RECORD PROFITABILITY, MARGIN EXPANSION AND 18% PASSENGER GROWTH

Geneva, 27 May 2015: Wizz Air Holdings Plc ("Wizz Air"), the largest low-cost airline in Central and Eastern Europe, today announces its audited results for the full year ended 31 March 2015.

Full Year to 31 March	2015 (million)	2014 (million)	Change
Passengers carried	16.5	13.9	+ 18%
Revenue (€)	1,227	1,012	+ 21%
Reported Net Profit (IFRS) (€)	183	88	+ 109%
Underlying Net Profit(€)	146	87	+ 67%

Record profitability and margin expansion in F15

- Total revenues increased by 21% to €1,227 million. Ticket revenues increased by 20% to €794 million, ancillary revenues increased by 23% to €434 million.
- Reported net profit was €183 million, an increase of 109%.
- Reported net profit margin of 14.9%, an increase of 6.2 percentage points.
- Underlying net profit* was a record €146 million, an increase of 67%.
- Underlying net profit margin* of 11.9%, an increase of 3.3 percentage points.

Progress in Q4

- Revenue growth of 19% to reach €235 million.
- Q4 reported net profit of €5 million compared to a loss of €22 million in Q4 F14.
- Q4 underlying net loss of €11 million halved from an underlying net loss of €22 million in Q4 F14.
- Seat capacity growth was 20%, load factor increased by 2.2 percentage points to 83.6%.

Increasing our cost advantage

- In financial year 2015 unit costs fell 3.0% to €3.61 cents per ASK**, ex-fuel unit costs increased by 0.5% to €2.26 cents.
- Fleet growth of nine additional aircraft to 55 Airbus A320s, the average age of the fleet is 3.8 years and remains one the youngest of any major European airline.
- Aircraft utilization rose 1.3% to 12.6 block hours, one of the highest of any major European airline.
- All aircraft deliveries between November 2015 and December 2017 have been converted to the larger Airbus A321 to serve the higher density routes.
- Load factor increased by 1.0 percentage point to 86.7 per cent, one of the highest in the industry.

Building on our strong market position in Central and Eastern Europe

- Passengers carried increased 18% to 16.5 million passengers, further consolidating Wizz Air's position as the leading low cost carrier in CEE.
- Network has continued to grow and diversify, with the opening of 2 new bases and 63 new routes. The Company now offers over 380 routes to 38 countries from 22 bases.
- Brand refresh launched on May 19 as Wizz Air embarks on its second decade of growth.
- Fully allocated seating on all services from the same date.
- Wizz Discount Club membership has increased to over 580,000 members, growth of 30%.
- Digital investments ensure user friendly access to wizzair.com and a hassle free travel experience.

Strong balance sheet and ROCE

- Strong operational cash flow and IPO proceeds contribute to year end cash and equivalents of €449 million versus €186 million at the end of March 2014.
- Return on Capital Employed improved by 4.9 percentage points year-on-year to 21.5%.

* Underlying net profit is defined in Note 5
** Available Seat Kilometre

Outlook

With the continued expansion of our network, management expects to grow capacity by around 17% in the 2016 financial year. This growth will be broadly split 18% and 16% in H1 and H2, respectively. Management continues to believe that there will be no earnings benefit from the decline in fuel prices as lower fuel prices feed through to lower air fares. Nonetheless, we currently expect a further significant rise in Group post tax profit in the 2016 financial year to a range of between €165 million and €175 million. (see page 7 for more details)

So far in 2016 trading has been robust as we progress into the all important summer season for the financial year 2016.

Commenting on the results, Josef Varadi, Wizz Air Chief Executive said:

"The last 12 months have been an exciting period for Wizz Air. Having successfully listed on the London Stock Exchange, we have continued to grow our network and increase our passenger numbers throughout the period while maintaining an industry leading, ultra low cost base. Today we are pleased to announce a record set of results for the full year with a strong performance against all key operating and financial performance measures.

We continue to deliver against our ambition to make safe, reliable, affordable air travel available to everyone in Central and Eastern Europe. Our ultra-low cost model gives us a clear cost advantage versus most of our rivals, including many other low cost airlines, and as a result we are able to offer our passengers low fares and sustain a relatively high growth rate compared to other carriers. Last year alone we carried 2.6 million more passengers than in the previous year and we look forward to driving traffic growth further in the year ahead.

We will continue to expand on our route network, drive efficiency in our operating model, and enhance our compelling customer proposition to sustain growth and drive returns for shareholders."

About Wizz Air

Wizz Air is the largest low-cost airline in Central and Eastern Europe, operates a fleet of 59 Airbus A320 aircraft and offers over 380 routes from 22 bases, connecting 112 destinations across 38 countries. At Wizz Air, a team of approximately 2,200 aviation professionals delivers superior service and very low ticket prices making Wizz Air the preferred choice of 16.5 million passengers in the financial year ended 31 March 2015. Wizz Air is listed on the London Stock Exchange under the ticker: WIZZ.

For more information:

Investors:	Iain Wetherall, Wizz Air:	+41 22 555 9873
Media:	Doug Oliver, Wizz Air:	+36 70 777 9342
	Edward Bridges / Jonathan Neilan, FTI Consulting LLP:	+44 20 3727 1017

CHIEF EXECUTIVE'S REVIEW

FINANCIAL PERFORMANCE

I am pleased to present Wizz Air's first annual results as a publicly listed company. The 2015 financial year saw many pleasing developments as we further extended the reach of our ultra-low cost business model, maintaining our position as Central and Eastern Europe's largest low cost airline, and delivered record levels of profitability.

Wizz Air delivered a profit for the year of €183.2 million. After adjusting for the effects of one-off items, this performance translates into a record underlying profit after tax of €146.2 million, a 67 per cent. improvement versus the €87.5 million reported in the previous financial year. Our underlying net profit margin increased from 8.6 per cent. to 11.9 per cent. over the course of the year, making us one of the most profitable airlines in Europe.

This strong performance was driven by capacity expansion, rigorous cost control and a determination to allocate capacity to the most profitable parts of our network. Expressed in numerical terms the Company delivered:

- a 20 per cent. increase in the capacity offered to the market (as measured by available seat kilometres or ASKs), as we extended and deepened our network of routes to and from Central and Eastern Europe;
- despite this significant capacity expansion we were able to increase our average load factor by 1.0 percentage point to 86.7 per cent. in the financial year;
- our revenue per ASK increased 1.1 per cent. versus the previous financial year; and
- the beneficial impact of lower jet fuel prices was only partially offset by the stronger US Dollar and so unit costs (as measured by cost per ASK) declined by 2.1 per cent. versus the 2014 financial year.

Consequently, volume growth and a widening gap between unit revenues and unit costs were the primary drivers of the Company's improved financial performance.

The profit for the year of €183.2 million included a €37.0 million net gain from unusual and exceptional items. These comprised unrealised foreign exchange gains (€27.8 million), a translation gain in relation to the planned closure of Wizz Air Ukraine (€14.5m), the cost of extending and revaluing the Company's convertible debt in August 2014 (€2.5m) and IPO related costs (€2.8m). All but the last of these items were non-cash items.

MARKET OVERVIEW

The European short-haul market is supplied by legacy carriers (national flag carriers and charter airlines) and a generally younger group of low-cost airlines. Low-cost airlines such as Wizz Air benefit from relatively simple business models, higher aircraft utilisation and staff productivity rates and therefore lower costs than their legacy rivals. This provides low-cost airlines with a competitive advantage which enables them to offer significantly lower fares and therefore attract a growing share of the air travel market.

Wizz Air's ultra-low cost model gives it a clear cost advantage versus most of its rivals, including many other low-cost airlines, and as a result it is able to stimulate the market with very low fares and sustain a relatively high growth rate compared to other airlines.

Wizz Air's premium growth rate is also a function of the market in which it operates: Central and Eastern Europe (CEE). All of Wizz Air's routes connect to CEE countries where economic growth, and therefore growth in demand for air travel, is generally stronger than in Western Europe.

The demand for air travel in CEE has increased more than five-fold in the last ten years and as a result Wizz Air has grown to be not only the largest low cost airline in CEE but also the fourth largest independent low-cost airline in Europe after Ryanair, Easyjet and Norwegian Air Shuttle as measured by the number of passengers carried.

The Company took the regrettable decision to close Wizz Air Ukraine in March 2015. This subsidiary had already been scaled down to just two aircraft. The Kiev base operation will be further rationalised to a single aircraft registered to and operated by Wizz Air Hungary.

REGULATORY ENVIRONMENT

Wizz Air has its beginnings, and has since prospered, in the liberalised European aviation marketplace. Liberalisation has proven to be a very positive development, not only for customers but also for the airline industry itself. Increased competition demands cost discipline and those companies that manage their costs properly become stronger and more resilient, providing increasing numbers of secure, rewarding jobs.

Liberalisation is also good for the communities we serve. Our ability to start international services, linking the capitals and regions of Central and Eastern Europe to the major business centres and leisure destinations of Western Europe, fosters integration within Europe. This much enhanced connectivity is a key catalyst for the rising prosperity of the towns and cities within our network.

Wizz Air has also developed services from a number of its home countries to destinations beyond the borders of the European Union, to countries such as Georgia, Israel and the United Arab Emirates, all of which were made possible by the European Union's continuing push to liberalise aviation relations with other countries and regions, an ongoing process that Wizz Air fully supports and encourages.

However, despite the liberalised environment, challenges do remain. In particular, Wizz Air would encourage all authorities to ensure that airlines have access to genuinely competitive infrastructure and ground-handling services at major airports. While we believe that competition at all levels is good, that competition must be on a level playing field. The time is past for inefficient carriers to exist merely because they receive state subsidies.

Finally, a note on passenger rights. Wizz Air operates a young, reliable fleet and we are committed to delivering a high quality service to our passengers. By industry standards, Wizz Air delivers extremely high rates of reliability. Only 187 flights out of a total of 105,627 were cancelled in the 2015 financial year, of which only a small portion for technical reasons, and only 0.2% of flights were delayed more than three hours.

