



May 25, 2018

**The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex
Bandra (E), Mumbai – 400051**

**The Manager
Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai – 400001**

NSE Scrip Symbol: LEMONTREE

BSE Scrip Code: 541233

Dear Sir

Subject: Audited Financial Results of (Standalone and Consolidated) for the Quarter and Financial Year ended on March 31, 2018 along with Auditors Report

We wish to inform you that Board of Directors of the Company at its meeting held on 25th May, 2018 commenced at 06.15 P.M. and concluded at 09.15 P.M have inter-alia approved Audited Financial Statements (Standalone and Consolidated) for Quarter & Financial Year ended 31st March, 2018.

A copy of the:

- a) Financial Results (Standalone and Consolidated) for the Quarter and Financial Year ended on 31st March, 2018 and
- b) Audit Report on Financial Results (Standalone and Consolidated)

as required under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with investor presentation are enclosed.

This is for your information and records.

Thanking You

For **Lemon Tree Hotels Limited**

Nikhil Sethi
Group Company Secretary & GM Legal
and Compliance Officer



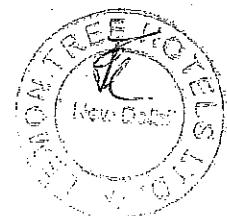
Statement of Audited Consolidated IndAS Financial Results for the quarter and year ended March 31, 2018

(₹ in Lakhs, except per share data)

		Quarter ended			Year Ended	
		March 31, 2018	December 31, 2017	March 31, 2017	March 31, 2018	March 31, 2017
		(Audited) (Refer Note 10)	(Unaudited) (Refer Note 4)	(Unaudited) (Refer Note 4)	(Audited)	(Audited)
1	Income					
	Revenue from operations	13,201.07	13,242.31	11,129.48	48,426.15	41,208.07
	Other Income	718.25	14.04	54.44	780.58	822.72
	Total income	13,919.32	13,256.35	11,183.92	49,206.73	42,030.79
2	Expenses					
	Cost of food and beverages consumed	1,146.50	1,188.49	891.13	4,358.52	3,532.67
	Employee benefit expenses	2,959.46	2,863.08	2,706.15	10,957.49	9,688.92
	Power and fuel	1,110.23	1,067.03	1,049.09	4,845.96	3,840.87
	Rent	758.16	813.47	583.66	3,064.40	2,346.60
	Other expenses	3,404.80	3,027.98	3,022.85	11,582.33	10,152.28
	Total expenses	9,379.15	8,960.05	8,252.88	34,808.70	29,561.34
3	Profit before depreciation and amortization, finance cost, finance income and before exceptional items (1-2)	4,540.17	4,296.30	2,931.04	14,398.13	12,469.45
4	Finance cost	2,007.74	1,958.76	1,855.75	7,836.90	7,757.41
5	Finance income	(61.16)	(148.84)	(143.76)	(476.19)	(356.25)
6	Depreciation and amortization expense	1,278.86	1,290.40	1,242.33	5,261.74	5,101.24
7	Net profit/(loss) before tax before share of associates (3-4-5-6)	1,314.73	1,195.98	(23.28)	1,775.68	(32.95)
8	Add: Share of Profit/(Loss) of associates	(8.89)	(6.01)	-	57.51	-
9	Profit before tax (7+8)	1,305.84	1,189.97	(23.28)	1,833.19	(32.95)
10	Tax expense					
	a) Current tax	188.05	332.28	164.70	627.59	318.67
	b) Deferred tax	(53.20)	(181.28)	32.07	(249.76)	160.39
11	Net profit/(loss) after tax (11-12)	1,170.99	1,038.97	(220.05)	1,455.36	(512.01)
12	Other Comprehensive Income/expenses					
	Items that will not be reclassified to profit and loss					
	Remeasurements of defined benefit plans	(7.80)	1.96	4.76	(1.91)	10.38
	Income tax effect	0.19	(0.03)	(2.88)	0.10	(2.88)
13	Total comprehensive Income/ (loss)	1,163.38	1,040.90	(218.17)	1,453.55	(504.51)
14	Profit/(Loss)	1,170.99	1,038.97	(220.05)	1,455.36	(512.01)
	Attributable to:					
	Equity holders of the parent	1,128.21	896.94	(69.04)	1,419.43	(616.58)
	Non-controlling interests	42.78	142.03	(151.01)	35.93	104.57
15	Total comprehensive Income/ (loss)	1,163.38	1,040.90	(218.17)	1,453.55	(504.51)
	Attributable to:					
	Equity holders of the parent	1,123.61	897.32	(82.37)	1,419.08	(624.29)
	Non-controlling interests	39.77	143.58	(135.80)	34.47	119.78
16	Total comprehensive Income/ (loss) for the year after non-controlling interest	1,123.61	897.32	(82.37)	1,419.08	(624.29)
16	Paid-up equity share capital (Face value of the share ₹ 10/-)	78,639.32	78,399.14	78,121.30	78,639.32	78,121.30
17	Other Equity (including non-controlling interest)	45,709.16	44,518.61	45,572.18	45,709.16	45,572.18
18	Earnings per share (Face value of the share ₹ 10/-) (EPS for quarter ended periods is not annualised)					
	Basic	0.14	0.11	(0.01)	0.18	(0.08)
	Diluted	0.14	0.11	(0.01)	0.18	(0.08)

Notes:

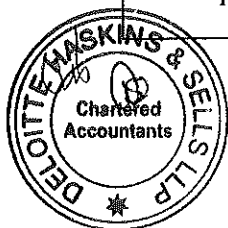
- The consolidated results have been reviewed by the Audit Committee and approved by the Board of Directors at its meetings held on May 25, 2018. The statutory auditors have expressed an unqualified opinion. Amounts for the year ended March 31, 2017 were audited by previous auditors.
- The above financial results are extracted from the audited consolidated financial statements of the Company which are prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with the rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereafter.
- Figures of the previous periods are regrouped, wherever necessary, to correspond with the current periods classification/disclosure.
- The equity shares were listed on BSE Limited and National Stock Exchange of India Limited on April 9, 2018. Accordingly, the consolidated financial results for the quarters ended March 31, 2017 and December 31, 2017 presented have not been subjected to limited review or audit. However, the management has exercised necessary due diligence to ensure that these consolidated financial results provide a true and fair view of its affairs.
- During the financial year ended March 31, 2018, the Company has made the allotment of 2,318,370 shares to employees pursuant to Employee Stock Options (ESOP's) and 2,820,248 shares pursuant to the preferential allotment to the promoter after taking requisite shareholder's approval.
- The National Company Law Tribunal (NCLT) has approved the scheme of amalgamation between Aster Hotels & Resorts Private Limited, PRN Management Services Private Limited, HeadStart Institute Private Limited (together 'the transferor companies') with Lemon Tree Hotels Limited vide their order dated December 22, 2017 and the scheme became effective from December 28, 2017. Pursuant to amalgamation, the Company has made the allotment of 56,511,722 equity shares to the shareholders of the transferor companies and equivalent shareholding held by the transferor companies in Lemon Tree Hotels Limited stands cancelled. Accordingly, there is no increase in the paid up share capital of the Company pursuant to this Scheme.
- The paid up share capital of the Company excludes 19,432 (March 31, 2017: 46,032) equity shares held by the ESOP trust which has been consolidated in accordance with the requirement of IND AS 110.



8. Statement of Consolidated Assets and Liabilities

(₹ In Lakhs)

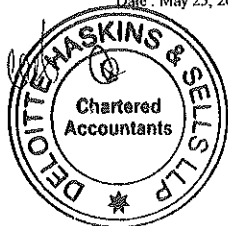
Particulars	As at March 31, 2018 (Audited)	As at March 31, 2017 (Audited)
Assets		
Non-current assets		
(a) Property, plant and equipment	144,889.23	140,723.06
(b) Capital work-in-progress	55,590.95	34,940.66
(c) Investment Property	245.71	250.10
(d) Intangible assets	848.65	860.93
(e) Intangible assets under development	316.95	140.40
(f) Financial assets		
(i) Investments	261.20	0.26
(ii) Loans	1,615.50	1,085.60
(iii) Other non-current financial assets	4,699.70	3,970.16
(g) Non-current tax assets (net)	1,873.41	2,100.78
(h) Other non-current assets	21,660.75	28,743.03
	232,002.05	212,814.98
Current assets		
(a) Inventories	538.83	493.67
(b) Financial assets		
(i) Trade receivables	5,252.37	3,144.53
(ii) Cash and Cash equivalents	2,102.96	1,759.21
(iii) Investments	1,195.30	633.89
(iv) Loans	26.55	46.86
(v) Other current financial assets	1,661.52	31.51
(c) Other current assets	3,037.72	2,249.54
	13,815.25	8,359.21
Total Assets	245,817.30	221,174.19
Equity And Liabilities		
Equity		
(a) Share capital	78,639.32	78,121.30
(b) Other Equity	2,844.81	2,735.90
Equity attributable to owners of the parent	81,484.13	80,857.20
(c) Non-controlling interests	42,864.35	42,836.28
Total Equity	124,348.48	123,693.48
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	93,131.37	69,070.26
(ii) Other non-current financial liabilities	136.55	48.49
(b) Long term provisions	161.62	135.64
(c) Deferred tax liabilities (net)	425.21	674.18
(d) Other non-current liabilities	2,720.53	2,082.74
	96,575.28	72,011.31
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	3,570.04	6,745.98
(ii) Trade payables	8,112.65	6,044.51
(iii) Other current financial liabilities	11,171.07	10,583.83
(b) Provisions	266.30	226.46
(c) Other current liabilities	1,773.48	1,868.62
	24,893.54	25,469.40
Total Liabilities	121,468.82	97,480.71
Total Equity and Liabilities	245,817.30	221,174.19



9. The Company is into Hoteliering business. As the Company operates in a single operating segment, it did not give rise to different operating segments in accordance with Ind AS 108 - Operating Segments.

