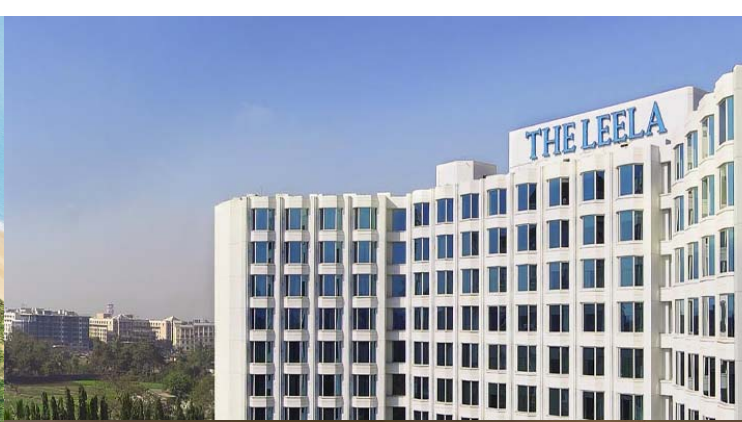




Hotel Leelaventure Limited

Results Presentation
May 2010



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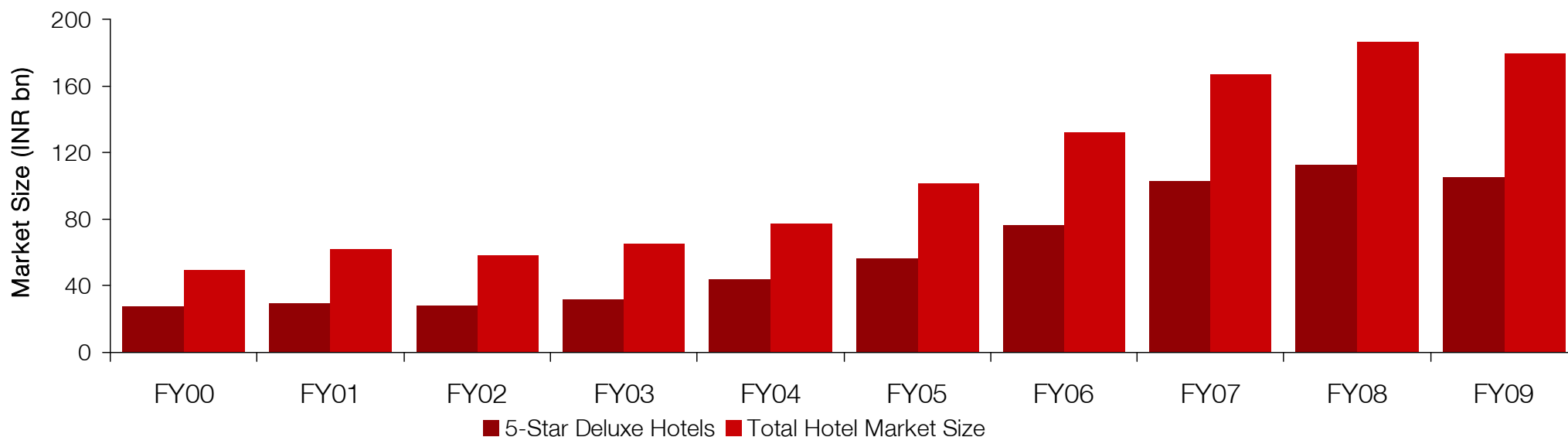
Hotel and Tourism Industry in India



- India ranked 11th within the Asia-Pacific region according to the Travel and Tourism Competitiveness Report 2009 (World Economic Forum)
- The tourism industry in India contributed 6.1% to the GDP in 2008-09¹
 - Expected to grow at a CAGR of 7.6% for the next 10 years¹
- The 5-star deluxe hotel segment grew at a CAGR of 16 per cent from 2003-04 to 2008-09 and has reached a size of Rs. 106 bn as of 2008-09

