



SpiceJet  
FY17Q3  
Investor Presentation





# Disclaimer



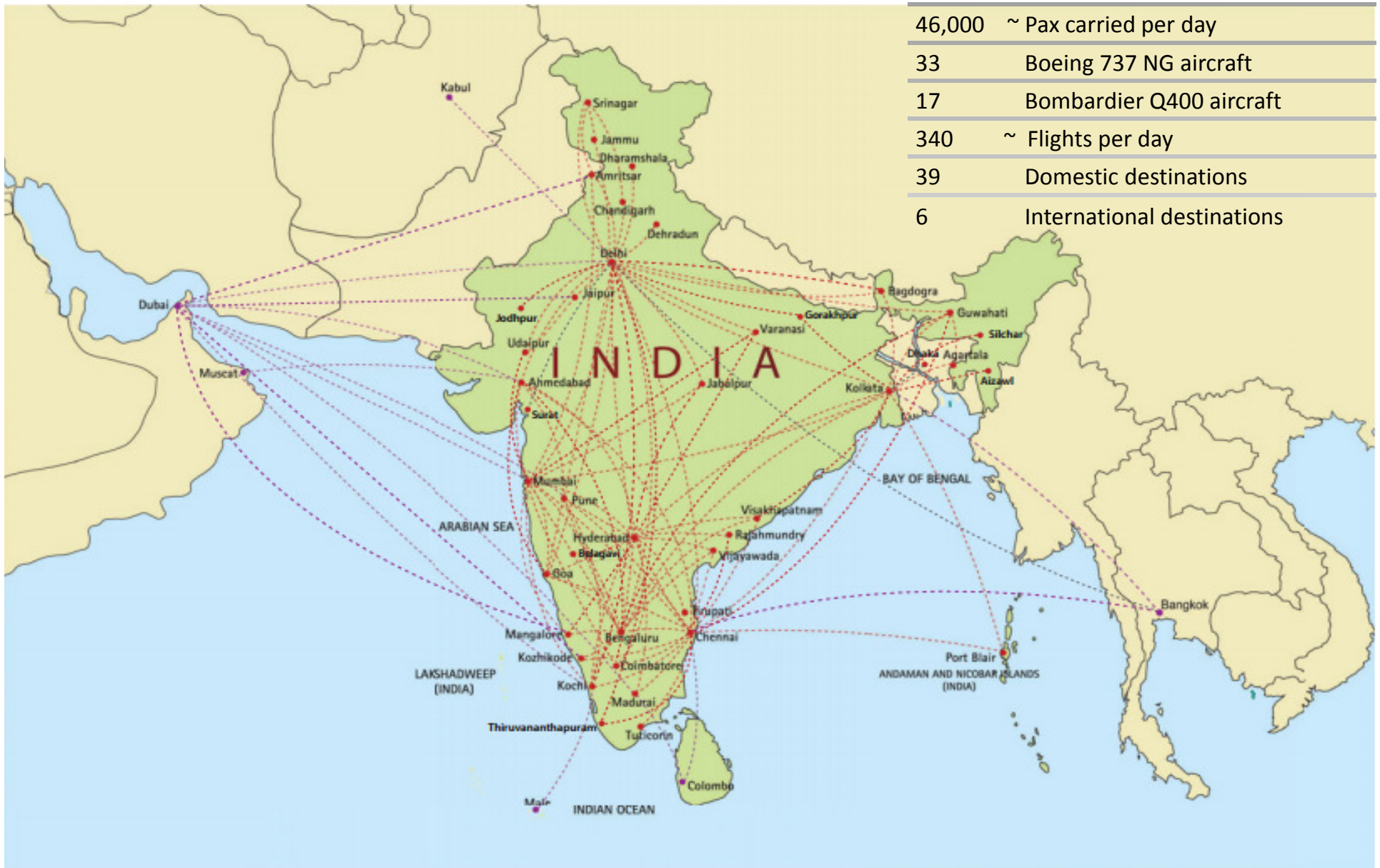
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The words "anticipate", "believe", "estimate", "expect", "intend" and similar expressions, as they relate to us, are intended to identify certain of such forward-looking statements. The Company may, from time to time, make additional written and oral forward-looking statements, including statements contained in our reports to shareholders. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company unless it is required by law.



# Operation snapshot





# QUARTER HIGHLIGHTS

Q3 FY17



# Management Comments



**SpiceJet Registers eighth consecutive profitable Quarter**  
**Registers growth in revenue and passenger carried**  
**Grows capacity on key domestic routes**  
**Registers record load factor and best on time performance**

**Gurgaon, February 14, 2017:** Carrying forward its remarkable turnaround story, SpiceJet Ltd. today announced its eighth successive profitable quarter with a profit of INR 181.1 crore for the quarter ending December 31, 2016, despite a softening of demand due to demonetisation.

SpiceJet reported an operating revenue of INR 1642.4 crore in the quarter. On an EBITDA basis, SpiceJet reported a profit of INR 241.3 crore. On an EBITDAR basis, the Company reported a profit of INR 484.2 crore.

Profits for the quarter were impacted by demonetization and higher fuel prices. Despite this, margins on EBITDAR, EBITDA and EAT basis were 28%, 14%, 11% respectively.

The December quarter saw SpiceJet excelling on all operational parameters emerging as the country's most punctual airline while continuing to record the industry highest load factor of over 90% for 21 months in a row.

This is the eighth consecutive profitable quarter for SpiceJet since its turnaround after December 2014. The airline recorded a load factor of 90.7% for the quarter, the highest in the industry. SpiceJet also showcased remarkable on time performance for the quarter by clocking the highest ranking across all metros.

“We have reported our eighth successive profitable quarter despite headwinds. SpiceJet’s dramatic turnaround story has made the world sit up and take notice. Our historic aircraft order signifies the end of the turnaround phase for SpiceJet and marks the beginning of a growth story. This order will help build an even stronger and more profitable airline. We will be relentless in reducing our costs and identifying new avenues for revenue generation,” said Ajay Singh, Chairman and Managing Director, SpiceJet Ltd.



# Management Comments, contd..



## About SpiceJet Limited:

SpiceJet is India's favourite airline that has made flying more affordable for more Indians than ever before. SpiceJet operates 343 average daily flights to 45 destinations, including 39 domestic and 6 international ones. The airline connects its network with a fleet of 32 Boeing 737NG and 17 Bombardier Q-400s. The majority of the airline's fleet offers SpiceMax, the most spacious economy class seating in India, as an additional fee option.

SpiceJet's global recognition commenced in 2017 with 'Asia's Greatest Brands - 2016', 'Global Asian of the Year Award' for Mr Singh, 'Asia's Greatest CFO 2016' at the AsiaOne Awards at Singapore (Jan 2017). Adding to the awards received throughout 2016, some of the key accolades being 'World Travel Leaders Award' received by Ajay Singh at WTM London (Nov 2016), 'Best Check-in Initiative' award by Future Travel Experience global awards in Las Vegas (Sep 2016), Smart Check In Initiatives awarded at CIO 100 India Symposium & Awards in Pune (Sep 2016), 'Best Employee Engagement' amongst 104 corporate entries at the 4th DMA - Thomas Assessments National Award for Excellence in Talent Management in New Delhi (Aug 2016), Best Transportation brand as well as the Best Airline Brand in India for 2016 by Brand Trust Report (Apr 2016) and the four Best Domestic Airline Awards, one for each of the four regions of India by DDP TravTalk.

