

## AIR SEYCHELLES POSTS SECOND CONSECUTIVE YEAR OF NET PROFITABILITY

### Key results for 2013\*

- Second year of net profit, up 171 per cent from US\$1.1 million to US\$3 million
- Total revenue up 107 per cent to US\$88.7 million
- Passenger numbers total 352,474
- Cargo tonnage up by 159 per cent to 5,529 tonnes
- Second Airbus A330-200 wide-body aircraft added to international fleet
- Weekly international services increased 100 per cent to 16 per week
- Order for three new Viking Air Twin Otter DHC-6 Twin Otter Series 400 aircraft
- Codeshare partners increased from one to five
- Virtual network expanded to 34 destinations
- Four-star Skytrax airline rating

Air Seychelles, the national carrier of the Republic of Seychelles, today announced a net profit of US\$3 million for 2013, exceeding by 171 per cent its profit of US\$1.1 million reported in 2012.

Revenue increased by 107 per cent to US\$88.7 million (2012: US\$42.8 million).

The airline's passenger numbers on its international network increased 100 per cent to 195,857 (2012: 97,576), while traffic on domestic services in 2013 increased nine per cent to 156,617 passengers.

Cargo volumes flown in 2013 rose by 159 per cent to 5,529 tonnes (2012: 2,128 tonnes).

Joël Morgan, Seychelles Minister for Home Affairs and Transport and Air Seychelles Board Chairman, said the 2013 results were a testament to the on-going success of the airline's turnaround strategy and business plan.

“To record a second successive year of profitability after the immense challenges of the past is an achievement of which we are all very proud. Our 2013 figures are a clear indication that we now have the right business model.

“In just two years, we have rebuilt our national carrier, strengthened our partnership with Etihad Airways, and beyond delivering good results for the airline, we have helped grow Seychelles tourism in the process – one of our core objectives. Today Air Seychelles is a great symbol of our nation wherever our brightly-coloured aircraft are flown.”

Chief Executive Officer of Air Seychelles, Manoj Papa, said: “These results are another step forward in our journey as a commercially successful business and come against a backdrop of impressive development in both our domestic and international operations.

“Our business is now in good shape for the future, which includes growing our operations, launching new routes, taking delivery of new aircraft, expanding airline partnerships, hiring more Seychellois, and bringing more travellers to the Seychelles.

“We have established a solid basis for continued growth which reinforces the future of Air Seychelles and its vital contribution to the Seychelles economy.”

The impressive 2013 passenger traffic growth was aided by Air Seychelles’ acquisition of a second Airbus A330-200 aircraft in March. The same month the island carrier launched three weekly flights to Hong Kong, and increased frequencies to Abu Dhabi, Johannesburg and Mauritius, bringing its total international weekly services to 16, up 100 per cent.

Johannesburg and Mauritius enjoyed an additional return service per week, connecting each destination three times a week respectively with the Seychelles. The airline’s Abu Dhabi services also increased from four to seven return flights per week.

Abu Dhabi was Air Seychelles' busiest international route, with a total of 90,746 passengers carried between the archipelago and capital of the United Arab Emirates, a year-on-year increase of 178 per cent.

Elsewhere, Air Seychelles saw record cargo volumes in 2013 thanks strong demand to and from France, Italy, Hong Kong and South Africa.

Air Seychelles signed four new codeshare partnerships in 2013, entering agreements with airberlin, Czech Airlines, South African Airways, and Cathay Pacific Airways. These codeshare agreements increased Air Seychelles' virtual network from 19 to 34 destinations.

In October, Air Seychelles announced a multi-million dollar agreement for the purchase of three new Viking Air DHC6 Twin Otter Series 400 aircraft, its largest ever domestic fleet order signalling the carrier's long-term commitment to its domestic operations. Two of these aircraft are due to arrive in mid-2014, one year ahead of schedule.

Also in October, and coinciding with its 35th anniversary, the airline launched Air Seychelles VIP, a dedicated ground handling service and luxurious airport facility targeted at premium guests and the private air charter market. The operation was co-established with Royal Jet.

Air Seychelles capped a remarkable year of achievements by being awarded a four-star rating by Skytrax, one of 35 global carriers to hold this accolade.

Mr Morgan said: "We have come a long way in two years and 2013 has been exceptional. To achieve a second year of profitability and simultaneously be ranked among the very best airlines in the world is an amazing achievement of which the company and its staff should be very proud.

"People are the most valuable asset in any organisation. This is true for Air Seychelles as well, and reflected in our commitment to developing a highly-skilled national workforce and a long-term succession plan.

“In particular I am pleased at the significant progress made with our people development program, where the first group of Air Seychelles Graduate Development Management trainees are scheduled to return to Seychelles later this year after 18 months abroad receiving world-class training.”

At the close of 2013, Air Seychelles employed 629 staff, an increase of 17 per cent over the 536 staff the airline employed in 2012. Of this number, the airline employs 622 Seychellois nationals, 98.8 per cent of the total. The airline recruited 57 cabin crew in 2013, promoted eight domestic pilots to Airbus A330 operations and two domestic pilots were promoted to Captain.

*\* Air Seychelles Annual Financial Statements are audited by KPMG*

**- Ends -**

#### **About Air Seychelles**

Air Seychelles was established in 1978 and began long-haul service in 1983. The airline currently offers international flights to Abu Dhabi, Johannesburg, Hong Kong and Mauritius. Air Seychelles also offers more than 200 domestic scheduled flights a week throughout the archipelago, as well as domestic charter services. As the national airline of the Republic of Seychelles, Air Seychelles is a pillar of tourism, the island nation’s strongest and growing economic sector. The airline maintains a strategic partnership with Etihad Airways, the national airline of the United Arab Emirates and 40 per cent stakeholder. For more information, please visit: [www.airseychelles.com](http://www.airseychelles.com)