

November 4, 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

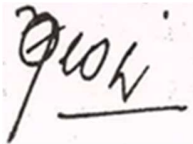
Kind Attn: **Mr. S. Subramanian**
DCS- CRD

Dear Sirs,

Further to our letter of date, intimating the Financial Results of the Company for the quarter/half year ended September 30, 2020, enclosed is a copy of the investors / analyst presentation on the performance of the Company for the said period for your records.

Kindly acknowledge receipt.

Yours sincerely,



BEEJAL DESAI
Senior Vice President – Corporate Affairs and Company Secretary (Group)

Encl : a/a

IHCL

Global Conference Call

Q2 FY 2020/21 Results | 4th November, 2020



SELEQTIONS

VIVANTA

GINGER

EXPRESSIONS



Taj Mahal Hotel, New Delhi: Now open, Machan re-imagined



MACHAN

COVID-19: Worst recession since the Great Depression



-4.4%

Contraction in
growth of global
economy

(Upward revision of
0.8% since June)



\$5.5 tn

Loss to travel &
hospitality
sector's GDP

(Estimated by the end of
2020)



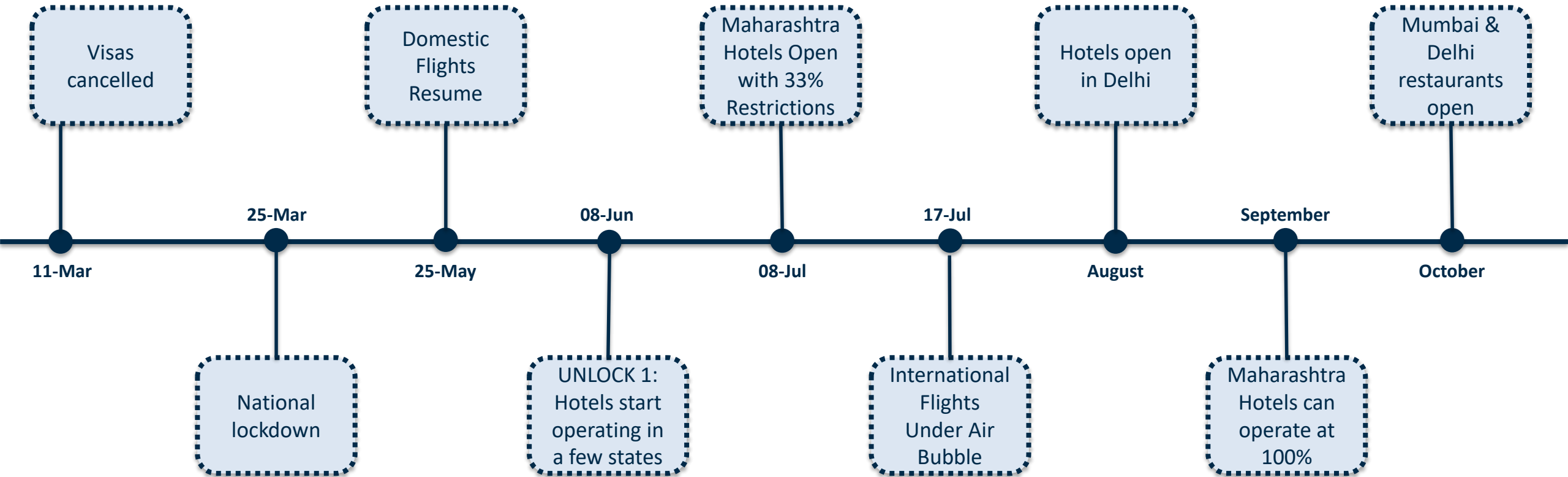
197 mn

Loss of jobs in
travel & hospitality
sector

(121 mn jobs impacted as
of September 2020)

Source: International Monetary Fund (IMF) | World Travel & Tourism Council (WTTC)

COVID-19: India was locked down for months



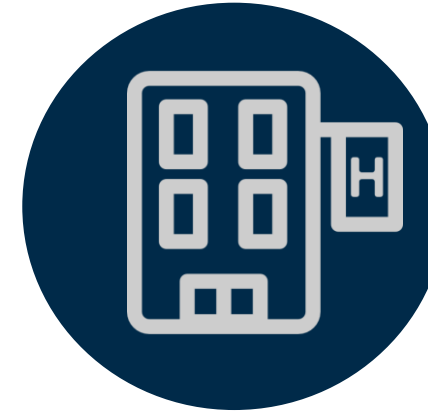
Unprecedented downturn for the Indian hospitality sector



Branded

Revenue Loss

↓ ₹ 31,217 Cr



Unbranded

↓ ₹ 1,11,738 Cr

- Hotel occupancies fell from **~75%** in April 2019 to **7%** in April 2020
- **55 - 60%** drop in Average Daily Rates expected in calendar year 2020
- Estimated loss in Hotel revenues from Jan-Dec '20: **₹ 1,42,955 Cr**

Clear shift in travel patterns and guest behaviours



Consumers gravitating towards **trusted brands** as **safety is the highest priority**



Increase in **domestic and regional travel**



Shorter **booking windows** and willingness to pay premium for **flexibility**



Shift in **purpose of travel** – Business to **bleisure/leisure**



Change in **type of travel** – **Staycations, drivecation, multi-generation, remote**



Surge in **new products: Vacation rentals, home delivery, car rentals, homestays**

