

February 4, 2013



The Listing Department
The National Stock Exchange of India Limited
Exchange Plaza,
Bandra-Kurla Complex,
Bandra (East),
Mumbai - 400 051.

Fax No: 022-26598237/38

Dear Sir,

Sub: Unaudited Financial Results for the Quarter ended December 31, 2012

In compliance with the relevant provisions of the Listing Agreement, please find enclosed the Unaudited Financial Results for the Quarter ended December 31, 2012, approved by the Board of Directors at its Meeting held today, along with the Limited Review Report for the Quarter ended December 31, 2012.

A Press Note is also attached.

Please take the same on record.

Thanking you,

Yours faithfully,
For **Kingfisher Airlines Limited**

Bharath Raghavan
Chief Legal Officer & Company Secretary

Encl: as above



Kingfisher Airlines Limited

The Plaza, 3rd-4th-5th-6th Floor, M.A. Road, Marine Drive, Mumbai - 400 059

Tel: +91 22 26592200 Fax: +91 22 2659 8000 E-mail: www.flykingfisher.com

Registered Office: Kingfisher House, 12th Floor, M.A. Road, Marine Drive, Mumbai - 400 059




Part I. Statement of Unaudited Financial Results for the Quarter and Nine months ended December 31, 2012.

Particulars	Quarter ended December 31, 2012 (Unaudited)	Quarter ended September 30, 2012 (Unaudited)	Quarter ended December 31, 2011 (Unaudited)	Nine Months ended December 31, 2012 (Unaudited)	Nine Months ended December 31, 2011 (Unaudited)	Year ended March 31, 2012 (Audited)
1. Income from Operations	-	20,000.13	136,771.53	50,138.28	482,760.43	559,043.19
2. Expenditure						
a. Employee Costs	6,764.81	6,901.12	17,565.72	27,554.42	53,253.97	67,351.38
b. Aircraft Lease Rental	18,209.07	19,777.63	27,224.93	57,542.87	76,833.34	105,845.44
c. Aircraft Fuel	227.16	16,645.71	73,881.38	40,151.25	240,076.49	294,588.58
d. Other Operating Expenses	13,941.12	15,843.98	53,314.33	50,181.48	187,482.70	232,752.07
e. Depreciation/ Amortisation	4,170.29	5,802.24	8,358.85	15,525.12	24,866.30	34,186.59
3. Profit/ (Loss) from Operations before Other Income, Finance Costs, Redelivery Costs, Exchange (Loss)/ Gain, Prior Period Item (1 - 2)	(43,312.45)	(46,970.55)	(43,573.68)	(140,816.86)	(99,752.37)	(175,680.87)
4. Other Income	357.94	3,513.26	12,554.85	11,111.99	17,805.45	22,151.40
5. Profit/ (Loss) from Operations before Finance Costs, Redelivery Costs, Exchange (Loss)/ Gain, Prior Period Item (3 + 4)	(42,954.51)	(43,457.29)	(31,018.83)	(129,704.87)	(81,946.92)	(153,529.47)
6. Finance Costs	40,126.33	40,143.13	34,723.53	118,939.34	98,741.91	127,633.52
7. Profit/ (Loss) after Finance Costs but before Redelivery Costs, Exchange (Loss)/ Gain, Prior Period Item and Tax (5 - 6)	(83,080.84)	(83,600.42)	(65,742.36)	(248,644.21)	(180,688.83)	(281,162.99)
8a. Redelivery Costs	27,480.89	23,344.09	7,975.94	67,559.22	9,540.30	74,344.72
8b. Exchange Loss/ (Gain)	1,224.82	2,907.77	(7,954.20)	2,104.80	(16,077.49)	(10,898.50)
8c. Prior Period Item		1,694.50		1,359.51		
9. Profit/ (Loss) from Ordinary Activities before Tax (7 - 8a - 8b - 8c)	(111,786.55)	(111,546.69)	(65,764.10)	(319,667.74)	(174,151.64)	(344,609.21)
10. Tax Expense						
- Current Tax	(36,269.15)	(36,191.32)	(21,337.15)	(103,716.71)	(58,503.49)	(111,898.46)
- Deferred Tax Asset	(75,517.40)	(75,355.37)	(44,426.95)	(215,951.53)	(117,648.15)	(232,800.75)
11. Profit/ (Loss) from Ordinary Activities after Tax (9 - 10)	80,872.30	80,872.30	49,777.92	80,872.30	49,777.92	57,764.73
12. Paid-up Equity Share Capital (Face Value of Rs. 10/- each)	N/A	N/A	N/A	N/A	N/A	(62,314.83)
13. Reserves as per Balance Sheet of Previous Accounting Year (Excluding Revaluation Reserve)						
14. Earnings per Share (of Face value Rs. 10/- each) (not annualised) (Basic and Diluted)	(9.50)	(9.48)	(9.08)	(28.84)	(24.41)	(46.92)

