

JOINT STOCK COMPANY AIR ASTANA

STATEMENT OF PROFIT OR LOSS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018 (UNAUDITED)

(in thousands of USD)

	Three-month period ended 31 March 2018 (unaudited)	Three-month period ended 31 March 2017 (unaudited)
Revenue		
Passenger revenue	167 956	143 713
Cargo and mail	4 686	3 836
Other revenue	3 644	4 910
Total revenue	176 286	152 459
Operating expenses		
Fuel	(56 025)	(40 142)
Handling charges, caterring and operating costs	(28 717)	(24 187)
Engineering and maintenance	(21 782)	(15 948)
Passenger service	(20 967)	(18 148)
Employee costs	(18 784)	(16 305)
Aircraft operating lease costs	(16 882)	(15 708)
Selling costs	(10 646)	(8 902)
Crew costs	(9 252)	(6 562)
Depreciation and amortisation	(6 163)	(6 395)
Property lease cost	(1 110)	(1 169)
Information technology	(981)	(785)
Insurance	(949)	(1 103)
Consultancy, legal and professional services	(786)	(383)
Taxes, other than income tax	(603)	(368)
Other	(2 801)	(2 352)
Total operating expenses	(196 448)	(158 457)
Operating loss	(20 162)	(5 998)
Finance costs	(2 476)	(3 073)
Finance income	879	983
Foreign exchange loss, net	(1 554)	(3 510)
Loss before tax	(23 313)	(11 598)
Income tax benefit	4 306	2 332
Net loss for the period	(19 007)	(9 266)
Basic and diluted loss per share (in USD)	(1 118)	(545)

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 THREE-MONTH PERIOD ENDED 31 MARCH 2018 (UNAUDITED)**

(in thousands of USD)

	Three-month period ended 31 March 2018 (unaudited)	Three-month period ended 31 March 2017 (unaudited)
Loss for the period	(19 007)	(9 266)
Foreign currency translation gain, which will never be reclassified to profit or loss in subsequent periods	-	2 393
Other comprehensive gain/(loss), net of tax, to be reclassified into profit or loss in subsequent periods:		
Net gain from cash flow hedging instruments, including realized portion	2 693	16 145
Deferred taxes related to gain from cash flow hedging instruments	(539)	(3 229)
Other comprehensive income for the period, net of tax	2 154	15 309
Total comprehensive (loss)/income for the period	(16 853)	6 043

JOINT STOCK COMPANY AIR ASTANA
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018 (UNAUDITED)

(in thousands of USD)

	31 March 2018 (unaudited)	31 December 2017
ASSETS		
Non-current assets		
Property, plant and equipment	259 028	261 754
Intangible assets	2 769	2 939
Prepayment for long-term assets	12 768	8 086
Guarantee deposits	20 887	19 636
Trade and other receivables.	4 242	3 924
	299 694	296 339
Current assets		
Inventories	53 874	38 613
Prepayments	32 194	29 390
Income tax prepaid	7 540	738
Trade and other receivables	35 773	25 517
Other taxes prepaid	27 490	18 086
Guarantee deposits	36 008	34 874
Bank deposits.	5	5
Cash and bank balances	111 398	148 181
	304 282	295 404
Total assets	603 976	591 743
EQUITY AND LIABILITIES		
Equity		
Share capital	17 000	17 000
Functional currency transition reserve	(9 324)	(9 324)
Hedging reserve	(69 311)	(71 465)
Retained earnings	131 064	150 552
Total equity	69 429	86 763
Non-current liabilities		
Loans	10 576	10 519
Finance lease liabilities.	270 913	280 797
Deferred tax liability	12 633	11 021
Provision for aircraft maintenance	44 155	60 510
	338 277	362 847
Current liabilities		
Loans	1 696	1 630
Finance lease liabilities	40 050	39 926
Deferred revenue	65 995	48 434
Provision for aircraft maintenance	29 234	13 260
Trade and other payables	59 295	38 883
	196 270	142 133
Total liabilities	534 547	504 980
Total equity and liabilities	603 976	591 743