¹Source: World Travel & Tourism Council

Indian Luxury Hotel Industry Growth from 2000 to 2009

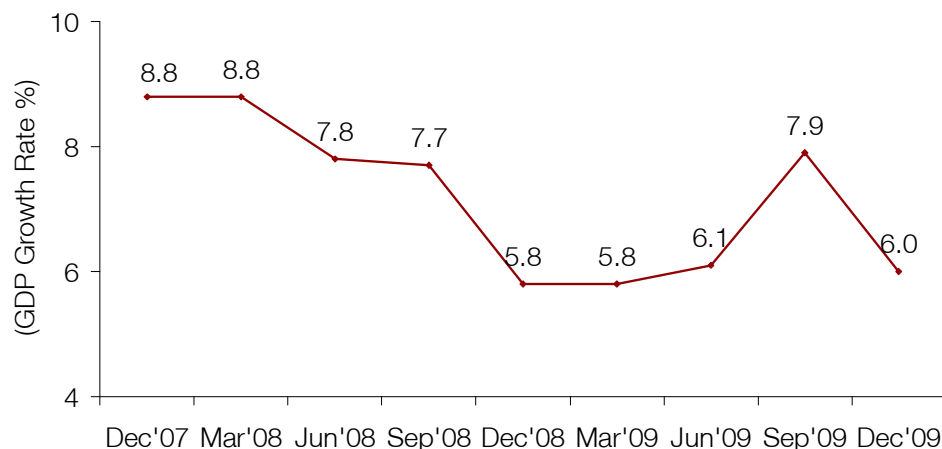


Source: Crisil Research, September 2009

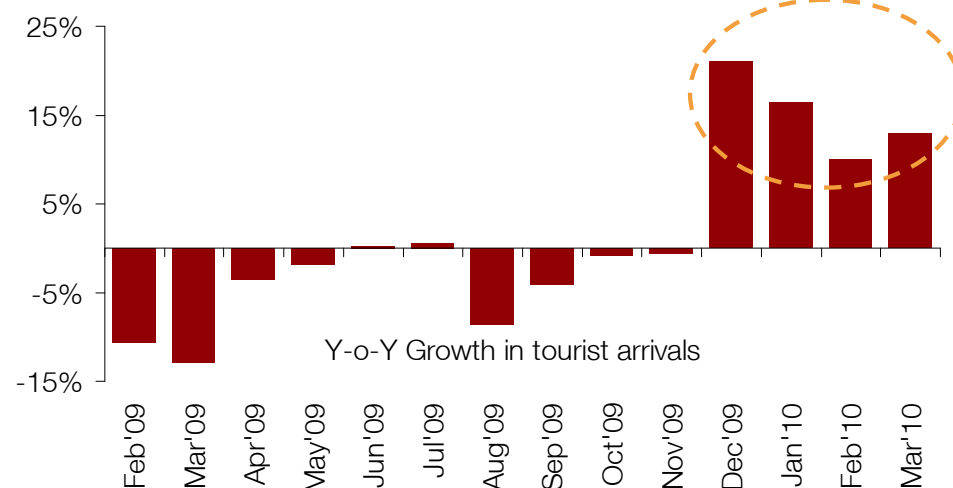
Poised for recovery



Economic recovery positive for the business segment



Recovery in foreign tourist arrivals to benefit leisure segment



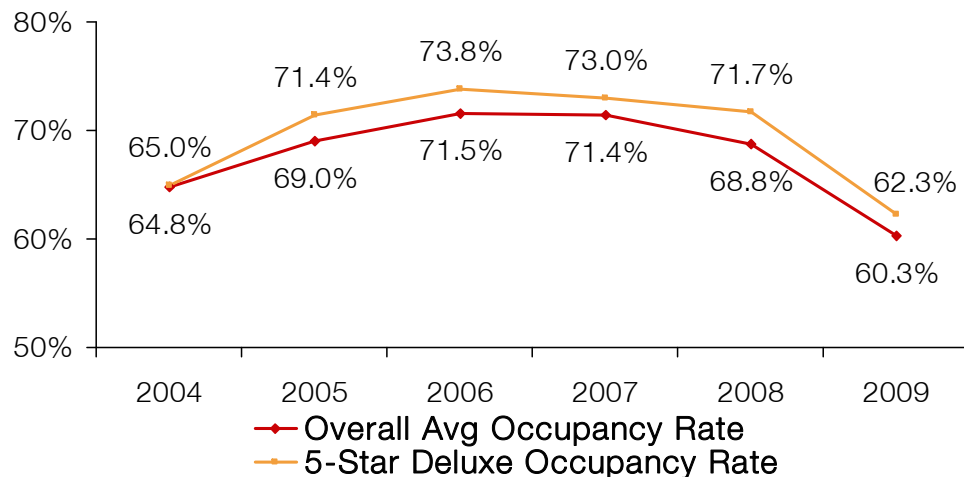
- Improvement in operating performance for the hotel industry since the third quarter of FY 2010 primarily driven by
 - Improved business environment due to economic recovery; Indian economy set to grow at over 8% annually
 - Revival in foreign tourist arrivals; increased to 1.9 million in Jan-Apr'10 with a growth of over 10% as compared to the similar period last year
- All major airports that have been privatised have been upgraded both in terms of capacity and quality facilitating and attracting foreign airlines into India
- The Indian IT Industry has registered strong improvement in contracts which should result in increase in business travel
- Incentive for construction of new hotel projects under the Indian Income Tax Act would help attract more investment and would also improve the profitability and help rationalise the capital cost of the new projects

