

Earnings Presentation Q1 FY18

Apr – Jun 2017



July 31st, 2017

Safe harbor

This document may contain some statements on the Company's business or financials which may be construed as forward looking. The actual results may be materially different from these forward looking statements.

This document forms part of the quarterly earnings release and should be viewed together with the Earnings Press Release and Earnings Conference Call

Overview

Key highlights

- Reported highest ever quarterly profit
 - Profit after tax increased by 37.1% to INR 8.1 billion
 - Profit before tax increased by 50.6% to INR 11.2 billion
- Total revenues increased by 25.6%; RASK improved by 5.5%
 - Strong RPK growth of 25.4%
 - Load factor increased by 4.7% coupled with increase in yields by 2.0%
- Continued improvement in cost; CASK ex. fuel declined by 2.5%
- Ended the quarter with a fleet of 135 aircraft including 22 A320neos

Operational highlights

- For Q1 FY18, on time performance was 85.4%, technical dispatch reliability was 99.85% and flight cancellation rate was 1.2%
 - Ranked No.1 on OTP for the quarter
- Operated a peak of 937 daily flights including international operations during the quarter
- IndiGo pronounced 'Best Low Cost Airline' at the SKYTRAX World Airline Award 2017 for the 8th consecutive year
- IndiGo awarded best 'Regional & Low Cost Airlines - Asia Pacific' at TripAdvisor's 2017 Travelers' Choice Awards

Financial Overview

Financial highlights for the quarter

| Particulars (in INR million) | Quarter Ended | | |
|------------------------------|---------------|--------|---------|
| | Jun'17 | Jun'16 | Change% |
| ASK (billion) | 15.1 | 12.7 | 18.7% |
| | | | |
| Total revenue | 59,555 | 47,415 | 25.6% |
| RASK (INR) | 3.82 | 3.62 | 5.5% |
| | | | |
| Total cost | 48,312 | 39,948 | 20.9% |
| CASK (INR) | 3.08 | 3.04 | 1.3% |
| CASK ex fuel (INR) | 1.91 | 1.96 | -2.5% |
| | | | |
| EBITDAR | 19,618 | 15,538 | 26.3% |
| EBITDAR Margin | 34.1% | 33.9% | 0.2 pts |
| PBT | 11,243 | 7,467 | 50.6% |
| PBT Margin | 19.5% | 16.3% | 3.2 pts |
| PAT | 8,111 | 5,918 | 37.1% |
| PAT Margin | 14.1% | 12.9% | 1.2 pts |

Revenue breakup for the quarter

| Particulars (in INR million) | Quarter Ended | | |
|------------------------------|---------------|--------|---------|
| | Jun'17 | Jun'16 | Change% |
| Revenue from operations | 57,529 | 45,789 | 25.6% |
| Other income | 2,026 | 1,626 | 24.6% |
| Total revenue | 59,555 | 47,415 | 25.6% |
| | | | |
| ASK (billion) | 15.1 | 12.7 | 18.7% |
| RPK (billion) | 13.3 | 10.6 | 25.4% |
| Load factor (%) | 88.0% | 83.3% | 4.7 pts |
| Yield (INR) | 3.83 | 3.75 | 2.0% |
| RASK (INR) | 3.82 | 3.62 | 5.5% |

Cost breakup for the quarter

| Particulars (in INR million) | Quarter Ended | | |
|--|---------------|--------|---------|
| | Jun'17 | Jun'16 | Change% |
| Aircraft fuel expenses | 17,592 | 13,674 | 28.6% |
| Aircraft and engine rentals | 8,537 | 7,127 | 19.8% |
| Purchase of stock in trade | 318 | 347 | -8.6% |
| Changes in inventories of stock in trade | 20 | (3) | -- |
| Employee benefits | 5,843 | 4,789 | 22.0% |
| Other expenses | 14,250 | 11,702 | 21.8% |
| Depreciation and amortization | 983 | 1,148 | -14.4% |
| Total operating expenses | 47,542 | 38,785 | 22.6% |
| Finance cost | 770 | 1,163 | -33.8% |
| Total expenses | 48,312 | 39,948 | 20.9% |
| | | | |
| CASK (INR) | 3.08 | 3.04 | 1.3% |
| CASK ex fuel (INR) | 1.91 | 1.96 | -2.5% |
| Exchange Rate (US\$/INR) | 64.63 | 67.52 | -4.3% |
| Fuel Price (INR / Litre)* | 52.71 | 45.53 | 15.8% |

* Average fuel price announced by IOCL for domestic airlines for the 4 metros – Delhi, Mumbai, Kolkata and Chennai

Cash and Debt

| Particulars (in INR million) | As of | | |
|------------------------------|----------------|---------------|-------------|
| | Jun'17 | Mar '17 | Change |
| Free Cash | 51,888 | 44,326 | 17.1% |
| Restricted Cash | 49,959 | 49,106 | 1.7% |
| Total Cash | 101,847 | 93,432 | 9.0% |
| | | | |
| Debt | 25,241 | 25,962 | -2.8% |

Fleet and capacity update

- For second quarter fiscal year 2018, year over year capacity increase in ASKs is expected to be 15%
- For fiscal year 2018, year-over-year increase in ASKs is expected to be 20%
- Expect the capacity to grow at the rate of 20% over the 3 year term for fiscal 2018 to fiscal 2020

Appendix

Fleet breakup

30th Jun, 2017

135

- 17 Owned/finance Lease
- 118 Operating Lease

- 22 A320neo
- 113 A320ceo

31st Mar, 2017

131

- 17 Owned/finance Lease
- 114 Operating Lease

- 19 A320neo
- 112 A320ceo

30th Jun, 2016

109

- 22 Owned/ finance Lease
- 87 Operating Lease

- 4 A320neo
- 105 A320ceo

Definitions and Abbreviations

| Term | Description |
|----------------|--|
| ASK | Available Seat Kilometer |
| CASK | Total Cost net of finance income per Available Seat Kilometer |
| CASK ex fuel | Total Cost excluding fuel cost net of finance income per Available Seat Kilometer |
| EBITDAR | Earnings before finance income and cost, tax, depreciation, amortization and aircraft and engine rentals |
| EBITDAR margin | EBITDAR / Revenue from Operations |
| Load Factor | Revenue Passenger Kilometer / Available Seat Kilometer |
| OTP | On Time Performance |
| RASK | Total Revenue net of finance income per Available Seat Kilometer |
| RPK | Revenue Passenger Kilometer |
| Yield | Passenger Ticket Revenue / Revenue Passenger Kilometer |

Thank You