



SpiceJet
Investor Presentation
Q2 FY20



Disclaimer



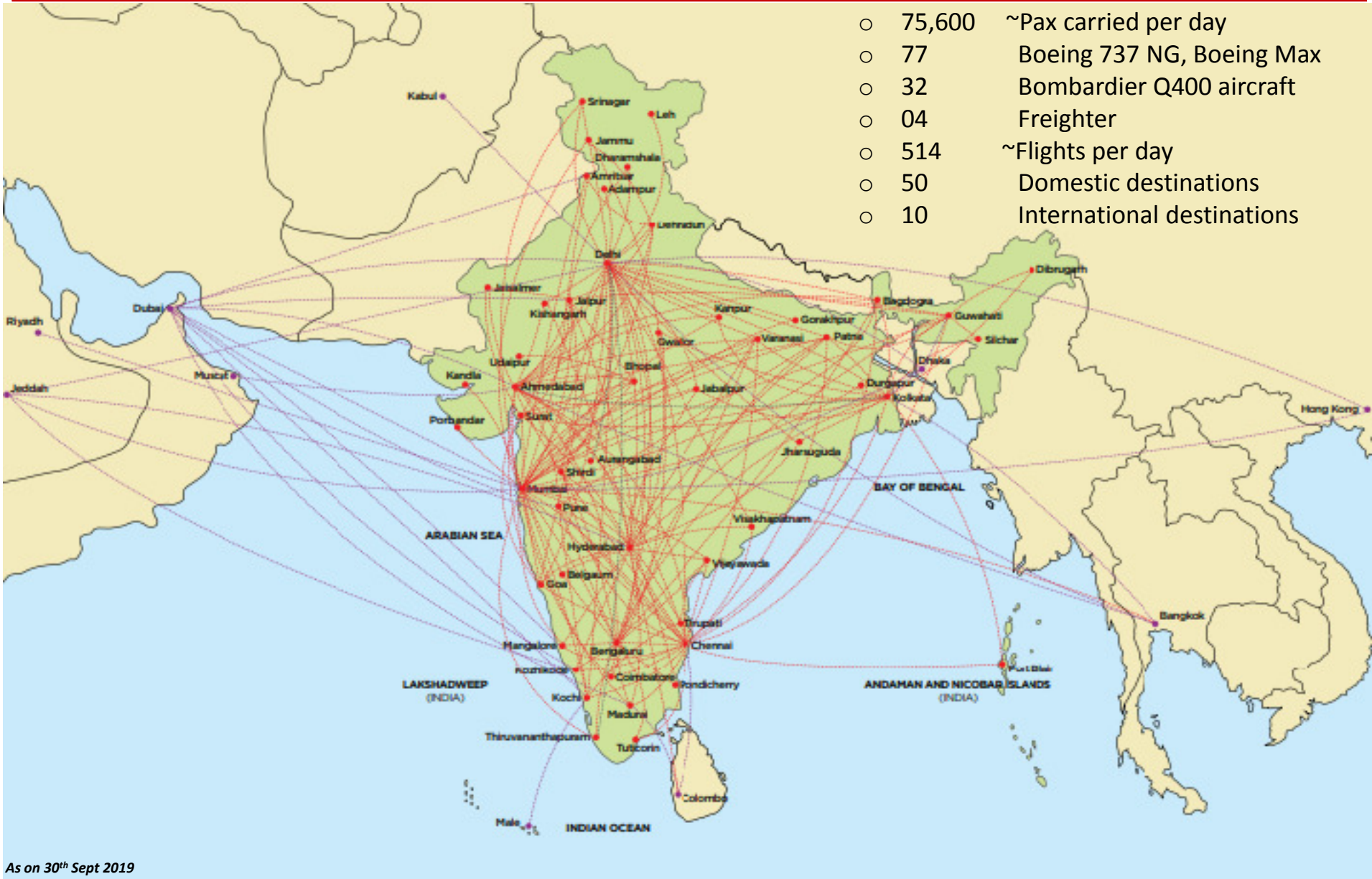
Information contained in our presentation is intended solely for your personal reference and is strictly confidential. Such information is subject to change without prior notice, its accuracy is not guaranteed and it may not contain all material information concerning the Company. Neither we nor our 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

Q2 FY20



Management Comments



SpiceJet posts a loss in Q2 on account of inflated costs with respect to MAX grounding & a seasonally weak quarter

- Operating loss of INR 282.3 Crore
- Total net loss of INR 462.6 Crore including non-cash loss of INR 180.3 Crore on account of IND-AS116
- Maintains steady volume & records 92.6 % average domestic load factor in July-September quarter
- Likely return to service of the MAX in January 2020, as indicated by Boeing, to be a big boost that will add new fuel and operationally efficient aircraft in Q4 FY2020

For the Quarter ending September 2019

- Capacity (in terms of Seat Kilometer) up by 51% over Q2 FY2019
- Operating Income up by 52% over Q2 FY2019
- Net loss of INR 462.6 Crore including a non-cash loss of INR 180.3 Crore on account of IND-AS116
- Registers record domestic load factor of 92.6%; clocked 90% plus PLF for a record 53 successive months
- Passenger yields (unit revenue per passenger kilometer) up by 2% & average fares up by 15%

Key Operating Highlights

- Fleet size grew to 113 as on September 30
- Announced Rajkot as 54th domestic destination
- Connected Mumbai with Hong Kong, Riyadh & Dhaka and Delhi with Dhaka and Jeddah
- Operating 49 daily UDAN flights
- Consolidates entire Mumbai operations at Terminal 2 of CSIA
- SpiceXpress fleet grew to four B737s

Current Highlights

- Current fleet size stands at 118 with 630 average daily flights
- Announced 50 new domestic and international flights for the winter schedule 2019
- Will start freighter services to Dhaka in Winter 2019 from Delhi, Kolkata, Hyderabad and Chennai
- SpiceJet entered into a MoU with Ras Al Khaimah International Airport L.L.C. to co-operate, develop and promote tourism in Ras Al Khaimah, U.A.E. and also work towards creating an aviation hub at Ras Al Khaimah International Airport



Management Comments, contd..



GURUGRAM, November 13, 2019: SpiceJet, India's favourite airline, recorded a 52% rise in second quarter operational revenue to INR 2,845.3 Crore as it added more destinations and expanded its fleet of passenger and freighter aircraft. The Company posted a Loss of INR 462.6 Crore as against INR 389.4 Crore for the same quarter last year. This includes a loss of INR 180.3 Crore on account of accounting standard IND-AS116; without which the Loss is INR 282.3 Crore.

Operating revenue was INR 2,845.3 Crore for the reported quarter as against INR 1,874.8 Crore in the same quarter last year. For the same comparative period, total expenses were INR 3,536.1 Crore as against INR 2,291.5 Crore; EBITDA before exceptional items were INR 90.8 Crore as against INR 310.4 Crore (loss); EBITDAR before exceptional items were INR 154.1 Crore as against INR 34.9 Crore (loss).

With the grounding of Boeing 737 MAX, the Company continues to incur various costs and losses with respect to these aircraft. The Company is in the process of determining the costs and losses (including opportunity losses) incurred by it and has initiated the process of seeking reimbursements and claims from the Aircraft manufacturer.

SpiceJet yet again excelled on operational parameters to report the highest passenger load factor amongst all airlines in the country all through the quarter. The average domestic load factor for the quarter was 92.6%. SpiceJet has recorded over 90% load factor for 53 successive months.

Ajay Singh, Chairman and Managing Director, SpiceJet said "With the industry's growth rate slowing down in the past few months the impact is evident on the bottom line. We, however, remain optimistic that the sector will regain the lost momentum as the inherent demand remains very strong."

"The continued grounding of the 737MAX has hit our growth plans adversely and resulted in inefficient operations and as a result, increase in costs. Nevertheless, we have added 37 planes to our fleet in the past six months to ensure smooth operations and continued growth. The likely return to service of the 737 MAX early next year, and as indicated by Boeing recently, would mean that SpiceJet has at its disposal more than 25 brand new planes and we look forward to it. The return of the 737 MAX will provide a huge boost to our operations and we are confident that with the rigorous scrutiny, the MAX will be one of the safest airplanes ever to fly."



Management Comments, contd..



Key business updates

SpiceJet consolidated its position at Mumbai Airport by shifting its operations from the Domestic Terminal (T1) to the state-of-the-art Terminal 2 (T2) at Chhatrapati Shivaji Maharaj International Airport. Prior to that, the airline shifted domestic operations from Terminal 2 to Terminal 3 at the Indira Gandhi International Airport in New Delhi. The consolidation of operations at one terminal in Mumbai will enhance customer convenience and comfort, especially for passengers transiting between domestic and international flights and result in substantial savings for the airline.

The Company has started to reconfigure the cabins of the acquired 31 737NGs, which predominantly had two class seating, into Single Class seating.

SpiceJet recently entered into a Memorandum of Understanding with Ras Al Khaimah International Airport L.L.C. to co-operate, develop and promote tourism in Ras Al Khaimah, U.A.E. and also work towards creating an aviation hub at Ras Al Khaimah International Airport. SpiceJet's fleet now comprises of 118 aircraft. The airline operated 148 special flights carrying close to 11,000 Hajj pilgrims from Srinagar to Medina and Jeddah and back this year.