Long Term Story Intact for the 5-Star Deluxe Category

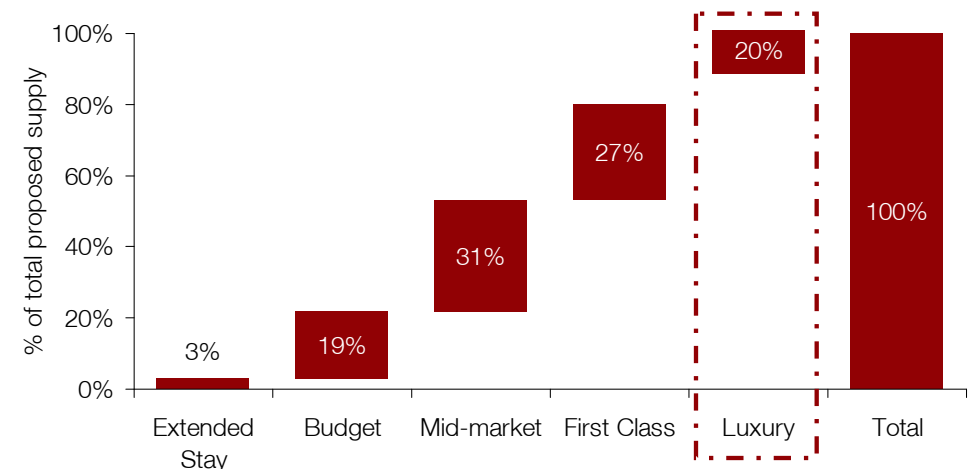


- The 5-star deluxe category hotels have consistently enjoyed better occupancy rates as compared to the overall average for the hotel industry
- Coupled with their higher ARRAs, this leads to significantly higher Revenue Per Available Room (RevPAR) for the 5-star deluxe category hotels

5-star deluxe hotels consistently enjoy better occupancy



Luxury segment not a significant contributor in upcoming supply



Overview of Financial Performance



Rs mn	Q4FY10	Q4FY09	YoY Growth	FY10	FY09	YoY Growth
Operating Income	1,297.5	1,019.6	27%	4,333.2	4,565.1	-5%
EBITDA	338.7	142.7	137%	1,237.4	1,595.1	-22%
<i>EBITDA Margin (%)</i>	<i>26%</i>	<i>14%</i>		<i>29%</i>	<i>35%</i>	
Other Income	162.4	344.6	-53%	297.1	610.1	-51%
Depreciation	219.9	193.6	14%	683.3	549.2	24%
Interest	75.7	83.7	-10%	244.7	272.0	-10%
Profit Before Tax	205.5	210.1	-2%	606.5	1,384.0	-56%
Net Profit	94	670.1 ¹		410.2	1,449.8 ¹	-72%
<i>Net Profit margin (%)</i>	<i>6%</i>	<i>49%</i>		<i>9%</i>	<i>28%</i>	
EPS				1.09	3.84 ¹	