* Recast

Part II - Select information for the Quarter and Nine months ended December 31, 2012

Particulars	Quarter ended December 31, 2012 (Unaudited)	Quarter ended September 30, 2012 (Unaudited)	Quarter ended December 31, 2011 (Unaudited)	Nine Months ended December 31, 2012 (Unaudited)	Nine Months ended December 31, 2011 (Unaudited)	Year Ended March 31, 2012 (Audited)
A. Particulars of Shareholding						
1 Public Shareholding						
- Number of Shares	518,930,364	518,930,364	206,071,597	518,930,364	206,071,597	287,654,648
- Percentage of Shareholding	64.16%	64.16%	41.39%	64.16%	41.39%	49.80%
2 Promoter and Promoter Group Shareholding						
a) Pledged Encumbered						
- Number of Shares	261,112,125	261,112,125	263,077,125	261,112,125	263,077,125	261,312,125
- Percentage of Shares (As a Percentage of the total promoter and promoter group shareholding)	90.10%	90.10%	90.17%	90.10%	90.17%	90.11%
b) Non Encumbered						
- Number of Shares	37,299	37,299	52,85%	32,29%	52,85%	45,24%
- Percentage of Shares (As a Percentage of the total promoter and promoter group shareholding)	3.55%	3.55%	5.76%	3.55%	5.76%	4.97%
- Percentage of Shares (As a Percentage of the total Share Capital of the Company)						
- Number of Shares	28,680,501	28,680,501	28,680,501	28,680,501	28,680,501	28,680,501
- Percentage of Shares (As a Percentage of the total Share Capital of the Company)	9.90%	9.90%	9.83%	9.90%	9.83%	9.89%
- Percentage of Shares (As a Percentage of the total Share Capital of the Company)	3.55%	3.55%	5.76%	3.55%	5.76%	4.97%

Particulars	Quarter ended December 31, 2012
B. Investor Complaints	
Pending at the beginning of the quarter	Nil
Received during the quarter	Nil
Disposed of during the quarter	Nil
Remaining unresolved at the end of the quarter	Nil

Notes:

- 1) The above financial results which have been subjected to limited review by the Statutory Auditors of the Company, have been approved by the Board of Directors at its meeting held on February 4, 2013.
- 2) The Company did not have any operations during the quarter in view of the temporary suspension of its Scheduled Air Operator's permit by the Director General of Civil Aviation, Government of India (DGCA).
- 3) The Company's Scheduled Operator's Permit ("The Permit") was temporarily suspended by the DGCA in October 2012 and thereafter the Permit expired in the end of December 2012. The Company has been engaged in discussions with DGCA for renewal of the Permit and re-commencement of its operations. In this regard, as required by DGCA, the Company has submitted a revival plan which is under review by DGCA. The Company is in constant dialogue with DGCA and is confident of meeting DGCA requirements for renewal of the Permit and re-start of its operations at the earliest.
- 4) Deferred Tax Asset is recognized on account of unabsorbed depreciation and business losses for the quarter ended December 31, 2012 aggregating to Rs.36,269.15 Lacs. The management is of the opinion that there is a virtual certainty supported by convincing evidence against which such deferred tax will be realized, notwithstanding that the Auditors have opined to the contrary.
- 5) The Company has adopted the Exposure Draft on Accounting Standard - 10 (Revised) "Tangible Fixed Assets" which allows costs on major repairs and maintenance incurred to be amortized over the incremental life of the asset. The Company has extended the same treatment to costs incurred on major repairs and maintenance for engines pertaining to aircrafts acquired on operating lease. Had the Company not adopted this method of accounting, the loss before tax and the loss after tax for the quarter ending on December 31, 2012 would have been lower by Rs.2,747.11 Lacs and Rs.1,855.81 Lacs respectively whereas the loss for the nine months before tax and loss for the nine months after tax ending on December 31, 2012 would have been lower by Rs.1,310.86 Lacs and Rs.8,992.01 Lacs respectively. This revised accounting policy has been confirmed by an independent expert and in the opinion of the management, the accounting treatment has resulted in a fair depiction of the working results, and the state of the affairs of the Company.

