

February 10, 2020

National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex,
Bandra (East),
Mumbai 400 051.
Scrip Code: CHALET

BSE Limited
Corporate Relationship Department
1st Floor, New Trading Ring,
Dalal Street, Fort,
Mumbai 400 001.
Scrip Code: 542399

Dear Sir / Madam,

Subject: Investor / Analyst Presentation in respect of the Financial Results for the quarter and nine months ended December 31, 2019

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), we are attaching herewith a copy of the presentation prepared by the Company for the earnings call scheduled with the Investors / Analysts, in relation to the Statement of Standalone Financial Results (Unaudited) along with the Statement of Consolidated Financial Results (Unaudited) for the quarter and nine months ended December 31, 2019, which have been approved by the Board of Directors of the Company at its meeting held on February 10, 2020 pursuant to Regulation 33 of the Listing Regulations.

We request you to take the above information on record.

Thanking You.

Yours Faithfully,
For Chalet Hotels Limited


Christabelle Baptista
Company Secretary & Compliance Officer



Encl.: As above



CHALET
HOTELS

Presentation

February 2020

Pedigree

K Raheja Corp Limited
Leading real estate developer
in India for over 6 Decades



Proficiency

Right Assets
Right Location
Right Partnership
Right Team



Performance

Robust Operating
Performance

Playing out our strategy





Novotel Pune Nagar Road Hotel

A new addition to our portfolio
February 2020



Novotel Pune - A Strategic fit

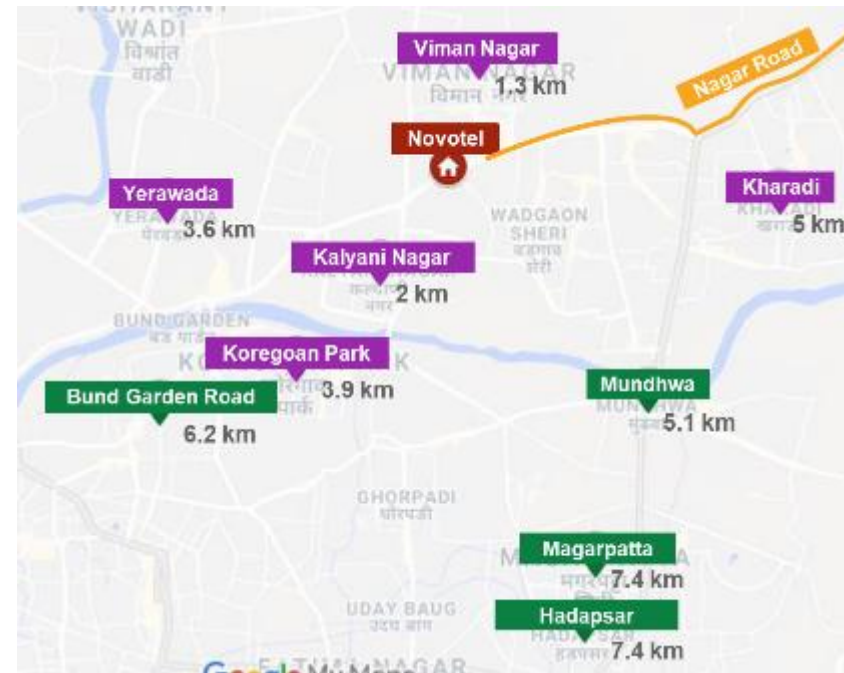
Hotel Facts

Ownership	Freehold Land
Brand	Novotel
Operator	Accor Group
Keys	223
Positioning	Upscale
Opened on	Jan 2014
F & B	3 Outlets
Banquets	7,306 Sq. Ft.
Capacity Expansion	~ 88 keys in bare shell stage
New inventory to be operational by	Q2FY21

Transaction Details

Transaction Type	100% Equity Share & FCCD Acquisition
Deal Includes	Hotel land & building
Gross Consideration	Rs. 2,938 Mn
Total Debt	Rs. 1,170 mn
Net Consideration	Rs. 1,768 mn

Strategic Location with a strong catchment area



- High commercial real estate absorption
- Expansion of Pune International Airport underway
- High growth in Domestic & International air passenger traffic
- Influx of MNC's in the Technology and Fin-tech space

Key Performance Indicators FY19*

RevPAR (Rs.)	3,427
Revenue (Rs. Mn)	438
EBITDA (Rs. Mn)	97
EBITDA Margin%	22%

*Belaire Hotels Pvt. Ltd. the owning company of the hotel

Brand singings for ~1,800 keys

The Westin Mumbai Powai Lake, 600 keys

From 'Renaissance Mumbai Convention Centre and Hotel' – H1FY21

Brand
Upgrades

New
Contracts

The Westin Hyderabad Mindspace, 427 keys

**Lakeside Chalet, Mumbai – Marriott
Executive Apartments, 173 Keys**

New
Signings
(Up coming
properties)

