

February 12, 2019

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, 2018, enclosed is a copy of the investors / analyst presentation on the performance of the Company for quarter / nine months ended December 31, 2018 for your records.

Kindly acknowledge receipt.

Yours sincerely,



BEEJAL DESAI
Senior Vice President - Legal & Company Secretary

Encl : a/a

IHCL

Analyst Meet

Results for the Nine Months Ended

December 31, 2018

TAJ

SELECTIONS

VIVANTA

GINGER

EXPRESSIONS

TAJSATS

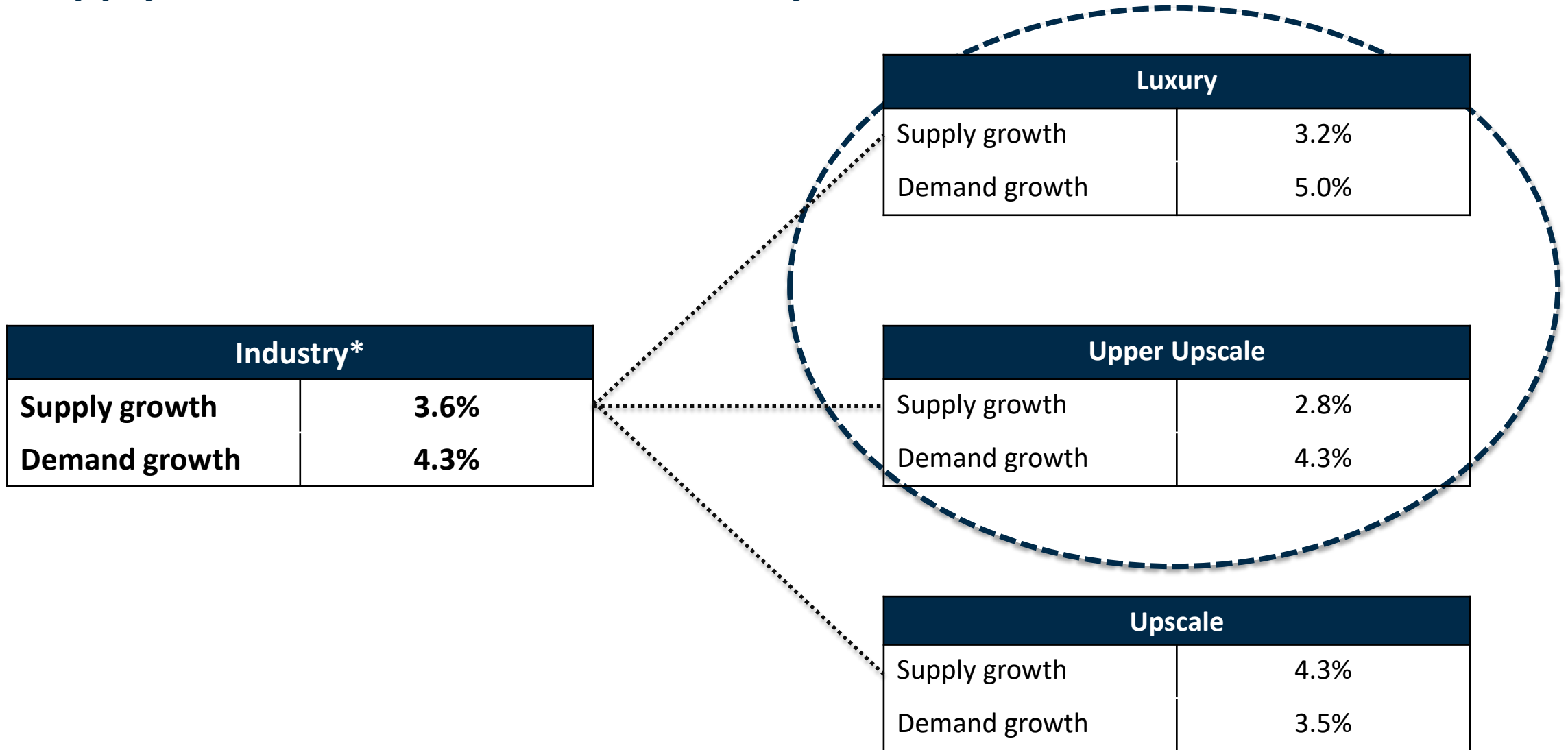
AGENDA

- Industry Trends
- Key Highlights
- Financial Performance
- Q&A

What we had said for 2018

- Demand growth will continue to outpace supply growth
- We will continue to see increases in occupancies resulting in rising RevPARs
- The hotel sector is turning and it's the right time for growth & consolidation
- The time to drive rate increases is now

Supply & Demand Scenario – January to December 2018

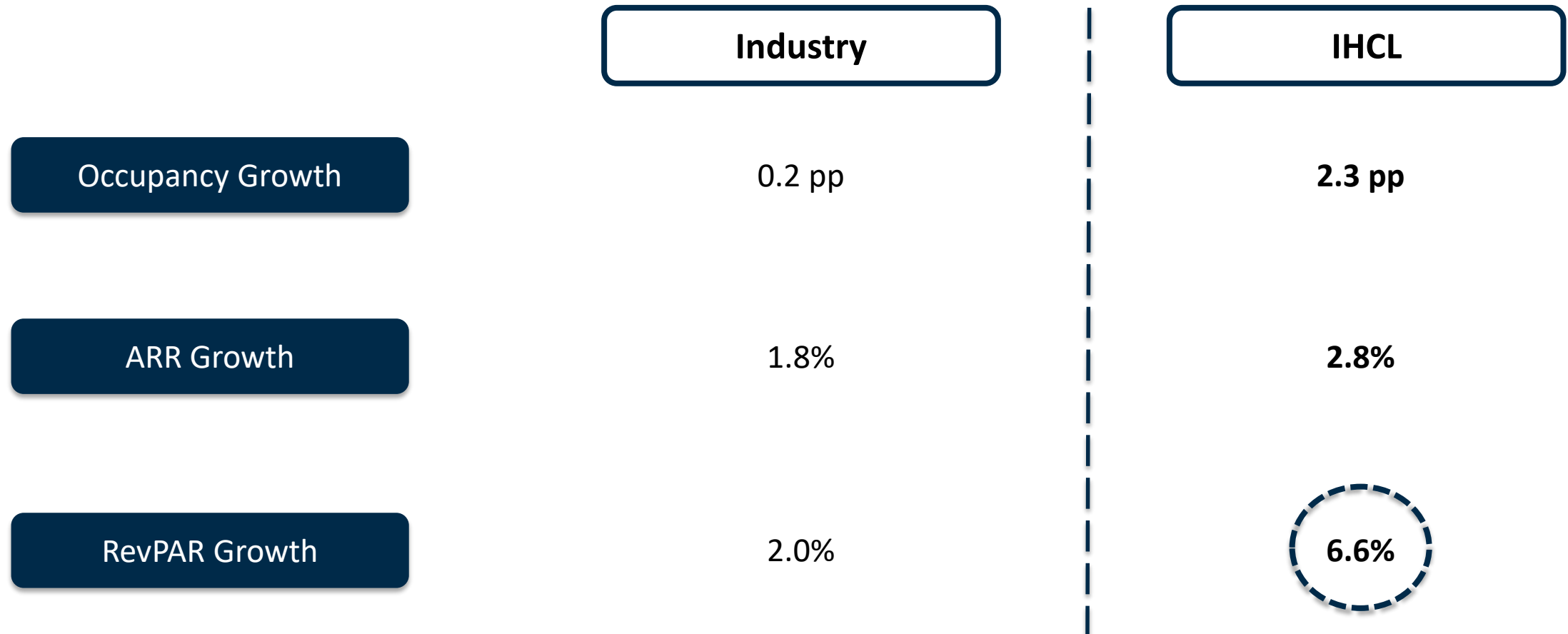


Source : STR Global

*Does not include Midscale & Budget segments

All Segments >>

Outperforming the competition in calendar year 2018



Source : Horwath India Hotel Market Review 2018 report ** Data is for Domestic Hotels excluding Ginger

Performance of International Hotels (Q3 2018/19)

| City | RevPAR | ARR | Occupancy |
|-----------|--------|-----|-----------|
| USA | ↑ | ↑ | ↑ |
| London | ↑ | ↑ | ↑ |
| Dubai | ↓ | ↓ | ↑ |
| Maldives | ↑ | ↑ | ↑ |
| Sri Lanka | ↓ | ↓ | ↓ |
| Africa | ↑ | ↓ | ↑ |

Superior turnaround

- RevPAR up **9.4%** to \$ 208
- Occupancy up **4.9 pp** to 72.8%
- ARR up **2.0%** to \$ 286

**All numbers and changes are in \$ terms*

AGENDA

- Industry Trends
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Consolidated Results – Q3 2018 / 19

