



A Year of Investment

FULL YEAR 2018 FINANCIAL RESULTS

30TH APRIL, 2019

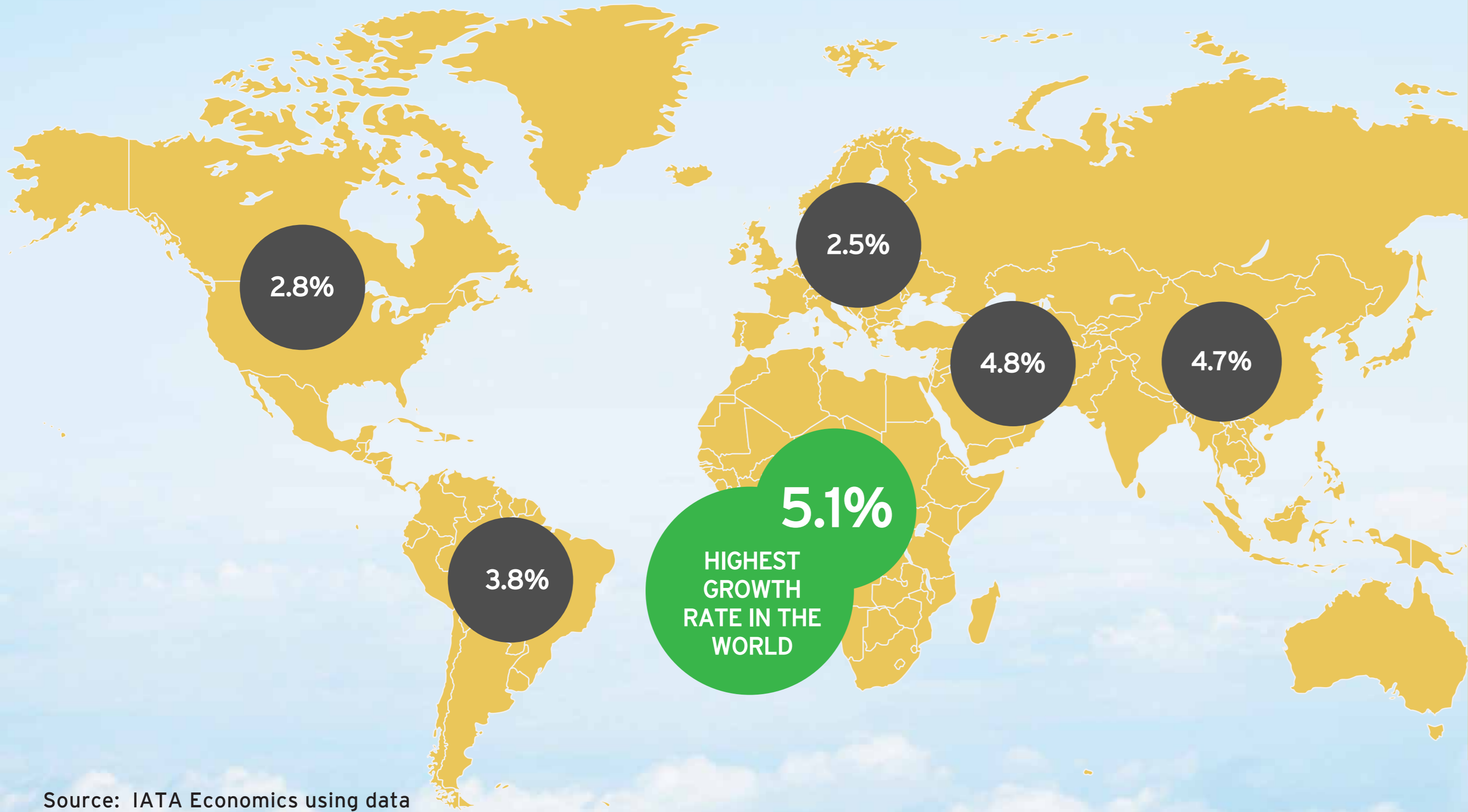
Africa Outlook

Africa Aviation Outlook

Highest Growth Potential



FULL YEAR 2018 FINANCIAL RESULTS



● 2017 ● 2035

Source: IATA Economics using data from ICAO, The Airline Analyst, IATA forecasts

Challenges & Mitigation

Fuel Price Volatility



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- Oil prices up by 30% in 2018
- Rising fuel cost is the biggest challenge to profitability
- Mitigation: Implemented hedging in Q4 2018