The airline during the quarter announced multiple new domestic and international flights and announced the addition of Rajkot as its 54th domestic destination. SpiceJet connected Mumbai with Hong Kong, Riyadh & Dhaka and also launched an additional frequency to Dubai from the city. Delhi was connected with Dhaka & Jeddah and Kolkata saw an additional frequency to Bangkok. Being the country's largest regional player, SpiceJet has been at the forefront as the most enthusiastic supporter of UDAN and now operates 49 daily flights under the Regional Connectivity Scheme. The most recent being the introduction of the daily direct flight on the Chennai-Durgapur route.

SpiceXpress fleet increased to four aircraft during the quarter operating scheduled services on Mumbai – Sharjah - Mumbai, Delhi – Hanoi - Delhi, Bengaluru – HongKong – Kolkata - Bengaluru, Delhi – Mumbai - Delhi, Chennai – Hyderabad – Delhi – Mumbai – Bengaluru - Chennai sectors.

In addition, SpiceXpress also operated charters in the Gulf region and transported livestock to Sharjah from Mumbai and non-scheduled services on Delhi – Indore –Ahmedabad – Bengaluru - Delhi and Delhi – Hyderabad – Chennai – Kolkata - Delhi sectors. In the winter 2019 schedule, SpiceXpress has added Dhaka as a freighter destination operating Delhi-Kolkata-Hyderabad-Chennai route.



Management Comments, contd..



Fleet expansion outlook

The company has inducted three Boeing 737 NG aircraft, one Q400 and two Freighters during the quarter ended 30 September 2019 and plans to enhance passenger capacity by inducting aircraft on short term leases in the ongoing winter schedule.

About SpiceJet Ltd

SpiceJet is India's favourite airline that has made flying affordable for more Indians than ever before. SpiceJet operates 630 average daily flights to 64 destinations, including 54 domestic and 10 international ones. The airline has a fleet of 82 Boeing 737, 32 Bombardier Q-400s and four B737 freighters. SpiceJet offers business class seating - SpiceBiz – on key domestic routes. The majority of the airline's fleet offers SpiceMax, the most spacious economy class seating in India.

The airline also operates a dedicated air cargo service under the brand name SpiceXpress offering safe, on-time, efficient and seamless cargo connectivity across India and on international routes. SpiceJet is the first Indian airline to offer end-to-end cargo services and the airline's freighters fleet consists of Boeing 737 aircraft.

SpiceJet's standing as the country's favourite airline has been further reinforced by the multiple awards and recognitions which includes the US-India Strategic Partnership Forum Leadership Award to Ajay Singh, , Global 'Low-Cost Leadership Award' conferred to Mr Singh at the Airline Strategy Awards 2018 in London, 'BML Munjal Awards 2018' for 'Business Excellence through Learning and Development', 'Best Domestic Airline' Award at Wings India 2018, 'EY Entrepreneur of the year 2017 for Business Transformation' by Ernst & Young, The CAPA Chairman's Order of Merit for fastest turnaround in FY 2016, 'Asia's Greatest Brands - 2016', 'Global Asian of the Year Award' & 'Asia's Greatest CFO 2016' at the AsiaOne Awards held in Singapore, 'World Travel Leaders Award' at WTM London, 'Best Check- in Initiative' award by Future Travel Experience global awards in Las Vegas, 'Best Domestic Airline' award at the 10th ASSOCHAM International Conference & Awards (Civil Aviation & Tourism).

For more information on the release, please contact:

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

Mr. Anand Deora
+919650602489
Senior Manager - Corporate Communications
anand.deora@spicejet.com



Results



Statement of Unaudited Standalone Financial Results for the quarter ended and half year ended September 30, 2019

(Rupees in millions, except EPS information and unless otherwise stated)

S.No.	Particulars	Quarter ended			Half Year ended		Year ended
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
		30-Sep-19	30-Jun-19	30-Sep-18	30-Sep-19	30-Sep-18	31-Mar-19
1	Revenue from contracts with customers						
	a) Revenue from operations	27,587.63	29,217.91	18,422.22	56,805.54	40,265.00	88,862.82
	b) Other operating revenues	864.93	802.77	325.83	1,667.70	687.00	2,269.72
	Total revenue from operations	28,452.56	30,020.68	18,748.05	58,473.24	40,952.00	91,132.54
	Other income (refer note 9)	2,282.47	1,467.70	272.73	3,750.17	601.66	1,447.80
	Total income	30,735.03	31,488.38	19,020.78	62,223.41	41,553.66	92,580.34
2	Expenses						
	a) Operating expenses						
	- Aircraft fuel	11,620.96	10,284.29	8,450.73	21,905.25	16,575.17	34,452.52
	- Aircraft lease rentals	632.54	645.81	2,754.86	1,278.35	5,530.58	12,967.16
	- Airport charges	2,923.89	2,424.60	1,789.66	5,348.49	3,559.04	7,520.54
	- Aircraft maintenance costs	5,183.63	4,555.69	3,582.89	9,739.32	7,010.81	15,042.62
	- Other operating costs	1,191.83	991.35	673.63	2,183.18	1,330.39	3,017.70
	b) Employee benefits expense	3,961.66	3,536.36	2,526.32	7,498.02	5,004.56	10,570.07
	c) Depreciation and amortisation expenses	4,362.67	3,772.80	648.34	8,135.47	1,279.25	2,562.25
	d) Other expenses	2,185.49	1,666.08	1,578.65	3,851.57	3,182.59	6,914.56
	e) Finance costs	1,368.48	1,274.17	324.89	2,642.65	627.28	1,312.84
	f) Foreign exchange loss/(gain)	1,929.69	(279.50)	584.52	1,650.19	1,093.64	746.25
	Total expenses	35,360.84	28,871.65	22,914.49	64,232.49	45,193.31	95,106.51
3	Profit / (loss) before exceptional items and taxes (1-2)	(4,625.81)	2,616.73	(3,893.71)	(2,009.08)	(3,639.65)	(2,526.17)
4	Exceptional items, net (Refer Note 8)	-	-	-	-	(634.66)	(634.66)
5	Profit / (loss) before tax (3+4)	(4,625.81)	2,616.73	(3,893.71)	(2,009.08)	(4,274.31)	(3,160.83)
6	Tax expense	-	-	-	-	-	-
7	Net Profit / (loss) for the period / year (5-6)	(4,625.81)	2,616.73	(3,893.71)	(2,009.08)	(4,274.31)	(3,160.83)



Results, contd..



Statement of Unaudited Standalone Financial Results for the quarter ended and half year ended September 30, 2019								
(Rupees in millions, except EPS information and unless otherwise stated)								
S.No.	Particulars	Quarter ended			Half Year ended		Year ended	
		Unaudited 30-Sep-19	Unaudited 30-Jun-19	Unaudited 30-Sep-18	Unaudited 30-Sep-19	Unaudited 30-Sep-18	Audited 31-Mar-19	
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)	(19.07)	(13.59)	1.88	(32.66)	3.37	(14.45)	
	Income tax impact	-	-	-	-	-	-	
9	Total comprehensive income (7+8)	(4,644.88)	2,603.14	(3,891.83)	(2,041.74)	(4,270.94)	(3,175.28)	
10	Paid-up Equity Share Capital (Face Value Rs.10/- per Equity Share)	5,997.18	5,997.18	5,994.50	5,997.18	5,994.50	5,997.18	
11	Other equity						(9,503.80)	
12	Earnings per share							
	a) Basic (Rs)	(7.71)	4.36	(6.50)	(3.35)	(7.13)	(5.27)	
	b) Diluted (Rs)	(7.70)	4.36	(6.49)	(3.35)	(7.12)	(5.26)	
		Not Annualised						
	See accompanying notes to the Financial Results							



Results, contd..



I Statement of Assets and Liabilities		
(Rupees in millions, if otherwise stated)		
Particulars	Unaudited As at 30-Sep-19	Audited As at 31-Mar-19
A ASSETS		
1 Non-current assets		
(a) Property, plant and equipment	15,988.03	15,908.93
(b) Right of use assets	68,921.77	-
(c) Other intangible assets	162.75	128.73
(d) Investments in subsidiaries	0.35	0.30
(e) Financial assets		
(i) Investments	0.50	0.24
(ii) Loans	322.78	332.54
(iii) Other financial assets	12,801.09	11,344.23
(f) Non-current tax assets	443.24	343.18
(g) Other non-current assets	6,956.56	6,270.82
Sub-total: Non-current assets	105,597.07	34,328.97
2 Current Assets		
(a) Inventories	1,518.73	1,373.24
(b) Financial assets		
(i) Investments	53.77	3.63
(ii) Trade receivables	1,757.77	1,353.37
(iii) Other receivables	8,620.83	5,791.00
(iv) Cash and cash equivalents	863.24	649.47
(v) Bank balances other than (iv) above	-	129.50
(vi) Other financial assets	1,780.10	1,031.92
(c) Other current assets	2,340.66	3,289.82
Sub-total: Current assets	16,935.10	13,621.95
TOTAL - ASSETS	122,532.17	47,950.92



Results, contd..



1 Statement of Assets and Liabilities		
(Rupees in millions, if otherwise stated)		
Particulars	Unaudited As at 30-Sep-19	Audited As at 31-Mar-19
B EQUITY AND LIABILITIES		
1 Equity		
(a) Share capital	5,997.18	5,997.18
(b) Other equity	(14,503.99)	(9,503.80)
Sub-total: Equity	(8,506.81)	(3,506.62)
2 Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	4,997.35	5,566.28
(ii) Trade payables	-	77.65
(iii) Lease liabilities	61,512.57	-
(b) Long-term provisions	5,460.37	4,289.76
(c) Other non-current liabilities	161.26	5,298.35
Sub-total: Non-current liabilities	72,131.55	15,232.04
3 Current liabilities		
(a) Financial liabilities		
(i) Borrowings	4,176.25	4,179.44
(ii) Trade payables		
a. Total outstanding dues of micro and small enterprises;	95.94	188.50
b. Total outstanding dues of creditors other than micro and small enterprises	10,506.85	10,324.52
(iii) Lease liabilities	17,245.33	-
(iv) Other current financial liabilities	1,691.66	1,621.86
(b) Short-term provisions	4,765.94	2,786.52
(c) Other current liabilities	20,425.46	17,124.66
Sub-total: Current liabilities	58,907.43	36,225.50
TOTAL - EQUITY AND LIABILITIES	122,532.17	47,950.92



Results, contd..