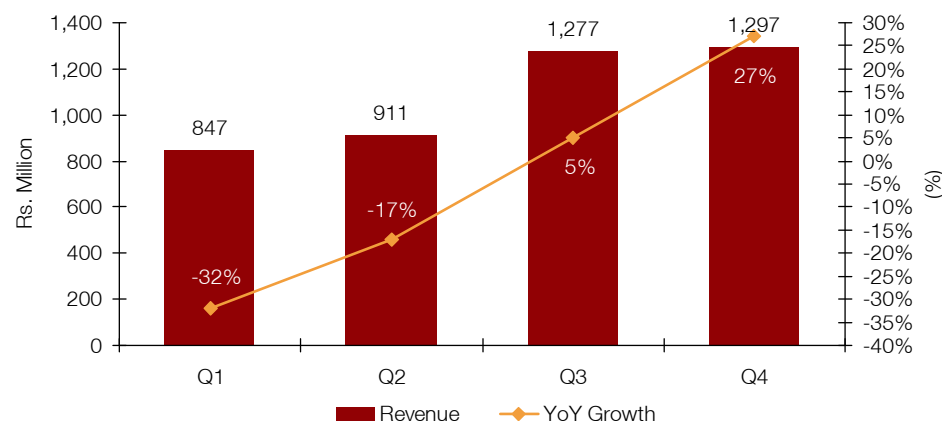
Rs mn	FY10	FY09
Shareholders Equity	20,574.5	19,398.9
Total Debt	28,786.6	24,495.2

