

January 31, 2020

BSE Limited
Corporate Relationship Department
1st Floor, New Trading Ring,
Rotunda Building, P. J. Towers,
Dalal Street, Fort,
Mumbai – 400 001.
Scrip Code: 500850

National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex
Bandra (E)
Mumbai 400 051
Symbol: INDHOTEL

Kind Attn: **Mr. S. Subramanian**
DCS- CRD

Dear Sirs,

Further to our letter of date, intimating the Financial Results of the Company for the quarter / nine months ended December 31, 2019, enclosed is a copy of the investors / analyst presentation on the performance of the Company for quarter / nine months ended December 31, 2019 for your records.

Kindly acknowledge receipt.

Yours sincerely,



BEEJAL DESAI
Senior Vice President & Company Secretary

Encl : a/a



Global Conference Call

FY 2019-20 – Q3 Results

31st January, 2020



SELEQIONS

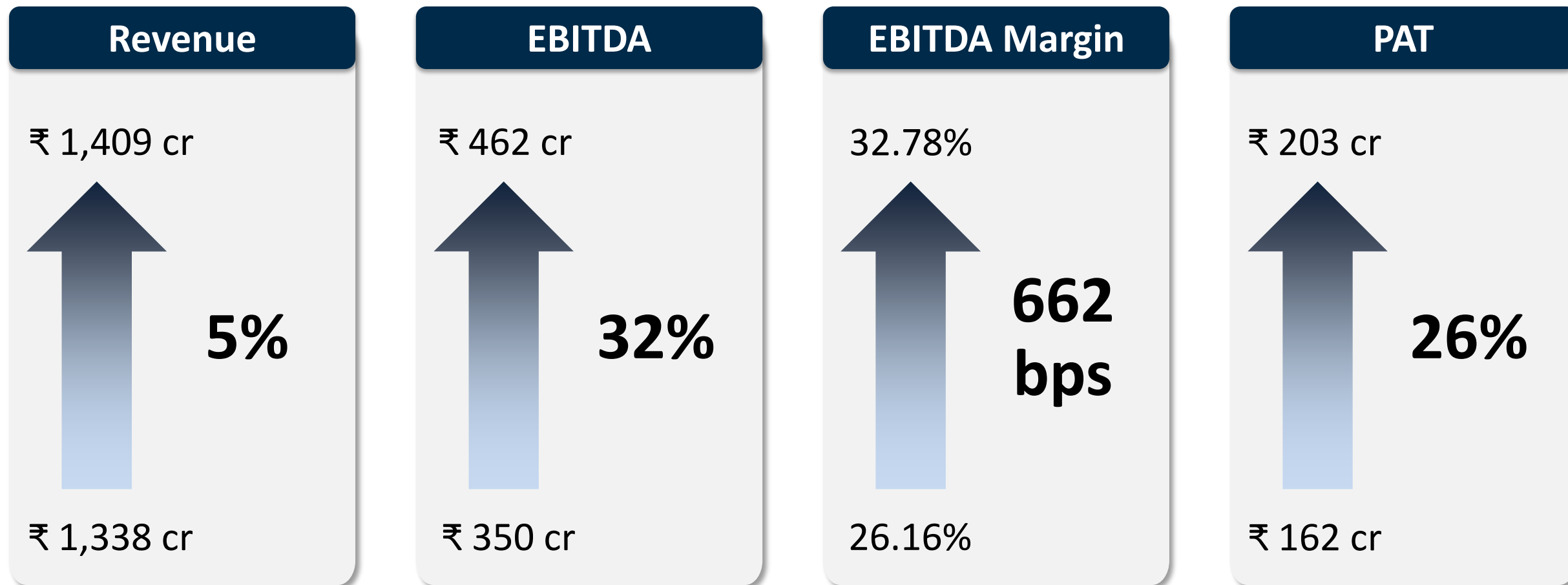
VIVANTA

GINGER

EXPRESSIONS

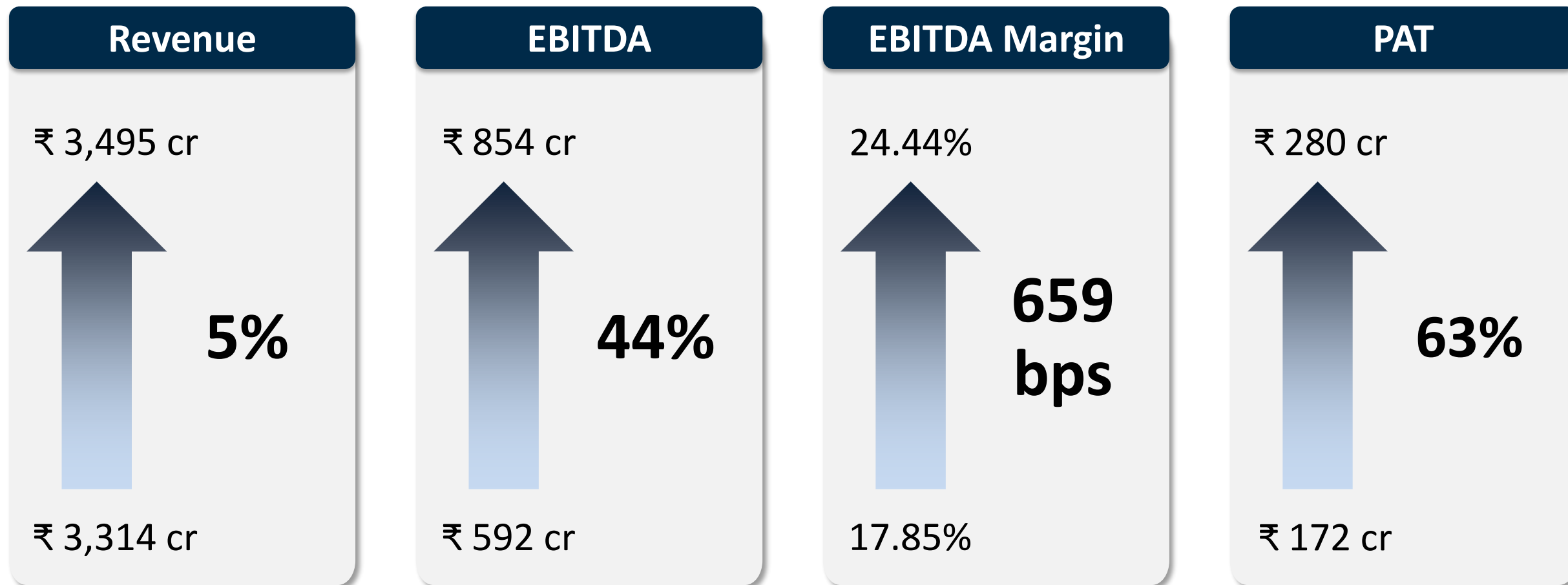


Financial Performance Highlights – Q3 FY 2019 / 20



**Pre-IND AS - EBITDA: ₹ 416 cr, EBITDA Margin: 29.6% (+339 bps); PAT: ₹ 214 cr*

Financial Performance Highlights – 9M FY 2019 / 20



*Pre-IND AS - EBITDA: ₹ 719 cr, EBITDA Margin: 20.56% (+271 bps); PAT: ₹ 310 cr

Best Q3 and 9 Months Financial Performance in a Decade

Particulars – Q3	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15	2013/14	2012/13	2011/12	2010/11
Revenue	1,409	1,338	1,217	1,146	1,185	1,235	1,169	1,074	1,027	838
EBITDA	462	350	300	280	274	266	247	223	225	194
EBITDA Margin (%)	32.8%	26.2%	24.7%	24.5%	23.1%	21.5%	21.1%	20.8%	21.9%	23.2%
PBT before Except.	276	218	150	137	104	147	125	108	108	57
PAT	203	162	108	93	13	62	60	50	49	19