## For more information on the release, please contact:

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# Results



Statement of Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2016							
(Rupees in Lakhs except EPS)							
S.No.	Particulars	Quarter ended			Year to date		Year ended
		Unaudited 31-Dec-16	Unaudited 30-Sep-16	Unaudited 31-Dec-15 (Refer Note 1)	Unaudited 31-Dec-16	Unaudited 31-Dec-15 (Refer Note 1)	Unaudited 31-Mar-16 (Refer Note 1)
<b>1</b>	<b>Income from operations</b>						
	a) Net Sales / Income from Operations	160,266.1	137,847.2	143,938.3	448,749.3	357,173.3	502,039.6
	b) Other Operating Income	3,974.6	2,192.5	2,056.8	7,805.1	4,135.4	6,767.6
	<b>Total Income from operations</b>	<b>164,240.7</b>	<b>140,039.7</b>	<b>145,995.1</b>	<b>456,554.4</b>	<b>361,308.7</b>	<b>508,807.2</b>
<b>2</b>	<b>Expenses</b>						
	a) Operating Expenses						
	- Aircraft Fuel	47,377.3	42,995.8	36,663.0	130,340.6	106,329.4	139,195.9
	- Aircraft Lease Rentals	24,292.6	20,635.0	22,943.7	70,876.6	56,185.3	81,109.2
	- Airport Charges	12,153.1	12,128.2	9,506.8	35,482.9	26,213.2	37,103.1
	- Aircraft Maintenance Costs	21,135.4	20,929.2	14,582.6	61,785.3	41,670.5	76,248.2
	- Aircraft Redelivery Costs	310.6	284.4	2,940.3	907.5	3,438.8	6,122.9
	- Other Operating Costs	6,873.1	5,951.2	5,600.2	18,503.1	15,016.5	19,630.9
	b) Employee Benefits Expense	18,274.9	15,306.1	12,799.8	48,330.6	35,900.3	49,245.1
	c) Depreciation and Amortisation Expense	5,235.5	4,846.2	4,648.3	14,569.7	13,716.0	17,980.7
	d) Other Expenses	16,349.5	10,648.9	11,232.5	42,334.8	32,474.3	46,402.4
	<b>Total expenses</b>	<b>152,002.0</b>	<b>133,725.0</b>	<b>120,917.2</b>	<b>423,131.1</b>	<b>330,944.3</b>	<b>473,038.4</b>
<b>3</b>	<b>Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)</b>	<b>12,238.7</b>	<b>6,314.7</b>	<b>25,077.9</b>	<b>33,423.3</b>	<b>30,364.4</b>	<b>35,768.8</b>
<b>4</b>	<b>Other Income</b>	<b>2,800.8</b>	<b>1,543.5</b>	<b>1,420.7</b>	<b>6,465.5</b>	<b>11,558.7</b>	<b>15,205.6</b>
<b>5</b>	<b>Profit / (Loss) before finance costs and exceptional items (3+4)</b>	<b>15,039.5</b>	<b>7,858.2</b>	<b>26,498.6</b>	<b>39,888.8</b>	<b>41,923.1</b>	<b>50,974.4</b>
<b>6</b>	<b>Finance Costs</b>	<b>780.6</b>	<b>1,966.7</b>	<b>2,504.4</b>	<b>4,835.7</b>	<b>7,730.6</b>	<b>12,365.0</b>
<b>7</b>	<b>Profit / (Loss) after finance costs but before exceptional items (5-6)</b>	<b>14,258.9</b>	<b>5,891.5</b>	<b>23,994.2</b>	<b>35,053.1</b>	<b>34,192.5</b>	<b>38,609.4</b>
<b>8</b>	<b>Exceptional items (Refer notes 4 &amp; 5)</b>	<b>3,855.4</b>	<b>-</b>	<b>-</b>	<b>3,855.4</b>	<b>-</b>	<b>6,369.4</b>
<b>9</b>	<b>Profit / (Loss) before tax (7+8)</b>	<b>18,114.3</b>	<b>5,891.5</b>	<b>23,994.2</b>	<b>38,908.5</b>	<b>34,192.5</b>	<b>44,978.8</b>
<b>10</b>	<b>Tax Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>11</b>	<b>Net Profit / (Loss) for the period / year (9-10)</b>	<b>18,114.3</b>	<b>5,891.5</b>	<b>23,994.2</b>	<b>38,908.5</b>	<b>34,192.5</b>	<b>44,978.8</b>
<b>12</b>	<b>Other Comprehensive income</b>	<b>(26.9)</b>	<b>(311.5)</b>	<b>(3.0)</b>	<b>(341.3)</b>	<b>(51.6)</b>	<b>(54.7)</b>
<b>13</b>	<b>Total Comprehensive Income (11+12)</b>	<b>18,087.4</b>	<b>5,580.0</b>	<b>23,991.2</b>	<b>38,567.2</b>	<b>34,140.9</b>	<b>44,924.1</b>
<b>14</b>	<b>Paid-up Equity Share Capital (Face Value Rs.10/- per Equity Share)</b>	<b>59,945.0</b>	<b>59,945.0</b>	<b>59,945.0</b>	<b>59,945.0</b>	<b>59,945.0</b>	<b>59,945.0</b>
<b>15</b>	<b>Earnings Per Share</b>						
	a) Basic (Rs)	3.02	0.98	4.00	6.49	5.70	7.50
	b) Diluted (Rs) * (Refer Note 6)	3.02	0.98	3.04	6.49	4.34	5.70
	See accompanying notes to the Standalone Financial Results						

\* Quarterly numbers are not annualised.



# Results, contd..



1. The above unaudited standalone financial results for the quarter and nine months ended December 31, 2016 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 14, 2017.

The Company has early adopted Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs vide notification dated February 16, 2015 announcing the Companies (Indian Accounting Standards) Rules, 2015, applying a transition date of April 1, 2015. Accordingly the results for the quarter and nine months ended December 31, 2016 have been prepared under the recognition and measurement principles of Ind AS. The comparative figures for the quarter and nine months ended December 31, 2015 and the year ended March 31, 2016 included in the Statement of Unaudited Standalone Financial Results have been restated to comply with Ind AS. The above results have been subjected to limited review by the statutory auditors.

2. The Company is managed as a single operating unit that primarily provides air transportation services.

3. The Company had received amounts aggregating Rs 57,908.9 lakhs from Mr. Kalanithi Maran and M/S KAL Airways Private Limited ("erstwhile promoters") as advance money towards proposed allotment of certain securities (189,091,378 share warrants and 3,750,000 non-convertible cumulative redeemable preference shares, issuable based on approvals obtained), to be adjusted at the time those securities were to be issued. Pursuant to the legal proceedings in this regard before the Hon'ble High Court of Delhi ("Court") between the erstwhile promoters and the Company, the Court, in its order dated on July 29, 2016, without expressing anything on the merits of the dispute, ordered the Company to deposit the amount of Rs 57,900 lakhs with the Court, in 5 equal monthly instalments, and directed the parties to take necessary steps for the purpose of constitution of an arbitral tribunal.

The Company has preferred an appeal against this order, which is pending disposal before the Hon'ble Division Bench of the Court. Based on the submissions made by the parties during the appeal proceedings, and legal advice obtained, management believes that no amounts are due under the original order, until disposal of the appeal by the Division Bench. In view of the foregoing, and the averments made before the Hon'ble Division Bench, by the Company, no amounts have been deposited with the Court till date. Pending adjudication of this matter by the Court, the parties have initiated arbitration proceedings.

In view of the uncertainties involved as explained above, management believes that the manner, timing and other related aspects of adjustment of these amounts, are currently not determinable. The effects of this matter may attract the consequent provisions (including penal provisions) of applicable provisions of law, including deeming provisions, relating to acceptance of deposits. Based on their assessment and legal advice obtained, management is of the view that any possible consequential effects, including penal consequences and any compounding thereof, will not have a material impact on the unaudited standalone financial results of the Company. Accordingly, no adjustments have been made for any such consequential penal effects in this regard.