Fuel represents over 40% of direct cost

More than an Airline



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MRO

2017	2018
40	56
customers	customers



Jambojet

2017	2018
3	5
aircrafts	aircrafts



**Ground
Handling
Service**

2017	2018
17	17
customers	customers



***FY 2018
Highlights of
Investment***

2018 Achievements

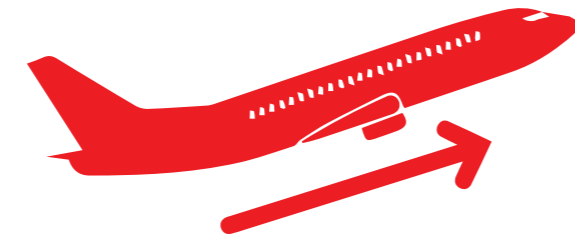


FULL YEAR 2018 FINANCIAL RESULTS



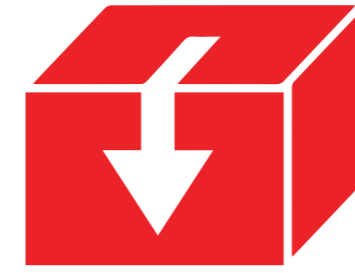
Daily Passenger Numbers

2018
13,258
2017
12,484



Sectors

2018
65,684
2017
64,602



Daily Cargo Uplift

2018
176
2017
174



Cabin Factor

2018
76%
2017
74%



On Time Performance

2018
79%

Investment in New Routes



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New York
• Launched Oct 28th 2018



