

August 13, 2019

**National Stock Exchange of India Limited**  
Exchange Plaza  
Bandra Kurla Complex  
Bandra (East)  
Mumbai 400 051  
**Scrip Code: CHALET**  
**ISIN No: INE427F01016**

**BSE Limited**  
Corporate Relationship Department  
1<sup>st</sup> Floor, New Trading Ring,  
Dalal Street, Fort  
Mumbai – 400 001  
**Scrip Code: 542399**  
**ISIN No: INE427F01016**

Dear Sir / Madam,

**Subject: Investor / Analyst Presentation for the Financial Results for the quarter ended June 30, 2019**

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ('Listing Regulations'), we are attaching herewith a copy of the presentation prepared by the Company for the earnings call scheduled with the Investors/Analysts, in relation to the Statement of Standalone Financial Results(unaudited) for the quarter ended June 30, 2019 and the Statement of Consolidated Financial Results(unaudited) for the quarter ended June 30, 2019, which have been approved by the Board of Directors of the Company at its meeting held today i.e. August 13, 2019 pursuant to Regulation 33 of the Listing Regulations.

We request you take the above information on record.

Thanking You,

Yours Faithfully,  
For **Chalet Hotels Limited**

**Christabelle Baptista**  
**Company Secretary & Compliance Officer**  
ACS No: 17817

Encl.: as above



Presentation August 2019





## Pedigree

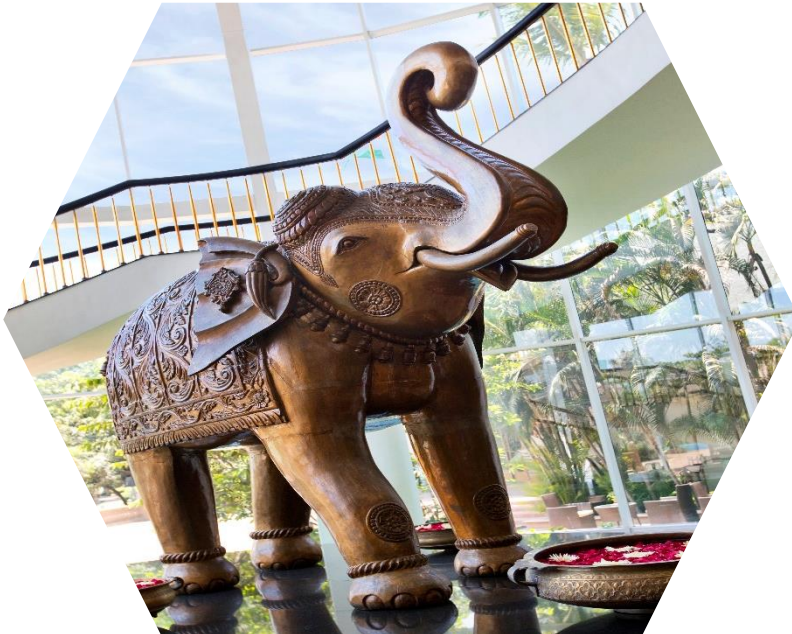
K Raheja Corp Limited  
Leading real estate developer  
in India for over 6 Decades