10. The statement includes results for the quarter ended March 31, 2018 being the balancing figure between audited figures in respect of full financial year and year to date audited figures upto the third quarter of the relevant financial year.

Place : New Delhi
Date : May 25, 2018



By order of the Board
for Lemon Tree Hotels Limited



Pntanjali G. Keswani
Pntanjali G. Keswani
(Chairman & Managing Director)

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF LEMON TREE HOTELS LIMITED

1. We have audited the accompanying Statement of Consolidated Financial Results of **Lemon Tree Hotels Limited** ("the Parent"), its subsidiaries and Limited Liability Partnership Firm (the Parent, its subsidiaries and Limited Liability Partnership Firm together referred to as "the Group"), and its share of the profit of its associates for the year ended March 31, 2018 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This Statement which is the responsibility of the Parent's Management and approved by the Board of Directors, has been compiled from the related Consolidated Ind AS Financial Statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such Consolidated Financial Statements.
3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Parent's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Parent's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in paragraph 5 below, is sufficient and appropriate to provide a basis for our audit opinion.

4. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors referred to in paragraph 5 below, the Statement:



(i) includes the results of following entities:

Name of the entity	Relationship
PSK Resorts and Hotels Private Limited	Wholly owned subsidiary company
Canary Hotels Private Limited	Wholly owned subsidiary company
Sukhsagar Complexes Private Limited	Wholly owned subsidiary company
Oriole Dr Fresh Hotels Private Limited	Wholly owned subsidiary company
Carnation Hotels Private Limited	Wholly owned subsidiary company
Grey Fox Project Management Company Private Limited	Wholly owned subsidiary company
Dandelion Hotels Private Limited	Wholly owned subsidiary company
Lemon Tree Hotel Company Private Limited	Wholly owned subsidiary company
Red Fox Hotel Company Private Limited	Wholly owned subsidiary company
Meringue Hotels Private Limited	Subsidiary company
Nightingale Hotels Private Limited	Subsidiary company
Manakin Resorts Private Limited	Wholly owned subsidiary company
Begonia Hotels Private Limited	Subsidiary company
Celsia Hotels Private Limited	Subsidiary company
Inovoa Hotels and Resorts Limited	Subsidiary company
Iora Hotels Private Limited	Subsidiary company
Ophrys Hotels Private Limited	Subsidiary company
Bandhav Resorts (P) Limited	Subsidiary company
Valerian Management Services Private Limited	Wholly owned subsidiary company
Mindleaders Learning India Private Limited	Associate company
Pelican Facilities Management Private Limited	Associate company
Mezereon Hotels LLP	Limited Liability Partnership Firm

- (ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
- (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit, total comprehensive income and other financial information of the Group and its associates for the year ended March 31, 2018.
5. We did not audit the financial statements of 19 subsidiaries and 1 limited liability partnership firm included in the consolidated financial results, whose financial statements reflect total revenues of Rs. 14,056.63 lacs, total profit after tax of Rs. 53.19 lacs and total comprehensive income of Rs. 52.01 lacs for the year ended March 31, 2018, as considered in the consolidated financial results.

The consolidated financial results also includes the Group's share of profit after tax of Rs. 57.67 lacs and total comprehensive income of Rs. 57.67 lacs for the year ended March 31, 2018, as considered in the consolidated financial results, in respect of 2 associates, whose financial statements have not been audited by us. These financial



Deloitte Haskins & Sells LLP

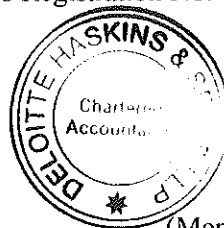
statements have been audited by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, is based solely on the reports of the other auditors.

We did not audit the financial statements of Krizm Hotel Private Limited Employee Welfare Trust (the "Trust") included in the consolidated financial results, whose financial statements reflect total revenues of Rs. Nil, total loss after tax of Rs. 0.82 lacs and Total comprehensive loss of Rs. 0.82 lacs for the year ended March 31, 2018, as considered in the consolidated financial results. These financial statements have been audited by other auditor whose report have been furnished to us by the management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of such trust, is based solely on the report of other auditor.

Our opinion on the Statement is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

6. The Statement includes the results for the Quarter ended March 31, 2018 being the balancing figure between audited figures in respect of the full financial year and the year to date figures up to the third quarter of the current financial year which were audited by us.
7. The comparative financial information of the Group for the year ended March 31, 2017 included in this Statement prepared in accordance with the Ind AS have been audited by the predecessor auditor. The report of the predecessor auditor on comparative financial information for the year ended March 31, 2017 dated June 15, 2017 expressed an unqualified opinion. Our opinion is not modified in respect of this matter.
8. The Statement includes the results for the quarter ended December 31, 2017 and March 31, 2017 which have been prepared by the management from the books of account, which is neither audited nor reviewed by us. Our opinion is not modified in respect of this matter.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Vijay Agarwal
Partner

(Membership No. 094468)

New Delhi, May 25, 2018

Statement of Audited Standalone IndAS Financial Results for the quarter and year ended March 31, 2018

(₹ In Lakhs, except per share data)

		Quarter ended			Year Ended	
		March 31, 2018	December 31, 2017	March 31, 2017	March 31, 2018	March 31, 2017
		(Audited) (Refer Note 10)	(Unaudited) (Refer Note 4)	(Unaudited) (Refer Note 4)	(Audited)	(Audited)
1	Income					
	Revenue from operations	5,700.50	6,300.25	5,855.94	23,108.41	21,842.80
	Other Income	681.98	4.14	6.69	705.03	700.48
	Total income	6,382.48	6,304.39	5,862.63	23,813.44	22,543.28
2	Expenses					
	Cost of food and beverages consumed	396.64	414.31	344.40	1,559.03	1,367.03
	Employee benefit expenses	1,387.47	1,330.63	1,323.94	5,093.36	5,030.33
	Power and fuel	463.11	396.22	434.91	1,909.03	1,799.77
	Rent	272.77	305.53	302.29	1,763.54	1,629.29
	Other expenses	1,525.88	1,622.71	1,890.09	5,979.65	6,051.04
	Total expenses	4,045.87	4,069.40	4,295.63	16,304.61	15,877.46
3	Profit before depreciation and amortization, finance cost, finance income and before exceptional Items (1-2)	2,336.61	2,234.99	1,567.00	7,508.83	6,665.82
4	Finance cost	788.84	902.45	924.75	3,428.85	4,125.61
5	Finance income	(37.78)	(175.02)	(88.73)	(524.28)	(369.71)
6	Depreciation and amortization expense	502.86	486.41	496.26	1,976.68	2,119.95
7	Profit before tax (3-4-5-6)	1,082.69	1,021.15	234.72	2,627.58	789.97
8	Tax expense					
	Current tax	128.00	216.77	34.18	413.33	129.22
9	Net profit after tax (7-8)	954.69	804.38	200.54	2,214.25	660.75
10	Other Comprehensive Income					
	Items that will not be reclassified to profit and loss					
	Re-measurement gains on defined benefit plans	1.93	0.14	3.72	2.35	14.88
	Income tax effect	(0.41)	(0.03)	(0.75)	(0.50)	(3.03)
11	Total comprehensive income	956.21	804.49	203.51	2,216.10	672.60
12	Paid-up equity share capital (Face value of the share ₹ 10/-)	78,639.32	78,636.67	78,121.30	78,639.32	78,121.30
13	Other Equity	17,471.85	16,488.47	14,601.82	17,471.85	14,601.82
14	Earnings per share (Face value of the share ₹ 10/-) (EPS for quarter ended periods is not annualised)					
	Basic	0.12	0.10	0.03	0.28	0.08
	Diluted	0.12	0.10	0.03	0.28	0.08

Notes:

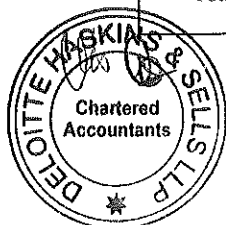
- The Standalone results have been reviewed by the Audit Committee and approved by the Board of Directors at its meetings held on May 25, 2018. The statutory auditors have expressed an unqualified opinion. Amounts for the year ended March 31, 2017 were audited by previous auditors.
- The above financial results are extracted from the audited standalone financial statements of the Company which are prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with the rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereafter.
- Figures of the previous periods are regrouped, wherever necessary, to correspond with the current periods classification/disclosure.
- The equity shares were listed on BSE Limited and National Stock Exchange of India Limited on April 9, 2018. Accordingly, the Standalone financial results for the quarters ended March 31, 2017 and December 31, 2017 presented have not been subjected to limited review or audit. However, the management has exercised necessary due diligence to ensure that these Standalone financial results provide a true and fair view of its affairs.
- During the financial year ended March 31, 2018, the Company has made the allotment of 2,318,370 shares to employees pursuant to Employee Stock Options (ESOP's) and 2,820,248 shares pursuant to the preferential allotment to the promoter after taking requisite shareholder's approval.
- The National Company Law Tribunal (NCLT) has approved the scheme of amalgamation between Aster Hotels & Resorts Private Limited, PRN Management Services Private Limited, HeadStart Institute Private Limited (together 'the transferor companies') with Lemon Tree Hotels Limited vide their order dated December 22, 2017 and the scheme became effective from December 28, 2017. Pursuant to amalgamation, the Company has made the allotment of 56,511,722 equity shares to the shareholders of the transferor companies and equivalent shareholding held by the transferor companies in Lemon Tree Hotels Limited stands cancelled. Accordingly, there is no increase in the paid up share capital of the Company pursuant to this Scheme.
- The paid up share capital of the Company excludes 19,432 (March 31, 2017: 46,032) equity shares held by the ESOP trust which has been consolidated in accordance with the requirement of IND AS 110.