On the few occasions that flights are significantly delayed or cancelled, we comply fully with all applicable rulings related to regulation EU261. Wizz Air pays the relevant compensation in accordance with the relevant authorities' guidance. We also believe that the contractual two-year limit within which claims must be brought is fair, reasonable and legally valid.

STRATEGIC PROGRESS

Wizz Air's ambition is to make safe, reliable and affordable air travel available to everyone in CEE. This objective is reflected in the Company's slogan used in its first eleven years: "Now We Can All Fly".

In order to achieve this ambition the Company operates the youngest fleet of any European airline, to and from a range of primary and secondary airports across Europe, offering highly competitive fares and a range of additional services designed to satisfy the requirements of as many people as possible.

The Company is convinced that its strategy of building on its strong network, highly efficient model, compelling customer proposition, solid finances and sound risk management policies, will enable it to deliver sustainable growth and returns for Shareholders.

In order to deliver on its strategy Wizz Air has three key objectives:

1. increase our cost advantage;
2. build a strong, diversified market position; and
3. improve the customer experience.

1. INCREASE OUR COST ADVANTAGE.

Wizz Air has always been focused on being as efficient as possible and has already established some impressive credentials compared to other major European short-haul airlines, including:

- the youngest fleet of aircraft;
- a strong point-to-point network;
- the highest aircraft utilisation;
- the highest staff productivity;
- one of the highest load factors;
- an "unbundled" product producing the highest ancillary income per passenger; and
- a group of reliable and efficient outsourced suppliers of key services.

As a result, Wizz Air is already one of the most cost competitive airlines in Europe. However, the Company believes it can become even more cost efficient by:

- exploiting scale economies as the Company grows;
- taking advantage of its stronger financial standing and easier access to capital following its listing on the London Stock Exchange in March 2015; and
- reaping the benefits of an increasingly efficient fleet.

The composition of our fleet at the last year-end and at the next two is the following:

	March 2015 Actual	March 2016 Planned	March 2017 Planned
A320 without winglets (180 seats)	35	35	35
A320 with winglets (180 seats)	20	28	28
A321 with winglets (230 seats)	—	4	15
Fleet size	**55**	**67**	**78**
Share of fleet with winglets	36.4%	47.8%	55.1%
Average number of seats per aircraft	180	183	190

Wizz Air was one of the first airlines to take delivery of Airbus A320 aircraft fitted with winglets. These winglets reduce fuel burn and emissions, particularly on longer flights. All aircraft joining the fleet in the future (both A320 and A321) will be fitted with winglets and therefore this proportion of the fleet will rise steadily over the next five years.

In addition, the Company will take delivery of the larger Airbus A321 from November 2015. Wizz Air has 27 of these aircraft on order and, from an operational point of view, they are essentially the same aircraft as an Airbus A320 except its longer fuselage accommodates 230 seats compared to 180 on the Airbus A320. The A321s will be employed on higher volume routes and provide efficiencies that will enable the Company to offer even lower fares to the market.

2. BUILD A STRONG, DIVERSIFIED MARKET POSITION

Central and Eastern Europe comprises 21 countries with a total population of over 550 million people. However, as this market is relatively under-served by airlines and in particular low-cost airlines, it represents a huge opportunity for a low-cost airline.

At present Wizz Air has operations in 16 CEE countries with an aggregate population of 295 million. We serve the market by offering a network of 22 bases and 110 destinations. We are convinced that the ultra-low cost business model is best placed to serve this market and as such the Company offers safe, reliable operations, low fares and hassle-free services and a distinctive brand designed to appeal to the whole market.

This approach has enabled the Company to become the number one or number two low-cost airline in all of its base countries. The Company's aggregate market share in CEE reached 39.2 per cent. in the 2015 financial year, up from 35.6 per cent. in 2010. The table below shows the Company's ranking by low-cost market share in each of its base countries.

Market	Number 1		Number 2		Number 3	
	Carrier	Share	Carrier	Share	Carrier	Share
CEE	**Wizz Air**	**39.2%**	**Ryanair**	**29.4%**	**EasyJet**	**7.4%**
Poland	Ryanair	50.7%	Wizz Air	37.5%	Norwegian	5.5%
Romania	Wizz Air	67.7%	Blue Air	22.5%	Ryanair	4.8%
Hungary	Wizz Air	50.5%	Ryanair	21.8%	EasyJet	9.0%
Czech Republic	EasyJet	29.2%	Wizz Air	14.5%	Ryanair	13.9%
Lithuania	Ryanair	60.3%	Wizz Air	34.8%	Norwegian	4.7%
Bulgaria	Wizz Air	77.3%	EasyJet	15.4%	Norwegian	3.8%
Latvia	Ryanair	61.9%	Wizz Air	24.6%	Norwegian	13.5%
Ukraine	Wizz Air	61.6%	Pegasus Airlines	17.1%	FlyDubai	11.6%
Slovakia	Ryanair	82.9%	Wizz Air	14.1%	Norwegian	1.7%
Serbia	Wizz Air	57.9%	EasyJet	16.0%	Pegasus Airlines	8.4%
Macedonia	Wizz Air	86.1%	Pegasus Airlines	9.3%	FlyDubai	4.6%
Bosnia and Herzegovina	Wizz Air	46.6%	Pegasus Airlines	25.7%	Germanwings	17.9%

Source data: Innovata, April 2014 to March 2015.

In the 2015 financial year Wizz Air expanded its presence in all its base countries with the exception of Serbia and Ukraine. New bases were opened in Riga in Latvia and Craiova in Romania.

The table below shows the fleet allocation by country at the 31 March 2015 compared to a year earlier.

	Fleet deployment by country		
Year to end	**March 2014**	**March 2015**	**Change**
Total	**46**	**55**	**9**
Poland	13	17	4
Romania	10	15	5
Hungary	7	7	0
Bulgaria	3	4	1
Lithuania	3	3	0
Ukraine	3	2	(1)
Macedonia	1	2	1
Czech Republic	1	1	0
Serbia	2	1	(1)
Latvia	—	1	1
Maintenance cover/en route to base	3	2	(1)

The Company also offers services from 15 CEE cities where it does not base aircraft and crews. Four new CEE points were added in the 2015 financial year: Iasi and Sibiu in Romania, Poprad Tatry in Slovakia and Tuzla in Bosnia (becoming a base in June 2015).

The Company also added six new destinations in Western Europe (WE) during the year: Belfast in UK, Groningen and Maastricht in the Netherlands, Lisbon in Portugal, Molde in Norway and Nuremberg in Germany.

New non-based CEE stations		New destination airports in WE	
City	**Country**	**City**	**Country**
Iasi	Romania	Belfast	UK
Sibiu	Romania	Groningen	Netherlands
Poprad Tatry	Slovakia	Maastricht	Netherlands
Tuzla	Bosnia	Nuremberg	Germany
		Lisbon	Portugal
		Molde	Norway

In total the Company operates to 110 cities in 38 countries, making it one of the most diversified low-cost airlines in Europe.

3. IMPROVE THE CUSTOMER EXPERIENCE

Market research consistently demonstrates that the most important driver of a customer's choice of airline is ticket price. For this reason Wizz Air will remain focused on offering passengers safe, reliable services to a broad range of destinations, at the lowest possible price.

However, the Company also recognises that everyone is different and customers have varying requirements in terms of how they access Wizz Air's services and what is important to them when they travel. So, beyond the basic product of flying customers from A to B, Wizz Air offers a range of products and services that enable passengers to customise their trip to meet their own individual needs.

These services include a range of seating alternatives, baggage options, flexible tickets, priority boarding and a range of on-board purchases. In the Company's view, this "unbundling" philosophy enables Wizz Air to offer each customer exactly and only what he or she needs whilst keeping the price of the basic service as low as possible.

In addition, the Company also provides customers with the opportunity to buy hotel, car hire and public transport services as part of the same booking. Wizz Discount Club enables customers and their friends and families to benefit from lower air fares than those that are generally available.

Wizz Air listens to its customers and strives to provide them with what they want. This is why we have upgraded our website and made it more user-friendly for all customers but in particular for mobile and tablet users. We have introduced allocated seating* across the network and are updating our brand**, modernising the look and feel of our aircraft and website.

Wizz Air remains committed to the view that low-cost air travel can be as comfortable and stress free as travelling with legacy airlines, only significantly cheaper. Adhering to this philosophy will help the Company deliver sustainable growth and returns for Shareholders.

* Announced in April 2015, rolled out on flights from May 2015.

** Announced in May 2015.

LOOKING FORWARD

Hedging positions

Wizz Air operates under a clear set of treasury policies supervised by the Board. The aim of the Company's hedging policy is to reduce short-term volatility in earnings and liquidity. Therefore Wizz Air hedges a minimum of 50 per cent. of the projected US Dollar and jet fuel requirements for the next twelve months (40 per cent. on the full 18-month hedge horizon).

Details of the current hedging positions (as at 27 May 2015) are set out below:

FX Hedge Coverage (Euro/US Dollar)

Period covered	**F16** 10 months	**F17** 12 months
Exposure (million)	$521	$784
Hedge Coverage (million)	$265	$140
Hedge Coverage for the period %	**51%**	**18%**
Weighted average floor	$1.26	$1.11
Weighted average ceiling	$1.30	$1.16

Fuel Hedge Coverage

Period covered	**F16** 10 months	**F17** 12 months
Exposure in metric tons ('000)	530	736
Coverage in metric tons ('000)	366	449
Coverage with zero cost collars	*273*	*47*
Coverage with fuel caps	*93*	*402*
Hedge Coverage for the period %	**69%**	**61%**
Blended capped rate	$821	$676
Blended floor rate*	$801	$672

* Fuel caps provide the Company with protection against the risk of higher fuel prices and also enable the Company to benefit from lower fuel costs should fuel prices fall. The blended floor rate for fuel hedges shown in the table is only applicable to zero cost collar hedges.

SENSITIVITIES

- Pre-hedging a $10 (per metric ton) movement in the price of jet fuel impacts the 2016 financial year fuel costs by $6.3 million.
- Pre-hedging a one cent movement in the Euro/US Dollar exchange rate impacts the 2016 financial year operating expenses by €5.4 million.

In the Company's view, the profit impact of such changes is likely to be less given the empirical evidence of major industry-wide movements in input costs being passed through to air fares with a lag of three to twelve months.

