



SpiceJet
Investor Presentation
Q1 FY18



Disclaimer



Information contained in our presentation is intended solely for your personal reference and is strictly confidential. Such information is subject to change without prior notice, its accuracy is not guaranteed and it may not contain all material information concerning the Company. Neither we nor our advisors make any representation regarding, and assumes no responsibility or liability for, the accuracy or completeness of, or any errors or omissions in, any information contained herein.

In addition, certain statements contains our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, fluctuations in foreign exchange rates, our ability to manage growth, intense competition in aviation sector including those factors which may affect our cost advantage, wage fluctuations, our ability to attract and retain highly skilled professionals, time and cost overruns on various parameters, our ability to manage international operations, reduced demand for air travel, liability for damages, withdrawal or expiration of governmental fiscal incentives, political instability, legal restrictions on raising capital or general economic conditions affecting our industry.

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

Q1 FY18



Management Comments



SpiceJet registers 10th consecutive profitable quarter
Launches new flights on two UDAN routes
Registers record Load Factor of 90% + for 27 successive months

Gurgaon, August 10, 2017: SpiceJet reported a profit of INR 175 crore for the three months ended June 30th, 2017 as against 149 crore in the same quarter last year, making it the 10th successive profitable quarter for the airline. The profits grew by 18% during this period.

Operating revenues were INR 1869 crore for the said quarter as against INR 1521 crore for the same quarter last year. On an EBITDA basis, SpiceJet reported a profit of INR 248 crore as against INR 215 crore in the same quarter last year.

In terms of operational parameters, SpiceJet had the best passenger load factor amongst all airlines in the country during the quarter. The company witnessed a 9% increase in its passenger yields while its average load factor was 94.07%. SpiceJet has recorded more than 90% load factor for 27 successive months, a feat unparalleled globally.

SpiceJet, which placed its biggest order yet for up to 205 Boeing airplanes valued at up to USD 22 billion earlier this year, also placed an additional order for 20 737 MAX 10 planes worth USD 4.7 billion and 20 conversions from the previous order at the Paris Air Show in June 2017. The airline has also placed an order to buy up to 50 Q400 turboprop planes with Bombardier to consolidate its footprint in the regional markets.

SpiceJet's massive aircraft order with Boeing came in for special mention by US President Donald Trump during a joint press conference alongside Prime Minister Narendra Modi at the White House for creating thousands of jobs in the US. President Trump's comments were reiterated by US Vice President Mike Pence while addressing the 42nd annual gathering of the US-India Business Council (USIBC).



Management Comments, contd..



“From being on the brink of a near shutdown to being lauded for creating thousands of jobs in the world’s largest economy within a span of mere ten quarters, exemplifies SpiceJet’s amazing turnaround. We had an eventful quarter as we took off under the UDAN scheme and launched operations on two routes,” **said Mr. Ajay Singh – CMD, SpiceJet.**

“Ten successive profitable quarters, a record aircraft order and exploring new growth avenues through the UDAN program - SpiceJet remains firmly on track for its long term growth strategy,” he added. SpiceJet has launched its flights on the UDAN routes of Mumbai-Porbandar-Mumbai and Mumbai-Kandla-Mumbai, while flights on the Hyderabad-Pondicherry-Hyderabad route are scheduled to take-off from August 16, 2017. This quarter, the airline increased its regional capacity by 20% by adding three Q400 to its fleet.

The last quarter also saw the airline launch its new retail venture, ‘SpiceStyle’ offering more than 12 fashion and lifestyle brands under its portfolio. This will provide a fresh impetus to its ancillary revenues which has grown to 17% from 6% in the last two years.

SpiceJet plans to add around six Boeing 737 Next Generation aircraft during Q3 and Q4 and expand its Bombardier fleet by adding two more Q400s. SpiceJet has been awarded six proposals and 11 routes under the first phase of the UDAN Regional Connectivity Scheme. During the current quarter, SpiceJet will start operations in the remaining sectors under the UDAN scheme, namely Kanpur, Adampur and Jaisalmer, making flying possible for more passengers.



Management Comments, contd..



About SpiceJet Ltd:

SpiceJet is India's favourite airline that has made flying more affordable for more Indians than ever before. SpiceJet operates 375 average daily flights to 49 destinations, including 42 domestic and 7 international ones. The airline connects its network with a fleet of 35 Boeing 737NG and 20 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 was conferred the CAPA Chairman's Order of Merit for fastest turnaround in FY 2016 (Feb., 2017) '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). These added to the tally of global recognitions received throughout 2016. Some of the key accolades that were conferred in 2016 are 'World Travel Leaders Award' received by Mr. 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 Assesments 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:

Mr. Tushar Srivastava
+91 98108 14874
Head, Corporate Communications
tushar.srivastava@spicejet.com

