

JOINT STOCK COMPANY AIR ASTANA

STATEMENT OF PROFIT OR LOSS FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2018 (UNAUDITED) (in thousands of USD)

	Nine-month period ended 30 September 2018 (unaudited)	Nine-month period ended 30 September 2017 (unaudited)
Revenue		
Passenger revenue	626,752	544,504
Cargo and mail	14,914	13,863
Other	5,384	17,055
Total revenue	647,050	575,422
Operating expenses		
Fuel	(181,110)	(132,678)
Handling, landing fees and route charges	(86,251)	(76,046)
Passenger service	(71,823)	(65,586)
Employee costs	(59,860)	(50,370)
Engineering and maintenance	(59,747)	(58,409)
Aircraft operating lease costs	(53,472)	(45,950)
Selling costs	(31,421)	(31,172)
Aircraft crew costs	(26,909)	(21,573)
Depreciation and amortisation	(18,969)	(20,294)
Insurance	(3,174)	(2,989)
Property lease cost	(2,988)	(3,729)
Information technology	(2,758)	(2,435)
Consultancy, legal and professional services	(2,487)	(2,843)
Taxes, other than income tax	(2,041)	(1,325)
Other	(7,798)	(10,330)
Total operating expenses	(610,808)	(525,729)
Operating profit	36,242	49,693
Finance income	2,088	6,636
Finance costs	(7,745)	(8,481)
Foreign exchange loss, net	(12,151)	(5,260)
Profit before tax	18,434	42,588
Income tax benefit	(5,539)	(9,323)
Net profit for the period	12,895	33,265
Basic and diluted loss per share (in USD)	759	1,957

On behalf of the Company's management:



Azamat Ospanov
Vice president Finance Accounts, Chief Accountant



JOINT STOCK COMPANY AIR ASTANA

STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2018 (UNAUDITED)

(in thousands of USD)

	Nine-month period ended 30 September 2018 (unaudited)	Nine-month period ended 30 September 2017 (unaudited)
Net profit for the period	12,895	33,265
Foreign currency translation loss which will never be reclassified to profit or loss in subsequent periods	-	(2,790)
Other comprehensive income/(loss) to be reclassified into profit or loss in subsequent periods:		
Result from cash flow hedging instruments	-	4,487
Income tax related to result from cash flow hedging instruments	-	897
Realized net gain from cash flow hedging instruments	8,126	7,573
Corporate income tax related to gain from cash flow hedging instruments	(1,625)	(1,515)
Other comprehensive income/(loss) for the period, net of income tax	6,501	(322)
Total comprehensive income for the period	19,396	32,943

JOINT STOCK COMPANY AIR ASTANA

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2018 (UNAUDITED)

(in thousands of USD)

	30 September 2018 (unaudited)	31 December 2017
ASSETS		
Non-current assets		
Property and equipment	253,994	261,754
Intangible assets	2,376	2,939
Prepayments for non-current assets	12,002	8,086
Guarantee deposits	19,844	19,636
Trade and other receivables	3,923	3,924
	292,139	296,339
Current assets		
Inventories	44,808	38,613
Prepayments	36,271	29,390
Income tax prepaid	13	738
Trade and other receivables	35,891	25,517
Other taxes prepaid	20,924	18,086
Guarantee deposits	30,089	34,874
Bank deposits	-	5
Cash and bank balances	141,887	148,181
	309,883	295,404
Total assets	602,022	591,743
EQUITY AND LIABILITIES		
Equity		
Share capital	17,000	17,000
Functional currency transition reserve	(9,324)	(9,324)
Reserve on hedging instruments, net of tax	(64,963)	(71,465)
Retained earnings	152,322	150,552
Total equity	95,035	86,763
Non-current liabilities		
Loans	8,559	10,519
Finance lease liabilities	251,030	280,797
Deferred tax liabilities	15,145	11,021
Provision for aircraft maintenance	45,864	60,510
	320,598	362,847
Current liabilities		
Loans	1,486	1,630
Finance lease liabilities	40,345	39,926
Deferred revenue	53,396	48,434
Provision for aircraft maintenance	32,879	13,260
Trade and other payables	58,283	38,883
	186,389	142,133
Total liabilities	506,987	504,980
Total equity and liabilities	602,022	591,743

JOINT STOCK COMPANY AIR ASTANA

STATEMENT OF CHANGES IN EQUITY FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2018 (UNAUDITED)

