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**LIMITED REVIEW REPORT ON THE UNAUDITED FINANCIAL RESULTS  
FOR THE QUARTER ENDED 30<sup>TH</sup> JUNE 2014**

The Board of Directors  
Sterling Holiday Resorts (India) Limited  
Chennai

We, the Statutory Auditors of Sterling Holiday Resorts (India) Limited, having its Registered Office at 7, Third Cross Street, "Citi Tower", Third Floor, Kasturba Nagar, Adyar, Chennai 600020, have reviewed the accompanying statement of unaudited financial results (Stand alone & consolidated) for the quarter ended 30<sup>th</sup> June 2014, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding', which have been traced from disclosures made by the Management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors at its Meeting held on 30<sup>th</sup> July 2014. Our responsibility is to issue a report on these Financial Statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial Information performed by the Independent Auditor of the Entity* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above for the quarter ended 30<sup>th</sup> June 2014, nothing has come to our notice that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the Accounting Standards issued under the Companies (Accounting Standards) Rules, 2006, which continue to apply as per Section 133 of the Companies Act, 2013, read with Rule 7(1) of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies generally accepted in India has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements including the manner in which it is to be disclosed, or that it contains any material misstatements.

For V. Sankar Aiyar & Co.  
Chartered Accountants  
Firm Regn. No.109208W

S.VENKATARAMAN  
PARTNER  
M. No.023116

For R. Subramanian and Company  
Chartered Accountants  
Firm Regn. No.004137S

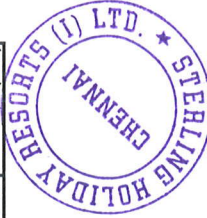
A.Ganesan  
PARTNER  
M. No.021438

Place: Chennai  
Date: 30-07-2014



Part 1-STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30,2014

PARTICULARS	Stand Alone						Consolidated				Rs. In lakhs
	Quarter ended			Year ended			Quarter ended				Year ended
	30-Jun-14 (unaudited)	31-Mar-14 (audited)	30-Jun-13 (unaudited)	31-Mar-14 (audited)	30-Jun-14 (unaudited)	31-Mar-14 (audited)	30-Jun-13 (unaudited)	31-Mar-14 (audited)	30-Jun-13 (unaudited)	31-Mar-14 (audited)	Year ended 31-Mar-14 (audited)
1. (a) Net Sales / Income from Operations	3,818.42	3,474.24	3,180.32	11,901.64	4,207.57	3,646.10	3,552.69	3,646.10	3,552.69	3,646.10	12,909.35
(b) Other operating income	54.27	60.54	47.94	229.26	75.24	64.91	56.91	64.91	56.91	64.91	279.58
Total income from operation(net)	3,872.69	3,534.78	3,228.26	12,130.91	4,282.81	3,711.01	3,609.59	3,711.01	3,609.59	3,711.01	13,188.93
2. Expenditure											
(a) Cost of materials consumed	229.95	175.70	212.77	692.62	274.78	198.82	255.08	198.82	255.08	198.82	823.45
(b) Employee benefit expenses	1,652.20	1,511.46	1,379.48	5,753.35	1,745.07	1,590.66	1,473.14	1,590.66	1,473.14	1,590.66	6,136.06
(c) Amortisation of Deferred Stock Compensation Cost	318.88	0.23	139.92	143.11	318.88	0.23	139.92	318.88	0.23	139.92	143.11
(d) Depreciation/Amortisation	256.05	224.42	190.87	877.00	257.22	225.94	193.01	225.94	193.01	225.94	882.92