Ms. Sudipta Das
+919650602489
Senior Manager
sudipta.das1@spicejet.com



Results



Statement of Unaudited Standalone and Consolidated Financial Results for the quarter ended June 30, 2017									
(Rupees in millions except EPS information and unless otherwise stated)									
S.No.	Particulars	Standalone				Consolidated			
		Quarter ended		Year ended		Quarter ended		Year ended	
		Unaudited 30-Jun-17	Audited 31-Mar-17 (Refer note 8)	Unaudited 30-Jun-16	Audited 31-Mar-17	Unaudited 30-Jun-17	Audited 31-Mar-17 (Refer note 8)	Unaudited 30-Jun-16	Audited 31-Mar-17
1	Income from operations								
	a) Net Income from Operations	18,561.3	16,138.3	15,063.6	61,013.3	18,570.6	16,139.3	15,063.6	
	b) Other Operating Income	134.0	118.9	151.7	899.4	134.0	118.9	151.7	
	Total Income from operations	18,695.3	16,257.2	15,215.3	61,912.7	18,704.6	16,258.2	15,215.3	
	Other Income	199.3	478.9	224.3	1,125.4	192.4	471.8	224.3	
	Total Income	18,894.6	16,736.1	15,439.6	63,038.1	18,897.0	16,730.0	15,439.6	
2	Expenses								
	a) Operating Expenses								
	- Aircraft Fuel	5,343.7	5,518.4	3,996.8	18,552.4	5,343.7	5,518.4	3,996.8	
	- Aircraft Lease Rentals	2,309.3	2,518.1	2,594.9	9,605.8	2,309.3	2,518.1	2,594.9	
	- Airport Charges	1,599.5	1,492.2	1,265.5	5,533.0	1,599.5	1,492.2	1,265.5	
	- Aircraft Maintenance Costs	3,004.8	29,697.4	1,972.1	8,613.9	3,004.8	2,435.3	1,972.1	
	- Purchase of Stock-in-trade	-	-	-	-	32.3	88.0	-	
	- Changes in Inventory of Stock-in-trade	-	-	-	-	(27.0)	(87.8)	-	
	- Other Operating Costs	613.8	-26,690.5	453.8	2,020.1	613.8	571.5	453.8	
	b) Employee Benefits Expense	1,965.0	1,836.7	1,491.4	6,735.4	1,966.8	1,838.0	1,491.4	
	c) Depreciation and Amortisation Expense	561.0	529.1	448.8	1,986.1	561.2	529.2	448.8	
	d) Other Expenses	1,575.3	1,251.5	1,517.2	5,419.3	1,596.0	1,274.3	1,517.2	
	e) Finance Costs	169.9	166.9	208.8	650.4	169.9	166.9	208.8	
	Total expenses	17,142.3	16,319.7	13,949.3	59,116.4	17,170.3	16,344.1	13,949.3	
3	Profit / (Loss) before exceptional items and tax (1-2)	1,752.3	416.4	1,490.3	3,921.7	1,726.7	386.0	1,490.3	
4	Exceptional items (Refer Note 7)	-	-	-	385.5	-	-	385.5	
5	Profit / (Loss) before tax (3+4)	1,752.3	416.4	1,490.3	4,307.2	1,726.7	385.9	1,490.3	
6	Tax Expense	-	-	-	-	-	-	-	
7	Net Profit / (Loss) for the period / year (5-6)	1,752.3	416.4	1,490.3	4,307.2	1,726.7	385.9	1,490.3	
8	Other Comprehensive income (net of tax)								
	Items that will not be reclassified to profit or loss in subsequent periods								
	Remeasurement gains and (losses) on defined benefit obligations (net)	(3.6)	12.9	(0.3)	(21.2)	(3.6)	12.9	(0.3)	
9	Total Comprehensive Income (7+8)	1,748.7	429.3	1,490.0	4,286.0	1,723.1	398.8	1,490.0	
10	Net Profit for the year attributable to:								
	- Owners of the Company	1,752.3	416.4	1,490.3	4,307.2	1,726.7	385.9	1,490.3	
	- Non-controlling interests	-	-	-	-	-	-	-	
11	Other Comprehensive income for the year attributable								
	- Owners of the Company	(3.6)	12.9	(0.3)	(21.2)	(3.6)	12.9	(0.3)	
	- Non-controlling interests	-	-	-	-	-	-	-	
12	Total Comprehensive income for the year attributable								
	- Owners of the Company	1,748.7	429.3	1,490.0	4,286.0	1,723.1	398.8	1,490.0	
	- Non-controlling interests	-	-	-	-	-	-	-	
13	Paid-up Equity Share Capital (Face Value Rs.10/- per Equity Share)	5,994.5	5,994.5	5,994.5	5,994.5	5,994.5	5,994.5	5,994.5	
14	Other equity				(12,085.4)			(12,120.5)	
15	Earnings Per Share								
	a) Basic (Rs)	2.92	0.69	2.49	7.19	2.88	0.64	2.49	
	b) Diluted (Rs) (Refer Note 6)	2.92	0.69	2.49	7.19	2.88	0.64	2.49	
		Not Annualised			Not Annualised				
	See accompanying notes to the Financial Results								



Results, contd..