8. Statement of Standalone Assets and Liabilities

(₹ In Lakhs)

Particulars	As at March 31, 2018 (Audited)	As at March 31, 2017 (Audited)
Assets		
Non-current assets		
(a) Property, plant and equipment	44,901.89	43,230.18
(b) Capital work-in-progress	756.92	587.23
(c) Investment Property	245.71	250.10
(d) Intangible assets	54.65	51.79
(e) Intangible assets under development	280.64	140.40
(f) Financial assets		
(i) Investments	71,572.71	69,733.05
(ii) Loans	1,615.50	1,557.44
(iii) Other non-current financial assets	1,393.24	1,252.69
(g) Deferred tax assets (net)	-	-
(h) Non-Current tax assets (net)	970.04	1,449.22
(i) Other non-current assets	5,701.77	8,354.73
	127,493.07	126,606.83
Current assets		
(a) Inventories	199.52	202.96
(b) Financial assets		
(i) Trade receivables	2,063.87	1,456.71
(ii) Cash and Cash equivalents	571.60	566.38
(iii) Loans	1,622.22	613.54
(iv) Other current financial assets	1,640.83	11.83
(c) Other current assets	1,092.80	1,162.79
	7,190.84	4,014.21
	134,683.91	130,621.04
Total Assets		
Equity And Liabilities		
Equity		
(a) Share capital	78,639.32	78,121.30
(b) Other Equity	17,471.85	14,601.82
Total Equity	96,111.17	92,723.12
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	26,273.41	25,762.06
(b) Long term provisions	98.02	81.44
(c) Other non-current liabilities	1,123.32	977.56
	27,494.75	26,821.06
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	3,570.04	4,215.97
(ii) Trade payables	4,527.35	3,686.78
(iii) Other current financial liabilities	2,042.90	2,224.65
(b) Provisions	118.37	106.23
(c) Other current liabilities	819.33	843.23
	11,077.99	11,076.86
	38,572.74	37,897.92
Total Liabilities		
Total Equity and Liabilities	134,683.91	130,621.04



9. The Company is into Hoteliering business. As the Company operates in a single operating segment, it did not give rise to different operating segments in accordance with Ind AS 108 - Operating Segments.

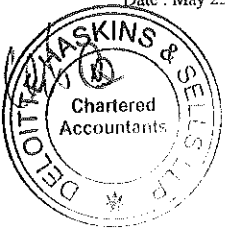
10. The statement includes results for the quarter ended March 31, 2018 being the balancing figure between audited figures in respect of full financial year and year to date audited figures upto the third quarter of the relevant financial year.

By order of the Board
for Lemon Tree Hotels Limited



Patanjali G. Keswani
Patanjali G. Keswani
(Chairman & Managing Director)

Place : New Delhi
Date : May 25, 2018



INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF LEMON TREE HOTELS LIMITED

1. We have audited the accompanying Statement of Standalone Financial Results of **Lemon Tree Hotels Limited** ("the Company") for the year ended March 31, 2018 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related Standalone Ind AS Financial Statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such Standalone Financial Statements.
3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
 - (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net



profit, total comprehensive income and other financial information of the Company for the year ended March 31, 2018.

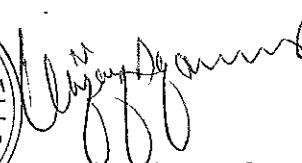
5. We did not audit the financial statements of Krizm Hotel Private Limited Employee Welfare Trust (the "Trust") included in the standalone financial results, whose financial statements reflect total revenues of Rs. Nil for, total loss after tax of Rs. 0.82 lacs and Total comprehensive loss of Rs. 0.82 lacs for the year ended March 31, 2018, as considered in the standalone financial results. These financial statements have been audited by other auditor whose report have been furnished to us by the management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of such trust, is based solely on the report of other auditor.

Our opinion on the Statement is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

6. The Statement includes the results for the Quarter ended March 31, 2018 being the balancing figure between audited figures in respect of the full financial year and the year to date figures up to the third quarter of the current financial year which were audited by us.
7. The comparative financial information of the Company for the year ended March 31, 2017 included in this Statement prepared in accordance with the Ind AS have been audited by the predecessor auditor. The report of the predecessor auditor on comparative financial information for the year ended March 31, 2017 dated June 15, 2017 expressed an unqualified opinion. Our opinion is not modified in respect of this matter.
8. The Statement includes the results for the quarter ended December 31, 2017 and March 31, 2017 which have been prepared by the management from the books of account, which is neither audited nor reviewed by us. Our opinion is not modified in respect of this matter.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)




Vijay Agarwal
Partner
(Membership No. 094468)

New Delhi, May 25, 2018





Lemon Tree Hotels Limited

Q4 & FY18 Earnings Presentation

May 25, 2018



Disclaimer

Certain statements in this communication may be 'forward looking statements' within the meaning of applicable laws and regulations. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Important developments that could affect the Company's operations include changes in the industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, litigation and labour relations.

Lemon Tree Hotels Limited (LTH) will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.



1	Company Overview
2	Chairman & Managing Director's Message
3	Performance Highlights
4	Financial & Operational Metrics
5	Key Developments / Business Updates
6	Growth Outlook
7	Annexures

Leadership in mid-priced hotel sector



#1 mid-priced hotel sector¹ chain by owned rooms^{2,4}

#3 overall hotel sector chain by owned rooms^{2,4}

1,301
rooms;
10 hotels

Lemon Tree Premier



Targeted primarily at the upper-midscale hotel segment typically comparable to 4-star and sometimes 3-star

2,584
rooms;
32 hotels

Lemon Tree Hotels



Targeted primarily at the midscale hotel segment typically comparable to 3-star

1,071
rooms;
8 hotels

Red Fox by Lemon Tree Hotels



Targeted primarily at the economy hotel segment typically comparable to 2-star

Note:

1. Includes upper midscale, midscale and economy hotels

2. Source : 'Industry Report – Mid Priced Hotel Sector' prepared by Horwath HTL India ("Horwath Report"); As of June 30, 2017

3. As of May 15, 2018

4. On the basis of controlling interest in owned and leased rooms

* Operating rooms include 2,796 owned, 481 leased and 1,679 managed rooms; Pipeline includes of 1,434 owned, 91 leased and 1,671 managed rooms

Key Statistics³



32

Cities for current operating hotels



22

New cities for under development hotels



54

Cities by end of FY21



50

number of operating hotels*



28

number of hotels under development*



78

Hotels by end of FY21*



4,956

number of rooms*



3,196

number of rooms under development*



8,152

Rooms by end of FY21*



24 of 33

Eligible hotels operating for at least a year awarded TripAdvisor Certificate of Excellence for 2017



747,666

Members in loyalty program

Strategically positioned in key geographies with Lemon Tree share of total mid-priced hotel sector

- * Geographical spread across India and presence in key markets to cater effectively to corporate clients and business travelers
- * Hotel operations in each of the top 10 markets in India (based on hotel inventory)
- * Focus in key micro markets to address demand and optimize pricing
- * Hotels at locations with high barrier-to-entry such as close to major business centers, airports etc.

