

IHCL

Analyst Meet

Results for the Quarter Ended

June 30, 2018

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.tajhotels.com for previous investor communications.

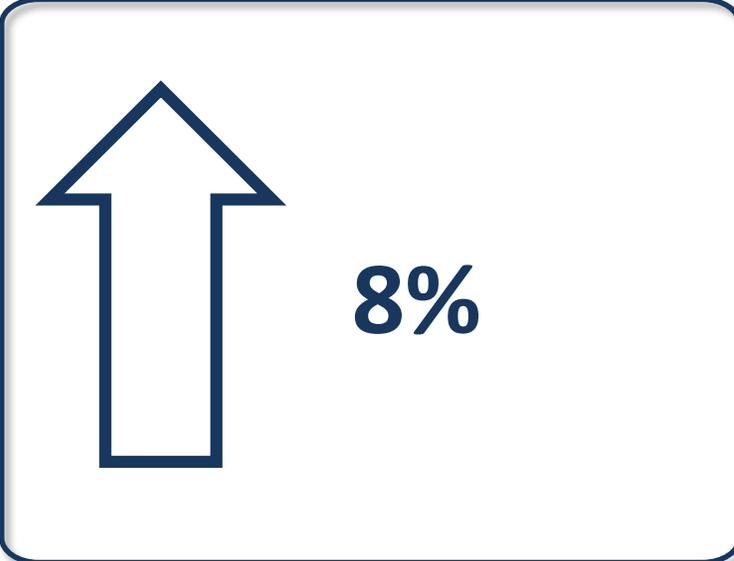
Agenda

- **Key Highlights**
- **Industry Trends**
- **Summary Financials & Treasury Update**
- **Q&A**

Highlights Q 1 - 2018/19

Consolidated Results

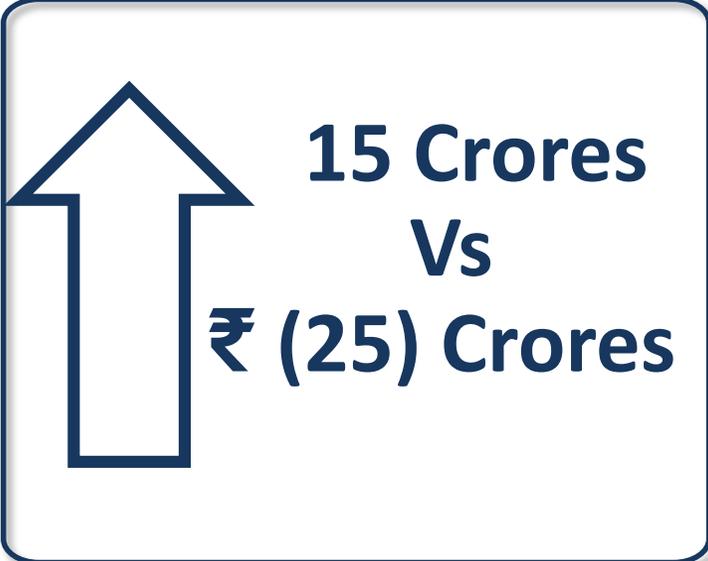
Revenue



EBITDA



PAT



YTD 2018/ 19 - 10 New Signings (1284 rooms)



Pawna Dam, Lonavla (145)

Makkah (340)

Taj Bangalore Expansion (220)



Connaught Hotel, New Delhi (85)



Katra (80)

Vadodara Expansion (60)

London Heathrow Airport (108)



Vizag (56)

Jhansi, (76)