1. On July 18, 2016 and October 5, 2016 respectively, SpiceJet Merchandise Private Limited ('SMPL') and SpiceJet Technic Private Limited ('STPL') were incorporated as wholly owned subsidiaries of the Company. Both SMPL and STPL each have a paid-up share capital of Rs. 100,000 (10,000 equity shares of 10. each) and are principally engaged in the business of trading of goods and provision of technological services relating to the aviation, aerospace and defence industry, respectively. As permitted by the SEBI (Listing obligations and disclosure requirements) Regulations, 2015 ('SEBI LODR') the Company has opted to additionally submit quarterly and year-to-date consolidated results for the current year. The comparative information for the quarterly periods ended June 30, 2017 and March 31, 2017, that have been presented as a result of such option, have been prepared by the management and have not been subjected to limited review. (Also, refer note 9 below)
2. The standalone and consolidated financial results for the quarter ended June 30, 2017 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on August 10, 2017. The consolidated financial results includes the results of the Company and its subsidiaries SMPL and STPL (together referred to as 'the group').
3. Based on internal reporting provided to the chief operating decision maker, the standalone financial results relate to "Air transport services" as the only segment of the Company. Consolidated segment information for the group is as follows:

Particulars	Quarter ended June 30, 2017	Quarter ended March 31, 2017	Quarter ended June 30, 2016	Year ended March 31, 2017
Segment Revenue				
a. Air transport services	18,695.3	16,257.2	15,215.3	61,912.7
b. Others	9.3	1.0	-	1.0
Total	18,704.6	16,258.2	15,215.3	61,913.7
Segment Results				
a. Air transport services	1,747.5	409.9	1,490.3	4,300.7
b. Others	(20.8)	(24.0)	-	(28.4)
Total	1,726.7	385.9	1,490.3	4,272.3
Segment Assets				
a. Air transport services	31,642.7	29,697.4	29,476.4	29,697.4
b. Others	206.8	182.7	-	182.7
Total	31,849.5	29,880.1	29,476.4	29,880.1
Segment Liabilities				
a. Air transport services	36,262.3	35,999.4	38,366.5	35,999.4
b. Others	3.1	6.7	-	6.7
Total	36,265.4	36,006.1	38,366.5	36,006.1



Results, contd..



Segment revenue and expenses:

Segment revenue and expenses represent relevant amounts that are either directly attributable to individual segment or are attributable to individual segment on a reasonable basis.

Segment assets and liabilities:

Segment assets and liabilities include all relevant amounts pertaining to a segment, which are directly attributable to individual segments or are attributable to individual segments on a reasonable basis.

4. The Company had in earlier financial years, received amounts aggregating Rs 5,790.9 Million 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, the present promoter and the Company, the Court, in its order dated July 29, 2016, without expressing anything on the merits of the dispute, ordered the Company to deposit the amount of Rs. 5,790 Million as security 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.

During the current quarter, the Company's appeal against this order was dismissed by Hon'ble Division Bench of the Court ("Division Bench"). However the Division Bench modified the order of Hon'ble Single Judge of the Court by ordering the Company to secure an amount of Rs. 3,290 Million through a bank guarantee in favour of the Registrar General of the Delhi High Court ("Registrar"), on or before July 31, 2017, and to deposit the balance amount of Rs. 2,500 Million with the Registrar on or before August 31, 2017. The Company preferred a Special Leave Petition against the order of the Division Bench before the Hon'ble Supreme Court of India ("Supreme Court"). Subsequent to the quarter, the Supreme Court dismissed the Company's Special Leave Petition while observing that it assailed an interlocutory order. However, the Supreme Court modified the period within which the bank guarantee and deposit were to be made to the Registrar General of the Delhi High Court by two weeks' respectively from the original deadlines as mentioned above. The Company is taking steps to comply with the said order, and does not believe that any material adjustments would be required to these financial results on account of this matter.



Results, contd..



The parties to the aforementioned litigation have concurrently initiated arbitration proceedings which are ongoing before a 3 member arbitral tribunal. The erstwhile promoters have made various claims against the Company and Mr. Ajay Singh ("current promoter") citing various purported breaches / non-compliances with the terms of the Share Sale & Purchase Agreement ("SSPA") dated January 29, 2015. The Company and the current promoter have disputed all such claims citing various grounds including non-compliances with the terms of the SSPA by the erstwhile promoters themselves. The arbitration is currently in progress, and the final outcome of the matter is currently not ascertainable.

