

Earnings Presentation Q1 FY19

Apr – Jun 2018



July 30th, 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

- Reported Profit after tax of INR 278 million for the quarter ended June 2018
 - Profitability was majorly impacted by the adverse impact of foreign exchange, high fuel prices and the competitive fare environment
- For Q1 FY19, on time performance was 83.9%, technical dispatch reliability was 99.85% and flight cancellation rate was 0.33%
 - Ranked No. 1 in OTP for each of the months of April, May and June
- Added 2 new destinations in the quarter; total number of destinations increased to 52 including 8 international destinations
- Awarded the 'Best Low Cost Airline in Central Asia and India' at the Skytrax World Airline Awards 2018 for the ninth time in a row

Financial Overview

Financial highlights for the quarter

Particulars (in INR million)	Quarter Ended		
	Jun'18	Jun'17	Change%
ASK (billion)	17.8	15.1	18.4%
Total income	68,183	59,555	14.5%
RASK (INR)	3.70	3.82	-3.1%
Total expenses	67,870	48,312	40.5%
CASK (INR)	3.69	3.08	19.8%
CASK ex fuel (INR)	2.17	1.91	13.3%
EBITDAR	11,301	19,618	-42.4%
EBITDAR Margin	17.4%	34.1%	-16.7 pts
PBT	313	11,243	-97.2%
PBT Margin	0.5%	19.5%	-19.0 pts
PAT	278	8,111	-96.6%
PAT Margin	0.4%	14.1%	-13.7 pts

Revenue breakup for the quarter

Particulars (in INR million)	Quarter Ended		
	Jun'18	Jun'17	Change%
Revenue from operations	65,120	57,529	13.2%
Other income	3,064	2,026	51.2%
Total income	68,183	59,555	14.5%
ASK (billion)	17.8	15.1	18.4%
RPK (billion)	15.9	13.3	20.1%
Load factor (%)	89.3%	88.0%	+1.3 pts
Yield (INR)	3.62	3.83	-5.4%
RASK (INR)	3.70	3.82	-3.1%

Cost breakup for the quarter

Particulars (in INR million)	Quarter Ended		
	Jun'18	Jun'17	Change%
Aircraft fuel expenses	27,156	17,592	54.4%
Aircraft and engine rentals	10,424	8,537	22.1%
Purchase of stock in trade	319	318	0.4%
Changes in inventories of stock in trade	5	20	-74.6%
Employee benefits	6,536	5,843	11.9%
Finance cost	1,087	770	41.2%
Depreciation and amortization	1,553	983	57.9%
Foreign exchange (gain)/ loss (net)	2,461	(66)	-
Other expenses	18,330	14,316	28.0%
Total expenses	67,870	48,312	40.5%
CASK (INR)	3.69	3.08	19.8%
CASK ex fuel (INR)	2.17	1.91	13.3%
Exchange Rate (US\$/INR)*	68.44	64.63	5.9%
Fuel Price (INR / Litre)**	67.01	52.71	27.1%

* Closing Exchange Rate for the quarter

** 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'18	Jun'17	Change%
Free Cash	61,049	51,889	17.7%
Restricted Cash	71,007	49,959	42.1%
Total Cash	132,056	101,847	29.7%
Debt	25,219	25,241	-0.1%

Capacity update

- For second quarter fiscal year 2019, year over year capacity increase in ASKs is expected to be 28%
- For fiscal year 2019, year-over-year increase in ASKs is expected to be 25%

Appendix

Fleet breakup

30th Jun, 2018

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- 26 Owned/Finance Lease
- 143 Operating Lease

- 36 A320neo
- 124 A320ceo
- 9 ATR

31st Mar, 2018

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- 23 Owned/Finance Lease
- 136 Operating Lease

- 32 A320neo
- 121 A320ceo
- 6 ATR

30th Jun, 2017

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- 17 Owned/ Finance Lease
- 118 Operating Lease

- 22 A320neo
- 113 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