2. Cash Flow Statement for the half year ended September 30, 2019

(Rupees in millions, if otherwise stated)

Particulars	30-Sep-19	30-Sep-18
	(Unaudited)	(Unaudited)
Cash flow from operating activities		
Loss before tax and exceptional items	(2,009.08)	(3,639.65)
Adjustments to reconcile profit before tax and exceptional items to net cash flows:		
Depreciation and Amortisation expense	8,135.47	1,279.25
Provision for doubtful claims / advances	17.96	80.00
Loss on disposal of PPE (net) / assets written off	1.29	0.19
Provision for litigations	-	-
Advances / debts written off	18.63	49.50
Share-based payment expense	65.44	42.76
Provision for aircraft re-delivery	200.44	76.01
Liabilities / provision no longer required written back	(246.38)	(166.77)
Interest accretion on financial liabilities measured at amortised cost	2,172.84	41.87
Interest income from financial assets measured at amortised cost	(165.12)	(46.77)
Profit on sale of aircraft and engines under sale and lease-back arrangement	-	(42.62)
Net gain on financial assets measured at fair value through profit or loss (FVTPL)	(0.14)	(6.01)
Finance income	(220.91)	(318.95)
Finance costs	469.80	585.41
Translation loss on monetary assets and liabilities	1,811.11	367.43
Operating profit before working capital changes	10,251.35	(1,698.35)
Movements in working capital :		
(Increase) / Decrease in trade and other receivables	(3,090.01)	(350.36)
(Increase) / Decrease in inventories	(145.49)	(164.42)
(Increase) / Decrease in other financial assets	(1,696.53)	(675.06)
(Increase) / Decrease in other assets	440.05	(394.32)
Increase / (Decrease) in trade payables	154.21	2,553.60
Increase / (Decrease) in other financial liabilities	72.83	(27.66)
Increase / (Decrease) in other liabilities	3,926.61	1,670.81
Increase / (Decrease) in provisions	1,869.18	2,015.82
Cash generated from operations	11,782.20	2,930.07
Income taxes received / (paid) (net of refunds)	(100.06)	(74.62)
Net cash flow from / (used in) operating activities	11,682.14	2,855.45

A



Results, contd..



2. Cash Flow Statement for the half year ended September 30, 2019

(Rupees in millions, if otherwise stated)

Particulars	30-Sep-19	30-Sep-18
	(Unaudited)	(Unaudited)
Cash flow from investing activities		
Purchase of PPE and capital work in progress (including capital advances)	(1,619.82)	(4,906.52)
Proceeds from sale of PPE	1.61	0.67
Investment in subsidiary	(0.05)	-
Loans to subsidiary	(10.24)	(16.42)
Purchase of investments	(4,910.00)	(4,054.00)
Proceeds from sale of investments	4,859.74	4,573.04
Proceeds from maturity of bank deposits	129.50	271.00
Margin money deposits placed	(2,712.10)	(955.30)
Margin money deposits withdrawn	2,635.31	-
Finance income	85.24	263.16
Net cash from / (used in) investing activities	(1,540.81)	(4,824.37)
Cash flow from financing activities		
Proceeds from short-term borrowings	5,327.71	6,815.17
Repayment of short-term borrowings	(5,330.90)	(5,171.33)
Repayment of lease liability	(8,911.05)	-
Proceeds from long-term borrowings	-	750.00
Repayment of long-term borrowings	(532.88)	(307.65)
Finance costs	(472.83)	(594.18)
Net cash (used in) / from financing activities	(9,919.95)	1,492.01
Net increase / (decrease) in cash and cash equivalents	221.38	(476.91)
Effects of exchange difference on cash and cash equivalents held in foreign currency	(7.61)	(125.33)
Cash and cash equivalents at the beginning of the year	649.47	1,186.71
Cash and cash equivalents at the end of the year	863.24	584.47
Notes :		
Components of cash and cash equivalents		
On current accounts	762.29	562.51
On deposit accounts	44.88	0.33
Cash on hand	56.07	21.63
	863.24	584.47



Results, contd..



3. The standalone financial results for the quarter ended September 30, 2019 and year to date from April 1, 2019 to September 30, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 13, 2019 and subject to a limited review by the statutory auditors. The Statement of cash flows for the corresponding period from April 01, 2018 to September 30, 2018, as reported in these unaudited standalone financial results have been approved by the Board of Directors of the Company, but have not been subjected to review.

4. Effective April 1, 2019, the Company adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). As a consequence:

- a. On April 1, 2019 (transition date), the Company has recognised lease liability measured at the present value of the remaining lease payments, and Right-of-Use (ROU) asset at its carrying amount net of any incentives (including sale-and-lease back gains) received as if the standard had been applied since the lease commencement date, and discounted using the lessee's incremental borrowing rate as at April 1, 2019.
- b. As permitted by Ind AS 116, comparatives for the year ended March 31, 2019, quarter ended September 30, 2018 and year to date from April 1, 2018 to September 30, 2018 have not been restated, and the Company has elected not to apply the requirements of that standard to leases that are either short-term or for which the underlying asset is determined to be low value.
- c. In the statement of profit and loss, the nature of expenses in respect of leases has changed from lease rent in the earlier periods to depreciation cost on the ROU asset and finance cost on lease liability as per Ind AS 116.

Particulars	Quarter ended September 30, 2019	Year to date September 30, 2019
Impact on profits:		
Depreciation is higher by	3,721.90	6,822.35
Finance cost is higher by	1,074.60	2,104.38
Foreign exchange gain on restatement of lease liability	1,797.30	1,477.26
Rent expense is lower by	(4,791.00)	(8,857.57)
Net impact on loss before tax	1,802.80	1,546.42



Results, contd..



5. 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.

6. 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 together, (“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 to be 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 Company was required to secure an amount of Rs.3,290.89 Million through a bank guarantee in favour of the Registrar General of the Court (“Registrar”) and to deposit the balance amount of Rs.2,500 Million with the Registrar. The Company has complied with these requirements as at March 31, 2018.

The parties to the aforementioned litigation concurrently initiated arbitration proceedings before a three-member arbitral tribunal (the “Tribunal”), which pronounced its award on July 20, 2018 (the “Award”). In terms of the Award, the Company was required to (a) refund an amount of approximately Rs.3,082.19 million to the counterparty, (b) explore the possibility of allotting preference shares in respect of approximately Rs.2,708.70 million, failing which, refund such amount to the counterparty, and (c) pay interest calculated to be Rs.924.66 million (being interest on the amount stated under (a) above, in terms of the Award). The amounts referred to under (a) and (b) above, aggregating Rs.5,790.89 million, continue to be carried as current liabilities without prejudice to the rights of the Company under law. Further, the Company was entitled to receive from the counterparty, under the said Award, an amount of Rs.290.00 million of past interest/servicing charges. During the quarter ended March 31, 2019, the Court has ordered release of Rs 2,500 million, out of the amount deposited by the Company, to the counterparty, subject to certain conditions as enumerated by the Court in its order. Further, pursuant to an order of the Court dated September 20, 2019, the Company has remitted a further Rs 580 million out of the guarantee placed with the Court, to the counterparty, in October 2019. Also refer Note 7 below.

The Company, its present promoter and the counterparties have challenged various aspects of the Award, including the above-mentioned interest obligations and rights, petitions for which have been admitted by the Court and notices issued, as a result of which the matter is currently sub-judice. In view of the foregoing, and pending outcome of the aforesaid challenges at the Court, management is of the view that it is not possible to determine the effects of any such obligations and rights (including any additional/consequential obligations and rights). Accordingly, no adjustments have been made in this regard, to these results.



Results, contd..



In view of the uncertainties prevailing at the relevant time with regard to the proposed allotment of certain securities in the previous periods, it was not possible to determine the effect thereof, if any, on Diluted Earnings per share calculation for such periods. Considering the current status of the matter as described above, no further effect on this matter to the dilutive earnings per share calculations has been considered.

7. The effects of the matter stated in Note 6 above 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), of past events and actions in relation to the foregoing, are not likely to 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. The auditors have drawn an emphasis of matter in their report, in respect of the matters stated in notes 6 and 7 above.

8. Exceptional items (Net) in respect of year to date from April 1, 2018 to September 30, 2018 and year ended March 31, 2019, of Rs.634.66 million in the statement of unaudited financial results represent the net effect of (a) the interest payable of Rs.924.66 million and (b) interest/servicing charges receivable, of Rs.290.00 million, mentioned in Note 6 above, arising from the Award discussed therein. The Company's accounting for the above-mentioned amount of Rs.634.66 million, net, is without prejudice to the rights and remedies the Company may have in the matter discussed in Note 6 above.