(in thousands of USD)

	Share capital	Functional currency translation reserve	Foreign currency translation reserve	Reserve on hedging instruments	Retained earnings	Total equity
At 1 January 2017	17,000	-	(182,680)	(105,868)	310,625	39,077
Profit for the period (unaudited)	-	-			33,265	33,265
Cash flow hedging instruments, net of tax (unaudited)	-	-		(3,589)		(3,589)
Realised loss on cash flow hedging instruments, net of tax (unaudited)	-	-		6,058		6,058
Translation difference (unaudited)	-	-	(4,483)	1,693		(2,790)
Total comprehensive income for the period (unaudited)	-	-	(4,483)	4,162	32,365	32,944
At 30 September 2017 (unaudited)	17,000	-	(187,163)	(101,706)	343,890	72,021
At 1 January 2018 (as previously reported)*	17,000	(9,324)	-	(71,465)	150,552	86,763
Adjustments on initial application of IFRS 9 and IFRS 15	-	-	-	-	(482)	(482)
Adjusted balance at January 2018	17,000	(9,324)	-	(71,465)	150,070	86,281
Profit for the period (unaudited)					12,895	12,895
Realised loss on cash flow hedging instruments, net of tax (unaudited)				6,501		6,501
Total other comprehensive income for the period (unaudited)				6,501	12,895	19,396
Dividends declared (unaudited)					10,643	10,643
At 30 September 2018 (unaudited)	17,000	(9,324)	-	64,963	152,322	95,035

JOINT STOCK COMPANY AIR ASTANA

STATEMENT OF CASH FLOWS FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2018 (UNAUDITED)

(in thousands of USD)

	Nine-month period ended 30 September 2018 (unaudited)	Nine-month period ended 30 September 2017 (unaudited)
OPERATING ACTIVITIES:		
Profit before tax	18,434	42,588
Adjustments for:		
Depreciation and amortisation of property and equipment and intangible assets	18,969	20,294
Gain on disposal of property, plant and equipment	(522)	(373)
Change in impairment allowance for prepayments and trade receivables	(356)	(4,776)
Change in write-down of obsolete and slow-moving inventories	467	(1)
Change in vacation accrual	(1,170)	-
Change in provision for aircraft maintenance	14,252	20,271
Reversal of loyalty provision	1,553	3,126
Foreign exchange loss, net	12,151	5,260
Finance income	(2,088)	(1,946)
Finance costs	7,745	8,481
Operating cash flow before movements in working capital	69,436	92,924
Change in trade and other accounts receivables	(10,605)	4,702
Change in prepaid expenses	(14,586)	(15,126)
Change in inventories	(6,663)	3,615
Change in trade and other payables and other current liabilities	15,807	17,569
Change in deferred revenue	3,257	9,604
Cash generated from operations	56,647	113,198
Income tax paid	(2,292)	-
Interest received	-	2,967
Net cash generated from operating activities	54,354	116,165
INVESTING ACTIVITIES:		
Purchase of property and equipment	(17,715)	(36,229)
Proceeds from disposal of property, plant and equipment	3,371	17,286
Purchase of intangible assets	(140)	(327)
Bank and Guarantee deposits placed	(53,421)	(15,290)
Bank and Guarantee deposits withdrawn	58,003	114,598
Net cash (used in) / generated from investing activities	(9,902)	80,038

JOINT STOCK COMPANY AIR ASTANA

STATEMENT OF CASH FLOWS FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2018 (CONTINUED) (UNAUDITED)

(in thousands of USD)

	Nine-month period ended 30 September 2018 (unaudited)	Nine-month period ended 30 September 2017 (unaudited)
FINANCING ACTIVITIES:		
Repayment of finance lease	(29,269)	(30,129)
Interest paid	(7,951)	(9,735)
Repayment of borrowings	(1,137)	(1,110)
Dividends paid	(10,643)	-
Net cash used in financing activities	(49,000)	(40,974)
NET (DECREASE)/INCREASE IN CASH AND BANK BALANCES	(4,548)	155,229
Effect of exchange rate changes on cash and bank balances held in foreign currencies	(1,746)	1,486
Foreign currency translation loss	-	(8,960)
CASH AND BANK BALANCES, at the beginning of the period	148,181	29,986
CASH AND BANK BALANCES, at the end of the period	141,887	177,741