- 6) In terms of agreements entered into with a certain party in respect of assets taken on lease, the Company is to pay lease rentals only in the event of breach of certain contractual obligations in future. The Company has sought extension of time to meet a part of its obligations which were to be fulfilled by December 31, 2012, which it is hopeful of receiving. No provision is considered necessary as the Company is confident of meeting the relevant obligations. Additionally, the use less (hourly and cyclical utilization charge) paid in respect of these leased assets are, in accordance with the Company's understanding, treated as maintenance reserves. The Company is taking steps to formalize this understanding with the relevant lessors. In terms of the Company's accounting policy, these use fees are initially included under lease and advances and are expensed out to the profit and loss account at the time of incurrence of major maintenance expenditure / termination of agreements.
- 7) In respect of certain agreements entered into for lease of aircrafts prior to March 31, 2007, the Company's applications for exemption under section 10(15A) of the Income Tax Act, 1961, has been rejected by the Central Board of Direct Taxes and the High Court of Delhi (Court). The Company has filed a special leave petition (SLP) to the Supreme Court of India over the order of the Court confirming the rejection of exemption along with a petition for condonation of delay in filing the SLP. The management believes, based on internal assessment, that the probability of an ultimate adverse decision and outflow of resources of the Company is not probable and accordingly, no provision for the resultant tax liability (estimated at Rs.58,779.89 Lacs not taking into account any demands that may be raised for other agreements, based on the order of the Court) is considered necessary.
- 8) The Company has terminated certain agreements entered into with parties as a cost rationalisation measure. Certain parties have also terminated the agreements entered into with the Company in view of defaults by it. One such party has also intimated the Company that it will be forfeiting the advance paid of US\$ 4.531 million equivalent to Rs. 2,477.98 lacs. The Company is in discussion with the relevant parties to finalise the amount of compensation and other costs, if any payable by it as well as to persuade the parties to desist from such cancellations/forfeiture of advance paid. The same will be accounted on final determination of the matter and no adjustments have been made in the financial statements in this respect. In the opinion of the management, this amount is not likely to be material.
- 9) Pursuant to the directives issued by the consortium bankers, pursuant to Reserve Bank of India guidelines, no provision has been made in the books of accounts for commission payable in respect of guarantees issued by the guarantors to the Company's bankers estimated at Rs.2,536.20 Lacs for the period October 2012 to December 2012 (Estimated amount for the period from April 2012 to December 2012 Rs.7,549.83 Lacs) (Estimated aggregate amount as on December 31, 2012 Rs.20,002.62 Lacs).
- 10) The Company has incurred substantial losses and its networth has been eroded. However, having regard to capital raising plans, group support, the request made by the Company to its bankers for further credit facilities, planned reconfiguration of aircraft and the revival plan submitted to the DGCA for renewal of the scheduled operators permit, these financial statements/results have been prepared on the basis that the Company is a going concern and that no adjustments are required to the carrying value of assets and liabilities.
- 11) Previous period/year figures have been reclassified to conform with current period/year presentation, wherever applicable.

Place : Bangalore
Date : February 4, 2013

By Authority of the Board



Dr. Vijay Malliya
Chairman & Managing Director

Kingfisher Airlines Limited Announces Quarterly Results

Bangalore, February 4, 2013 — During the quarter under review, Kingfisher Airlines did not have any operations. The Company submitted a revival/ restart plan to the DGCA for renewal of its Scheduled Operator's Permit and for restart of operations.

After accounting for finance cost of Rs. 401 Crores, a one-time cost of Rs. 275 Crores due to re-delivery of aircraft (which will reduce lease rentals and other related costs going forward), the net loss was Rs. 755 Crores.

Kingfisher has made significant progress towards complying with the DGCA requirements.

-X-X-