¹ Includes Extraordinary profit on redemption of FCCBs of INR 646.4 Mn

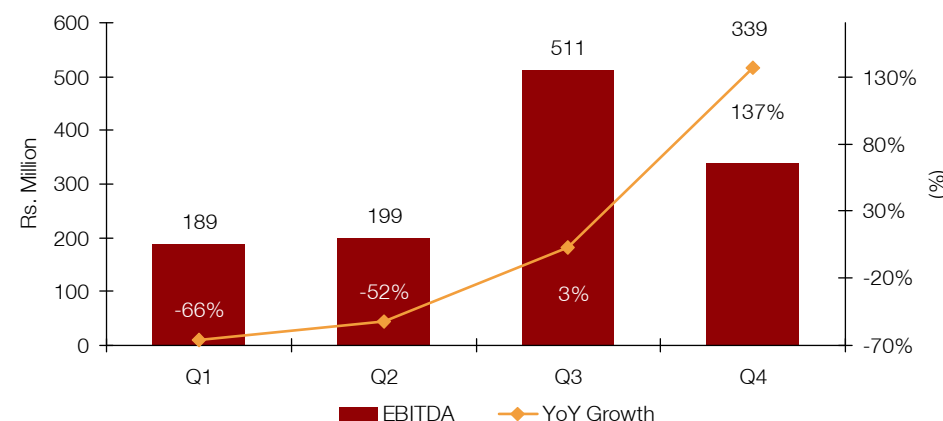
Quarterly Performance



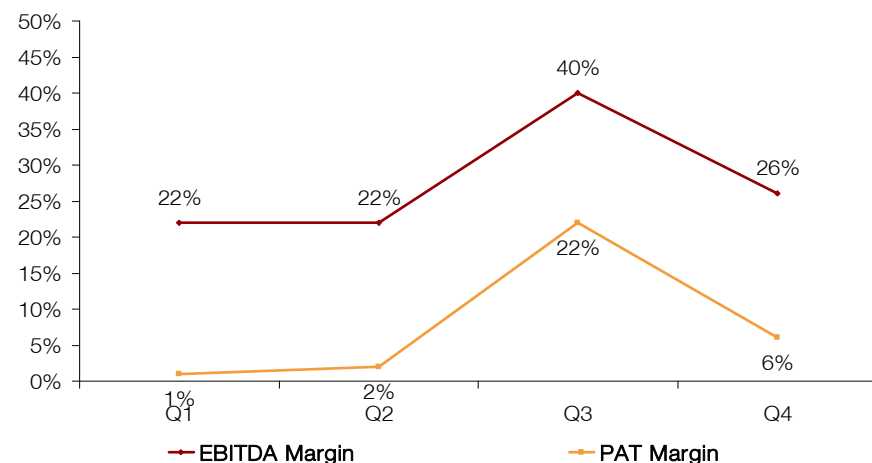
Revenue



EBITDA



Margin Improvement



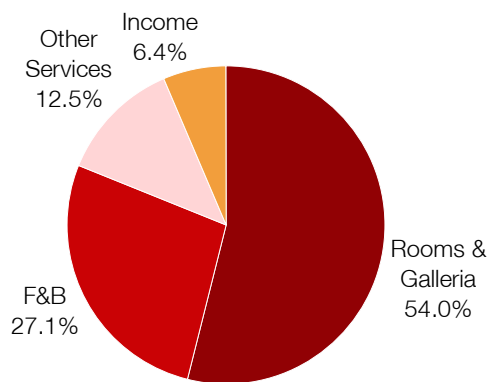
Quarterly performance in FY 2010

- The total operating revenue in Q4FY10 was higher by 27% over the corresponding period last year
- EBITDA was correspondingly higher
- Net profit of the company was higher in Q4FY09 due to one-time profit earned of Rs.646 million on redemption of FCCBs ; excluding this, the PAT was higher in Q4FY10

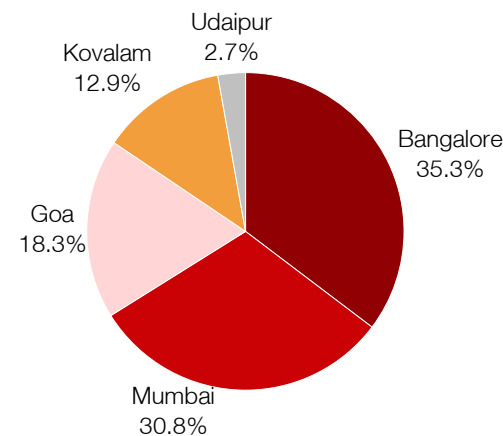
Annual Financial Performance



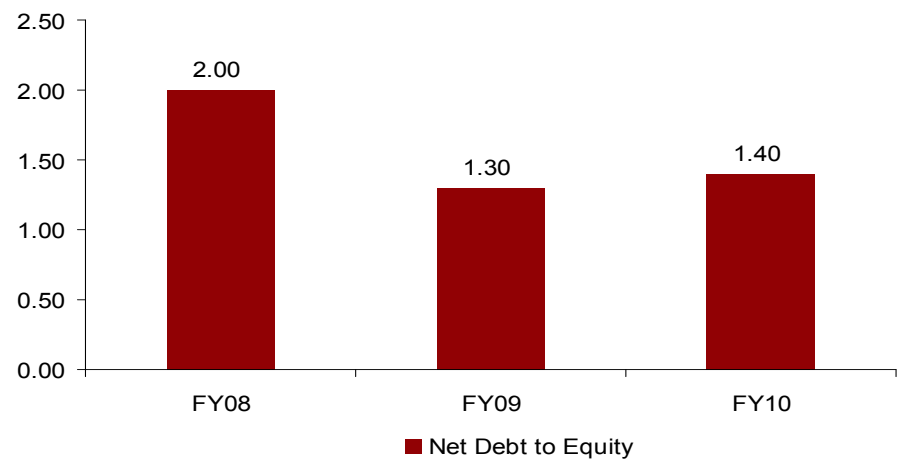
Revenue Breakup



Room Revenue Breakup



Net Debt to Equity



Hotel-wise FY10 Performance



The Leela Kempinski, Mumbai

	Q1FY10	Q2FY10	Q3FY10	Q4FY10	YTD'FY11
Occupancy	54%	55%	78%	78%	71%
ARR (Rs)	8,408	7,586	8,027	8,652	8,176