W Mumbai Powai Lake, ~150 keys

The Westin Hyderabad Hitec City, ~170 keys

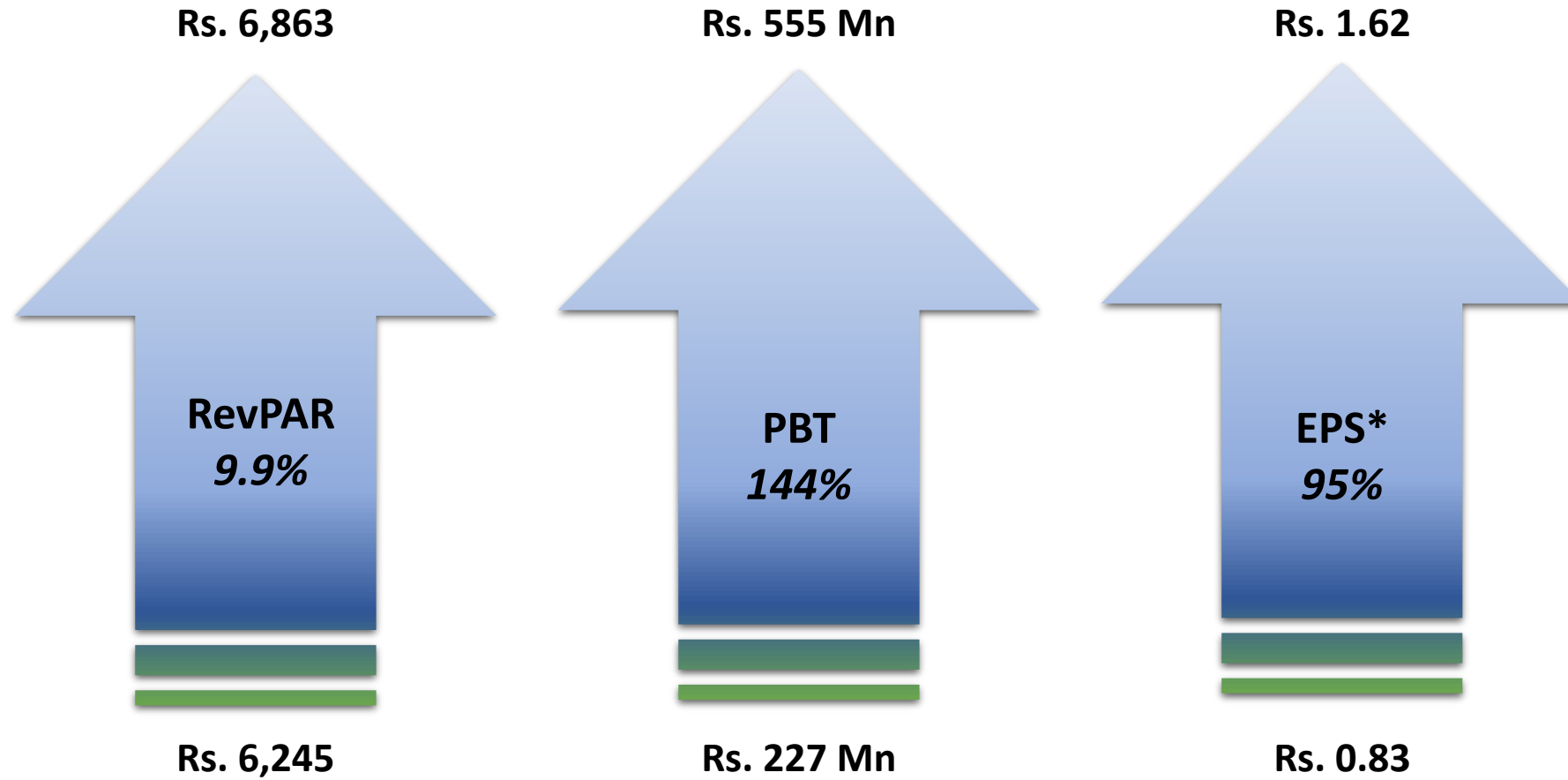
Hyatt Regency Navi Mumbai Airoli, ~260 keys

