



**Earnings Report**  
**1<sup>st</sup> Quarter 2016**  
**Grupo Viva Aerobus**

## Grupo Viva Aerobus announces results for the first quarter of 2016

Mexico City, Mexico, April 29, 2016- Grupo Viva Aerobus S.A. de C.V. ("Grupo Viva"), la holding of Aeroenlaces Nacionales, S.A. de C.V. ("VivaAerobus"), the carrier with the lowest costs in Latin America and rates comparable to bus transportation, announces today its first quarter earnings for 2016. The figures contained in this report are presented in accordance with the International Financial Reporting Standards (IFRS) and are expressed in millions of Mexican peso unless otherwise stated.

### 1Q16 Earnings Highlights

- Total operating revenues in 1Q16 increased 46.0% to Ps. 1,169.1 million from the same quarter in 2015.
- Capacity measures in available seat kilometers (ASKs) totaled 1,425.8 million, representing an increase of 22.9% from 1Q15.
- Revenue per available seat kilometer (RASK) in 1Q16 amounted to Ps. 82.0 cents, up 18.8% from 1Q15.
- Cost per available seat kilometer (CASK) was Ps. 69.7 cents, compared to Ps. 69.3 cents in 1Q15.
- EBITDAR in 1Q16 totaled Ps. 491.4 million, rising 146.5% from Ps. 199.3 million in 1Q15. EBITDAR margin in 1Q16 was 42.0%.
- Net income in 1Q16 amounted to Ps. 160.3 million while we recorded a loss of Ps. 5.3 million in 1Q15. The net income margin in the quarter was 13.7%.
- At the close of the first quarter of 2016, the balance of cash and cash equivalents was Ps. 1823.1 million, compared to Ps. 879.0 million recorded at the close of the first quarter of 2015, representing a 107.4% growth.
- During the 1Q16, Grupo Viva Aerobus added two new Airbus 320s to its fleet, closing the period with one of the most modern fleets in the world with 20 aircrafts, of which 16 Airbus 320s and four Boeing 737-300s, moving ahead to its goal of being an operator with a single type of aircrafts.

Juan Carlos Zuazua, CEO of VivaAerobus, commented: "During the first quarter of 2016 we registered operating and financial results that successfully met our expectations. Our plan for 2016 had an outstanding start as seen in the record indicators achieved. Throughout the quarter, our client-centric focus continued making the difference. Our strong performance stems from achieving additional operating efficiencies, improving our costs and offering the cheapest rates in the market, while our client-focus strategy contributed to the implementation of further improvements to our service and offering the flexibility that has allowed us to record strong and consistent results.

"Our focus will continue being driven by our clients, knowing that the New Viva will seize the new opportunities that lay ahead. All the management team, including myself, is committed and aligned to continue reporting excellent results as our priority."



# Operation and Financial Highlights

## Grupo Viva Aerobus, S.A. de C.V. and Subsidiaries

Financial and Operating Indicators

Period ended March 31, 2016

(Million of Mexican pesos)

	1Q16	1Q15	Var. %	2016	2015	Var. %
ASKs (million)	1,425.8	1,160.2	22.9%	1,425.8	1,160.2	22.9%
RPKs (million)	1,168.0	918.6	27.1%	1,168.0	918.6	27.1%
Total passenger (thousand)	1,176.4	996.6	18.0%	1,176.4	996.6	18.0%
Load factor	81.9%	79.2%	2.7 pp	81.9%	79.2%	2.7 pp
RASK (cents)	82.0	69.0	18.8%	82.0	69.0	18.8%
RASK adjusted*	64.1	52.2	22.9%	64.1	52.2	22.9%
CASK (cents)	69.7	69.3	0.6%	69.7	69.3	0.6%
Cost per seat	685.1	637.3	7.5%	685.1	637.3	7.5%
CASK ex. fuel	55.6	46.5	19.6%	55.6	46.5	19.6%
CASK adjusted*	54.5	52.4	4.0%	54.5	52.4	4.0%
CASK adjusted* ex fuel	43.5	35.3	23.0%	43.5	35.3	23.0%
Stage length (km)	982.8	919.3	6.9%	982.8	919.3	6.9%
Operating revenues (million)	1,169.1	800.6	46.0%	1,169.1	800.6	46.0%
Operating income (million)	175.1	- 3.7	N.A.	175.1	- 3.7	N.A.
Operating margin	15.0%	-0.5%	N.A.	15.0%	-0.5%	N.A.
EBITDAR (million)	491.4	199.3	146.5%	491.4	199.3	146.5%
EBITDAR margin	42.0%	24.9%	17.1 pp	42.0%	24.9%	17.1 pp
PBT (million)	178.1	- 7.7	N.A.	178.1	- 7.7	N.A.
PBT margin	15.2%	-1.0%	N.A.	15.2%	-1.0%	N.A.
Net income (million)	160.3	- 5.4	N.A.	160.3	- 5.4	N.A.
Net income margin	13.7%	-0.7%	N.A.	13.7%	-0.7%	N.A.