The Leela Palace Kempinski, Bangalore

	Q1FY10	Q2FY10	Q3FY10	Q4FY10	YTD'FY11
Occupancy	55%	66%	67%	69%	63%
ARR (Rs)	10,470	9,988	10,727	11,488	11,412

The Leela Kempinski, Goa

	Q1FY10	Q2FY10	Q3FY10	Q4FY10	YTD'FY11
Occupancy	70%	60%	71%	76%	71%
ARR (Rs)	7,661	6,526	12,192	14,008	8,473

The Leela Kempinski Kovalam Beach, Kerala

	Q1FY10	Q2FY10	Q3FY10	Q4FY10	YTD'FY11
Occupancy	64%	65%	76%	75%	59%
ARR (Rs)	5,258	4,815	8,530	9,495	6,531

The Leela Palace Kempinski, Udaipur

	Q1FY10	Q2FY10	Q3FY10	Q4FY10	YTD'FY11
Occupancy	NA	6.9%	18%	20%	9%
ARR (Rs)	NA	13,486	24,444	21,422	14,080

The Leela Kempinski, Gurgaon

	Q1FY10	Q2FY10	Q3FY10	Q4FY10	YTD'FY11
Occupancy	54%	80%	85%	84%	86%
ARR (Rs)	7,905	11,637	9,430	9,796	8,714

Recent Developments



- Update on upcoming projects
 - Delhi
 - Civil works and services completed
 - Interiors of main public areas and majority of the rooms nearing completion
 - Targeted soft opening in July 2010 and commercial operations to start from August/September 2010
 - Chennai
 - Civil works completed
 - Services and interior work in public area in progress
 - Interior work of rooms to start in September 2010
 - Commercial operations of hotel to commence in calendar year 2011

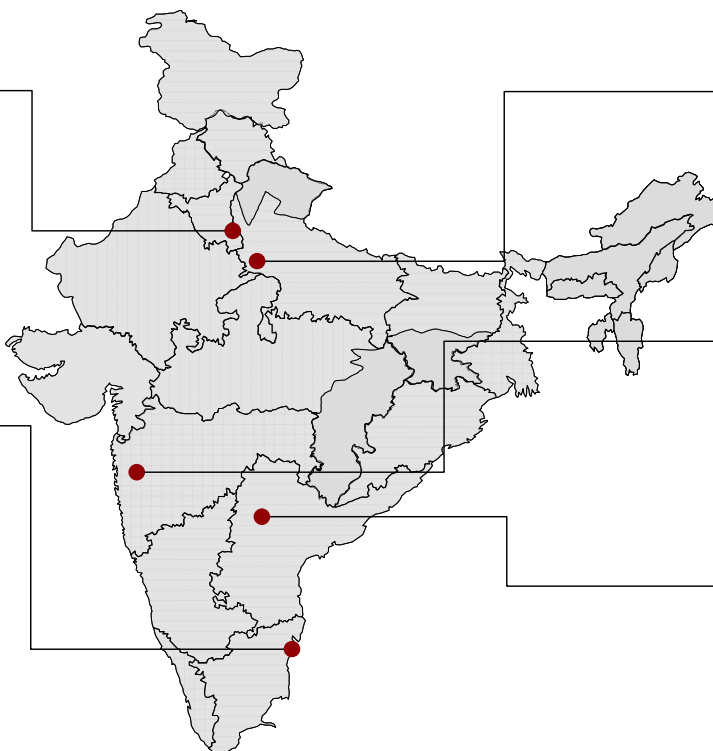
Expansion Plans



Immediate Plans

New Delhi	
Expected Completion Date	Q2FY11
Proposed Location	Chanakyapuri, New Delhi
Category	5-Star Super Deluxe
No. of Rooms	260
Business Model	Owned and operated
Target Customer Segment	Business
Current Status	Under construction