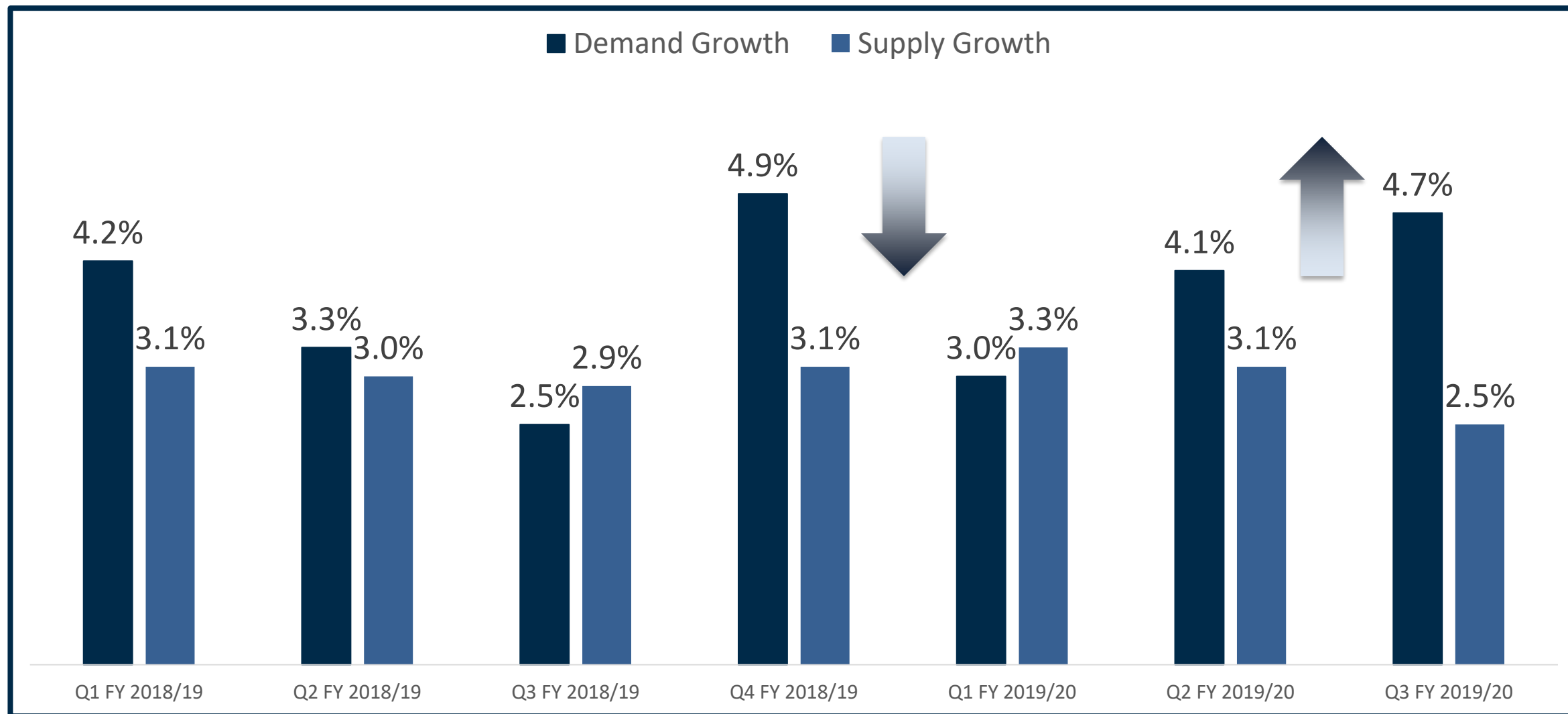
Particulars – 9M	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15	2013/14	2012/13	2011/12	2010/11
Revenue	3,495	3,314	3,001	3,006	3,035	3,148	3,021	2,775	2,522	2,088
EBITDA	854	592	467	470	480	399	439	398	417	316
EBITDA Margin (%)	24.4%	17.9%	15.6%	15.6%	15.8%	12.7%	14.5%	14.3%	16.5%	15.1%
PBT before Except.	297	206	34	14	-13	45	78	56	60	-47
PAT	280	172	25	-103	-211	-71	-393	-41	-21	-91

**Even on a Pre-IND AS basis, IHCL reports highest EBITDA, EBITDA Margins, PBEIT and PAT in a decade*

The background image shows a modern interior space with a warm, golden-hour glow. Large arched windows with intricate wooden lattice work allow bright sunlight to stream in, creating a lens flare effect. The room features a wooden coffee table in the foreground, a patterned rug, and a dining area with a round table and chairs in the background. The overall aesthetic is clean and bright, emphasizing natural light and architectural details.