Jaipur: FY17 – 11%
FY21E – 10%

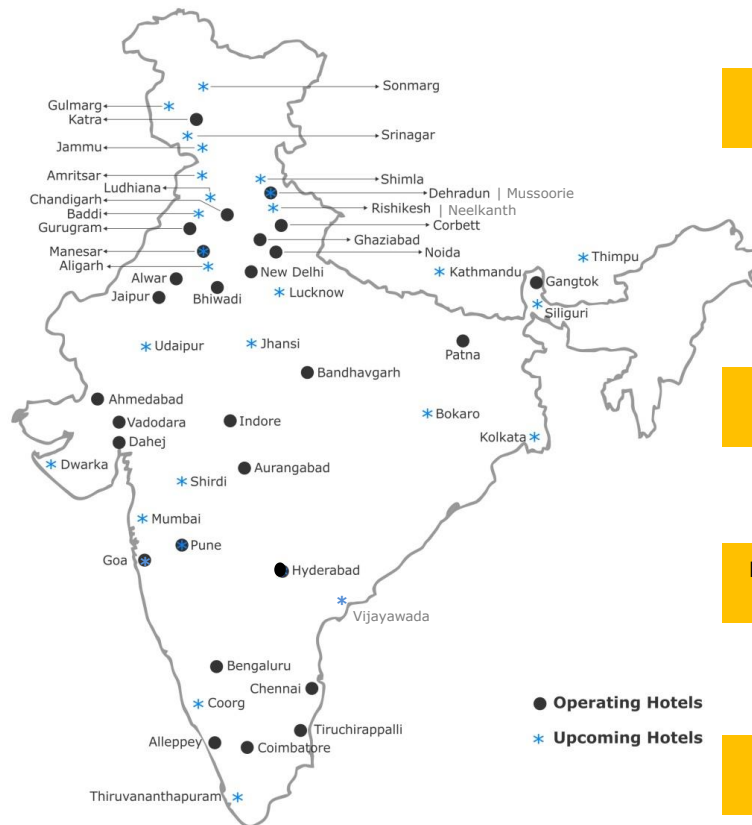
Ahmedabad: FY17 – 11%
FY21E – 9%

Mumbai: FY17 – NA
FY21E – 17%

Pune: FY17 – 5%
FY21E – 9%

Goa: FY17 – 4%
FY21E – 4%

Bengaluru: FY17 – 9%
FY21E – 8%



Delhi NCR: FY17 – 14%
FY21E – 16%

Kolkata: FY17 – NA
FY21E – 8%

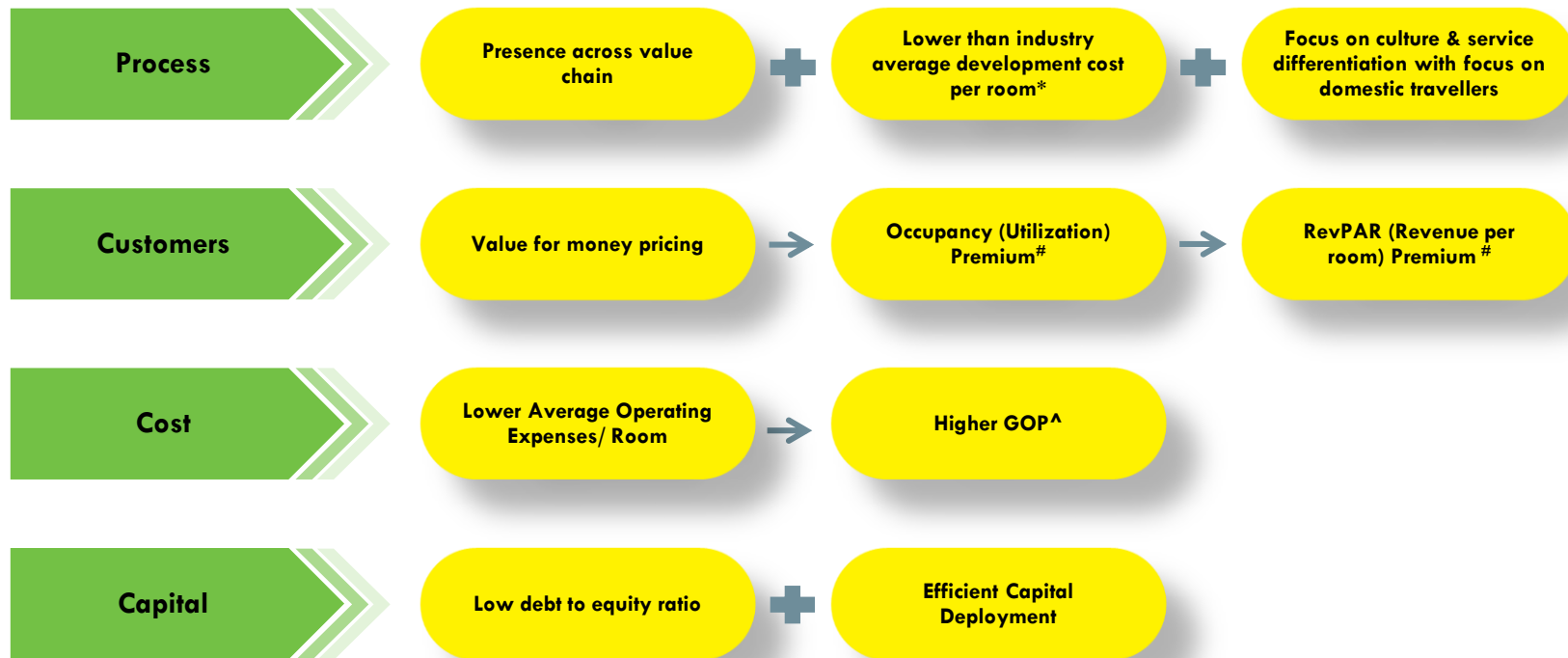
Hyderabad: FY17 – 24%
FY21E – 21%

Chennai: FY17 – 5%
FY21E – 4%

● Operating Hotels

* Upcoming Hotels

Competitive Advantage: Differentiated Business Model



*Based on average development cost per room (excluding the cost of land), for our owned hotels (including owned hotels located on leased or licensed land), developed between the fiscal years 2011 and 2015 in the upper -midscale, midscale and economy hotel segments, respectively, which was lower than the average of select hotels in the respective hotel segments, for the same period; Source : HVS (India – 2016 Hotel Development Cost Survey)

#Source : Horwath Report; ^RevPAR Premium and Lower Average Operating Expenses/ Room of Lemon Tree as compared to industry leading to higher GOP

Leading Player in the Hotel Industry: Key Strengths (Contd.)

End-to-end presence across the hotel value chain

- Operations range from acquiring land to developing, owning, managing and marketing hotels
- Acquired expertise and understanding in site selection, design, development, management and marketing of hotels in the mid-priced hotel sector across India

Diversified brand portfolio

- Well-differentiated brands target distinct segments in the mid-priced hotel sector, without overlap or brand dilution
- Standardized guest amenities ensures consistent customer experience

Development cost per room lower than industry average

- Experienced in-house project design, management and execution team ensures quicker development to operationalization of hotels
- Replicable product designs and spatial planning with strict adherence to quality and finish
- Average Development costs/room* at Rs. 5.9/5.0/4.5 million in upper-midscale/midscale/economy category vs. industry average of Rs. 7.2/5.6/3.5 million in the same categories

Play on domestic discretionary spending

- Catering to local experiences with strong focus on service and customer satisfaction
- 82% of hotels guests in FY18 were domestic users – strong growth trend in domestic travel volumes which is expected to continue in line with increasing urbanisation, higher disposable incomes and changing aspirations of the expanding middle class

Efficient operations with lowest opex costs in industry

- Lowest staff per room ratio in the industry and lower power costs drive higher gross operating margins
- Energy efficient and economically designed maintenance-friendly rooms
- Staff per room is roughly 30%, 25% and 35% lower than the industry* average in the upper-midscale, midscale and economy segments respectively
- Opex as a % of total revenue was 57%/58%/57% in upper midscale/midscale/economy category as compared to industry* average of 67%/71%/74% in FY17 in the same categories

Occupancy premium and rising ADR's

- Strong brand, conveniently located properties in prime micro-markets, value-for-money proposition and efficient service drives occupancy premium leading to higher RevPAR
- RevPAR premium of 7%, 48% and 29% over industry* average in FY17 in the upper-midscale, midscale and economy segments respectively

Experienced management team

- Management team with several decades of experience in hospitality industry
- Successful track record of improving hotel performance by well-planned refurbishment, professional centralized sales & marketing and disciplined cost control

Efficient capital structure with a balanced-asset model

- Initial scale up of portfolio and brand through capital-intensive owned hotels
- Asset-light growth platform through an asset JV with APG (a Dutch pension fund) in 2012; capital raised redeployed into new development
- Entered into asset-light management contracts in 2012 through its subsidiary, Carnation



Commenting on the performance for Q4FY18 and FY18, Mr. Patanjali Keswani, Chairman & Managing Director – Lemon Tree Hotels Limited said,

"We are pleased to present our first financial results following our successful public listing. The public listing has enhanced our visibility and brand image. We have closed FY18 with growth of 17% YoY in revenue, 16% in EBITDA with EBITDA margin expansion of 250 bps for same hotels that were operational in FY17. We have posted a profit after tax of Rs. 145 million in FY18 as compared to a loss of Rs 51 million in FY17, while cash profits (PAT + Depreciation) grew 46% YoY from Rs. 460 million in FY17 to Rs. 672 million in FY18. Cash profit is particularly relevant in our business as hotels are appreciating assets.

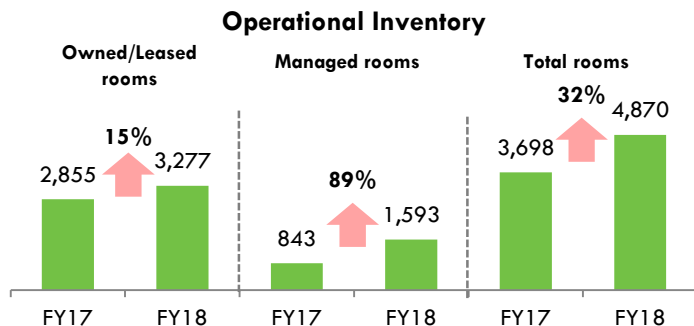
In Q4FY18, revenue grew by 24%, EBITDA grew by 55%, EBITDA margins improved by 620 bps and cash profits grew by 140% vis-à-vis Q4FY17. PAT in Q4FY18 was Rs. 117 million as compared to loss of Rs. 22 million in Q4FY17.

We believe that by offering convenient locations, quality service, value across the mid-priced hotel sector and by catering to local experiences, we have created a distinct competitive advantage, which has resulted in a significant occupancy premium across all our hotel brands. Our occupancy has consistently been above 75% over the last three years.

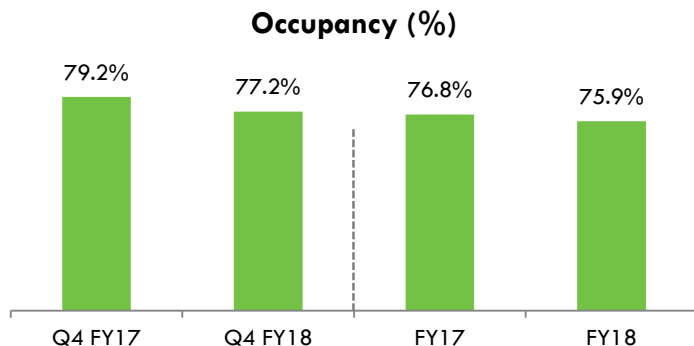
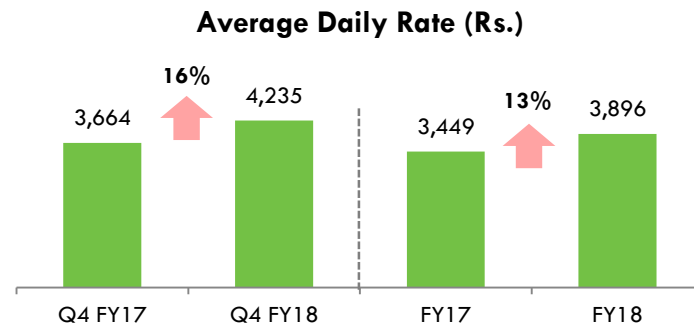
The hotel sector is on the cusp of an upcycle with increasing occupancy levels and ADR's. We are well-positioned to capitalize on the expected growth in demand for hotel rooms in India by leveraging our undisputed leadership position in the mid-priced hotel sector and our end-to-end capabilities across the entire hotel value chain ranging from acquiring land to developing, owning, managing and marketing hotels.