(e) Sales Promotion	220.58	219.40	362.68	1,240.20	220.58	219.40	362.68	219.40	362.68	219.40	1,240.20
(f) Other expenses (any item exceeding 10% of the total expenses relating to continuing operations to be shown separately)	1,497.30	1,426.77	1,266.59	5,293.15	1,634.32	1,545.99	1,392.11	1,545.99	1,392.11	1,545.99	5,794.12
Total Expenses	4,174.96	3,557.37	3,552.30	13,999.45	4,450.85	3,781.05	3,815.93	3,781.05	3,815.93	3,781.05	15,019.87
3. Profit / (Loss) from Operations before Other Income, Interest and Exceptional Items (1-2)	(302.26)	(23.19)	(324.04)	(1,868.54)	(168.03)	(70.04)	(206.34)	(70.04)	(206.34)	(70.04)	(1,830.94)
4. Other Income	337.27	347.97	346.77	1,475.47	337.72	347.86	347.07	347.86	347.07	347.86	1,476.37
5. Profit / (loss) before finance costs and Exceptional Items(3-4)	35.00	324.78	22.73	(393.07)	169.69	277.82	140.73	277.82	140.73	277.82	(354.57)
6. Finance costs	62.19	194.20	78.29	581.10	62.19	194.20	78.29	194.20	78.29	194.20	581.10
7. Profit / (Loss) after finance costs but before Exceptional Items (5-6)	(27.18)	130.58	(55.56)	(974.16)	107.50	83.62	62.44	83.62	62.44	83.62	(935.66)
8. Exceptional Items	(27.18)	(661.80)	(661.80)	(661.80)	(661.80)	(661.80)	(661.80)	(661.80)	(661.80)	(661.80)	(661.80)
9. Profit / (Loss) from Ordinary Activities before tax (7+8)	(27.18)	(531.22)	(55.56)	(1,635.96)	107.50	(578.18)	62.44	(578.18)	62.44	(578.18)	(1,597.46)
10. Tax expense	(27.18)	(531.22)	(55.56)	(1,635.96)	107.50	(578.18)	62.44	(578.18)	62.44	(578.18)	(1,597.46)
11. Net Profit/(Loss) from ordinary activity after tax(9-10)	(27.18)	(531.22)	(55.56)	(1,635.96)	107.50	(578.18)	62.44	(578.18)	62.44	(578.18)	(1,597.46)
12. Extraordinary items(Net of Tax expenses)	(27.18)	(531.22)	(55.56)	(1,635.96)	107.50	(578.18)	62.44	(578.18)	62.44	(578.18)	(1,597.46)
13. Net Profit/(Loss) for the period (11-12)	(27.18)	(531.22)	(55.56)	(1,635.96)	107.50	(578.18)	62.44	(578.18)	62.44	(578.18)	(1,597.46)
14. Share of profit/(loss) of associates											
15. Minority Interest											
16. Net Profit/(Loss) after taxes, minority interest and share of profit/(loss) of associates	(27.18)	(531.22)	(55.56)	(1,635.96)	107.50	(578.18)	62.44	(578.18)	62.44	(578.18)	(1,597.46)
17. Paid-up Equity Share Capital - (Face Value of Rs.10/- each)	8,989.05	8,886.72	6,819.66	8,886.72	8,989.05	8,886.72	6,819.66	8,886.72	6,819.66	8,886.72	14,136.46
18. Reserves Excluding Revaluation Reserve (as per Balance Sheet at year ended)				15,423.81							
19. Earnings per share(EPS)											
(a). Basic and diluted EPS before Extraordinary items for the period, for the year to date and for the previous year (not to be annualised) (in Rupees)	(0.12)	(0.77)	(0.33)	(2.36)	0.48	(0.84)	0.37	(0.84)	0.37	(2.31)	(2.31)
- Basic	(0.12)	(0.77)	(0.33)	(2.36)	0.48	(0.84)	0.37	(0.84)	0.37	(2.31)	(2.31)
- Diluted	(0.12)	(0.77)	(0.33)	(2.36)	0.48	(0.84)	0.37	(0.84)	0.37	(2.31)	(2.31)
(b). Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not to be annualised) (in Rupees)	(0.12)	(0.77)	(0.33)	(2.36)	0.48	(0.84)	0.37	(0.84)	0.37	(2.31)	(2.31)
- Basic	(0.12)	(0.77)	(0.33)	(2.36)	0.48	(0.84)	0.37	(0.84)	0.37	(2.31)	(2.31)
- Diluted	(0.12)	(0.77)	(0.33)	(2.36)	0.48	(0.84)	0.37	(0.84)	0.37	(2.31)	(2.31)