OUTLOOK

2016 Financial Year

Wizz Air plans to grow capacity, both in terms of seats flown and Available Seat Kilometres,(ASK) by around 17% in the 2016 financial year. This will be split broadly 18% in H1 and 16% in H2. The average stage length is expected to be in line with that of the 2015 financial year. A further modest rise in the load factor points to a total of 19.4 million passengers handled in the year as a whole.

Assuming the jet fuel price and Euro/US Dollar exchange rate remain close to the prevailing spot levels ($625 per metric tonne and $/€ 1.10 respectively), the Company expects Total CASK to be in line with the figure achieved in the 2015 financial year. This comprises an anticipated Fuel CASK decline of 1.5% and an increase in Non-fuel CASK of 1%. The expected Fuel CASK decline reflects the combined impact of lower fuel prices, a much stronger US Dollar, fuel consumption savings and hedging positions. The rise in Non-fuel CASK reflects the impact of US Dollar strength on lease expenses, some modest inflation in crew costs and rising airport and air traffic control charges.

Consistent with historical experience, lower fuel prices are feeding through to lower air fares. Management's view that there will be no earnings benefit from the decline in fuel prices since last summer remains unchanged. Based on current booking trends management expects total RASK to decline by a low single-digit percentage in H1 and remains cautious regarding the H2 revenue performance.

Nonetheless, we currently expect a further significant rise in the Group's profit for the year to a range of between €165 million and €175 million (excluding unusual and exceptional items), significantly ahead of the €146.2 million figure achieved in the 2015 financial year.

Full Year Guidance

	2016 Financial Year	Comment
Capacity growth (ASKs)	17%	H1: 18%, H2 16%
Average stage length	Unchanged	
Fuel CASK	-1.5%	Assumes spot price of $625/MT
Ex-fuel CASK	1.0%	Assumes $/€1.10
Total CASK	Unchanged	
Revenue per ASK	Down low single digit	Pass through of lower fuel prices
Tax rate	6%	
Net profit	€165-175 million	Excluding unusual or exceptional items

First (June) Quarter of the 2016 Financial Year

The Company expects to grow capacity, both in terms of seats flown and Available Seat Kilometres, by 18% in the June quarter and anticipates a modest rise in load factor versus the same period of the previous year. The fact that Easter fell one week earlier in 2015 than in 2014 pushed a higher proportion of this high yield traffic into the March quarter. As a result Q1 (June quarter) net profit is expected to be only marginally ahead of Q1 of last year.

The Company will provide an update to this guidance at least every three months with its quarterly earnings reports.

Wizz Air is successfully implementing its strategy of delivering low cost, professional and friendly air travel to an ever expanding range of Central and Eastern European destinations. This winning formula leaves Wizz Air well placed to deliver significant growth and returns for shareholders.

FINANCIAL REVIEW

In the 2015 financial year Wizz Air handled a total of 16.5 million passengers, a 18.4 per cent. increase versus the previous year, and generated revenues of €1,227.3 million, growth of 21.3 per cent. These growth rates compare to capacity growth measured in terms of available seat kilometres (ASK) of 20 per cent. and seats of 17 per cent.

Given strong volume growth and declining industry wide input costs through the year, the unit revenue performance of the business was creditable. Revenue per ASK increased by 1.1 per cent. versus the previous year.

Fuel unit costs (per ASK) declined 8.4 per cent. reflecting the combined impact of lower fuel prices and fuel consumption savings partly offset by the stronger US Dollar. Non-fuel unit costs, excluding the impact of exceptional operating income and expense items, increased 0.5 per cent. as a result of the stronger US Dollar, rising crew unit costs and the cost of returning four older aircraft to lessors as their contracted lease terms expired.

Underlying profit after tax increased by 67 per cent. from €87.5 million in 2014 to €146.2 million in 2015. This equates to a 3.3 percentage point rise in the underlying after tax profit margin from 8.6% to 11.9%.

The profit for the year was €183.2 million and included a €37.0 million net gain from unusual and exceptional items. These comprised unrealised foreign exchange gains resulting primarily from the impact of the strengthening US Dollar on the Group's net US Dollar monetary asset position (€27.8 million), a translation gain in relation to the planned closure of Wizz Air Ukraine (€14.5 million), the cost of extending and revaluing the Company's convertible debt in August 2014 (€2.5 million) and IPO related costs of €2.8 million. All but the last of these items were non-cash.

The income tax expense for the year was €8.5 million (2014: €7.7 million) giving an effective tax rate for the Group of 4.5 per cent. (2014: 8.0 per cent.). The main components of this charge are local business tax and innovation tax paid in Hungary and corporate income tax paid in Switzerland.

	2015	2014	Change
Average jet fuel price ($/metric ton, incl. into plane premium and hedge impact)	**986**	1069	-7.8%
Average USD/Euro rate (including hedge impact)	**1.32**	1.34	-1.3%
Year-end USD/Euro rate	**1.07**	1.28	-16.3%

FINANCIAL OVERVIEW

Summary statement of comprehensive income € million	**2015**	2014
Total Revenue	**1,227.3**	1,011.8
Fuel costs	**396.6**	360.6
Operating expenses excluding fuel	**663.4**	541.5
Total Operating Expenses	**1,060.0**	902.0
Operating Profit	**167.3**	109.8
Operating profit margin (%)	**13.6%**	10.9%
Net financing costs	**24.4**	(14.4)
Profit before income tax	**191.7**	95.4
Income Tax Expense	**8.5**	7.7
Profit for the year	**183.2**	87.7

	Operating Profit		Profit for the year	
Adjusted performance measures (Note 5) **€ million**	**2015**	2014	**2015**	2014
Statutory (IFRS) profit	**167.3**	109.8	**183.2**	87.7
Exceptional items (Note 5):				
Settlement received from credit card acquirer	**-**	(6.3)	**-**	(6.3)
Cost of extending and revaluing convertible debt	**-**	-	**2.5**	-
Translation gain relating to closure of Wizz Air Ukraine Airlines LLC	**-**	-	**(14.5)**	-
IPO related costs	**2.8**	-	**2.8**	-
Total exceptional adjustments	**2.8**	(6.3)	**(9.2)**	(6.3)
Unrealised foreign exchange (gains)/losses (Note 6)	**-**	-	**(27.8)**	6.1
Underlying profit	**170.1**	103.5	**146.2**	87.5
Underlying profit margin (%)	**13.9%**	10.2%	**11.9%**	8.6%

EARNINGS PER SHARE

	2015	2014
Diluted earnings per share (statutory), EUR (Note 8)	**6.91**	5.21
Proforma earnings per share (underlying), EUR	**1.19**	0.89
Proforma earnings per share (underlying), GBP*	**0.87**	0.64

* translated from EUR to GBP at 1.377 rate applicable at 31 March 2015

The proforma underlying earnings per share (EPS) is a fully diluted measure defined by the Company and its calculation is different from the IFRS diluted EPS measure in the following:

- For earnings the underlying profit for the year was used, as opposed to the statutory (IFRS) profit for the year
- For the fully diluted number of shares, all convertible debt was taken into account for its dilution impact as at the year-end, resulting in 106.6 million shares for 2014 and 126.5 million shares for 2015 being used as the denominator. By contrast, the IFRS diluted EPS measure includes only those convertible debts that could be converted without restriction and takes a weighted average position for the year.

RETURN ON CAPITAL EMPLOYED AND CAPITAL STRUCTURE

ROCE** for the year was 21.5 per cent., an improvement of 4.9 percentage points versus the previous year driven by significantly improved profitability partially offset by rising aircraft operating lease expenses (an important component of the capital employed calculation) and a significant increase in equity capital as a result of the IPO.

The Company's leverage, defined as net debt adjusted to include capitalised operating lease obligations* divided by earnings before interest, tax, depreciation, amortisation and aircraft rentals, fell to a ratio of 1.6 from 2.6 at the end of the 2014 financial year.

Liquidity, defined as cash and equivalents as a percentage of the last twelve months' revenue, rose from 18% at the end of the 2014 financial year to 37% a year later.

These improvements in the Company's leverage and liquidity ratios reflect the combined effect of improved profitability and the IPO proceeds.

	2015	2014	Change
ROCE**	**21.5**	16.6	+4.9 pt
Leverage	**1.6**	2.6	-1.0 pt
Liquidity	**37%**	18%	+19 ppts

Definitions
* Annual aircraft lease expenses multiplied by 7 as an estimate of the total outstanding obligation.
** ROCE: Underlying Operating Profit After Tax/average capital employed, where average capital employed is the sum of average equity (excluding convertible debt), average PDP loans and capitalised operating lease obligations, less average free cash.

FINANCIAL PERFORMANCE

REVENUE

The following table sets out an overview of Wizz Air's revenue items for 2015 and 2014 and the percentage change in those items:

	2015		2014		
	Total (€ million)	Percentage of total revenue	Total (€ million)	Percentage of total revenue	Percentage change
Passenger ticket revenue	**793.8**	**64.7%**	658.7	65.1%	20.5%
Ancillary revenue	**433.5**	**35.3%**	353.1	34.9%	22.8%
Total revenue	**1,227.3**	**100%**	1,011.8	100%	21.3%

The growth in total revenue in 2015 was principally due to a 20.0 per cent. rise in ASKs and a 1.1 per cent. increase in revenue per ASK (RASK). Passenger ticket revenue increased by 20.5 per cent. to € 793.8 million and ancillary (or "non-ticket") revenue increased by 22.8 per cent. to €433.5 million.

Average revenue per passenger increased from €72.7 in 2014 to €74.5 in 2015, an increase of 2.5 per cent. Average passenger ticket revenue per passenger increased from €47.3 in 2014 to €48.2 (+1.8 per cent.), while average ancillary revenue per passenger also increased from €25.4 in 2014 to €26.3 in 2015, an increase of 3.7 per cent. This increase in average revenue per passenger was due to:

- a significant increase in average passenger ticket revenue per passenger in 2015 compared to 2014, which was the result of: (a) the increasing maturity of Wizz Air's route network (the average capacity-weighted age of Wizz Air's routes increased from 56 months as at 30 September 2013 to 65 months as at 30 September 2014); (b) higher passenger demand in 2015 than in 2014; and (c) a 2.6 per cent. rise in average stage length from 1,500km to 1,539km; and

- an increase in average ancillary revenue per passenger reflecting higher convenience service (including Wizz Discount Club membership fees and multi-currency pricing) and administration fees. Baggage fees per passenger remained broadly flat.

