
vueling
22nd APRIL 2010
Q1 RESULTS
PRESENTATION

Executive summary

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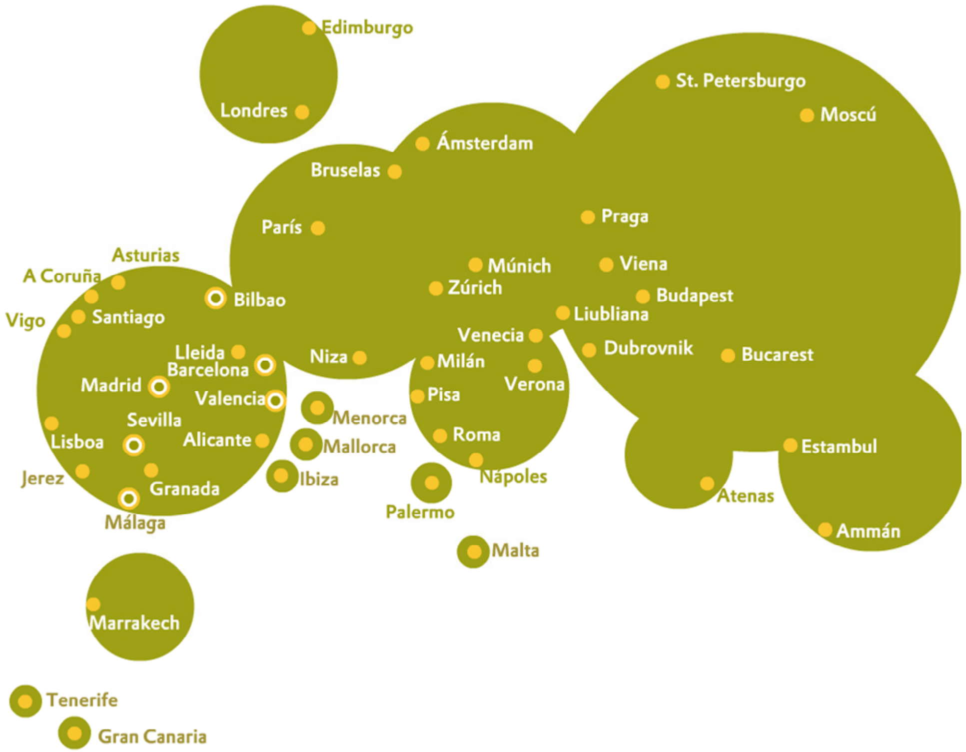
Guidance