- 1st Hotel with the Hyatt Group

Business Performance



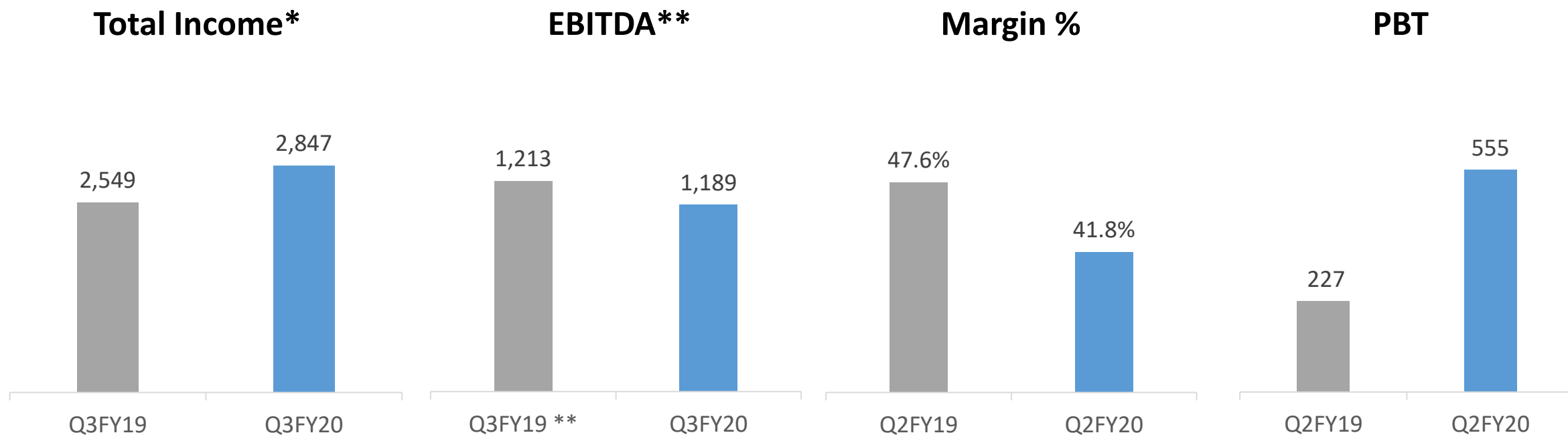
Highlights for Q3FY20



* Not annualised

Consolidated Q3FY19 Performance

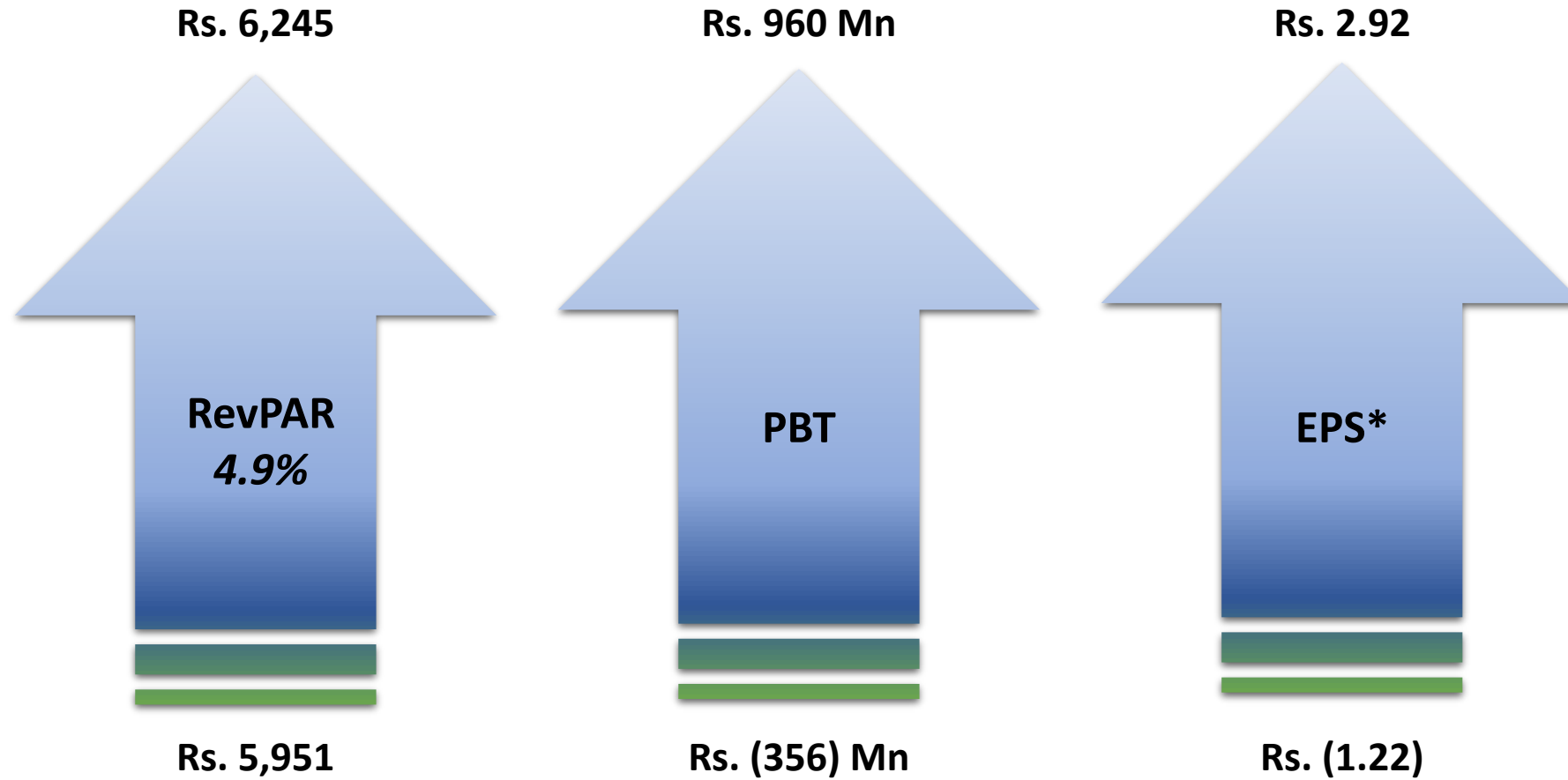
(In Rs. Mn)