# Results, contd..



4. In previous financial reporting periods, the Company had made certain provisions based on management's assessment of certain claims by a vendor, based on applicable contractual terms. Under the provisions of such contract, the vendor had initiated arbitration proceedings in the previous financial year. Based on the current status of such proceedings and submissions thereat, and legal advice obtained, management is of the view that certain previously recognised provisions are not likely to subsist. Accordingly, management has revised its assessment thereof, and as a consequence, the Company has written back provisions made in this regard, of Rs. 3,855.4 lakhs in previous financial years as an exceptional item, and netted off Rs. 835.3 lakhs pertaining to the current financial year against the corresponding expenses.
5. The loss on account of damages to aircraft and consequent insurance compensation receivable were disclosed as an extraordinary item (net), in the financial results of the Company for the year ended March 31, 2016, prepared under Indian GAAP at that time. These been disclosed as exceptional items for the relevant comparative periods, in the accompanying statement of unaudited standalone financial results.
6. Having regard to the status of the matters relating to the allotment and conversion of share warrants, as stated in Note 3, it is not possible to determine the dilutive effect, if any, of those on Diluted Earnings Per Share calculations. Accordingly, diluted earnings per share for the quarter ended September 30, 2016 and for the quarter and nine-months ended December 31, 2016 do not include the dilutive impact on the allotment and conversion of share warrants stated in note 3 above. However, for the comparable periods presented in the accompanying statement of unaudited standalone financial results, diluted earnings per share considered dilutive potential ordinary shares arising from allotment and conversion of share warrants referred to in Note 3 above, into equity shares, based on management's expectation of the outcome of such instruments, at the time of finalisation of results for those comparative periods.
7. As at December 31, 2016, the Company has accumulated losses of Rs. 224,608.2 lakhs against shareholders' funds of Rs. 159,453.8 lakhs. As of that date, the Company's total liabilities (including those referred to in Note 3 above) exceed its total assets by Rs. 65,154.4 lakhs, as a result of historical market factors and the matter described in Note 3 above. These factors result in a material uncertainty that may cause significant doubt about the Company's ability to continue as a going concern.



# Results, contd..



As a result of various operational, commercial and financial measures implemented over the last seven quarters, the Company has significantly improved its liquidity position, and generated operating cash flows since the quarter ended June 2015. The Company has also earned profit after tax of Rs 38,908.5 lakhs for the nine-months ended December 31, 2016. In view of the foregoing, and having regard to industry outlook and also management's current assessment of the outcomes of the matters stated in Note 3 above, management is of the view that the Company will be able to maintain profitable operations and raise funds as necessary, in order to meet its liabilities as they fall due. Accordingly, these unaudited standalone financial results have been prepared on the basis that the Company will continue as a going concern for the foreseeable future.

8. Consequent to transition from the Previous GAAP to Ind AS, the reconciliation of profit is provided as below for the previous periods/year presented, in accordance with the requirements of paragraph 32 of Ind AS 101 – First time adoption of Ind AS.

Particulars	For the quarter ended Dec 31, 2015	For the nine-months ended Dec 31, 2015	For the year ended March 31, 2016
<b>Net profit under IGAAP</b>	<b>23,839.6</b>	<b>33,401.4</b>	<b>40,719.9</b>
<b>Impact on account of:</b>			
Actuarial loss on defined employee benefit plans recognised in Other Comprehensive Income	3.0	51.6	54.7
Reversal of provision for maintenance cost in respect of finance-leased aircraft, net of additional depreciation on overhaul component relating to such aircraft	274.2	1,097.2	4,111.3
Adjustments on account of recognition and measurement of Financial Instruments at fair value (net)	(104.1)	(351.6)	69.3
Measurement of Investments at fair value through Statement of profit and loss	1.7	1.7	46.4
Others	(20.2)	(7.8)	(22.8)
<b>Net profit for the period under Ind AS</b>	<b>23,994.2</b>	<b>34,192.5</b>	<b>44,978.8</b>

9. Previous periods' / year's figures have been regrouped / reclassified wherever considered necessary to conform to current periods' classification.

**For SpiceJet Limited**

**Place: Gurgaon, Haryana**  
**Date: November 25, 2016**

**Ajay Singh**  
**Chairman and Managing Director**



# Executive Summary



*Amt in INR million (Qtrly)*

	CY	LY	FAV/-ADV
Capacity(ASKM)	4,348	3,437	26%
<b>Profit &amp; Loss summary</b>			
Total Income from operations	16,424	14,600	12%
Other Income	666	142	369%
Expenses	15,278	12,342	-24%
EAT	1,811	2,399	-25%
EBITDA	2,413	3,115	-23%
EBITDAR	4,842	5,409	-10%
<b>Key Performance Indices</b>			
Revenue / ASKM	3.93	4.29	-8%
Expenses / ASKM	3.51	3.59	2%
Load Factor (RPKM/ASKM)	90.7%	91.2%	-1%
Fare (PAX rev/Pax )	3,584	3,850	-7%
Operating RASK	3.78	4.25	-11%
EBITDAR margin	28%	37%	-23%
EBITDA margin	14%	21%	-33%
EAT margin	11%	16%	-35%

CY: Current year ; LY: Last year ; ASKM: Available seat kilometers ; RPKM: Revenue passenger kilometers ; RASK: Revenue per ASKM ; CASK: Cost per ASKM



# Revenue Breakup



*Amt in INR million (Qtrly)*

	<b>CY</b>	<b>LY</b>	<b>FAV/-ADV</b>
Capacity(ASKM)	4,348	3,437	26%
<b>Revenue details</b>			
PAX Revenue	14,358	12,673	13%
Ancillary Revenue	1,717	1,707	1%
Other Operating Revenue	349	220	59%
<b>Total</b>	<b>16,424</b>	<b>14,600</b>	<b>12%</b>
<b>Key Performance Indices</b>			
Load Factor (RPKM/ASKM)	90.7%	91.2%	-1%
Fare (Pax rev/Pax )	3,584	3,850	-7%
Operating RASK	3.78	4.25	-11%
PAX RASK	3.30	3.69	-10%
Other RASK	0.48	0.56	-15%



# Expense Breakup

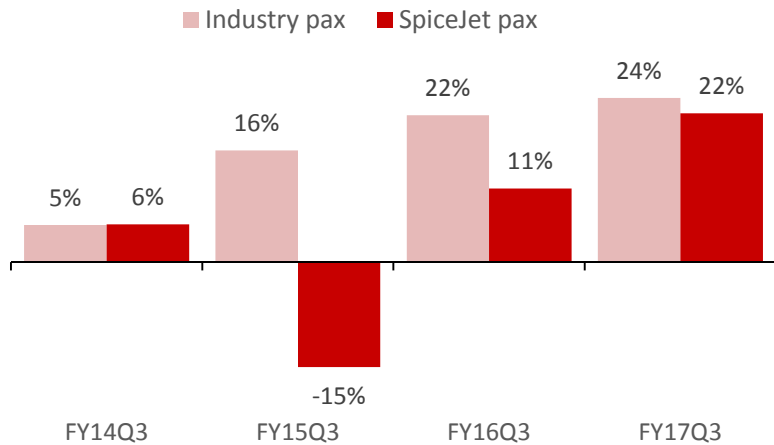


*Amt in INR million (Qtrly)*

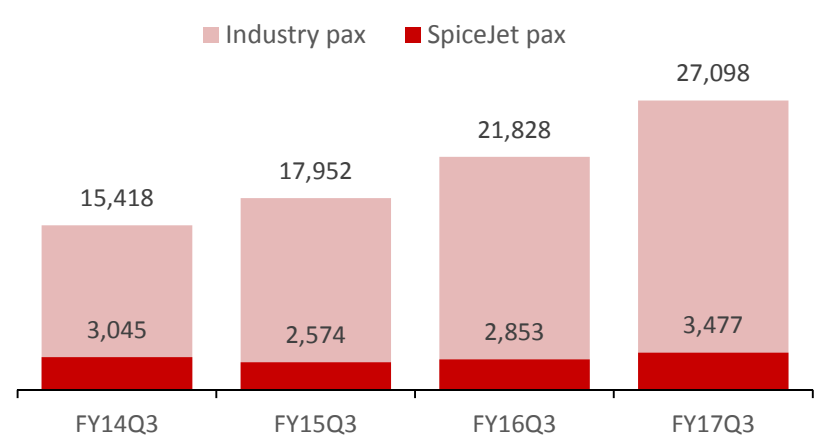
	CY	LY	FAV/-ADV
Capacity(ASKM)	4,348	3,437	26%
<b>Expense details</b>			
Aircraft Fuel	4,738	3,666	-29%
Aircraft Lease Rentals	2,429	2,294	-6%
Airport Charges	1,215	951	-28%
Aircraft Maintenance	2,114	1,458	-45%
Aircraft Redelivery Expenses	31	294	89%
Other Operating Costs	687	560	-23%
Employee Benefits Expense	1,827	1,280	-43%
Depreciation and Amortisation Expense	524	465	-13%
Other Expenses	1,635	1,123	-46%
Finance Costs	78	250	69%
<b>Total Expenses</b>	<b>15,278</b>	<b>12,342</b>	<b>-24%</b>
<b>Key Performance Indices</b>			
Total CASK	3.51	3.59	2%
Fuel CASK	1.09	1.07	-2%
Other CASK	2.42	2.52	4%