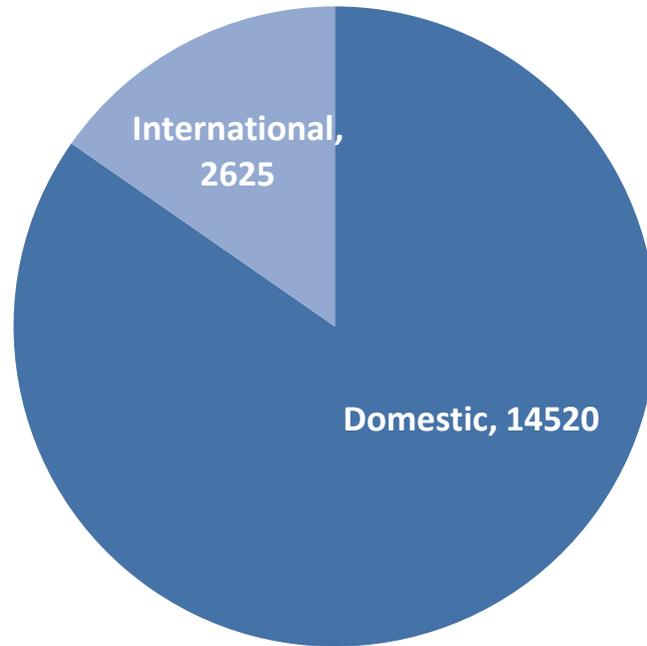
Noida (119)

Bharuch (55)

*Vadodara expansion is not included in total signings

Our Portfolio

Inventory by Geography



■ Domestic ■ International

Inventory by Contract Type



■ Holding Company ■ Group Companies ■ Management Contract

As at July 31, 2018, IHCL has **145 hotels** with **17,145 Rooms**

Our New Brand Architecture

IHCL



Industry Trends

YTD India Hospitality Overview

Market Dynamics

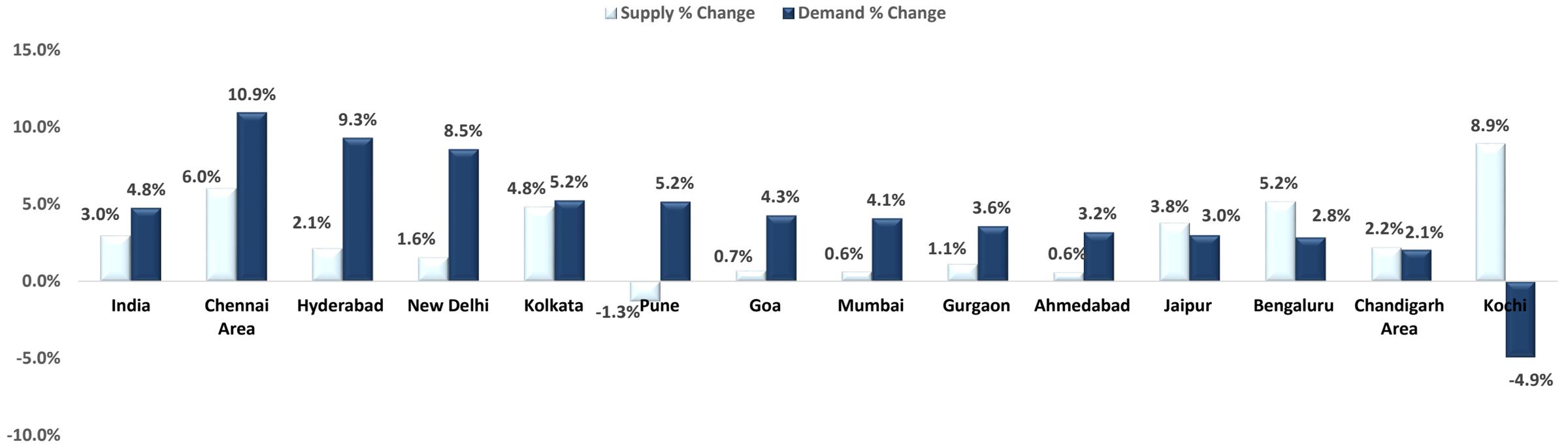
- Supply Growth
+3.0%
- Demand Growth
+4.8%

All India Hotels' Performance

- Occupancy
64% (+1.7%)
- Avg. Room Rate
₹5,425 (+2.6%)
- RevPAR
₹3,454 (+4.3%)