Revenue



10%

EBITDA



17%

EBITDA Margin



**148
bps**

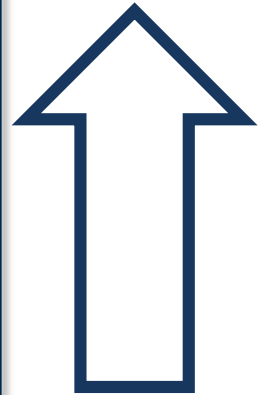
PAT



50%

Consolidated Results – 9 months FY 2018 / 19

Revenue



10%

EBITDA



27%

EBITDA Margin



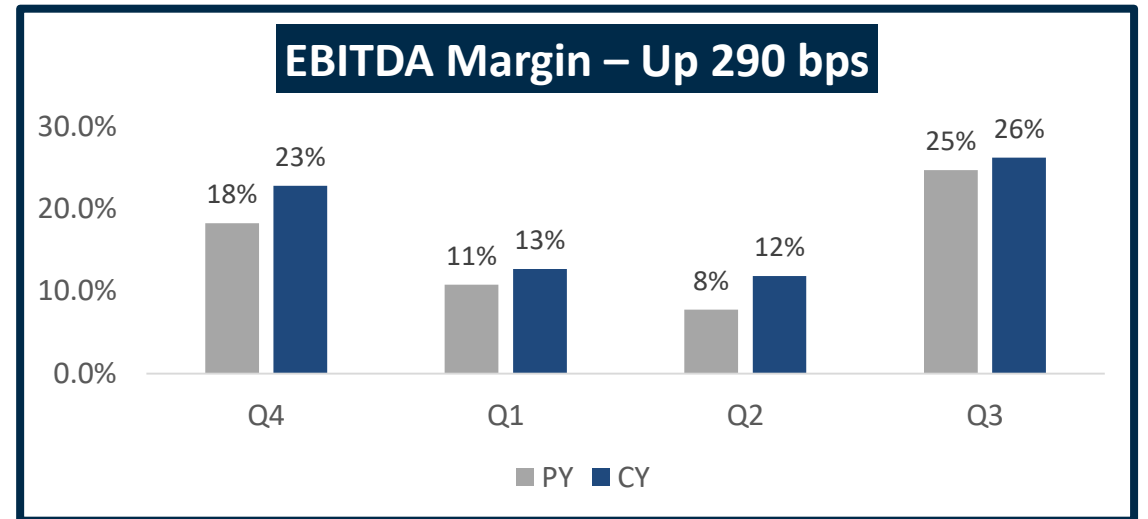
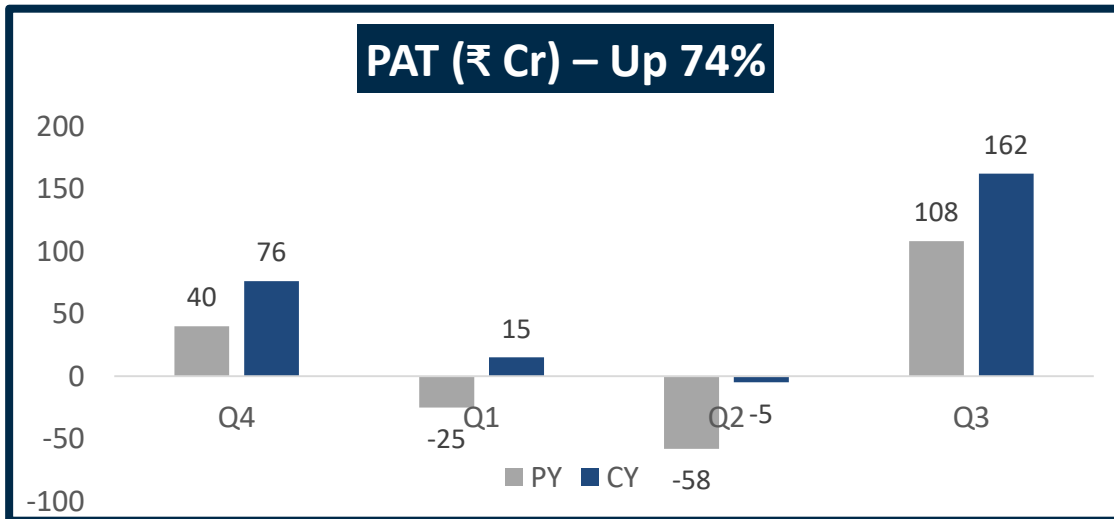
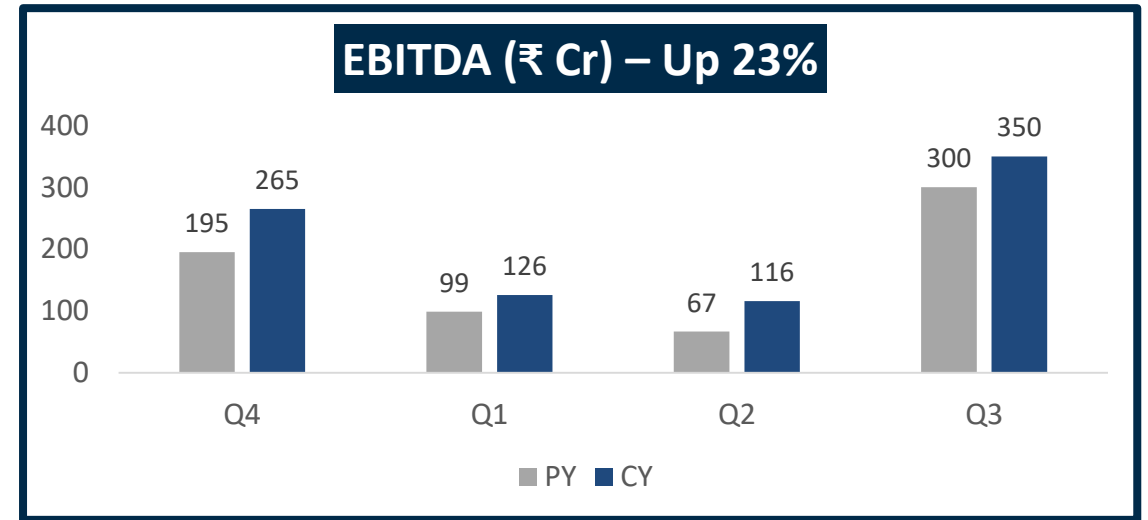
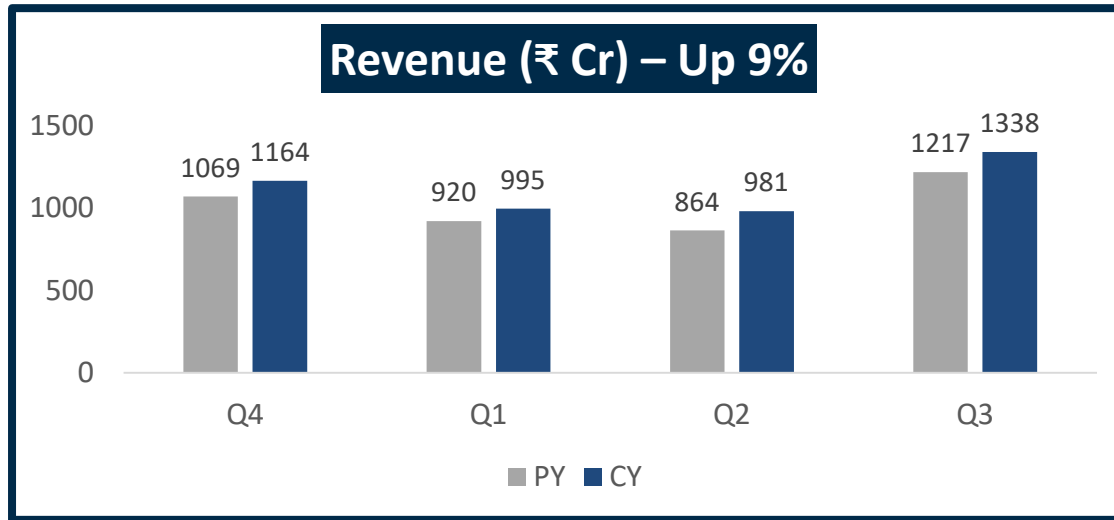
**230
bps**

PAT



588%

Sustained Positive Performance (Q-o-Q)



Scaling up the inventory – Signings



Pawna Dam, Lonavla (145)

Connaught Hotel, New Delhi (85)

Katra (80)

Vizag (56)

Makkah (340)

Cidade de Goa (207)

Vadodara Expansion (60)

Jhansi, (76)

Taj Bangalore Expansion (220)

Heathrow Airport (108)

Noida (119)

Deira Water Front, Dubai (200)

Jhamel, Kathmandu (111)

Bharuch (55)

Udaipur Expansion (80)

Bhubaneswar (137)

Margao (47)

Taj Lucknow (185)

Nashik (56)

Taj Alwar (170)

Srinagar (64)

Taj at Cidade de Goa (299)