R.E.S.E.T 2020: A 5-prong strategy



R.E.S.E.T 2020: Revenue Initiatives

IHCL's F&B innovations are yielding results



Qmin

34,000+ orders till date

₹ 10 cr enterprise revenues in H1



1st Qmin Shop

launched at **President** –

IHCL SeleQtions



Qmin Food Truck

To launch in **3** cities in

December



Hospitality@Home 2.0

₹ 14 cr enterprise revenues

in H1 2020/21

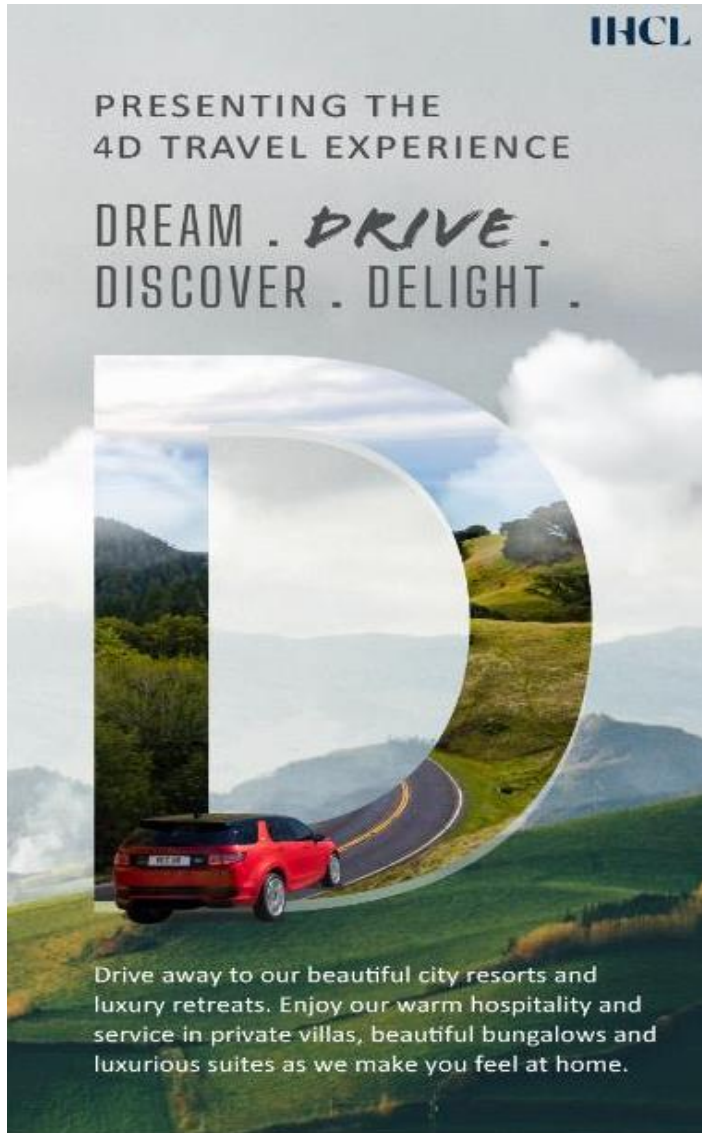


7Rivers Brewpub

₹ 60L+ in revenue since launch

on 25th Sept. at **Taj MG Road**

4D – Unlocking the potential of domestic business



4D – Dream, Drive, Discover, Delight

Contributed over ₹ 27 cr to H1 enterprise revenues

Growth continues with 8 new hotels signed in H1



Locations	# Hotels	# Rooms
Puri, Odisha Shiroda, Maharashtra	2	240
Tadoba, Maharashtra	1	35
Lucknow, Uttar Pradesh	1	200
Guwahati, Assam Zirakpur, Chandigarh TCS – BKC, Mumbai* Tata Steel – Jamshedpur*	4	265
Total	8	740