* Treasury income lower by Rs 42 mn

**Includes Exchange gain of Rs 241 Mn (CY NIL)

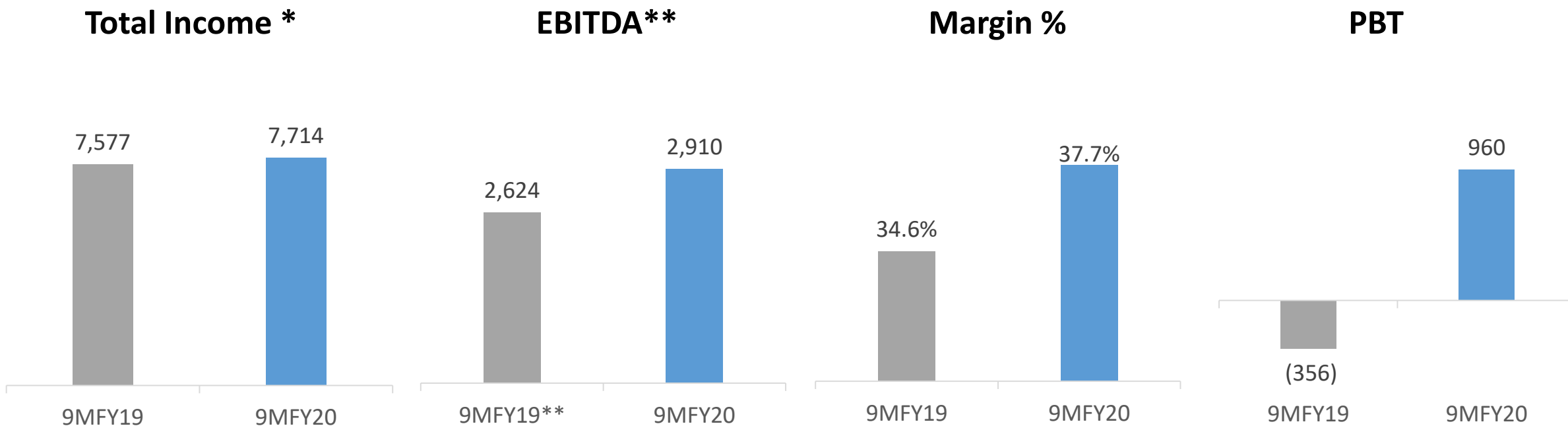
Highlights for 9MFY20



* Not annualised

Consolidated 9MFY19 Performance

(In Rs. Mn)



* Treasury income lower by Rs 143 mn

**Includes Exchange loss of Rs 148 Mn (CY NIL)



Industry

- Positive demand supply arbitrage

Chalet Hotels Limited

- ADR driven RevPAR growth
- Occupancy at 75%
- Effective cost management
- Improved Capital Structure



Industry

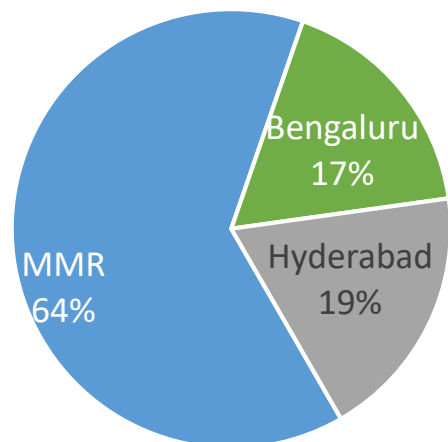
- Sluggish Consumer spends
- General economic slowdown