**FYTD 2018 / 19
20 New Signings* (2750 keys)**

*Excludes Vadodara, Udaipur Expansions

Scaling up the inventory – Openings

Taj Aravali Resort & Spa, Udaipur

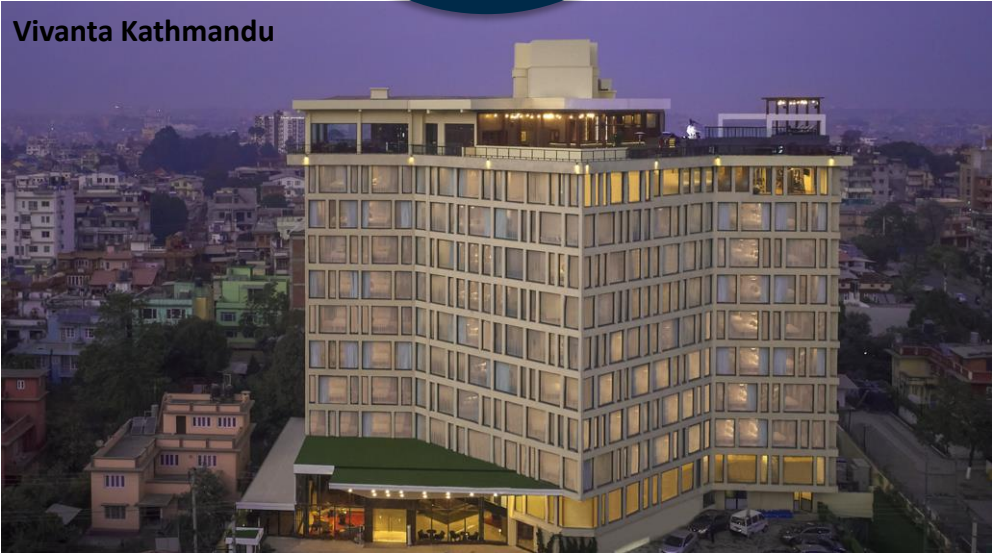


Taj Theog Resort & Spa, Shimla



3 Hotels
301 Keys

Vivanta Kathmandu



Launch of Ginger Goa – December, 2018



AGENDA

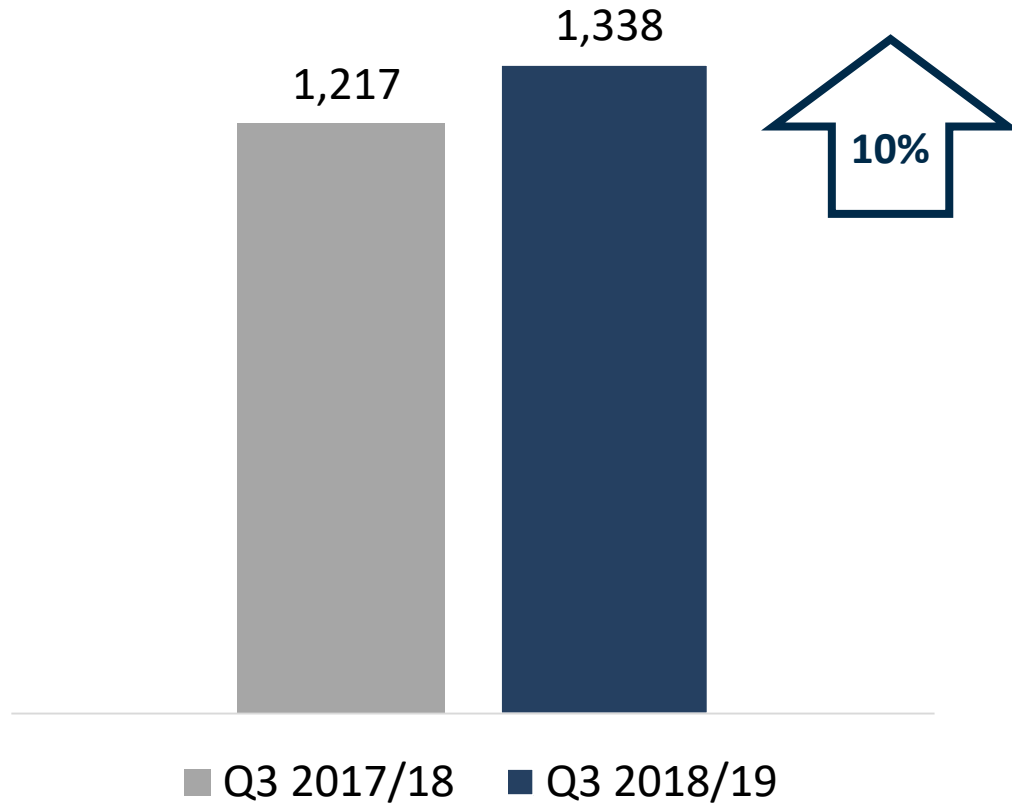
- Industry Trends
- Key Highlights
- Financial Performance
- Q&A



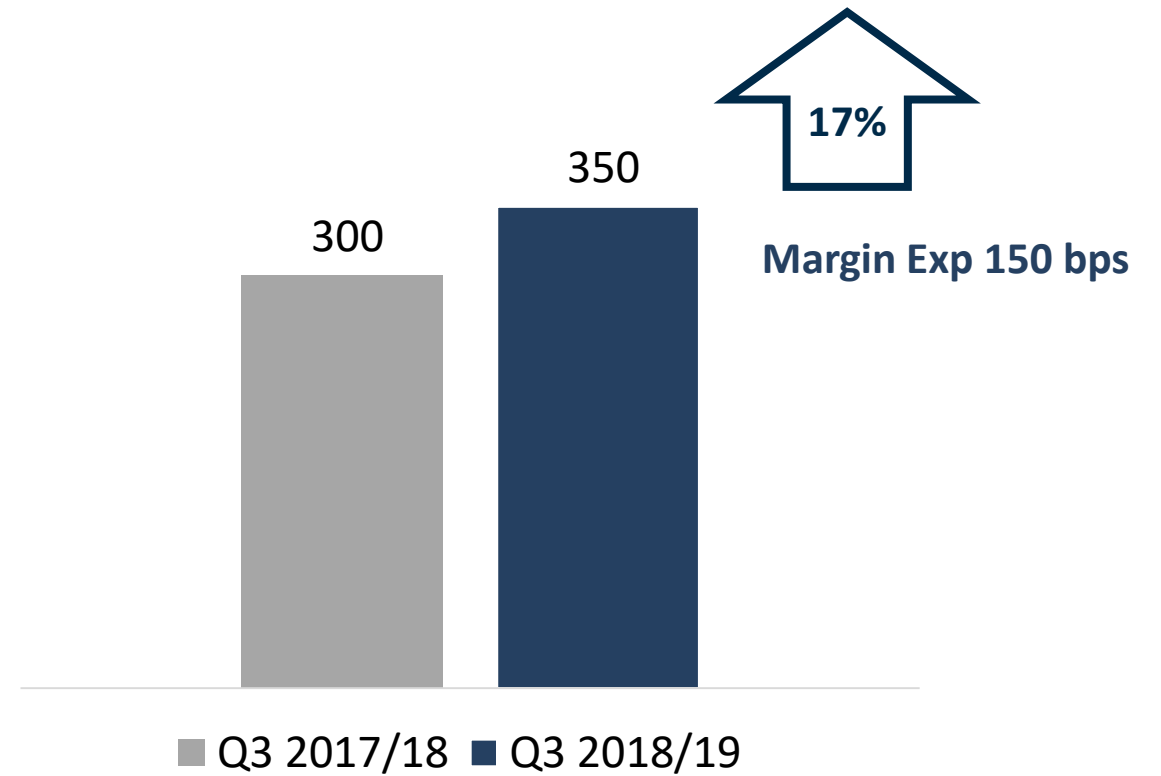
Consolidated Key Indicators – Q3 2018/19