Further, our pan-India geographical presence across key high-barrier-to-entry micro-markets, diversified brand portfolio, value-for-money proposition and low cost structures will help sustain our EBITDA premiums. About 60% of our inventory has been added in the last five years, during the down-cycle, and we expect significant operational leverage to play out and drive strong free cash flows over the next 5 years. We also have a solid pipeline of owned, leased and managed hotels under development and are confident of creating sustainable long term shareholder value."

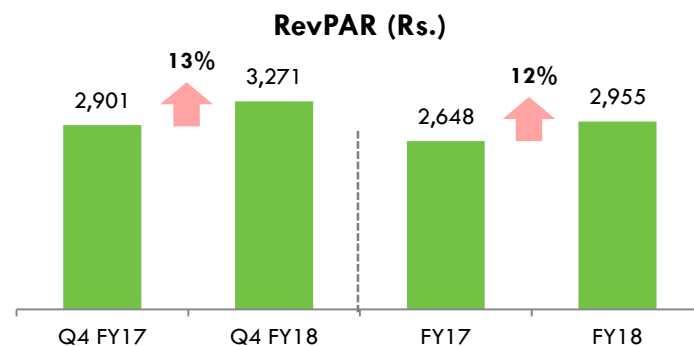
Performance Highlights – Operational Metrics



Note: Based on number of rooms operational at the end of year



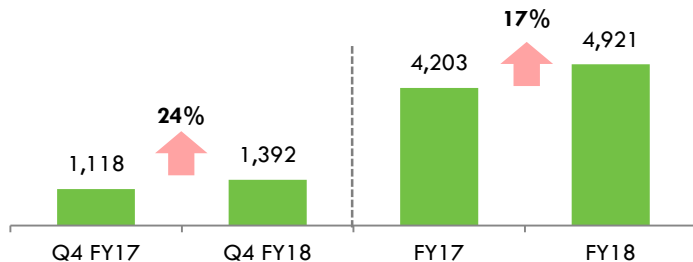
Note: Drop in occupancy levels is on account of new owned/leased supply addition by Lemon Tree in FY18



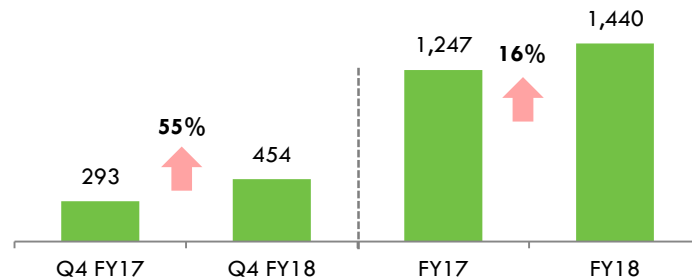
Note: ADR, Occupancy and RevPAR are for our owned and leased hotels only.

Performance Highlights – Financial Metrics (Consolidated)

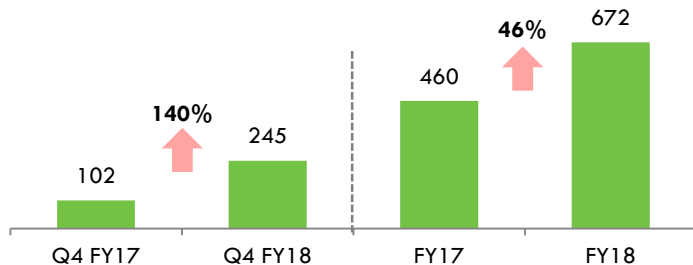
Total Income (Rs. million)



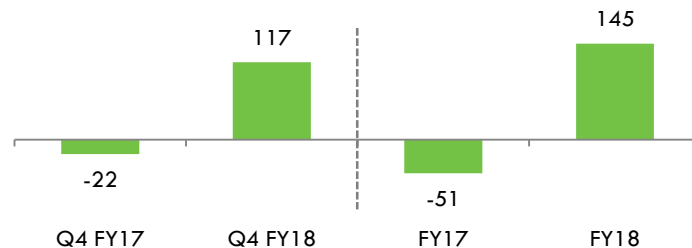
EBITDA (Rs. million)



Cash profit (PAT + Depreciation, Rs. million)



PAT (Rs. million)



Discussion on Consolidated Financial & Operational Performance – Q4 and FY18

Operational Rooms & Pipeline

- * As of 31 March, 2018, operational portfolio comprised of 48 hotels and 4,870 rooms : 2,796 owned, 481 leased and 1,593 managed rooms
- * Added 1,172 rooms in FY18 to operational portfolio as compared to 449 rooms added in FY17, an increase of 161% YoY
- * Propose to add another 1,742 rooms by May 2019 of which 869 rooms are owned/leased and 873 rooms are managed, an increase of 49% as compared to 1,172 rooms added in FY18. All owned/leased rooms are opening in high barrier-to-entry and demand dense markets with high occupancies and ADR's. This addition of owned rooms includes 298 rooms in Mumbai, 199 rooms in Pune-city centre, 139 rooms in Udaipur and 142 rooms in Kolkata
- * Plan to operate 66 hotels with 6,612 rooms across 44 cities by May 2019
- * Plan to operate 78 hotels with 8,152 rooms across 54 cities by FY21

Revenue

- * Total Revenue stood at Rs. 4,921 million in FY18, up 17% YoY as compared to Rs. 4,203 million in FY17
- * In Q4 FY18, revenue increased by 24% as compared to revenue in Q4 FY17
- * Fees from managed hotels stood at 2.9% of the total revenue in FY18 as compared to 1.5% in FY17
- * Price hike achieved in H2 FY18 : full effect will be realized in FY19; ADR for FY18 was Rs. 3,896, up 13% YoY. ADR increase in Q4FY18 was 16% as compared to ADR in Q4FY17

Cost

- * Total hotel operating cost/room/day increased by 6% in FY18 as compared to FY17
- * For same hotels operating in FY17 and FY18, hotel operating cost/room/day increased by 4.5%

Operating Margins

- * EBITDA increased by 16% YoY to Rs. 1,440 million
- * In Q4 FY18, EBITDA increased by 55% and EBITDA margins improved by 620 bps vis-à-vis Q4 FY17
- * EBITDA margins in FY18 were 29.3%
- * For same hotels operating in FY17 and FY18, EBITDA margins improved by 250 bps from 29.7% to 32.2%
- * For same hotels operating in Q4 FY17 and Q4 FY18, EBITDA margins improved by 970 bps from 26.2% to 35.9%

Profit after tax

- * Profit after tax of Rs. 145 million in FY18 as compared to loss of Rs. 51 million in FY17
- * Cash profit stood at Rs. 672 million in FY18, up 46% YoY
- * In Q4 FY18, cash profit increased by 140% as compared to cash profit in Q4 FY17

Profit & Loss Statement (Consolidated)

Rs. million	Q4 FY17	Q4 FY18	Change (%)
Revenue from operations	1,113	1,320	19%
Other income	5	72	1,219%
Total income	1,118	1,392	24%
Cost of F&B consumed	89	115	29%
Employee benefit expenses	271	296	9%
Other expenses	465	527	13%
Total expenses	825	938	14%
EBITDA	293	454	55%
EBITDA margin (%)	26.2%	32.6%	620 bps
Finance costs	186	201	8%
Depreciation & amortization	124	128	3%
PBT	(2)	131	-
Tax expense	20	14	(30%)
PAT	(22)	117	-
Cash Profit	102	245	140%

FY17	FY18	Change (%)
4,121	4,843	18%
82	78	(5%)
4,203	4,921	17%
353	436	23%
969	1,096	13%
1,634	1,949	19%
2,956	3,481	18%
1,247	1,440	16%
29.7%	29.3%	(40) bps
776	784	1%
510	526	3%
(3)	183	-
48	38	(21%)
(51)	145	-
459	672	46%

Balance Sheet Snapshot (Consolidated)

Rs. million	FY17	FY18
Shareholder's Funds	8,086	8,148
Non-controlling interests	4,284	4,286
Total Shareholder's equity	12,370	12,435
Total Debt	7,987	10,110
Other Non-current liabilities	294	344
Other Current liabilities	1,467	1,693
Total Equity & Liabilities	22,117	24,582
Non-current assets	21,281	23,200
Current assets	836	1,382
Total Assets	22,117	24,582
Debt to Equity (x)	0.65	0.81
Average cost of borrowing (%)	11.61%	9.53%

Portfolio as on 31st March, 2018

Operational Portfolio	Owned		Leased		Managed		Total	
31.03.2018	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
Lemon Tree Premier	4	796	2	161	4	344	10	1,301
Lemon Tree Hotels	13	1,241	4	320	13	937	30	2,498
Red Fox Hotels	5	759	-	-	3	312	8	1,071
Total	22	2,796	6	481	20	1,593	48	4,870

Pipeline	Owned		Leased		Managed		Total	
31.03.2018	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
Lemon Tree Premier	5	1,355	-	-	2	171	7	1,526
Lemon Tree Hotels	1	79	-	-	16	1,169	17	1,248
Red Fox Hotels	-	-	1	91	-	-	1	91
Total	6	1,434	1	91	18	1,340	25	2,865

- * Between April 1, 2018 and May 15, 2018, 2 hotels and 86 rooms have been operationalized from the pipeline, taking the total for operational rooms to 4,956
- * Between April 1, 2018 and May 15, 2018, 5 hotels and 417 rooms have been added to the pipeline, taking the total of pipeline to 3,196 rooms
- * 869 owned/leased rooms and 787 additional managed rooms will be operational by May 2019
- * Balance rooms will be operationalized by FY21

Operational Performance by Brands – FY18 vs. FY17

Parameters	Occupancy Rate (%)			Average Daily Rate (Rs.)			Hotel level EBITDAR ² /room (Rs. million)			Hotel level EBITDAR ² Margin		
	FY17	FY18	Change (%)	FY17	FY18	Change (%)	FY17	FY18	Change (%)	FY17	FY18	Change (%)
By Brand												
Lemon Tree Premier	74.6%	77.2%	3.5%	4,123	4,773	16%	0.75	0.88	17%	43%	46%	7%
Lemon Tree Hotels	77.1%	74.2%	(3.8%) ¹	3,522	3,848	9%	0.60	0.51	(15%) ¹	42%	36%	(14%) ¹
Red Fox Hotels	79.1%	77.2%	(2.4%) ¹	2,372	2,860	21%	0.40	0.43	8%	43%	45%	5%

1) Drop in occupancy levels, hotel level EBITDAR/room and hotel level EBITDAR margin is on account of new owned/leased supply addition by Lemon Tree in FY18.