9. Following the worldwide grounding during March 2019 of Boeing 737 MAX aircraft, the Company's fleet of thirteen Boeing 737 MAX aircraft continues to be grounded. Despite its inability to undertake revenue operations, the Company continues to incur various costs and losses with respect to these aircraft. As a result of the above, the Company is in the process of determining the costs and losses (including opportunity losses) incurred by it, and has initiated the process of seeking reimbursements and claims from the aircraft manufacturer. While the Company continues to work with the aircraft manufacturer to address the above, based on its assessment and legal advice obtained by the Company, management is confident of a favourable outcome with regard to these reimbursements and claims. Consequently, and without in any manner limiting or prejudicing the legal and commercial rights of the Company towards its claims in this regard, certain costs (including, inter alia, aircraft and supplemental lease rentals and certain other identified expenses relating to the Boeing 737 Max aircraft) aggregating Rs 2,908.52 (including Rs 1,767.12 million recorded in the quarter ended September 30, 2019), have been recognised as other income during the half-year ended September 30, 2019. The auditors have qualified their limited review report in this regard.



Results, contd..



10. The Company has been consistently profitable for the previous three financial years up to the financial year 2017-18, and incurred net losses of Rs 3,160.83 million for the year ended March 31, 2019, and Rs. 2,009.08 million for the year to date from April 1, 2019 to September 30, 2019, as a result of which the negative net worth of Rs 14,852 million as at March 31, 2015 has reduced to Rs 8,507.02 million as at September 30, 2019 (after considering adjustments on account of Ind AS 116 implementation – Refer note 4 above). The earlier position of higher negative net worth and consequent net current liabilities was the result of historical factors. Further, the loss for the year ended March 31, 2019 and year to date from April 1, 2019 to September 30, 2019 is primarily driven by adverse foreign exchange rates and fuel prices. As a result of various operational, commercial and financial measures implemented over the last four years, the Company has significantly improved its liquidity position, and generated operating cash flows during that period. Further, macroeconomic factors are expected to improve having regard to industry outlook in the markets in which the Company operates. Based on business plans and cash flow projections, which consider various recurring and other events including aircraft maintenance costs based on contractual obligations and current maintenance conditions, 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.

11. Non-current assets include, Rs. 1,952.86 million paid under protest (including Rs 282.60 million paid during the current quarter) representing Integrated Goods and Services Tax and Basic Customs duty, on re-import of various aircraft equipment repaired abroad, which in the opinion of management and based on expert advice obtained, is not subject to such levy. Accordingly, these amounts have been considered as recoverable and no further adjustments have been made in this regard as at September 30, 2019.

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

For SpiceJet Limited

Place: Gurugram, Haryana

Date: November 13, 2019

Ajay Singh
Chairman and Managing Director



Executive Summary



Amt in INR million (Qtrly)

	CY	LY	FAV/-ADV
Capacity(ASKM)	7,751	5,121	51%
Profit & Loss summary			
Total Income from operations	28,453	18,748	52%
Other Income	2,282	273	737%
Expenses	35,361	22,915	-54%
EBITDAR	1,541	(349)	541%
EBITDA	908	(3,104)	129%
EAT (<i>without exceptional items</i>)	(4,626)	(3,894)	-19%
Exceptional items	-	-	-
EAT (<i>with exceptional items</i>)	(4,626)	(3,894)	-19%
Key Performance Indices *			
Revenue / ASKM	3.97	3.71	7%
Expenses / ASKM	4.56	4.48	-2%
EBITDAR margin	5%	-2%	6.8 bps
EBITDA margin	3%	-16%	19.3 bps
EAT margin (<i>without exceptional items</i>)	-15%	-20%	5.4 bps

* Excludes exceptional items

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)

	CY	LY	FAV/-ADV
Capacity(ASKM)	7,751	5,121	51%
Revenue details			
PAX Revenue	24,407	16,450	48%
Ancillary Revenue	2,898	1,955	48%
Other Operating Revenue	1,147	342	235%
Other Income	2,282	273	737%
Total	30,735	19,021	62%
Key Performance Indices			
Load Factor (RPKM/ASKM)	89%	92%	-3.5 bps
Fare (Pax rev/Pax)	3,995	3,474	15%
Total RASK	3.97	3.71	7%
PAX RASK	3.15	3.21	-2%
Other RASK	0.82	0.50	63%



Expense Breakup

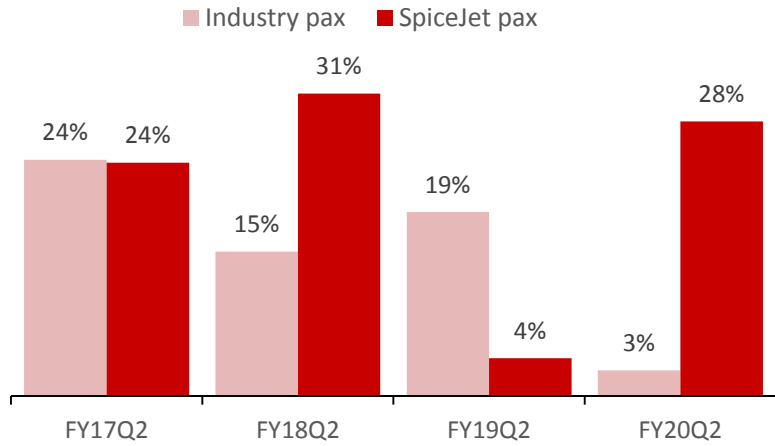


	<i>Amt in INR million (Qtrly)</i>		
	CY	LY	FAV/-ADV
Capacity(ASKM)	7,751	5,121	51%
Expense details			
Aircraft Fuel	11,621	8,451	-38%
Aircraft Lease Rentals	633	2,755	77%
Airport Charges	2,924	1,790	-63%
Aircraft Maintenance	5,184	3,583	-45%
Other Operating Costs	1,192	674	-77%
Employee Benefits Expense	3,962	2,526	-57%
Depreciation and Amortisation Expense	4,363	648	-573%
Other Expenses	2,185	1,579	-38%
Finance Costs	1,368	325	-321%
Foreign exchange (gain)/loss	1,930	585	-230%
Total Expenses	35,361	22,915	-54%
Key Performance Indices			
Total CASK	4.56	4.48	-2%
Fuel CASK	1.50	1.65	9%
Other CASK	3.06	2.82	-8%

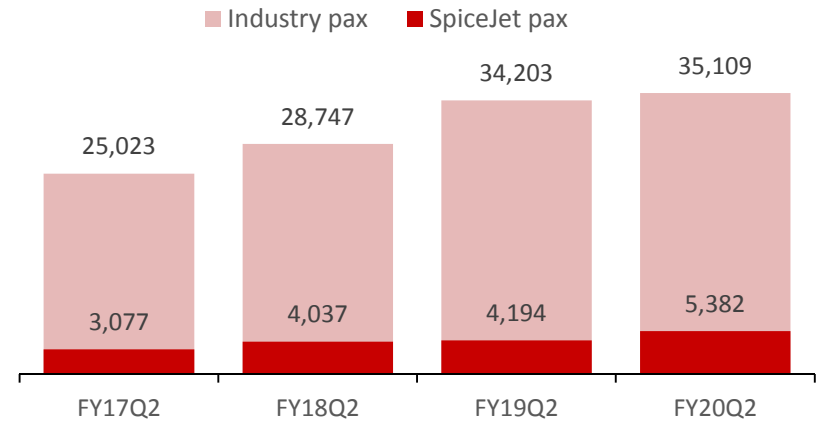
* Excludes exceptional items



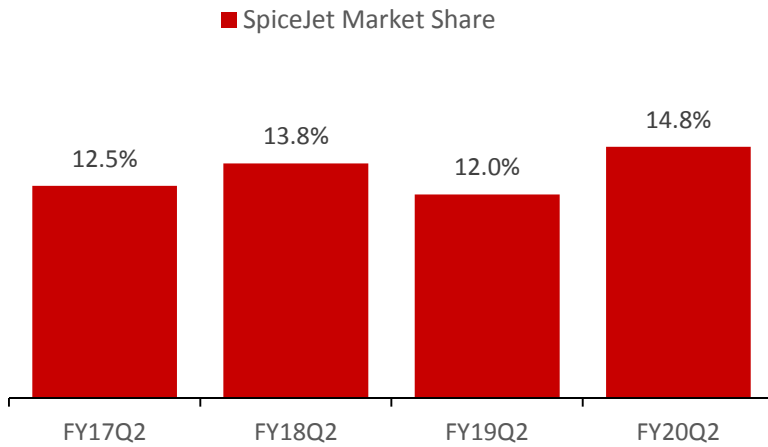
Aviation Market (Domestic)



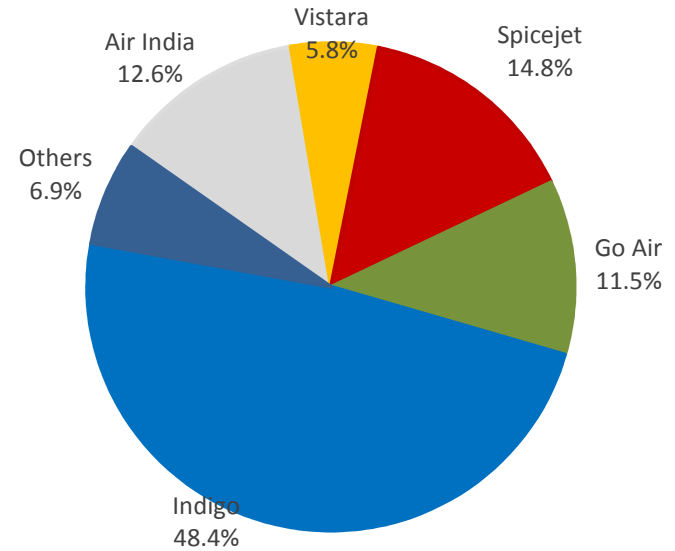
% Passenger growth (YoY)