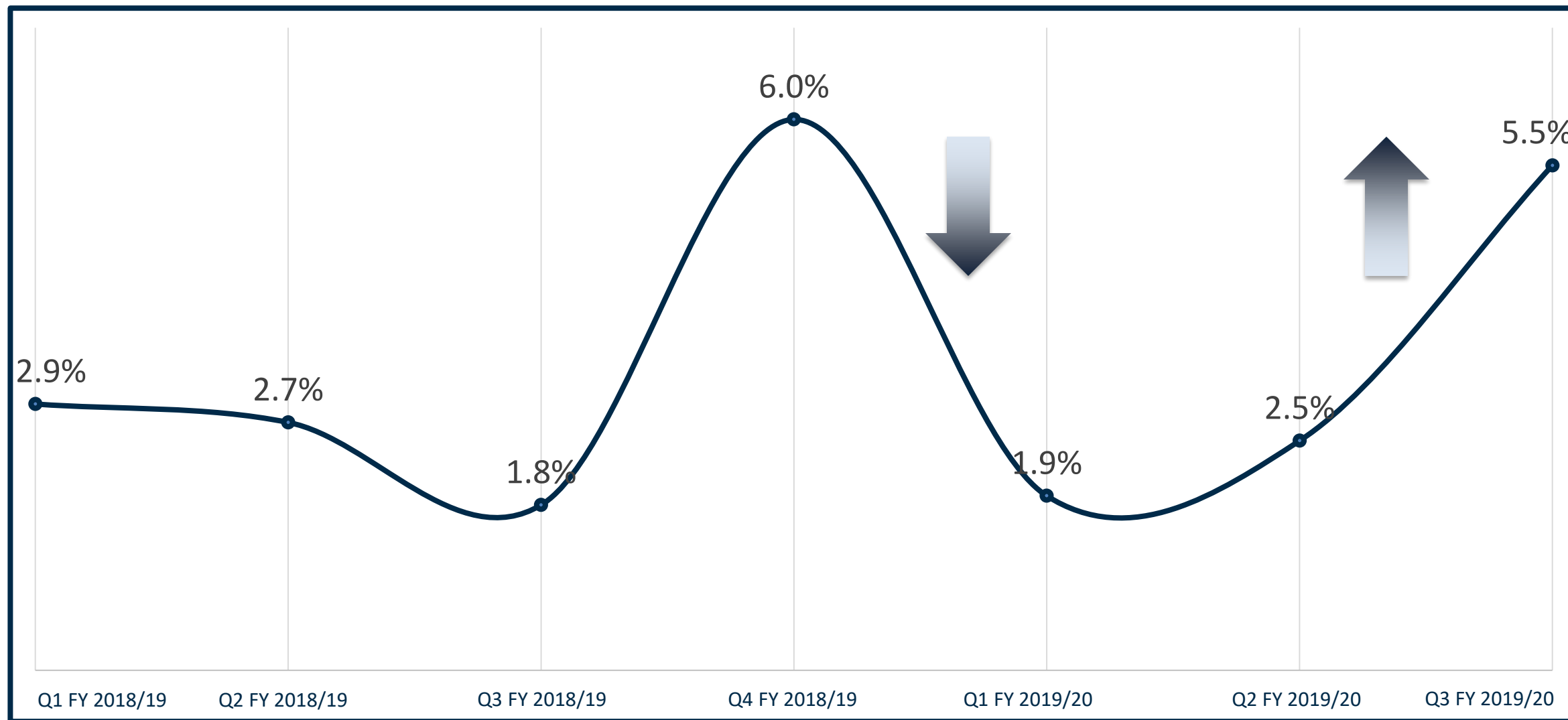
Aided by Revival of Indian Hospitality

Green Offshoots of Recovery: Reversal in Demand vs Supply Growth Trend



Source: STR Global, All figures revised as per latest data refresh by STR

Green Offshoots of Recovery: Industry RevPAR Growth Back on Track

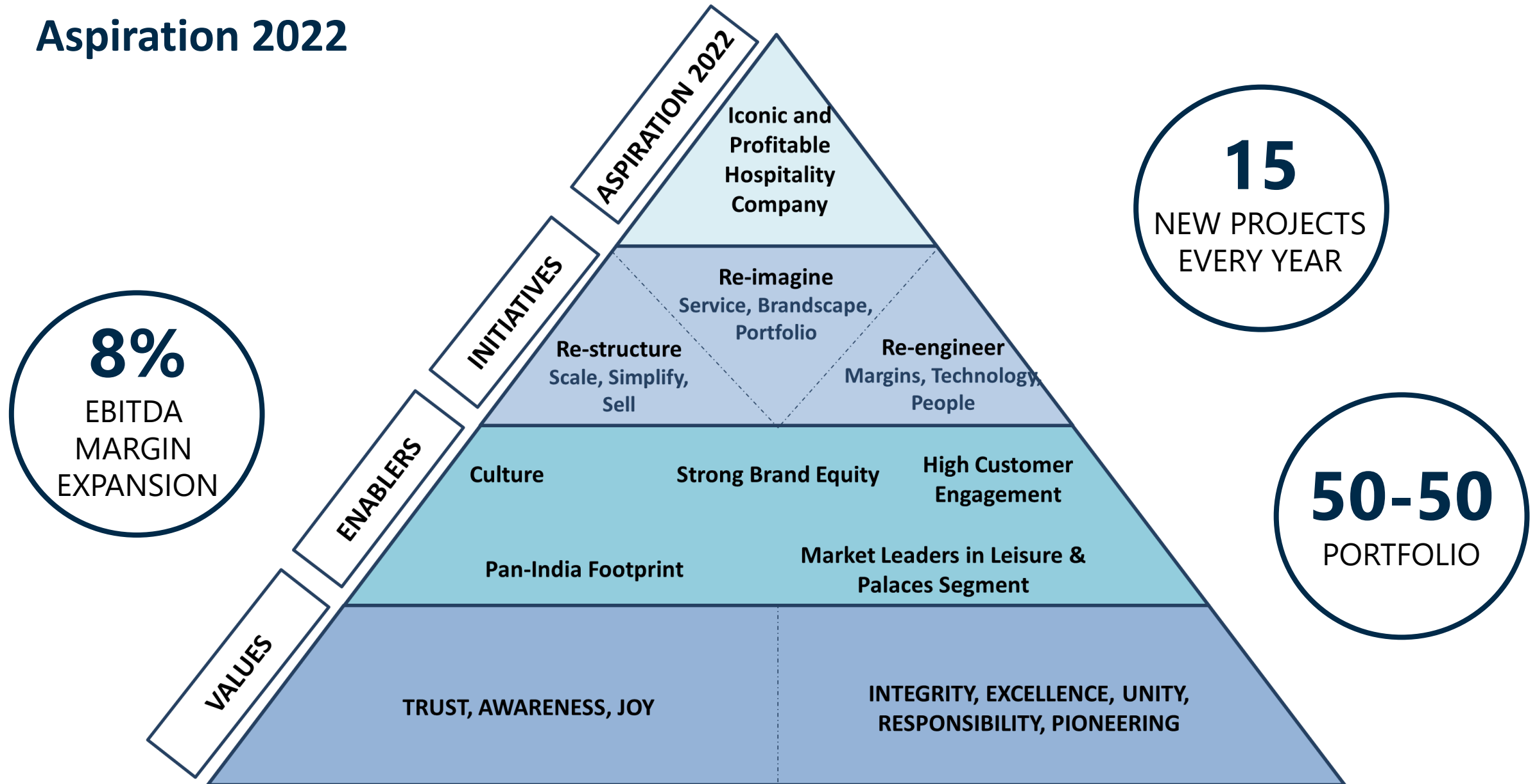


Source: STR Global, All figures revised as per latest data refresh by STR

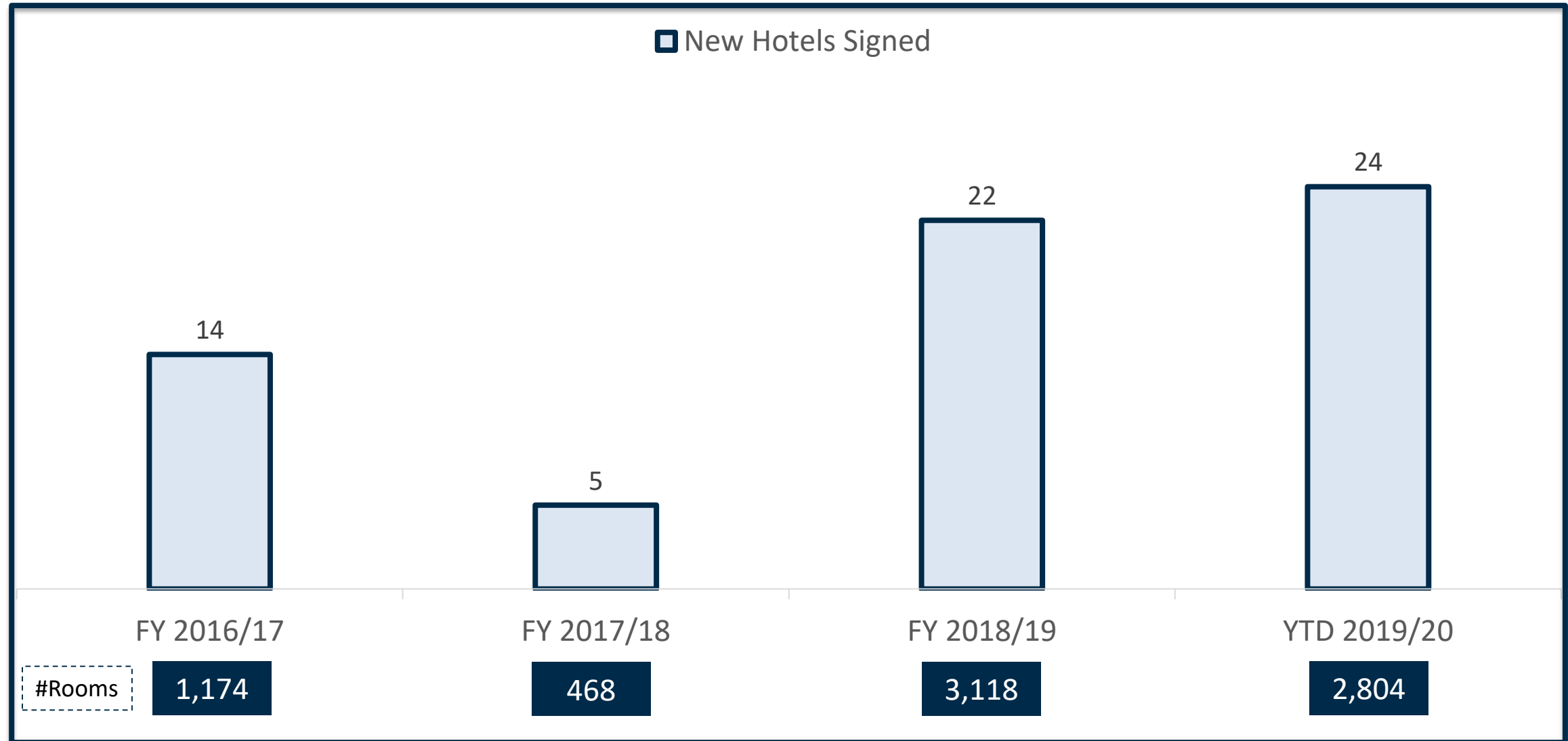


Aspiration to Execution: Key Highlights

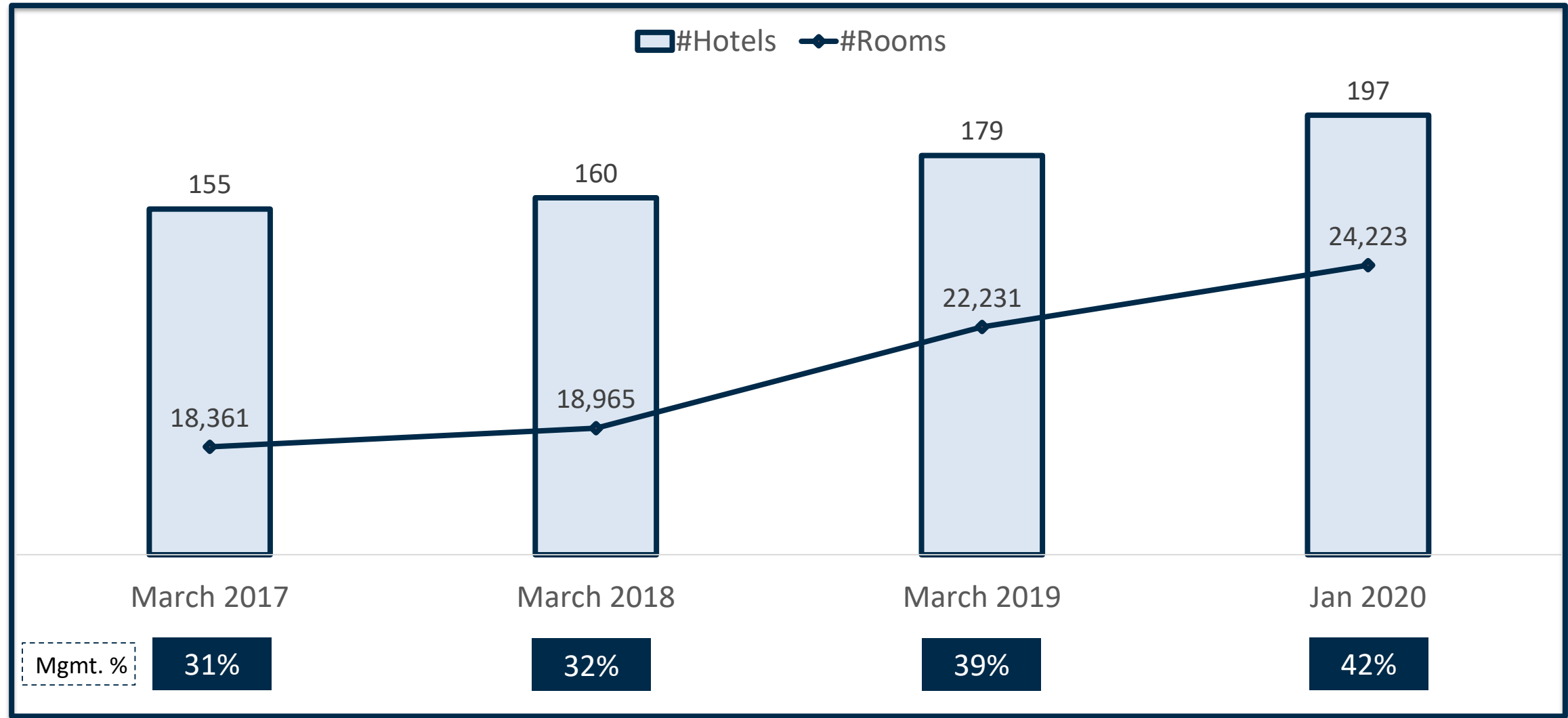
Aspiration 2022



All-time High Hotel Signings



Significant Growth in Portfolio – Asset Light



**Including Pipeline*

Opened One Hotel a Month in 2019, to Open More than One Hotel a Month in 2020