## Proficiency

Right Assets  
Right Location  
Right Partnership  
Right Team

## Performance

Robust Operating  
Performance

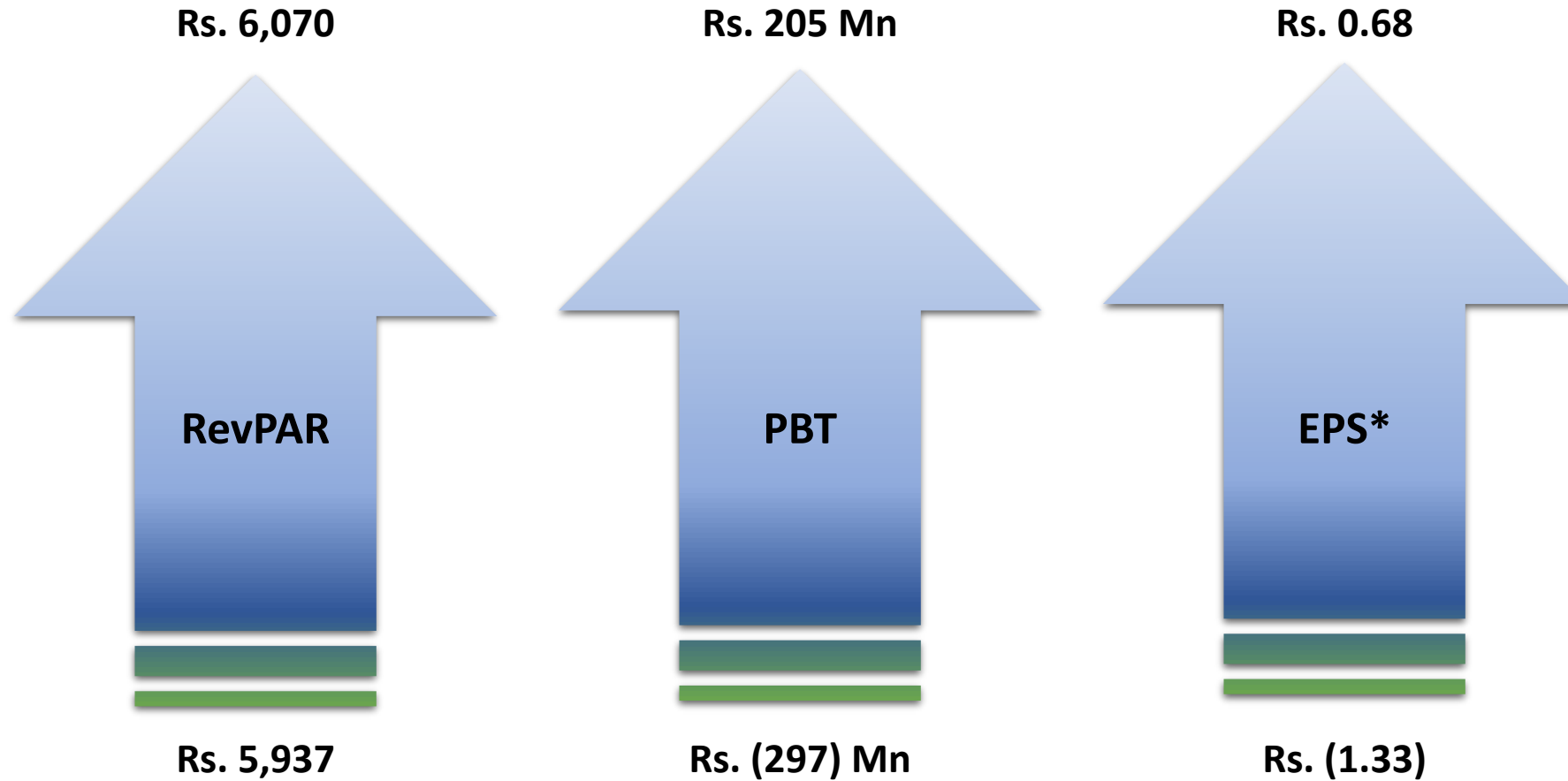


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# Business Performance



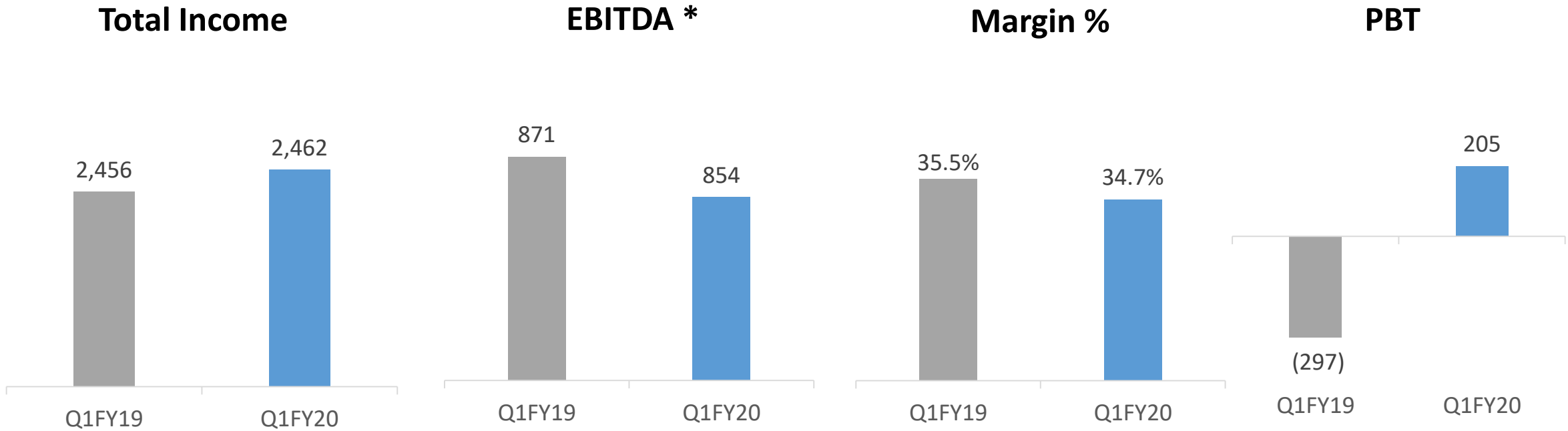
# Highlights for the quarter



\* Not annualised

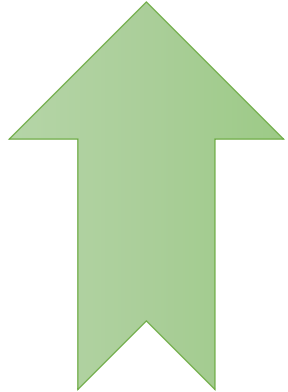
# Consolidated Q1FY19 Performance

(In Rs. Mn)



\* Treasury income lower by Rs 47 mn

# Quarter that was...

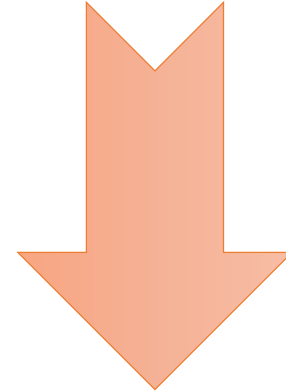


## Industry

- Positive demand supply arbitrage

## Chalet Hotels Limited

- ADR driven RevPAR growth
- Occupancy flat at 75%
- Effective cost management
- Improved Capital Structure



## Industry

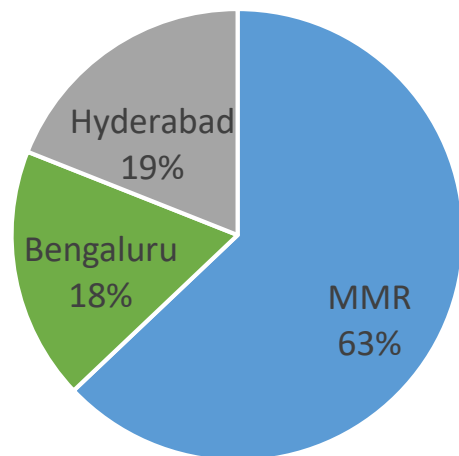
- Impact of Elections
- Slowdown in Consumer spends
- Shutting down of a major airline

## Chalet Hotels Limited

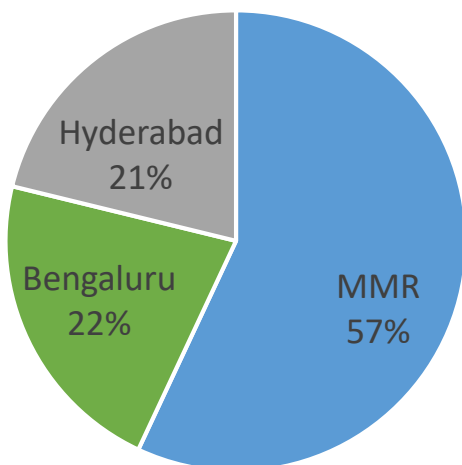
- Lower Banquet and MICE revenue

# Hospitality City-wise performance

Q1FY20 Revenue Rs 2,198 Mn



Q1FY20 Segment Profit\* Rs 854 Mn



|                     | Q1FY20       | Q1FY19       | YoY %       | FY19         |
|---------------------|--------------|--------------|-------------|--------------|
| <b>ADR (Rs.)</b>    |              |              |             |              |
| MMR                 | 7,860        | 7,629        | 3%          | 8,086        |
| Bengaluru           | 8,835        | 8,705        | 1%          | 8,756        |
| Hyderabad           | 8,116        | 7,946        | 2%          | 8,205        |
| <b>Combined</b>     | <b>8,078</b> | <b>7,875</b> | <b>3%</b> ↑ | <b>8,218</b> |
| <b>Occupancy %</b>  |              |              |             |              |
| MMR                 | 74%          | 75%          | -100 Bps    | 76%          |
| Bengaluru           | 78%          | 78%          | -           | 77%          |
| Hyderabad           | 77%          | 76%          | 100 Bps     | 76%          |
| <b>Combined</b>     | <b>75%</b>   | <b>75%</b>   | -           | <b>76%</b>   |
| <b>RevPAR (Rs.)</b> |              |              |             |              |
| MMR                 | 5,805        | 5,687        | 2%          | 6,178        |
| Bengaluru           | 6,882        | 6,793        | 1%          | 6,757        |
| Hyderabad           | 6,263        | 6,037        | 4%          | 6,234        |
| <b>Combined</b>     | <b>6,070</b> | <b>5,937</b> | <b>2%</b> ↑ | <b>6,283</b> |