₹ /crores

Total Revenue



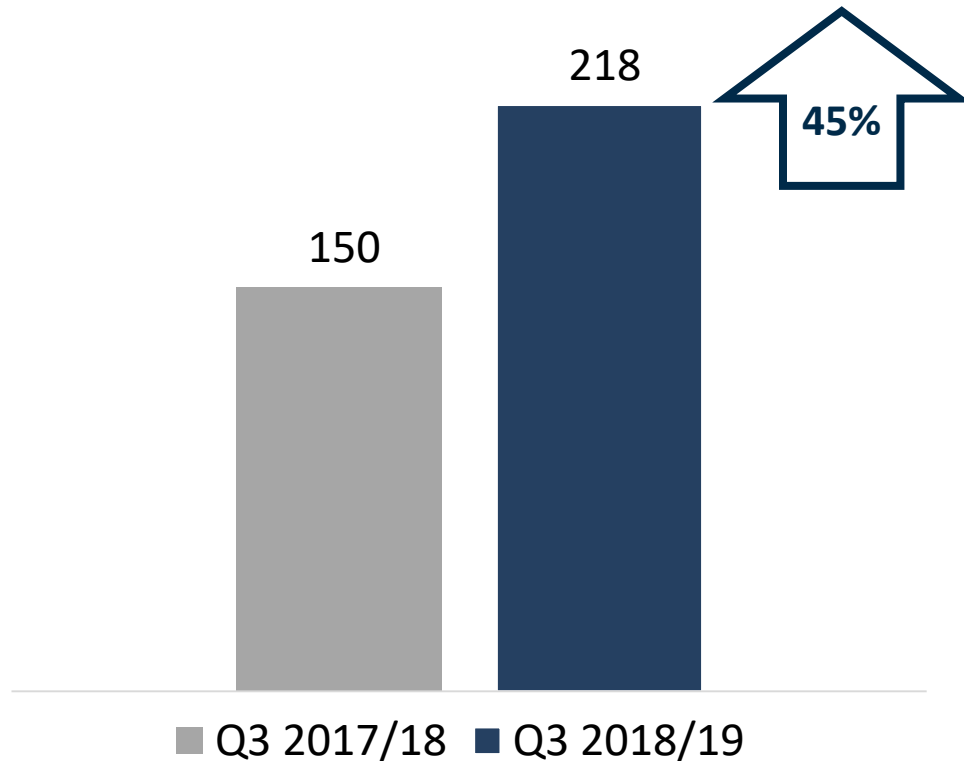
EBITDA



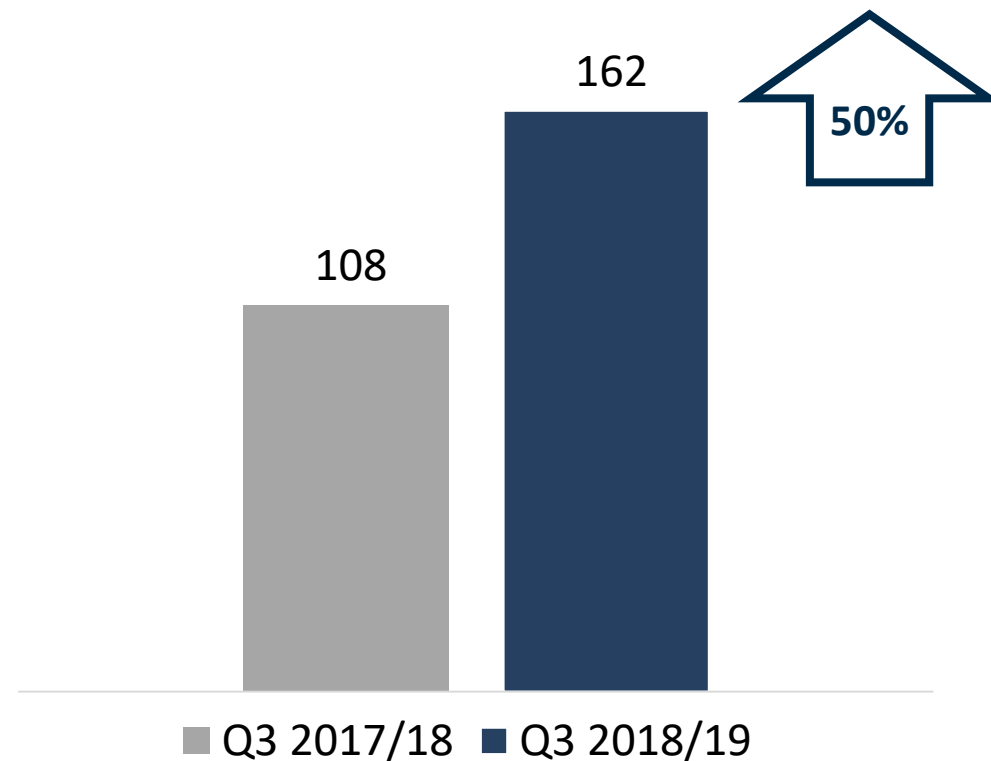
Consolidated Key Indicators – Q3 2018/19