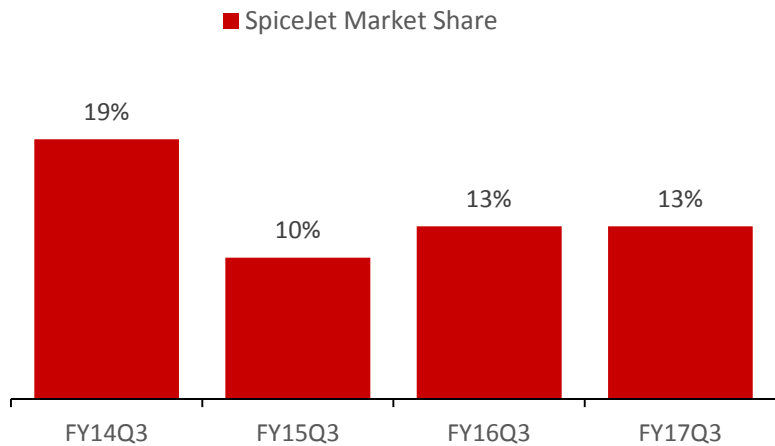
# Aviation Market (Domestic)



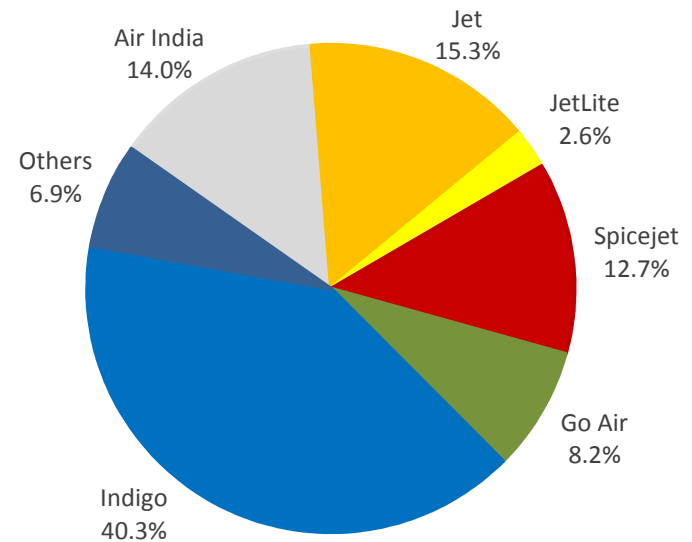
% Passenger growth (YoY)



Passenger in thousands

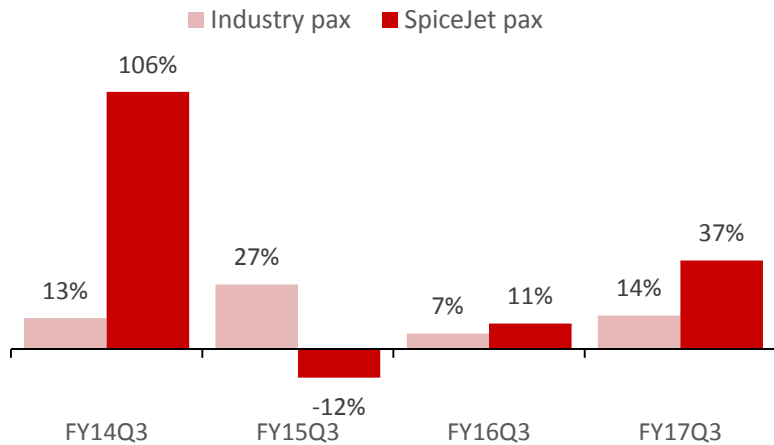


% Domestic market – quarter ending

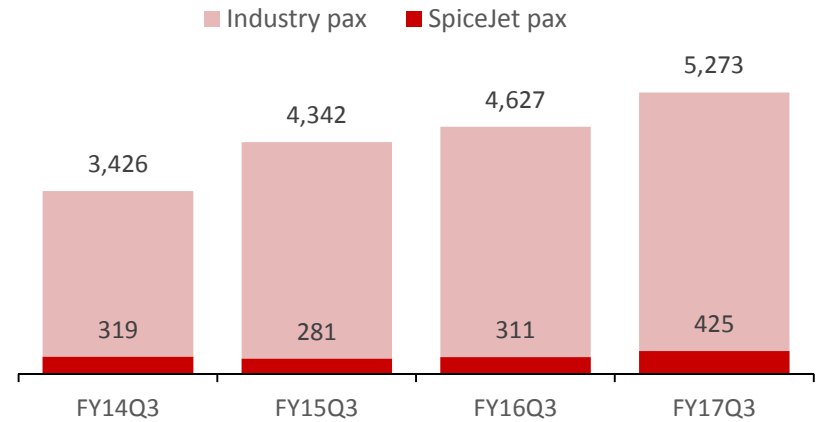




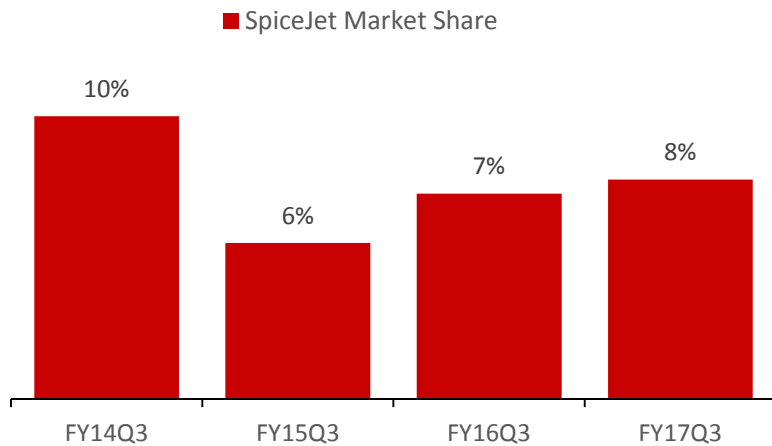
# Aviation Market (International)



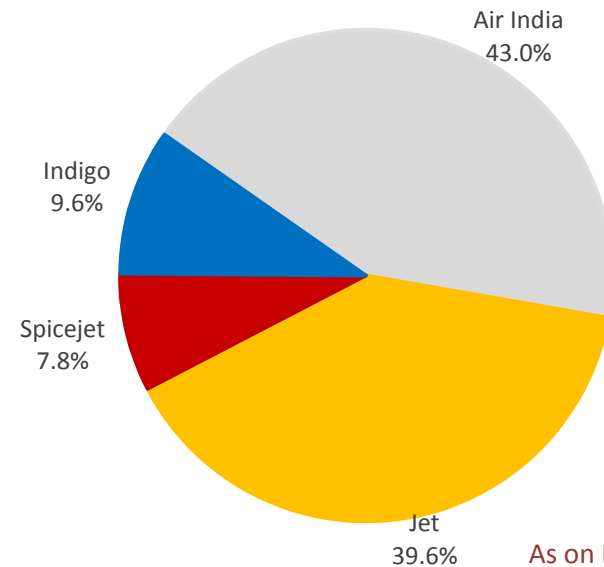
% Passenger growth (YoY)



