

Financial Statement for FY2017 (ended March 31, 2018)

- **Operating income of 54,740 million yen, operating profit of 5,793 million yen, and current net profit of 3,728 million yen**
- **Operating profit rate of 10.6%**
- **Achievement of increased income and net surplus for the fifth consecutive year**

Osaka 27 June, 2018 - Peach Aviation Limited ("Peach"; Representative Director and CEO: Shinichi Inoue) released its financial statement for fiscal 2017 (ended on March 31, 2018).

The statement shows operating income of 54,740 million yen (as compared to 51,709 million yen in fiscal 2016), operating profit of 5,793 million yen (as compared to 6,302 million yen in fiscal 2016), and current net profit of 3,728 million yen (as compared to 4,944 million yen in fiscal 2016). Peach therefore achieved increased income and a net financial surplus for the fifth consecutive year.

In the term in question, Peach recorded figures of 10.6% for the rate of operating profit, 86.9% for the average seat occupancy (pay seats), and about 5.12 million for the number of paying passengers.

Representative Director and CEO Mr. Inoue made the following remarks on the statement: "In fiscal 2017, too, our services were used by many customers inside and outside Japan, and we managed to post a net surplus for the fifth consecutive year. I would like to thank all those providing continuous support for Peach from the bottom of my heart. Last fiscal year, we made Sendai Airport a hub airport, initiated service over the Niigata route, and took other action to accelerate regional revitalization by expanding routes, including international ones, from regional cities. This fiscal year, we are going to position Shinchitose Airport as an additional hub airport that will give us a string of hub airports for service stretching the length of the Japanese archipelago. We are preparing a setup enabling in-bound passengers patronizing Peach to travel both north and south in Japan. Over the coming years as well, Peach is determined to drive the demand associated with in-bound tourism in Japan, toward attainment of the increase in the number of inbound visitors to 40 million in 2020 and 60 million in 2030 targeted by the Japanese government.

In addition, while we are going to merge with Vanilla Air through a process beginning this fiscal year and continuing into fiscal 2019, we aspire to even greater exercise of Peach's distinctiveness and originality. We are determined to enliven the skies of Japan and Asia in general as we take aim at becoming the Japanese-born LCC that is the leading one throughout Asia."

As part of its mission of serving as a "Bridge to Asia", Peach will continue to expand its fleet and its network to more than 50 routes beyond 2020.

Profit and Loss Statement – Results for FY2017 (April 1, 2017 - March 31, 2018; unit: millions of yen)

Item	Current FY	Previous FY	Rate of change relative to the previous FY
Operating income	54,740	51,709	105.9%
Operating profit	5,793	6,302	91.9%
Ordinary profit	5,677	5,387	105.4%
Current net profit	3,728	4,944	75.4%

About Peach (www.flypeach.com)

Peach started flight service based at Kansai International Airport in March 2012. Kansai International Airport was followed as a hub airport by Naha Airport in July 2014 and Sendai Airport in September 2017. At present, Peach operates flights with 20 aircraft over 15 domestic routes and 15 international routes. Peach flights number more than about 100 per day, and carry a combined total of more than 13,000 passengers at maximum. Peach is planning to launch services over the Osaka (Kansai) – Kushiro route beginning on August 1, 2018, and to make New Chitose Airport into an additional hub airport before the end of fiscal 2018.