Passenger in thousands



% Domestic market – quarter ending

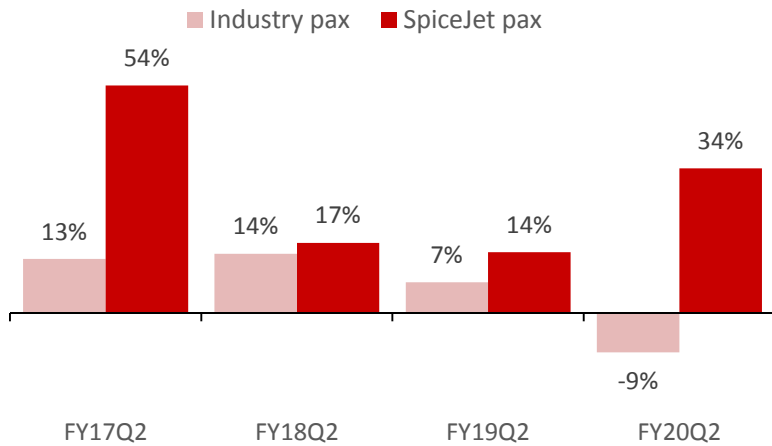


Source: DGCA Statistics

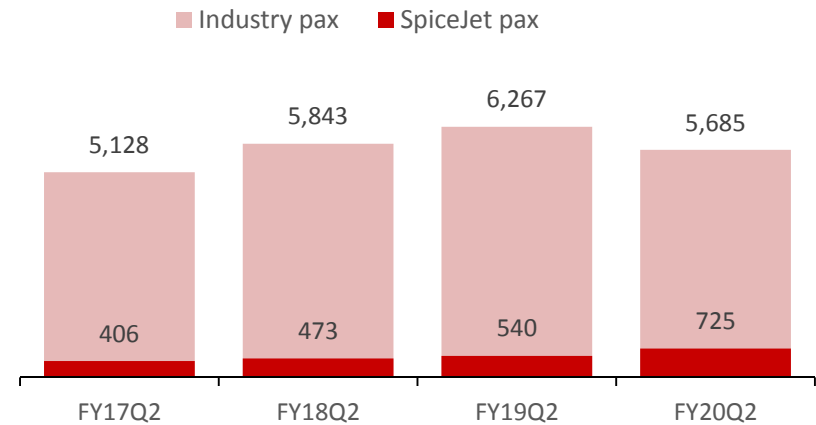
As on Sep'19 **22**



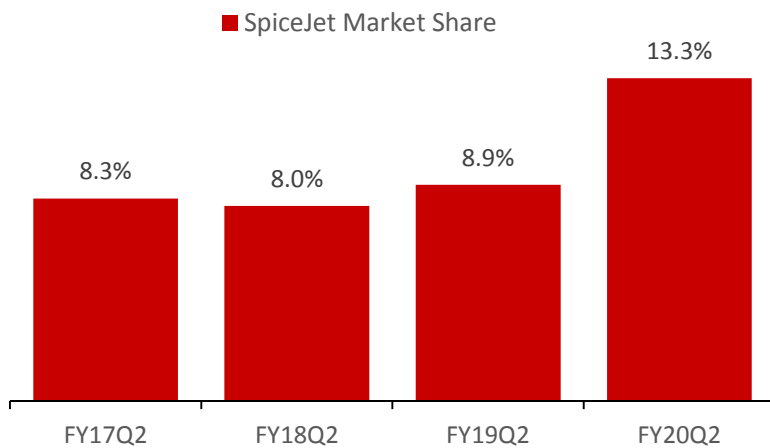
Aviation Market (International)



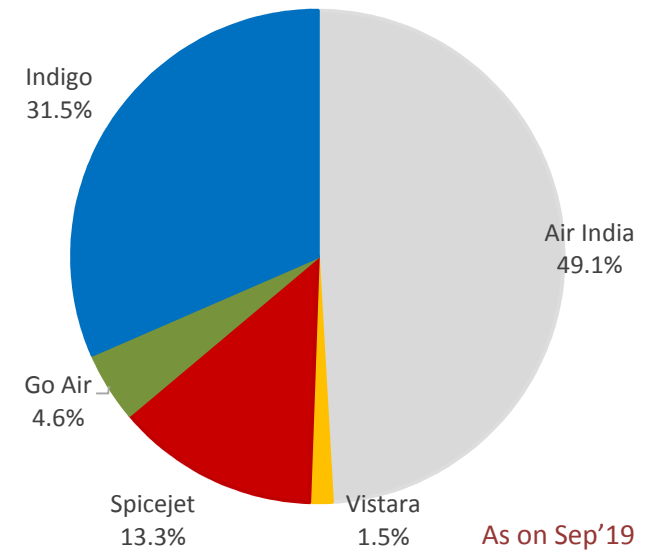
% Passenger growth (YoY)



Passenger in thousands



% Domestic market – quarter ending



As on Sep'19

Source: DGCA Statistics

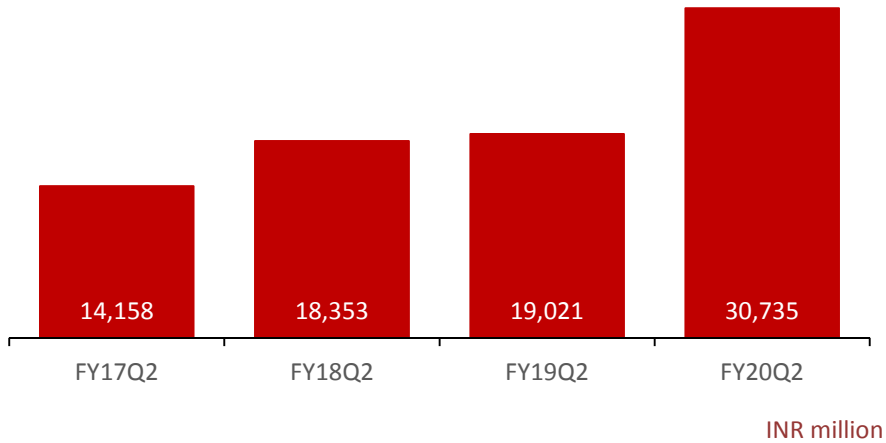


Financial Highlights

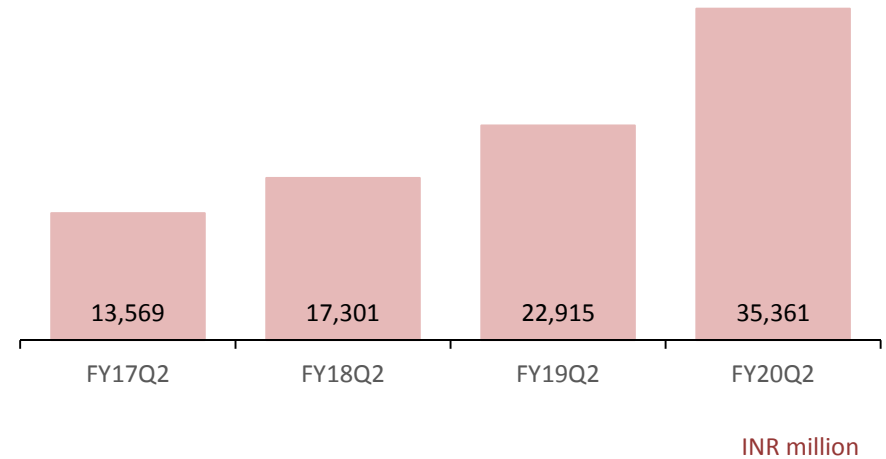
(Excludes exceptional items)