OPERATING EXPENSES

Total operating expenses increased by 17.8 per cent. to €1,063 million in 2015 from €902 million in 2014. CASK declined by 2.8 per cent. to €3.62 cents in 2015 from €3.72 cents in 2014. This reduction in CASK was principally driven by a reduction in the average fuel price and a favourable airport mix development. CASK excluding fuel expenses rose 0.9 per cent. to 2.27 Euro cents in 2015 from 2.25 Euro cents in 2014 driven by the adverse development of the $/€ exchange rate during the year.

The following table sets out Wizz Air's operating expenses for 2015 and 2014 and the percentage changes in those items:

	2015		2014		
	Total (€ million)	**Percentage of total operating expenses**	Total (€ million)	Percentage of total operating expenses	Percentage change
Staff costs	**83.4**	**7.7%**	68.3	7.6%	22.1%
Fuel costs	**396.6**	**37.4%**	360.6	40.0%	10.0%
Distribution and marketing	**18.8**	**1.8%**	10.9	1.2%	72.5%
Maintenance, materials and repairs	**62.0**	**5.8%**	48.4	5.4%	28.1%
Aircraft rentals	**137.1**	**12.9%**	112.4	12.5%	22.0%
Airport, handling and en-route charges	**297.7**	**28.1%**	250.4	27.8%	18.9%
Depreciation and amortisation	**33.9**	**3.2%**	25.4	2.8%	33.5%
Other expenses	**30.5**	**2.9%**	25.6	2.8%	19.1%
Total operating expenses	**1,060.0**	**100%**	902.0	100%	17.5%

Staff costs increased by 22.1 per cent. to €83.4 million in 2015, up from €68.3 million 2014. The increase in overall staff costs reflected a 19.8 per cent. rise in aircraft block hours and higher bonus payments than in the previous year. Of the bonus payments €1.6 million is a one-off payment related to the IPO and was classified as exceptional expense in 2015 (see Note 5 to the financial statements). Excluding this charge the underlying staff costs in 2015 were €81.8 million, growing 19.8 per cent. versus 2014 in line with the increase in ASKs.

Fuel expenses rose by 10.0 per cent. to €396.6 million in 2015, up from €360.6 million in 2014. The major drivers of the increase were the 20.0% per cent. growth in ASKs, a 5.4 per cent. appreciation of the US Dollar against the Euro (1.3% after hedging), offset by a 1.2 per cent. reduction in fuel consumption per block hour and a 7.8 per cent. decline in the fuel price. The average fuel price (including hedging impact and into-plane premium) paid by Wizz Air in 2015 was US$986 per tonne, a decline of 7.8 per cent. from the previous year's figure of US$1,069 per tonne.

Distribution and marketing costs rose 72.5 per cent. to €18.8 million in 2015 from €10.9 million in 2014. However, the 2014 figure was reduced by an exceptional income of €6.3 million. Without this credit the underlying expense in 2014 was €17.2 million, resulting in an increase of 9.3 per cent. year on year.

Maintenance, materials and repair costs increased by 28.1 per cent. to €62.0 million in 2015 from €48.4 million in 2014. This cost increase was the result of the increase in the overall fleet size and costs associated with the redelivery of four aircraft to lessors during the period.

Aircraft rental costs grew 22.0 per cent. to €137.1 million in 2015, from €112.4 million in 2014. This increase was largely due to fleet growth (equivalent aircraft expanded 18.2 per cent.), a higher average lease rate as older aircraft were replaced by new aircraft with higher ownership costs and the sharp rise in the US$/€ rate.

Airport, handling and en-route charges increased by 18.9 per cent. to €297.7 million in 2015 from €250.4 million in 2014. This category comprised €170.5 million of airport and handling fees and €127.2 million of en-route and navigation charges in 2015 and €143.9 million of airport and handling fees and €106.5 million of en-route and navigation charges in 2014. The cost increase was primarily due to a 17 per cent. increase in the number of flights, an 18.4 per cent. rise in passenger numbers and stage length expansion of 2.6 per cent.

Depreciation and amortisation charges increased by 33.5 per cent. to €33.9 million in 2015, up from €25.4 million in 2014. This was primarily as a result of a rise in the number of engines and other components that no longer met their contracted lease return conditions. It is this that triggers the creation and depreciation of the related heavy maintenance asset in accordance with our accounting policy. In addition, there were four aircraft re-delivery events that resulted in additional depreciation costs in 2015 compared to 2014.

Other expenses increased by 19.1 per cent. to €30.5 million in 2015 from €25.6 million in 2014. The 2015 figure included advisory expenses of €1.2 million that were classified as exceptional expense (see Note 5 to the financial statements). Excluding this charge the underlying expense in 2015 was €29.3 million, growing 14.4 per cent. versus 2014. This increase was primarily as a result of an increase in non-salary related overhead and crew costs and flight cancellation costs, which were partially offset by lower insurance premiums due to better terms achieved on the renewal of the insurance policy.

OPERATING PROFIT

As a result of the foregoing factors, Wizz Air made an operating profit (including exceptional items) of €167.3 million in 2015, a 52.4 per cent. increase from the operating profit of €109.8 million made in 2014. Excluding exceptional items the operating profit increased to €170.1 million in 2015, a 64.3 per cent. increase from the equivalent figure of €103.5 million in 2014. This equates to a 3.7 percentage point improvement in the underlying operating profit margin from 10.2% to 13.9%.

NET FINANCING COSTS

Wizz Air's net financing costs improved dramatically from a cost of €14.4 million in 2014 to a net gain of €24.4 million in 2015. This was due to Wizz Air incurring a net foreign exchange gain of €16.2 million in 2015 mainly as a result of the appreciation of the US Dollar against the Euro, compared to a net foreign exchange loss of €7.0 million in 2014. This impact was further boosted by the exceptional financial gain of €14.5 million triggered by the decision to close the Wizz Air Ukraine subsidiary. This latter item and part of the net foreign exchange gains are non-cash items (see Note 6).

These positive effects were partially offset by a modest rise in interest expenses, driven mainly by a €2.5 million one-off non-cash charge arising as a result of recalculating the fair value of convertible loans and convertible notes due to their extension in August 2014.

TAXATION

Wizz Air recorded an income tax expense of €8.5 million in 2015, compared to a figure of €7.7 million in 2014. This increase was primarily due to the increasing profitability of the Group. The parent company of the Group, Wizz Air Holdings Plc had a statutory tax rate in Switzerland of 7.8 per cent. in both 2015 and 2014. The effective tax rate for the Group was 4.5 per cent. in 2015 and 8.0 per cent. in 2014. The reduction in the effective tax rate reflects the fact that the Ukrainian airline subsidiary of the Group incurred tax of €2.0 million in 2014 but none in 2015.

PROFIT FOR THE PERIOD

As a result of the foregoing factors, Wizz Air generated an IFRS profit for 2015 of €183.2 million, a 44.5 per cent. increase from the profit of €87.7 million in 2014.

OTHER COMPREHENSIVE INCOME AND EXPENSE

In 2015 the Group had other comprehensive expense of €51.7 million compared to the €0.9 million gain in 2014. The substantial expense in 2015 was driven primarily by the increase of the cash flow hedging reserve (debit) by €43.0 million during the year. This in turn corresponds to the increase of the Group's liability under open derivative financial instruments, caused by the sharp fall in fuel prices during the year. The smaller element of other comprehensive expense in 2015 was an €8.7 million charge from currency translation differences. This is the consequence of the recycling of the cumulative translation adjustment account balance to the statement of comprehensive income, resulting in an exceptional financial gain as explained above under net financial costs.

CASH FLOWS AND FINANCIAL POSITION

SUMMARY STATEMENT OF CASH FLOWS

The following table sets out selected cash flow data and the Group's cash and cash equivalents for 2015 and 2014:

€ million	2015	2014	Change
Net cash generated by operating activities	**174.0**	196.4	(22.4)
Net cash used in investing activities	**(49.8)**	(94.0)	44.2
Net cash from/(used in) financing activities	**139.3**	(19.2)	158.5
Effect of exchange rate fluctuations on cash and cash equivalents	**(0.5)**	(1.1)	0.6
Cash and cash equivalents at end of period	**448.6**	185.6	263.0

CASH FLOW FROM OPERATING ACTIVITIES

The vast majority of Wizz Air's cash inflows from operating activities are derived from passenger ticket sales. Net cash flows from operating activities are also materially affected by movements in working capital items.

Cash generated by operating activities before changes in working capital and before taxation increased by €56.3 million to €189.7 million in 2015 from €133.4 million in 2014. However, after the impact of changes in working capital, net cash generated by operating activities declined by €22.4 million to €174.0 million in 2015 from €196.4 million in 2014. This development was mainly driven by the increase in trade and other receivables, restricted cash and derivative balances compared to 2014. These increases, in turn, can be explained primarily by the increase in cash deposits placed with lessors, letters of credit provided to lessors (secured by cash deposits) and by option fees paid to hedge counterparties in relation to fuel caps entered into during 2015 but expiring only in the next two financial years.

CASH FLOW FROM INVESTING ACTIVITIES

Net cash used in investing activities declined by €44.2 million from a net cash outflow of €94.0 million in 2014 to €49.8 million in 2015. The purchase of aircraft maintenance assets declined from €54.9 million in 2014 to €36.3 million in 2015 primarily due to fewer scheduled heavy maintenance events, particularly engine shop visits and engine life limited part replacements, being performed in 2015 than in 2014. Advances paid for aircraft, net of refunds of advances, decreased from a net cash outflow of €31.8 million in 2014 to €6.4 million in 2015.

CASH FLOW FROM FINANCING ACTIVITIES

Net cash from financing activities increased by €158.5 million to a €139.3 million inflow in 2015 from a €19.2 million outflow in 2014. This was mainly due to the net proceeds of €149.1 million received during 2015 from the issue of new shares, most of it being the primary proceeds from the Company's IPO.