Note:

2) Hotel level EBITDAR measures hotel-level results before lease rentals, debt service, depreciation and corporate expenses of the owned/leased hotels, and is a key measure of company's profitability.

Operational Performance by Ageing – FY18 vs. FY17

Parameters	Financial year	Adult Hotels (Stable - older than 3 years)	Toddler Hotels (Stabilizing - between 1-3 years old)	Infant Hotels (New - less than 1 year old)
Hotels	FY17	21	3	-
	FY18	21	3	4
Operating Rooms (year-end)	FY17	2,727	106 ¹	-
	FY18	2,727	128 ¹	422
Occupancy Rate (%)	FY17	77.5%	51.6%	-
	FY18	77.6%	61.5%	66.0%
Average Daily Rate (Rs.)	FY17	3,411	5,302	-
	FY18	3,900	5,274	3,422
Hotel level EBITDAR ² /room (Rs. million)	FY17	0.62	0.32	-
	FY18	0.67	0.49	0.15
Hotel level EBITDAR ² Margin (%)	FY17	43%	32%	-
	FY18	44%	36%	15%
Hotel level ROCE ^{*3} (%)	FY17	11%	6%	-
	FY18	12%	6%	(1%)

* Hotel level ROCE for hotels older than 5 years is 13% for FY18.

Notes:

1) 22 rooms were added in Lemon Tree Wildlife resort, Bandhavgarh which were operational from November-2017

2) Hotel level EBITDAR measures hotel-level results before lease rentals, debt service, depreciation and corporate expenses of the owned/leased hotels, and is a key measure of company's profitability

3) Hotel level RoCE is calculated as : (Hotel level EBITDAR - lease rentals)/Capital deployed for operational owned & leased hotels.

Expansion Plans – Hotels under Development

Under-development hotels	Type	Rooms	Expected Opening date	Ownership (%)
Red Fox Hotel, Dehradun	Leased (40 years)	91	Jul-18	57.98%
Lemon Tree Premier, City Centre, Pune	Owned	199	Dec-18	57.98%
Lemon Tree Premier, Andheri (East), Mumbai	Owned	298	Jan-19	100.00%
Lemon Tree Premier, Udaipur	Owned	139	Apr-19	57.98%
Lemon Tree Premier, Kolkata	Owned	142	Apr-19	57.98%
Lemon Tree Vembanad Lake Resort, Alleppey, Kerala ¹	Owned	10	Oct-20	100.00%
Lemon Tree Mountain Resort, Shimla	Owned	69	Dec-20	100.00%
Lemon Tree Premier, Intl. Airport, Mumbai	Owned	577	Mar-21	57.98%
Total		1,525		

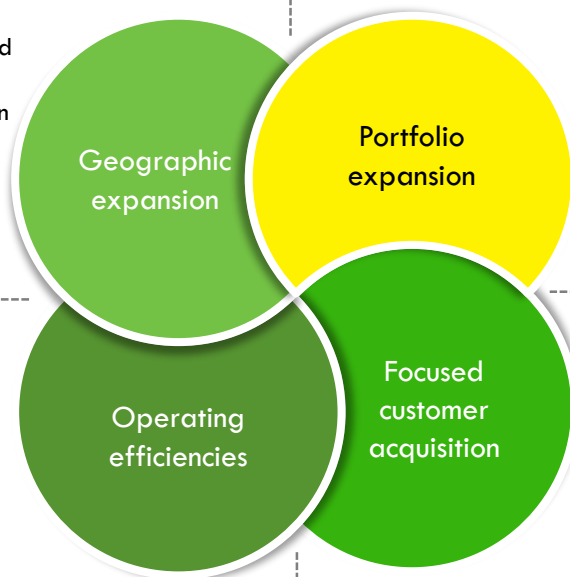
- * Total estimated project cost is Rs. 17,250 million
- * Total capital deployed/capital expenditure already incurred (i.e. CWIP + Security Deposit for leased assets under-development + Land Capitalised + Capital advances – Capital creditors) as on 31st March, 2018 is Rs. 8,680 million
- * Balance investment of Rs. 8,570 million will be deployed over the next 3 years in a phased manner, the majority of which will be through internal accruals

Expansion Plans – Pipeline of Management Contracts (as of 15 May, 2018)

Management Contracts Pipeline	Rooms	Expected Opening date	Tenure
Lemon Tree Hotel, Lucknow	51	Sep-18	11
Red Fox Hotel, Morjim, Goa	111	Oct-18	10
Lemon Tree Hotel, Shirdi	59	Jan-19	12
Lemon Tree Hotel, Rishikesh	102	Jan-19	12
Lemon Tree Hotel, Amritsar	65	Jan-19	10
Red Fox Hotel, Neelkanth	80	Feb-19	12
Lemon Tree Premier, Rishikesh	66	Feb-19	12
Lemon Tree Hotel, Gulmarg	35	Mar-19	10
Lemon Tree Premier, Dwarka	108	Mar-19	15
Lemon Tree Hotel, Bokaro	70	Mar-19	10
Managed rooms to be operational in FY19	747		
Lemon Tree Resort, Mussoorie	40	Apr-19	12
Lemon Tree Hotel, Jhansi	60	July-19	12
Lemon Tree Hotel, Aligarh	68	July-19	12
Lemon Tree Premier, Coorg	63	Oct-19	15
Managed rooms to be operational in FY20	231		
Lemon Tree Suites, Manesar	260	Apr-20	15
Lemon Tree Hotel, Sonamarg	40	Apr-20	10
Lemon Tree Hotel, Kathmandu	75	Apr-20	12
Lemon Tree Hotel, Thimpu	38	Oct-20	10
Lemon Tree Hotel, Ludhiana	60	Dec-20	10
Lemon Tree Hotel, Trivandrum	100	Jan-21	10
Lemon Tree Premier, Vijaywada	120	Mar-21	15
Managed rooms to be operational in FY21	693		
Total managed rooms in pipeline	1,671		

- Geographical diversification to reduce exposure to local, seasonal and cyclical fluctuations as well as provide greater choice to an expanding loyal (repeat) guest base
- Expand into new markets like Mumbai, Kolkata and Patna and India's tier II and tier III cities offering potential for market share gains, brand recognition and economies of scale
- Penetrate demand dense micro-markets in existing geographies, with higher ROCE's

- Significant operating leverage from incremental revenue gains in existing hotels and low, stable cost structures
- Blended ADR's to improve over the next few years with highest demand-supply mismatch seen in mid-scale segment and with operationalization of additional room inventory in premium markets like Mumbai, Udaipur, etc.
- Sustained occupancy premium to lead to strong cash flow generation



- Strong competitive position in mid-priced hotel sector to drive market share gains
 - Strong pipeline of owned, leased and managed hotels under active development – 65% of current operational portfolio
 - To record 19% CAGR in room inventory growth over FY18-21E driven by 28% CAGR in managed rooms
 - Plan to operate 78 hotels with 8,152 rooms, across 54 cities by FY21 (over 10% of estimated mid-priced sector share, as per Horwath report)
- Increased focus on leisure and vacation travel needs of the Indian travellers
- Increased market share of high-yield online hotel bookings (dynamic day-to-day pricing) from 19% in FY16 to 26% in FY18