Chennai	
Expected Completion Date	Q1FY12
Proposed Location	MRC Nagar, Adyar, Chennai
Category	5-Star Super Deluxe
No. of Rooms	332
Business Model	Owned and operated
Target Customer Segment	Business/Leisure
Current Status	Under construction



Long term plans

Agra	
Proposed Location	Near Taj Mahal
No. of Rooms	80
Target Customer Segment	Leisure
Current Status	Land acquired

Pune	
Proposed Location	Behind Golf Links, Pune
No. of Rooms	200
Target Customer Segment	Business
Current Status	Land acquired

Hyderabad	
Proposed Location	Banjara Hills, Hyderabad
No. of Rooms	360
Target Customer Segment	Business
Current Status	Land acquired

Capital Expenditure Details**

				Schedule for Pending Capital Expenditure		
	Total Expected	Total Incurred (as of 31Mar'10)	Pending Expenditure	FY11E*	FY12E*	Beyond FY12E*
	(INR Mn)	(INR Mn)	(INR Mn)	(INR Mn)	(INR Mn)	(INR Mn)
Hotel						
New Delhi	11,280	9,550	2,250	1,950	210	90
Chennai	5,320	2,166	3,154	1,500	1,150	504

* Expenditure in each year includes deferred payments for equipment already procured on credit

** Excluding Interest During Construction

Growth Strategy



Chennai

Multi-pronged expansion strategy

- Expansion of operations through
 - Development of new upscale, full-service luxury hotels in high growth markets
 - Management agreements with other hotel owners in Tier 2 cities
 - Acquisition of existing hotels
- Strategic capital improvements in existing hotels



New Delhi

Focus on high-end premium market

- Market leader in locations where the company operates
- Continue expansion in the high-end premium segment
- Leverage depth of management expertise in the premium segment
- Focus on improving operational efficiencies to improve profitability while offering high-quality service and value



Strengthen offerings in MICE segment

- Consolidate strong positioning in the Meetings, Incentives, Conventions and Events ("MICE") segment
- Large banqueting and event facilities complemented by other amenities in all properties

Improving operational efficiencies

- Currently enjoys one of the highest operating margins in the industry
- Computerized revenue and yield management systems to manage each hotel's use of various distributions channels in the hotel industry
- Integrated budget planning implemented by individual on-site managers and monitored by our corporate staff



Thank You

Appendix



Key Historical Financials- Profit & Loss Statement



Rs mn	FY05 (audited)	FY06 (audited)	FY07 (audited)	FY08 (audited)	FY09 (audited)
Operating Income	2,566.9	3,433.3	4,155.7	5,145.8	4,565.1
EBITDA	1,159.3	1,608.6	2,343.5	2,296.7	1595.1
Other Income	146.5	206.5	365.5	745.3	610.1
Depreciation	298.3	348.9	376.9	453.4	549.2
Interest	515.3	377.4	448.8	355.6	272.0
Profit Before Tax	492.2	1,088.8	1,883.3	2,233.0	1,384.2
Profit After Tax	447.6	704.4	1,259.8	1,501.1	1,449.8 ¹
EPS (Rs) ²	1.32	1.91	3.40	3.93	3.84

	FY05	FY06	FY07	FY08	FY09
EBITDA Margin (%)	45%	47%	56%	45%	35%
Profit after tax margin (%)	16%	19%	28%	25%	28%