\*Segment Profit before Interest Depreciation and Tax

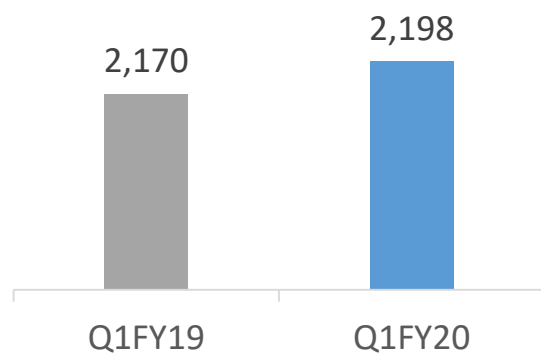
MMR: Mumbai Metropolitan Region



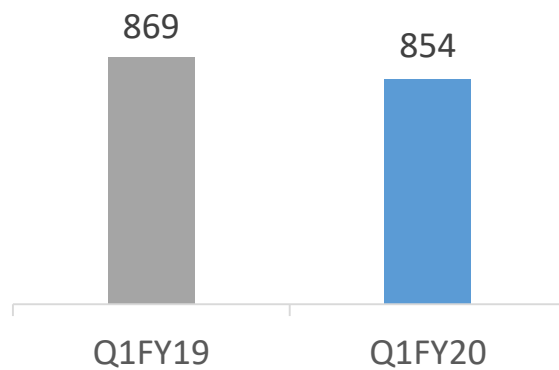
# Hospitality Segment Performance

(In Rs. Mn)

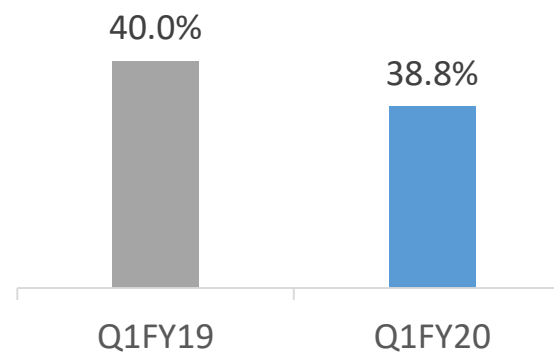
**Revenue**



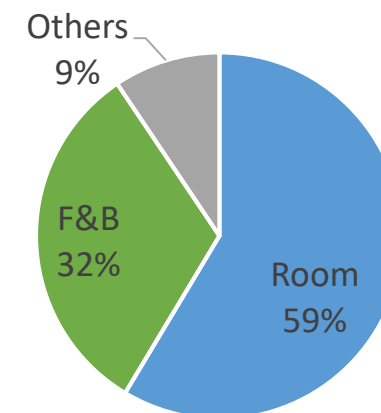
**Segment Profit\***



**Margin %**

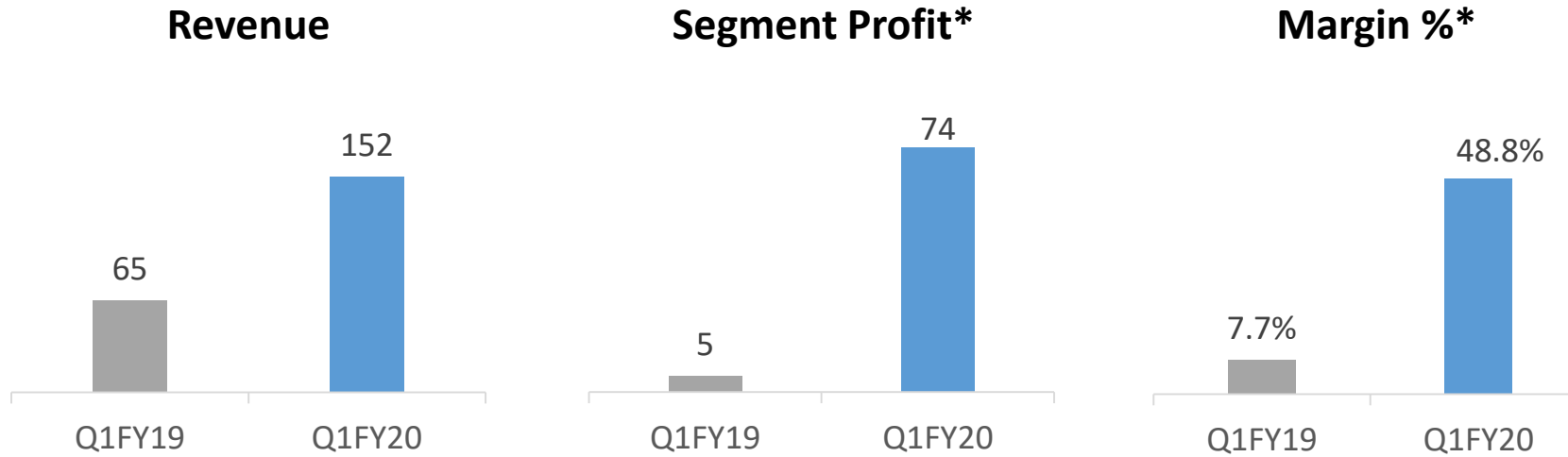


**Revenue Break-up Q1FY20**



\* Segment Profit before Interest Depreciation and Tax

(In Rs. Mn)



## Updates:





- SLM impact Rs 68 mn (PY: Rs. 3 mn)
- Sahar Commercial Centre
  - Fit-outs in process
- The Orb - Sahar Retail
  - 14 Outlets opened
- Inorbit Mall Bengaluru
  - Improved occupancy with improved rentals