\*CASK adjusted to 1,609 km.

# Results summary

## Revenues

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(Ps. Million)	1Q16	1Q15	Var. %
<b>Passengers</b>	\$686.2	\$475.8	44.2%
<b>Service charge and others</b>	\$482.9	\$324.7	48.7%
<b>Total operating revenues</b>	\$1,169.1	\$800.6	46.0%

### Operating revenues

Total operating revenues in 1Q16 grew 46.0% to Ps. 1,169.1 million, of which, 58.7% were passenger revenues at Ps. 686.2 million and the remaining 41.3% to service charge and others. It is worth noting that in 1Q16 we recorded a stronger quarter due to the seasonality effects related to the Holy Week.

### Other revenues

Other revenues amounted to Ps. 482.9 million in 1Q16, increasing 48.7% from the same last year period at Ps. 324.7 million.

## Expenses

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(Ps. Million)	1Q16	1Q15	Var. %
<b>Total operating expenses</b>	\$993.9	\$804.3	23.6%

### Total expenses

Total operating expenses in 1Q16 totaled Ps. 993.9 million, increasing 23.6% from Ps. 804.3 million recorded in the same last year period.



## EBITDAR

(Ps. Million)	1Q16	1Q15	Var. %
<b>EBITDAR</b>	\$491.4	\$199.3	146.5%
<b>EBITDAR margin %</b>	42.0%	24.9%	17.1 pp

At the close of 1Q16 EBITDAR amounted to Ps. 491.4 million, representing a substantial increase of 46.5% when compared to Ps. 199.3 million in 1Q15. EBITDAR margin in 1Q16 was 42.0%.

## Net Income (Loss)

(Ps. Million)	1Q16	1Q15	Var. %
<b>Net income (loss)</b>	\$160.3	-\$5.4	N.A.
<b>Net income margin</b>	13.7%	-0.7%	N.A.

Net income at the close of 1Q16 amounted to Ps. 160.3 million, while we recorded a loss of Ps. 5.4 million in 1Q15. The net income margin for the quarter was 13.7%.



## BALANCE SHEET

### Assets

(Ps. Million)	Mar 2016	Mar 2015	Var. %
<b>Current Assets</b>	\$2,155.7	\$1,275.6	69.0%
<b>Non-current Assets</b>	\$2,357.2	\$2,557.4	-7.8%
<b>Total Assets</b>	\$4,512.9	\$3,833.0	17.7%

### Total Assets [Cash and cash equivalents, etc.]

At the close of March 31, 2016, the cash and cash equivalent balance rose 107.4% to Ps. 1,823.1 million, compared to Ps. 879.0 million at the close of March 31, 2015.

### Non-current Assets [Property, plant and equipment, deposits and other non-current assets]

At the close of March 31, 2016, guarantee deposits and pre-paid expenses decreased to Ps. 1,517.5 million, compared to Ps. 1,939.9 million at the close of 1Q15.

### Liabilities

(Ps. Million)	Mar 2016	Mar 2015	Var. %
<b>Current liabilities</b>	\$2,124.7	\$1,894.3	12.2%
<b>Long-term liabilities</b>	\$1,285.4	\$1,549.0	-17.0%
<b>Total Liabilities</b>	\$3,410.0	\$3,443.3	-1.0%

### Current liabilities [Loans and borrowings, accounts payable, wages, taxes to be paid, etc.]

Short-term loans and borrowing declined 24.1% between the first quarter of 2015 and the first quarter of 2016, dropping from Ps. 747.9 million to Ps. 567.7 million.