₹ /crores

Profit before Exceptional Items & Tax



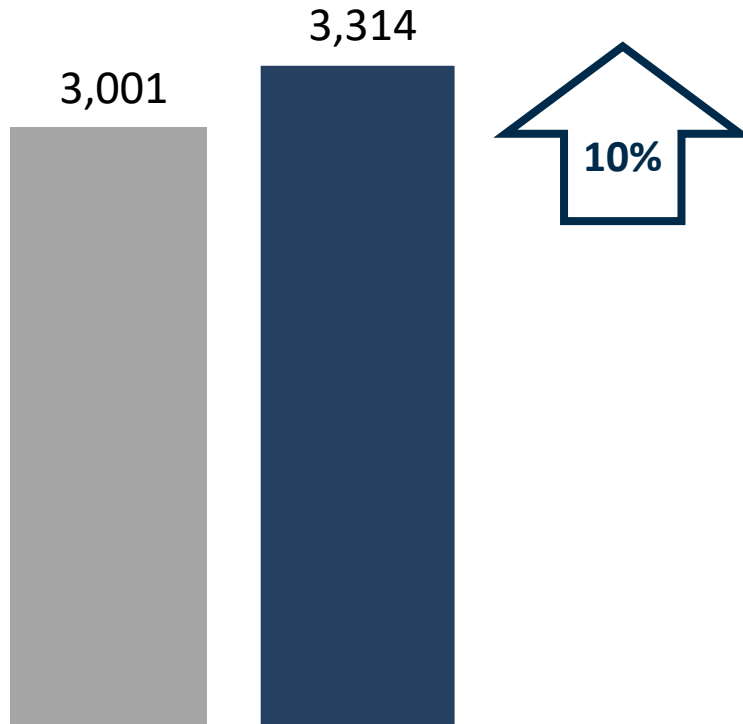
Profit after Tax



Consolidated Key Indicators – 9 Months Ended FY 2018/19

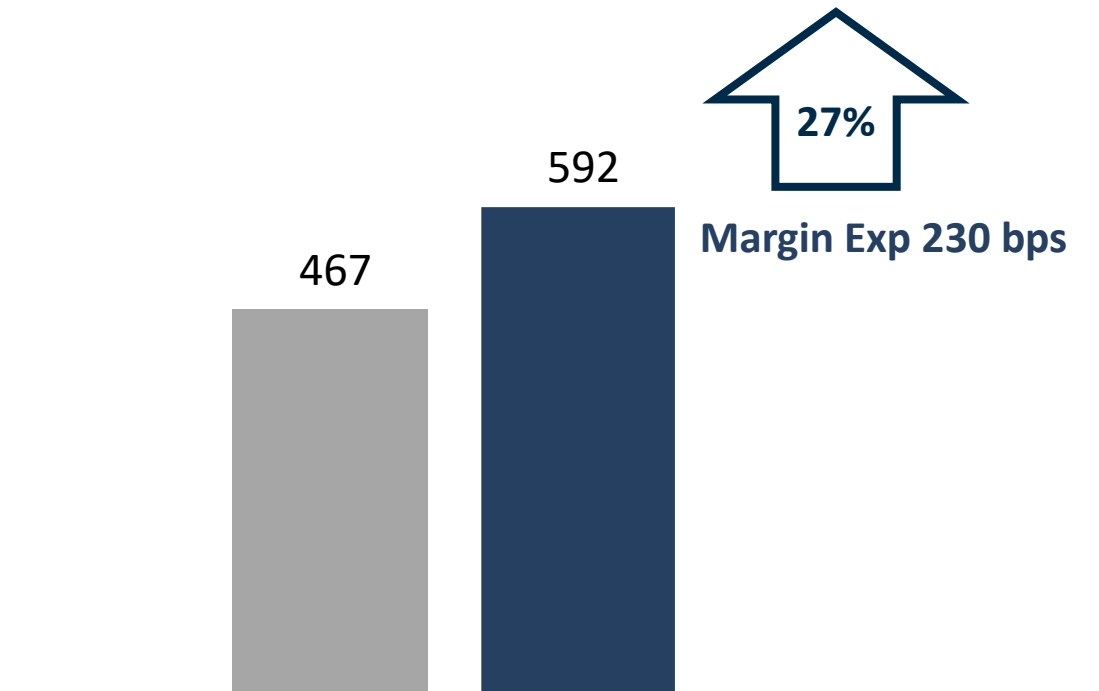
₹ /crores

Total Revenue



■ YTD Dec 2017/18 ■ YTD Dec 2018/19

EBITDA



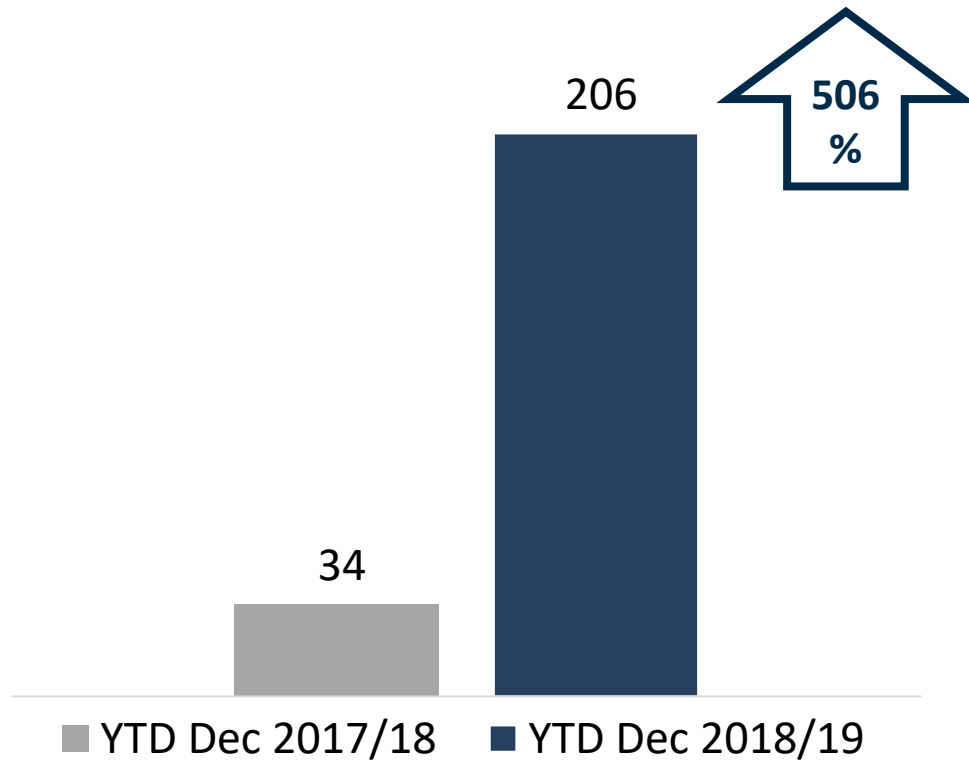
■ YTD Dec 2017/18 ■ YTD Dec 2018/19

Margin Exp 230 bps

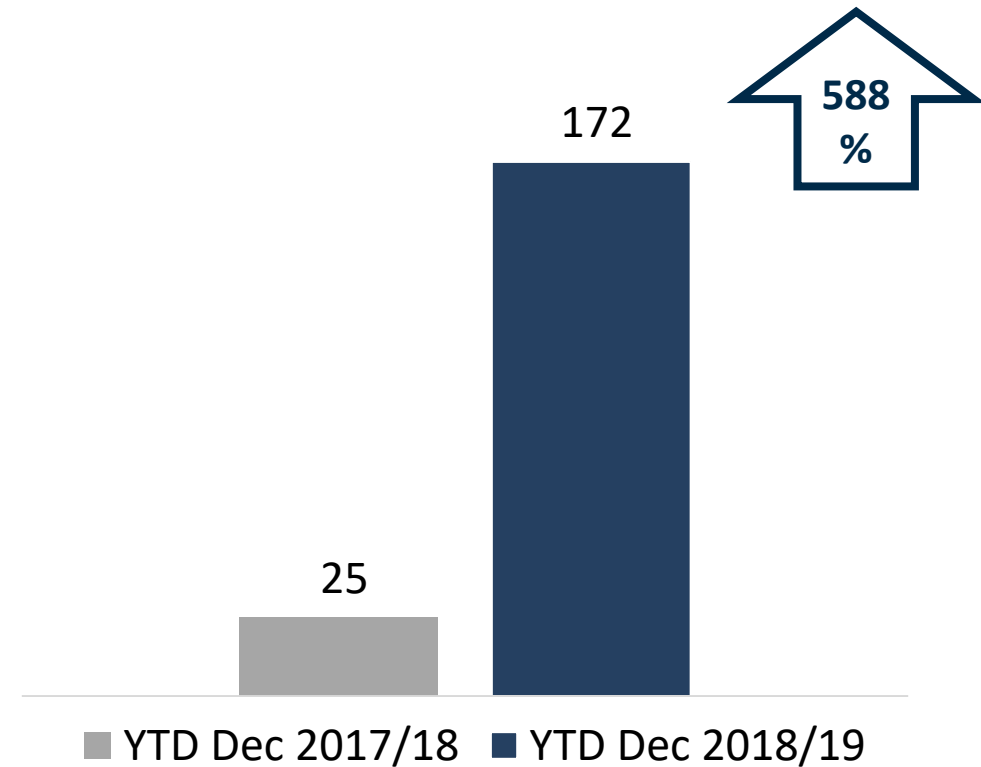
Consolidated Key Indicators – 9 Months Ended FY 2018/19

₹/crores

Profit before Exceptional Items & Tax



Profit After Tax



Consolidated – Reported Profit & Loss Statement

₹ /crores

| Particulars | Q3 | | | 9 Months Ended FY 2018/19 | | |
|---|---------------|---------------|----------------|---------------------------|---------------|----------------|
| | 18/19 | 17/18 | Growth vs PY | 18/19 | 17/18 | Growth vs PY |
| Revenue from Operations | 1,323 | 1,197 | 11% | 3,268 | 2,960 | 10% |
| Non Operating Revenue | 15 | 20 | -27% | 46 | 41 | 12% |
| Total Revenue | 1,338 | 1,217 | 10% ↑ | 3,314 | 3,001 | 10% ↑ |
| Total Expenditure | 988 | 917 | 8% | 2,722 | 2,534 | 7% |
| EBITDA | 350 | 300 | 17% | 592 | 467 | 27% |
| Operating EBITDA | 336 | 281 | 20% ↑ | 545 | 426 | 28% ↑ |
| EBITDA Margin | 26.16% | 24.68% | 1.48 pp | 17.85% | 15.56% | 2.30 pp |
| Depreciation and Amortization Expense | 83 | 74 | 12% | 243 | 216 | 12% |
| Finance Costs | 49 | 76 | -35% | 143 | 217 | -34% |
| Profit Before exceptional Items & Tax | 218 | 150 | + | 206 | 34 | + |
| Exceptional items Gain/(Loss) | 41 | 19 | + | (8) | 37 | - |
| Profit/ (Loss) before tax | 259 | 169 | + | 198 | 71 | + |
| Provision for Taxes | 99 | 82 | + | 70 | 64 | + |
| Profit/ (Loss) After Tax | 160 | 87 | + | 128 | 6 | + |
| Add: Share of Profit/(Loss) in Associates & JV's | 11 | 25 | - | 46 | 18 | + |
| Less : Profit / (Loss) due to Non Controlling interest | (8) | (5) | - | (2) | 1 | - |
| Profit / (Loss) after Non controlling interest, share of associates & JV | 162 | 108 | + ↑ | 172 | 25 | + ↑ |

IHCL- Consolidated Exceptional Items

On a post tax basis, Currency MTMs fully offset

₹ /crores

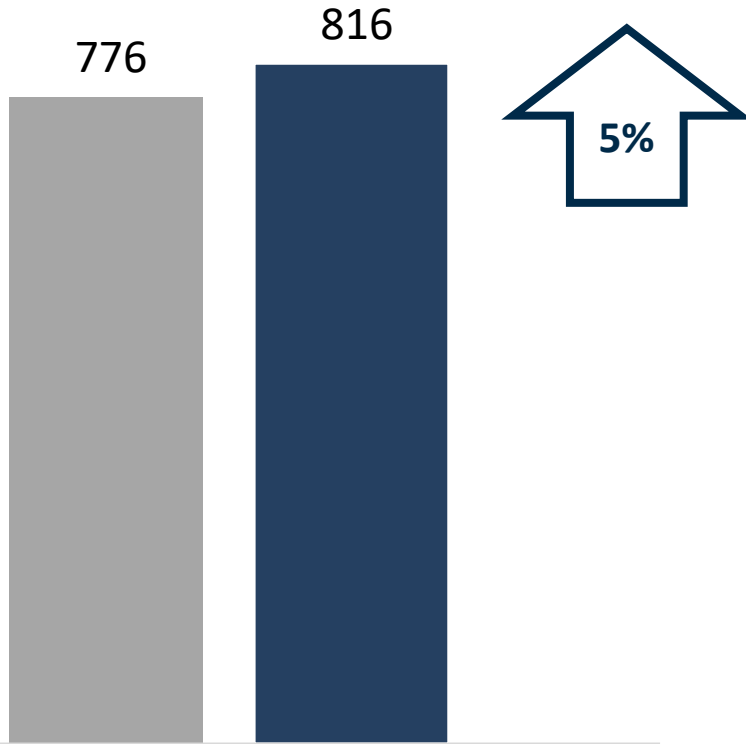
| Particulars | Q3 | | Var. | 9 Months Ended FY 2018/19 | | Var. |
|--|-----------|-----------|-----------|------------------------------|-----------|-------------|
| | 2018/19 | 2017/18 | | 2018/19 | 2017/18 | |
| Change in fair value of derivative contracts | 41 | 17 | 24 | (56) | 37 | (93) |
| Boston lease modification income | 1 | - | 1 | 48 | - | 48 |
| Others | (1) | 2 | (3) | - | - | - |
| Total | 41 | 19 | 22 | (8) | 37 | (45) |

- On a post Tax basis, MTM losses ₹ 34 crores offset by post tax Boston Income of ₹ 48 crores and post tax share of profit on Vizag sale of ₹ 28 crores.
- Exchange Rate USD : INR as on December 31, 2018 was ₹ 69.56 vs ₹ 65.12 as on March 31, 2018.