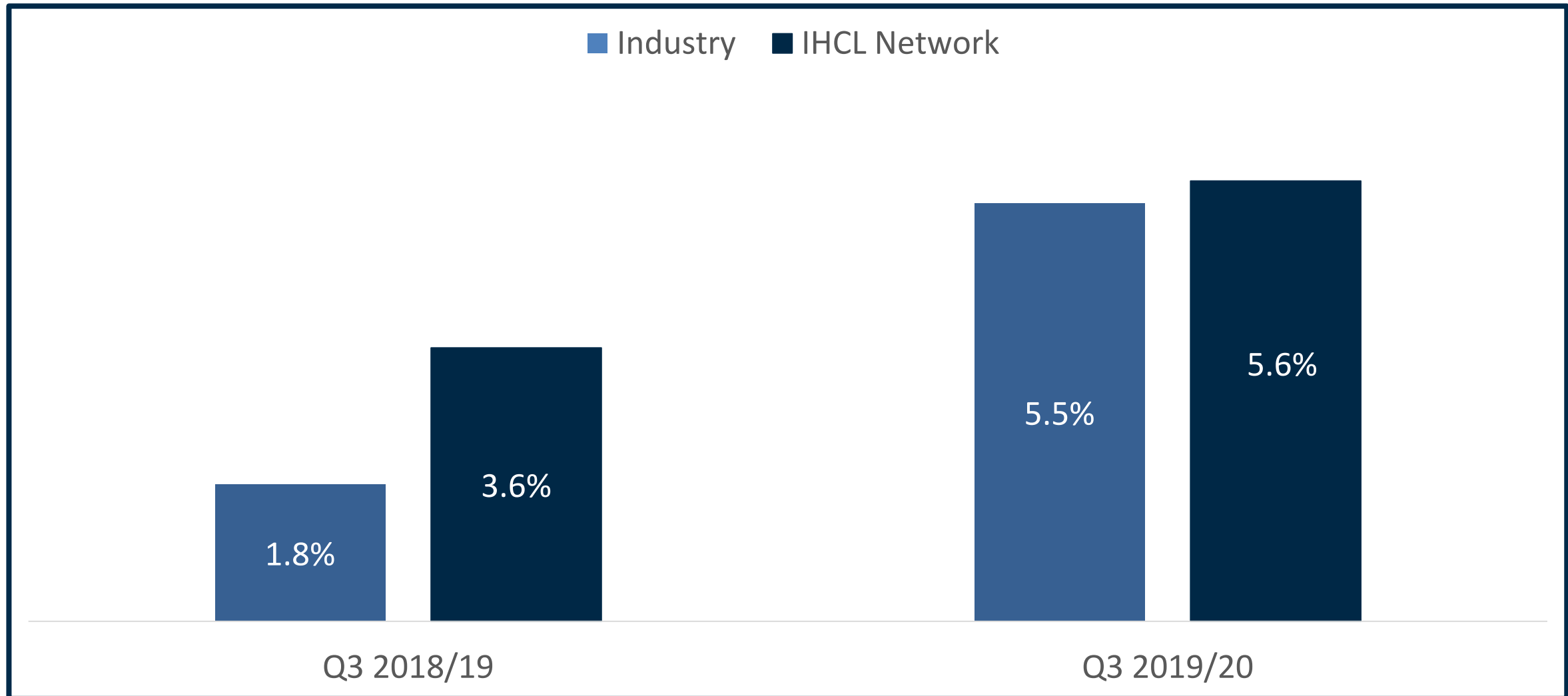
New Hotels Opened in 2019	Hotels	Rooms
Taj	5	662
SeleQtions	1	207
Vivanta	1	110
Ginger	5	428
Total	12	1,407

**9 Hotels Opened
in the First
9 months of
FY 2019/20**

Total Pipeline by Brand	Hotels	Rooms
Taj	12	2,547
SeleQtions	3	345
Vivanta	12	1,599
Ginger	13	1,136
Total	40	5,627

**84% of the
pipeline is
Managed**

Higher Q3 RevPAR growth compared to industry – 18/19 & 19/20



**IHCL RevPAR growth on same store basis*

Q3 RevPAR Growth in Key Cities

+8%

Mumbai

+7%

New Delhi

+10%

Chennai

+9%

Hyderabad

+10%

Bangalore

**Network Same Store*

Creating Alternate Revenue Streams



The Chambers

200+ Additions, ₹ 30 Cr Incr. Revenue

S. M. A. R. T.
Asset SMART Growth Strategy

9M Management fees ₹ 163 Cr (+7%)