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 financial results of the Company. Accordingly, no adjustments have been made for any such consequential penal effects in this regard.

5. As at June 30, 2017, the Company has total equity of (Rs. 4,358.8 Million), including accumulated losses of Rs. 20,282.6 Million. As of that date, the Company's total liabilities (including Rs. 5,790 million referred to in Note 4 above) exceed its total assets by Rs. 4,358.8 Million, as a result of historical market factors and the matter described in Note 4 above. These factors result in a material uncertainty that may cause significant doubt about the Company's ability to continue as a going concern.

As a result of various operational, commercial and financial measures implemented over the last two years, the Company has significantly improved its liquidity position, and generated operating cash flows during that period. The Company has also earned profit after tax of Rs 4,307.3 million for the year ended March 31, 2017. In view of the foregoing, and having regard to industry outlook and also management's current assessment of the outcome of the matters stated in Note 4 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 financial results have been prepared on the basis that the Company will continue as a going concern for the foreseeable future.

6. Having regard to the status of the matters relating to the allotment and conversion of share warrants, as stated in Note 4, 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 various periods presented in these financial results do not include the dilutive impact in respect of share warrants stated in Note 4 above.



Results, contd..



7. Exceptional items in respect of the year ended March 31, 2017 relate to write-back of provision of Rs 385.5 Million relating to vendor claims currently in arbitration, to the extent management believes such claims are not likely to subsist, having regard to the relevant contractual terms, updates to arbitration proceedings, submissions thereat, and legal advice obtained by the Company.

8. The figures for the quarter ended March 31, 2017 are the balancing figures between the audited figures in respect of year ended March 31, 2017 and period to date unaudited figures upto nine months ended December 31, 2016.

9. Previous periods' / year's figures have been regrouped / reclassified wherever considered necessary to conform to current periods' presentation. SMPL and STPL were incorporated as wholly owned subsidiaries of the Company on July 18, 2016 and October 5, 2016 respectively. Accordingly the figures for the current period are strictly not comparable with those of the previous periods.

For SpiceJet Limited

**Place: Gurgaon, Haryana
Date: August 10, 2017**

**Ajay Singh
Chairman and Managing Director**



Executive Summary



Amt in INR million (Qtrly)

	CY	LY	FAV/-ADV
Capacity(ASKM)	4,569	3,884	18%
Profit & Loss summary			
Total Income from operations	18,695	15,215	23%
Other Income	199	224	-11%
Expenses	17,142	13,949	-23%
EAT	1,752	1,490	18%
EBITDA	2,483	2,148	16%
EBITDAR	4,793	4,743	1%
Key Performance Indices			
Revenue / ASK	4.14	3.98	4%
Expenses / ASK	3.75	3.59	-4%
Load Factor (RPKM/ASKM)	93.4%	92.5%	1%
Fare (PAX rev/Pax)	3,943	3,601	9%
Operating RASK	4.09	3.92	4%
EBITDAR margin	25%	31%	-17%
EBITDA margin	13%	14%	-6%
EAT margin	9%	10%	-4%



Revenue Breakup



Amt in INR million (Qtrly)

	CY	LY	FAV/-ADV
Capacity(ASKM)	4,569	3,884	18%
Revenue details			
PAX Revenue	16,919	13,433	26%
Ancillary Revenue	1,669	1,635	2%
Other Operating Revenue	307	371	-17%
Total	18,895	15,440	22%
Key Performance Indices			
Load Factor (RPKM/ASKM)	93.4%	92.5%	1%
Fare (Pax rev/Pax)	3,943	3,601	9%
Total RASK	4.14	3.98	4%
PAX RASK	3.70	3.46	7%
Other RASK	0.43	0.52	-16%



Expense Breakup

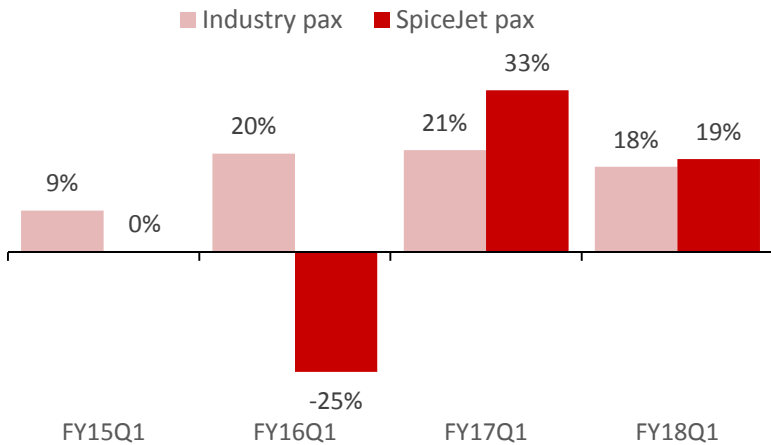


Amt in INR million (Qtrly)