### Long-term liabilities [Long-term loans and borrowings, other accounts payables, provisions]

The long-term liabilities declined 17.0% between March 31, 2015 and March 31, 2016, falling from Ps. 1,549.0 million to Ps. 1,285.4 million.

### Stockholders' equity

Total stockholders' equity increased 183.0% to Ps. 1,102.9 million at the close of March 31, 2016 compared to Ps. 389.7 million at the close of March 31, 2015.

## FLEET

### Operating Fleet

Aircraft	Mar 2016	Mar 2015	Var. %
<b>Boeing 737-300</b>	4	15	-73.%
<b>Airbus 320</b>	16	5	220%

At the close of March 31, 2016, Grupo Viva Aerobus had a fleet of 20 aircraft, of which four are Boeing 737-300s and 16 are Airbus 320s. The current fleet reflects our transition plan which will lead VivaAerobus to be an operator with a single type of aircraft.



# Relevant Corporate Events

## RELEVANT EVENT #1

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During the first quarter of 2016 Viva Aerobus launched seven new routes, of which two are new destinations that will begin operations in the second quarter of 2016.

## RELEVANT EVENT #2

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In March 2016 Viva Aerobus signed an agreement with SABRE, one of the globalization leaders in the tourism industry in the world, which will allow travel agents in North America, Latin America and the Caribbean access our flights.

# FINANCIAL STATEMENTS

## Income Statement

### Grupo Viva Aerobus, S.A. de C.V. and Subsidiaries

Consolidated Statement of Comprehensive Income

Period ended March 31, 2016

(Million of Mexican pesos)

	1Q16	1Q15	Var. %	2016	2015	Var. %
<b>Operating revenues:</b>						
Passengers	686.2	475.8	44.2%	686.2	475.8	44.2%
Service charges and others	482.9	324.7	48.7%	482.9	324.7	48.7%
Total operating revenues	1,169.1	800.6	46.0%	1,169.1	800.6	46.0%
<b>Operating expenses, excluding non trading items:</b>						
Fuel	201.2	264.8	-24.0%	201.2	264.8	-24.0%
Maintenance	61.7	33.6	83.7%	61.7	33.6	83.7%
Rents	301.0	160.6	87.4%	301.0	160.6	87.4%
Other expenses, net	430.0	345.3	24.5%	430.0	345.3	24.5%
Total operating expenses, excluding non trading items	993.9	804.3	23.6%	993.9	804.3	23.6%
<b>Operating income</b>	<b>175.1</b>	<b>- 3.7</b>	<b>N.A.</b>	<b>175.1</b>	<b>- 3.7</b>	<b>N.A.</b>
<b>Total interest income, net</b>	<b>2.9</b>	<b>- 4.0</b>	<b>N.A.</b>	<b>2.9</b>	<b>- 4.0</b>	<b>N.A.</b>
<b>Net income before taxes on profits</b>	<b>178.1</b>	<b>- 7.7</b>	<b>N.A.</b>	<b>178.1</b>	<b>- 7.7</b>	<b>N.A.</b>
Income tax (expenses)	-	17.7	2.3	-	17.7	2.3
<b>Consolidated net and comprehensive profit</b>	<b>160.3</b>	<b>- 5.4</b>	<b>N.A.</b>	<b>160.3</b>	<b>- 5.4</b>	<b>N.A.</b>

## Balance Sheet

### Grupo Viva Aerobus, S.A. de C.V. and Subsidiaries

Consolidado Statement of Financial Position

Period ended March 31, 2016

(Million of Mexican pesos)