Standalone Key Indicators – Q3 2018/19

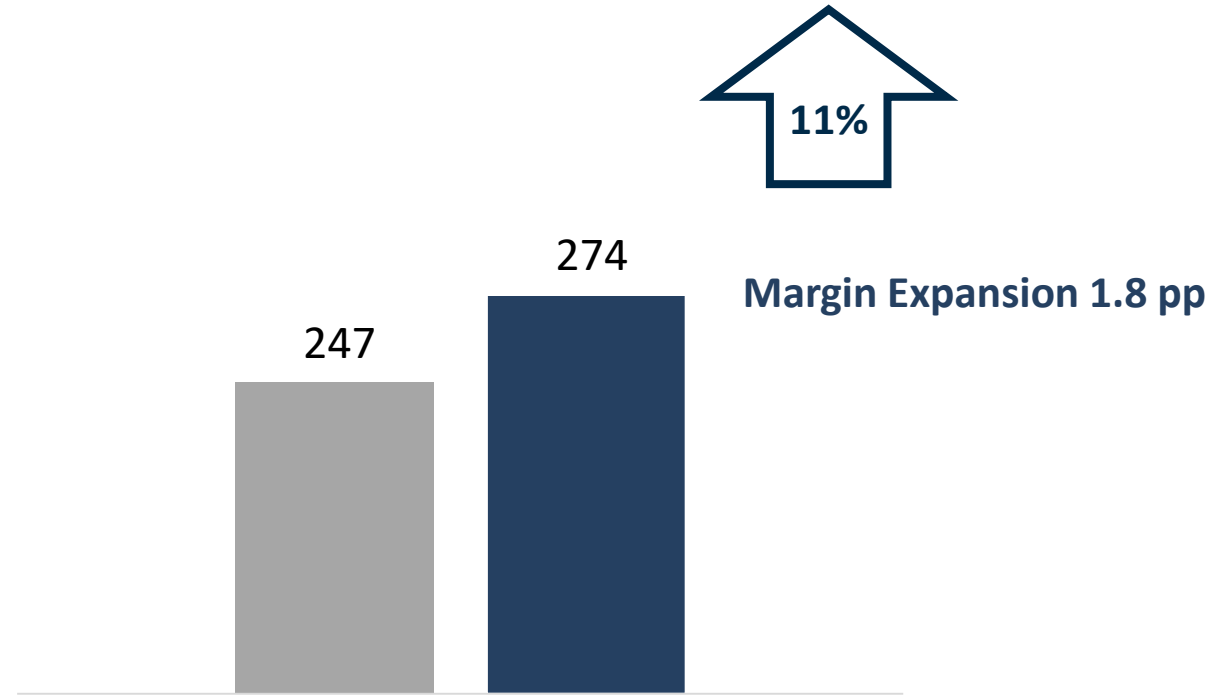
₹ /crores

Total Revenue



■ Q3 2017/18 ■ Q3 2018/19

EBITDA

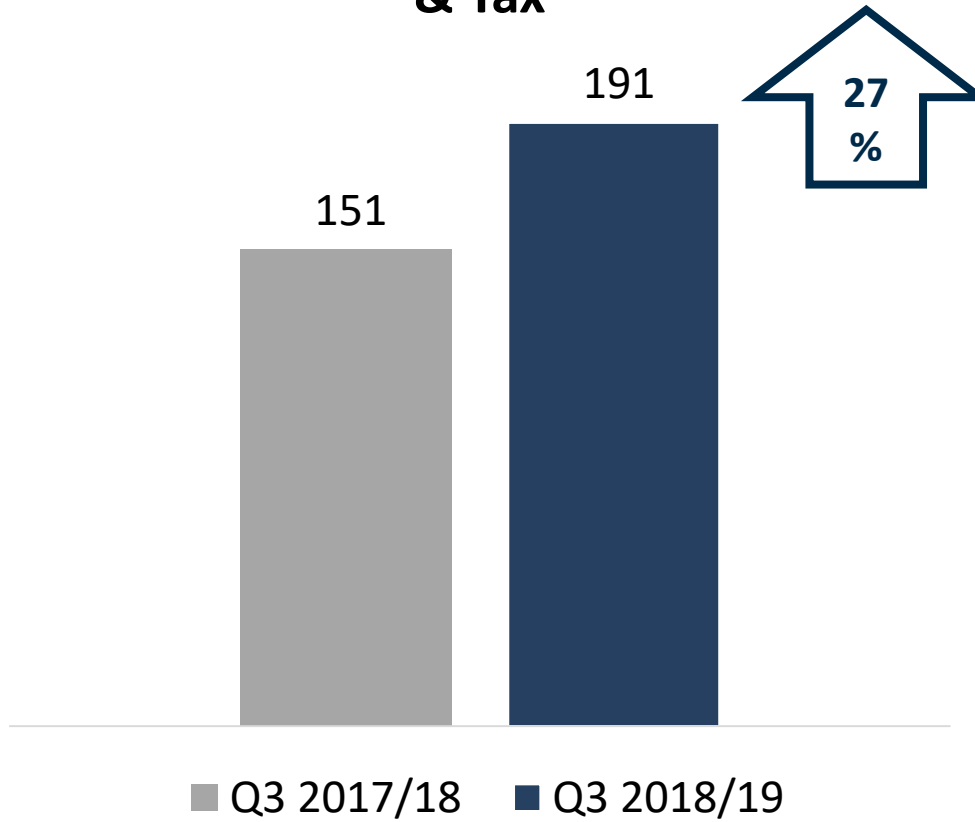


■ Q3 2017/18 ■ Q3 2018/19

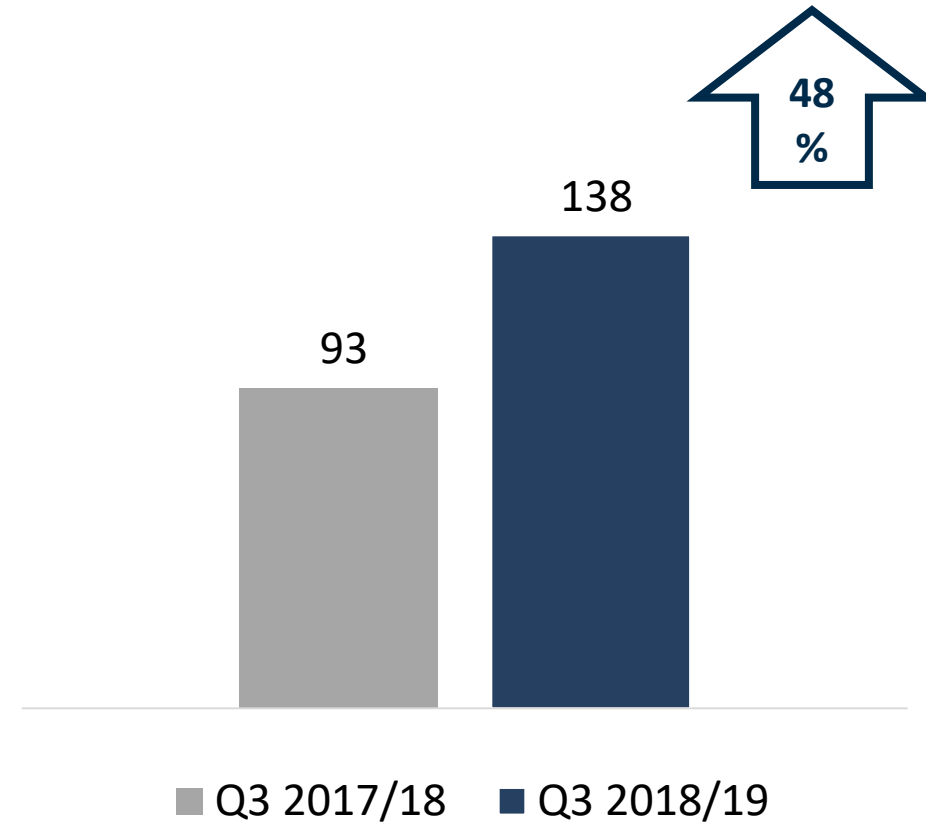
Standalone Key Indicators – Q3 2018/19

₹ /crores

Profit before Exceptional Items & Tax