JOINT STOCK COMPANY AIR ASTANA
STATEMENT OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018 (UNAUDITED)

(in thousands of USD)

	Share capital	Functional currency transition reserve	Foreign currency translation reserve	Reserve on hedging instruments	Retained earnings	Total equity
Balance as at 1 January 2017	17 000	-	(182 680)	(105 868)	310 625	39 077
Loss for the period	-	-	-	-	(9 266)	(9 266)
Other comprehensive income for the period						
Cash flow hedged instruments, net of tax	-	-	-	10 885	-	10 885
Realised loss on cash flow hedged instruments, net of tax	-	-	-	2 032	-	2 032
Transfer	-	-	(562)	562	-	-
Translation difference	-	-	2 393	-	-	2 393
Total other comprehensive income for the period	-	-	1 831	13 479	(9 266)	6 044
Balance as at 31 March 2017	17 000	-	(180 849)	(92 389)	301 359	45 121
Balance as at 1 January 2018	17 000	(9 324)	-	(71 465)	150 552	86 763
Opening balance adjustments due to application of IFRS 9 and IFRS 15					(481)	(481)
Adjusted balances as at 1 January 2018	17 000	(9 324)	-	(71 465)	150 071	86 282
Loss for the period	-	-	-	-	(19 007)	(19 007)
Other comprehensive income for the period						
Realised loss on cash flow hedged instruments, net of tax	-	-	-	2 154	-	2 154
Total other comprehensive loss for the period	-	-	-	2 154	(19 007)	(16 853)
Balance as at 31 March 2018	17 000	(9 324)	-	(69 311)	131 064	69 429

JOINT STOCK COMPANY AIR ASTANA
STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018 (UNAUDITED)
(in thousands of USD)

	Three-month period ended 31 March 2018 (unaudited)	Three-month period ended 31 March 2017 (unaudited)
OPERATING ACTIVITIES:		
Loss before income tax	(23 313)	(11 598)
Adjustments for:		
Depreciation and amortisation of property, plant and equipment and intangible assets	6 163	6 395
Gain on disposal of property, plant and equipment	-	(183)
(Reversal)/accrual of impairment allowance for prepayments and trade and other receivables	204	93
Accrual of allowance for obsolete and slow-moving inventories	1	(15)
Accrual for employee unused vacation	140	259
Accrual of provision for aircraft maintenance	(381)	3 729
Accrual of loyalty provision	843	196
Foreign exchange loss/(gain), net	1 554	3 510
Finance income	(879)	(983)
Finance costs	2 476	2 811
Operating cash flow before movements in working capital	(13 192)	4 214
Change in trade and other receivables	(10 928)	1 576
Change in prepaid expenses	(19 010)	(19 991)
Change in inventories	(15 262)	(2 651)
Change in financial assets and liabilities at fair value through profit or loss and hedge instruments	-	111
Change in trade and other payables and other current liabilities	27 805	398
Change in deferred revenue	16 566	9 614
Cash used in operations	(14 021)	(6 729)
Interest received	541	2 521
Net cash used in operating activities	(13 480)	(4 208)
INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(7 881)	(6 533)
Purchase of intangible assets	(68)	(256)
Bank and Guarantee deposits placed	(2 609)	(11 737)
Bank and Guarantee deposits withdrawn	-	113 777
Net cash (used in)/generated from investing activities	(10 558)	95 251
FINANCING ACTIVITIES:		
Repayment of borrowings	(57)	(402)
Repayment of finance lease	(9 759)	(10 116)
Interest paid	(2 476)	(2 933)
Net cash used in financing activities	(12 292)	(13 451)
NET (DECREASE) INCREASE IN CASH AND BANK BALANCES	(36 330)	77 592
Effect of exchange rate changes on cash and bank balances held in foreign currencies	(453)	105
CASH AND BANK BALANCES, at the beginning of the period	148 181	29 987
CASH AND BANK BALANCES, at the end of the period	111 398	107 684