## The Orb at Sahar



\* Segment Profit before Interest Depreciation and Tax

# Consolidated Profit / Loss Statement

| Rs. Mns                                |              |                |  |               |
|--|--------------|----------------|--|---------------|
| Particulars                            | Q1FY20       | Q1FY19         | YoY%   | FY19          |
| <b>Total Income</b>                    | <b>2,462</b> | <b>2,456</b>   | 0%   | <b>10,348</b> |
| <b>Total Expenditure</b>               | <b>1,608</b> | <b>1,585</b>   | 1%   | <b>6,679^</b> |
| <b>EBITDA</b>                          | <b>854</b>   | <b>871</b>     | -2%   | <b>3,668</b>  |
| <i>Margin %</i>                        | 34.7%        | 35.5%          |  | 35.5%         |
| Depreciation and Amortisation          | 282          | 292            | -4%  | 1,154         |
| Finance costs                          | 357          | 863            | -59%  | 2,657         |
| Exceptional items <sup>1</sup>         | (11)         | (14)           |  | 41            |
| <b>(Loss)/Profit before income tax</b> | <b>205</b>   | <b>(297)</b>   |  | <b>(183)</b>  |
| Tax Expense                            | 66           | (70)           |  | (107)         |
| <b>(Loss)/Profit for the year</b>      | <b>139</b>   | <b>(227)</b>   |      | <b>(76)</b>   |
| Other comprehensive (expense)/income   | (2)          | (2)            |  | (8)           |
| <b>Total Comprehensive Income</b>      | <b>137</b>   | <b>(229)</b>   |  | <b>(84)</b>   |
| <b>EPS (Rs.)</b>                       | <b>*0.68</b> | <b>*(1.33)</b> |     | <b>(0.43)</b> |

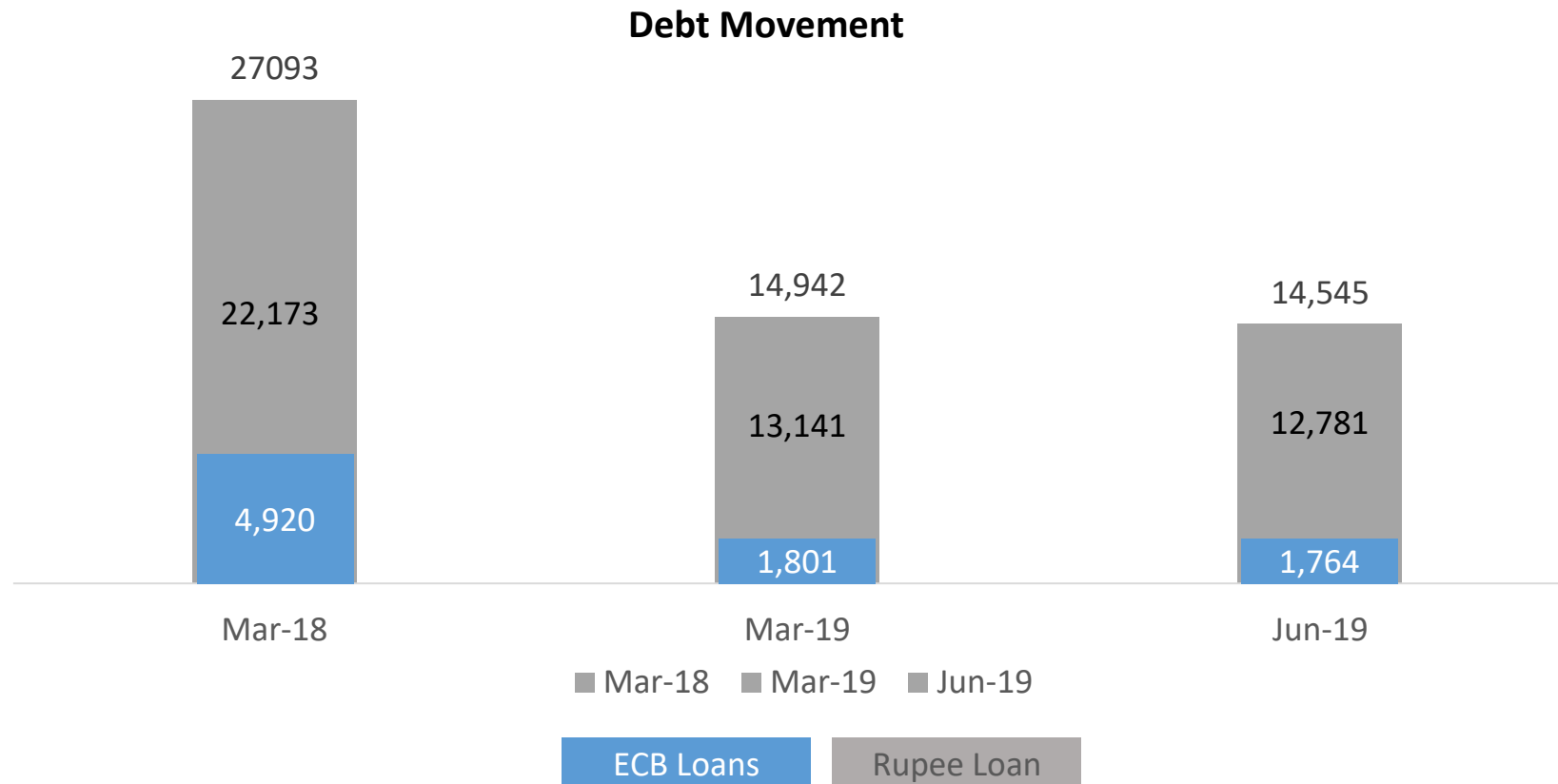
<sup>1</sup> Exceptional Item on account of accounting adjustments for Residential Property at Koramangala Bangalore

\*not annualized ^Includes Exchange loss of Rs 199 mn



# Debt Position as of June 2019

(In Rs. Mn)



| Consolidated        | March 31, 2018 | March 31, 2019 | June 30, 2019 |
|---------------------|----------------|----------------|---------------|
| Total Debt / Equity | 5.5            | 1.0            | 1.0           |
| Total Debt / EBITDA | 9.0            | 4.1            | -             |

Excluding Preference Share Capital

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# About Chalet..