*Ginger Guest Houses

A Few Upcoming Openings

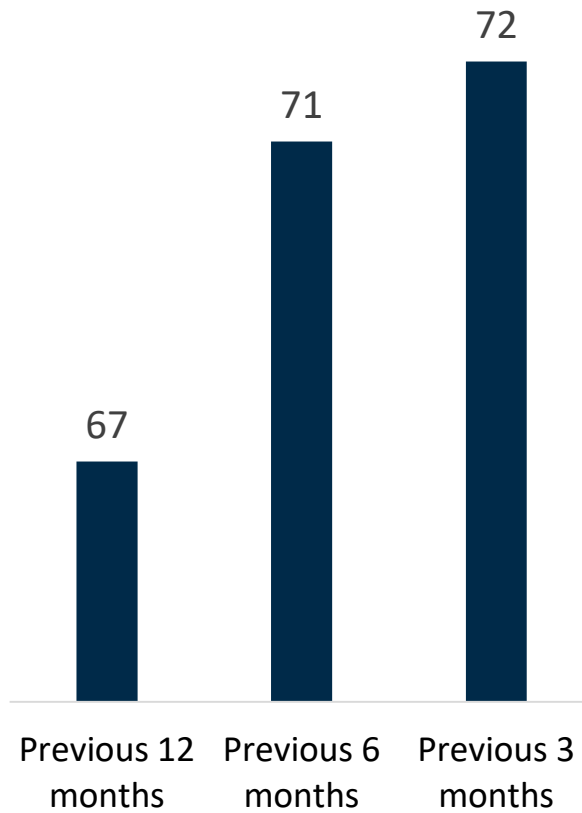
Taj Chia Kutir, Darjeeling



R.E.S.E.T 2020: Excellence Initiatives

No Compromise On Tajness: NPS scores on the rise

Net Promoter Score



Winning hearts and accolades

Global Condé Nast Traveler Readers' Choice Awards 2020

The Pierre, New York



Taj Exotica Resort & Spa, Maldives



Taj Coral Reef Resort & Spa, Maldives



The Taj Mahal Palace, Mumbai

Taj Lake Palace, Udaipur

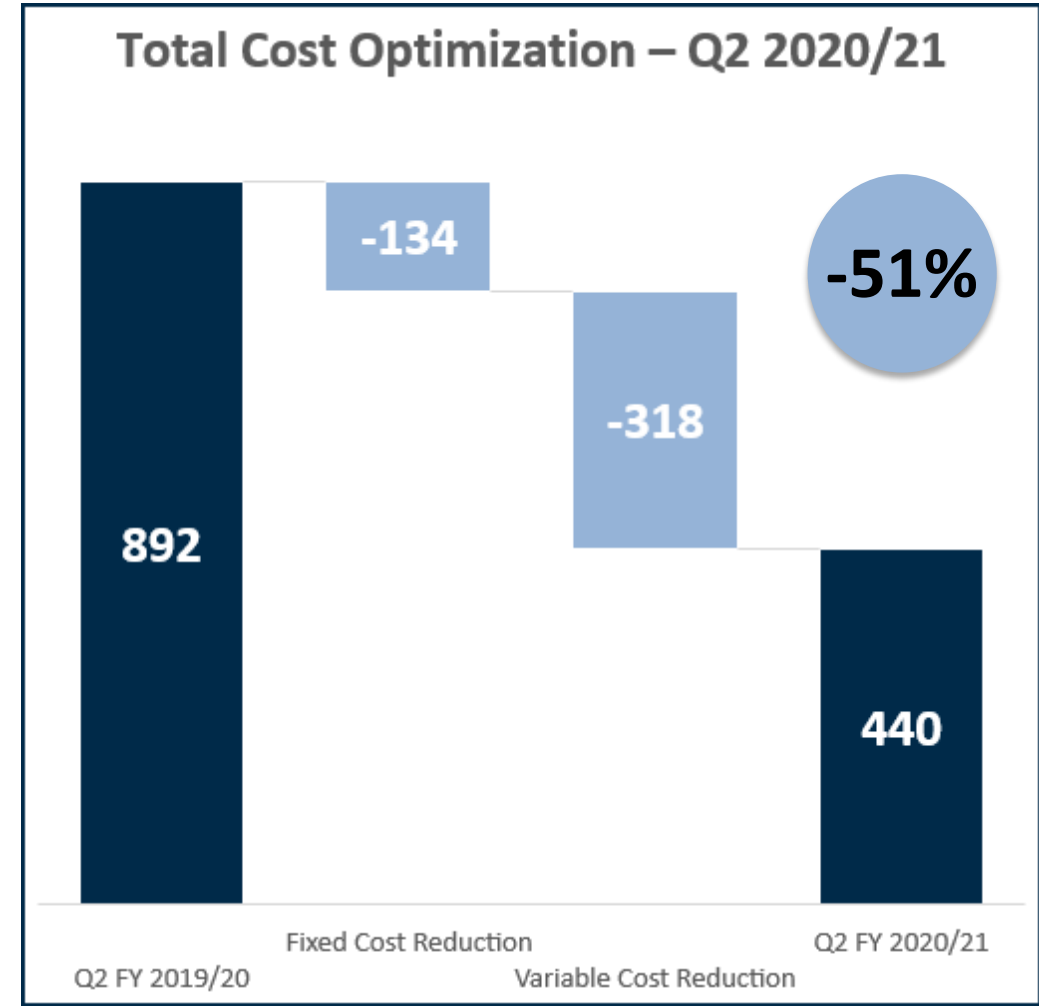
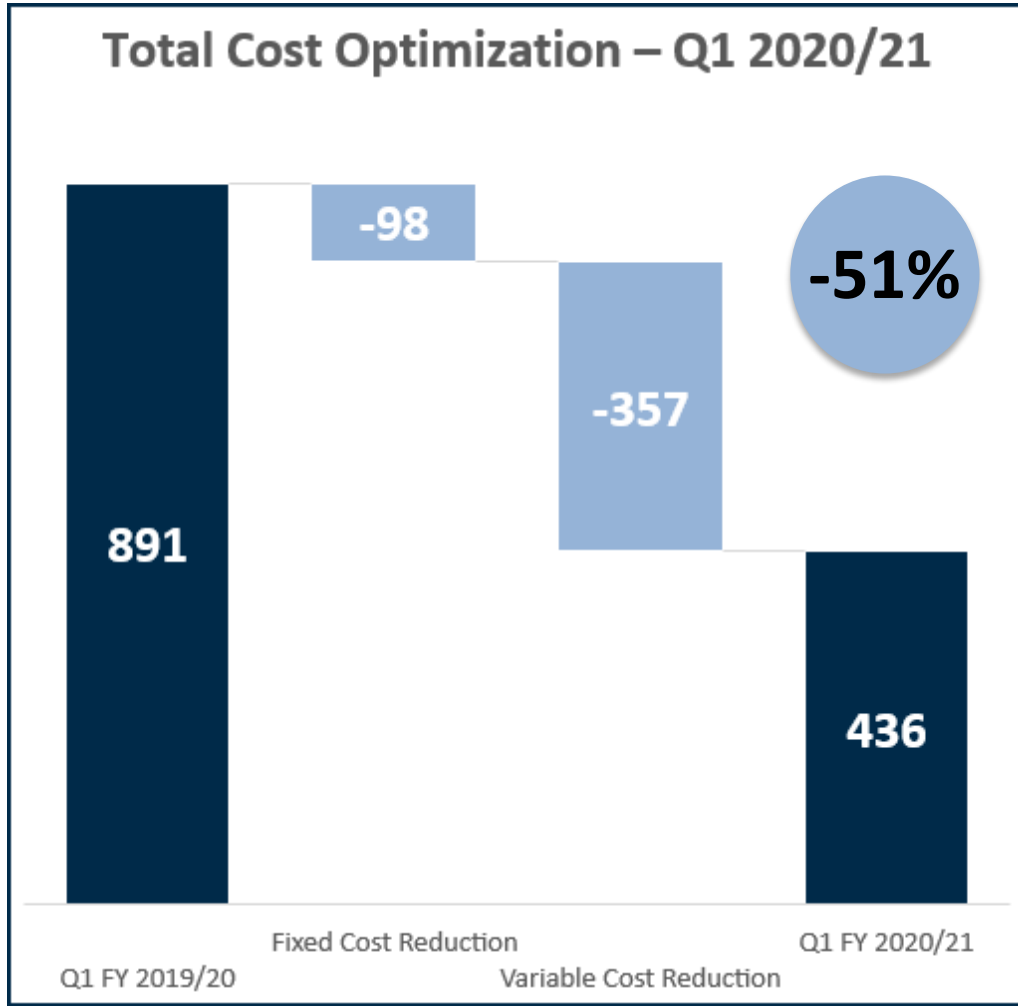


Taj Exotica Resort & Spa, Goa



R.E.S.E.T 2020: Spend Optimization Initiatives

Continued cost optimization in Q2

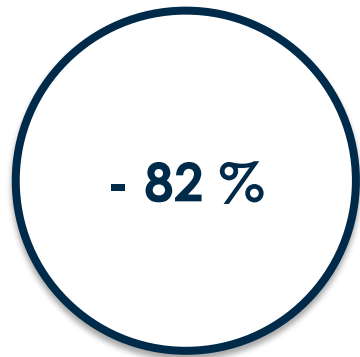


*All Numbers Include Fixed Lease Costs

H1: Cost optimization by expense head



Reduction in Total Expenditure



Raw Material Costs



Admin Costs



HLP Costs



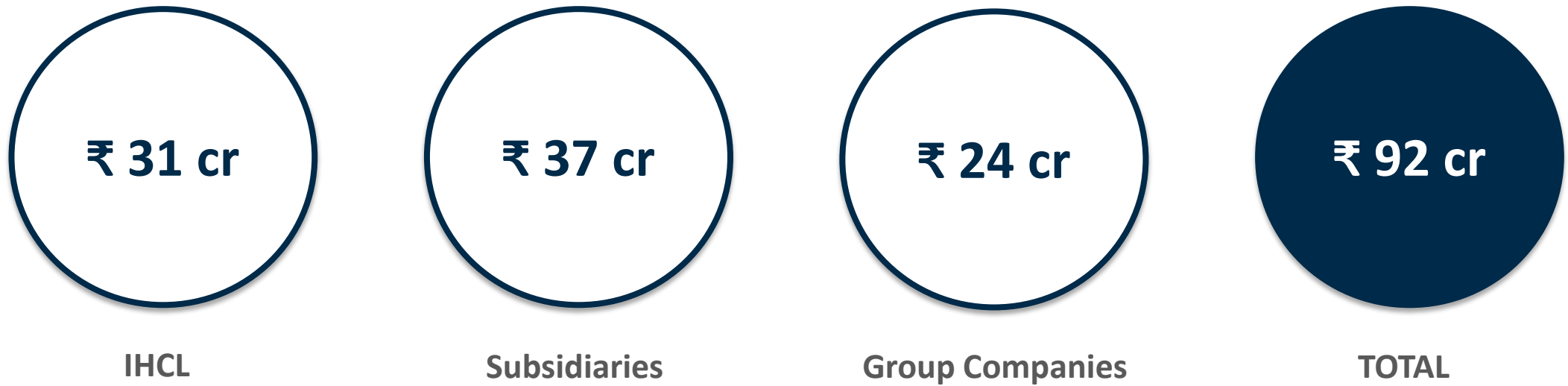
Fixed Lease Costs



Manpower Costs

R.E.S.E.T 2020: Effective Asset Management

Secured significant lease rental waivers



Benefit Received in H1 2020/21 for IHCL & Subsidiaries - ₹ 42 crores

R.E.S.E.T 2020: Thrift & Financial Prudence

Corporate overheads continue to decline

- Prudence in All Corporate Expenditure
- Redeployments & Re-structuring

H1

↓ 28 %

Savings of ₹ 43 Crores

IHCL has taken multiple steps to enhance liquidity

- **Securing Debt Lines:**
 - Draw down in IHCL: ₹ 750 crore of long-term debt from Apr. – Sept. 2020
 - Additional Lines secured for any further requirement
- **Exploring Monetization Opportunities**
- **Deferment of Non-Essential Capex & Renovations**

