

Earnings Presentation Q2 FY20

Jul – Sep 2019



October 24, 2019

Safe harbor

This document may contain some statements on the Company's business or financials which may be construed as forward looking. The actual results may be materially different from these forward looking statements.

This document forms part of the quarterly earnings release and should be viewed together with the Earnings Press Release and Earnings Conference Call

Financial highlights for the quarter

Particulars (in INR million)	Quarter Ended		
	Sep'19	Sep'18	Change%
ASK (billion)	24.2	19.5	24.2%
Total income	85,398	65,141	31.1%
RASK (INR)	3.42	3.23	5.7%
Total expenses	95,716	75,013	27.6%
CASK (INR)	3.85	3.74	2.8%
CASK ex fuel (INR)	2.56	2.18	17.2%
EBITDAR	2,564	2,213	15.9%
EBITDAR Margin	3.2%	3.6%	-0.4 pts
PBT	-10,318	-9,872	-4.5%
PBT Margin	-12.7%	-16.0%	3.2 pts
PAT	-10,620	-6,515	-63.0%
PAT Margin	-13.1%	-10.5%	-2.6 pts

Revenue breakup for the quarter

Particulars (in INR million)	Quarter Ended		
	Sep'19	Sep'18	Change%
Revenue from operations	81,052	61,853	31.0%
Other income	4,346	3,288	32.2%
Total income	85,398	65,141	31.1%
ASK (billion)	24.2	19.5	24.2%
RPK (billion)	20.2	16.4	22.8%
Load factor (%)	83.5%	84.5%	-0.9 pts
Yield (INR)	3.52	3.21	9.4%
RASK (INR)	3.42	3.23	5.7%

Cost breakup for the quarter

Particulars (in INR million)	Quarter Ended		
	Sep'19	Sep'18	Change%
Aircraft fuel expenses	31,154	30,355	2.6%
Aircraft and engine rentals (net)	1,110	8,891	-87.5%
Supplementary rentals and aircraft repair and maintenance (net)	15,298	8,123	88.3%
Airport fees and charges	7,284	5,950	22.4%
Purchase of stock in trade	409	335	22.0%
Changes in inventories of stock in trade	(6)	(6)	2.9%
Employee costs	12,063	7,742	55.8%
Finance costs	4,235	1,300	225.7%
Depreciation and amortization expenses	10,287	1,820	465.3%
Foreign exchange (gain)/ loss (net)	4,516	3,354	34.7%
Other expenses	9,366	7,150	31.0%
Total expenses	95,716	75,013	27.6%
CASK (INR)	3.85	3.74	2.8%
CASK ex fuel (INR)	2.56	2.18	17.2%
Exchange Rate (US\$/INR)*	70.71	72.58	-2.6%
Fuel Price (INR / Litre)**	64.12	70.26	-8.7%

* Closing Exchange Rate for the quarter

** Average fuel price announced by IOCL for domestic airlines for the 4 metros – Delhi, Mumbai, Kolkata and Chennai

Cash and Debt

Particulars (in INR million)	As of		
	Sep'19	Sep'18	Change%
Free Cash	87,063	44,202	97.0%
Restricted Cash	100,299	87,462	14.7%
Total Cash	187,362	131,664	42.3%
Debt excluding lease liability	23,778	26,411	-10.0%
Lease liability *	174,640	-	-
Total Debt *	198,418	26,411	651.3%

* With effect from 1st April 2019, the Company has capitalized its operating leases in accordance with Ind AS 116.

Capacity update

- For fiscal year 2020, year over year capacity increase in ASKs is expected to be 25%
- For third quarter fiscal year 2020, year over year capacity increase in ASKs is expected to be 22%

Appendix

Fleet breakup

30th Sep, 2019

245

- 29 Owned/finance Lease
- 216 Operating Lease

- 89 A320neo
- 129 A320ceo
- 6 A321neo
- 21 ATR

30th Jun, 2019

235

- 29 Owned/finance Lease
- 206 Operating Lease

- 83 A320neo
- 129 A320ceo
- 5 A321neo
- 18 ATR

30th Sep, 2018

189

- 29 Owned/ Finance Lease
- 160 Operating Lease

- 50 A320neo
- 127 A320ceo
- 12 ATR

Definitions and Abbreviations

Term	Description
ASK	Available Seat Kilometer
CASK	Total Cost net of finance income per Available Seat Kilometer
CASK ex fuel	Total Cost excluding fuel cost net of finance income per Available Seat Kilometer
EBITDAR	Earnings before finance income and cost, tax, depreciation, amortization and aircraft and engine rentals
EBITDAR margin	EBITDAR / Revenue from Operations
Load Factor	Revenue Passenger Kilometer / Available Seat Kilometer
RASK	Total Revenue net of finance income per Available Seat Kilometer
RPK	Revenue Passenger Kilometer
Yield	Passenger Ticket Revenue / Revenue Passenger Kilometer

Thank You