¹ includes Extraordinary profit on redemption of FCCBs of INR 646.4 Mn

² EPS on a per share face value of Rs. 2

Key Historical Financials- Balance Sheet



Rs mn	FY05 (audited)	FY06 (audited)	FY07 (audited)	FY08 (audited)	FY09 (audited)
Shareholders equity	7,677.3	8,213.5	8,982.2	9,300.7	19,398.9
Secured loans	6,233.1	7,387.4	6,424.3	12,911.2	18,186.3
Unsecured loans	743.4	3,732.3	3,610.7	7,445.4	6,308.9
Deferred tax liability	82.8	362.8	736.1	913.6	1,003.6
Shareholders Equity and Liabilities	14,736.6	19,696.0	19,753.3	30,570.9	44,897.7
Fixed Assets less Depreciation	12,745.1	16,770.3	16,705.7	22,167.4	34,885.3
Work in Progress			1,936.0	4,057.7	9,345.4
Cash & Cash Equivalents	520.6	1,648.2	126.1	2,958.3	305.7
Net current assets less Cash	1,469.8	1,276.9	984.9	1,386.1	360.3
Miscellaneous Investments	1.1	0.6	0.6	1.3	0.9
Total Assets	14,736.6	19,696.0	19,753.3	30,570.9	44,897.7

	FY05	FY06	FY07	FY08	FY09
Total Net Debt to Equity (X)	0.9	1.2	1.2	2.0	1.3

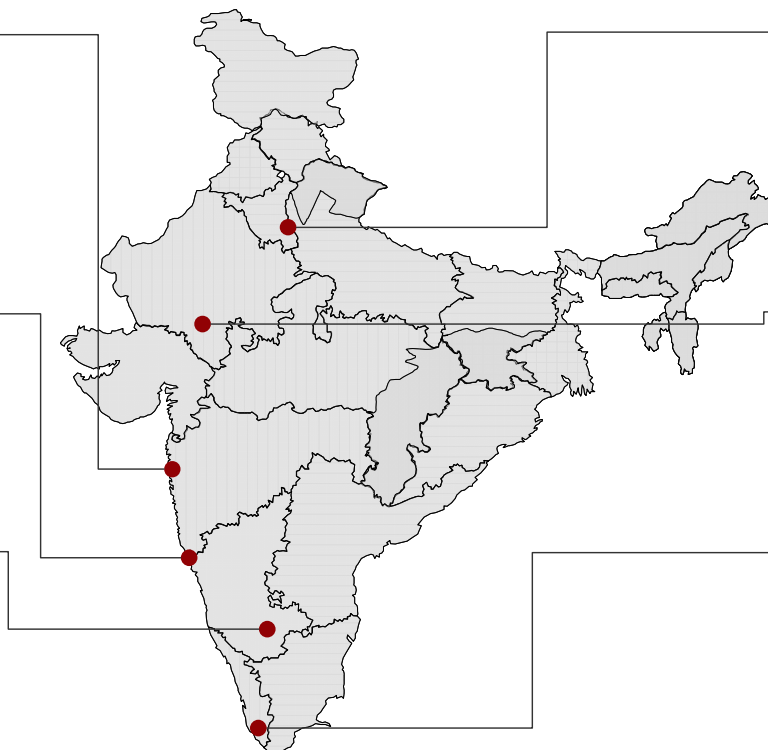
Overview of Existing Properties Across India



The Leela Kempinski, Mumbai	
Operational Since	1986
Category	5 star deluxe ¹
No. of Rooms	396
Business Model	Owned, operated by Hotel Leela

The Leela Kempinski, Goa	
Operational Since	1991
Category	5 star deluxe
No. of Rooms	186
Business Model	Owned, operated by Hotel Leela

The Leela Palace Kempinski, Bangalore	
Operational Since	2001
Category	5 star deluxe
No. of Rooms	357
Business Model	Owned, operated by Hotel Leela



The Leela Kempinski, Gurgaon ²	
Operational Since	2009
Category	5 star deluxe
No. of Rooms	322 guest rooms and 90 residential apartments
Business Model	Operated by Hotel Leela through management contract

The Leela Palace Kempinski, Udaipur	
Operational Since	2009
Category	5 star deluxe
No. of Rooms	80
Business Model	Owned, operated by Hotel Leela

The Leela Kempinski Kovalam Beach (Kerala)	
Operational Since	Acquired in 2005
Category	5 star deluxe
No. of Rooms	182
Business Model	Owned, operated by Hotel Leela

¹ Expired on February 9, 2010. Application has been made for renewal

² Gurgaon is a managed property and hence the revenue does not come directly to the company