Chalet Hotels Limited

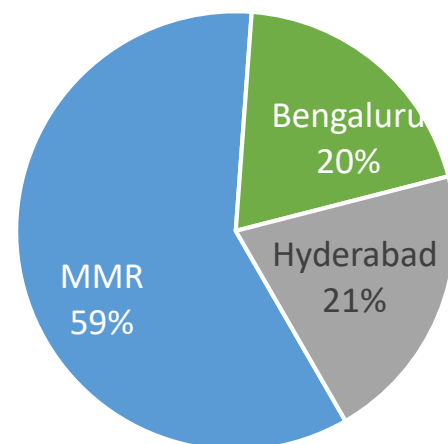
- Lower Banquet and MICE revenue

Hospitality City-wise performance

9MFY20 Revenue Rs 6,744 Mn



9MFY20 Segment Profit* Rs 2,686 Mn



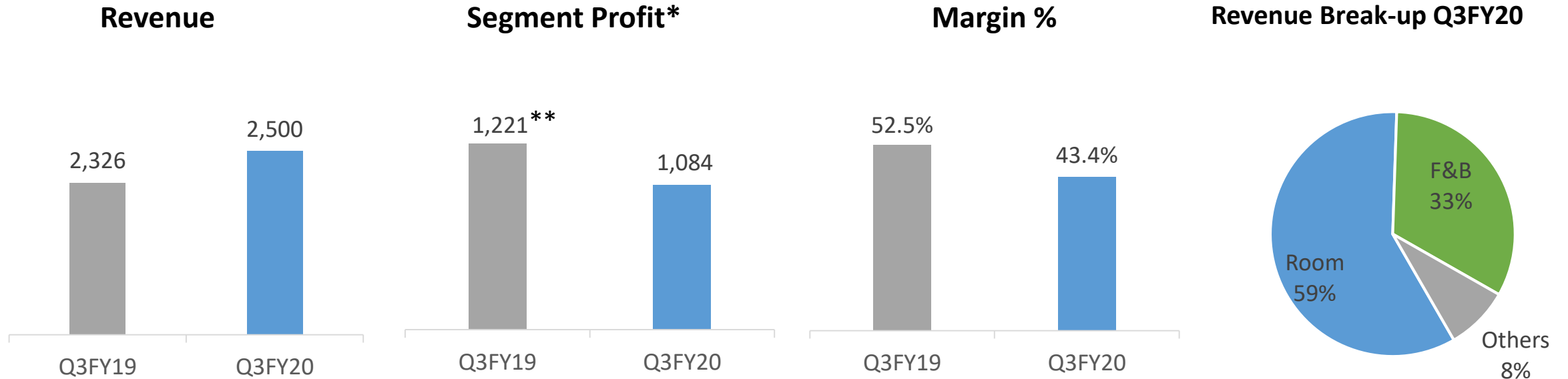
	Q3FY20	Q3FY19	YoY %	9MFY20	9MFY19	YoY%	FY19
ADR (Rs.)							
MMR	8,942	8,437	6%	8,149	7,858	4%	8,086
Bengaluru	9,685	8,664	12%	8,995	8,511	6%	8,756
Hyderabad	9,747	8,321	17%	8,547	7,906	8%	8,205
Combined	9,201	8,453	↑ 9%	8,366	7,977	↑ 5%	8,218
Occupancy %							
MMR	76.5%	75.8%	70 bps	74.5%	74.4%	15 bps	76%
Bengaluru	70.3%	69.9%	40 bps	76.1%	75.3%	80 bps	77%
Hyderabad	71.8%	70.8%	100 bps	73.7%	74.7%	-100 bps	76%
Combined	74.6%	73.9%	70 bps	74.7%	74.6%	10 bps	76%
RevPAR (Rs.)							
MMR	6,840	6,394	7%	6,075	5,846	4%	6,178
Bengaluru	6,807	6,055	12%	6,846	6,411	7%	6,757
Hyderabad	6,995	5,893	19%	6,301	5,904	7%	6,234
Combined	6,863	6,245	↑ 10%	6,245	5,951	↑ 5%	6,283

*Segment Profit before Interest Depreciation and Tax

MMR: Mumbai Metropolitan Region

Hospitality Segment Q3FY20

(In Rs. Mn)



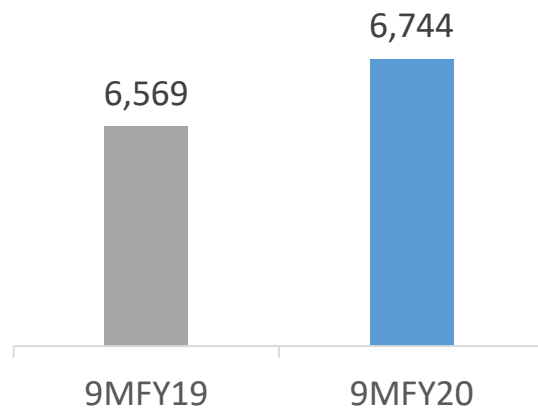
* Segment Profit before Interest Depreciation and Tax