R.E.S.E.T 2020: Revenue / Cost Impact – H1 2020/21



₹ 135 crores



₹ 149 crores



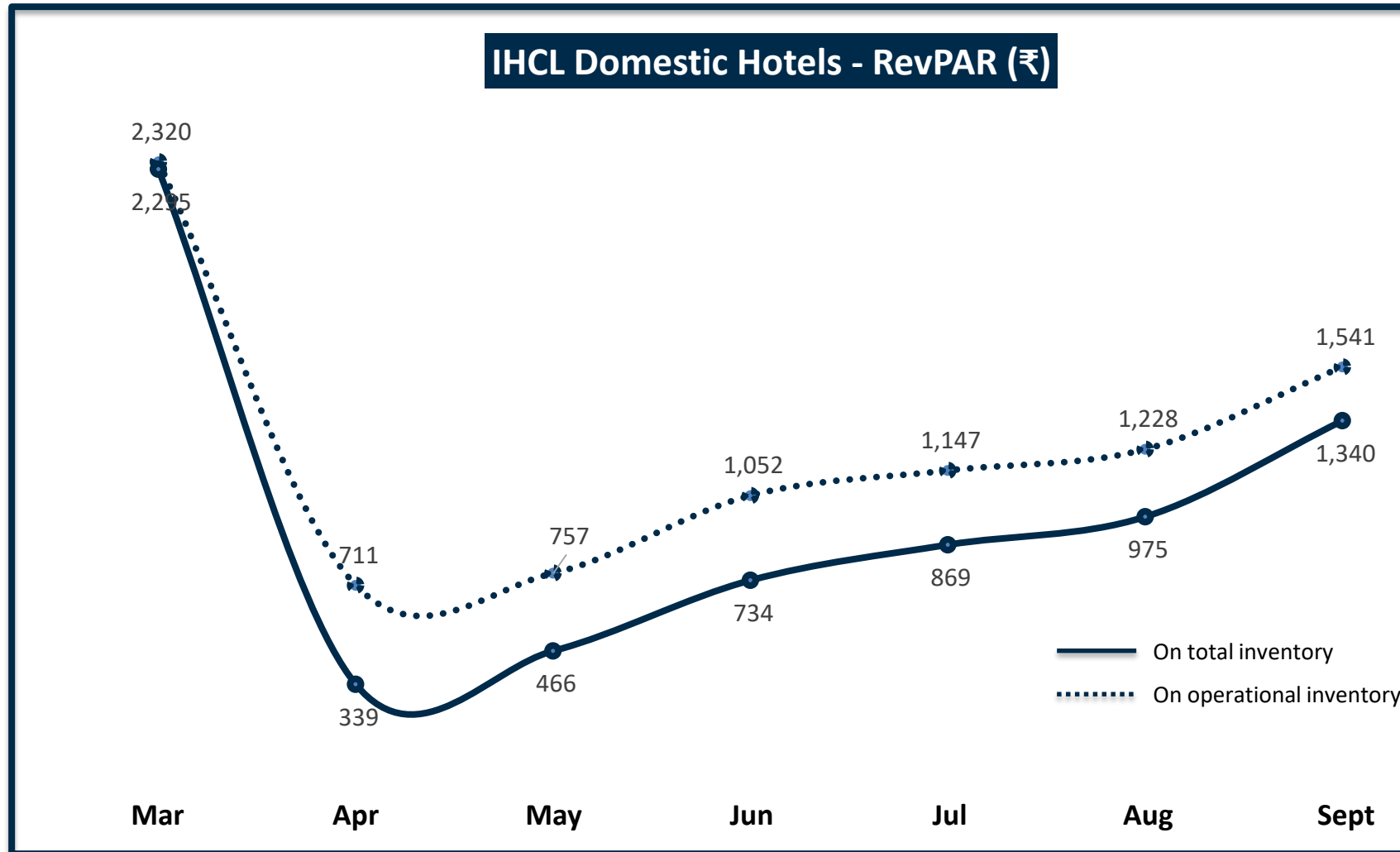
₹ 46 crores



₹ 43 crores

Performance Highlights

Early signs of RevPAR recovery



**4X Growth from
Apr. to Sept. 2020**

Source: STR Global, IHCL Analytics

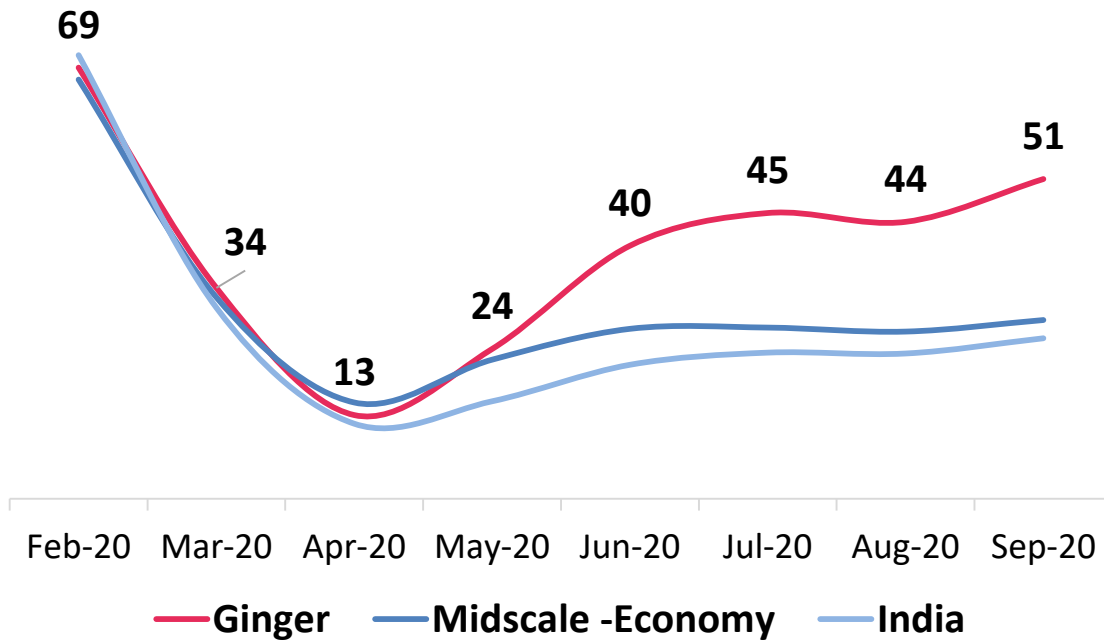
IHCL outperformed the industry in RevPAR premium and recovery