Volcanic cloud effect

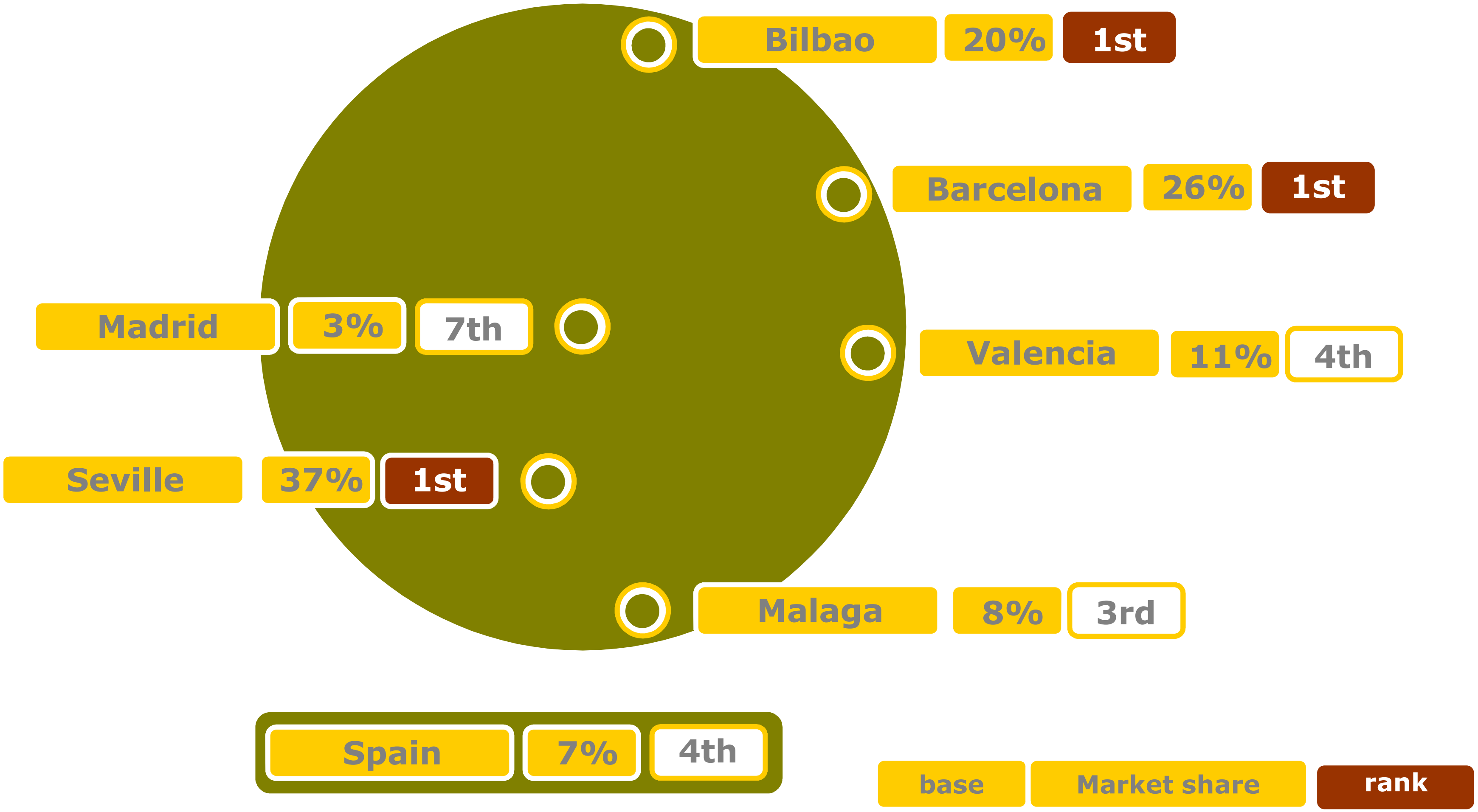
Vueling has flown nearly 100 routes during Q1 2010 offering a wide range of destination to passengers…

The company has carried 2.2 million of passengers with 35 aircraft over 17,781 flights

	Q1 10	Q1 09	YOY Growth
ASKs	2.8m	1.5m	+88%
Average operating fleet	35	16	+119%
Airports	49	26	+88%
Routes	98	45	+118%
Flights	17,781	9,046	+97%
Passengers	2.2m	1.1m	+106%



