

TAJGVK HOTELS & RESORTS LIMITED

Q4 FY 10-11 RESULTS

PRESS RELEASE

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TAJGVK ENDS THE YEAR WITH A 20% INCREASE IN BOTTOMLINE

Q4 Results

Turnover ↑ 10%

PAT ↑ 6%

- ❖ TAJGVK's improved performance continues in Q4.
- ❖ During the fourth quarter of FY 2010/11, the Company's total income registered an increase of 10% to Rs.69.68 Crores from Rs.63.34 Crores in the corresponding period last year.
- ❖ The company's Hotels at Chandigarh and Chennai have clocked improved occupancy levels of 74% & 75% respectively in Q4.
- ❖ Profit after Tax was at Rs 12.88 crores in Q4 2010-11 as compared to Rs.12.18 crores in the corresponding period last year, thus registering a growth of 6%.
- ❖ EPS for the quarter was Rs.2.06/- against Rs.1.94/- during last quarter of the previous year on the face value of the equity shares of Rs.2/- paid up.

Full Year Results

Turnover ↑ 14%

PAT ↑ 20%

- ❖ TAJGVK completes the year on a high note with higher sales and improved profitability.
- ❖ During the year, the Company's total income registered an increase of 14% to Rs.260.66 Crores from Rs.229.25 Crores in the corresponding period last year.
- ❖ The company's Hotels at Chandigarh and Chennai have clocked improved occupancy levels of 72% & 61% respectively during the year. The occupancies of the Hyderabad hotels were stable at 66%.
- ❖ Profit after Tax was at Rs 43.34 crores for the year as compared to Rs.36.27 crores last year, thus registering a growth of 20%.
- ❖ EPS for the year was Rs.6.91/- against Rs.5.78/- during the previous year on the face value of the equity shares of Rs.2/- paid up.

Major Expansion Plans

Begumpet

The civil works and interiors for the new five star hotel project site at Begumpet, Hyderabad is progressing as per schedule. As per asset light strategy of the company, the owner of land has put up the structure and the company is doing the interiors. The project would consist of around 189 rooms with cost of interiors at around Rs.94 crores, and is expected to be operational by 2011.

Taj Krishna Expansion

The Company is proposing the construction of a 12000 sq ft spa and an additional Car parking facility along-with enhanced landscaping and connecting bridges at the existing premises of Taj Krishna, at an estimated cost of Rs. 20 Crores. The excavation works have been completed and the construction work on the car-parking facility has commenced.

Other plans

The company has been allotted around 6 acres of land at Yelahanka near Bangalore for hotel projects. The Company is also planning to enter the value for money segment through the 'Ginger' brand in Andhra Pradesh. The excavation works on the first Ginger hotel on a site located near the Shamshabad International Airport have been completed.

Outlook

With the continuing recovery in the global economy and robust Indian economy, the hotel industry is expected to perform well. The Company with its prime properties in key metros is well positioned to benefit from the growing demand and restricted supply going forward.

About TAJGVK Hotels and Resorts Limited

TAJGVK Hotels & Resorts Limited (TAJGVK), formed through a Strategic Alliance between the Hyderabad based GVK Group and Indian Hotels Company Limited (IHCL), owns 5-star deluxe hotel properties across multiple locations with a total room inventory of over 900 rooms, which will be enhanced to 1080 rooms on opening of Vivanta by Taj – Begumpet in 2011. With Taj Krishna, the flagship 5-star deluxe luxury property and two premium 5-star business properties, Taj Deccan and Taj Banjara, TAJGVK is the market leader in Hyderabad. Taj Chandigarh, its 5-star deluxe property commands the market in Chandigarh. Taj Mount Road, its recently launched trendy hotel with its contemporary rooms and food & beverage outlets has captured significant market share in Chennai. The Company will be expanding its footprints by launching 'Vivanta by Taj – Begumpet' at Hyderabad and also a hotel at Bangalore. Further, the Company has plans to enter the value-for-money segment by launching 'Ginger' hotels across the state of Andhra Pradesh.