RevPAR in ₹	Q1 2020/21	Q2 2020/21	Q2 vs Q1
IHCL	513	1,061	2.1 X
Industry	465	796	1.7 X
IHCL's RevPAR Premium	1.1 X	1.3 X	

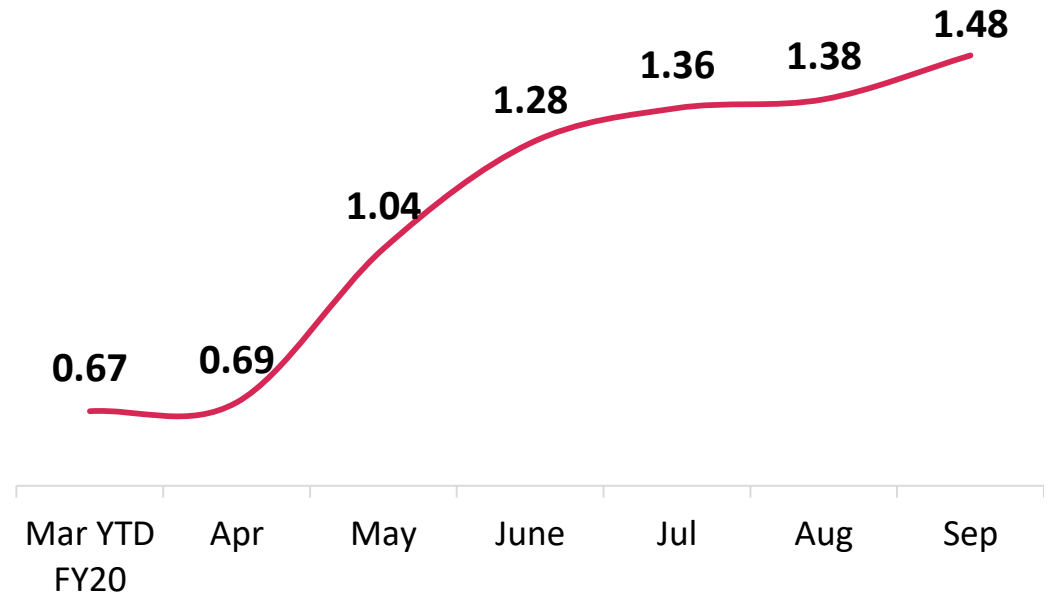
Source: STR Global, IHCL Analytics

Ginger hotels delivers significant outperformance

Occupancy (%)



RevPAR Index



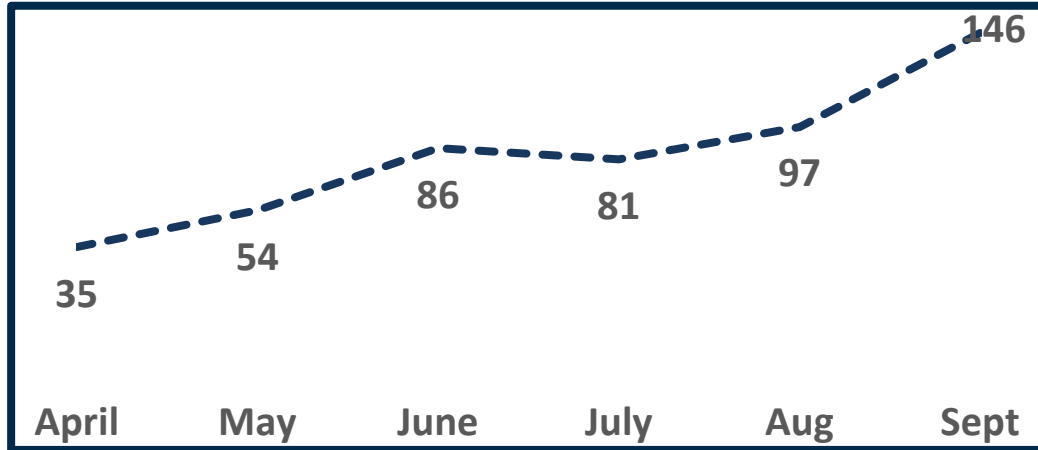
Total Revenue in H1 2020/21 – 53% of Last Year

Source: STR Global

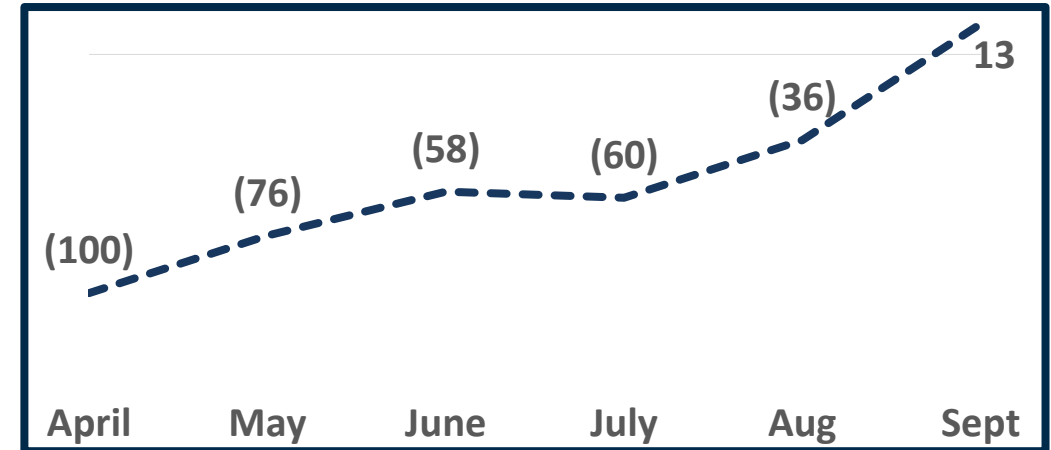
Encouraging performance trend: EBITDA +ve in September