Vueling remains leader in its main bases (Barcelona, Seville and Bilbao) consolidating in them the first position in the rankings



Source: AENA

Vueling has achieved a margin of EBIT four points higher than in Q1 2009

	Q1 10	Q1 09	YOY growth
EBIT/ASK (c€)	(0.46)	(0.64)	28%
EBIT Margin (%)	(9%)	(13%)	4pp
EBITDAR (K€)	11,043	3,043	263%
EBIT (K€)	(13,002)	(9,630)	(35%)
Net Profit (K€)	(6,328)	(6,308)	0%

Source: Vueling

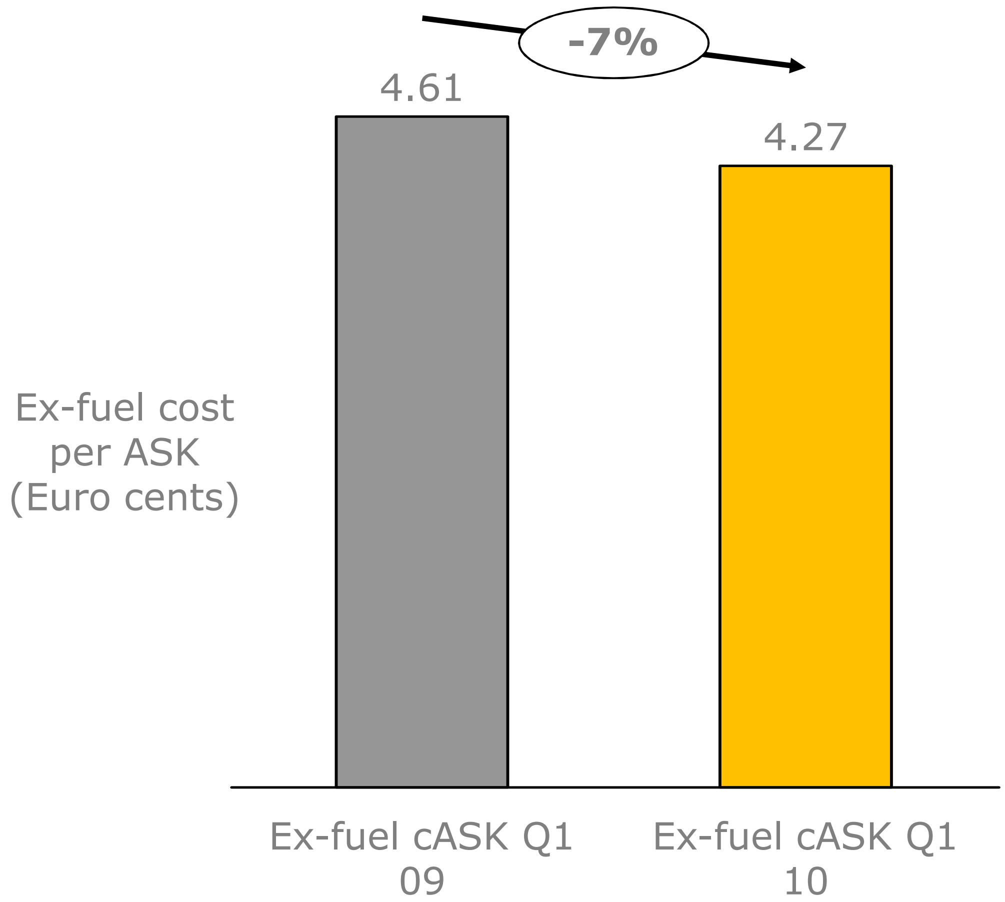
Vueling has maintained its revenue figures in a tougher competitive environment