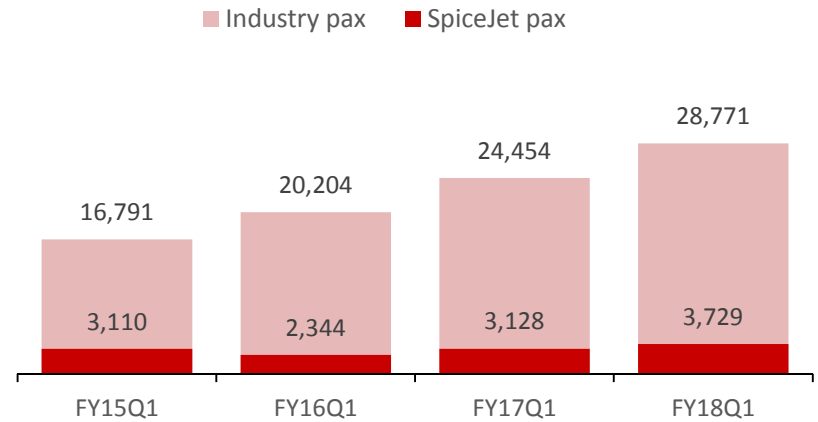
	CY	LY	FAV/-ADV
Capacity(ASKM)	4,569	3,884	18%
Expense details			
Aircraft Fuel	5,344	3,997	-34%
Aircraft Lease Rentals	2,309	2,595	11%
Airport Charges	1,599	1,265	-26%
Aircraft Maintenance	3,005	1,972	-52%
Other Operating Costs	614	454	-35%
Employee Benefits Expense	1,965	1,491	-32%
Depreciation and Amortisation Expense	561	449	-25%
Other Expenses	1,575	1,517	-4%
Finance Costs	170	209	19%
Total Expenses	17,142	13,949	-23%
Key Performance Indices			
Total CASK	3.75	3.59	-4%
Fuel CASK	1.17	1.03	-14%
Other CASK	2.58	2.56	-1%



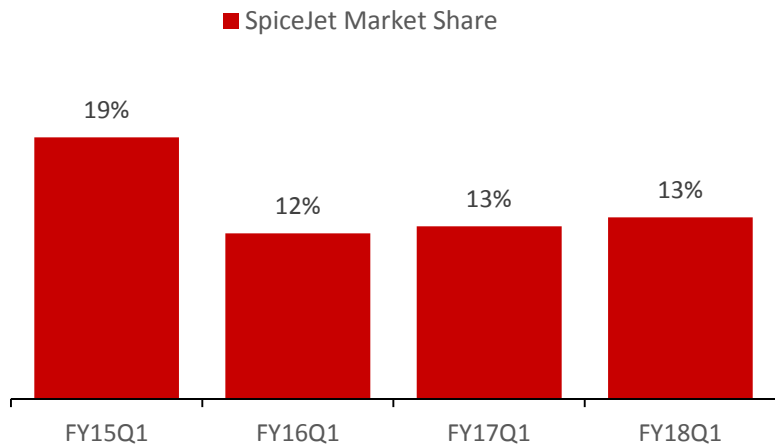
Aviation Market (Domestic)



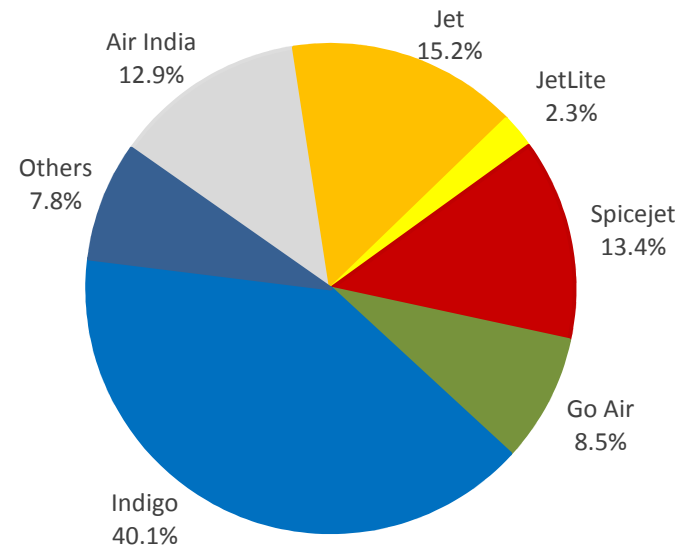
% Passenger growth (YoY)