# Well Positioned to Benefit from Industry Trends

## About the Company

**Located in High Density Business Districts**  
*Mumbai, Bengaluru, Hyderabad*



**INR 10,348 Mn**

*Total Income – FY2019*



**INR 3,668 Mn / 35.5%**

*EBITDA and EBITDA Margin – FY2019*

## Portfolio of High-End Branded Hotels



**2,331 Operational/  
~580 Proposed Pipeline**

*Keys as of 31<sup>st</sup> March 2019*



**INR 9,137 Mn**

*Hospitality Revenue – FY2019*



**INR 3,566 Mn / 39.0%**

*Hospitality Segment Profit before Interest Depreciation and Tax / Margin % – FY2019*

## Hotel-led Complementary Mixed-Use Real Estate – Countering Cyclical of Hotels



**~483K sq.ft.**

*Mixed-Use Commercial & Office*



**~384K sq.ft.**

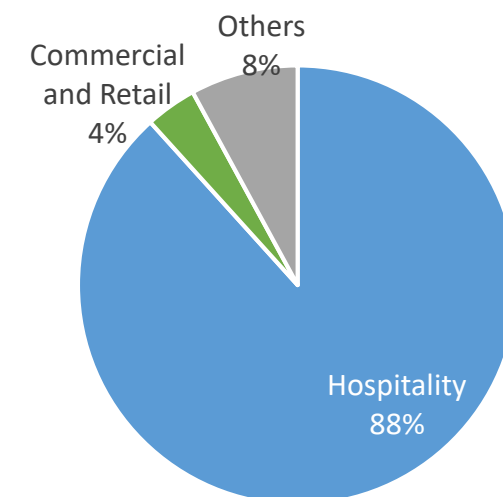
*Mixed-Use Retail Space*



**1.12 MM sq.ft.**

*Pipeline Mixed-Use Commercial Office*

Hospitality the leading business driver





# Our Hotel Portfolio



JW Marriott Mumbai Sahar  
(588 Keys)



Bengaluru Marriott Hotel Whitefield  
(391 Keys)



The Westin Hyderabad Mindspace (427 Keys)

JW MARRIOTT  
MUMBAI SAHAR

THE WESTIN  
HYDERABAD  
MINDSPACE

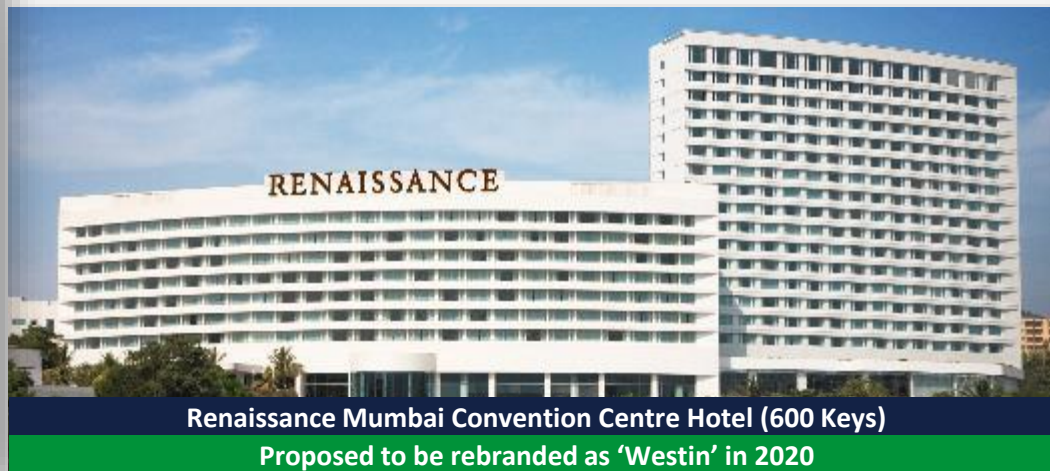
MARRIOTT  
BENGALURU  
WHITEFIELD

## Strategically Chosen Brands at Key Locations

### Leading to Market Leadership



Four Points by Sheraton Navi  
Mumbai, Vashi (152 Keys)



Renaissance Mumbai Convention Centre Hotel (600 Keys)  
Proposed to be rebranded as 'Westin' in 2020