	Q1 10	Q1 09	YOY growth
RASK(c€)	5.02	4.98	1%
Revenues (K€)	141,838	74,640	90%
Revenue per pax (€/pax)	64	69	(8%)
Load factor (PKTs/ASK)	70%	67%	3pp

Spanair increases its seat offer in BCN by 16% and easyJet by 18%. Passenger traffic in Spain shows early signs of recovery in 2010

Source: Vueling

The ex-fuel CASK in Q1 2010 is 7% below than in the same period of 2009



Target for full year is -5%

Source: Vueling

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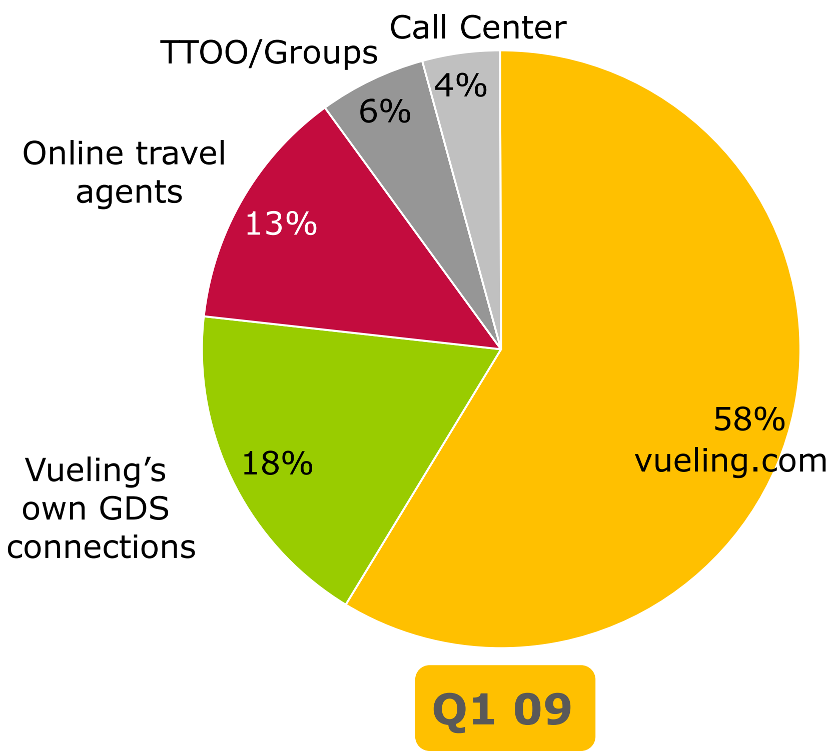
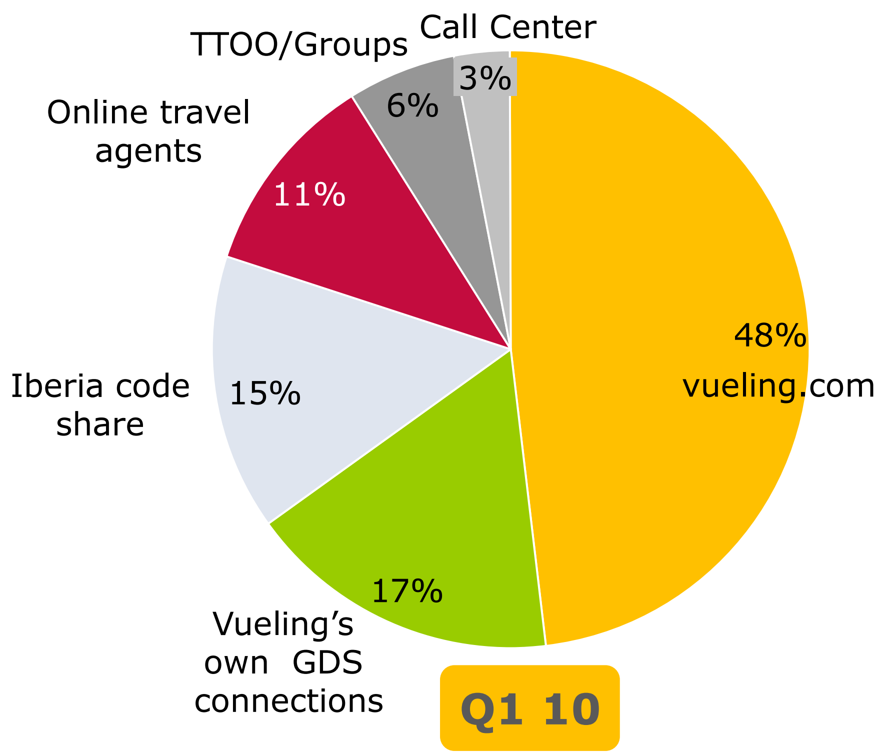
Q1 2010 GDS sales were sufficiently relevant to support comparative revenues levels in Q1 2009