Passenger in thousands

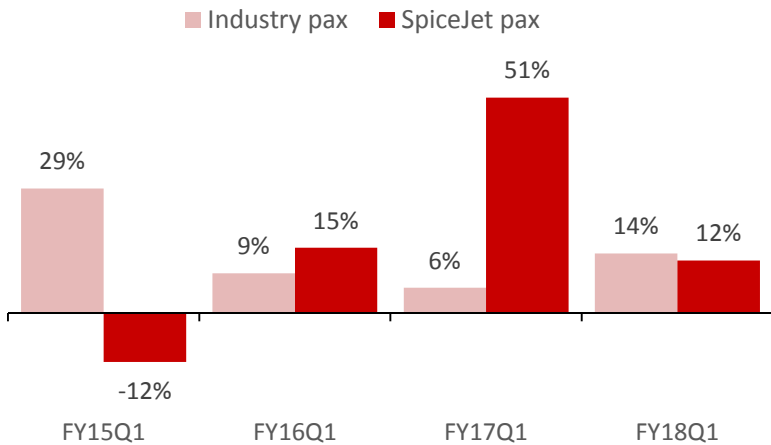


% Domestic market – quarter ending

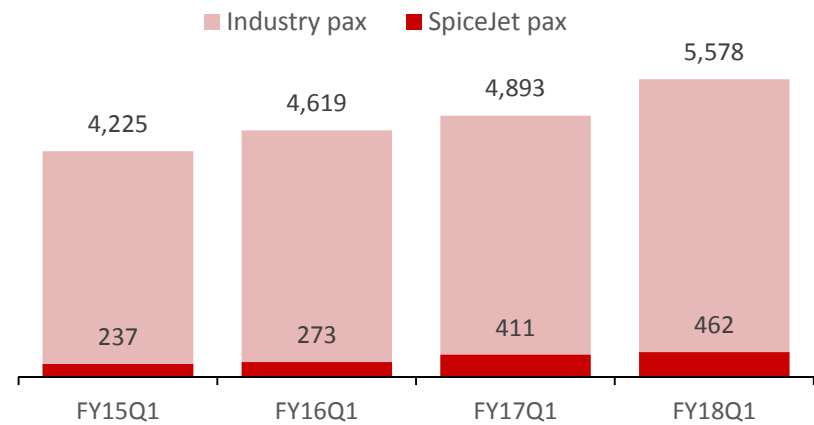




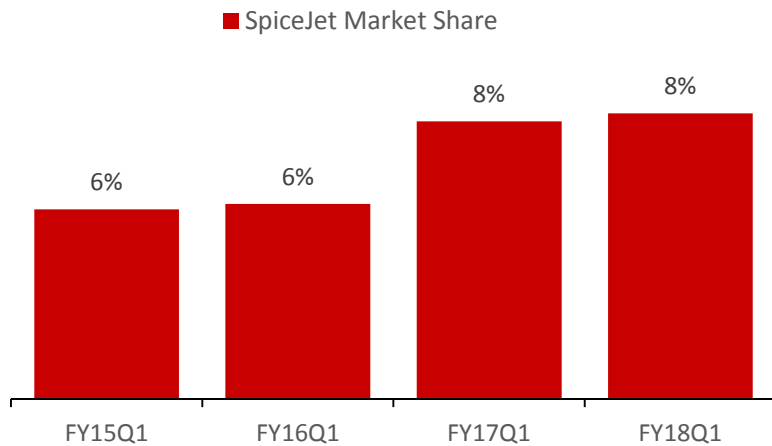
Aviation Market (International)



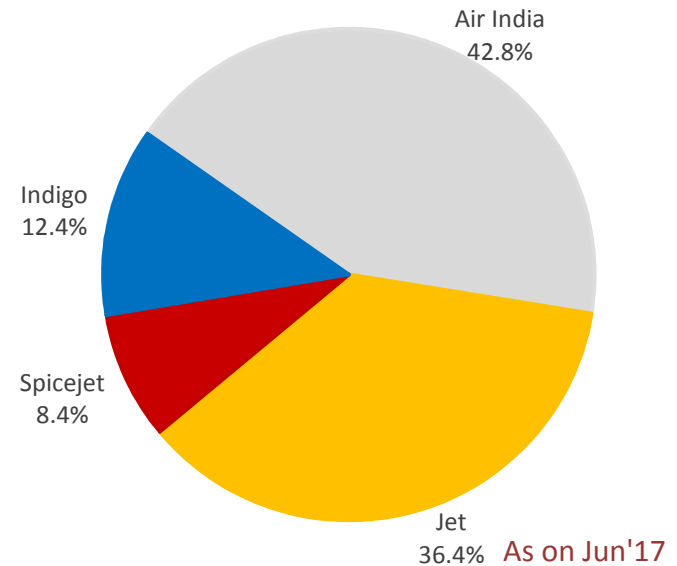
% Passenger growth (YoY)



