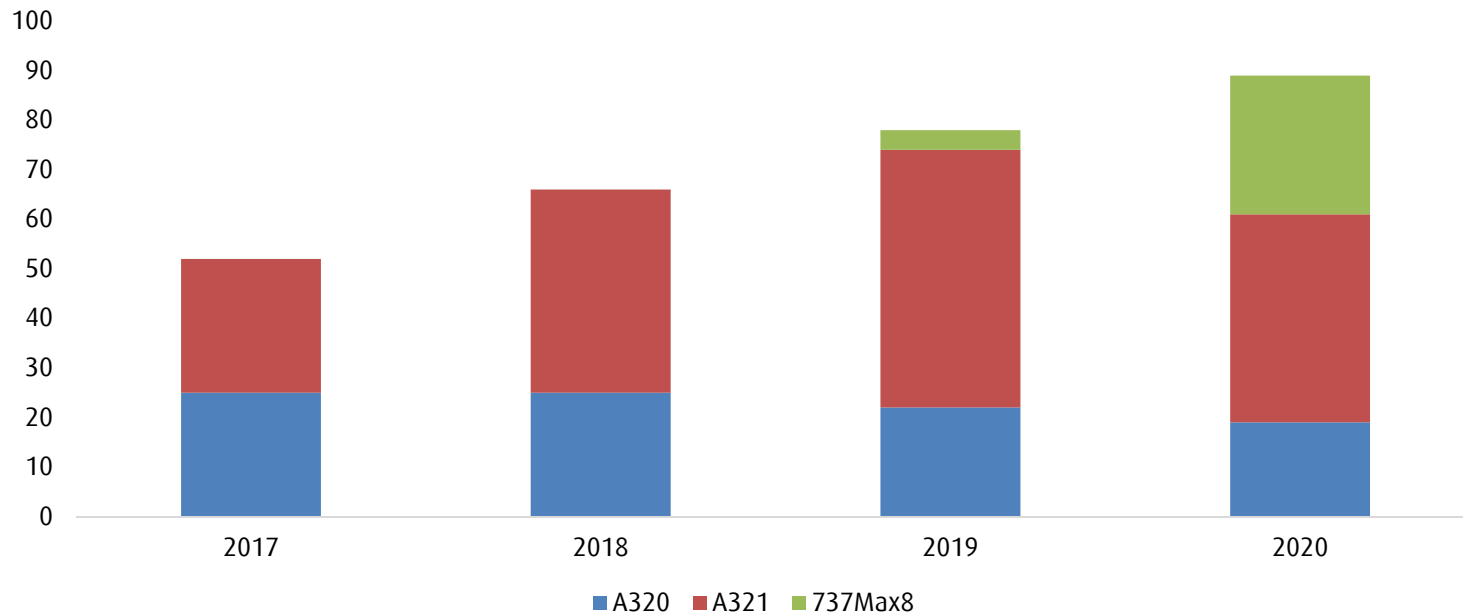
**A321 deliver cost & revenue benefits**

**Cost, cost & cost!**  
**A strong focus on cost**



# FLEET EXPANSION

## Young, modern and Fuel Efficient Fleet



	2017	2018	2019	2020
A320	24	25	22	19
A321	27	41	52	42
737 Max 200	0	0	4	28
<b>Total</b>	<b>51</b>	<b>66</b>	<b>78</b>	<b>89</b>

A321 deliver cost & revenue benefits

An aerial photograph of Taipei, Taiwan, during the golden hour. The Taipei 101 skyscraper is the central focus on the left, its tiered structure illuminated by the warm light of the setting or rising sun. The city's dense urban landscape is visible, with numerous high-rise buildings and residential blocks. In the background, the city gives way to rolling hills and mountains under a clear, light blue sky. The overall atmosphere is serene and vibrant.