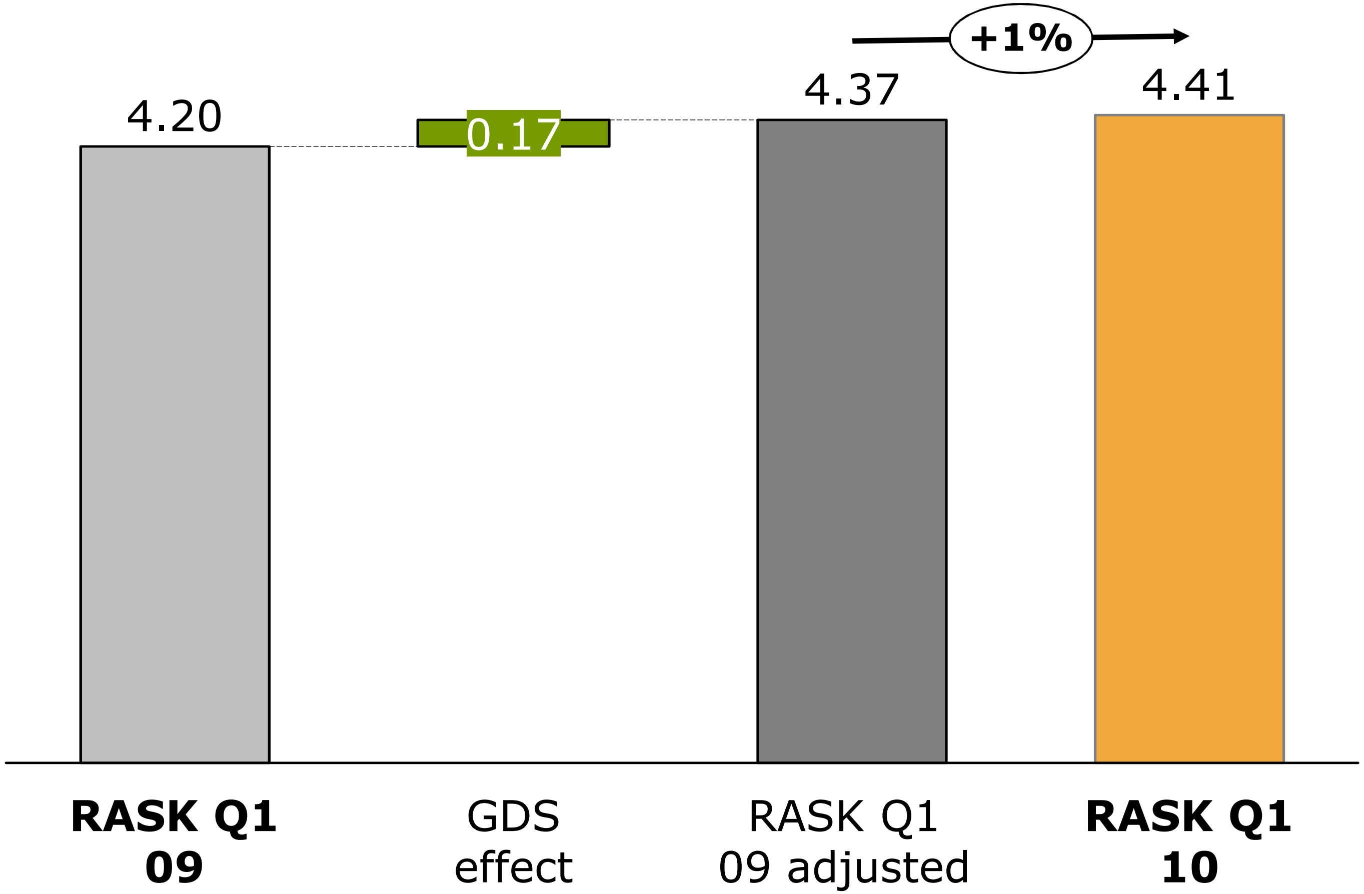




The GDS channel growth: from 18% in 2009 to 32% in 2010

Source: Vueling

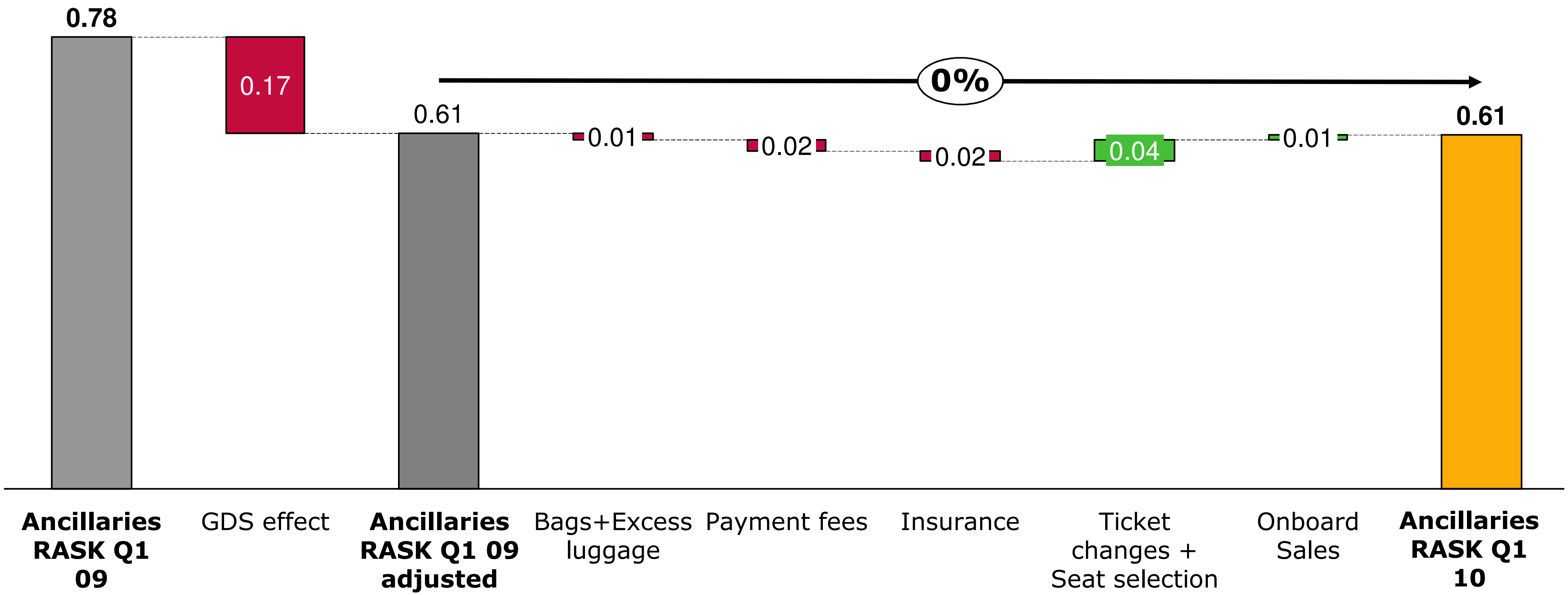
While pure ticket revenue per ASK increased 1% over Q1 of a year earlier . . .



