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MEDIA RELEASE

REX RELEASES FULL YEAR FY15/16 RESULTS

The Regional Express (Rex) Group today announced its full financial year 2016 (FY15/16) results.

Rex announced a statutory after tax loss of \$9.6 million (M) following the \$15M impairment of goodwill and assets. The Company reported an operating profit before tax of \$4.3M as set out in the table below:

	FY16	FY15
	\$M	\$M
Operating Profit Before Tax	4.3	9.3
Operating Profit After Tax	3.0	6.7
Goodwill Impairment	(6.6)	-
Asset Impairment	(8.4)	-
Tax Impact of the above	2.5	-
Statutory (Loss)/Profit After Tax	(9.6)	6.7

The \$4.3M operating profit before tax was achieved on a turnover of \$261.9M.

Rex Chief Operating Officer Neville Howell said, "The Group had to make some non-cash write downs due to the cessation of a Defence contract which resulted in the first full year statutory loss Rex has reported since FY02/03."

"The new Western Australian routes which began on 28 February 2016 are expected to contribute 9% of Rex's total passengers in FY17. This together with the reduced fuel costs from hedging initiatives should see Rex post better results in FY17"

Regional Express (Rex) is Australia's largest independent regional airline operating a fleet of more than 50 Saab 340 aircraft on some 1,500 weekly flights to 58 destinations throughout New South Wales, Victoria, Tasmania, South Australia, Queensland and Western Australia. The Rex Group comprises Regional Express, air freight and charter operator Pel-Air Aviation and Dubbo-based regional airline Air Link, as well as the pilot academy Australian Airline Pilot Academy.

Rex Media Contact: Corporate Communications: +61 402 438 361