

# Earnings Presentation Q3 FY18

## Oct – Dec 2017



January 24th, 2018

# 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

---

- Profit after tax of INR 7.6 billion with a profit margin of 12.3% for the quarter ended December 2017
  - Profitability for the quarter was favorably impacted due to better revenue management as well as credits received from our manufacturers
- Started our turboprop operations on 21<sup>st</sup> December, 2017
  - Commenced operations from Tirupati and Rajahmundry earlier this month
- For Q3 FY18, on-time performance was 81.8%, technical dispatch reliability was 99.87% and flight cancellation rate was 0.34%
  - Ranked No.1 in on-time performance for the quarter
  - Ranked as one of the top 5 airlines amongst the top 20 mega airlines globally for on-time performance for the year 2017 by OAG
- Ended the quarter with a fleet of 153 aircraft including 32 A320neos and 3 ATRs

# Financial Overview

# Financial highlights for the quarter

Particulars (in INR million)	Quarter Ended		
	Dec'17	Dec'16	Change%
ASK (billion)	16.3	14.4	13.0%
Total income	64,498	51,584	25.0%
RASK (INR)	3.84	3.48	10.4%
Total cost	53,782	45,563	18.0%
CASK (INR)	3.18	3.06	3.9%
CASK ex fuel (INR)	1.94	1.90	2.2%
EBITDAR	20,019	14,605	37.1%
EBITDAR Margin	32.4%	29.3%	3.1 pts
PBT	10,716	6,021	78.0%
PBT Margin	17.3%	12.1%	5.2 pts
PAT	7,620	4,873	56.4%
PAT Margin	12.3%	9.8%	2.5 pts

# Revenue breakup for the quarter

Particulars (in INR million)	Quarter Ended		
	Dec'17	Dec'16	Change%
Revenue from operations	61,779	49,865	23.9%
Other income	2,719	1,719	58.2%
Total income	64,498	51,584	25.0%
ASK (billion)	16.3	14.4	13.0%
RPK (billion)	14.4	12.6	14.6%
Load factor (%)	88.5%	87.3%	1.2 pts
Yield (INR)	3.70	3.48	6.3%
RASK (INR)	3.84	3.48	10.4%

# Cost breakup for the quarter

Particulars (in INR million)	Quarter Ended		
	Dec'17	Dec'16	Change%
Aircraft fuel expenses	20,160	16,712	20.6%
Aircraft and engine rentals	9,442	8,164	15.7%
Purchase of stock in trade	319	347	-8.2%
Changes in inventories of stock in trade	(13)	(19)	-
Employee benefits	6,137	5,273	16.4%
Other expenses	15,820	13,142	20.4%
Depreciation and amortization	1,074	1,184	-9.3%
Finance cost	844	759	11.3%
<b>Total expenses</b>	<b>53,782</b>	<b>45,563</b>	<b>18.0%</b>
CASK (INR)	3.18	3.06	3.9%
CASK ex fuel (INR)	1.94	1.90	2.2%
Exchange Rate (US\$/INR)	63.88	67.92	-5.9%
Fuel Price (INR / Litre)*	56.45	50.11	12.6%

\* 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		
	Dec'17	Dec'16	Change
Free Cash	80,978	37,865	113.9%
Restricted Cash	57,895	46,685	24.0%
Total Cash	138,874	84,550	64.3%
Debt	24,326	27,466	-11.4%

# Capacity update

---

- Fourth quarter fiscal year 2018, year over year capacity increase in ASKs is expected to be 24%

# Appendix

# Fleet breakup

---

31<sup>st</sup> Dec, 2017

153

- 20 Owned/Finance Lease
- 133 Operating Lease

- 32 A320neo
- 118 A320ceo
- 3 ATR

30<sup>th</sup> Sep, 2017

141

- 17 Owned/Finance Lease
- 124 Operating Lease

- 24 A320neo
- 117 A320ceo

31<sup>st</sup> Dec, 2016

126

- 18 Owned/ Finance Lease
- 108 Operating Lease

- 14 A320neo
- 112 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