SUMMARY STATEMENT OF BALANCE SHEET

The following table sets out summary statements of financial position of the Group for 2015 and 2014:

€ million	2015	2014	Change
ASSETS			
Property, plant and equipment	**247.1**	221.8	25.3
Restricted cash*	**73.6**	42.4	31.2
Derivative financial instruments*	**60.7**	0.4	60.3
Trade and other receivables*	**167.9**	116.5	51.4
Cash and cash equivalents	**448.6**	185.6	263.0
Other assets*	**22.6**	18.5	4.1
Total assets	**1,020.5**	585.2	435.3
EQUITY AND LIABILITIES			
EQUITY	**459.9**	159.9	300.0
LIABILITIES			
Trade and other payables	**123.9**	120.7	3.2
Borrowings*	**4.2**	20.2	(16.0)
Convertible debt*	**27.3**	43.2	(15.9)
Deferred income*	**262.9**	206.3	56.6
Derivative financial instruments*	**81.7**	3.5	78.2
Provisions*	**52.4**	27.6	24.8
Other liabilities*	**8.2**	3.8	4.4
Total liabilities	**560.6**	425.3	135.3
Total equity and liabilities	**1,020.5**	585.2	435.3

* Including both current and non-current asset and liability balances, respectively

Property, plant and equipment increased by €25.3 million (see Note 9 to the financial statements). This was driven primarily by the increase in the balance of advances paid for aircraft maintenance assets: the value of FHA payments made during 2015 was €20.5 million higher than the amount that was utilized for new maintenance assets.

Restricted cash (current and non-current) increased by €31.2 million. This was driven by the growth in the amount lease-related letters of credit, issued both in relation to maintenance reserves (€20.9 million) and lease security deposits (€10.6 million). On top of these underlying impacts the 32% appreciation of the US Dollar to the Euro during the 2015 financial year also contributed to the increase.

Derivative financial assets (current and non-current) increased by €60.3 million (see Note 2). The increase was driven primarily the receivable on Fx hedge instruments (collars) due to the appreciation of the US Dollar to the Euro during the year (€37.5 million), and by the fee paid by the Company in relation to fuel cap options (€25.9 million).

Trade and other receivables (current and non-current) increased by €51.4 million. The key drivers of this change were the increases in maintenance reserves (€23.6 million) and ticket sales receivables (€14.8 million) during the year.

Cash and cash equivalents increased by €263.0 million. This change is explained in detail in the cash flow analysis above, the most important contributor being the €149.1 million net proceeds from the IPO of the Company.

Borrowings (current and non-current) declined by €16.0 million. This was because all outstanding loans for pre-delivery payments (PDPs) that existed at the end of 2014 were fully repaid.

Convertible debt (current and non-current) fell by €15.9 million (see Note 10). This was because part of the convertible debt existing in 2014 was converted into shares in March 2015 in connection with the Company's IPO.

Deferred income (current and non-current) increased by €56.6 million. This was driven by the increase in unflown revenues (€32.6 million), itself primarily due to the increase of offered seat capacity at the end of the year, and by the concessions received by aircraft and component manufacturers in relation to the thirteen new aircraft delivered during the year.

Derivative financial liabilities (current and non-current) increased by €78.2 million (see Note 2). This relates to the fuel hedging positions taken by the Company before the significant drop in fuel prices in the second half of2014.

Provisions (current and non-current) increased by €24.8 million (see Note 12). This relates to maintenance provisions and the increase versus 2014 can be explained by the fact that the 2014 balance was particularly low, as many high-value maintenance events were completed that year.

KEY STATISTICS

	2015	2014	Change
CAPACITY			
Number of aircraft at end of period	**55**	46	19.6%
Equivalent aircraft	**52.53**	44.43	18.2%
Utilisation (block hours per aircraft per day)	**12.55**	12.39	1.3%
Total block hours	**240,711**	200,991	19.8%
Total flight hours	**208,736**	174,515	19.6%
Revenue departures	**105,627**	90,293	17.0%
Average departures per day per aircraft	**5.51**	5.57	(1.1)%
Seat capacity	**19,012,860**	16,252,560	17.0%
Average aircraft stage length (km)	**1,539**	1,500	2.6%
Total ASKs ('000 km)	**29,266,510**	24,385,031	20.0%
OPERATING DATA			
RPKs (revenue passenger kilometre) ('000 km)	**25,350,823**	20,867,032	21.5%
Load factor (%)	**86.7**	85.7	1.2%
Number of passenger segments	**16,482,468**	13,926,541	18.4%
Fuel price (US$ per ton, including hedging impact and into-plane premium)	**986**	1,069	(7.8)%
Foreign exchange rate (US$/€ including hedging impact)	**1.32**	1.34	(1.3)%
FINANCIAL MEASURES			
Yield (revenue per RPK, € cents)	**4.84**	4.85	(0.2)%
Average revenue per seat (€)	**64.55**	62.26	3.7%
Average revenue per passenger (€)	**74.46**	72.65	2.5%
RASK (€ cents)	**4.19**	4.15	1.1%
CASK (including exceptional item) (€ cents)	**3.62**	3.70	(2.1)%
CASK (excluding exceptional item) (€ cents)	**3.61**	3.72	(3.0)%
Ex-fuel CASK (including exceptional item) (€ cents)	**2.27**	2.22	2.1%
Ex-fuel CASK (excluding exceptional item) (€ cents)	**2.26**	2.25	0.5%
Operating profit margin (including exceptional item) (%)	**13.6**	10.9	25.6%
Operating profit margin (excluding exceptional item) (%)	**13.9**	10.2	35.5%
Net profit margin for the period (profit after tax divided by revenue) (%)	**14.9**	8.7	72.2%
Underlying net profit margin for the period (%)	**11.9**	8.6	37.8%

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 March 2015

Continuing operations	Note	2015 € million	2014 € million (restated – see Note 4)
Passenger ticket revenue		**793.8**	658.7
Ancillary revenue		**433.5**	353.1
Total revenue		**1,227.3**	1,011.8
Staff costs		**(83.4)**	(68.3)
Fuel costs		**(396.6)**	(360.6)
Distribution and marketing		**(18.8)**	(10.9)
Maintenance materials and repairs		**(62.0)**	(48.4)
Aircraft rentals		**(137.1)**	(112.4)
Airport, handling and en-route charges		**(297.7)**	(250.4)
Depreciation and amortisation		**(33.9)**	(25.4)
Other expenses		**(30.5)**	(25.6)
Total operating expenses		**(1,060.0)**	(902.0)
Operating profit		**167.3**	109.8
Comprising			
– operating profit excluding exceptional items		**170.1**	103.5
– exceptional operating (expense)/income	5	**(2.8)**	6.3
Financial income	6	**1.8**	0.4
Financial expenses	6	**(5.6)**	(7.8)
Net foreign exchange gain/(loss)	6	**16.2**	(7.0)
Net exceptional financial income	5	**12.0**	-
Net financing income/(expense)		**24.4**	(14.4)
Profit before income tax		**191.7**	95.4
Income tax expense	7	**(8.5)**	(7.7)
Profit for the year		**183.2**	87.7
Other comprehensive (expense)/income – items that may be subsequently reclassified to profit or loss:			
Net movements in cash flow hedging reserve, net of tax		**(43.0)**	(7.3)
Currency translation differences		**(8.7)**	8.2
Other comprehensive (expense)/income for the year, net of tax		**(51.7)**	0.9
Total comprehensive income for the year		**131.5**	88.6
Earnings per share (Euro/share)	8	**14.43**	10.04
Diluted earnings per share (Euro/share)	8	**6.91**	5.21

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2015

	Note	**2015 € million**	2014 € million (restated – see Note 4)	2013 € million (restated – see Note 4)
ASSETS				
Non-current assets				
Property, plant and equipment	9	**247.1**	221.8	156.7
Intangible assets		**3.2**	3.0	2.4
Restricted cash		**70.4**	38.6	44.4
Deferred tax assets		**0.7**	-	-
Deferred interest		**7.7**	7.3	7.4
Derivative financial instruments		**22.1**	0.1	-
Trade and other receivables		**80.3**	50.1	58.1
Total non-current assets		**431.5**	320.9	269.0
Current assets				
Inventories		**8.8**	6.1	5.4
Trade and other receivables		**87.6**	66.4	70.9
Financial assets available for sale		**1.0**	1.0	-
Derivative financial instruments		**38.6**	0.3	2.7
Current tax receivables		-	-	0.1
Deferred interest		**1.2**	1.1	1.0
Restricted cash		**3.2**	3.8	4.4
Cash and cash equivalents		**448.6**	185.6	103.5
Total current assets		**589.0**	264.3	188.0
Total assets		**1,020.5**	585.2	457.0
EQUITY AND LIABILITIES				
Equity attributable to owners of the parent				
Share capital	11	-	-	-
Share premium	11	**375.4**	207.1	207.1
Reorganisation reserve	11	**(193.0)**	(193.0)	(193.0)
Equity part of convertible debt	11	**8.3**	11.1	11.1
Cash flow hedging reserve	11	**(46.1)**	(3.1)	4.2
Cumulated translation adjustments	11	-	8.7	0.5
Retained earnings		**315.3**	129.1	41.3
Total equity		**459.9**	159.9	71.2
Non-current liabilities				
Borrowings		**3.8**	4.2	2.6
Convertible debt	10	**27.0**	-	39.9
Deferred income		**74.2**	53.7	42.6
Deferred tax liabilities		**4.1**	2.8	2.5
Derivative financial instruments		**1.8**	0.2	-
Provisions for other liabilities and charges	12	**44.9**	18.9	30.4
Total non-current liabilities		**155.8**	79.8	118.0
Current liabilities				
Trade and other payables		**123.9**	120.7	114.5
Current tax liabilities		**4.1**	1.0	-
Borrowings		**0.4**	16.0	20.8
Convertible debt	10	**0.3**	43.2	0.5
Derivative financial instruments		**79.9**	3.3	0.6
Deferred income		**188.7**	152.6	115.5
Provisions for other liabilities and charges	12	**7.5**	8.7	15.9
Total current liabilities		**404.8**	345.5	267.8
Total liabilities		**560.6**	425.3	385.8
Total equity and liabilities		**1,020.5**	585.2	457.0