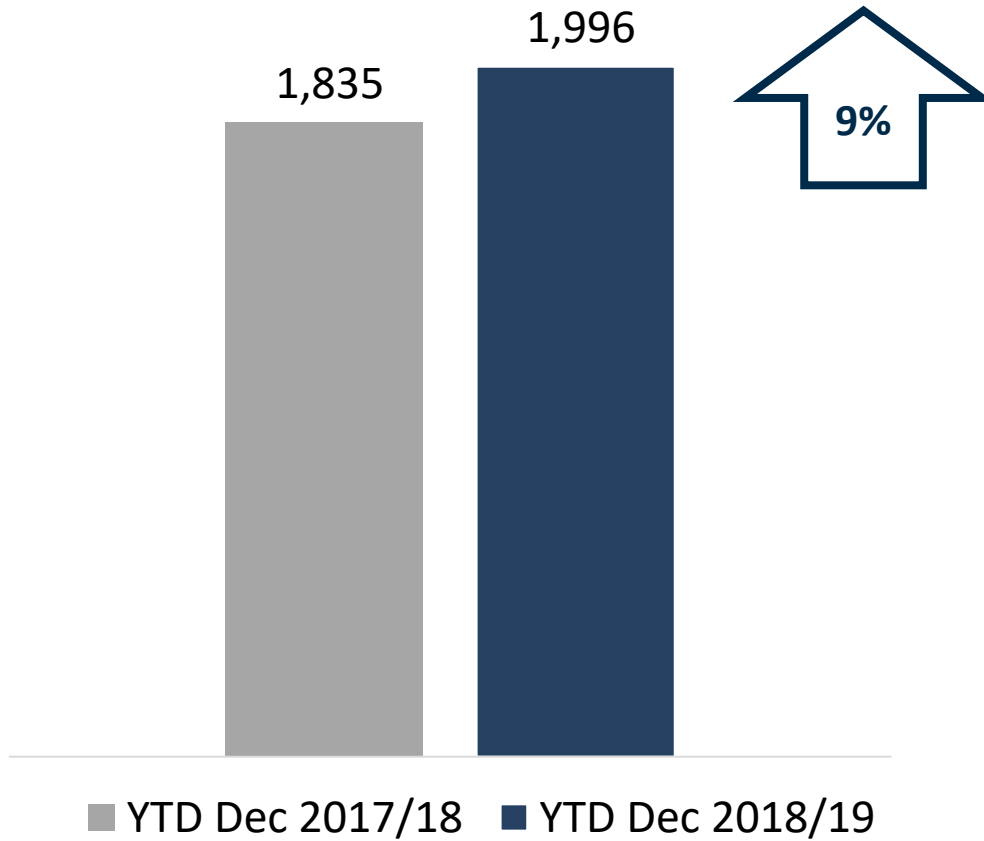
Profit After Tax



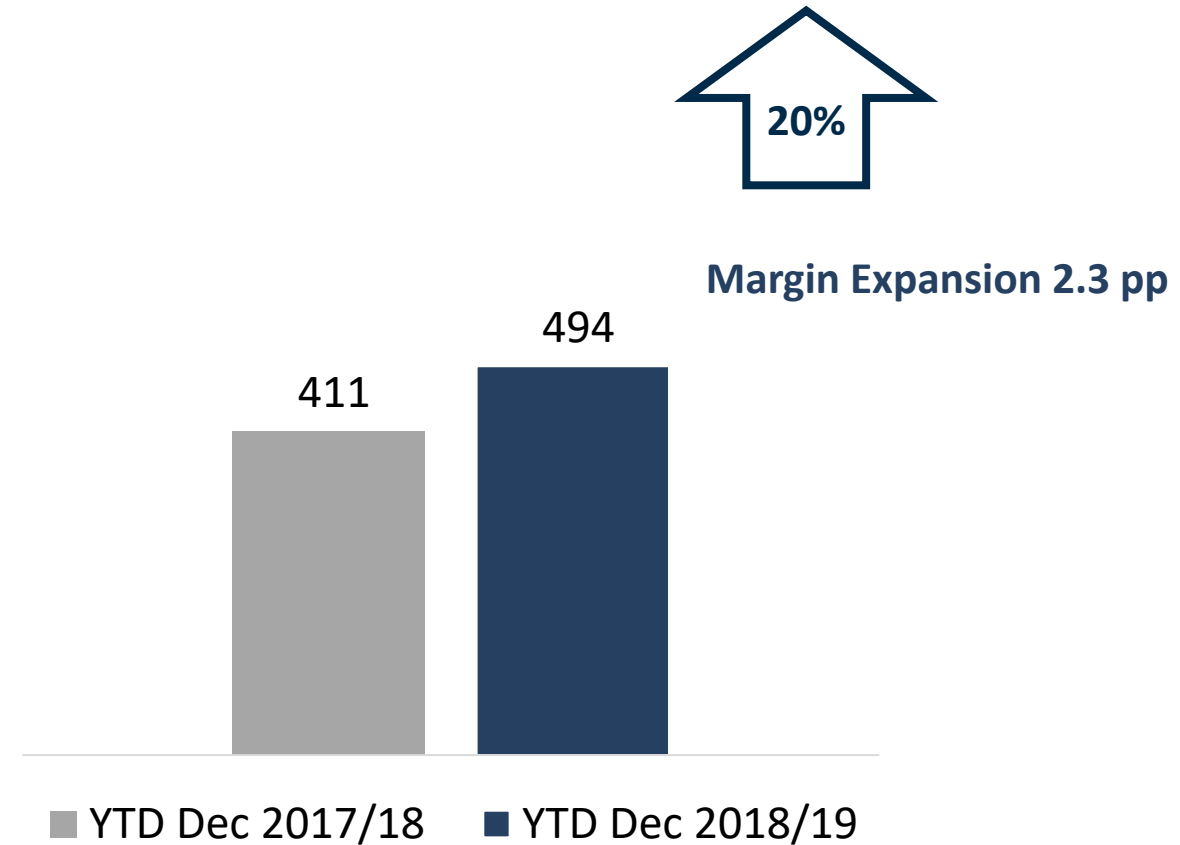
Standalone Key Indicators – 9 Months FY 2018/19

₹ /crores

Total Revenue



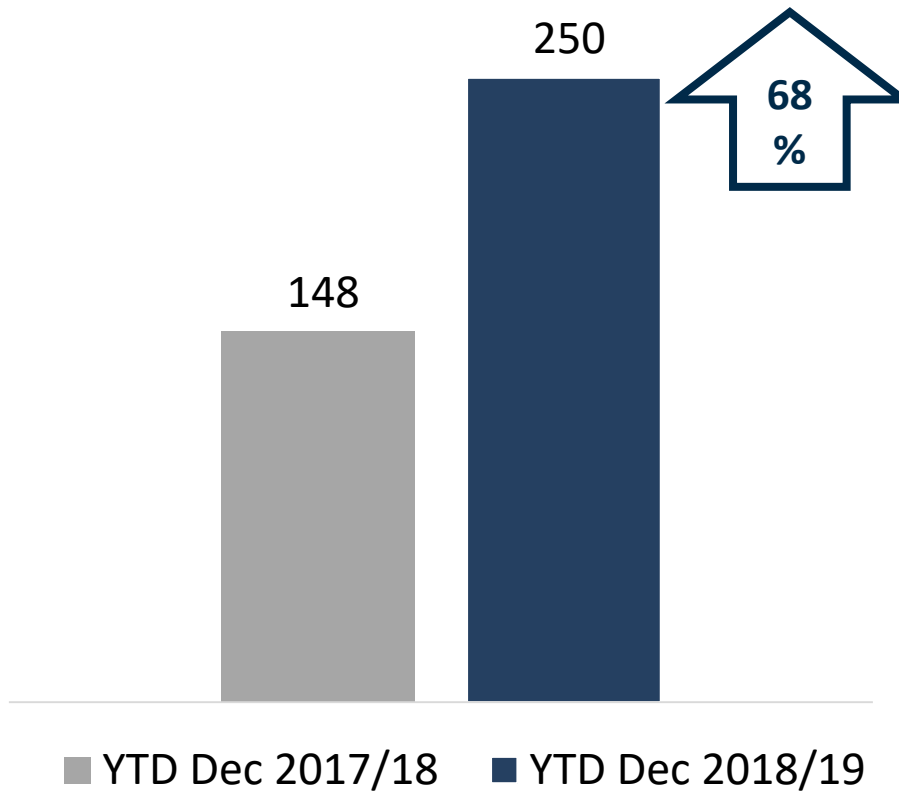
EBITDA



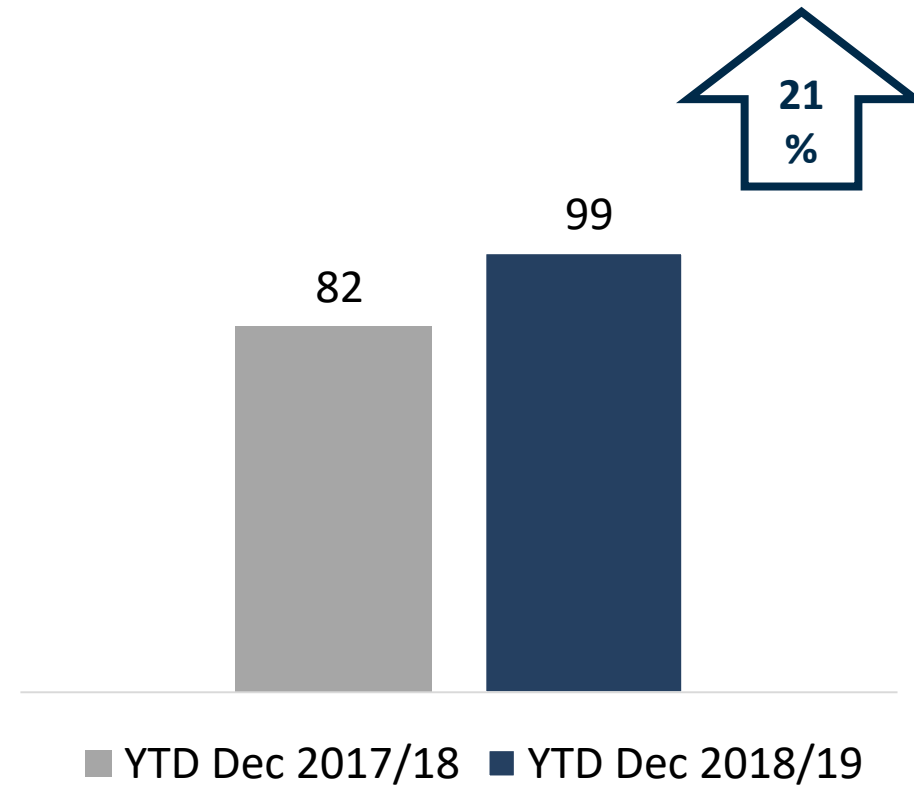
Standalone Key Indicators – 9 Months FY 2018/19