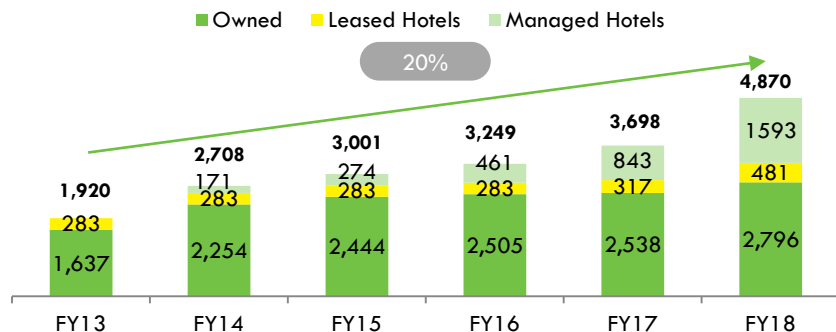


ANNEXURES

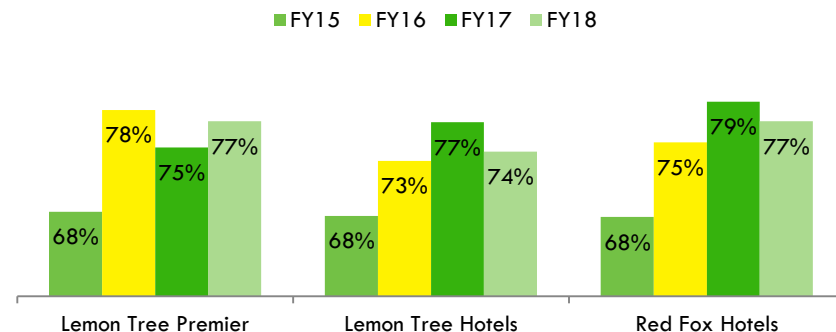
Strong operating performance

Room additions

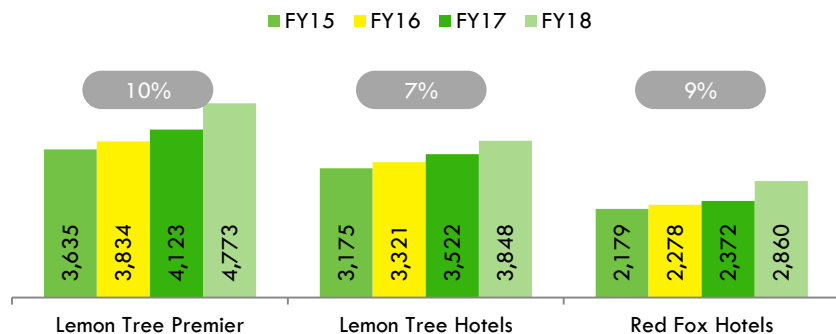
CAGR



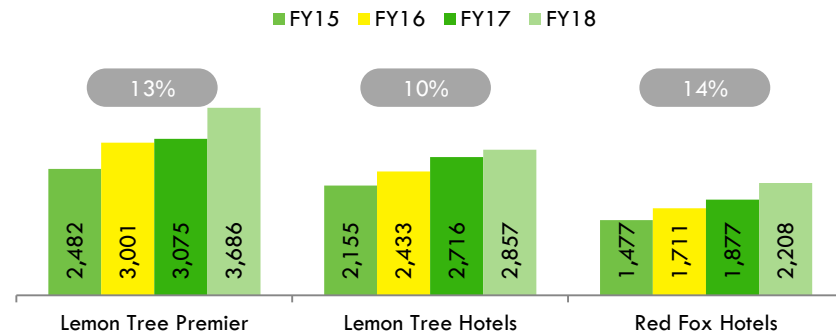
Occupancy levels



ADR (Rs.)



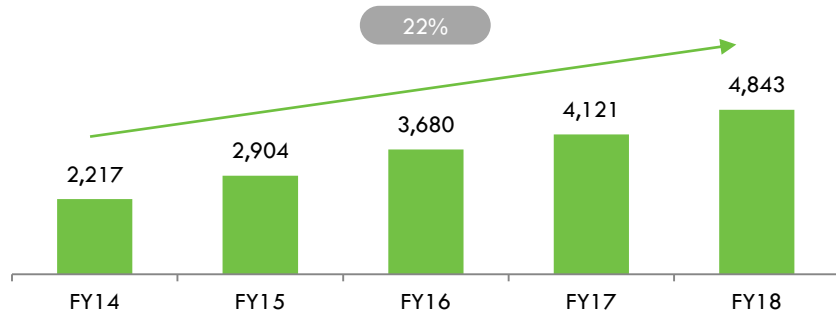
RevPAR (Rs.)



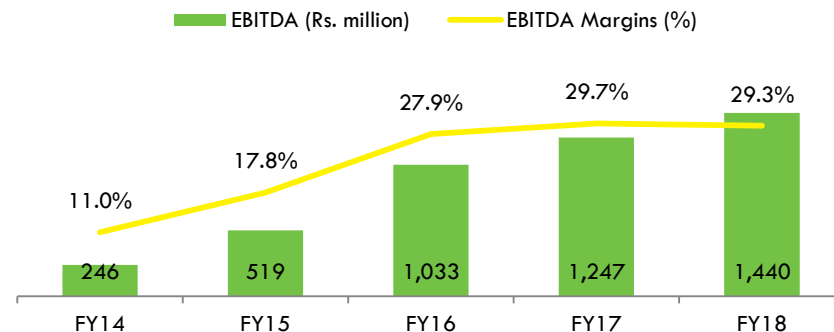
Strong Growth and improving margins

Revenue from operations (Rs. million)

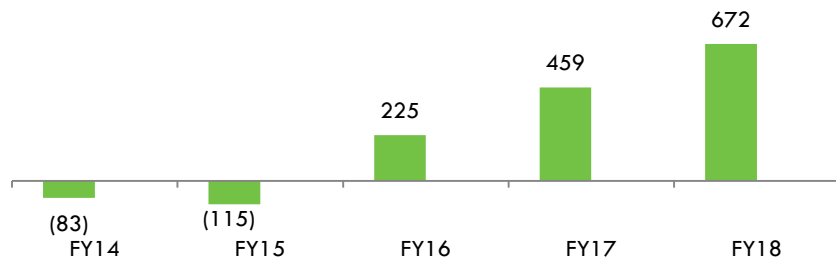
CAGR



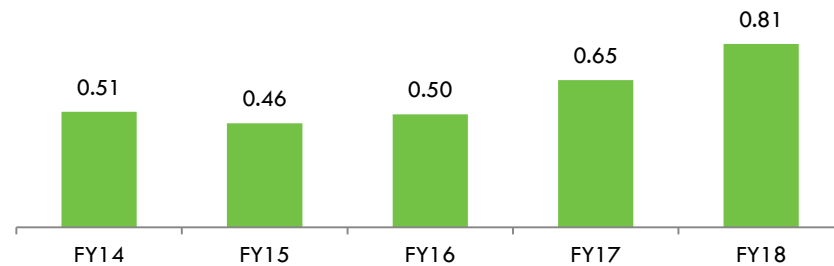
EBITDA & EBITDA margins



Cash Profit (PAT + Depreciation) (Rs. million)

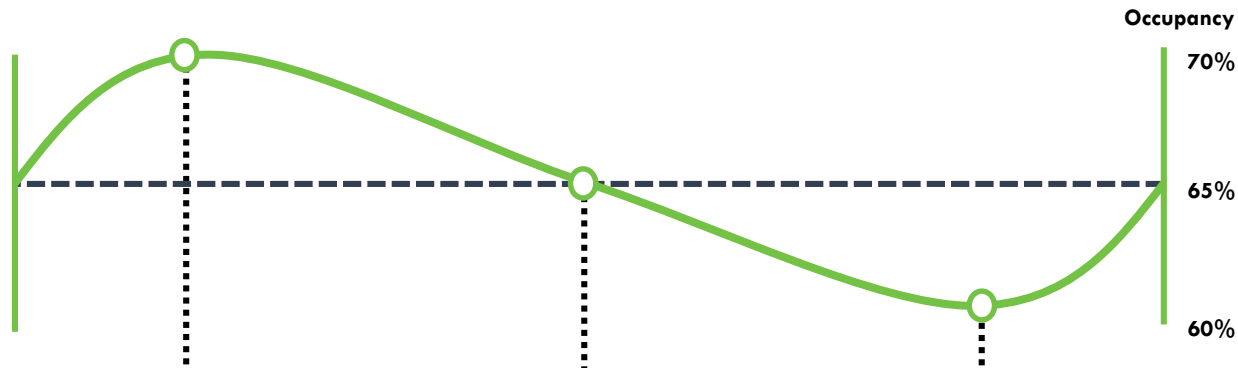


Debt/Equity



The hotel business cycle

Illustrative:
15 Room Hotel
with
Investment = 300



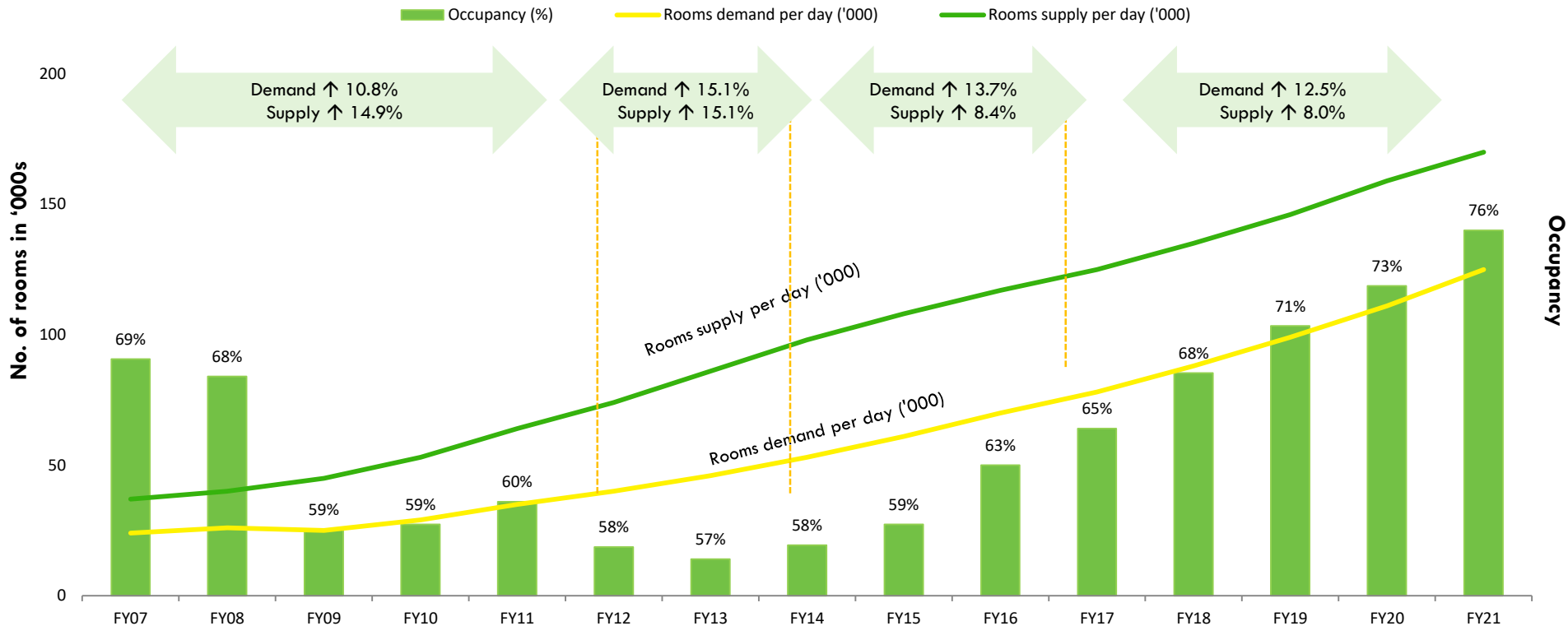
Cycle	Top (2)	Middle (3)	Bottom (2)
Occupancy	70% or more	63-68%	60% or less
Rooms Sold	12	10	8
Average Daily Rate	13	10	7
Revenue	156	100	56
Expenses	60	50	40
EBITDA	96	50	16
Hotel RoCE	32%	17%	5%
Sustainable Debt:Equity Coverage	Full Debt	1:1	No Debt

6:3:1

Note: Hotel RoCE is calculated as Hotel level EBITDA/Capital deployed for operational hotels.