***With 6 operating routes, Vietjet is the airline flying to the most Taiwanese destinations from Vietnam***

## Comprehensive fuel saving program

✈ Applying advanced technology and environment friendly solution in daily operation is one of the top priorities of Vietjet. By analyzing both operational and maintenance aspects, Safran's SFCO<sub>2</sub>® service develops procedures and recommendations to address airlines' need for greater fuel efficiency which can reduce Vietjet fuel consumption up to 5%

✈ By 2017, the first phase of the SFCO<sub>2</sub> program saved 1,855,115 kg of fuel (equivalent to 1,885,115 USD), thereby reducing 5,843,612 kilograms of CO<sub>2</sub> emissions.

# SFCO<sub>2</sub>



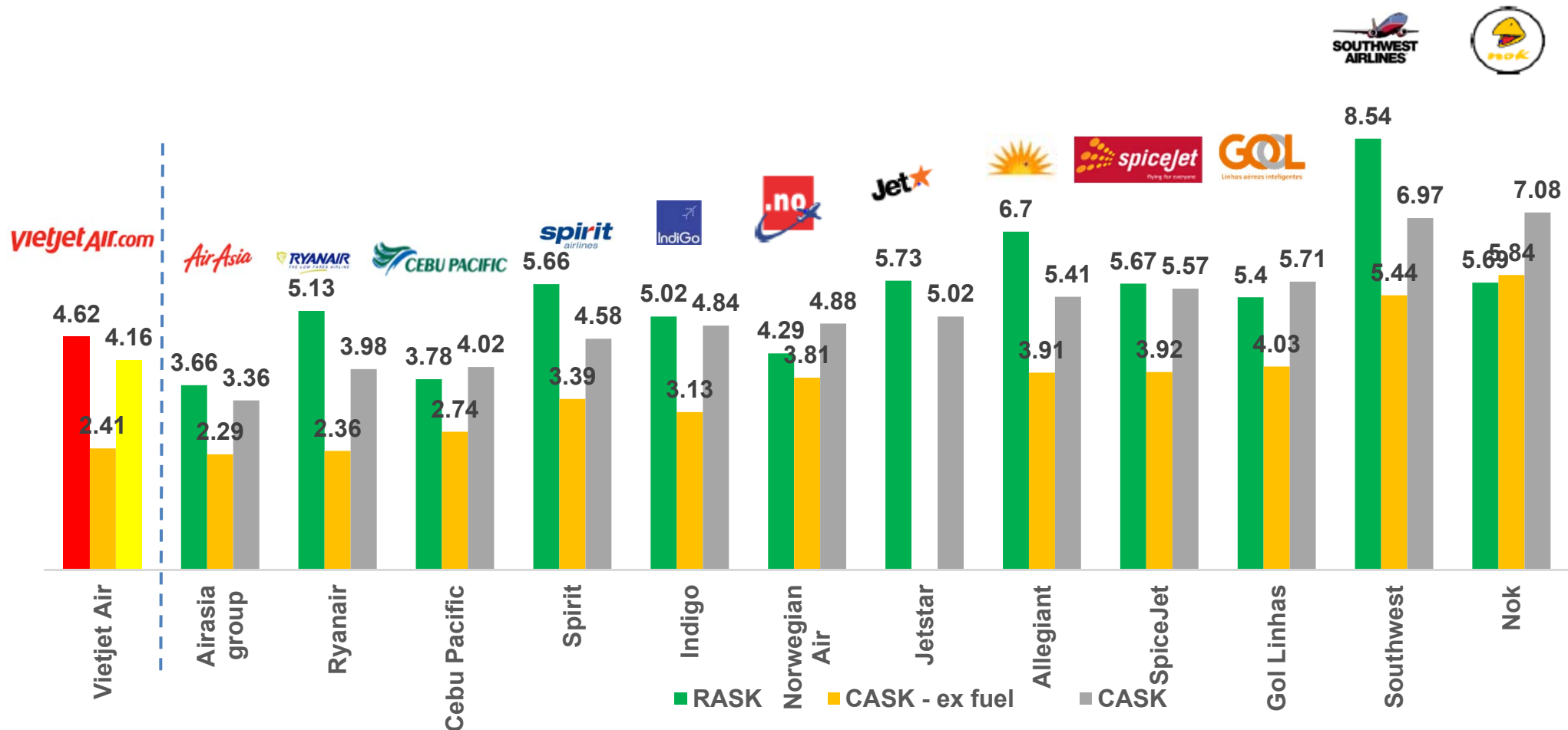


# Safety and Quality activities of the 1Q2018

- ✈️ Continue working with Airbus Nablue to enhance Flight Data Monitoring.
- ✈️ Working with Airbus to study more about Skywise digital aviation data platform – which aims to become the single platform of reference used by all major aviation players to improve operational performance and business results.



