

Mumbai, February 11, 2010

KFA reports an EBITDA profit of Rs 91 Cr for Q3 FY 11, with a continued improvement in overall operations

The growth momentum in the aviation industry has continued with strong domestic demand in Q3 FY11. Kingfisher has capitalized on this growth and has seen an 11 percentage point increase in domestic load factors to 87% vs. 76% in the same period last year.

The increase in domestic loads, coupled with several cost reduction initiatives and the growing maturity of international routes has led Kingfisher to generate an operating EBITDA profit of Rs. 91 Cr which is an improvement of Rs. 183 Cr over Q3 FY10.

The loss after tax for the year has reduced by Rs 166 Cr (Rs 254 Cr vs. Rs 420 Cr in the previous year).

This performance has been after the extraordinary cost impact of more than Rs 88 Cr due to the unplanned grounding of aircraft (excluding the cost impact the EBITDA and EBITDAR margins would be at 10.7% and 21.7% respectively). The aircraft recovery is well underway with 10 of the grounded aircraft flying by end of February and the rest before end of April.

Q3 FY11 Performance

- On an overall basis, the Company has generated an EBITDA profit of Rs. 91 Cr in Q3 FY 11 vs. a loss of Rs 92 Cr during the same period of the previous year – an improvement of Rs. 183 Cr
- The company posted a positive 20% EBITDAR margin of Rs. 335.3 Cr as against a positive margin of 12.9% in the corresponding quarter of the previous financial year - an improvement of Rs. 165 Cr
- The domestic business generated an EBITDA profit of Rs 94.3 Cr. This performance was delivered despite a 6% reduction in Domestic KFA capacity in terms of seats offered
- The International business showed signs of growing maturity with the Q3 EBITDA loss at Rs 3 Cr vs. a loss of Rs 89 Cr in the same quarter last year - an

improvement of Rs 92 Cr. This performance was delivered with 40% of the International capacity deployment being less than a year old

YTD FY11 Performance

- YTD EBITDA profit of Rs 232 Cr vs. a loss of Rs 401 Cr in the same period last year
- YTD after tax loss of Rs 672 Cr vs. a loss of Rs 1,075 Cr in same period last year

Kingfisher Airlines continues to remain “India’s favorite airline” and the only five star rated airline in India (as per Skytrax) and the single largest carrier in the domestic industry with a market share of 18.9% in Q3 FY 2011

A detailed presentation is attached to this note.