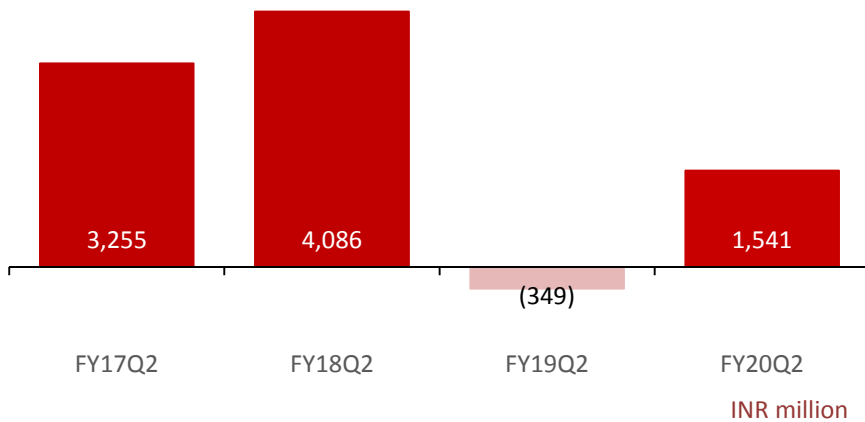
Total Revenue



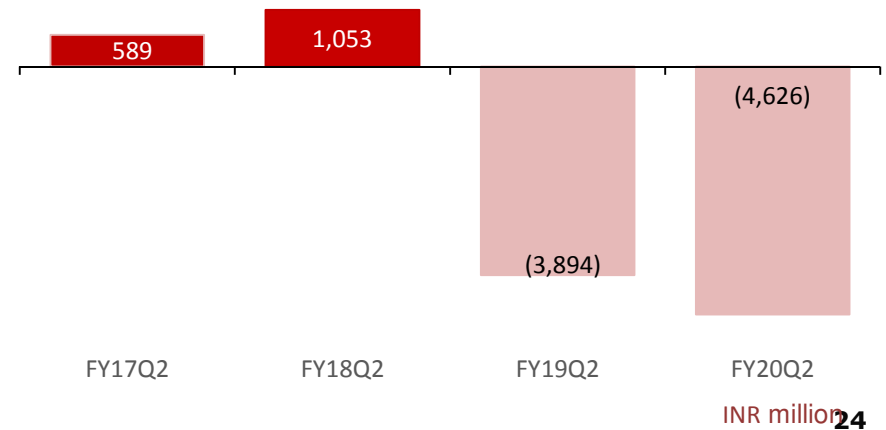
Total Expenses



EBITDAR



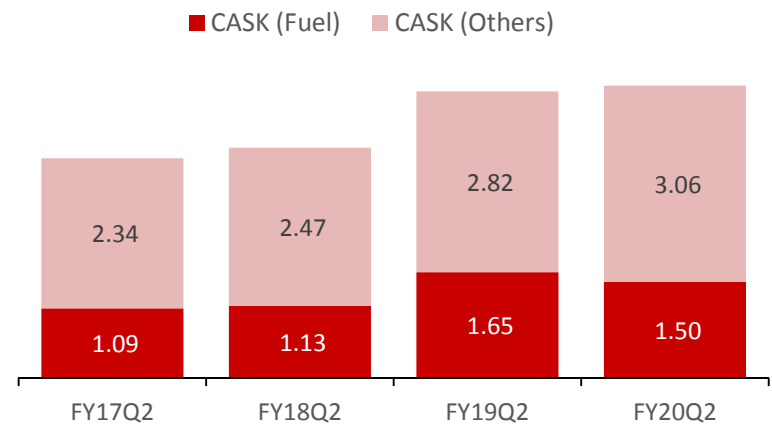
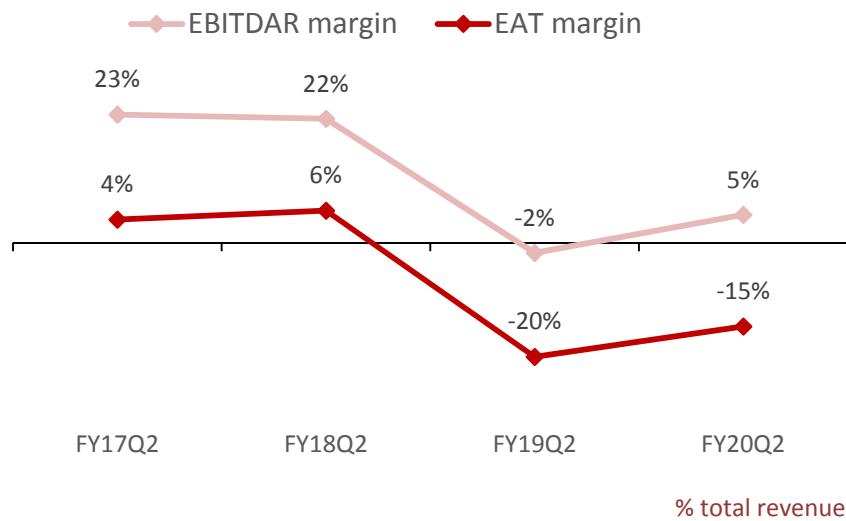
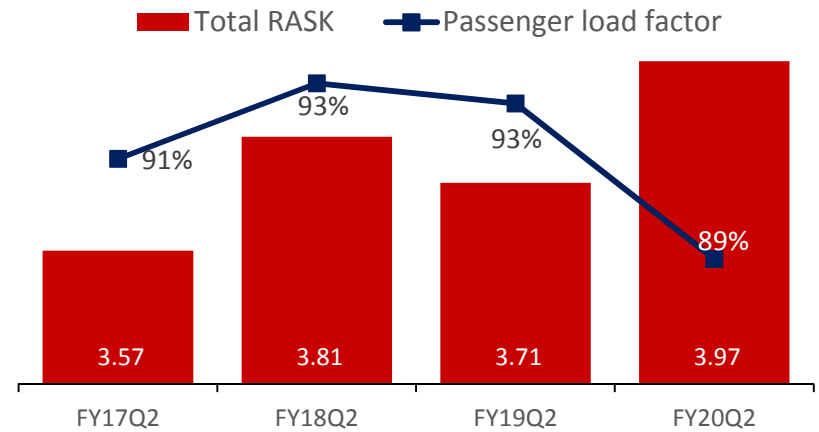
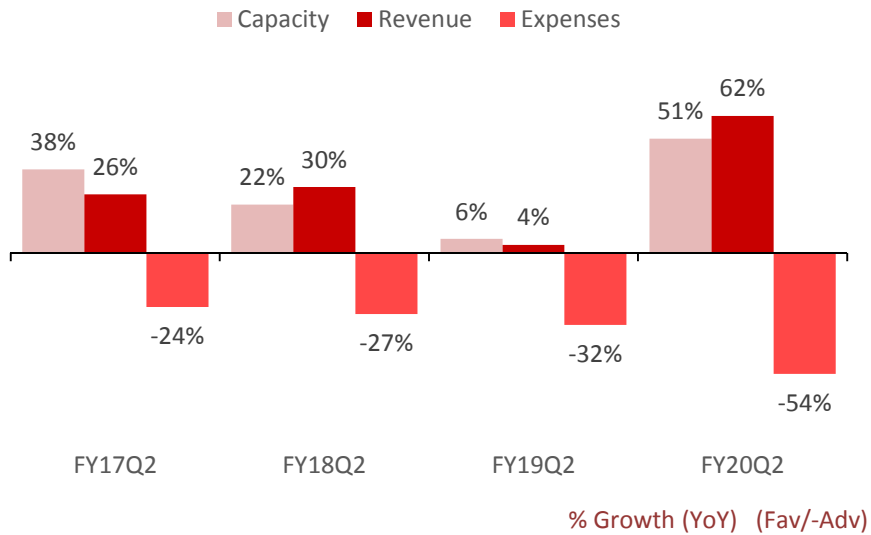
EAT





Key Indicators

(Excludes exceptional items)



INR



HALF YEARLY HIGHLIGHTS

YTD FY20



Executive Summary



Amt in INR million (Half Yearly)

	CY	LY	FAV/-ADV
Capacity(ASKM)	14,549	10,329	41%
Profit & Loss summary			
Total Income from operations	58,473	40,952	43%
Other Income	3,750	602	523%
Expenses	64,232	45,194	42%
EBITDAR	9,661	3,432	182%
EBITDA	8,383	(2,099)	499%
EAT (<i>without exceptional items</i>)	(2,009)	(3,640)	45%
Exceptional items	-	(635)	
EAT (<i>with exceptional items</i>)	(2,009)	(4,275)	53%
Key Performance Indices *			
Revenue / ASKM	4.28	4.02	6%
Expenses / ASKM	4.41	4.38	-1%
EBITDAR margin	16%	8%	7.3 bps
EBITDA margin	13%	-5%	18.5 bps
EAT margin (<i>without exceptional items</i>)	-3%	-9%	5.5 bps

* Excludes exceptional items

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 (Half Yearly)

	CY	LY	FAV/-ADV
Capacity(ASKM)	14,549	10,329	41%
Revenue details			
PAX Revenue	50,831	36,334	40%
Ancillary Revenue	5,541	3,914	42%
Other Operating Revenue	2,102	704	199%
Other Income	3,750	602	523%
Total	62,223	41,554	50%
Key Performance Indices			
Load Factor (RPKM/ASKM)	91%	93%	-2.6 bps
Fare (Pax rev/Pax)	4,290	3,816	12%
Total RASK	4.28	4.02	6%
PAX RASK	3.49	3.52	-1%
Other RASK	0.78	0.51	55%



Expense Breakup



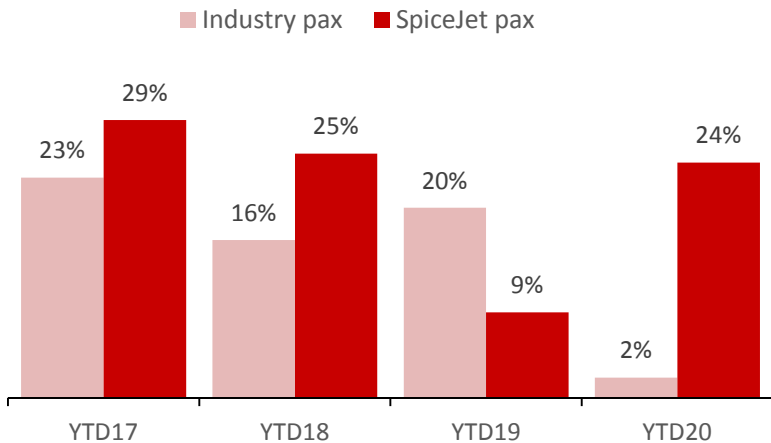
Amt in INR million (Half Yearly)

	CY	LY	FAV/-ADV
Capacity(ASKM)	14,549	10,329	41%
Expense details			
Aircraft Fuel	21,905	16,575	-32%
Aircraft Lease Rentals	1,278	5,531	77%
Airport Charges	5,348	3,559	-50%
Aircraft Maintenance	9,739	7,011	-39%
Other Operating Costs	2,183	1,330	-64%
Employee Benefits Expense	7,498	5,005	-50%
Depreciation and Amortisation Expense	8,135	1,279	-536%
Other Expenses	3,852	3,183	-21%
Finance Costs	2,643	627	-321%
Foreign exchange (gain)/loss	1,650	1,094	-51%
Total Expenses	64,232	45,194	-42%
Key Performance Indices *			
Total CASK	4.41	4.38	-1%
Fuel CASK	1.51	1.60	6%
Other CASK	2.91	2.77	-5%