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

At 31 March 2015

	Note	Share capital € million	Share premium € million	Reorganisation reserve € million	Equity part of convertible debt € million	Cash flow hedging reserve € million	Cumulated translation adjustments € million	Retained earnings € million	Total equity € million
		11	11	11					
Balance at 1 April 2014		**-**	**207.1**	**(193.0)**	**11.1**	**(3.1)**	**8.7**	**129.1**	**159.9**
Comprehensive income									
Profit for the year		-	-	-	-	-	-	183.2	183.2
Other comprehensive income									
Hedging reserve		-	-	-	-	(43.0)	-	-	(43.0)
Currency translation differences		-	-	-	-	-	5.8	-	5.8
Recycling of currency translation difference on closure of the subsidiary operation		-	-	-	-	-	(14.5)	-	(14.5)
Total other comprehensive income		-	-	-	-	(43.0)	(8.7)	-	(51.7)
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**(43.0)**	**(8.7)**	**183.2**	**131.5**
Transactions with owners									
Proceeds from share issued on IPO		-	149.1	-	-	-	-	-	149.1
Convertible debt conversion		-	19.2	-	(2.8)	-	-	2.8	19.2
Share based payment charge		-	-	-	-	-	-	0.2	0.2
Total transactions with owners		**-**	**168.3**	-	**(2.8)**	**-**	**-**	**3.0**	**168.5**
Balance at 31 March 2015		**-**	**375.4**	**(193.0)**	**8.3**	**(46.1)**	**-**	**315.3**	**459.9**

restated – see Note 4	Note	Share capital € million	Share premium € million	Reorganisation reserve € million	Equity part of convertible debt € million	Cash flow hedging reserve € million	Cumulated translation adjustments € million	Retained earnings € million	Total equity € million
		11	11	11					
Balance at 1 April 2013		**-**	**207.1**	**(193.0)**	**11.1**	**4.2**	**0.5**	**41.3**	**71.2**
Comprehensive income									
Profit for the year		-	-	-	-	-	-	87.7	87.7
Other comprehensive income									
Hedging reserve		-	-	-	-	(7.3)	-	-	(7.3)
Currency translation differences		-	-	-	-	-	8.2	-	8.2
Total other comprehensive income		-	-	-	-	(7.3)	8.2	-	0.9
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**(7.3)**	**8.2**	**87.7**	**88.6**
Transactions with owners									
Share based payment charge		-	-	-	-	-	-	0.1	0.1
Total transactions with owners		**-**	**-**	-	**-**	**-**	**-**	**0.1**	**0.1**
Balance at 31 March 2014		**-**	**207.1**	**(193.0)**	**11.1**	**(3.1)**	**8.7**	**129.1**	**159.9**

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 March 2015

	Note	2015 € million	2014 € million (restated - see Note 4)
Cash flows from operating activities			
Profit before tax		**191.7**	95.4
Adjustments for:			
Depreciation	9	**32.5**	24.2
Amortisation		**1.4**	1.2
Financial income		**(44.2)**	(0.4)
Financial expense		**8.1**	12.9
Share based payment charges		**0.2**	0.1
		189.7	133.4
Changes in working capital (excluding the effects of exchange differences on consolidation)			
(Increase)/decrease in trade and other receivables		**(35.9)**	5.3
(Increase)/decrease in restricted cash		**(24.4)**	6.5
Increase in derivatives		**(25.9)**	-
(Increase)/decrease in deferred interest		**(0.3)**	-
Increase in inventory		**(2.6)**	(0.9)
Increase in provisions		**1.0**	0.1
Increase in trade and other payables		**17.5**	7.8
Increase in deferred income		**59.1**	50.5
Cash generated by operating activities before tax		**178.2**	202.7
Comprising			
– cash flow excluding exceptional item		**177.2**	197.4
– exceptional item	5	**1.0**	5.3
Income tax paid		**(4.2)**	(6.3)
Net cash generated by operating activities		**174.0**	196.4
Cash flows from investing activities			
Purchase of aircraft maintenance assets		**(36.3)**	(54.9)
Purchase of available for sale financial asset		**-**	(1.0)
Purchases of tangible and intangible assets		**(7.3)**	(6.5)
Advances paid for aircraft		**(74.6)**	(72.6)
Refund of advances paid for aircraft		**68.2**	40.8
Interest received		**0.2**	0.2
Net cash used in investing activities		**(49.8)**	(94.0)
Cash flows from financing activities			
Proceeds from the issue of share capital		**149.1**	-
Interest paid		**(3.7)**	(4.3)
Commercial loan repaid		**(6.1)**	(14.9)
Net cash generated from/(used in) financing activities		**139.3**	(19.2)
Net increase in cash and cash equivalents		**263.5**	83.2
Cash and cash equivalents at the beginning of the year		**185.6**	103.5
Effect of exchange rate fluctuations on cash and cash equivalents		**(0.5)**	(1.1)
Cash and cash equivalents at the end of the year		**448.6**	185.6

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The full year results announcement for the year ended 31 March 2015, which is an abridged statement of the full Annual report and accounts, has been prepared in accordance with the International Financial Standards (IFRS) as adopted by the European Union.

The full year results announcement has been prepared on a going concern basis. The Directors are confident that on the basis of current financial projections and facilities available, and after considering sensitivities, the Group has sufficient resources for its operational needs for at least the next 12 months.

The Company is incorporated in Jersey under the Companies (Jersey) Law 1991 and is headquartered in Switzerland.

The financial information for the year ended 31 March 2015 does not constitute the statutory financial statements of the Group. The statutory financial statements for the year ended 31 March 2014 have been filed with the Jersey Registrar of Companies. The auditors have reported on those accounts and on the statutory financial statements for the year ended 31 March 2015 which will be filed with the Jersey Registrar of Companies following the Annual General Meeting. Both the audit reports were unqualified and did not contain any statements under Article 111(2) or Article 111(5) of the Companies (Jersey) Law 1991.

2. FINANCIAL RISK MANAGEMENT

Hedge transactions during the periods

The Group uses non-derivatives and zero cost collar instruments to hedge its foreign exchange exposures and uses zero cost collar and outright cap instruments to hedge its jet fuel exposures. The time horizon of the hedging programme with derivatives is a usually a maximum of 18 months; however, this horizon can be exceeded at the Board's discretion. The volume of hedge transactions expired during the periods was as follows:

a) Foreign exchange hedge (USD versus EUR):

USD 390.0 million (2014: USD 349.5 million).

b) Fuel hedge:

306,000 metric tons (2014: 260,000 metric tons).

Hedge year-end open positions

At the end of the year and the prior year the Group had the following open hedge positions:

a) Foreign exchange hedge with derivatives:

The fair value of the open positions was €37.5 million gain (2014: €2.4 million gain) recognised within other comprehensive income, current assets or current liabilities, respectively.

The notional amount of the open positions was USD 297.0 million (2014: USD 450.0 million).

b) Foreign exchange hedge with non-derivatives:

The notional amount of the open positions was USD 132.0 million (2014: USD 140.6 million).

Non-derivatives are existing financial assets that hedge highly probable foreign currency cash flows in the future, therefore act as a natural hedge. The Group does not apply hedge accounting for non-derivatives.

c) Fuel hedge:

The fair value of the open positions was €84.4 million loss (2014: €0.7 million) recognised within other comprehensive income and current assets or liabilities, respectively. The balance of fuel related hedge derivatives on the statement of financial position in 2015 includes also €25.9 million asset (2014: nil) in relation to cash deposits paid for fuel caps (purchase options) that were open at the end of the year.

The notional amount of the open positions was 888,500 metric tonnes (2014: 192,500 metric tonnes).

In relation to these open hedge positions the cash flows will occur and the hedge relationships will impact the statement of comprehensive income during the years ending 31 March 2016 and 2017.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS MADE IN APPLYING THE GROUP'S ACCOUNTING POLICIES

(a) Maintenance policy

For aircraft held under operating lease agreements, provision is made for the minimum unavoidable costs of specific future obligations created by the lease at the time when such obligation becomes certain. The amount of the provision involves making estimates of the cost of the heavy maintenance work that is required to discharge the obligation, including any end of lease costs.

The cost of heavy maintenance is capitalised and recognised as a tangible fixed asset (and classified as "aircraft maintenance asset") at the earlier of (a) the time the lease re-delivery condition is no longer met or (b) when maintenance including enhancement is carried out. The calculation of the depreciation charge on such assets involves making estimates for the future utilisation of the aircraft and in case of engines also of the future operating conditions of the engine.

(b) Fair value of derivatives and other financial instruments

Fair value of derivatives (namely open position of cash flow hedges) is determined by the contracting financial institutions as per their industry practice.

Management considers that the fair value of short-term financial instruments is equal to their value determined in the underlying contracts (contracts with suppliers, customers, banks or creditors). Long-term financial instruments are discounted to arrive to their fair value if the effect of discounting is considered to be material. Management believes that only long-term deposits (including maintenance reserves) represent such financial instruments where discounting is necessary. For discounting the Group uses a USD LIBOR rate that best reflects the market risk related to the long-term deposits based on the underlying contracts with the deposit holder.

(c) Compound instruments

The equity component of the convertible notes is calculated as the excess of the issue proceeds over the present value of the future interest and principal payments, discounted at the market rate of interest that – according to the assessment of management – would have been available to the Group at the date of issuing these instruments. In determining these rates (for the various issues) management considered various factors, such as the credit risk of the Group, the risk premium applied by banks, the fact that the rate of interest of a non-convertible instrument should be higher than that of an equivalent convertible instrument, and the fact that there should be an equity component for all tranches issued.

(d) Leasing classification

Management assesses each leasing contract individually at initial recognition based on the criteria described in the accounting policy section on leases. During the assessment management applied the following judgments:

- useful economic life of the asset;
- incremental borrowing rate of interest applicable for the Group (used when calculating the present value of the minimum lease payments); and
- fair value of aircraft at the end of the lease term.

(e) Sale and leaseback calculation

For the accounting of sale and leaseback transactions management applied the available information on market value of aircraft and of spare engines with the aim of determining if the assets were sold at a price below or above fair value.

