



DECCAN AVIATION LIMITED
 Regd. Office: 35/2, Cunningham Road, Bangalore - 560 052
UNAUDITED FINANCIAL RESULTS
FOR THE QUARTER ENDED 31ST DECEMBER, 2007



(Rs in lakhs)

Sl No	Particulars	3 months ended 31.12.2007 (Unaudited)	Corresponding 3 months ended in the previous year 31.12.2006 (Unaudited)	Year to Date figures for current period ended 31.12.2007 (Unaudited)	Year to Date figures for the previous year ended 31.12.2006 (Unaudited)	Previous accounting year ended 30.06.2007 (Audited)
1	Net Income from Operations	56763	47489	101284	83358	177455
2	Other Income	966	16193	3010	33725	36776
3	Total Income (1 + 2)	57729	63682	104294	117083	214231
4	Expenditure					
	a) Employees Remuneration & Benefits	8187	5963	15976	11378	25179
	b) Aircraft Fuel Expenses	28768	24836	57115	48847	97950
	c) Aircraft / Engine Lease Rentals	11386	10157	22751	18801	40305
	d) Aircraft / Engine Repairs & Maintenance	6396	5324	12816	9603	22750
	e) Airport Related Charges	7635	7032	14992	13712	29795
	f) Other Direct Operating Expenses	5823	3471	10495	6803	16110
	g) Selling, General & Administrative Expenses	4874	3585	6960	6889	13127
	h) Depreciation and Amortisation	1194	1041	2516	2053	4392
	i) Total	74263	61409	143621	118086	249608
5	Interest and Finance Charges	2441	1243	4854	2186	6240
6	Exceptional Items		-		-	-
7	Profit/(Loss) from ordinary activities before Tax	(18975)	1030	(44181)	(3189)	(41617)
8	Tax Expense	111	66	222	146	341
9	Net Profit/(Loss) from ordinary activities after tax	(19086)	964	(44403)	(3335)	(41958)
10	Extraordinary items (net of tax expense Rs. NIL)		-		-	-
11	Net Profit/(Loss) for the period (9-10)	(19086)	964	(44403)	(3335)	(41958)
12	Paid up Equity Share Capital [Face value of Rs 10/- each]	13576	10015	13576	10015	13547
13	Reserves excluding Revaluation Reserves					24776
14	Earnings Per Share (EPS)					
	a) Basic and diluted EPS before Extraordinary items for the period, for the year to date and for the previous year	(14.07)	0.98	(32.74)	(3.39)	(42.24)
	b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year	(14.07)	0.96	(32.74)	(3.39)	(42.24)
15	Public shareholding					
	- Number of shares	46072210	77983147	46072210	77983147	113307618
	- Percentage of shareholding	33.94%	77.87%	33.94%	77.87%	83.64%

Notes

- The above financial results have been reviewed by the Audit Committee and taken on record by the Board of Directors at the meeting held on 31st January 2008 and have been subjected to limited review by the statutory auditors.
- The Company Operates in a single business segment i.e., of providing scheduled & unscheduled air transport services & operates only in India. Accordingly, no separate segment disclosures for primary business segment & geographical
- Clause 41 of the Listing Agreement - 14 Complaints were received and disposed off during the quarter ended 31st December, 2007. There were no complaints outstanding at the beginning or at the end of the quarter.

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4 The details of the Net IPO proceeds are as stated below:-

Particulars	Utilisation as projected in the Prospectus	Actuals as on 31st December 2007
Setting up a training centre	6567	0
Setting up a hangar facility for basic and medium level	4002	1047
Setting up infrastructure at airports	1708	825
Market Development Initiatives	4522	2307
Debt Repayment	13275	6069
General Corporate Purposes	4195	9297
Issue Expenses	2059	2078
Total	36328	21622

In view of certain identified and realised savings in certain items of planned uses of the IPO proceeds, the resultant savings have been transferred to General Corporate Purposes. Pending utilisation as at 31st December, 2007, the balance funds have been placed in term deposits with banks.

- 5 During the previous financial year (period), the Company's treatment of certain deferred expenses were subject to qualifications by the statutory auditors and such qualification continues for the current quarter also. As a result, the loss for the current quarter is overstated by Rs. 65 lakhs.
- 6 Pursuant to the Accounting Standard 15 (Revised) - "Employee Benefits" issued by the Institute of Chartered Accountants of India, being mandatory for accounting periods commencing on or after 7th December 2006, the necessary adjustment on account of employee benefits up to 30th June 2007 has been dealt with in the opening reserves as per transitional provisions and the current period's provisions are made on estimates.
- 7 Pursuant to the issuance of Companies (Accounting Standards) Rules, 2006 by Ministry of Corporate Affairs and withdrawal of the announcement "Treatment on exchange differences under AS 11 (revised 2003), The effects of changes in Foreign Exchange Rates vis-a-vis Schedule VI to the Companies Act, 1956", by ICAI, the Company has applied AS 11 for restatement of Capital Advances and Foreign currency borrowings for acquisition of fixed assets. In view of the application of the new rules effective from the current accounting year beginning 1st July 2007, the Company's loss for the quarter is higher by Rs 99 lakhs.
- 8 During the period, the Company has allotted 130,805 Equity shares of Rs. 10/- each on exercise of Employee Stock Options at Option Exercise Price of Rs. 65/- per Equity share. The paid up capital of the Company stands increased to Rs.135,76,26,030/-
- 9 Consequent to the acquisition of 5224000 Equity Shares of Rs.10/- each through market purchase by way of creeping acquisition, by Kingfisher Radio Ltd., the voting capital held by Kingfisher Radio Ltd and Associate Companies has increased to 49.77%.
- 10 The board of directors of the Company at their meeting held on 19th December, 2007 approved the merger of the Scheduled Airline business undertaking of Kingfisher Airlines Limited with the Company and that the name of the Company will be changed to Kingfisher Airlines Limited. Further, it is also resolved that, the charter business of the Company will be spun off into a separate entity to be jointly owned by Capt. Gopinath and the UB Group. The above are subject to statutory approvals including the approval of the shareholders.

for DECCAN AVIATION LIMITED

Place: Bangalore
 Date: 31st January 2008

Capt G.R.Gopinath
 Managing Director

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