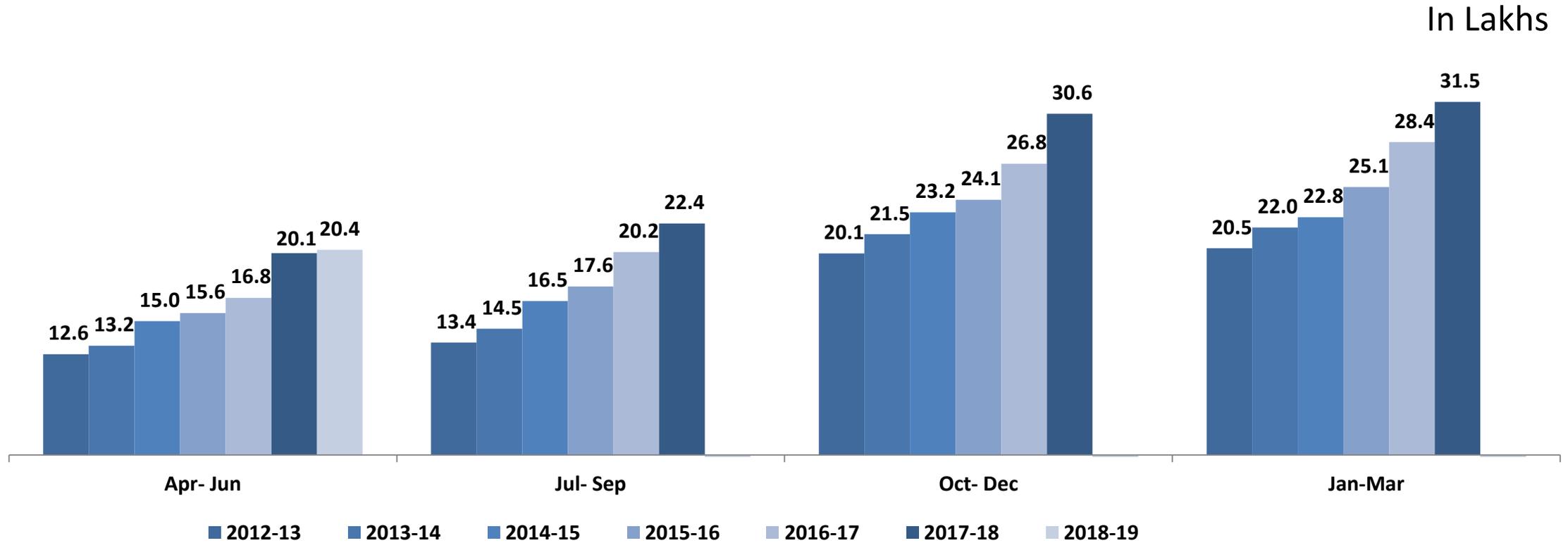
Source : STR Global (YTD June 2018)

India Hotel Performance – Key cities – (Apr to Jun) 2017-18 v/s 2018-19



- Overall **3.0% increase in Supply** in Q1 FY 2018-19 compared to Q1 FY 2017-18.
- **Demand has grown 4.8%** in this period. The **supply–demand gap is still significant** in most cities, which positively impacts hotel industry Occupancy and ARR

Foreign Tourist Arrivals in India



- Foreign tourist arrivals in India have shown growth in each quarter for past 6 years .
- Foreign tourist arrivals during the period Q1 FY 2018-19 were 20.37 lakhs with a growth of 1%, compared to FTAs of Q1 FY 2017-18 of 20.11 lakhs, which had grown by of 20% compared to Q1 FY 2016-17.

Key Operating Indices

IHCL Network Revenue April to June 2018

₹ /crores

Particulars	Domestic			International		
	CY	PY	Growth over PY %	CY	PY	Growth over PY %
Room Revenue	464	426	8.9%	288	291	-1.2% ↓
RevPAR	4,848	4,421	9.7%	12,091	12,183	-0.8% ↓
F & B Revenue	456	405	12.6%	203	192	5.6%

Awards and Accolades – YTD FY 2018 / 19



67 IHCL hotels among
the 79 certified hotels
- April 2018



Taj Inner Circle bestowed with
special 210 Award
- May 2018



Only Hospitality company in the
list, 7th time winner
- May 2018



Best Hospitality Corporate
Governance in India
- May 2018



Taj Exotica Resort & Spa, Andamans – HOT LIST
June 2018



Taj – Among top 20 brands in the world
5 Taj Hotels in the list of Top 100 Hotels in the world
- July 2018