Passenger in thousands

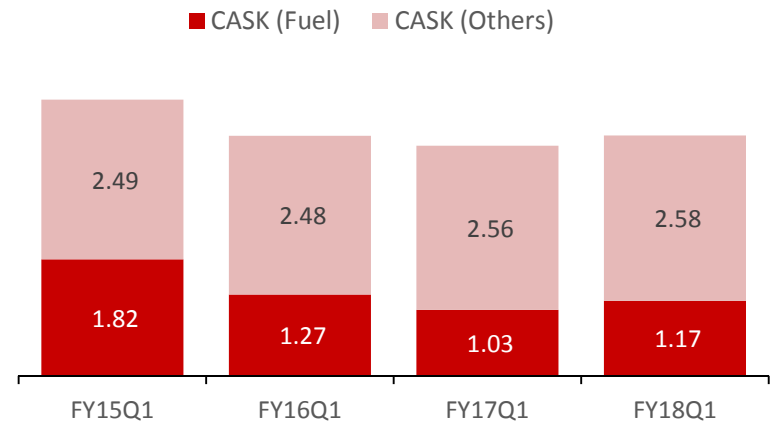
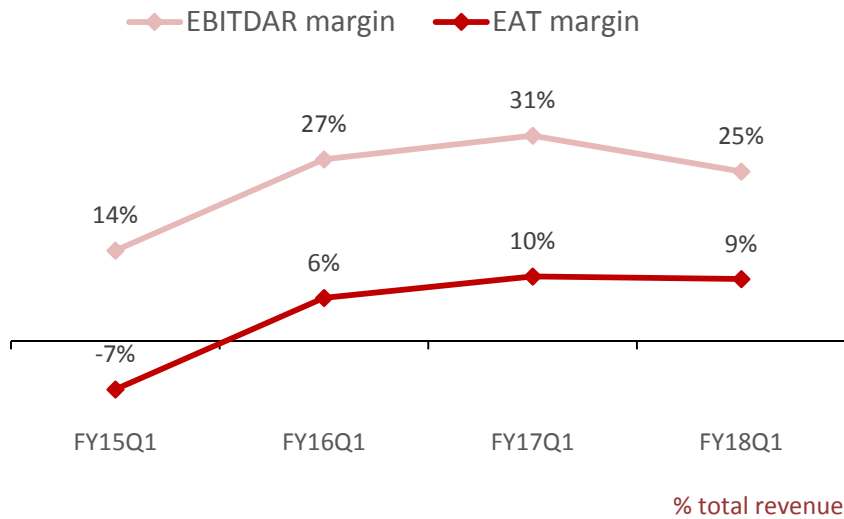
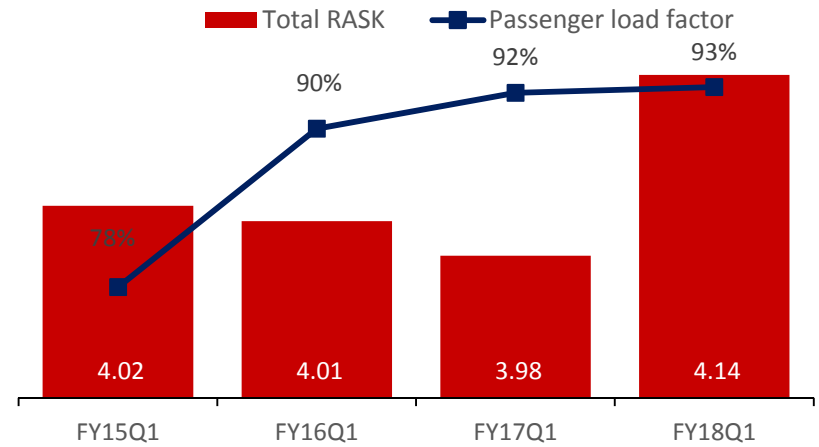
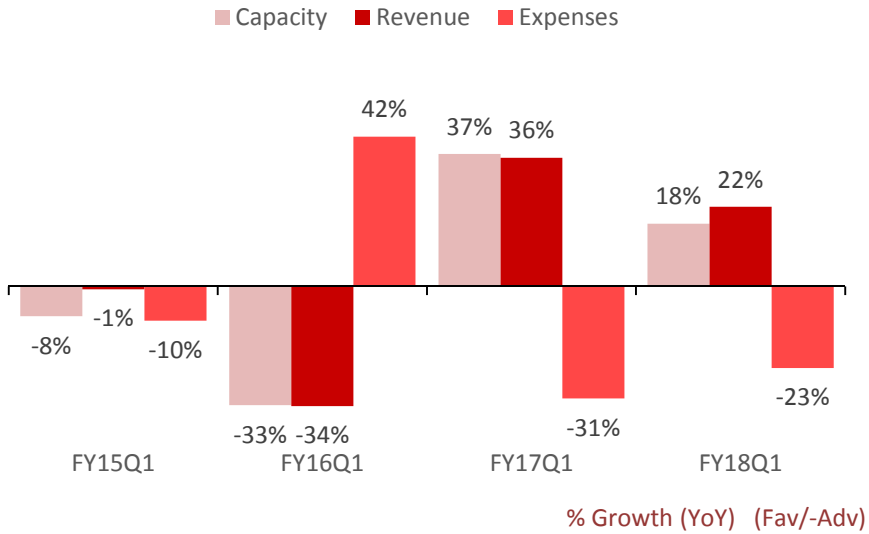