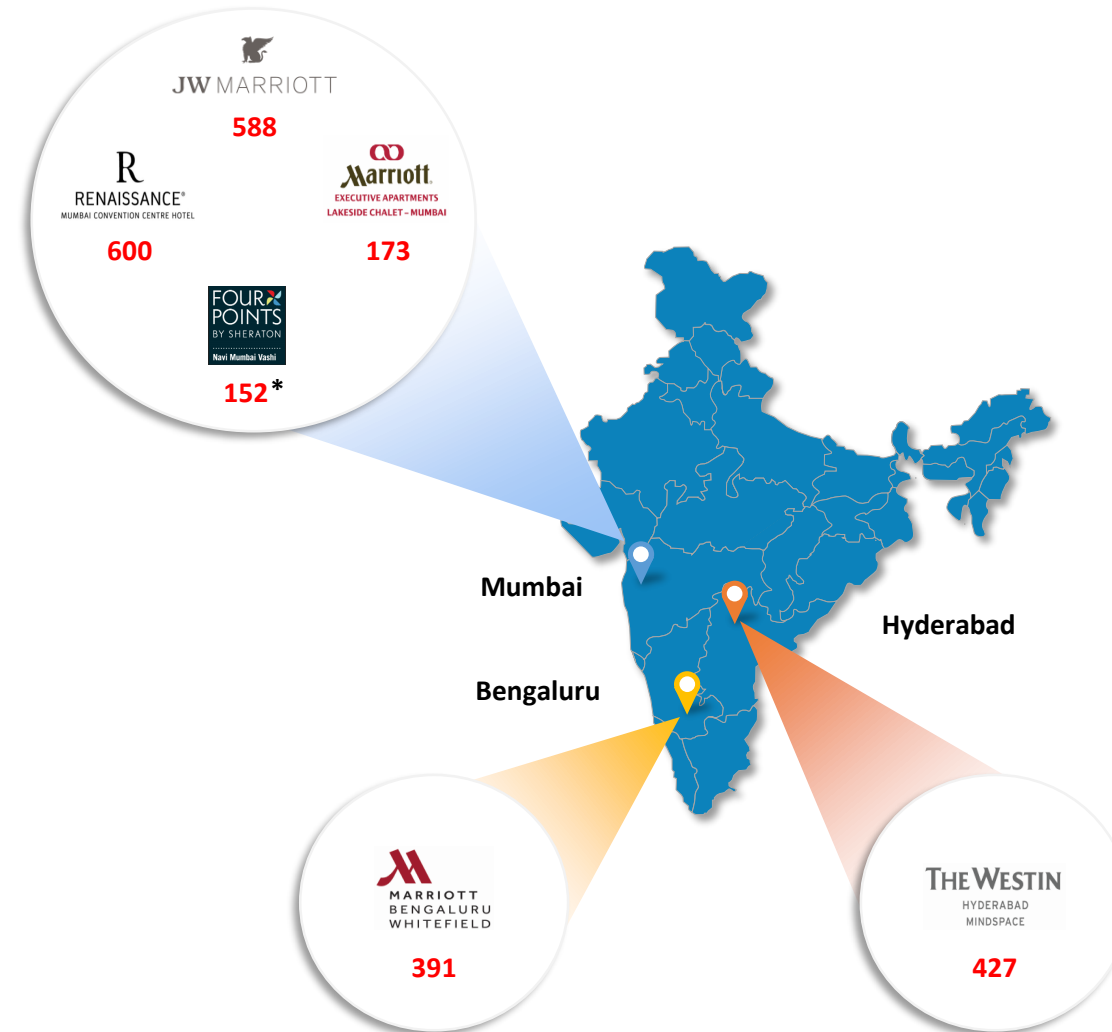
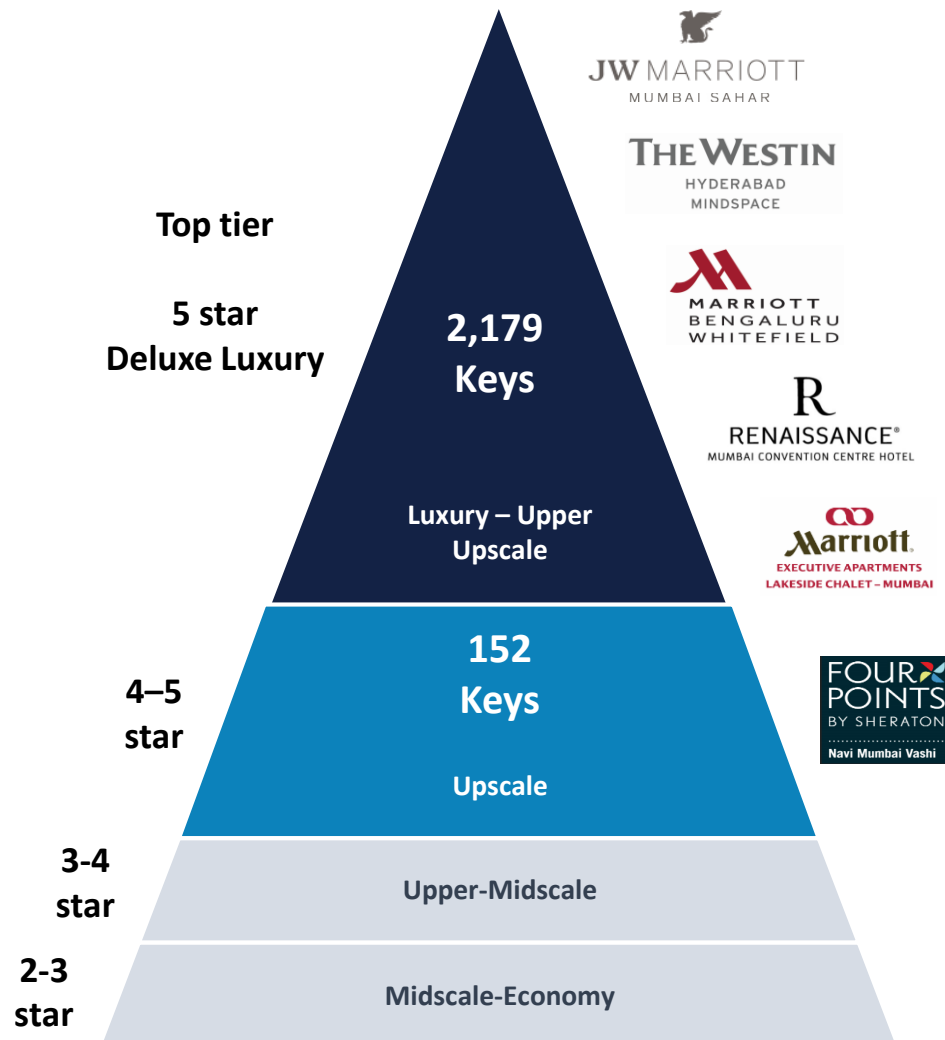
Lakeside Chalet, Mumbai-Marriott Executive  
Apartments (173 Keys)