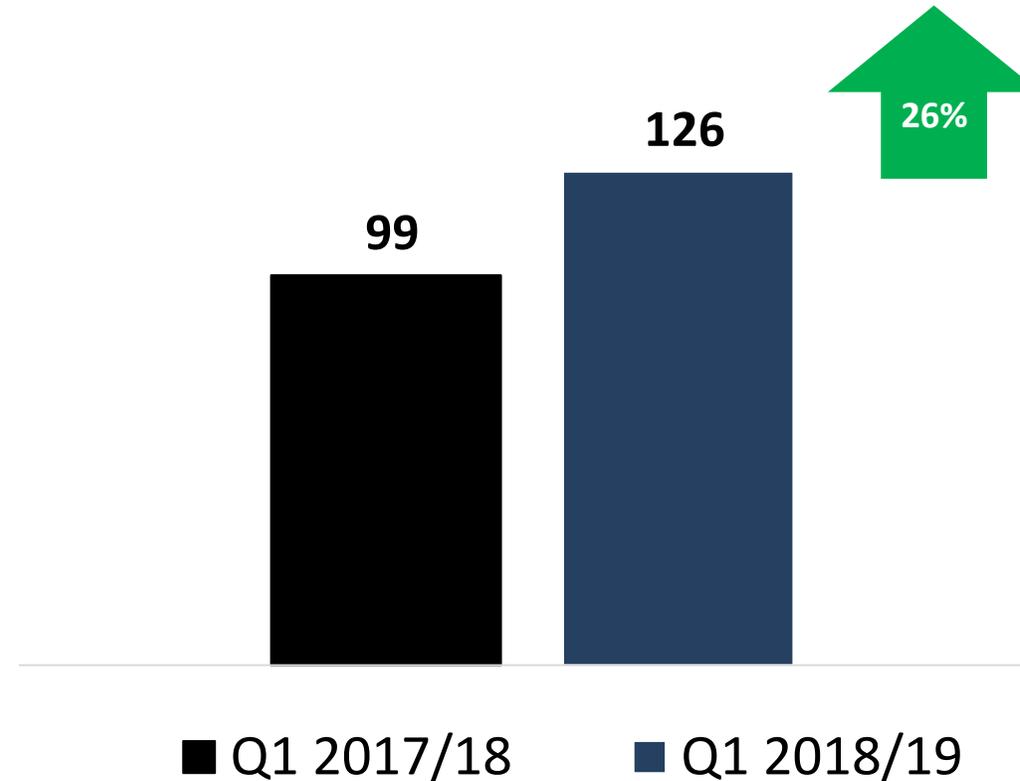
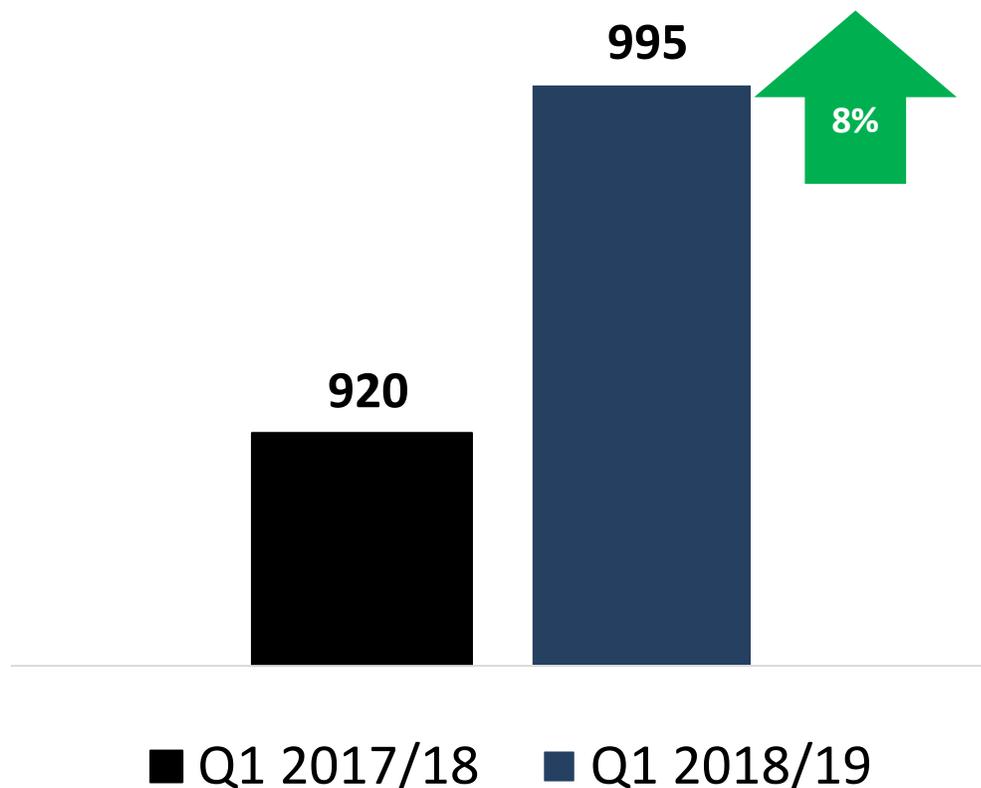
**Financial Performance
for the Quarter Ended
June 30, 2018**