% Domestic market – quarter ending





Key Indicators



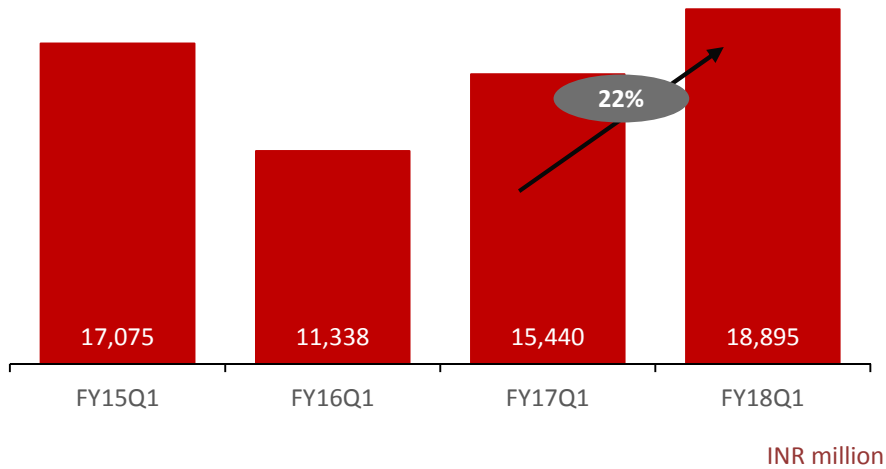
INR



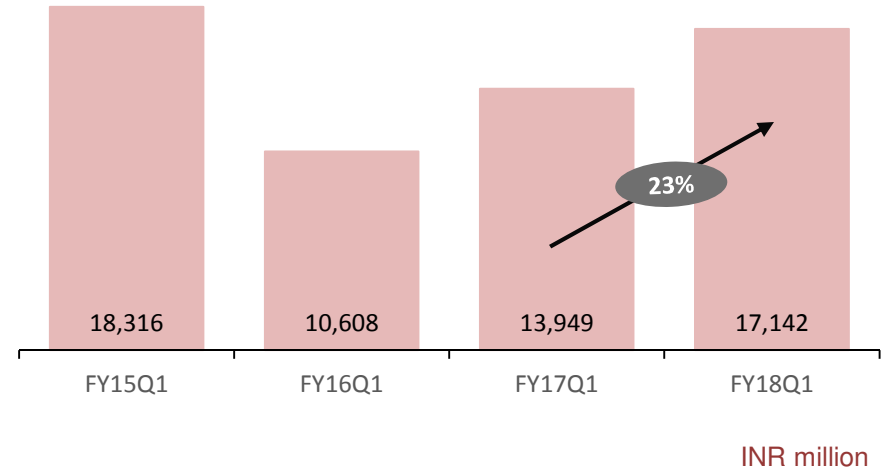
Financial Highlights



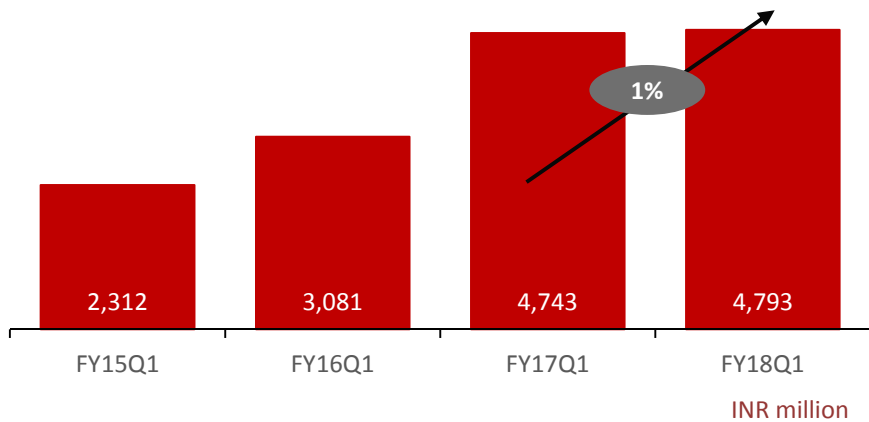
Total Revenue



Total Expenses



EBITDAR



EAT