₹ /crores

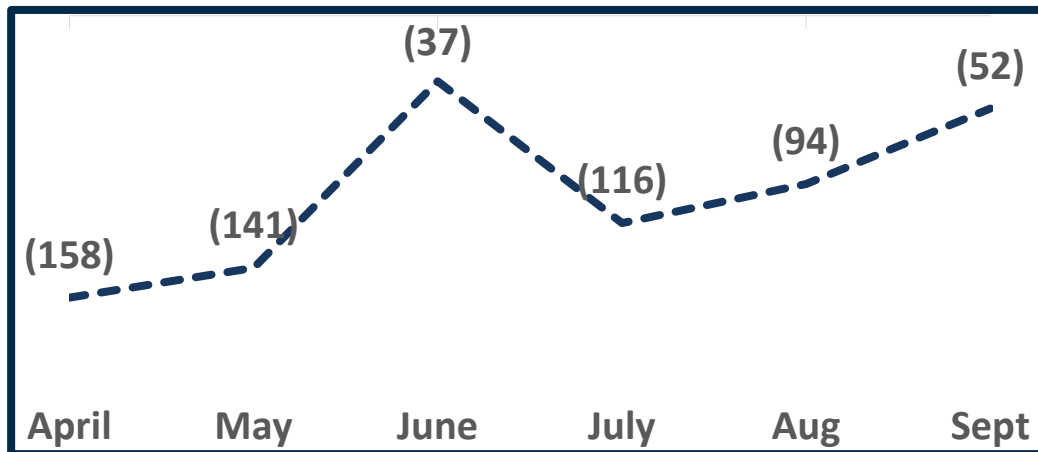
Revenue



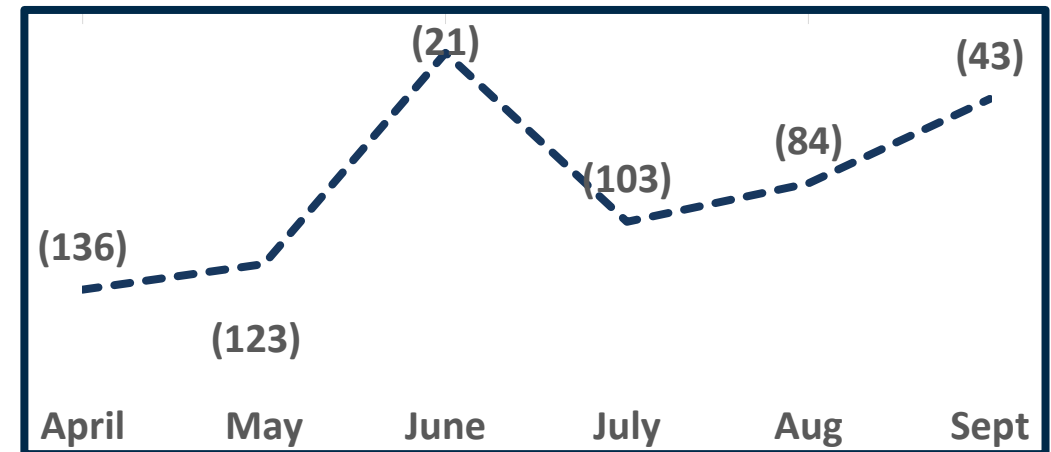
EBITDA



PBT



PAT



Q2 FY 2020/21 Performance (Consolidated)

₹ /crores

Particulars	Q1	Q2	Variance
Total Revenue	175	324	149
EBITDA	(234)	(83)	151
PBT	(336)	(263)	73
Profit After Tax	(280)	(230)	50

* (After Share of Profit of Associates and JV's)

IHCL CONSOLIDATED FINANCIAL PERFORMANCE (Q2 and H1 2020/21)

GIRIDHAR SANJEEVI,
EVP & CHIEF FINANCIAL OFFICER

IHCL Consolidated - Reported P&L

₹ /crores

Particulars	Q2			H1		
	2020/21	2019/20	Var %	2020/21	2019/20	Var %
Revenue from Operations	257	1,007	-75%	400	2,027	-80%
Non Operating Revenue	67	21	217%	99	58	69%
Total Revenue	324	1,029	-69%	499	2,086	-76%
Raw Material Cost	22	85	-74%	31	170	-82%
Employee Benefits	204	365	-44%	444	736	-40%
Fuel, Power and Light	41	71	-42%	72	143	-50%
Admin Expenses	67	159	-58%	123	315	-61%
Other Expenditure	72	167	-57%	146	329	-56%
Total Expenditure	407	847	-52%	817	1,694	-52%
EBITDA	(83)	182	-	(318)	392	-
Depreciation and Amortization Expense	103	100	3%	203	200	1%
Finance Costs	97	87	11%	185	172	8%
Profit Before exceptional Items & Tax	(283)	(5)	-	(705)	20	-
Exceptional items Gain/(Loss)	20	(0)	+	107	2	+
Profit/ (Loss) before tax	(263)	(5)	-	(599)	22	-
Profit/ (Loss) After Tax	(220)	80	-	(487)	90	-
Add: Share of Profit/(Loss) in Assoc. & JV's	(32)	(11)	-	(78)	(16)	-
Less : Profit / (Loss) due to Non Contr. interest)	22	2	+	55	3	+
Profit / (Loss) after Non contr. Int., share of assoc. & JV	(230)	71	-	(510)	77	-

Q2, H1 2020/21 – IHCL Consolidated

Exceptional Items

₹ /crores

Particulars	Q2			H1		
	2020/21 Actual	2019/20 Actual	Var.	2020/21 Actual	2019/20 Actual	Var.
Change in fair value of derivative contracts	13	(2)	15	17	-	17
Exchange gain/loss - IHMS SA	8	-	8	8	-	8
Profit on acquisition of Taj Capetown, South Africa	-	-	-	82	-	82
Profit on sale of TMFK Investment	-	2	(2)	-	2	(2)
Total	20	(0)	21	107	2	105

Non Operating Revenue includes:

Gain on Sale of Flats	3	8	(5)	6	33	(27)
Lease Rent Concessions	22	-	22	39	-	39
Gain on fair valuation of financial liability created for acquisition of ELEL shares	23	-	23	23	-	23

IHCL Standalone - Reported P&L

₹ /crores

Particulars	Q2			H1		
	2020/21	2019/20	Var %	2020/21	2019/20	Var %
Revenue from Operations	165	599	-72%	260	1,170	-78%
Non Operating Revenue	50	27	86%	72	63	14%
Total Revenue	215	625	-66%	332	1,233	-73%
Raw Material Cost	15	54	-73%	21	105	-80%
Employee Benefits	125	179	-30%	279	351	-21%
Fuel, Power and Light	25	47	-46%	44	94	-53%
Admin Expenses	39	93	-58%	74	184	-60%
Other Expenditure	49	105	-54%	93	206	-55%
Total Expenditure	253	478	-47%	510	940	-46%
EBITDA	(38)	148	-	(178)	293	-
Depreciation and Amortization Expense	50	51	-1%	101	102	-1%
Finance Costs	69	60	14%	132	119	11%
Profit Before exceptional Items & Tax	(157)	37	-	(410)	73	-
Exceptional items Gain/(Loss)	(16)	(8)	-	(54)	(5)	-
Profit/ (Loss) before tax	(173)	29	-	(464)	68	-
Profit/ (Loss) After Tax	(142)	119	-	(380)	141	-

Q2, H1 2020/21 – IHCL Standalone

Exceptional Items

₹ /crores

Particulars	Q2			H1		
	2020/21 Actual	2019/20 Actual	Var.	2020/21 Actual	2019/20 Actual	Var.
Change in fair value of derivative contracts	13	(2)	15	17	-	17
Provision for Pierre cash loss funding	(29)	(27)	(2)	(70)	(26)	(44)
Profit on sale of TMFK shares	-	21	(21)	-	21	(21)
Total	(16)	(8)	(8)	(54)	(5)	(49)