Libreville



Mogadishu



Mauritius



Increased capacity for long haul

Increased Frequencies

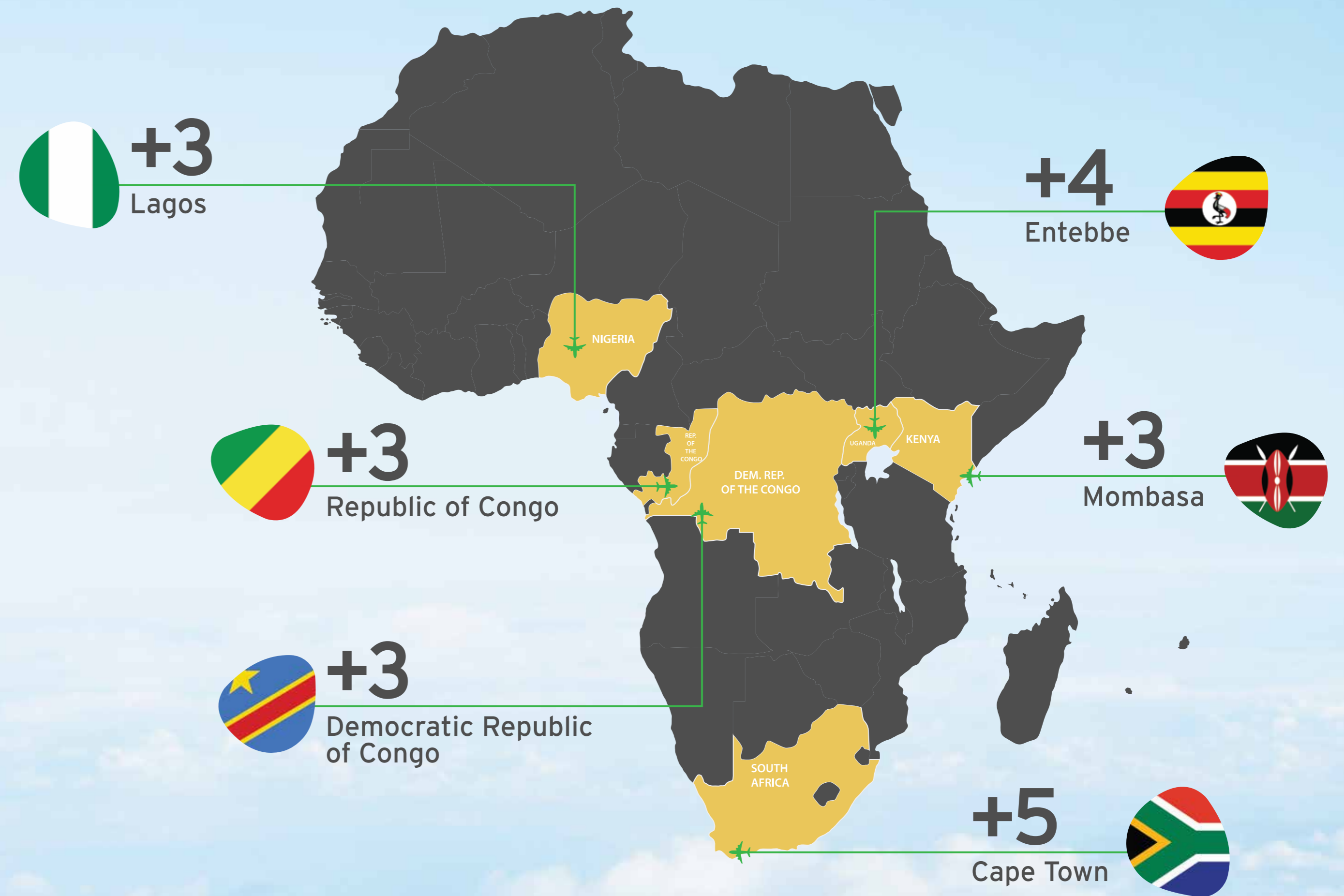
Boosted Local and Regional Network



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Bombardier Q400
Boost local and regional frequencies



*For detailed schedule, visit www.kenya-airways.com

Investment in Partnerships



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Joint Venture:
Shared revenue and costs

Code Shares:
Boosts connectivity

FY 2018 Financial Results



Important Notice



FULL YEAR 2018 FINANCIAL RESULTS

Following the Directors resolution in 2017 to change the Group's financial year end from 31 March to 31 December, the 2018 financial statements cover a twelve month period from 1 January 2018 to 31 December while the financial statements for 2017 cover a nine month period from 1 April 2017 to 31 December 2017.

