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ETIHAD AIRWAYS PARTNERS' UNIQUE US\$700 MILLION FINANCE AGREEMENT NAMED AIRFINANCE JOURNAL'S INNOVATIVE DEAL OF THE YEAR

Etihad Airways Partners' (EAP) US\$700 million landmark finance transaction in 2015 has been recognised with a third key international award after being named Innovative Deal of the Year by the prestigious publication, Airfinance Journal.

The five-year bond agreement involved Etihad Airways, its subsidiary Etihad Airport Services and five of the carrier's strategic equity airline partners – airberlin, Air Serbia, Air Seychelles, Alitalia and Jet Airways – within EAP.

Seen as the first joint financing deal of its kind in the airline industry, the ground-breaking transaction was aimed at funding EAP's expansion.

James Hogan, Etihad Airways President and Chief Executive Officer, was joined by his finance team, including Chief Financial Officer James Rigney and Group Treasurer Ricky Thirion, at Airfinance Journal's awards ceremony in Miami last night.

It was the third success in as many months for EAP which secured two other leading awards for the same transaction – Emerging Europe Middle East and Africa Bond of the Year by the market intelligence organisation International Financing Review (IFR) – and Debt Financing Deal of the Year Middle East by Global Transport Finance, a leading UK-based international finance publication.

Airfinance Journal applauded Etihad Airways' management for executing the deal after convincing investors around the world of the unique equity business model that the Abu Dhabi-based airline has been developing amid challenging market conditions.

Speaking in Miami, James Hogan said: "Innovation is at the heart of everything we do across all our business operations at Etihad Airways and our partners. The string of awards we have

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been lauded with demonstrates the confidence institutional investors have had in our successful and unique strategy that truly is all about creating synergies between the businesses we have invested in.

“In the highly competitive business environment we operate, it’s all about improving productivity and increasing efficiency to spearhead growth. Individually, each of the partners is building an increasingly strong business. But together, that solidarity becomes even stronger. This successful transaction recognises and endorses that strength.”

Mr Hogan praised his finance team led by James Rigney for its due diligence in putting together the robust and innovative transaction that attracted a strong appetite from the international markets.

He added: “James and the team worked tremendously hard to reach out to the international community showing the huge benefits of a business model that clearly drives greater operational efficiencies in a tough economic environment, particularly as such a strategy was never tried nor tested.”

Airfinance Journal is a global authority on aircraft financing transactions, bringing together airlines and capital providers by offering news, analysis and exclusive interviews. Subscribers include airlines, airports, banks, financial institutions, leasing companies, export credit agencies, lawyers, fund managers and consultants.

Geoff Hearn, Airfinance Journal Technical Editor, said: “In a year when the quality of entries was extremely high, Etihad Airways Partners’ US\$700m Platform Financing stood out as the Innovative Deal of the Year.

“The judges were impressed by several aspects of the deal, in particular the ability to arrange financing on an unsecured basis. The deal was all the more impressive as it was closed against a background of deteriorating conditions in the debt capital market.”

In September last year, Etihad Airways embarked on an international roadshow in Abu Dhabi, Dubai and London, supported by lead advisor Goldman Sachs and UAE-based ADS Securities and Anoa Capital. Through the funding vehicle Etihad Airways Partners BV, the

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group successfully raised US\$500m, rising within days by a further US\$200m following a surge in interest from the international finance community.

The raised funds, to be split across the seven EAP entities, are for a mixture of capital expenditure and investment in fleet, as well as for refinancing, depending on each business unit's individual needs.

Picture Captions

Pic 1: Etihad Airways' finance team is pictured after a US\$700 million landmark transaction for Etihad Airways Partners was named Innovative Deal of the Year by Airfinance Journal in Miami last night. From left: Ulf Huttmeier, Senior Vice President Finance; Bassam Al Mossa, Vice President Corporate Investments and Subsidiaries; Ricky Thirion, Group Treasurer; James Rigney, Chief Financial Officer; and Nader Al Salim, Executive Director of lead advisor Goldman Sachs.

Pic 2: Airfinance Journal's Innovative Deal of the Year award was presented to Etihad Airways' finance team in Miami last night.

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About Etihad Airways

Etihad Airways began operations in 2003, and in 2015 carried 17.4 million passengers. From its Abu Dhabi base, Etihad Airways flies to, or has announced plans to serve, 116 passenger and cargo destinations in the Middle East, Africa, Europe, Asia, Australia and the Americas. The airline has a fleet of 120 Airbus and Boeing aircraft, with 204 aircraft on firm order, including 71 Boeing 787s, 25 Boeing 777Xs, 62 Airbus A350s and 10 Airbus A380s.



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Etihad Airways holds equity investments in airberlin, Air Serbia, Air Seychelles, Alitalia, Jet Airways, Virgin Australia, and Swiss-based Darwin Airline, trading as Etihad Regional. Etihad Airways, along with airberlin, Air Serbia, Air Seychelles, Alitalia, Etihad Regional, Jet Airways and NIKI, also participate in Etihad Airways Partners, a brand that brings together partner airlines to offer customers more choice through improved networks and schedules and enhanced frequent flyer benefits. For more information, please visit: www.etihad.com