Non Operating Revenue includes:

Gain on Sale of Flats	3	8	(5)	6	33	(27)
Lease Rent Concessions	11		11	23		23
Gain on fair valuation of financial liability created for acquisition of ELEL shares	23		23	23		23

Q2 2020/21 – IHCL Standalone Revenue Metrics

Particulars	July	Aug	Sep	Q2	Q1
Occupancy %	31.5	30.9	34.5	32.3	20.5
ARR in ₹	4,568	5,087	6,544	5,424	4,848
RevPAR in ₹	1,439	1,572	2,258	1,751	992
(₹/ crores)					
Room Revenue	20	22	30	71	40
F & B Revenue	11	17	20	48	20
Other Revenue	23	25	47	96	57
Total Revenue	54	64	97	215	117

Q2 2020/21 – Domestic Network Revenue Metrics

Particulars	July	Aug	Sep	Q2	Q1
Occupancy %	26.0	26.8	32.4	28.4	15.3
ARR in ₹	3,344	3,645	4,140	3,741	3,357
RevPAR in ₹	869	975	1,340	1,061	513
(₹/ crores)					
Room Revenue	41	48	64	154	75
F & B Revenue	25	37	43	106	39
Other Revenue	16	19	19	52	46
Total Revenue*	82	104	126	312	160

*Total Revenue is the summation of all Domestic Hotels across IHCL network

Debt Position

₹ /crores

Particulars	Standalone		Consolidated	
	Sep 30, 2020	March 31, 2020	Sep 30, 2020	March 31, 2020
Gross Debt	2,499	1,943	3,462	2,602
Liquidity	(389)	(540)	(520)	(687)
Net Debt	2,110	1,403	2,942	1,915
Weighted cost of Debt (%)	7.8	8.1	6.7	7.0
Net Debt to Equity	0.50	0.31	0.68	0.37
Net Debt to EBITDA (12 months trailing)	4.97	1.57	7.54	1.74

*Taj Cape Town Debt Consolidated from 1st July 2020

Looking Forward – Emerging Trends Relevant for IHCL

EXTERNAL & MACRO FACTORS

1. COVID-19 cases going down: 30% drop in new infections in October vs September 2020
2. Domestic air traffic going up – 40% improvement in September vs August 2020
3. Surge in domestic tourism and witnessing revenge travel
4. Leisure travel rebounding faster than corporate travel
5. Trusted brands stand to gain more as consumers shift their preferences

WITHIN IHCL'S CIRCLE OF CONTROL & INFLUENCE

1. Visible increase in revenues month-on-month
2. Maintaining strict cost control and spend optimization
3. Outperformed the competition in key leisure markets like Goa and other key metros
4. Ginger hotels exhibit strong performance - exceeded and sustaining 50%+ occupancy levels
5. IHCL to open 10 hotels this year – all asset light except for The Connaught

Q & A

Disclaimer

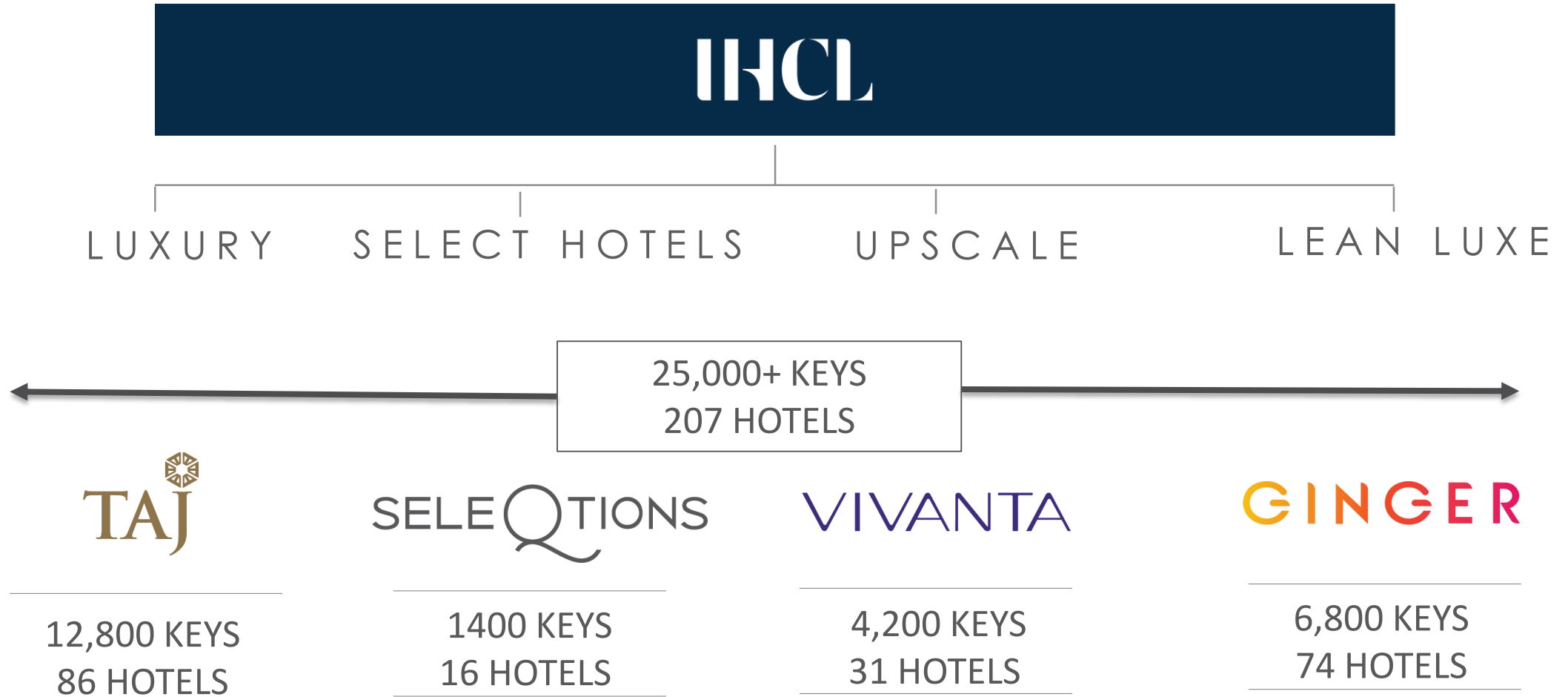
These presentations may contain forward-looking statements within the meaning of applicable securities laws. Similarly, statements that describe our business strategy, outlook, objectives, plans, intentions or goals also are forward-looking statements.

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.ihcltata.com for previous investor communications.