The GDS channel tickets are inclusive of ancillaries. Therefore, GDS average fares are higher.

Source: Vueling

. . . ancillary revenues had the same performance than in 2009



Slower adoption of baggage, insurance and payment fees were offset by ticket changes and seat selection fees

Source: Vueling

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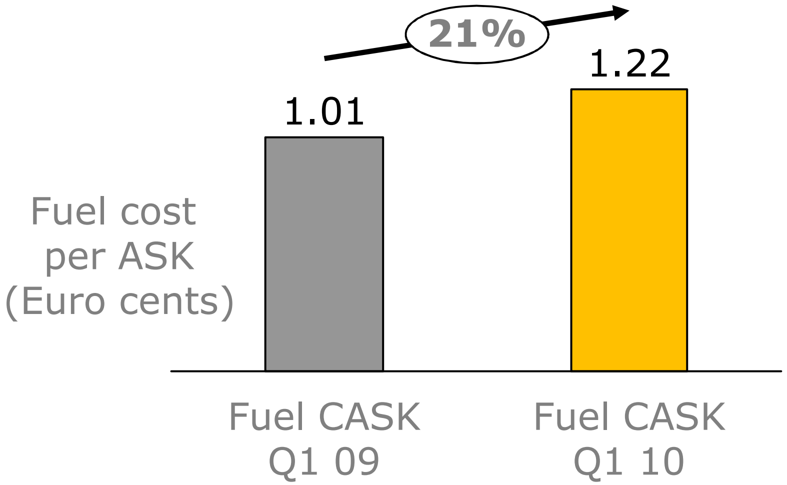
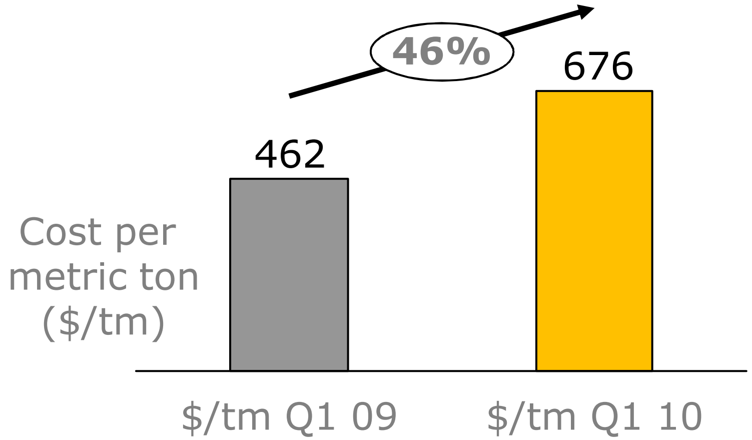
The company hedging policy has helped to reduce the impact of recent fuel price increases