Consolidated Key Indicators – Q1 2018/19

₹ /crores

Total Revenue

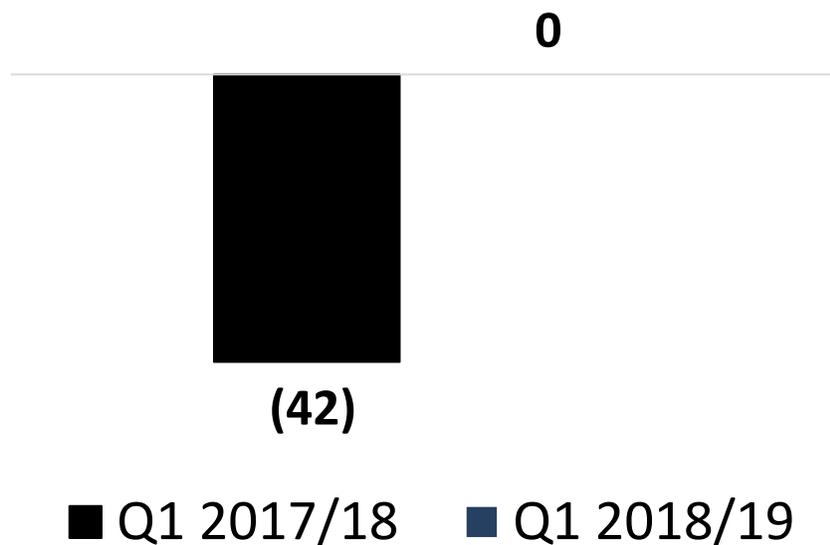
EBITDA



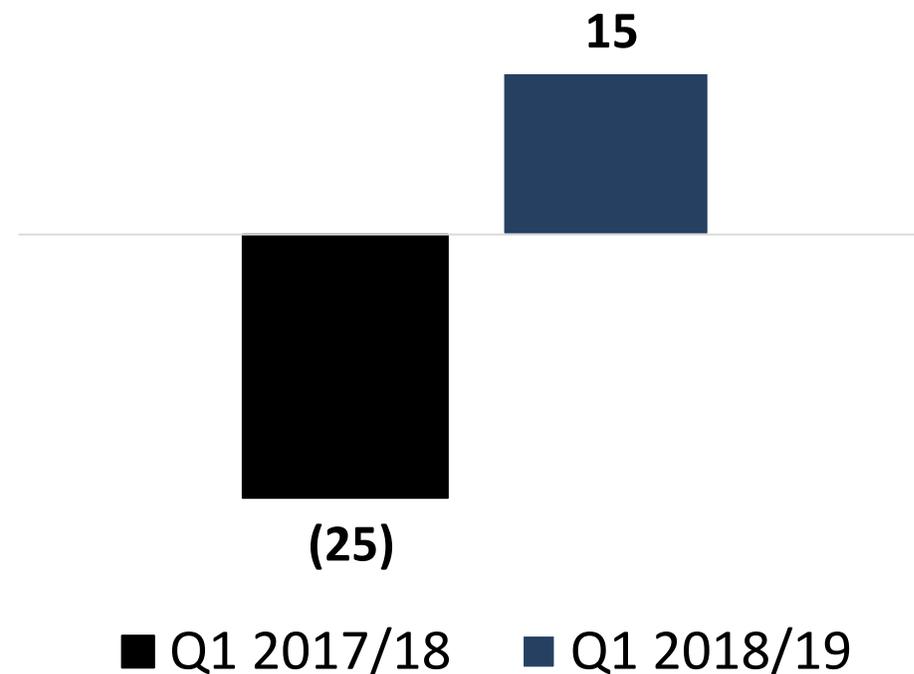
Consolidated Key Indicators – Q1 2018/19