Passenger in thousands



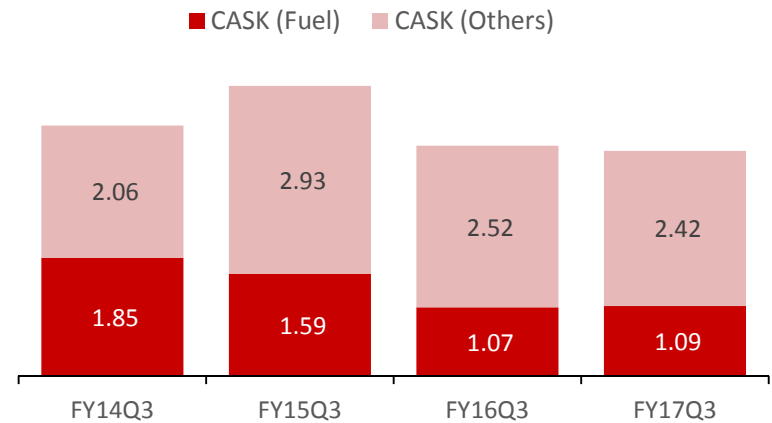
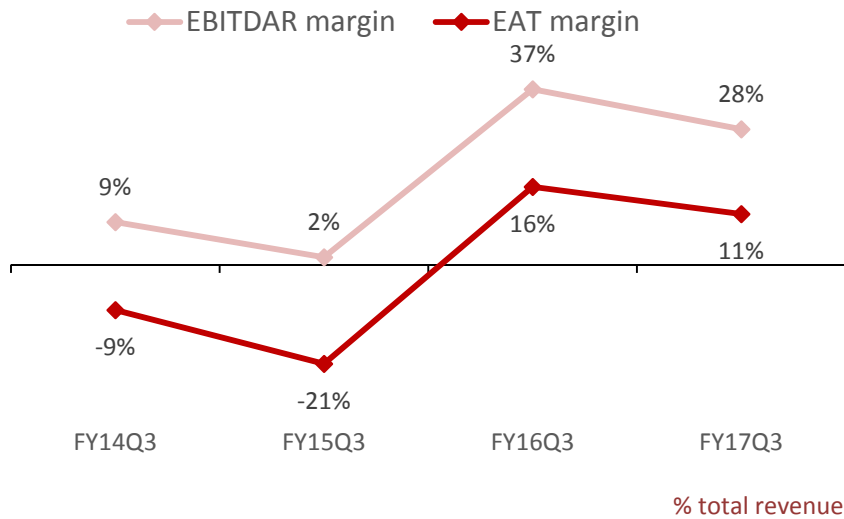
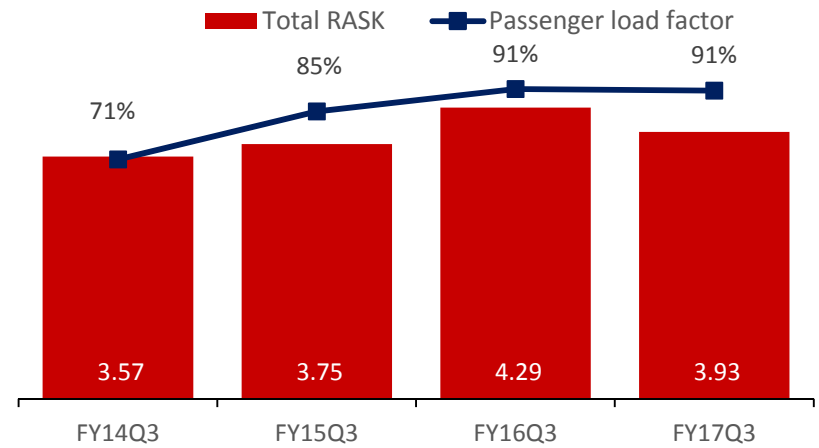
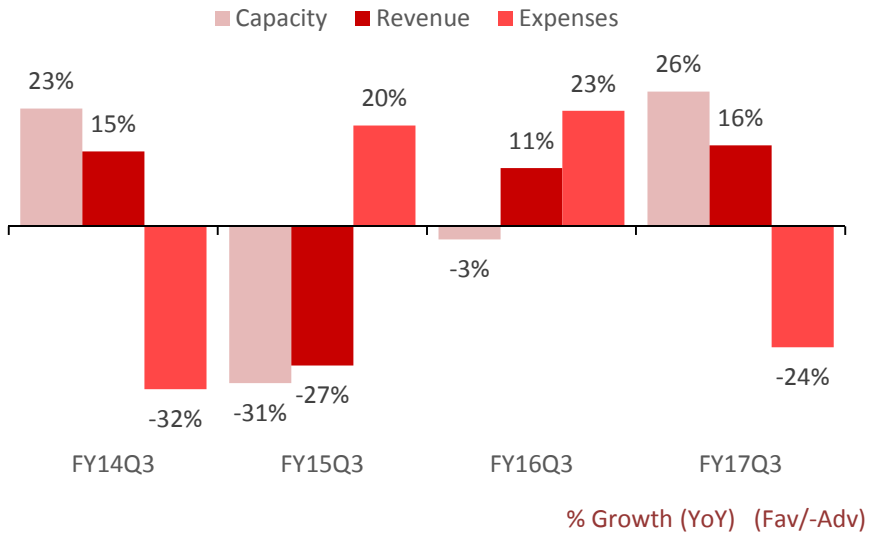
% Domestic market – quarter ending