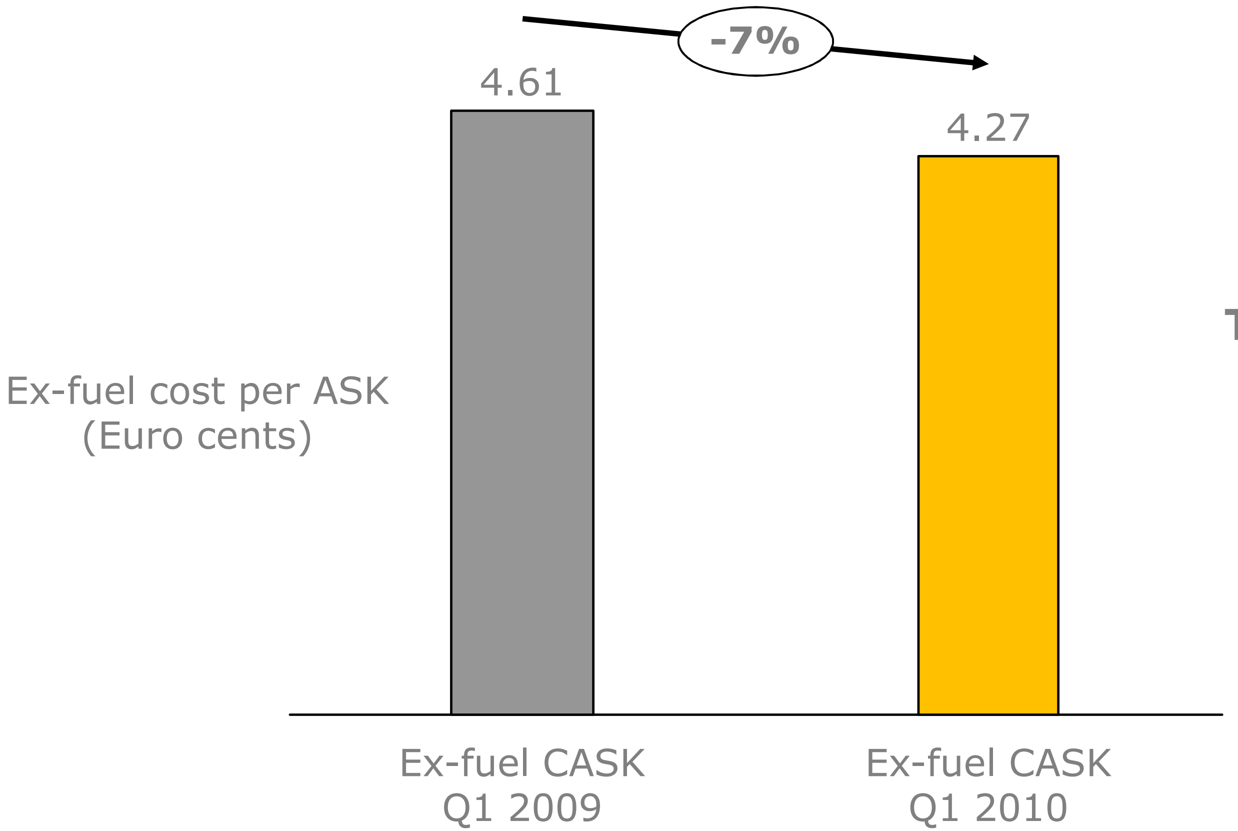


Fuel	Q1 10	Q2 10	Q3 10
% hedged	49%	47%	47%
Avg. price $/TM	$670	$717	$682

Dollar	Q1 10	Q2 10	Q3 10
% hedged	74%	62%	51%
Avg. price $/€	1.45	1.46	1.39

Source: Vueling

Q1 2010 ex-fuel CASK was 7% below than the the previous year

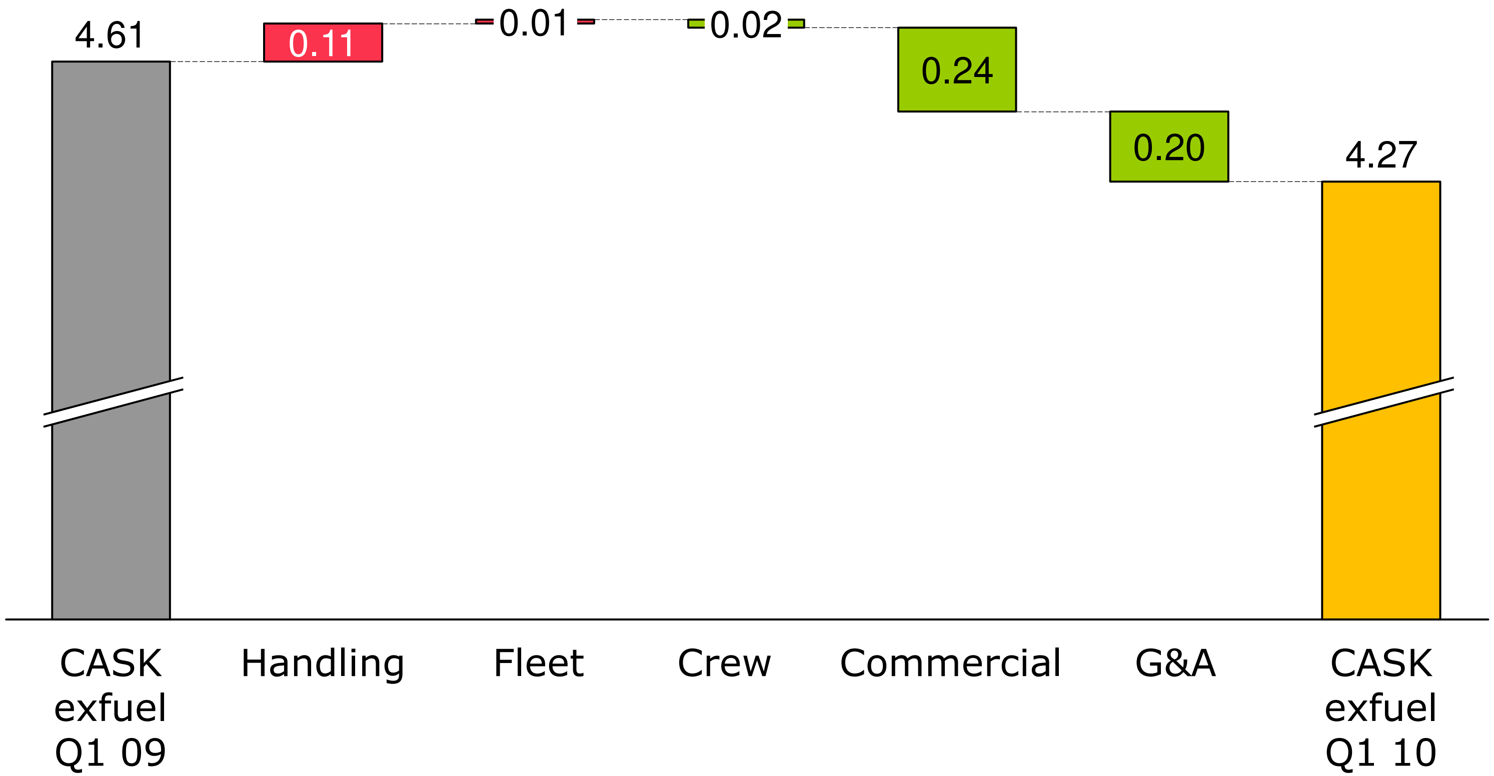


Target for full year is -5%

There are still clickair-merger cost synergies in 2010; also, the on-going cost reduction plan helps enhance net margin in 2010

Source: Vueling

The cost reduction plan and the merger synergies has contributed 9.6M€ of costs savings in the first quarter of 2010



The cost reduction plan aims to save 15M€ in 2010, primarily in handling and purchasing; we will also have 15M€ in cost synergies during 2010

Source: Vueling

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Vueling has made an EBIT loss of €13.0m in Q1

	Q1 10	Q1 09	YOY growth
Revenue	141.8m	74.6m	+90%
Variable expenditure	108.3m	55.7m	+95%
Contribution margin	33.5m	19.0m	+77%
Semi-fixed expenditure	35.4m	19.8m	+79%
Operating margin	(1.9m)	(0.8m)	(137%)
Fixed expenditure	11.1m	8.8m	26%
EBIT	(13.0m)	(9.6m)	(35%)
Net Profit	(6.3m)	(6.3m)	(0%)

Source: Vueling

Vueling has a strong balance with a strong cash position

	Q1 10	Q1 09	YOY growth
Cash (M€)	144.8	43.7	231%
Tax credits(M€)	80.7	49.9	62%

Source: Vueling

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Pro-forma P&L account

	Q1 10	Q1 09	YOY growth
ASKs	2,824	2,833	(0%)
Revenue	141.8m	139.4m	2%
Fuel costs	34.4m	29.4m	17%
Ex-fuel costs	120.4m	130.0m	(7%)
EBIT	(13.0m)	(20.0m)	35%
EBITDAR	11.0m	4.5m	146%
Net Profit	(€6.3m)	(€13.9m)	(54%)

Source: Vueling