SHAMIANA

House of Ming

THAI
PAVILION

GOLDEN DRAGON

Focus on F&B – Scale & Synergy

niu&nau

Launched and Scaling Up



Launching Soon in Bengaluru

amã

STAYS & TRAILS

13 Bungalows operational

Ginger Achieves a Key Milestone



50
Hotels

~4,500
Keys

35
Locations Across India

Lean Luxe Delivering Results for Ginger

20%

Lean Luxe Today

50%

Lean Luxe by Mar '21

26%

Growth in Q3 ARR for
Lean Luxe Portfolio

7.4%

RevPAR Growth
in 9M FY 19/20

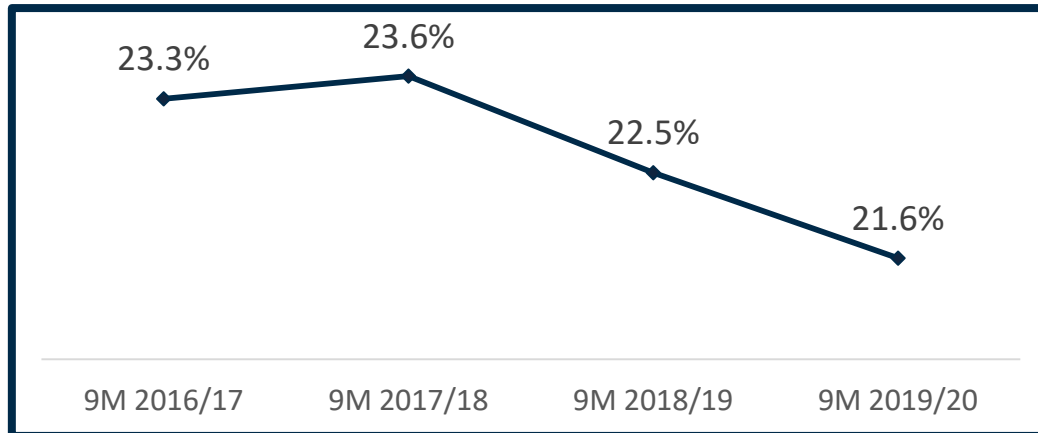
4.27

Highest Trip Advisor
Score

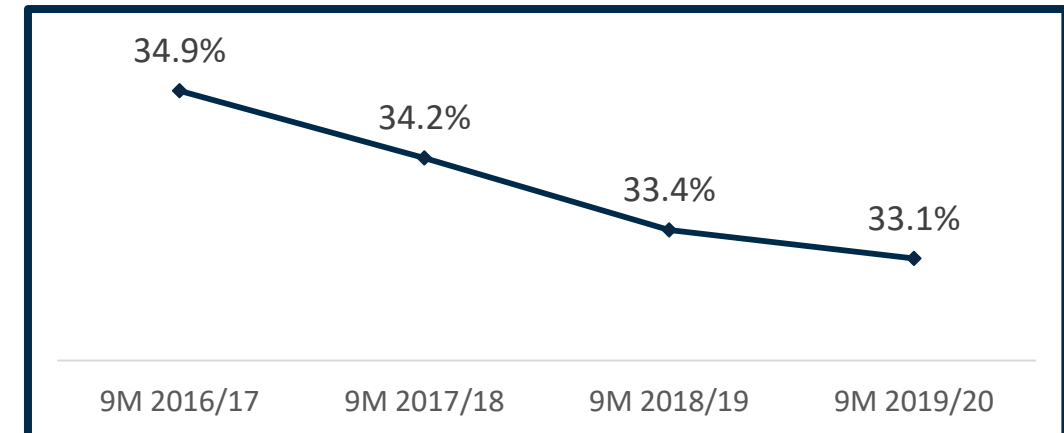


Continuous Improvement in Operating Cost Base

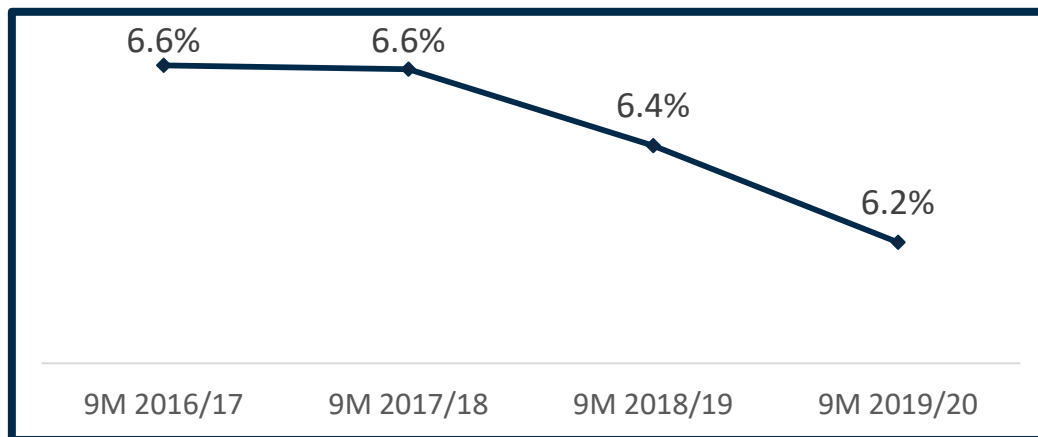
Raw Material Cost



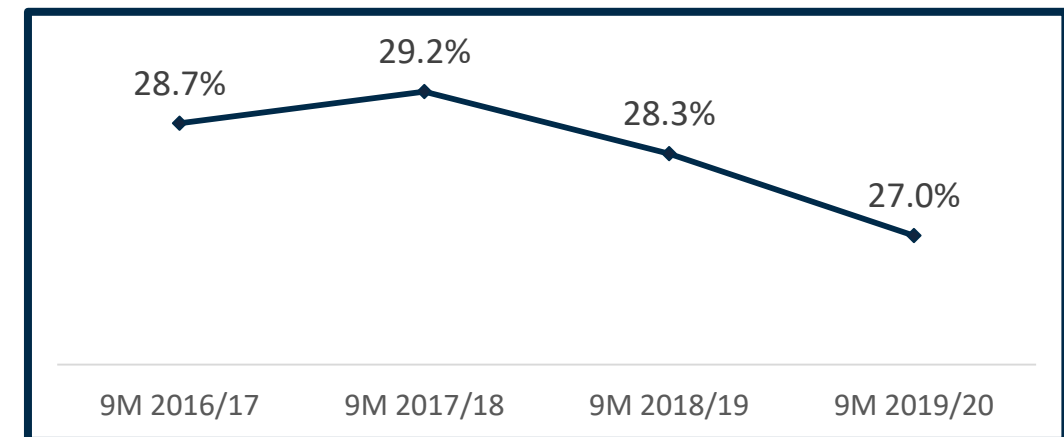
Payroll Cost



Fuel, Power and Light



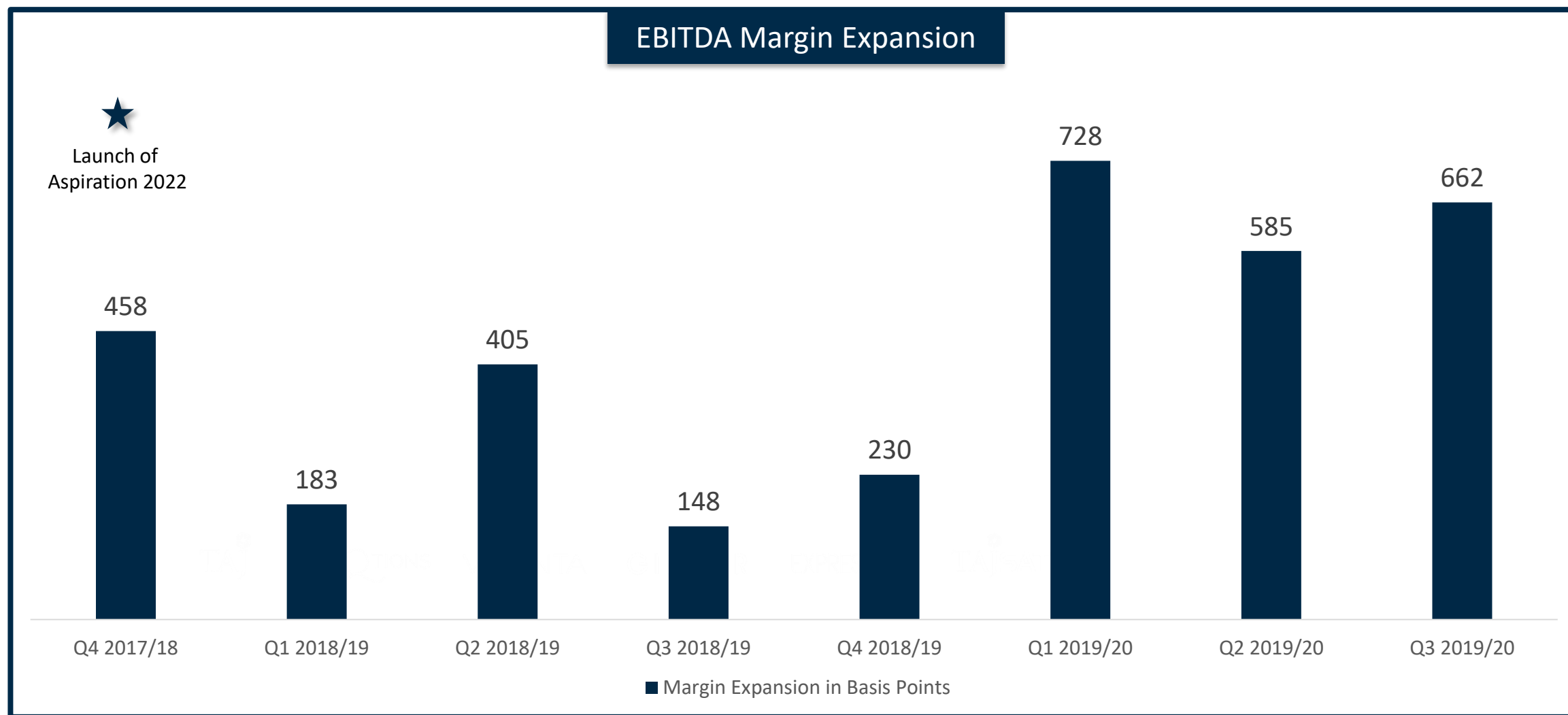
Other Expenditure



*All Percentages of Consolidated Revenue

*Other Expenditure excludes License fees

Continuing our Journey of EBITDA Margin Expansion

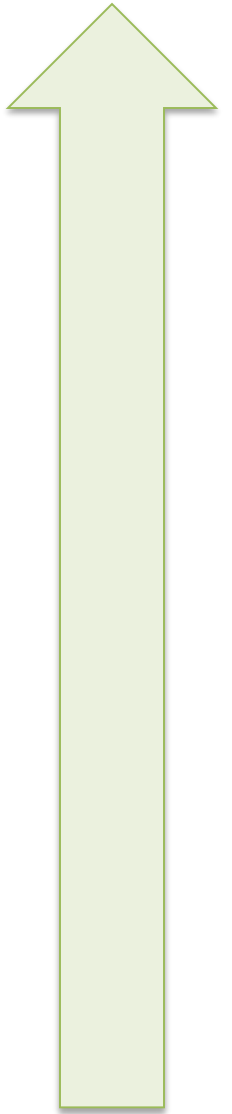


*EBITDA Margin Expansion is calculated Y-o-Y.