RENAISSANCE®  
MUMBAI CONVENTION CENTRE HOTEL

MARRIOTT  
EXECUTIVE APARTMENTS  
LAKESIDE CHALET - MUMBAI

FOUR  
POINTS  
BY SHERATON  
Navi Mumbai Vashi

# Portfolio of High-End, Globally Recognized, Branded Hotels



\* Under Franchise Agreement, Leasehold Land

# Key Awards



## ***Loved By Guest Award Winner 2019 - Expedia***

– Four Points by Sheraton, Vashi



## ***Most Luxurious Spa Treatment***

– J W Marriott Mumbai Sahar



## ***Best Business Hotel in Maharashtra Business Leaders Award 2019***

– Four Points by Sheraton, Vashi



## ***Highest Intent to Recommend***

***APEC Region 1<sup>st</sup> Quarter 2019 Awards (Out of 79)***

– Bengaluru Marriott Hotel Whitefield



## ***Hotel Manager of the Year***

– J W Marriott Mumbai Sahar

## ***Executive Chef of the Year (West Zone)***

***PR Manager of the Year (West Zone)***

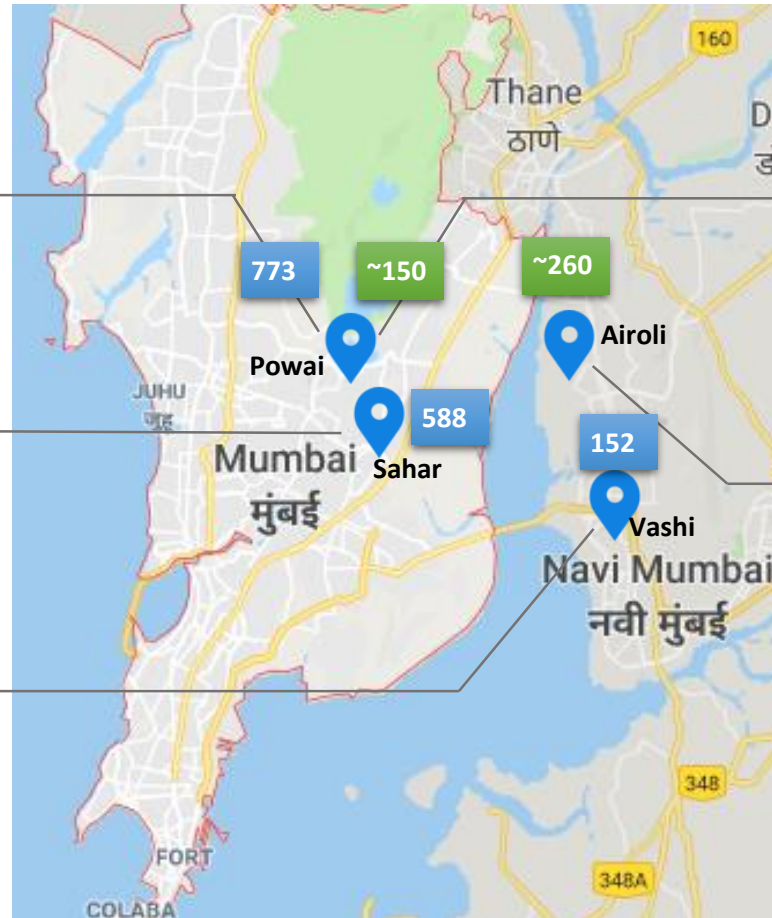
– Renaissance, Mumbai



# 65% of Current Inventory in the Financial Capital of India

## Located in Central Business District and New Business Centers of Mumbai Metropolitan Region

Current Inventory  
(1,513 Keys)



Proposed Pipe-line  
Inventory (~410 keys)



### Favorable Demand/Supply Dynamics

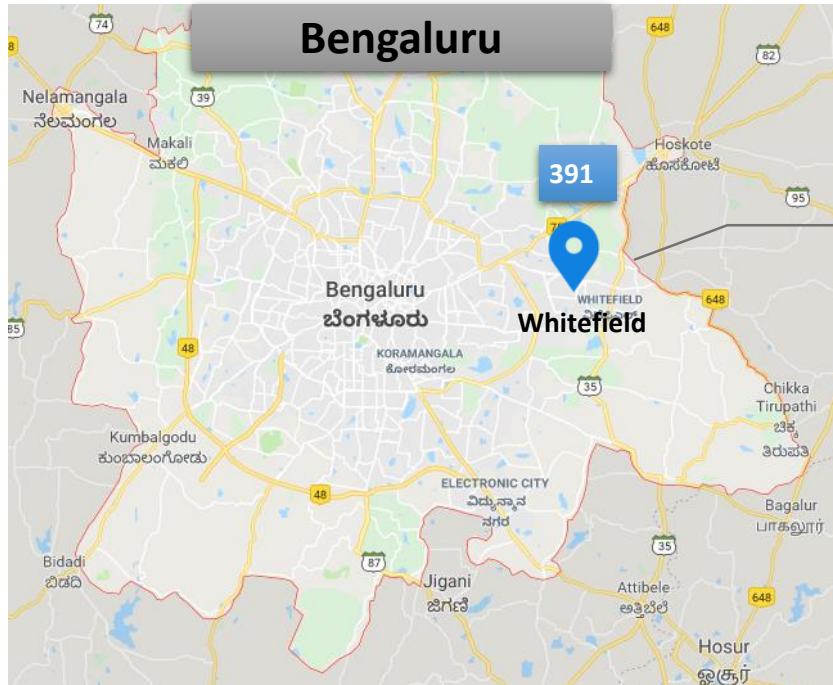
+

### Infrastructure Opportunities augurs well for the City

- Metro Line
- Flyover widening on Eastern Expressway
- Mumbai Trans Harbor Project
- Coastal Road
- New Business District in Navi Mumbai

1. Non-binding MoU, matters under discussion  
2. Non-binding term sheet, matters under discussion

## Located in New Business Centers



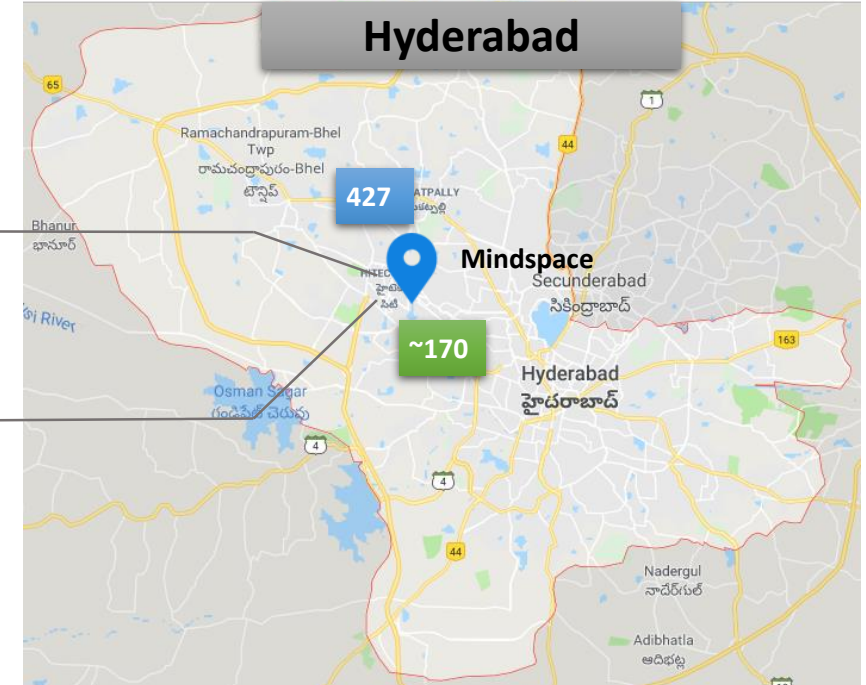
### Current Inventory



THE WESTIN  
HYDERABAD  
MINDSPACE

### Proposed Pipe-line Inventory

THE WESTIN <sup>1</sup>



## Ongoing Infrastructure Developments in the Micro Markets

### Bengaluru

- Metro Line

### Hyderabad

- Metro Line
- Improved road infrastructure

1. Non-binding MoU, matters under discussion

- ✓ Actively engage with hotel management team at each hotel to set operational and financial targets
- ✓ Drive performance through structured monthly review of reports generated by each hotel
- ✓ Review and execute renovation plans
- ✓ Discuss and optimize pricing strategies to maximize room yield
- ✓ Conduct periodic meetings with hotel operator's leadership teams
- ✓ Review competitor set performance and penetration

