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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:

	<i>FY16</i>	<i>FY15</i>
	<i>\$M</i>	<i>\$M</i>
<b>Operating Profit Before Tax</b>	<b>4.3</b>	<b>9.3</b>
<b>Operating Profit After Tax</b>	<b>3.0</b>	<b>6.7</b>
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 all states in Australia. In addition to the regional airline Regional Express, the **Rex Group** comprises wholly owned subsidiaries **Pel-Air Aviation** (air freight and charter operator), **Air Link** (Dubbo-based regional airline) and the **Australian Airline Pilot Academy**.

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