**FY 2019/20 EBITDA Margin is on Post IND AS Basis

Summary: Strong performance exhibited across parameters

- Highest number of Hotels signed in any Financial Year ever
- Significant Growth in Portfolio – Asset Light
- Opened One Hotel a Month in 2019, to Open More than One Hotel a Month in 2020
- Higher Q3 RevPAR growth compared to industry – 18/19 & 19/20
- Creating Alternate Revenue Streams
- Ginger Reaches a Milestone of 50 Hotels
- Lean Luxe Delivering Results for Ginger
- Continuing our Journey of Cost Optimization & EBITDA Margin Expansion





FINANCIAL UPDATE

Giridhar Sanjeevi, Chief Financial Officer

Consolidated – Reported P&L Statement (Post Ind AS) – Q3 2019/20

₹ /crores

Particulars	Q3		
	2019/20	2018/19	Growth Vs PY
Revenue from Operations	1,373	1,323	4%
Non Operating Revenue	36	15	149%
Total Revenue	1,409	1,338	5% ↑
Total Expenditure	947	988	-4%
EBITDA	462	350	32%
EBITDA Margin	32.78%	26.16%	662 bps ↑
Depreciation and Amortization Expense	101	83	21%
Finance Costs	85	49	73%
Profit Before exceptional Items & Tax	276	218	27% ↑
Exceptional items Gain/(Loss)	(1)	41	-
Profit/ (Loss) before tax	275	259	6% ↑
Provision for Taxes	81	99	-
Profit/ (Loss) After Tax	194	160	21% ↑
Add: Share of Profit/(Loss) in Associates & JV's	19	10	+
Less : Profit / (Loss due to Non Controlling interest)	(10)	(8)	-
Profit / (Loss) after Non controlling interest, share of associates and JV	203	162	26% ↑

Consolidated Exceptional Items - Q3 2019/20

₹ /crores

Particulars	2019/20	2018/19	Var.
Change in fair value of derivative contracts	(1)	41	(42)
Total	(1)	41	(42)

Gain on Sale of Flats included in Non Operating Revenue	30	-	30
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TAJ SELEQTIONS VIVANTA GINGER EXPRESSIONS TAJ SATS

Consolidated – Reported P&L Statement (Post Ind AS) – 9M 2019/20

₹ /crores

Particulars	9M		
	2019/20	2018/19	Growth Vs PY
Revenue from Operations	3,400	3,268	4%
Non Operating Revenue	94	46	104%
Total Revenue	3,495	3,314	5% ↑
Total Expenditure	2,641	2,722	-3%
EBITDA	854	592	44%
EBITDA Margin	24.44%	17.85%	659 bps ↑
Depreciation and Amortization Expense	301	243	24%
Finance Costs	256	143	80%
Profit Before exceptional Items & Tax	297	206	44% ↑
Exceptional items Gain/(Loss)	1	(8)	+
Profit/ (Loss) before tax	297	198	50% ↑
Provision for Taxes	13	70	-
Profit/ (Loss) After Tax	284	128	122% ↑
Add: Share of Profit/(Loss) in Associates & JV's	3	46	-
Less : Profit / (Loss due to Non Controlling interest)	(7)	(2)	-
Profit / (Loss) after Non controlling interest, share of associates and JV	280	172	63% ↑

Consolidated Exceptional Items – 9M 2019/20

₹ /crores			
Particulars	2019/20	2018/19	Var.
Change in fair value of derivative contracts	(1)	(56)	55
Profit on sale of TMFK shares	2	-	2
Boston Lease Modification Income	0	48	(48)
Total	1	(8)	9

Gain on Sale of Flats included in Non Operating Revenue	62	-	62
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IHCL Network Revenue – Q3 2019/20

Particulars	Domestic (₹ / Crores)			International (\$ MI)		
	CY	PY	Growth over PY %	CY	PY	Growth over PY %
F & B Revenue	664	619	7.1%	28	32	-10.4%
Room Revenue	733	659	11.3%	39	41	-4.9%
RevPAR*	₹ 7,224	₹ 6,841	5.6%	\$ 231	\$ 241	-4.2%

*RevPAR is for Same Store

No of Hotels: 105 - Domestic hotels: 88, International Hotels: 17

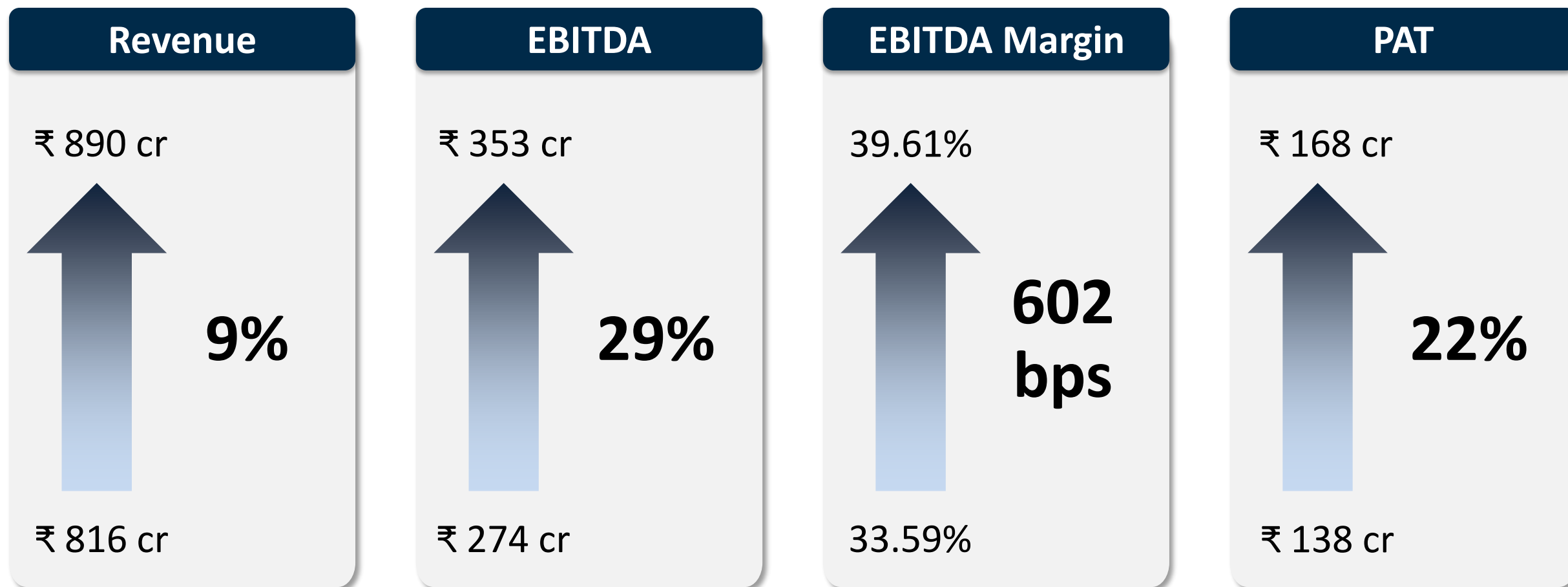
IHCL Network Revenue – 9M 2019/20

Particulars	Domestic (₹ / Crores)			International (\$ MI)		
	CY	PY	Growth over PY %	CY	PY	Growth over PY %
F & B Revenue	1,602	1,534	4.4%	72	76	-4.9%
Room Revenue	1,703	1,570	8.5%	107	108	-0.3%
RevPAR*	₹ 5,635	₹ 5,458	3.3%	\$ 212	\$ 211	0.3%

*RevPAR is for Same Store





No of Hotels: 105 - Domestic hotels: 88, International Hotels: 17

Standalone Financial Highlights – Q3 FY 2019 / 20



Standalone – Reported P&L Statement (Post Ind AS) – Q3 2019/20

₹ /crores

Particulars	Q3		
	2019/20	2018/19	Growth Vs PY
Revenue from Operations	855	803	6%
Non Operating Revenue	36	13	164%
Total Revenue	890	816	9% 
Total Operating Expenditure	538	542	-1%
EBITDA	353	274	29%
EBITDA Margin	39.61%	33.59%	602 bps 
Depreciation and Amortization Expense	51	43	17%
Finance Costs	59	40	46%
Profit Before exceptional Items & Tax	243	191	28% 
Exceptional items	(1)	41	-
Profit/ (Loss) before tax	242	231	5%
Provision for Taxes	74	94	-21%
Profit/ (Loss) After Tax	168	138	22% 