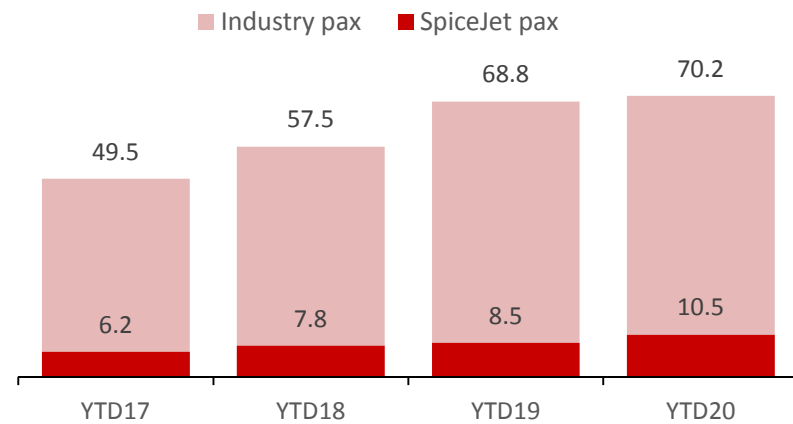
* Excludes exceptional items



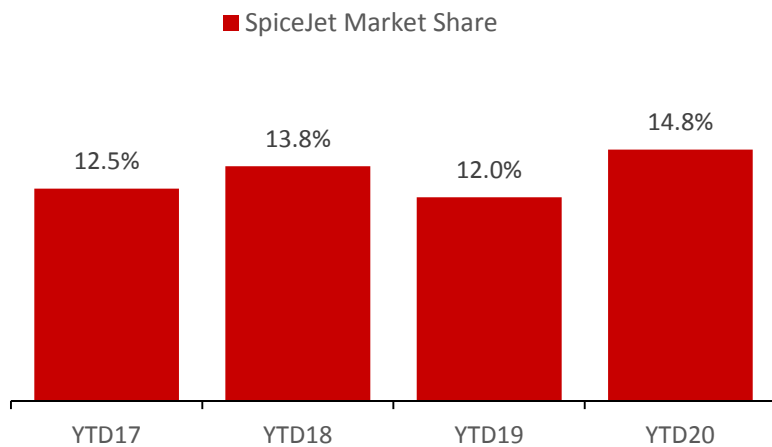
Aviation Market (Domestic)



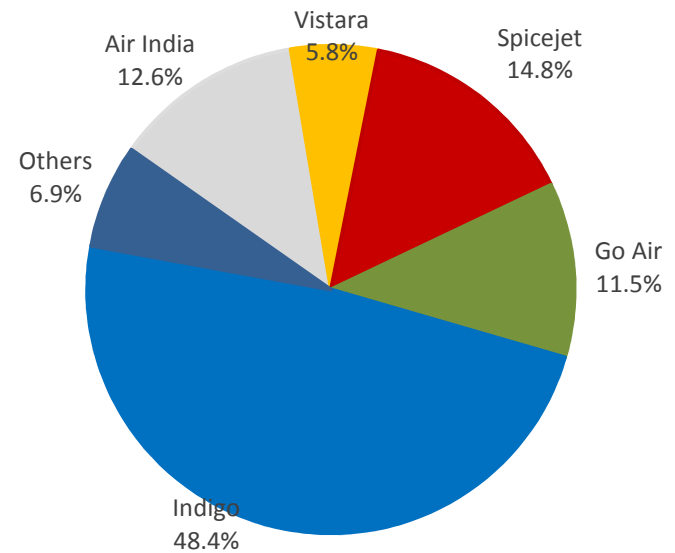
% Passenger growth (YoY)



Passenger in millions



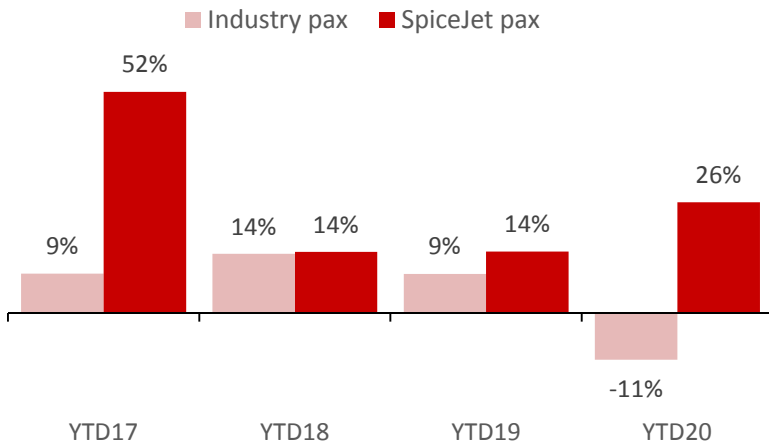
% Domestic market – year ending



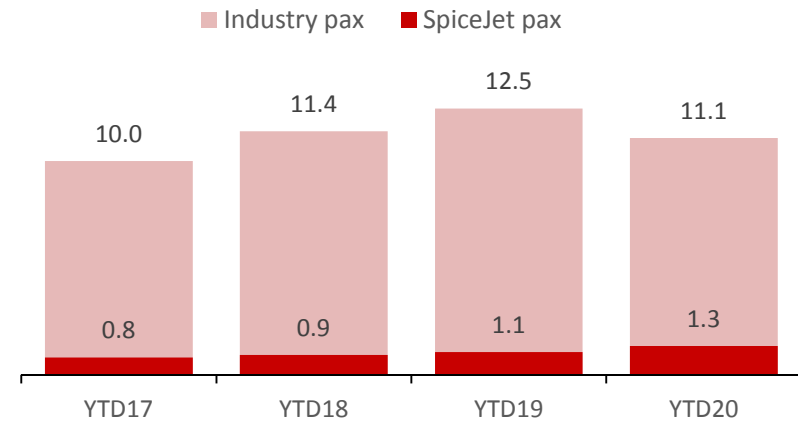
Source: DGCA Statistics



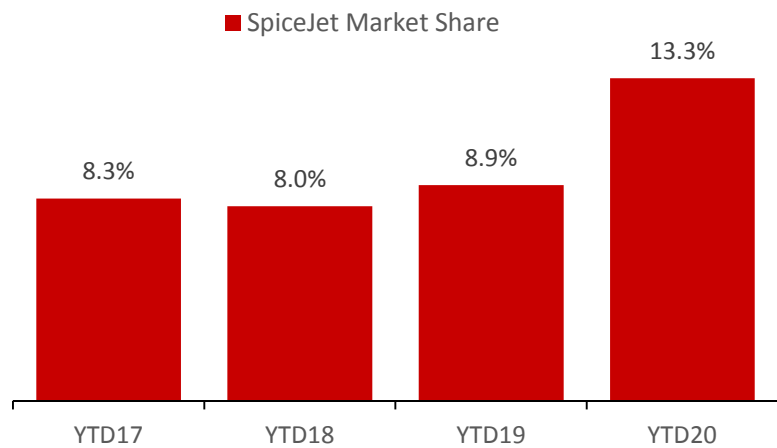
Aviation Market (International)



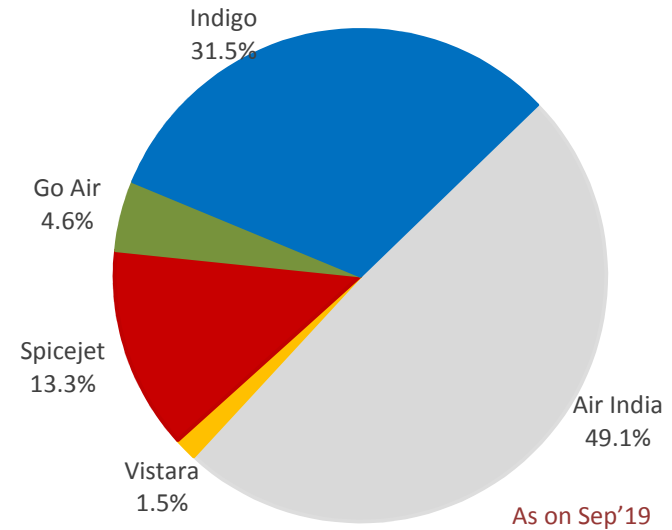
% Passenger growth (YoY)