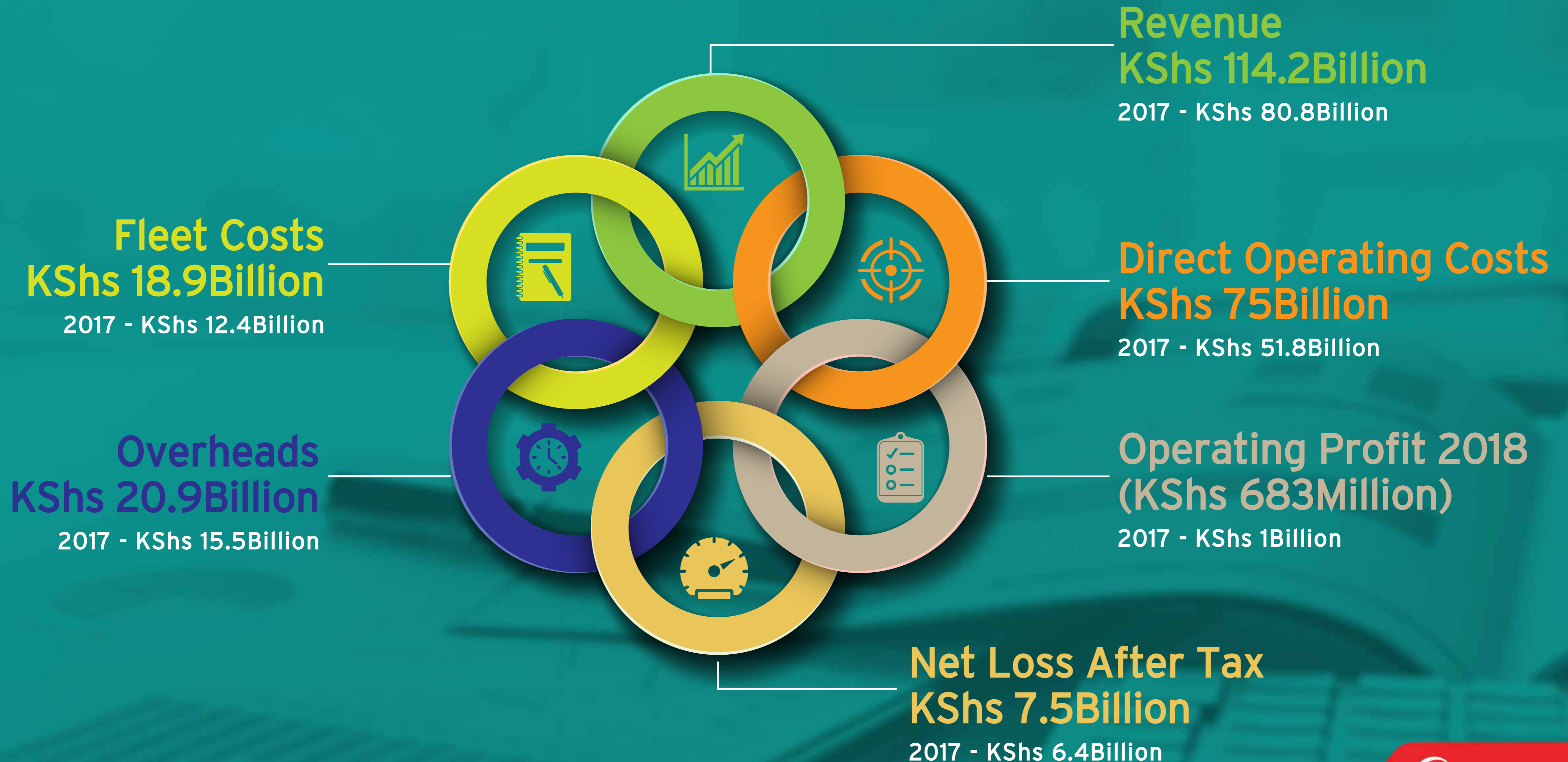
The financial statements also include a restatement of the statement of financial position as at 1 April 2017, statement of profit or loss and other comprehensive income and statement of financial position for the 9 month period ended 31 December 2017 as disclosed in note 40 of the financial statements:

1. Borrowings - as at 31 December 2017, the borrowings relating to aircraft acquisitions were erroneously classified as non-current liabilities whereas the Airline had not met one of the covenants and as such did not have an unconditional right to defer payment for the next 12 months;
2. Fleet accounting of the prepaid maintenance asset and return condition provision - to recognise prepaid maintenance asset and return condition provision not accounted for in previous years; and
3. Mandatory convertible note - To correct the split between debt and equity in the 9 month period ended 31 December 2017

Financial Highlights



FULL YEAR 2018 FINANCIAL RESULTS



Summary Consolidated Income Statement



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	As at 31 Dec, 2018 (12 months) KShs Mil	As at 31 Dec, 2017 (9 months) KShs Mil
Revenue	114,185	80,799
Total operating costs	(114,868)	(79,791)
Operating (loss)/profit	(683)	1,008
Operating margin (%)	(0.6%)	1.2%
Other costs	(6,950)	(7,346)
Interest income	45	32
Loss before tax	(7,588)	(6,306)
Income tax expense/(credit)	30	(112)
Loss for the period	(7,558)	(6,418)



Focus on revenue and expenses in turnaround.
Conserved KSh 6.4B cash.



Future Outlook

Future Outlook



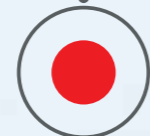
FULL YEAR 2018 FINANCIAL RESULTS

Improving operations and growing an efficient network in a highly competitive environment.



Route Expansion

- Rome & Geneva 12th June, 2019



Revenue Growth/ Cost Containment



Fleet Growth

- Boeing 787 re-entry



Jambojet

- Regional expansion
- Fleet growth



Project Simba

- Aviation policy way forward