As on Dec'16



# Key Indicators



INR

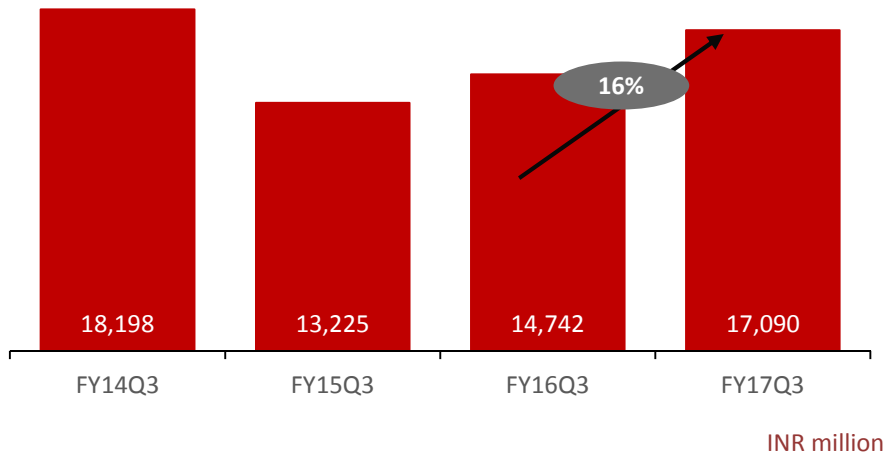




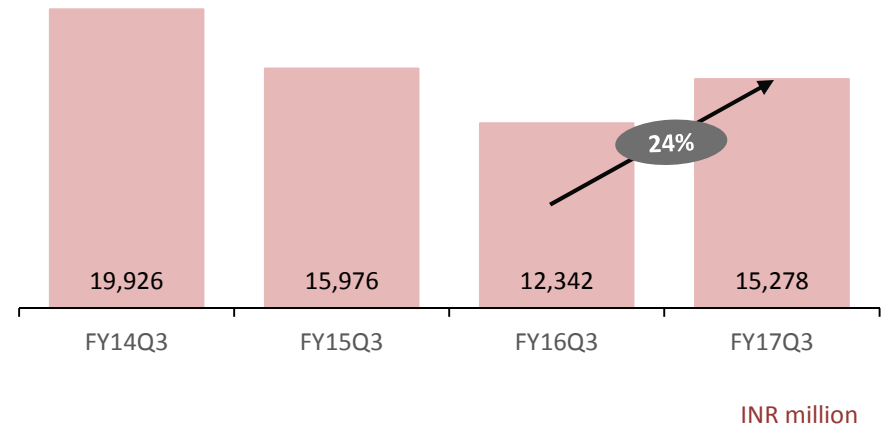
# Financial Highlights



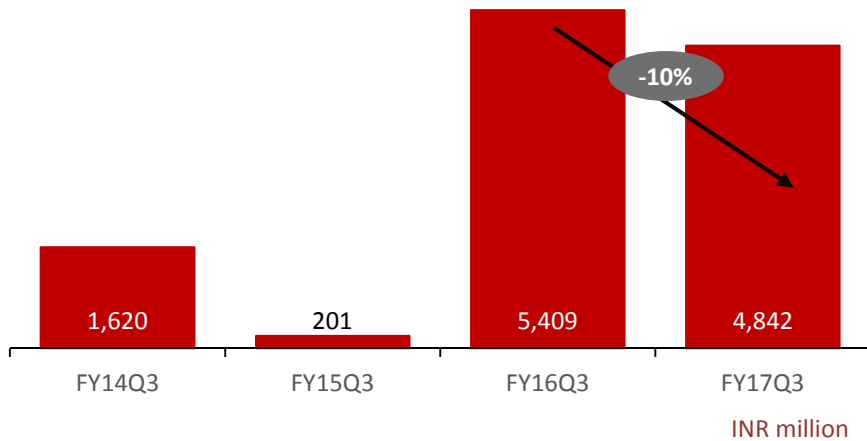
Total Revenue



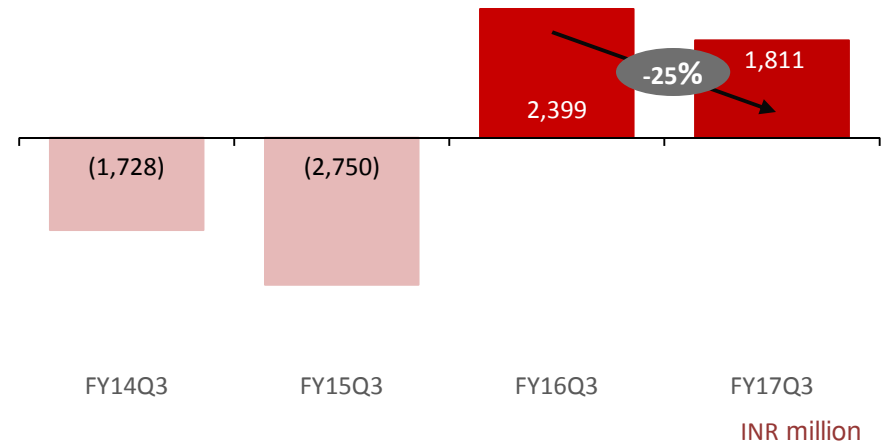
Total Expenses



EBITDAR



EAT





# YEAR TO DATE HIGHLIGHTS

Till Q3, 2017



# Executive Summary



*Amt in INR million*

	CY	LY	FAV/-ADV
Capacity(ASKM)	12,192	9,148	33%
<b>Profit &amp; Loss summary</b>			
Total Income from operations	45,655	36,131	26%
Other non operating Income	1,032	1,156	-11%
Expenses	42,797	33,867	-26%
EAT	3,891	3,419	14%
EBITDA	5,831	5,564	5%
EBITDAR	12,919	11,182	16%
<b>Key Performance Indices</b>			
Revenue / ASK	3.83	4.08	-6%
Expenses / ASK	3.51	3.70	5%
Load Factor (RPKM/ASKM)	91.6%	90.7%	1%
Fare (Pax rev/Pax )	3,516	3,594	-2%
Operating RASK	3.74	3.95	-5%
EBITDAR margin	28%	30%	-8%
EBITDA margin	12%	15%	-16%
EAT margin	8%	9%	-9%



# Revenue Breakup



*Amt in INR million*

	CY	LY	FAV/-ADV
Capacity(ASKM)	12,192	9,148	33%
<b>Revenue details</b>			
PAX Revenue	40,072	31,789	26%
Ancillary Revenue	4,892	3,910	25%
Other Operating Revenue	691	432	60%
<b>Total</b>	<b>45,655</b>	<b>36,131</b>	<b>26%</b>
<b>Key Performance Indices</b>			
Load Factor (RPKM/ASKM)	91.6%	90.7%	1%
Fare (Pax rev/Pax )	3,516	3,594	-2%
Operating RASK	3.74	3.95	-5%
PAX RASK	3.29	3.48	-5%
Other RASK	0.46	0.47	-4%



# Expense Breakup

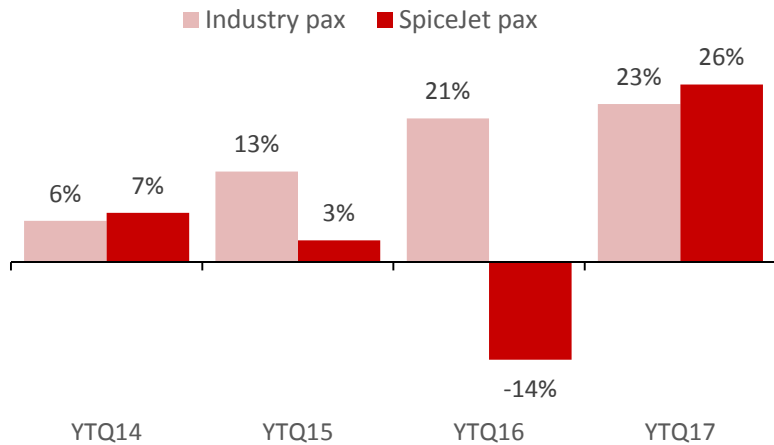


*Amt in INR million*

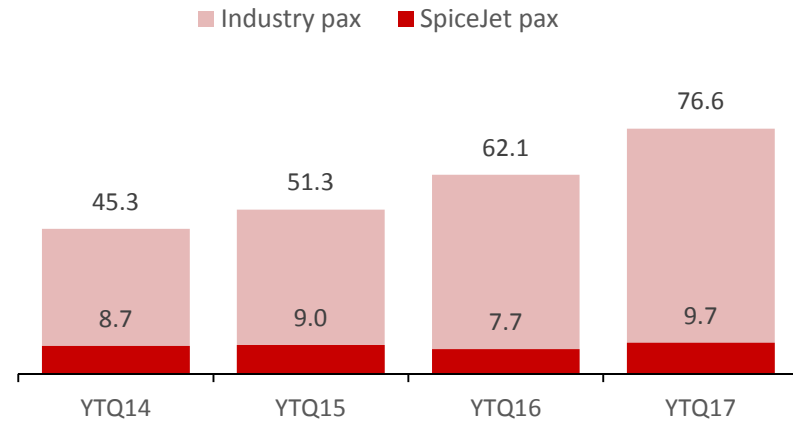
	CY	LY	FAV/-ADV
Capacity(ASKM)	12,192	9,148	33%
<b>Expense details</b>			
Aircraft Fuel	13,034	10,633	-23%
Aircraft Lease Rentals	7,088	5,619	-26%
Airport Charges	3,548	2,621	-35%
Aircraft Maintenance	6,179	4,167	-48%
Aircraft Redelivery Expenses	91	344	74%
Other Operating Costs	1,850	1,502	-23%
Employee Benefits Expense	4,833	3,590	-35%
Depreciation and Amortisation Expense	1,457	1,372	-6%
Other Expenses	4,233	3,247	-30%
Finance Costs	484	773	37%
<b>Total Expenses</b>	<b>42,797</b>	<b>33,867</b>	<b>-26%</b>
<b>Key Performance Indices</b>			
Total CASK	3.51	3.70	5%
Fuel CASK	1.07	1.16	8%
Other CASK	2.44	2.54	4%



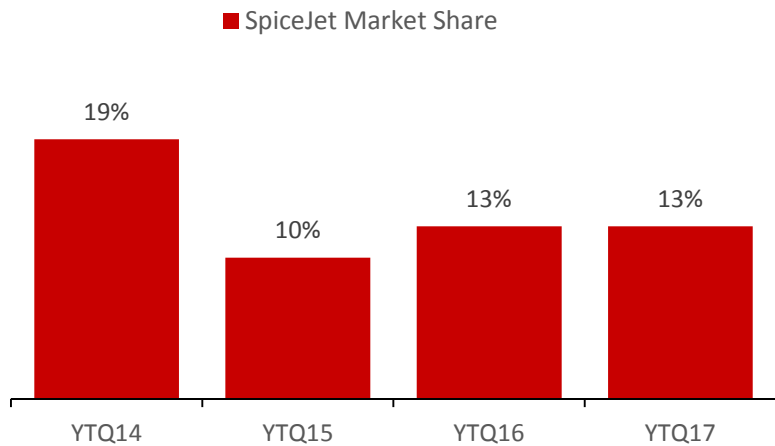
# Aviation Market (Domestic)