Standalone Exceptional Items – Q3 2019/20

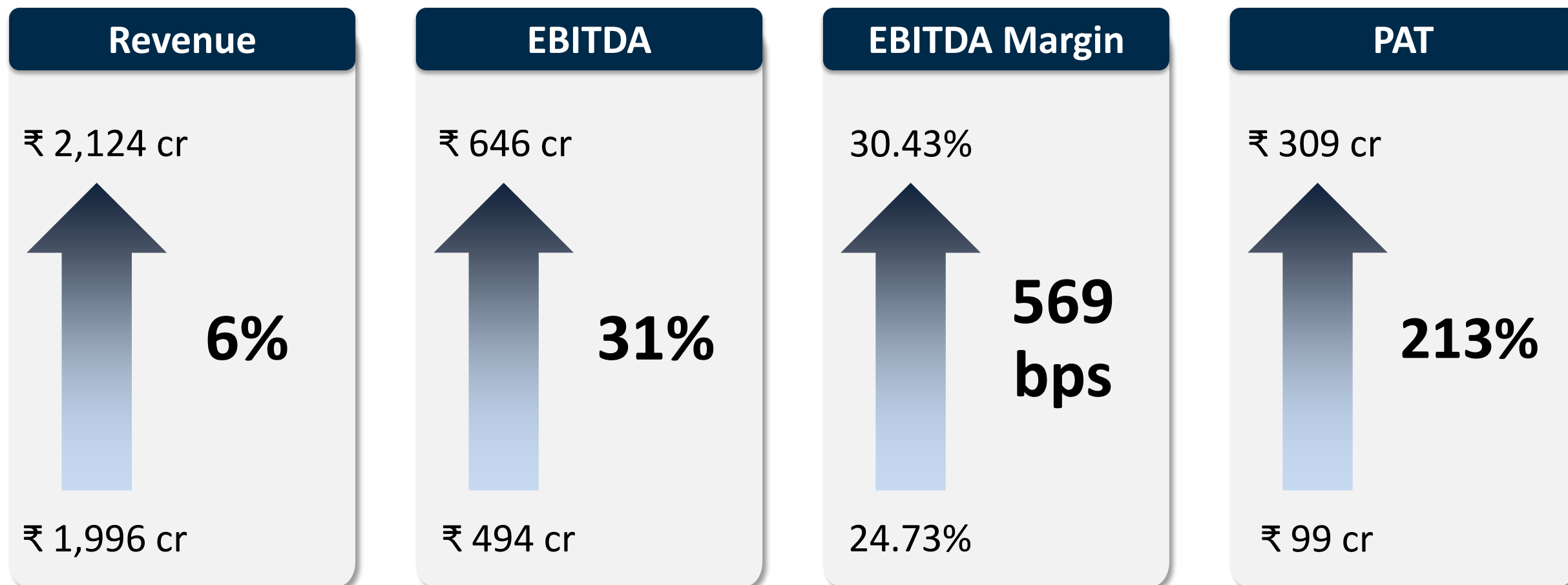
₹ /crores

Particulars	2019/20	2018/19	Var.
Change in fair value of derivative contracts	(1)	41	(42)
Total	(1)	41	(42)

Gain on Sale of Flats included in Non Operating Revenue	30	-	30
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TAJ SELEQTIONS VIVANTA GINGER EXPRESSIONS TAJ SATS

Standalone Financial Highlights – 9M FY 2019 / 20



Standalone – Reported P&L Statement (Post Ind AS) – 9M 2019/20

₹ /crores

Particulars	9M		
	2019/20	2018/19	Growth Vs PY
Revenue from Operations	2025	1937	5%
Non Operating Revenue	99	59	67%
Total Revenue	2124	1996	6% 
Total Operating Expenditure	1478	1503	-2%
EBITDA	646	494	31%
EBITDA Margin	30.43%	24.73%	569 bps 
Depreciation and Amortization Expense	152	125	22%
Finance Costs	178	119	49%
Profit Before exceptional Items & Tax	316	250	27% 
Exceptional items	(7)	(87)	+
Profit/ (Loss) before tax	310	162	91%
Provision for Taxes	1	63	-
Profit/ (Loss) After Tax	309	99	213% 

Standalone Exceptional Items – 9M 2019/20

₹ /crores

Particulars	2019/20	2018/19	Var.
Change in fair value of derivative contracts	(1)	(55)	54
Profit on sale of TMFK shares	21	-	21
Provision for impairment of investment in Pierre that incurred cash losses	(27)	(32)	5
Total	(7)	(87)	80

TAJ SELECTIONS VIVANTA GINGER EXPRESSIONS TAJ SATS

Gain on Sale of Flats included in Non Operating Revenue	62	-	62
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Cost Optimization – 9M 2019/20

Corporate Overheads as a % of Revenue

7.7% 2018/19



6.8% 2019/20

Raw Mat. Costs as a % of F&B Revenue

22.5% 2018/19



21.6% 2019/20

HLP Costs as a % of Revenue

6.4% 2018/19



6.2% 2019/20

Payroll Costs as a % of Revenue

33.4% 2018/19



33.1% 2019/20

**All Percentages of Consolidated Revenue*

Unlocking value through Simplification and Monetization

Sale of Land



Land in Pune - ₹ 63 crore

Sale of Residential Apartments



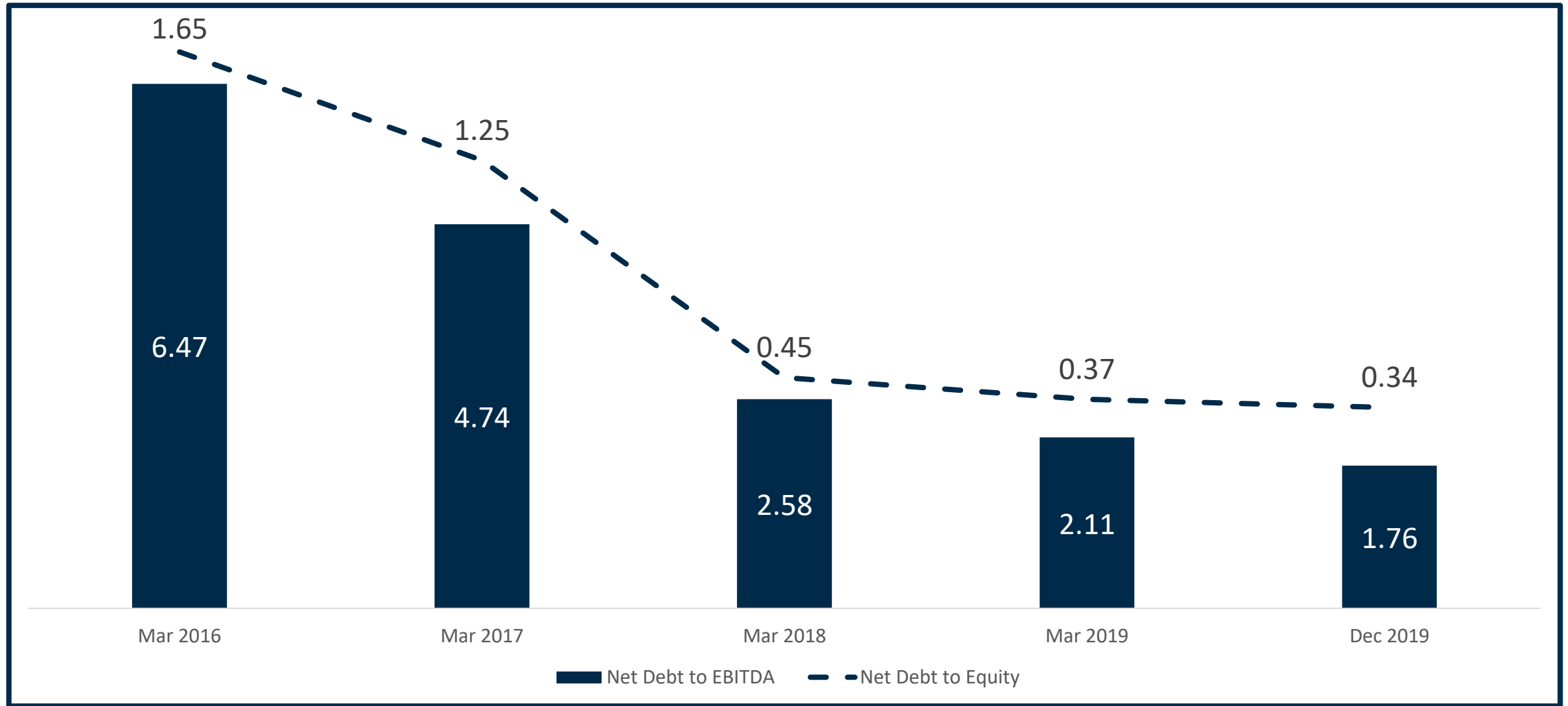
18 Apartments
₹ 73.2 crore sale proceeds

Simplification



Sale proceeds – ₹ 29.8 crore

Continuous Improvement in Net Debt / EBITDA and Net Debt / Equity



*Trailing Twelve Months Basis

**Net Debt, EBITDA on Pre IND AS basis

Debt Position

₹ /crores

Particulars	Standalone			Consolidated		
	December 31, 2019 (Post Ind AS)	December 31, 2019 (Pre Ind AS)	March 31, 2019	December 31, 2019 (Post Ind AS)	December 31, 2019 (Pre Ind AS)	March 31, 2019
Gross Debt	1,708	1,708	1,784	2,269	2,269	2,326
Liquidity	-269	-269	-282	-434	-434	-401
Net Debt	1,438	1,438	1,502	1,836	1,836	1,925
Lease Liability	923	-	-	1,995	-	-
Net Debt (incl. Lease Lia)	2,362	1,438	1,502	3,831	1,836	1,925
Weighted cost of Debt	7.9 *	7.9	8.2	7.0 *	7	7.2

* Excludes implicit cost of lease liability

Q&A



Disclaimer

These presentations may contain forward-looking statements within the meaning of applicable securities laws. Similarly, statements that describe our business strategy, outlook, objectives, plans, intentions or goals also are forward-looking statements.

Forward-looking statements are not guarantees of future performance and involve risks and uncertainties and other factors that may cause actual results to differ materially from those anticipated at the time the forward-looking statements are made. Future results, performance and achievements may be affected by general economic conditions, regulatory environment, business and financing conditions, foreign exchange fluctuations, cyclicalities and operating risks associated with the hospitality industry and other circumstances and uncertainties.