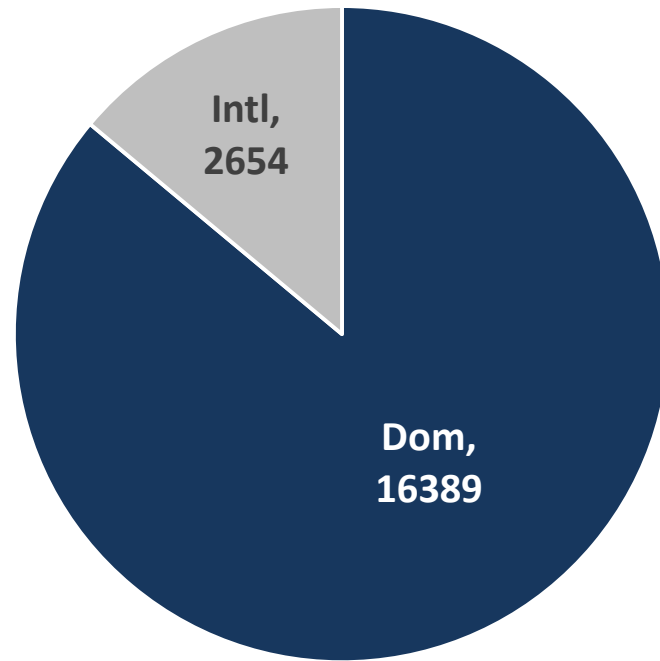
Brandscape



*Portfolio figures include hotels under various stages of development

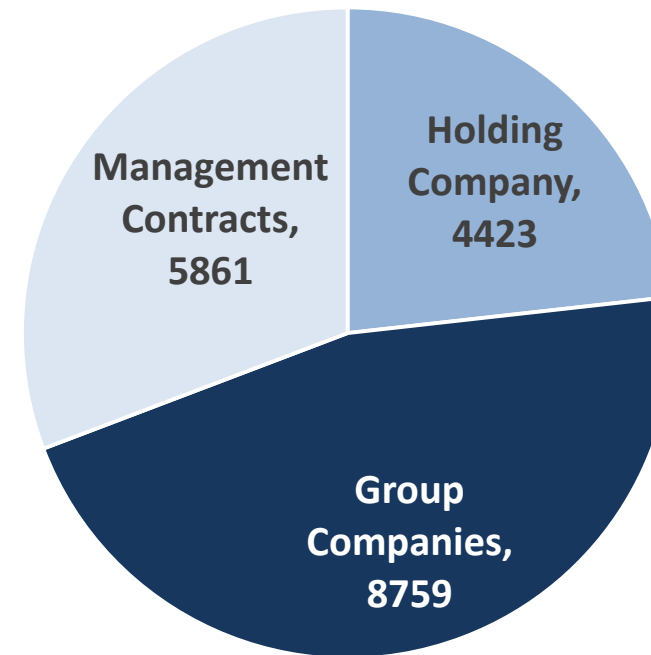
Operating Portfolio

Inventory by Geography



■ Dom ■ Intl

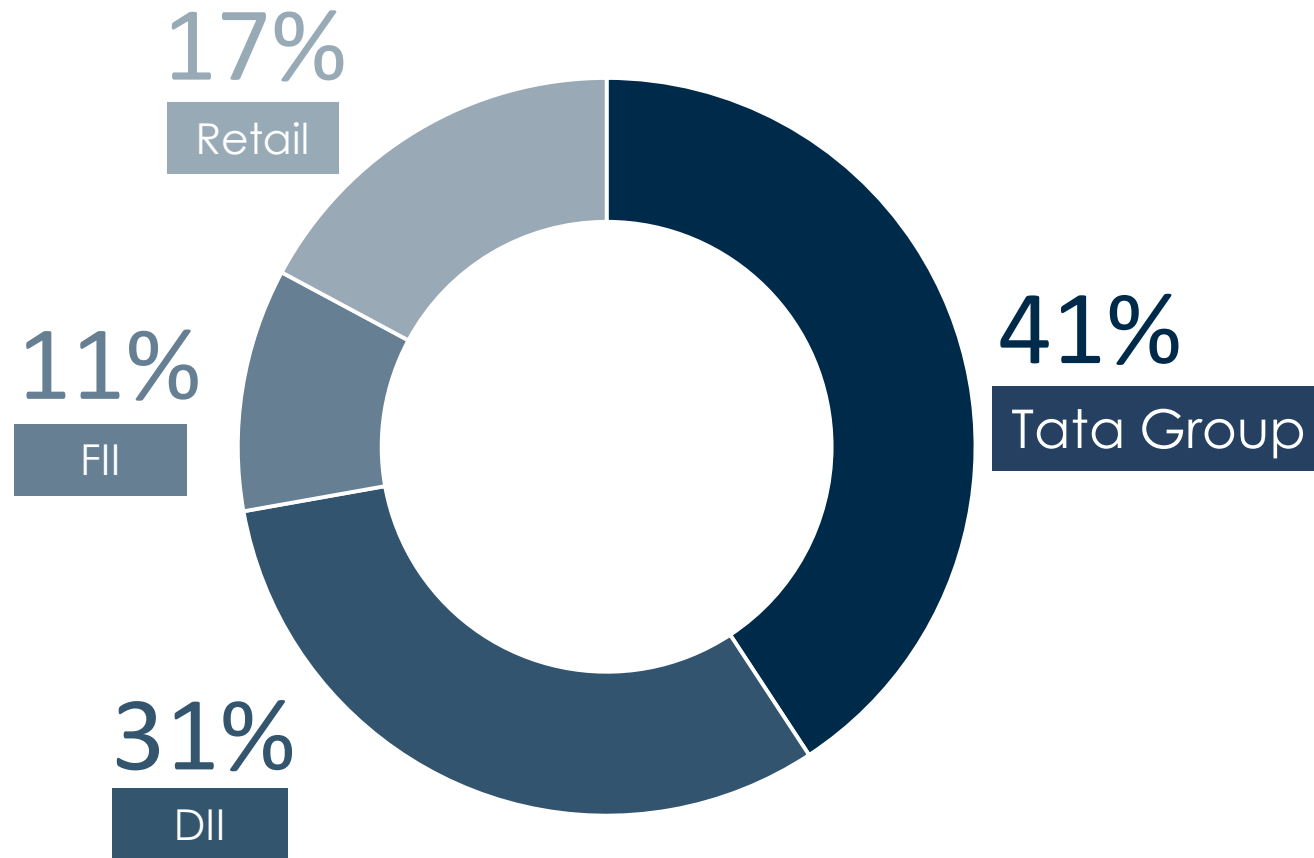
Inventory by Contract Type



■ Holding Company ■ Group Companies ■ Management Contracts

As of 31st Oct 2020, IHCL has **161 hotels** with **19,043 Rooms**

Shareholding Pattern



* As on 30th Sep 2020

Awards and Accolades continue to reinforce our direction

Brand Finance®



**India
100
2020**



TATLER



AWARDS
34th Cycle winners



Golden Peacock Awards®

TRUSTYOU



EARTHCHECK

IHCL

Global Conference Call

Q2 FY 2020/21 Results | 4th November, 2020



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EXPRESSIONS