4. PRIOR PERIOD ADJUSTMENTS

Correction related to convertible debt instruments

During the financial year management concluded that accounting for convertible debt instruments in previous years was not fully correct, particularly with regard to the calculation of interest using the effective rate of interest method and the test whether an amendment of contract terms results in a new instrument. The revision of the historic accounting resulted in the liability value and the equity part of the convertible debt instruments as well as the interest recognised in the income statement changing, as explained in the tables below.

The statement of financial position at 31 March 2013 has been restated as follows:

	Non-current convertible debt € million	Current convertible debt € million	Equity part of convertible debt € million	Retained earnings € million
Balance at 31 March 2013	35.1	-	7.4	49.8
Impact of restatement	4.8	0.5	3.7	(8.5)
Balance at 31 March 2013 as restated	**39.9**	**0.5**	**11.1**	**41.3**

The statement of financial position at 31 March 2014 has been restated as follows:

	Current convertible debt € million	Equity part of convertible debt € million	Retained earnings € million
Balance at 31 March 2014	36.9	7.4	139.2
Impact of restatement	6.3	3.7	(10.1)
Balance at 31 March 2014 as restated	**43.2**	**11.1**	**129.1**

The statement of comprehensive income for the year ended 31 March 2014 has been restated as follows:

	Financial expense € million	Net financing costs € million	Profit for the period € million
Balance at 31 March 2014	(6.3)	(12.9)	89.2
Impact of restatement	(1.5)	(1.5)	(1.5)
Balance at 31 March 2014 as restated	**(7.8)**	**(14.4)**	**87.7**

The Consolidated statement of cash flows for the year ended 31 March 2014 has been restated as follows:

	Profit before tax € million	Financial expense € million
Balance at 31 March 2014	96.9	11.4
Impact of restatement	(1.5)	1.5
Balance at 31 March 2014 as restated	**95.4**	**12.9**

5. EXCEPTIONAL ITEMS AND UNDERLYING PROFIT

Exceptional items

In the 2015 financial year the Group had a net exceptional income of €9.2 million from the following items:

- €2.8 million of operating expenses in relation to the IPO of the Company. These consisted of (i) €1.6 million within staff costs for a one-off IPO bonus for employees other than senior management; and (ii) €1.2 million within other expenses for advisory fees incurred in relation to the IPO.
- €12.0 million of net financial income, consisting of: (i) An exceptional income of €14.5 million relating to the recycling of the balance of the cumulated translation adjustment account from equity to the statement of comprehensive income. This balance had been accumulated in relation to Wizz Air Ukraine, and the Company announced in March 2015 that the operations of this subsidiary would be discontinued which then happened in April 2015. (ii) An exceptional expense of €2.5 million arising on the extension of the Company's convertible debt in August 2015 (see Note 10).

  The financial income and expense items are not cash. The €1.6 million IPO bonus is paid only in the 2016 financial year. The cash flow impact of the €1.2 million advisory expenses is not significant in either year and is therefore not presented as an exceptional item in the statement of cash flows.

In the 2014 financial year the Group had an exceptional income of €6.3 million from the following:

- €6.3 million settlement was received from the credit card acquirer of one of the entities of the Group. The settlement relates to incorrectly calculated interchange fees paid in prior years. The amount of the settlement was agreed between the parties during 2014 and this income decreased the distribution and marketing expenses in the statement of comprehensive income in 2014. Out of the €6.3 million agreed, €5.3 million was received in cash by the Group during the 2014 financial year and the remaining €1.0 million during the 2015 financial year. These are presented as exceptional operating cash inflows in the statement of cash flows. The Group does not expect a similar adjustment to occur in the future.

These items were used by management in the determination of the non-GAAP underlying profit measure for the Group - see below.

Underlying profit

	2015 € million	2014 € million
Profit for the period	**183.2**	87.7
Adjustments (exclusions):		
Unrealised foreign exchange (gain)/loss	**(27.8)**	6.1
Exceptional items (net gain)	**(9.2)**	(6.3)
Sum of adjustments	**(37.0)**	(0.2)
Underlying profit after tax	**146.2**	87.5

On top of the exceptional items listed above unrealised foreign exchange gains and losses are also excluded from the calculation of underlying profit. These are non-cash translation differences that arise primarily on the revaluation of the significant net US Dollar monetary asset position of the Group. This had material impact particularly in the 2015 financial year due to the significant strengthening of the US Dollar against the Euro in the period.

The tax effects of the adjustments made above are insignificant.

6. NET FINANCING COSTS

	2015 € million	2014 € million restated – see Note 4
Interest income	**1.0**	0.4
Ineffective hedge gain	**0.8**	-
Financial income	**1.8**	0.4
Interest expense		
Convertible debt	**(4.5)**	(6.9)
Finance lease	**(0.4)**	(0.4)
Other	**(0.7)**	(0.5)
Financial expenses	**(5.6)**	(7.8)
Foreign exchange gain/(loss)		
Realised	**(11.6)**	(0.9)
Unrealised	**27.8**	(6.1)
Net foreign exchange gain/(loss)	**16.2**	(7.0)
Net exceptional financial income (Note 5)	**12.0**	-
Net financing costs	**24.4**	(14.4)

Interest income and expense contain interest on financial instruments and the effect of the initial discounting of long-term deposits and the later unwinding of such discounting. Interest expense includes also withholding tax paid in Switzerland on the interest accrued on convertible loans. This withholding tax for these instruments is the liability of the Group according to the terms of the respective loan agreements.

For the year ended 31 March 2015 the net realised foreign exchange loss of €11.6 million was primarily driven by the devaluation of the Ukrainian Hryvnia and by the strengthening of the US Dollar against the Euro. The net unrealised foreign exchange gain of €27.8 million was primarily driven by the strengthening of the US Dollar against the Euro, impacting through the net US Dollar monetary asset position of the Group.

The net unrealised foreign exchange loss of €6.1 million for the year ended 31 March 2014 was primarily driven by to the devaluation of the Ukrainian Hryvnia and, to a lesser extent, the US Dollar, against the Euro during the financial year.

7. INCOME TAX EXPENSE

Recognised in the statement of comprehensive income

	2015 € million	2014 € million
Current year corporate tax	**1.9**	3.4
Other income based taxes	**5.3**	4.0
Deferred tax	**1.3**	0.3
Total tax charge	**8.5**	7.7

The Company has a tax rate of 7.8 per cent. (2014: 7.8 per cent.). The tax rate relates to Switzerland, where the Company is tax resident.

The current tax charge for the year is different to the standard rate of corporation tax of 7.8 per cent. (2014: 7.8 per cent.). The difference is explained below.

Reconciliation of effective tax rate

	2015 € million	2014 € million
Profit before tax	**191.7**	95.4
Tax at the corporation tax rate of 7.8 per cent. (2014: 7.8 per cent.)	**14.9**	7.4
Effect of different tax rate of subsidiaries versus the parent company	**(11.7)**	(3.7)
Other income based foreign tax	**5.3**	4.0
Total tax charge	**8.5**	7.7
Effective tax rate	**4.4%**	8.1%

The Company had no taxable income. Other income based foreign tax represents the “innovation contribution” and the local business tax payable in Hungary in 2015 and 2014 by one of the subsidiaries of the Group. Hungarian local business tax and innovation contribution is levied on an adjusted profit basis.

8. EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Ordinary Shares in issue during each period.

	2015 **€ million**	2014 € million
Profit from the year	**183.2**	87.7
Weighted average number of Ordinary Shares in issue (thousands)	**12,693**	8,734
Basic earnings per share	**14.43**	10.04

There were also 48,830,503 convertible shares in issue at 31 March 2015 (see Note 11). These shares are non-participating, i.e. the profit attributable to them is €nil. Therefore these shares are not included in the basic earnings per share calculation above.

Diluted earnings per share

Diluted earnings per share has been calculated by adjusting the weighted average number of Ordinary Shares in issue with the number of Ordinary Shares that could have been issued in the respective year as a result of the conversion of various convertible instruments. In this respect the period prior to IPO (in March 2015) and post IPO have different characteristics, as follows:

Period prior to IPO:

- Convertible notes and loans: Not all of the shares which would have been issued on full conversion of the convertible debt instruments have been included in the diluted earnings per share calculation as there were contractual restrictions limiting the number which could be converted. This restrictions were in place to ensure that the Group remains owned and controlled by a majority of EU nationals.
- Employee share options: Conversion of employee share options was not assumed because the completion of an IPO by the Company was one of the vesting conditions, that was not met before March 2015.

Period post IPO:

- Convertible shares: The convertible shares that were issued on the IPO as a result of the conversion of some of the convertible loans and notes were included in the diluted earnings per share calculation.
- Convertible notes remaining after IPO: These can be converted at the option of the holder into Ordinary Shares although these might be subject to restrictions on voting and dividend rights.
- Employee share options: Vested share options included in the calculation. There is no further criteria in place that would limit the exercisability of vested share options.

The profit for the year has been adjusted for the purposes of calculating diluted earnings per share in respect of the interest charge relating to the debt which could have been converted into shares.