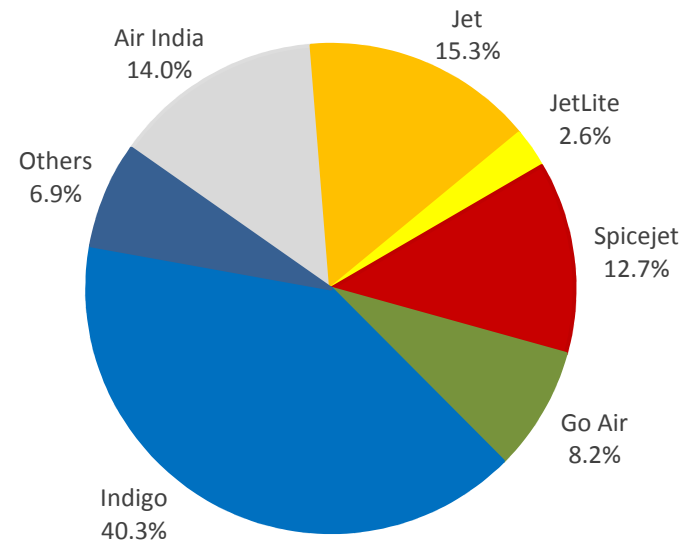
% Passenger growth (YoY)



Passenger in millions

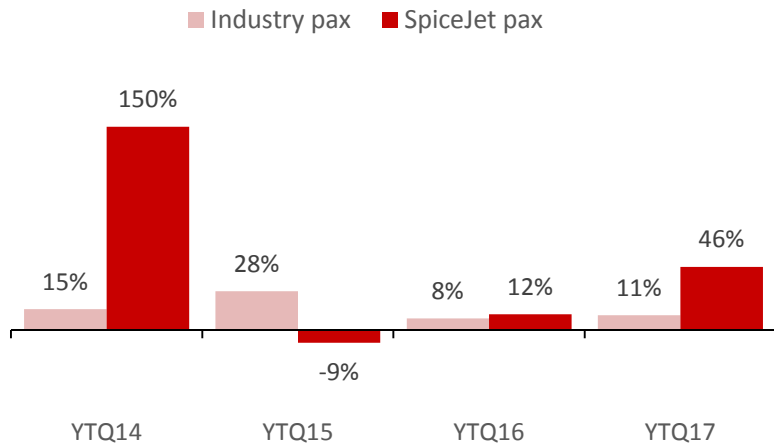


% Domestic market – year ending

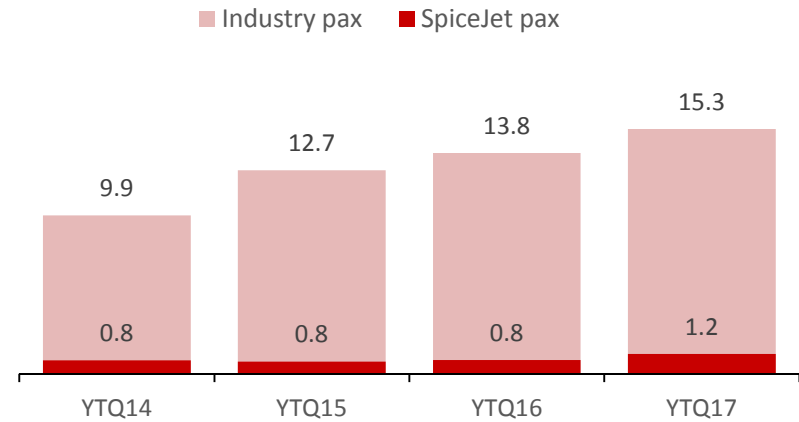




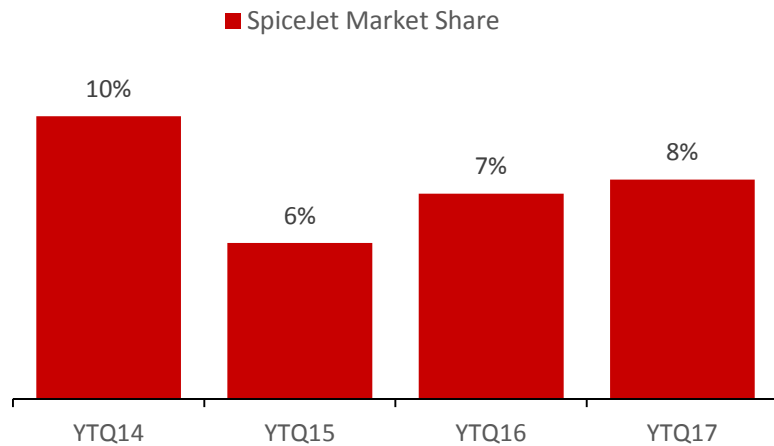
# Aviation Market (International)



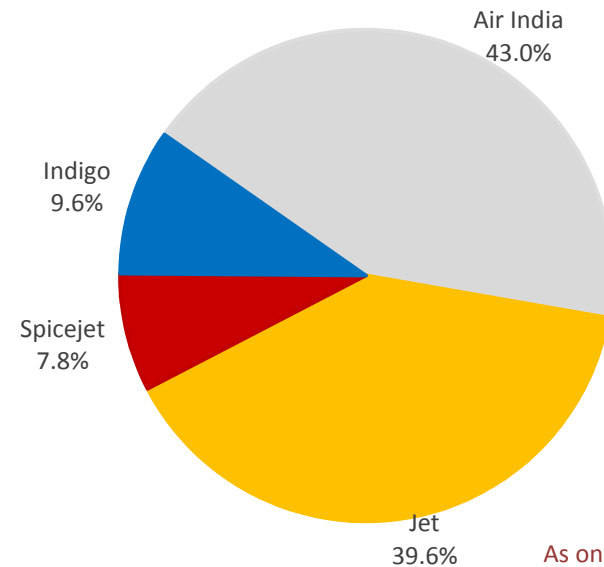
% Passenger growth (YoY)