** Includes Exchange Gain of Rs 228 Mn (CY NIL)

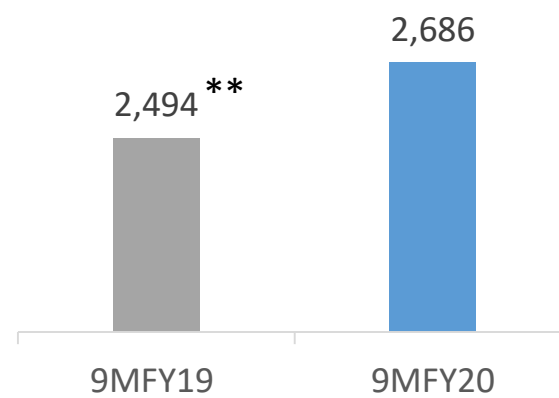
Hospitality Segment 9MFY20

(In Rs. Mn)

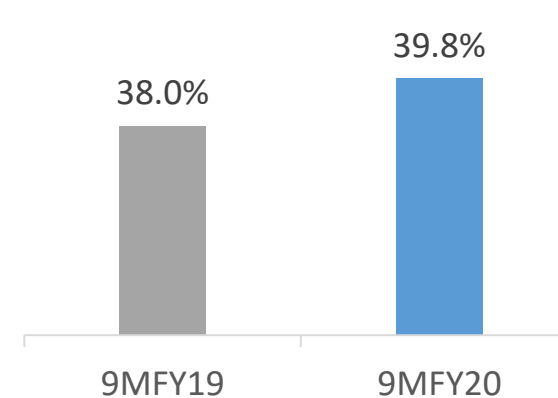
Revenue



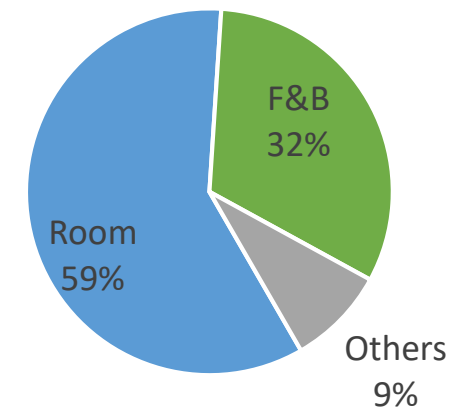
Segment Profit*



Margin %



Revenue Break-up 9MFY20



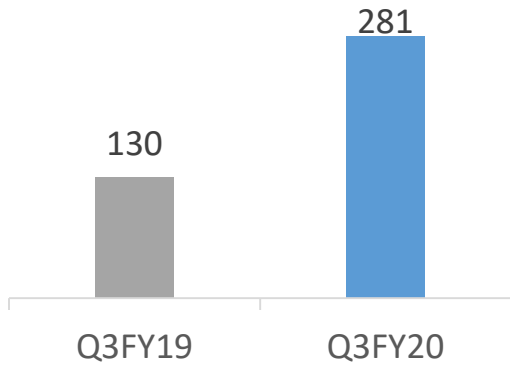
* Segment Profit before Interest Depreciation and Tax

** Includes Exchange loss of Rs 139 Mn (CY NIL)

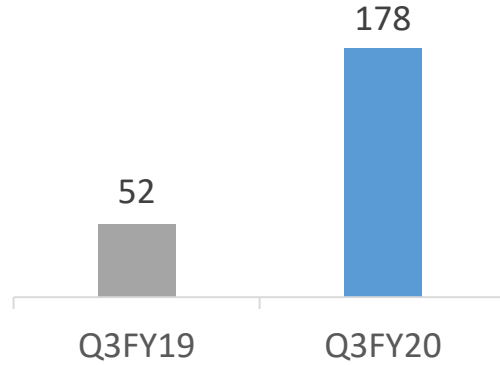
Retail & Office Space

(In Rs. Mn)