	2015 **€ million**	2014 € million
Profit for the year	**183.2**	87.7
Interest expense on convertible debt (net of tax)	**1.0**	1.1
Profit used to determine diluted earnings per share	**184.2**	88.8
Weighted average number of Ordinary Shares in issue (thousands)	**12,693**	8,734
Adjustment for assumed conversion of convertible instruments (thousands)	**13,941**	8,307
Weighted average number of Ordinary Shares for diluted earnings per share (thousands)	**26,634**	17,041
Diluted earnings per share	**6.91**	5.21

9. PROPERTY, PLANT AND EQUIPMENT

Cost	Land and buildings € million	Aircraft maintenance assets € million	Aircraft parts € million	Fixtures and fittings € million	Advances paid for aircraft € million	Advances paid for aircraft maintenance assets € million	Total € million
At 1 April 2013	0.2	96.3	6.1	3.0	71.8	18.2	195.6
Additions	4.8	12.5	5.5	0.3	86.4	27.5	137.0
Disposals	-	(10.6)	-	-	(47.9)	-	(58.5)
Transfers	-	20.3	-	-	-	(20.3)	-
At 31 March 2014	5.0	118.5	11.6	3.3	110.3	25.4	274.1
Additions	-	29.4	4.6	1.8	79.9	25.9	141.6
Disposals	-	(30.8)	-	(0.1)	(83.7)	-	(114.6)
Transfers	-	5.4	-	-	-	(5.4)	-
Foreign exchange differences	-	(0.1)	(0.1)	-	-	-	(0.2)
At 31 March 2015	**5.0**	**122.4**	**16.1**	**5.0**	**106.5**	**45.9**	**300.9**
Accumulated depreciation							
At 1 April 2013	-	34.2	2.2	2.3	-	-	38.7
Depreciation charge for the year	0.4	22.2	1.2	0.4	-	-	24.2
Disposals	-	(10.6)	-	-	-	-	(10.6)
At 31 March 2014	0.4	45.8	3.4	2.7	-	-	52.3
Depreciation charge for the year	0.4	29.7	1.9	0.5	-	-	32.5
Disposals	-	(30.8)	-	(0.1)	-	-	(30.9)
Foreign exchange differences	-	-	-	(0.1)	-	-	(0.1)
At 31 March 2015	**0.8**	**44.7**	**5.3**	**3.0**	**-**	**-**	**53.8**
Net book amount							
At 31 March 2015	**4.2**	**77.7**	**10.8**	**2.0**	**106.5**	**45.9**	**247.1**
At 31 March 2014	4.6	72.7	8.2	0.6	110.3	25.4	221.8

Land and buildings includes the following amounts where the Group is a lessee under a finance lease:

	2015 € million	2014 € million
Cost from capitalised finance lease	**4.8**	4.8
Accumulated depreciation	**(0.7)**	(0.3)
Net book amount	**4.1**	4.5

10. CONVERTIBLE DEBT

	2015 € million	2014 € million
Non-current financial liabilities	**27.0**	0.0
Current financial liabilities	**0.3**	43.2
Total convertible debt	**27.3**	43.2

The balance of convertible debt decreased in 2015 because during the year part of the debt was converted into shares of the Company. The majority of the balance, related to the principal amount, is now classified as current liability because the term of the remaining (non-converted) debt was extended until 2022.

Contractual terms of the convertible debt instruments held by the Group in the period:

- convertible loans:

  Issued in August and December 2004, with a ten year term and a coupon rate of interest of 12 per cent. with compound interest payable on expiry. The loans were extended in August 2014 by five years, i.e. until August 2019, with interest payable in cash with a coupon rate of interest of 8 per cent. As a result of recalculating the fair value of loans due to the extension the Company recognised additional interest cost of €0.4 million in the 2015 financial year. In March 2015, linked to the listing of the Company’s shares on the London Stock Exchange, all convertible loans (including accrued interest) were converted into shares of the Company. Therefore there were no convertible loans outstanding at 31 March 2015; and

- convertible notes:

  Issued in February 2005, March 2006 and June 2006, with a four to five year term and with a coupon rate of interest of 5 per cent. to 10 per cent. The notes were extended with an additional five years first in 2009, with an interest of 10 per cent. They were further extended in August 2014, for the period between February 2015 and August 2019, with interest payable in cash with a coupon rate of interest of 8 per cent. As a result of recalculating the fair value of notes due to the extension the Company recognised additional interest cost of €2.1 million in the 2015 financial year. In March 2015, linked to the listing of the Company's shares on the London Stock Exchange, certain convertible notes (including accrued interest) were converted into shares of the Company.

  The remaining notes were further extended to 31 March 2022 with interest now payable twice a year in February and August. No gain or loss was recognised as a result of this extension. All these remaining notes are held by Indigo.

Principal and any accrued interest on the remaining convertible notes are convertible into Ordinary Shares in Wizz Air Holdings Plc at conversion factors in the range of €1.0–1.5 for one share.

11. CAPITAL AND RESERVES

Share capital

Number of shares	**2015**	2014
In issue at beginning of the year	**8,740,468**	8,703,468
Issued during the year for cash	**13,358,107**	37,000
Converted during the year from bonds	**79,012,043**	-
In issue at end of the year – fully paid	**101,110,618**	8,740,468

	2015 £	**2015 €**	2014 £	2014 €
Authorised				
Equity: 170,000,000 (2014: 140,000,000 ordinary shares) ordinary shares of £0.0001 each and 80,000,000 non-voting, non-participating convertible shares of £0.0001 each	25,000	34,415	14,000	16,947
Allotted, called up and fully paid				
Equity: 101,110,618 *(2014: 8,740,468)* shares of £0.0001 each	**10,111**	**13,574**	874	946
– Ordinary Shares	5,228	7,079	874	946
– Convertible shares	4,883	6,555	-	-

Ordinary Shares

The holders of Ordinary Shares are entitled to receive dividends as declared and are entitled to one vote per share at meetings of the Company.

Convertible shares

In March 2015, linked to the listing of the Company's shares on the London Stock Exchange, certain convertible loans and notes (including accrued interest) were converted into non-voting non-participating "convertible shares" of the Company. There were 48,830,503 convertible shares in issue at 31 March 2015, all fully paid. The convertible shares are held by Indigo and can be converted into Ordinary Shares of the Company by Indigo on the condition of meeting certain criteria post conversion regarding the overall shareholding structure of the Company.

Capital reserves

Share premium

Share premium has two main components. €207.0 million was recognised as a result of the Group reorganisation in October 2009. It represents the estimated fair value of the Group at the date of the transaction. The remaining €168.1 million was recognised in 2015 as a result of new share issues. These new share issues comprised the primary offering on the initial public offering of the Company's shares on the London Stock Exchange in March 2015, the conversion of some of the convertible debt instruments into shares and the conversion of certain employee share options into shares.

Reorganisation reserve

Reorganisation reserve was recognised as a result of the Group reorganisation in October 2009. It is equal to the difference between the fair value of the Group at the date of reorganisation (€209.0 million) and the share capital of the Group at the same date (€16.0 million).

Equity part of convertible debt

The equity part of convertible debt in equity comprises the equity component of compound instruments issued by the Company. The amount of the convertible debts classified as equity of €8.3 million (2014 (restated – see note 4): €11.1m) is net of attributable transaction costs of €0.5 million.

Share based payment charge

The share based payment balance of €1.7 million credit (2014: €1.4 million credit) corresponds to the recognised cumulative charge of share options and share awards provided to the employees and Directors. This balance is recognised directly in retained earnings.

Cash flow hedging reserve

The hedging reserve comprises the effective portion of the cumulative unrealised net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

Impact of the IPO

The IPO impacted the share capital related lines of the primary financial statements as follows:

	2015 € million
Primary proceeds (net of bank commissions)	146.9
Grant price of share options exercised during the year	8.2
Other transaction costs (issuance tax and advisory fees)	(6.0)
Cash flow impact (net proceeds from the issue of share capital)	149.1
Conversion of convertible debt (non-cash)	19.2
Increase in share capital and share premium balances (statement of financial position)	168.3

12. PROVISIONS FOR OTHER LIABILITIES AND CHARGES

	Aircraft maintenance € million	**Other € million**	**Total € million**
At 1 April 2013	45.6	0.7	46.3
Capitalised within property, plant and equipment	11.0	-	11.0
Charged to comprehensive income	-	0.7	0.7
Used during the year	(29.7)	(0.7)	(30.4)
At 31 March 2014	26.9	0.7	27.6
Non-current provisions	18.9	-	18.9
Current provisions	8.0	0.7	8.7
Capitalised within property, plant and equipment	26.5	-	26.5
Charged to comprehensive income	-	1.5	1.5
Used during the year	(2.8)	(0.4)	(3.2)
At 31 March 2015	50.6	1.8	52.4
Non-current provisions	44.9	-	44.9
Current provisions	5.7	1.8	7.5

Non-current provisions relate to future aircraft maintenance obligations of the Group on leased aircraft and spare engines. Current aircraft maintenance provisions relate to heavy maintenance obligations expected to be fulfilled in the coming financial year. The amount of provision reflects management's estimates of the cost of heavy maintenance work that will be required in the future to discharge obligations under the Group's operating lease agreements (see Note 3). Maintenance provisions in relation to engines covered by FHA agreements are netted off with the FHA prepayments made to the engine maintenance service provider in respect of the same group of engines.

Other provisions relate to future liabilities under the Group's customer loyalty programme, all within one year.

13. RELATED PARTIES

Identity of related parties

Related parties are:

- Indigo Hungary LP and Indigo Maple Hill LP (collectively referred to as "Indigo" here), because it appointed four directors to the Board of Directors (of these, three were in service at 31 March 2015);
- DCII (Malta) Limited, because it appointed one Director to the Board of Directors (not in service at 31 March 2015); and
- key management personnel (Directors and officers).

These related parties held 20.5 per cent. of the voting shares of the Company at 31 March 2015 (2014: 69.8 per cent.).

Transactions with Indigo

At 31 March 2015 Indigo held 6,740,633 of Ordinary Shares (equal to 12.9 per cent. of the Company's issued share capital) and 48,830,503 of Convertible Shares of the Company (2014: nil).

Indigo has interest in convertible debt instruments issued by the Company (see Note 25). The Company's liability to Indigo, including principal and accrued interest, was €27.3 million at 31 March 2015 (2014: €37.7 million).

During the year ended 31 March 2015 the Company entered into transactions with Indigo as follows:

- Indigo converted into the Company's Ordinary Shares all of their convertible loans and convertible notes, with the exception of convertible notes with a principal amount of €26.3 million that remained outstanding. As a result of these conversions Indigo acquired 10,244,633 of Ordinary Shares and 48,830,503 of Convertible Shares of the Company.
- The Company recognised interest expense on convertible debt instruments held by Indigo in the amount of €3.9 million (2014: €5.2 million); and
- Fees of €0.1 million (2014: €0.1 million) were paid to Indigo in respect of the remuneration of Directors who were delegated by Indigo to the Board of Directors of the Company.
- The Company entered into a relationship agreement with Indigo dated 24 February 2015. The key terms of this relationship agreement are set out in the Prospectus of the Company (published on 25 February 2015, available on the Company's website wizzair.com).