Passenger in millions



% Domestic market – quarter ending

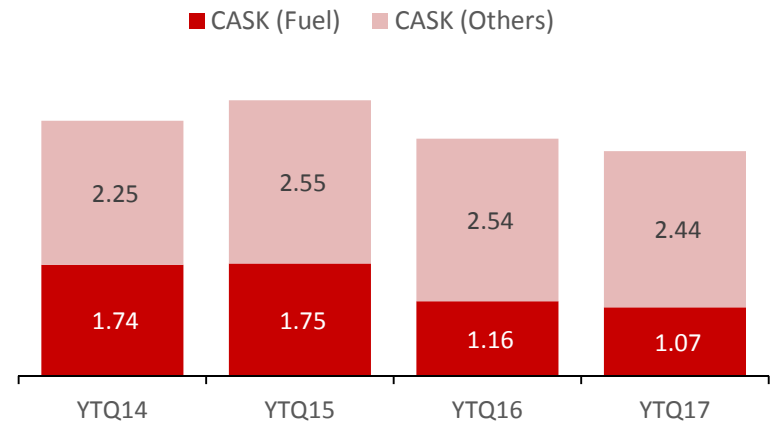
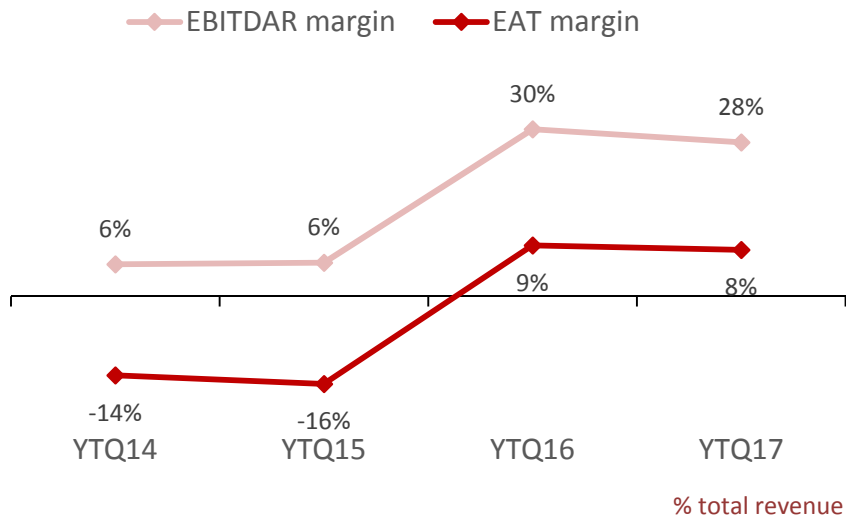
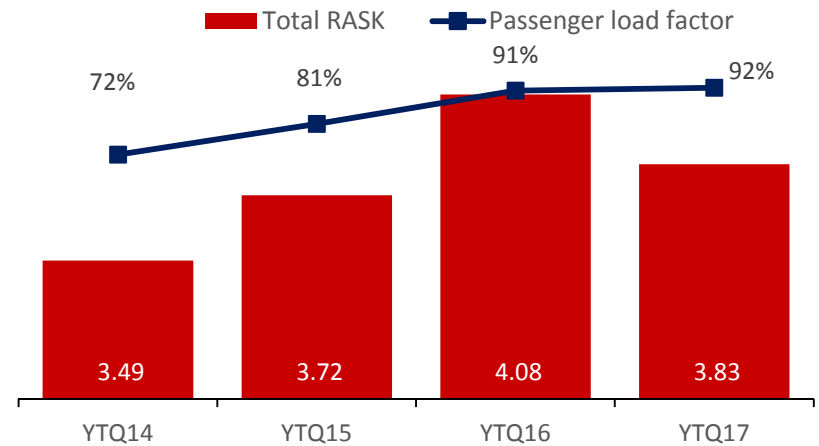
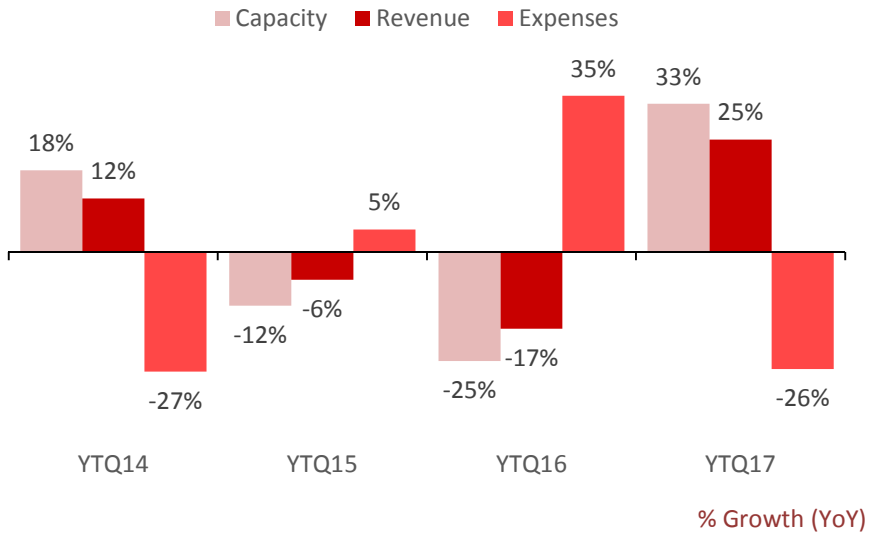


As on Dec'16

Source: DGCA Statistics  
Includes Q1, Q2 and Q3



# Key Indicators



INR

Includes Q1, Q2 and Q3

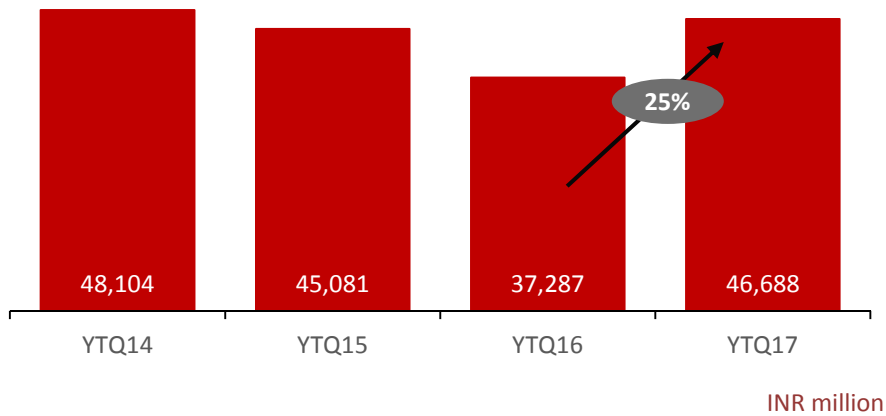




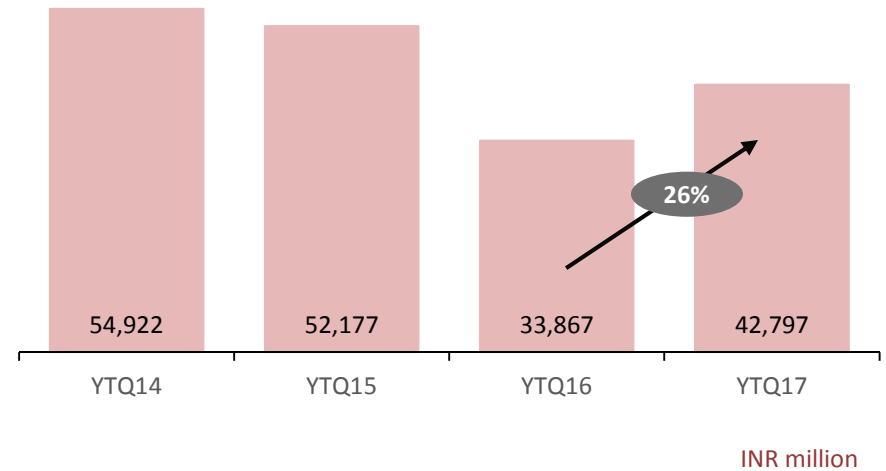
# Financial Highlights



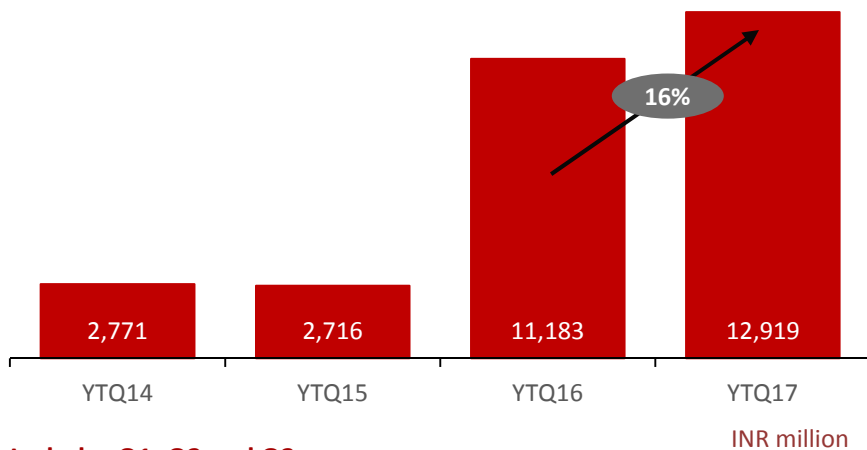
Total Revenue



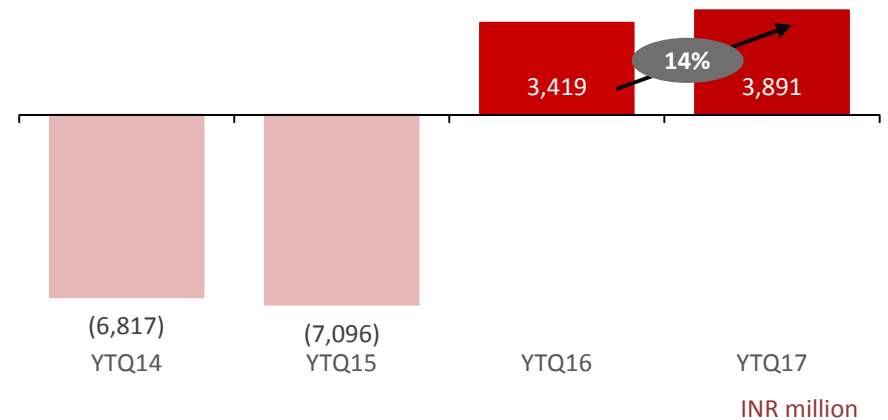
Total Expenses



EBITDAR



EAT



Includes Q1, Q2 and Q3