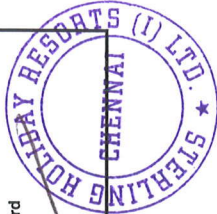
**Note:**

1. The above results have been reviewed by the Audit Committee, approved and taken on record by the Board of Directors of the Company at their meeting held on 30.07.2014. Limited Review of the above results has been carried out by the Statutory Auditors of the Company.
2. In terms of the agreements executed between Thomas Cook Insurance Services (India) Limited (TCISL), Thomas Cook (India) Limited (TCIL) and the Company, it is proposed that the Timeshare and Resort business of the Company including investments in subsidiaries, will be de-merged and merged with TCISL and the residual business of the Company will be merged with TCIL. The appointed date of such scheme of arrangement shall be 1st April 2014. The company has received No Objection Certificate from Bombay Stock Exchange and Madras Stock Exchange and is in the process of filing necessary petition in the Honourable High Court of Madras.
3. Depreciation on fixed assets has been provided by adopting useful life as specified under Schedule II of the Companies Act, 2013, which has resulted in increase in depreciation by Rs.37.50 lakhs for the quarter. In respect of fixed assets, where the remaining useful life has become nil, its carrying amount of Rs. 363 lakhs has been adjusted against 'Retained Earnings'.
4. The Company has identified "Time share" as the only primary reportable segment.
5. During the quarter the company has allotted 10,23,258 equity shares under Employee Stock Purchase Scheme (ESPS) 2011.
6. The figures for 3 months ended 31st March 2014 are the balancing figures between the audited figures in respect of the full previous financial year and the published figures upto the third quarter of the previous financial year.
7. Figures for the previous period are re-classified/re-arranged/re-grouped, wherever necessary.

Place: CHENNAI  
Date : 30-Jul-2014

For and on behalf of the Board

Ramesh Ramanathan  
MANAGING DIRECTOR









July 30, 2014

For Immediate Release

**Sterling Holiday Resorts Reports Q1 PAT of INR 11 million in Q1**  
**EBITDA increases by 56%**

**Highlights of Q1 FY15 Results:**

- Total Operating Income for the quarter rose to INR 465 million, up 17% from the corresponding quarter of the previous year
- EBITDA increases by 56% over corresponding quarter
- PAT of INR 11 million

**Sterling Holiday Resorts (India) Limited (STERLINH)**, a leading Leisure Hospitality company in India, and a pioneer in Vacation Ownership, today, announced its results for the quarter ending June 30, 2014.

Total Operating Income for the first quarter of FY15 was reported as INR 465 million, an increase of 17% over the same period of the previous fiscal. Resort occupancy increased to 71% from 64%, resulting in an increase in Total Income from Resort Operations to INR 205 million, as compared to INR 177 million in the same period of last year. Income from Sales of Vacation Ownership Plans was reported as INR 173 million, a growth of 24%. The Company declared EBITDA of 75 million and a Profit after Tax of INR 11 million for the quarter.

Commenting on the results, **Ramesh Ramanathan, Managing Director, Sterling Holidays** said, "Over the last year, we have been seeing positive growth trends in resort occupancy from members and other guests, revenue growth and profitability. These trends are reflected in our Q1 performance. The positive momentum gives us the confidence to accelerate the pace of expansion of our destination network. Over the next few months we will be announcing a string of new resorts in Corbett, Daman, Dindi, Nainital and Sariska."

**About Sterling Holiday Resorts (India) Limited**

Sterling Holiday Resorts (India) Limited is a leading Leisure Hospitality company in India. Sterling was incorporated in 1986 with the vision of delivering Great Holiday experiences to Indian Families. To achieve this vision, the company pioneered Vacation Ownership in India and set about building a network of leisure resorts at some of the best holiday destinations in India. Currently, Sterling has an inventory of 1512 rooms spread across 19 resorts located in Corbett, Darjeeling, Dharamshala, Gangtok, Goa, Karwar, Kodaikanal, Lonavala, Manali, Munnar, Mussoorie, Ooty, Puri, Thekkady, Yelagiri and Yercaud. The company also has 15 additional sites where it plans to add new resorts in the coming years.

***Sterling is in the process of merging with Thomas Cook (India) Ltd. (TCIL) - India's leading integrated travel and travel related financial services company. Thomas Cook***



Press Release



***(India) is a part of Fairfax Financial Holdings Limited, a \$38 billion multinational giant, headquartered in Toronto, Canada. Fairfax's portfolio of companies includes several well-known global companies in the insurance, re-insurance and restaurant chains sectors. Some of the other brands which Fairfax has a significant stake in include Blackberry and Lombard. In India, Fairfax has a majority holding in Thomas Cook (India) Limited, and holds a stake in ICICI Lombard and India Infoline. In 2013, Fairfax began expanding their portfolio in India through Thomas Cook, acquiring Ikyo Human Capital Solutions. Sterling will be the second such investment under the Thomas Cook (India) group.***

For more information visit: [www.sterlingholidays.com](http://www.sterlingholidays.com)

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