## Market Leading Operating Parameters

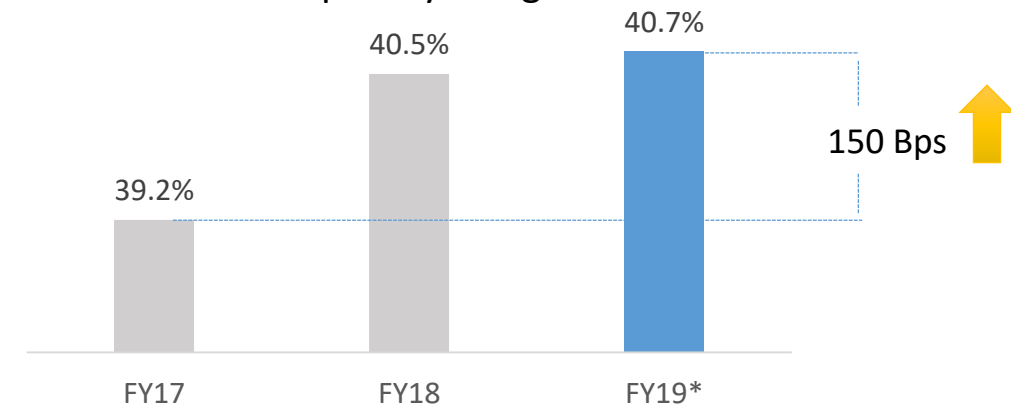
14%

Employee Cost as a % of Revenue (FY19)  
Staff per room ratio at 1.2

7%

Power & Fuel Cost as a % of Revenue (FY19)

## Consistent improvement in Operating Performance Hospitality Margins%\*\*



\* Excludes impact of Forex Movement

\*\* Segment Profit before Interest Depreciation and Tax



Strategy of **co-locating projects** augur well for **Business Demand**  
coupled with optimal utilization of **available land**

## Office and Retail (0.9 Mn sqft)



**Office Tower**  
**Whitefield, Bengaluru**

109K sq ft



**Inorbit Mall**  
**Whitefield, Bengaluru**

260K sq ft of Retail area

+  
Multiplex under construction

**Office Tower**  
**Sahar, Mumbai**

374K sq ft in Prime Location



**The Orb**  
**Sahar, Mumbai**

123K sq ft Food & Beverage  
Hub in Prime Location



# Proposed Development Pipeline in Key Business Districts

|                                   | Hotel and Convention Center             | Hotel                      | Commercial                 |
|-----------------------------------|---|----------------------------|----------------------------|
| <b>Location</b>                   | Renaissance Complex, Powai              | Airoli, Navi Mumbai        | Renaissance Complex, Powai |
| <b>Proposed Brand</b>             | 'W' <sup>3</sup>                        | Hyatt Regency <sup>4</sup> | -                          |
| <b>Est. opening</b>               | 2021 <sup>1</sup>                       | 2021 <sup>1</sup>          | 2021 <sup>1</sup>          |
| <b>Keys / Total Build Up Area</b> | ~150 Keys & ~40k Sqft Convention Center | ~260                       | ~700k Sqft                 |
| <b>Ownership</b>                  | Freehold                                | Leasehold <sup>2</sup>     | Freehold                   |

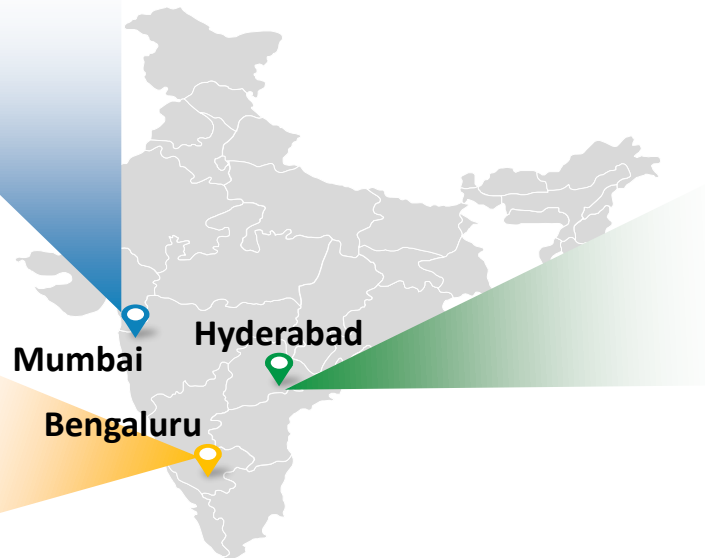
## Commercial

**Location:** Marriott Complex, Whitefield

**Est. opening:** 2021<sup>1</sup>

**Total Build Up Area:** ~400k Sqft.

**Ownership:** Freehold



## Hotel

**Location:** Mindspace, Hyderabad

**Proposed Brand:** Westin<sup>3</sup>

**Est. opening:** 2020<sup>1</sup>

**Keys:** ~170

**Ownership:** Leasehold<sup>5</sup>

### Note

- Dates are based on management estimates, subject to approvals
- MoU for lease executed

- MoU executed for the brand
- LoI executed for the brand
- Letter of intent entered for lease deed

This release has been prepared by Chalet Hotels Ltd (CHL) and the information on which it has been based has been derived from sources that we believe to be reliable. Whilst all reasonable care has been taken to ensure the facts stated are accurate and the opinions given are fair and reasonable, neither CHL, nor any director or employee of CHL shall in any way be responsible for the contents.

Certain statements in this release concerning our future growth prospects are forward-looking statements within the meaning of applicable securities laws and regulations , and which involve a number of risks and uncertainties, beyond the control of the Company, that could cause actual results to differ materially from those in such forward-looking statements.

The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition including those factors which may affect our cost advantage, wage increases, our ability to attract and retain highly skilled professionals, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry.

Chalet Hotels Limited may, from time to time, make additional written and oral forward looking statements, including our reports to shareholders. The Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company. The Company also expects the media to have access to all or parts of this release and the management's commentaries and opinions thereon, based on which the media may wish to comment and/or report on the same. Such comments and/or reporting maybe made only after taking due clearance and approval from the Company's authorized personnel. The Company does not take any responsibility for any interpretations/ views/commentaries/reports which may be published or expressed by any media agency, without the prior authorization of the Company's authorized personnel.

This release does not constitute a sale offer, or any invitation to subscribe for, or purchase of equity shares.

# Thankyou

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[investorrelations@chalethotels.com](mailto:investorrelations@chalethotels.com)

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