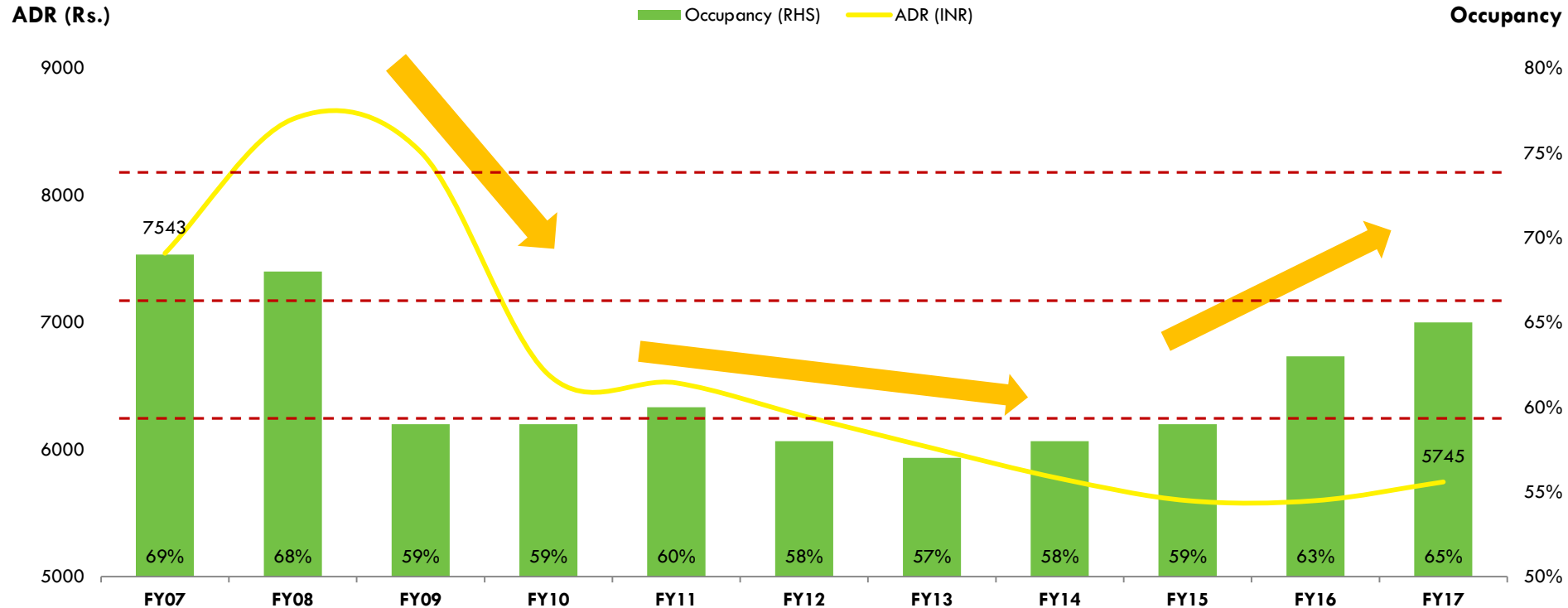
Indian hotel industry is at an inflection point

Slowing supply and rising demand is expected to increase occupancy and ADR



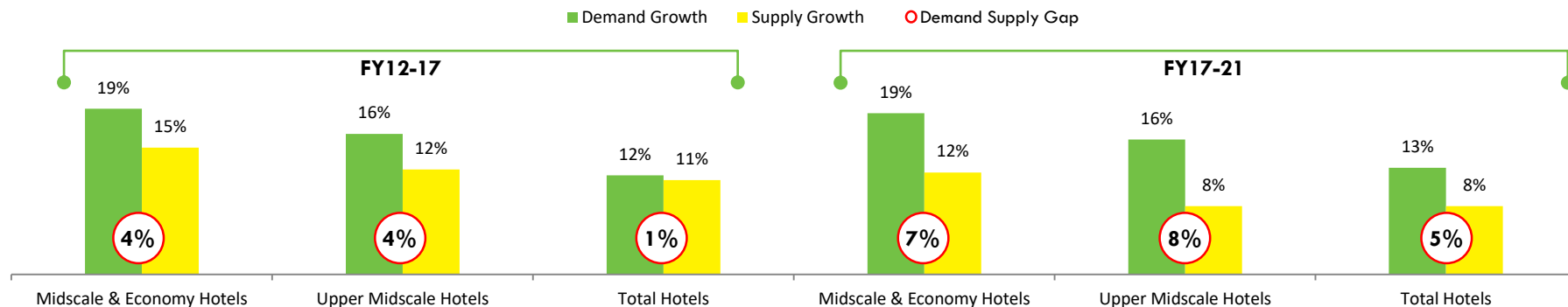
Increasing occupancy leading to increase in room rates

Average Daily Rate (ADR) is increasing with increase in occupancy rates

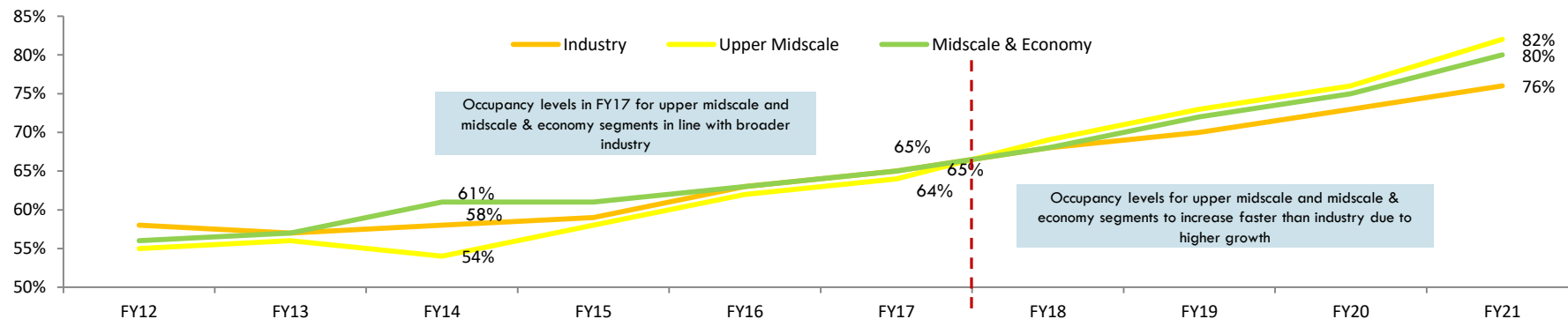


Mid-priced hotel sector expected to have higher demand supply gap resulting in higher growth in occupancy

Mid-priced hotel sector expected to continue having higher demand-supply gap leading to...



...faster growth in expected occupancy



Lemon Tree Hotels Limited (LTH) Q4 & FY18 Earnings Conference Call

Time

- 2:00 pm IST on Tuesday, May 29, 2017

Conference dial-in Primary number

- Primary number: +91 22 6280 1141 / +91 22 7115 8042

Local access number

- +91 70456 71221 (Available all over India)

International Toll Free Number

- Hong Kong: 800 964 448
- Singapore: 800 101 2045
- UK: 0 808 101 1573
- USA: 1 866 746 2133

Lemon Tree Hotels (LTH) is the largest mid-priced hotel sector chain, and the third largest overall, on the basis of controlling interest in owned and leased rooms, as of June 30, 2017, according to the Horwath Report. LTH operates in the mid-priced hotel sector, consisting of the upper midscale, midscale and economy hotel segments and seeks to cater to Indian middle class guests and deliver differentiated yet superior service offerings, with a value-for-money proposition.

LTH opened its first hotel with 49 rooms in May 2004 and plans to operate 78 hotels with 8,152 rooms, across 54 cities by FY2021.

Lemon Tree hotels are located across India, in metro regions, including the NCR, Bengaluru, Hyderabad and Chennai, as well as tier I and tier II cities such as Pune, Ahmedabad, Chandigarh, Jaipur, Indore and Aurangabad. New hotels will open shortly in Mumbai, Pune, Kolkata and Udaipur.

For more information about us, please visit www.lemontreehotels.com or contact:

Kapil Sharma (Chief Financial Officer)
Vineet Ranjan (EA to CMD and Director -
Strategic Initiatives & Transformation)

Lemon Tree Hotels Ltd

Tel: +91 11 4605 0174 / +91 11 4605 0153

E-mail: cfo@lemontreehotels.com
ea_cmd@lemontreehotels.com

Anoop Poojari / Varun Divadkar

CDR India

Tel: +91 22 6645 1211 / 97637 02204

E-mail: anoop@cdr-india.com
varun@cdr-india.com