₹/crores

Profit before Exceptional Items & Tax



Profit After Tax



Debt Position

₹ /crores

Particulars	Standalone		Consolidated	
	June 30, 2018	March 31, 2018	June 30, 2018	March 31, 2018
Gross Debt	1,752	1,784	2,394	2,427
Liquidity	(344)	(423)	(487)	(538)
Net Debt	1,408	1,361	1,907	1,889
Net Debt/ Equity #	0.33	0.31	0.46	0.45
Weighted cost of Debt	8.0	7.9	7.1	7.0
Net Debt / EBITDA (Trailing 12 months)	2.02	1.99	2.51	2.58

Equity for consolidated ratios considers Net worth attributable to the owner

Q & A

Annexure

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	63.25	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

Consolidated – Reported Profit & Loss Statement

₹ /crores

Particulars	Q1 2018/19		
	Actual	PY	Growth vs PY
Revenue from Operations	980	911	8%
Non Operating Revenue	15	9	71%
Total Revenue	995	920	8%
Total Expenditure	869	821	6%
EBITDA	126	99	26%
Operating EBITDA	111	91	22%
EBITDA Margin	12.63%	10.80%	+ 1.83 pp
Depreciation and Amortization Expense	78	71	10%
Finance Costs	47	70	-32%
Profit Before exceptional Items & Tax	0	(42)	
Exceptional items Gain/(Loss)	(4)	16	
Profit/ (Loss) before tax	(4)	(26)	
Provision for Taxes	(10)	4	
Profit/ (Loss) After Tax	6	(30)	
Add: Share of Profit/(Loss) in Associates & JV's	3	1	
Less : Profit / (Loss) due to Non Controlling interest)	6	4	
Profit / (Loss) after Non controlling interest, share of associates and JV	15	(25)	



IHCL- Consolidated Exceptional Items For Quarter Ended June 30, 2018

₹ /crores

Particulars	Q1 2018/19	Q1 2017/18	Variance
Exchange Gain/ (Loss) on Long-term Borrowings/Assets (Net)	-	1	(1)
Change in fair value of derivative contracts	(50)	16	(66)
TIHK - Bjets advances w/off	-	(1)	1
Boston lease modification income	46	0	46
Total	(4)	16	(20)

Standalone - Profit & Loss Statement

₹/ crores

Particulars	Q1 2018/19		
	Actual	PY	Growth vs PY
Revenue from Operations	565	528	7%
Non Operating Revenue	15	8	91%
Total Revenue	580	536	8%
Total Operating Expenditure	480	452	6%
EBITDA	100	84	20%
Operating EBITDA	85	76	12%
EBITDA Margin	17.28%	15.61%	+1.67 pp
Depreciation and Amortization Expense	40	37	9%
Finance Costs	39	43	-9%
Profit Before exceptional Items & Tax	21	4	
Exceptional items	(51)	11	
Profit/ (Loss) before tax	(30)	15	
Provision for Taxes	(13)	(7)	
Profit/ (Loss) After Tax	(17)	8	



IHCL- Standalone Exceptional Items For Quarter Ended June 30, 2018

₹ /crores

Particulars	Q1 2018/19	Q1 2017/18	Variance
Exchange Gain/ (Loss) on ECB	-	1	(1)
Exchange Gain/ (Loss) on Shareholders Deposit Revaluation	-	(1)	1
Change in fair value of derivative contracts	(50)	16	(66)
Provision for impairment of investment in Pierre that incurred cash losses	(1)	(5)	4
Total	(51)	11	(62)

Thank You