	2016	2015	Var. %
<b>Assets</b>			
<b>Current Assets</b>	<b>2,155.7</b>	<b>1,275.6</b>	<b>69.0%</b>
Cash and cash equivalents	1,823.1	879.0	107.4%
Accounts receivables and others	79.9	140.3	-43.0%
Guarantee deposits and prepaid expenses	159.5	47.9	233.2%
Other current assets	93.1	208.3	-55.3%
<b>Non-current assets</b>	<b>2,357.2</b>	<b>2,557.4</b>	<b>-7.8%</b>
Guarantee deposits and prepaid expenses	1,517.5	1,939.9	-21.8%
Other non-current assets	839.7	617.6	36.0%
<b>Total assets</b>	<b>4,512.9</b>	<b>3,833.0</b>	<b>17.7%</b>
<b>Liabilities and stockholders' equity</b>			
<b>Current liabilities</b>	<b>2,124.7</b>	<b>1,894.3</b>	<b>12.2%</b>
Loans and borrowings	567.7	747.9	-24.1%
Air traffic liability	163.7	282.9	-42.1%
Other short-term liabilities	1,393.2	863.5	61.3%
<b>Long-term liabilities</b>	<b>1,285.4</b>	<b>1,549.0</b>	<b>-17.0%</b>
Loans and borrowings	1,148.7	1,400.9	-18.0%
Other long-term liabilities	136.6	148.0	-7.7%
<b>Total liabilities</b>	<b>3,410.0</b>	<b>3,443.3</b>	<b>-1.0%</b>
<b>Stockholders' equity</b>			
Capital stock	552.2	552.2	0.0%
Other capital accounts	183.3	25.5	618.6%
Profit (loss)	367.3 -	188.0	N.A.
<b>Total stockholders' equity</b>	<b>1,102.9</b>	<b>389.7</b>	<b>183.0%</b>
<b>Total liabilities and stockholders' equity</b>	<b>4,512.9</b>	<b>3,833.0</b>	<b>17.7%</b>

## Cash Flow Statement

### Grupo Viva Aerobus, S.A. de C.V. and Subsidiaries

Consolidated Statement of Cash Flow

Period ended March 31, 2016

(Million of Mexican pesos)

	1Q16	1Q15	Var. %	2016	2015	Var. %
<b>Net cash from operating activities</b>	158.3	-205.8	N.A.	158.3	-205.8	N.A.
<b>Net cash used in investing activities</b>	71.2	-614.0	N.A.	71.2	-614.0	N.A.
<b>Net cash used in financing activities</b>	-207.9	1,183.7	N.A.	-207.9	1,183.7	N.A.
Effects of exchange rate fluctuations on cash and cash equivalents	1.1	0.3	255.7%	1.1	0.3	255.7%
<b>Net increase in cash and cash equivalent</b>	<b>22.7</b>	<b>364.2</b>	<b>-93.8%</b>	<b>22.7</b>	<b>364.2</b>	<b>-93.8%</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>1,800.5</b>	<b>514.9</b>	<b>249.7%</b>	<b>1,800.5</b>	<b>514.9</b>	<b>249.7%</b>
<b>Cash and cash equivalents at end of period</b>	<b>1,823.1</b>	<b>879.0</b>	<b>107.4%</b>	<b>1,823.1</b>	<b>879.0</b>	<b>107.4%</b>

# Investor RELATIONS

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## Glossary

**ASKs:** Available seat kilometers represents aircraft seating capacity multiplied by the number of kilometers the seats are flown.

**CASK:** Cost per available seat kilometer represents operating expenses divided by available seat kilometers (ASKs).

**CASK ex-fuel:** Represents operating expenses other than fuel divided by available seat kilometers (ASKs).

**EBITDAR:** Income before taxes, depreciation and amortization. It is calculated as revenues minus expenses, excluding taxes, interests, depreciation, amortization, restructuring and rental costs.

**Load Factor:** Represents the percentage of aircraft seating capacity that is actually used and is calculated by dividing revenue passenger kilometers by available seat kilometers (ASKs).

**PDP Facility:** Pre-delivery payments, corresponds to an agreement to finance the purchase of aircraft.

**RASK:** Operating revenue per available seat kilometer represents operating revenue divided by available seat kilometers.

**RPKs:** Revenue passenger kilometers represent the number of kilometers flown by revenue passengers.

**Aircraft utilization:** Represents the average number of block hours operated every day for each aircraft of the fleet.

## Forward Looking Statements

This press release can include forward-looking statements. Said statements are not based on historic information but rather on the vision of the current administration. The reader must understand that said statements or estimates imply risks and uncertainties that can change as a result of various factors that are not under the company's control.



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