# Best In Class Cost Structure With Room For Improvement



Lowest CASK-Ex fuel. There is still headroom for cost structure improvement to further decrease both CASK & CASK ex-fuel

•Source: Bloomberg, Company Financial Statement

•Vietjet's results are based on Q1/2018 Financial Statement. Other peers' results are based on full year 2016 number.

**On August 22, in Jakarta (Indonesia), Vietjet hold the announcement ceremony to open the route from Ho Chi Minh City to Jakarta (Indonesia)**



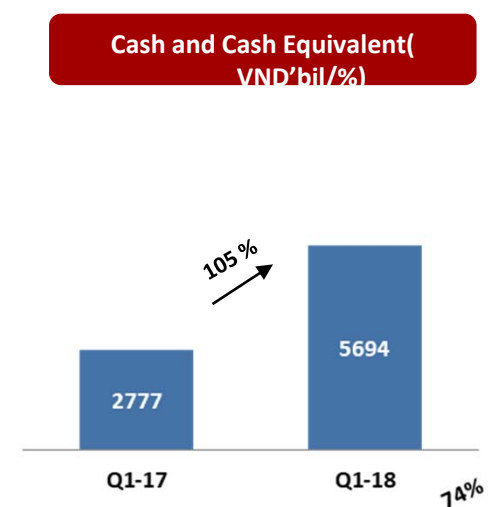
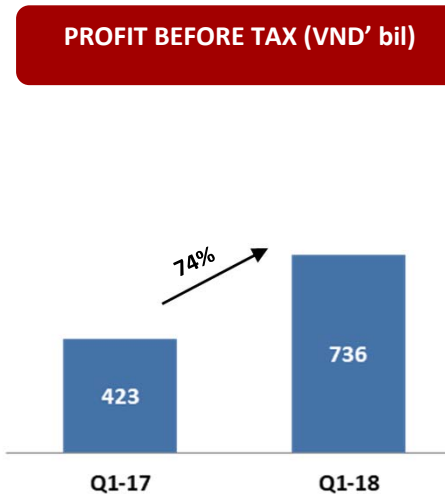
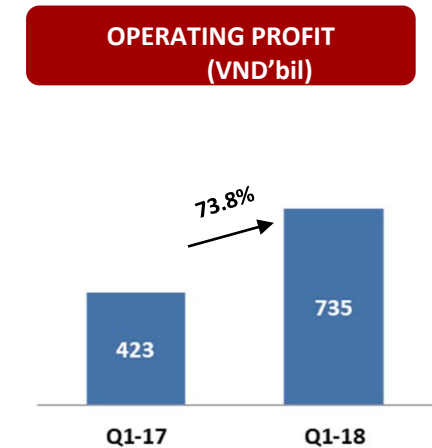
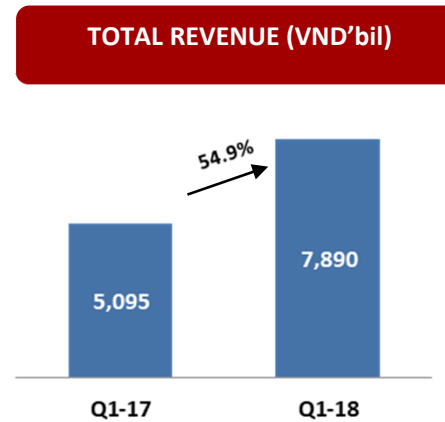
## Best Class In Operating Performance (Seperated Fs)

✈️ **Total Revenue: increased 54.9%** from 5,095 VND billion in Q1 2017 to 7,890 VND billion in Q1 2018.