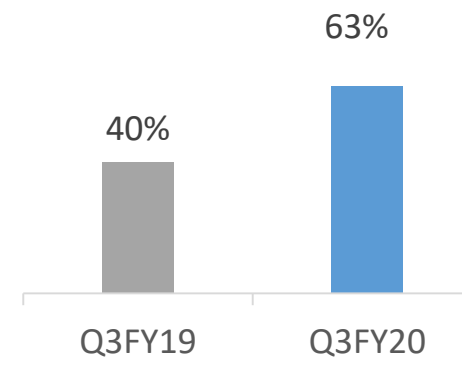
Revenue



Segment Profit*



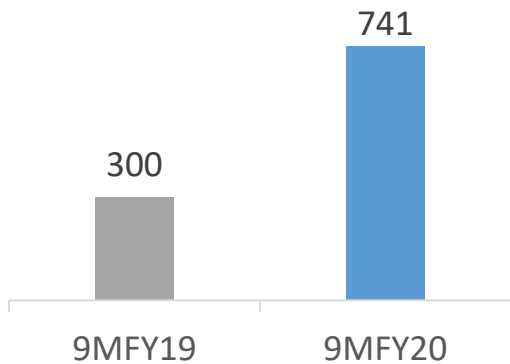
Margin %



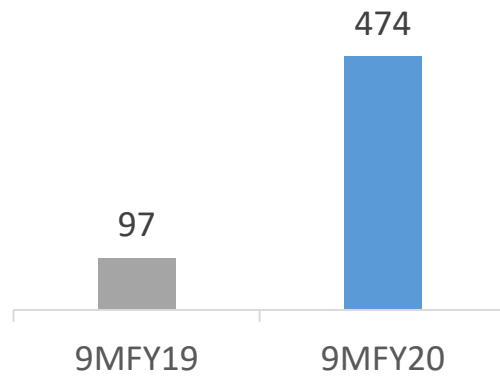
Updates:

- **Straight Line Impact on lease rental**
 - Q3: Rs.59 mn (PY: Rs.42 mn)
 - 9M: Rs.329 mn (PY: Rs.72 mn)
- **Sahar Office Tower**
 - All fit-outs completed
 - ~90% occupancy
- **The Orb - Sahar Retail**
 - 17 Outlets opened
- **Inorbit Mall Bengaluru**
 - Improved rentals

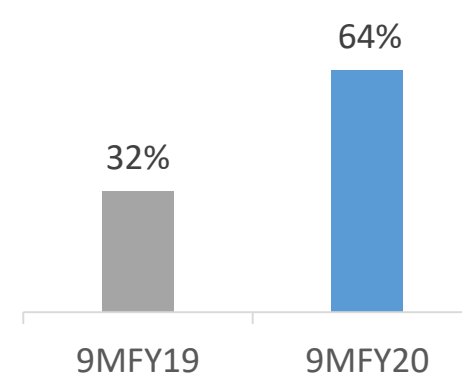
Revenue



Segment Profit*













Margin %



* Segment Profit before Interest Depreciation and Tax

Consolidated Profit / Loss Statement

(In Rs. Mn)

Particulars	Q3FY20	Q3FY19	YoY%	9MFY20	9MFY19	YoY%	FY19
Total Income	2,847	2,549	 12%	7,714	7,577	 2%	10,348
Total Expenditure	1,658	1,577	5%	4,804	4,805	0%	6,519
EBITDA Before Exchange Loss	1,189	972	 22%	2,910	2,772	 5%	3,829
Exchange Loss/(Gain)	-	(241)		-	148		161
EBITDA	1,189	1,213	-2%	2,910	2,624	11%	3,668
<i>Margin %</i>	41.8%	47.6%		37.7%	34.6%		35.5%
Depreciation and Amortisation	283	289		848	859		1,154
Finance costs	339	697	-51%	1065	2096	-49%	2,657
Exceptional items ¹	(12)	2		(37)	(25)		(41)
(Loss)/Profit before income tax	555	227	 144%	960	(356)		(183)
Tax Expense	222	85		385	(147)		(107)
(Loss)/Profit for the year	333	142	 134%	574	(209)		(76)
Other comprehensive (expense)/income	(2)	(1)		(6)	(5)		(8)
Total Comprehensive Income for the period / year	331	141	135%	569	(214)		(84)
EPS (Rs.)	*1.62	*0.83	 95%	*2.92	*(1.22)		(0.43)