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Guidance

- **Despite the negative effect of the volcanic ash cloud in the second quarter of 2010, Vueling maintains the guidance for an improved net profit in 2010**
- **We expect a high degree of competitive intensity in the second quarter of 2010**
- **The cost of fuel will increase in Q2 2010**
- **The reduction of CASK ex-fuel to 4 euro cents remains one of the main objectives for 2010**
- **In addition, we expect cash levels to significantly increase in 2010**
- **The effect of merger synergies will be completed during this year: revenue, 20 million euros and cost, 15.5 million euros**

Highlights

- **Unique commercial distribution model: different channels combining online (Internet) and offline presence (travel agencies)**
- **Product fits both business traveler (multi-frequencies with flexibility) and leisure traveler (multiple destination) through flexible schedule**
- **Top position in its domestic bases**
- **Merger synergies offsetting increased competition**
- **Flexible cost structure; 93% of variable or semi-variable costs**
- **Prospects for a very competitive ex-fuel CASK below 4 c€ in 2010; strong balance sheet and cash position**

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Volcanic ash effect

- **482 cancelled flights**
- **72,249 affected passengers**
- **Vueling is taking all measures to reduce passenger claim costs as well as possible future sales losses**

- **Despite the negative effect of the volcanic ash cloud in the second quarter of 2010, Vueling maintains the guidance for an improved net profit in 2010**

Fuente: Vueling

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