✈️ **Operating Profit grew up 73.8%** to 735 VND billion in Q1 2018 compared to same period in 2017.

✈️ **Profit before tax increased 74%** to 736 VND billion in Q1 2018, compared to 423 VND billion in Q1 2017.

✈️ **Cash and Cash Equivalent increased 105%** to 5,694 VND billion in Q1 2018, compared to 2,777 VND billion in Q1 2017.



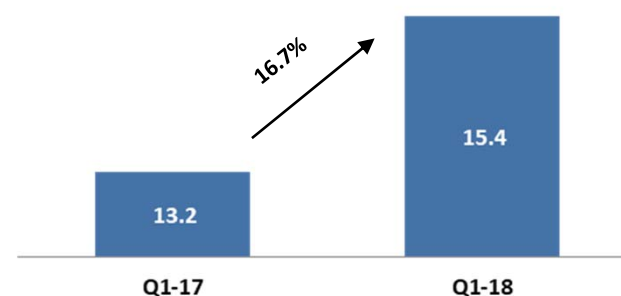
## Solid Growth In Ancillary

✈️ **Ancillary revenue per pax: increased 16.7%** from 13.2 USD/pax in Q1/2017 to 15.4 USD/pax in Q1/2018.

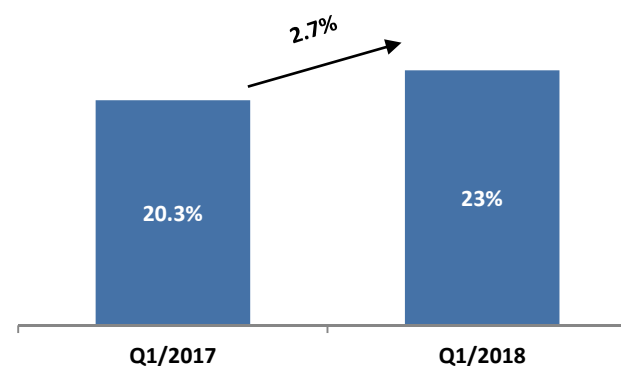
✈️ **Total Ancillary revenue as % of Total Operation Revenue increased to 23.1%** in Q1/2018 compare to Q1/2017



Ancillary revenue per pax  
USD/pax



Ancillary revenue % of Total Operation  
Revenue



(1) Financial Highlight based on the Unaudited Consolidated Financial Statement for Q1/2018 (VAS).  
(2) Converted at 1US\$=21,890VND, and 1US\$=22,159VND for FY13-FY16 respectively; 1USD = 22,431VND (SBV exchange rate as at 31/12/2017)

## Excellent Financial Performance (Consolidated Fs)

✈️ **Total Revenue up 146%** from Q1-17 based on increase in passenger carried (+52%), growth in ancillary revenue (+64%) and from SLB.

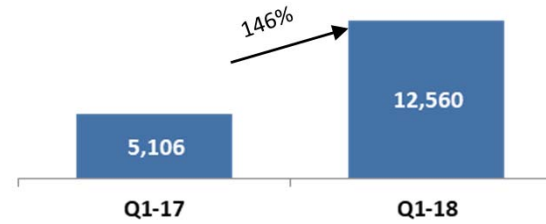
✈️ **Profit Before Tax increased 253.9%** compared to the same period last year.

✈️ **Revenue per ASK increased 2.4%** YoY due to strong growth from passenger carried (up 40%) and high load factor at 85.4%.

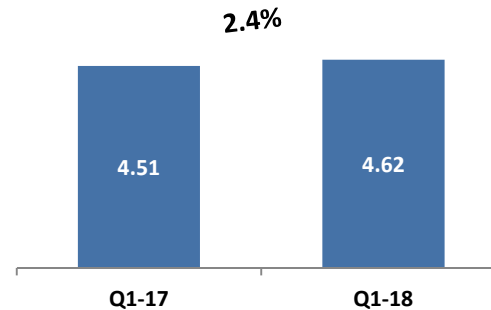
✈️ **Cost per ASK** impacted by higher fuel price (up 3.7%).