Passenger in millions



% Domestic market – year ending



Source: DGCA Statistics

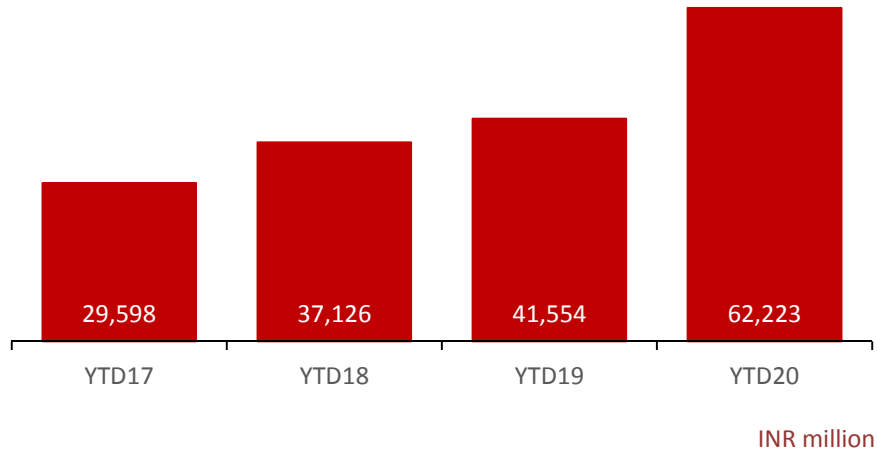


Financial Highlights

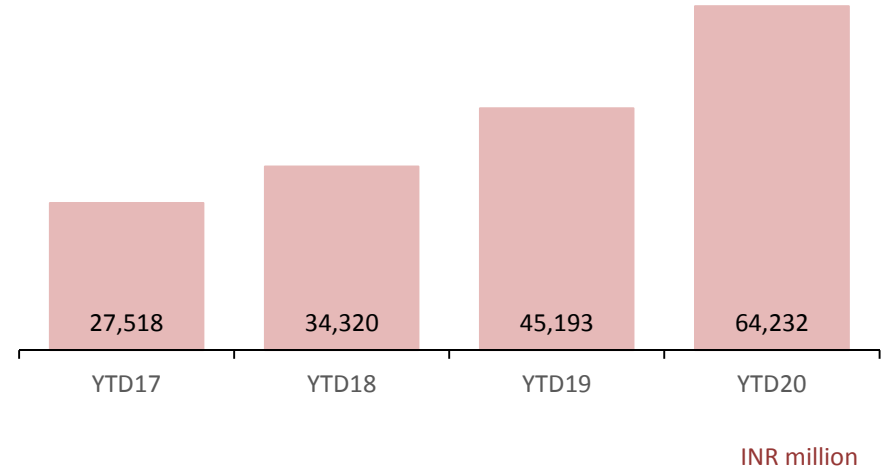
(Excludes exceptional items)



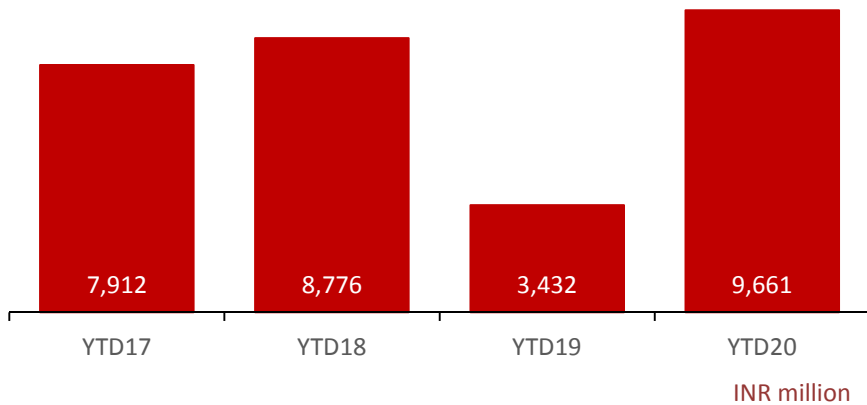
Total Revenue



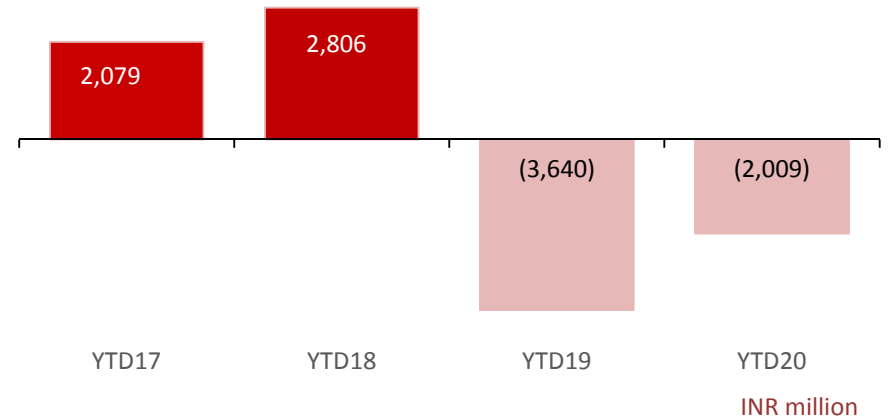
Total Expenses



EBITDAR



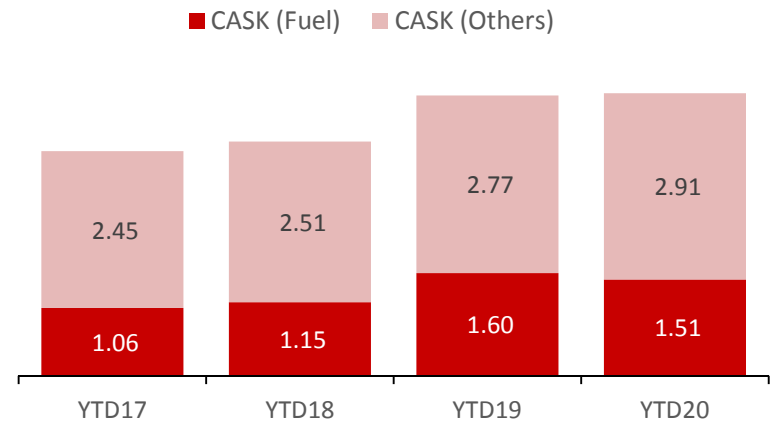
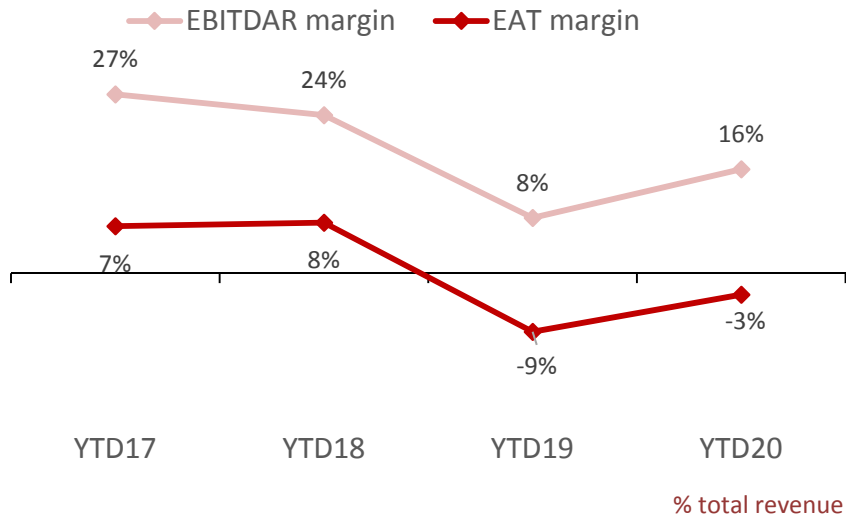
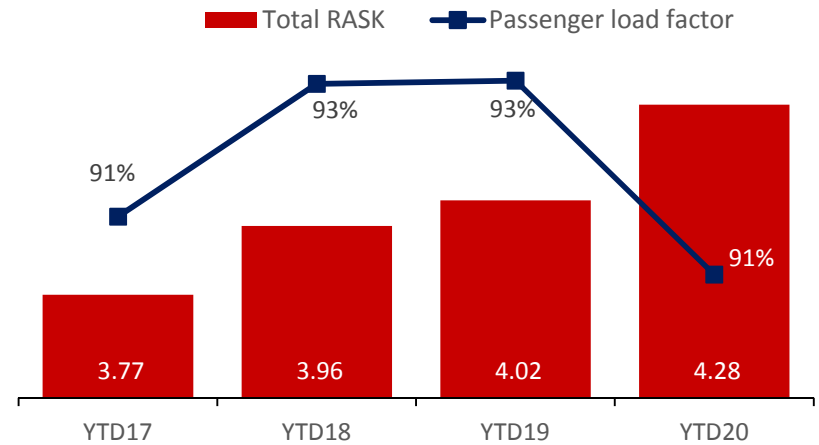
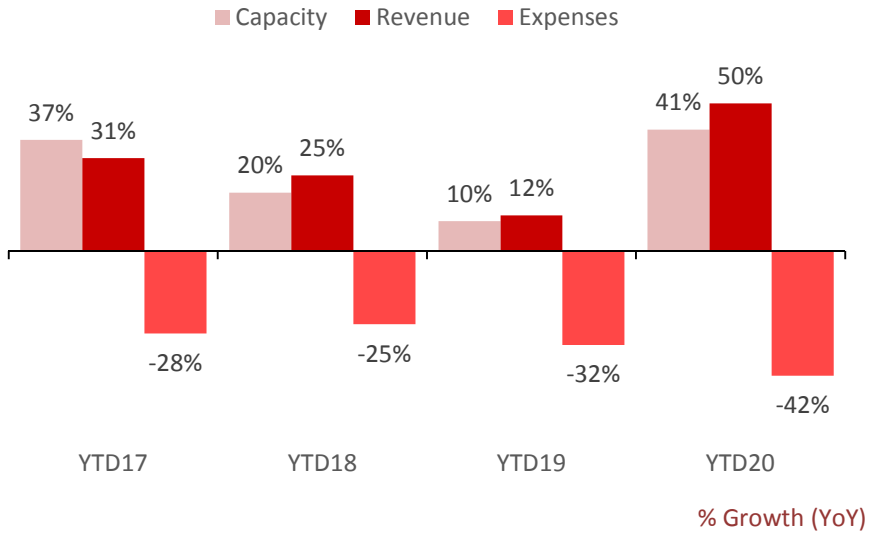
EAT





Key Indicators

(Excludes exceptional items)



INR