Mahindra Holidays & Resorts India Limited

> Q1FY15 Investor Presentation July 28, 2014



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Quarter 1 FY15

Quarter 1 FY15

Performance



Q1FY15 Highlights

- Total income at Rs 191 Crores vs. Rs 185 Crores in Q1'14
- PAT at Rs 20.42 Crores vs. Rs 21.01 Crores in Q1'14
- Diluted EPS at Rs 2.32 vs. Rs 2.40 in Q1'14
- Added 2,059 members during the quarter.



Q1FY15 Business Highlights

Marketing/Digital Innovation/Brand in action

- Happy Family Referral Program Increased touch-points on member section of website.
 - ✓ Resulted in increased web-referral leads.
- Process changes on the digital lead closure have started to yield results. Online branding efforts in Youtube and Social media sites, have resulted in increased traffic.
 - ✓ Sales through digital leads have increased.
- Member engagement outside resorts Story telling workshop, Hobby ideas workshop, Member meets etc.

Sales Initiatives

- International Operations focus on new geographies, right business partnerships and increased engagement.
 - ✓ Led to better conversions. Comparable business has doubled YoY.
- Shift in process.
 - Resulted in a more robust lead conversion.
- Improvement in the channel partners' modus operandi and higher engagement alliances
 - ✓ Has yielded higher per partner productivity.

Results



Summary of results

Key indicators (no.)	Q1 FY 15	Q1 FY 14	YOY
New Members - added	2,059	3,051	-33%
Cumulative Members	~172K	~163 K	6%

FY14			
	12,100		
~170K			

Key indicators	Q1 FY 15	Q1 FY 14	YOY
Income	19,062	18,503	3.0%
Expenses	15,991	15,391	3.9%
PBT	3,071	3,112	-1.3%
PAT	2,042	2,101	-2.8%

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FY14
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<mark>1</mark> 4,142
9,453



Income Break up

Total Income	Q1 FY 15	Q1 FY 14	% Change	FY14
Income from sale of VO	10,413	10,618	-2%	48,260
ASF	3,514	3,023	16%	13,273
Resort Income	3,425	2,788	23%	10,816
Others	1,265	1,601	-21%	5,403
Income from operation	18,617	18,030	3%	77,752
Non operating income	445	473	-6%	2,141
Total Income	19,062	18,503	3%	79,89 3



Resort Details

Including Indian subsidiaries	Q1 FY 15	Q1 FY 14	% Change	FY14
No of Resorts	40	41	-2%	40
No of Rooms	2451	2399	2%	2,407
Occupancy %	89%	91%	-2%	83%
ARR (in Rs)	4,784	4,627	3%	4,109

Resort Income Stand alone	Q1 FY 15	Q1 FY 14	% Change	FY14
Room	370	229	62%	1,072
F&B	2,251	1,863	21%	7 ,050
Holiday Activity & Others	804	696	16%	<mark>2,6</mark> 94
Total	3,425	2,788	23%	10,816



Profit & Loss Statement

Particulars	Q1 FY 15	Q1 FY 14	FY 14
Income from operations	18,617	18,030	77,752
Non-operating income	445	473	2,141
Total income	19,062	18,503	79,893
Employee expenses	3,738	3,821	17,416
Sales & Marketing expenses	4,150	4,578	19,150
Depreciation	1,490	821	3,803
Other expenses	6,613	6,171	25,382
Total expenditure	15,991	15,391	65,751
PBT	3,071	3,112	14,142
PAT	2,042	2,101	9,453



Ratio Analysis

Particulars	Q1 FY 15	Q1 FY 14	FY 14
PBT as % of total income	16%	17%	18%
PAT as % of total income	11%	11%	12%
EPS (Basic) Rs.	2.32	2.40	10.76
EPS (Diluted) Rs.	2.32	2.40	10.75

Customer Delicht



Customer delight at every touch point

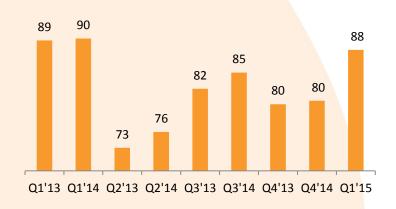
Net Upgrade



Web Reservation %



Occupancy %



- During Q1 FY15, 78% of members who demanded a holiday ended up holidaying with us at least once. Besides, regular sample checks reveal that over 72% of them get their first choice of holiday.
- Resort Occupancy increased by to 88% in Q1 FY15
- Web penetration hit another all-time high at 55%
- Significant improvement in Customer as Promoter Score in Q1 FY15 over Q4 FY14.

Corporate Developine nits



Mahindra Holidays
invests
in
Holiday Club Resorts, Finland

July 2014



Holiday Club Resorts

Differentiated Business Model

- Conventional Vacation Ownership (VO) product includes
 - Fixed Week and Fixed Resort Product
 - Deeded sale (Asset is transferred to Owner)
- Resort Management Contracts Earns fee for managing resorts on behalf of owners' associations.
- HCR has several Spa hotels co-located with VO
 - Many of these have indoor water parks
 - Five of them have children theme parks called Angry Bird Activity Parks
 - 3 Golf Courses
- Successfully launched Fractional product
- Have experience in selling RCI Points.



Strategic Intent

- Opportunity to become a major global player
- Holiday Club is one of the most respected brands in Europe
- Will grow in Europe via
 - Sale to NRIs
 - Additional locations for our members to travel
- With the help of this entity, acquire properties in locations where Indians travel.
- Access to Technology and European management expertise, including
 - Fractionals
 - Point-based products
 - Innovative sales initiatives
 - Efficient designs and quicker construction of resorts





Mahindra Holidays + Holiday Club Resort

Potential to become the largest VO company world-wide ex-USA









Awards and Recognitions

- ✓ Munnar RCI Gold Crown Top Resort of the year award
- ✓ Varca Trip Advisor Certificate of Excellence
- ✓ Ashtamudi Trip Advisor Certificate of Excellence
- ✓ Baiguney Trip Advisor Certificate of Excellence
- ✓ Cherai Trip Advisor Certificate of Excellence

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