₹ /crores

Profit before Exceptional Items & Tax



Profit After Tax



Standalone - Profit & Loss Statement

₹ /crores

| Particulars | Q3 | | | 9 Months Ended FY 2018/19 | | |
|--|---------------|---------------|----------------|---------------------------|---------------|--------------|
| | 18/19 | 17/18 | Growth vs PY | 18/19 | 17/18 | Growth vs PY |
| Revenue from Operations | 803 | 760 | 6% | 1937 | 1798 | 8% |
| Non Operating Revenue | 13 | 16 | -18% | 59 | 38 | 57% |
| Total Revenue | 816 | 776 | 5% ↑ | 1996 | 1835 | 9% ↑ |
| Total Operating Expenditure | 542 | 529 | 2% | 1503 | 1424 | 5% |
| EBITDA | 274 | 247 | 11% ↑ | 494 | 411 | 20% ↑ |
| Operating EBITDA | 261 | 231 | 13% | 435 | 373 | 16% |
| EBITDA Margin | 33.59% | 31.80% | 1.79 pp | 24.73% | 22.39% | 2.35% |
| Depreciation and Amortization Expense | 43 | 39 | 12% | 125 | 111 | 12% |
| Finance Costs | 40 | 58 | -30% | 119 | 151 | -21% |
| Profit Before exceptional Items & Tax | 191 | 151 | 27% | 250 | 148 | 68% |
| Exceptional items | 41 | 19 | + | (87) | (2) | - |
| Profit/ (Loss) before tax | 231 | 169 | + | 162 | 147 | + |
| Provision for Taxes | 94 | 76 | + | 63 | 64 | - |
| Profit/ (Loss) After Tax | 138 | 93 | + ↑ | 99 | 82 | + ↑ |

IHCL- Standalone Exceptional Items For Q3 & 9 Months Ended FY 2018/19

₹ /crores

| Particulars | Q3 | | Var. | 9 Months Ended FY 2018/19 | | Var. |
|--|-----------|-----------|-----------|------------------------------|------------|-------------|
| | 2018/19 | 2017/18 | | 2018/19 | 2017/18 | |
| Change in fair value of derivative contracts | 41 | 17 | 24 | (56) | 37 | (93) |
| Provision for impairment of investment in Pierre that incurred cash losses | | | | (32) | (39) | 7 |
| Exchange Gain/ (Loss) on ECB | - | 2 | (2) | - | - | - |
| Total | 41 | 19 | 22 | (87) | (2) | (86) |

Debt Position

₹ /crores

| Particulars | Standalone | | Consolidated | |
|--|-------------------|----------------|-------------------|----------------|
| | December 31, 2018 | March 31, 2018 | December 31, 2018 | March 31, 2018 |
| Gross Debt | 1,776 | 1,784 | 2,289 | 2,427 |
| Liquidity | (162) | (423) | (290) | (538) |
| Net Debt | 1,613 | 1,361 | 1,999 | 1,889 |
| Net Debt/ Equity # | 0.37 | 0.31 | 0.47 | 0.45 |
| Weighted cost of Debt | 8.2 | 7.9 | 7.3 | 7.0 |
| Net Debt / EBITDA (Trailing 12 months) | 2.10 | 1.99 | 2.33 | 2.58 |

Equity for consolidated ratios considers Net worth attributable to the owner

IHCL Network Revenue – 9 months FY 2018 / 19

₹ /crores

| Particulars | Domestic | | | International | | |
|---------------|----------|-------|------------------|---------------|--------|------------------|
| | CY | PY | Growth over PY % | CY | PY | Growth over PY % |
| Room Revenue | 1,570 | 1,476 | 6.4% | 960 | 868 | 10.7% |
| RevPAR | 5,407 | 5,086 | 6.3% | 13,331 | 12,013 | 11.0% |
| F & B Revenue | 1,534 | 1,406 | 9.1% | 624 | 557 | 12.0% |

*Excluding Ginger brand

AGENDA

- Industry Trends
- Key Highlights
- Financial Performance
- 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, cyclicity and operating risks associated with the hospitality industry and other circumstances and uncertainties.

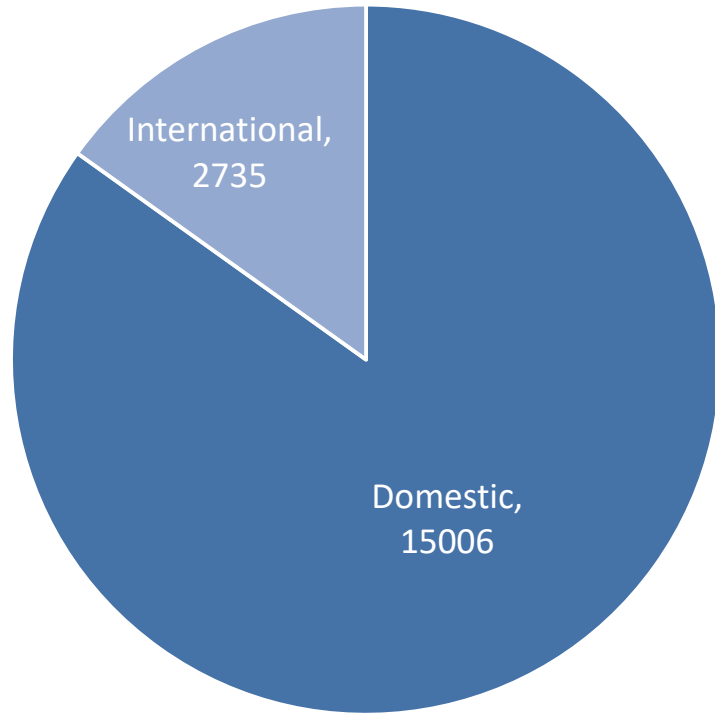
Although we believe the expectations reflected in such forward looking statements are based upon reasonable assumptions, we can give no assurance that our expectations will be attained or that results will not materially differ. We undertake no obligation to publicly update or revise any forward-looking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

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

ANNEXURE

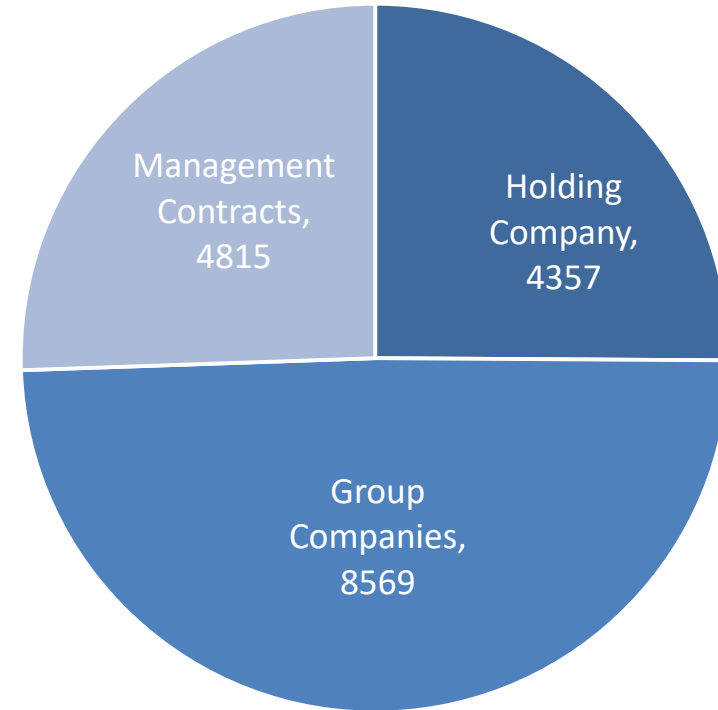
Our Operational Portfolio

Inventory by Geography



■ Domestic ■ International

Inventory by Contract Type



■ Holding Company ■ Group Companies
■ Management Contracts

As of February 2019, IHCL has **148 hotels** with **17,741 Rooms**

Awards – YTD FY 2018 / 19



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 Madras Flight Kitchen Pvt Ltd | 50.00 |
| Roots Corporation Ltd | 63.74 | Taj Kerala Hotels & Resorts Ltd | 28.30 |
| Skydeck Properties Pvt Ltd | 100.00 | Taj Karnataka Hotels & Resorts Ltd | 44.27 |
| IHOCO BV [<i>Investment Company</i>] | 100.00 | Taj Safaris Ltd | 38.15 |
| United Overseas Holdings, Inc. | 100.00 | Kaveri Retreat & Resorts Ltd | 50.00 |
| St James Court Hotel Ltd | 72.25 | IHMS (SA) Pty Ltd | 50.00 |
| | | 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 |