Although we believe the expectations reflected in such forward looking statements are based upon reasonable assumptions, we can give no assurance that our expectations will be attained or that results will not materially differ. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Please visit our corporate website **www.ihcltata.com** for previous investor communications.

Annexure

Consolidated P&L – Q3 2019/20

₹ /crores

Particulars	2019/20 Post Ind AS	2019/20 Pre Ind AS	2018/19	Growth % (Pre Ind AS)
Revenue	1,409	1,409	1,338	5%
Operating Expenses	947	992	988	0%
EBITDA	462	416	350	19%
EBITDA Margin	32.78%	29.56%	26.16%	339 bps
Depreciation	101	83	83	0%
Interest	85	45	49	-9%
Profit Before Exceptional items & Tax	276	288	218	32%
Exceptional items	(1)	(1)	41	-
Profit Before Tax	275	287	259	11%
Profit After Tax	203	214	162	32%

*Pre-Ind AS - Operating EBITDA: ₹ 380 cr, Operating EBITDA Margin: 27.70% (+235 bps)

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Consolidated P&L – 9M 2019/20

₹ /crores

Particulars	2019/20 Post Ind AS	2019/20 Pre Ind AS	2018/19	Growth % (Pre Ind AS)
Revenue	3,495	3,495	3,314	5%
Operating Expenses	2,641	2,776	2,722	2%
EBITDA	854	719	592	21%
EBITDA Margin	24.44%	20.56%	17.85%	271 bps
Depreciation	301	250	243	3%
Interest	256	137	143	-4%
Profit Before Exceptional items & Tax	297	332	206	61%
Exceptional items	1	1	(8)	+
Profit Before Tax	297	332	198	68%
Profit After Tax	280	310	172	80%

*Pre-IND AS - Operating EBITDA: ₹ 624 cr, Operating EBITDA Margin: 18.36% (+167 bps)

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Standalone P&L – Q3 2019/20

₹ /crores

Particulars	2019/20 Post Ind AS	2019/20 Pre Ind AS	2018/19	Growth % (Pre Ind AS)
Revenue	890	890	816	9%
Operating Expenses	538	559	542	3%
EBITDA	353	331	274	21%
EBITDA Margin	39.61%	37.20%	33.59%	361 bps
Depreciation	51	43	43	0%
Interest	59	39	40	-2%
Profit Before Exceptional items & Tax	243	249	191	31%
Exceptional items	(1)	(1)	41	-
Profit Before Tax	242	247	231	7%
Profit After Tax	168	172	138	25%

*Pre-IND AS - Operating EBITDA: ₹ 296 cr, Operating EBITDA Margin: 34.58% (+211 bps)

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Standalone P&L – 9M 2019/20

₹ /crores

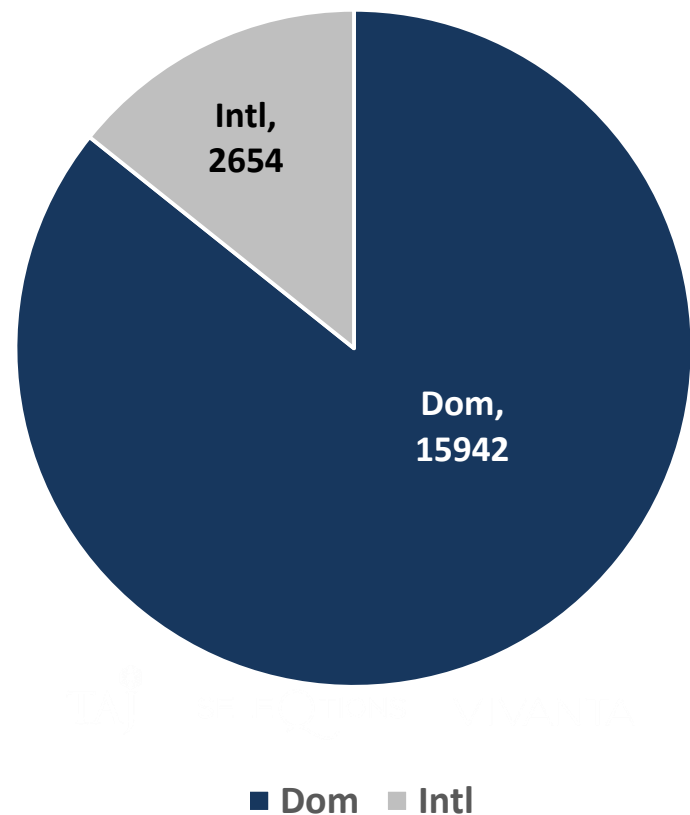
Particulars	2019/20 Post Ind AS	2019/20 Pre Ind AS	2018/19	Growth % (Pre Ind AS)
Revenue	2124	2124	1996	6%
Operating Expenses	1478	1542	1503	3%
EBITDA	646	582	494	18%
EBITDA Margin	30.43%	27.39%	24.73%	266 bps
Depreciation	152	130	125	4%
Interest	178	120	119	1%
Profit Before Exceptional items & Tax	316	332	250	33%
Exceptional items	(7)	(7)	(87)	+
Profit Before Tax	310	325	162	100%
Profit After Tax	309	321	99	224%

*Pre-IND AS – Operating EBITDA: ₹ 483 cr, Operating EBITDA Margin: 23.86% (+141 bps)

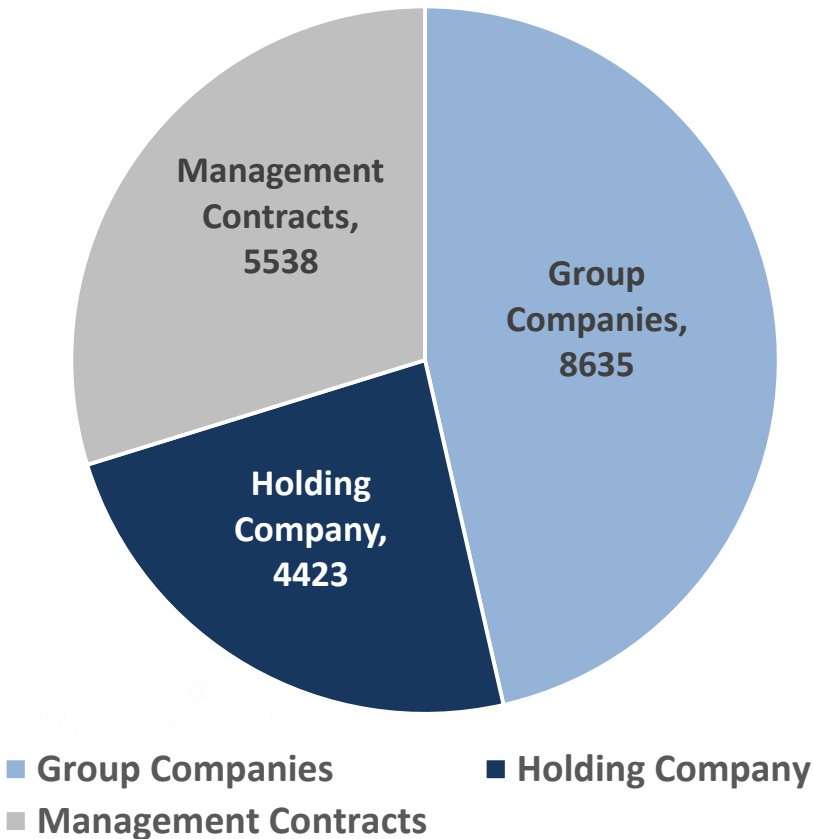
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Our Operational Portfolio

Inventory by Geography



Inventory by Contract Type



As of 31st January 2020, IHCL has **157 hotels** with **18,596 Rooms**

Group Major Companies

Company Name	Effective Holding %	Company Name	Effective Holding %
<u>Subsidiaries</u>		<u>Joint Ventures</u>	
Piem Hotels Ltd	51.57	Taj SATS Air Catering Ltd	51.00
Benares Hotels Ltd	51.68	Taj GVK Hotels & Resorts Ltd	25.52
United Hotels Ltd	55.00	Taj Kerala Hotels & Resorts Ltd	28.30
Roots Corporation Ltd	63.74	Taj Karnataka Hotels & Resorts Ltd	44.27
Skydeck Properties Pvt Ltd	100.00	Taj Safaris Ltd	40.98
IHOCO BV [<i>Investment Company</i>]	100.00	Kaveri Retreat & Resorts Ltd	50.00
United Overseas Holdings, Inc.	100.00	IHMS (SA) Pty Ltd	50.00
St James Court Hotel Ltd	72.25	TAL Hotels & Resorts Ltd	27.49
		<u>Associates</u>	
		Oriental Hotels Ltd	35.67
		Lanka Island Resorts Ltd	24.66
		TAL Lanka Hotel PLC	24.62

Awards and Accolades continue to reinforce our direction



TRAVEL+
LEISURE



TRUSTYOU