✈️ **RASK – CASK: 0.46 US cents.**

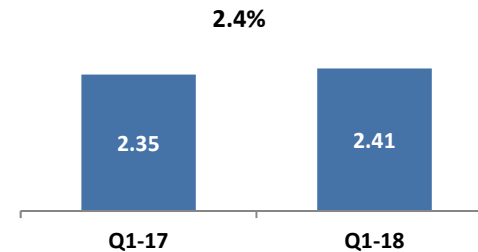
TOTAL REVENUE (VND'bil)



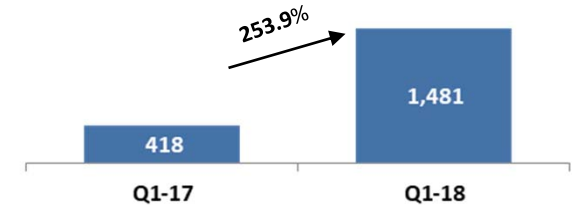
RASK (US Cents)



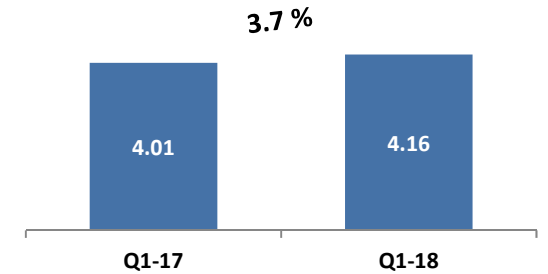
CASK EX-FUEL (US Cents)



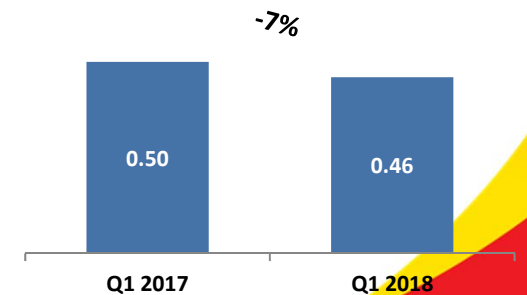
PROFIT BEFORE TAX (VND'bil)



CASK (US Cents)



RASK - CASK (US Cents)

