

16 October, 2019

Etihad and Air Arabia join hands to launch Abu Dhabi's first low-cost carrier

Etihad Aviation Group, owner of the national airline of the United Arab Emirates, and Air Arabia, the Middle East and North Africa's first and largest low-cost carrier, today announced the signing of an agreement to launch 'Air Arabia Abu Dhabi', the capital's first low-cost carrier.

Etihad and Air Arabia will establish an independent joint venture company that will operate as a low-cost passenger airline with its hub in Abu Dhabi International Airport. The new carrier will complement Etihad Airways' services from Abu Dhabi and will cater to the growing low-cost travel market segment in the region.

Tony Douglas, Group Chief Executive Officer, Etihad Aviation Group, said: "Abu Dhabi is a thriving cultural hub with a clear economic vision built on sustainability and diversification. With the emirate's diverse attractions and hospitality offerings, travel and tourism play a vital role in the economic growth of the capital and the UAE. By partnering with Air Arabia and launching Abu Dhabi's first low-cost carrier, we are serving this long-term vision".

He added: "This exciting partnership supports our transformation programme and will offer our guests a new option for low-cost travel to and from Abu Dhabi, supplementing our own services. We look forward to the launch of the new airline in due course".

Adel Al Ali, Group Chief Executive Officer, Air Arabia, said: "Home to the first low-cost carrier in the MENA region, the UAE has developed over the years to become a world-leading travel and tourism hub. We are thrilled to partner with Etihad to establish Air Arabia Abu Dhabi that will further serve the growing low-cost travel segment locally

and regionally while capitalising on the expertise that Air Arabia and Etihad will be providing”.

He added: “This step demonstrates the strength of the UAE aviation sector and serves the vision driving its growth. We look forward to a successful partnership and the launch of the new carrier”.

Based in Abu Dhabi, the new company will adopt the low-cost business model. Its board of directors, consisting of members nominated by Etihad and Air Arabia, will steer the company’s independent strategy and business mandate.

The UAE’s travel and tourism sector contributes to over 13.3% of the nation’s GDP and enjoys a prominent standing as a global aviation hub, thanks to the UAE’s ultra-modern infrastructure, advanced services sector and high-quality air transport.

The MENA low-cost air travel model was first introduced in the UAE in 2003 and has been rapidly growing since then. Today, the Middle East market enjoys the third highest gains in intra-regional low-cost carrier penetration rate. Low-cost carriers accounted for 17% share of seat capacity to and from the Middle East in 2018, compared to only 8% in 2009.

Further information regarding the new joint venture will be communicated in the near future.

Ends

About Etihad Aviation Group

Etihad Aviation Group, a diversified global aviation and travel company, is considered to be one of the world’s most acclaimed aviation brands. Etihad Airways, the national airline of the UAE and a division of the group, was formed in 2003 and quickly went on to become one of the world’s leading airlines. Etihad Airways flies to over 80 destinations with a fleet of 108 Airbus and Boeing aircraft, serving 17.8 million passengers in 2018. In recent years, the organisation has received numerous awards for its superior service and products, cargo offering, loyalty programme, aviation training and Maintenance, Repair and Overhaul (MRO) service.

About Air Arabia:

Air Arabia (PJSC), listed on the Dubai Financial Market (DFM:AIRARABIA), is the Middle East and North Africa’s leading low-cost carrier (LCC). Air Arabia commenced operations in October 2003 and



AirArabia
العربية للطيران

currently operates a total fleet of 54 new Airbus A320 & A321 aircraft, serving over 170 routes from four hubs in UAE, Morocco and Egypt.

Air Arabia is an award-winning airline that focuses on offering comfort, reliability and value-for-money air travel. For further information, please visit: www.airarabia.com.

For further information, please contact:

Etihad Aviation Group Corporate Communications

Etihad Aviation Group PJSC
Abu Dhabi, United Arab Emirates
Tel: +971 56 404 8793
Email: dutymediaofficer@etihad.ae

Air Arabia press office

Air Arabia PJSC
Sharjah, United Arab Emirates
Tel: +971 6 5088791 | Fax: +971 6 5580031
pressoffice@airarabia.com
[airarabiagroup](https://twitter.com/airarabiagroup)