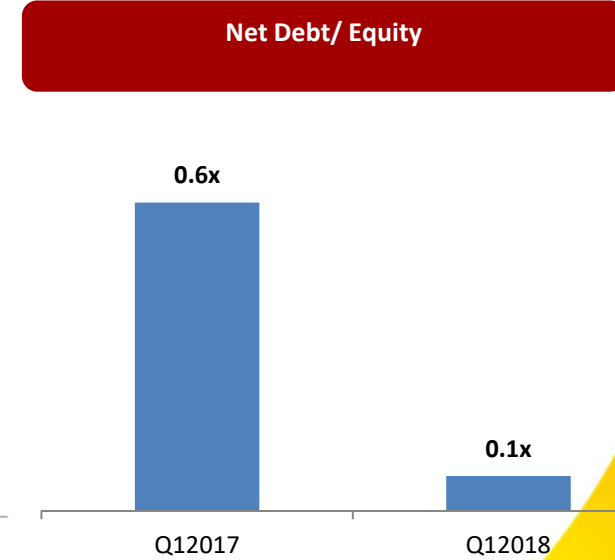
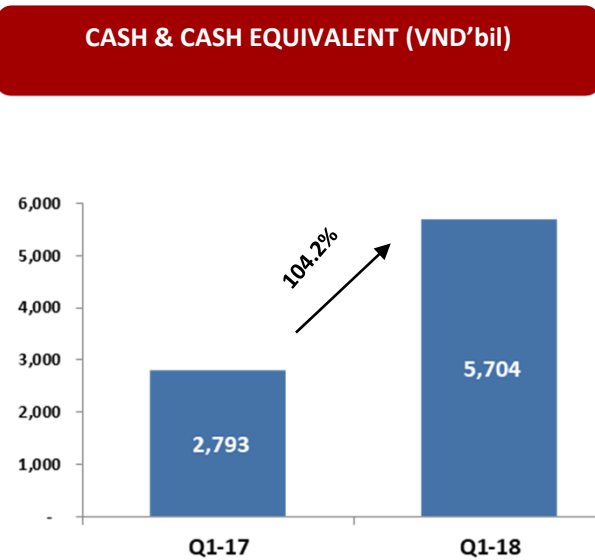
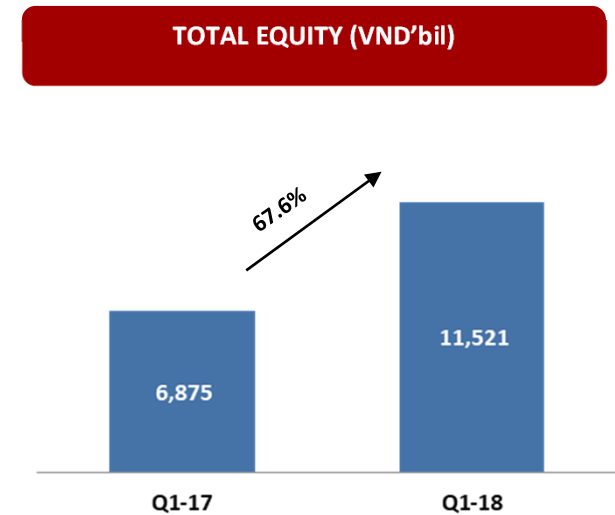
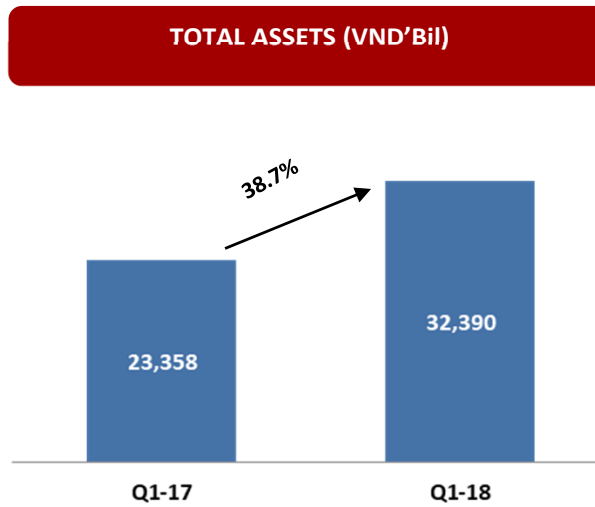


## Excellent Financial Performance (Consolidated Fs)

✈️ **Total assets: increased 38.7%** from 23,358 VNDbil in Q1-17 to 32,390 VNDbil in Q1-18.

✈️ **Total Equity increased 67.6%** to 11,521 VND bil in Q1-18 due to strong Retained Earnings from 2017.

✈️ **Net Debt/ Equity decrease from 0.6x to 0.1x** in Q1-18 due to substantial growth in equity and strong cash balance showing the better financial position of the Company.



## Definitions And Abbreviations

Term	Description
ASK	Available Seat Kilometer
CASK	Total Cost (excluding cost of aircraft sold) per Available Seat Kilometer.
CASK ex-fuel	Total Cost (excluding cost of aircraft sold, fuel) per Available Seat Kilometer.
RASK	Total Revenue (excluding Revenue from sale aircraft) per Available Seat Kilometer.
EBITDA	Earning before Interest, Tax, Depreciation and Amortization.
EBITDAR	Earning before Interest, Tax, Depreciation and Amortization, and Rent.
Load Factor	Passenger Carried / Capacity.
LCC	Low Cost Carrier
OTP	On Time Performance.
RPK	Revenue Passenger Kilometer.
Capacity	Available seat
Aircraft Utilization	Average numbers of hours during each 24-hour period that an aircraft is actually in flight



**Thank you**