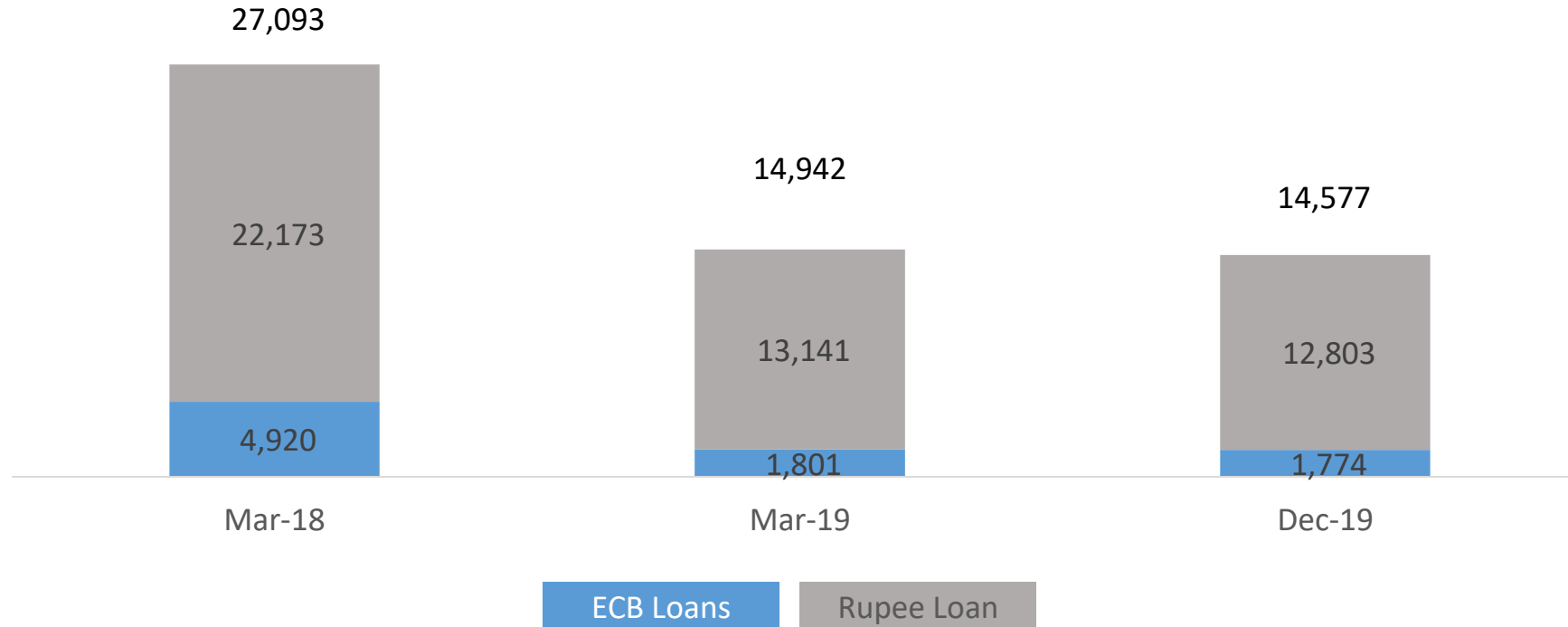
¹ Exceptional Item on account of accounting adjustments for Residential Property at Koramangala Bangalore

*not annualized

Debt Position

Debt Movement

(In Rs. Mn)



Consolidated	March 31, 2018	March 31, 2019	Dec 31, 2019
Total Debt / Equity	5.5	1.0	1.0
Total Debt / EBITDA	9.0	4.1	
USD:INR	65.04	69.17	71.27

Excluding Preference Share Capital

About Chalet..



Well Positioned to Benefit from Industry Trends

About the Company

Located in High Density Business Districts
Mumbai, Bengaluru, Hyderabad

INR 10,348 Mn
Total Income – FY2019

INR 3,668¹ Mn / 35.5%
EBITDA and EBITDA Margin – FY2019

Portfolio of High-End Branded Hotels

2,554 Operational / ~660 Proposed Pipeline
Keys as of 10th Feb 2020

INR 9,137 Mn
Hospitality Revenue – FY2019

INR 3,566² Mn / 39.0%
Hospitality Segment Profit before Interest Depreciation and Tax / Margin % – FY2019

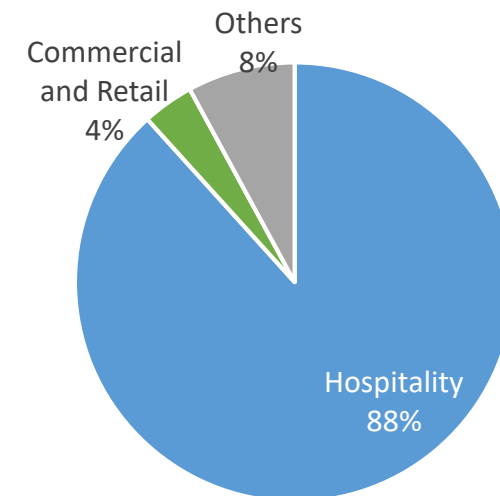
Hotel-led Complementary Mixed-Use Real Estate – Countering Cyclicity of Hotels

~483K sq.ft.
Mixed-Use Commercial & Office

~384K sq.ft.
Mixed-Use Retail Space

1.12 MM sq.ft.
Pipeline Mixed-Use Commercial Office

Hospitality the leading business driver



¹ Includes Exchange loss of Rs 199 mn

² Includes Exchange loss of Rs 154 mn

Our Hotel Portfolio



Novotel Pune Nagar Road Hotel
(223 Keys)



JW Marriott Mumbai Sahar
(588 Keys)



Bengaluru Marriott Hotel Whitefield
(391 Keys)



The Westin Hyderabad Mindspace (427
Keys)

Strategically Chosen Brands at Key Locations

Leading to Market Leadership



Four Points by Sheraton Navi
Mumbai, Vashi (152 Keys)

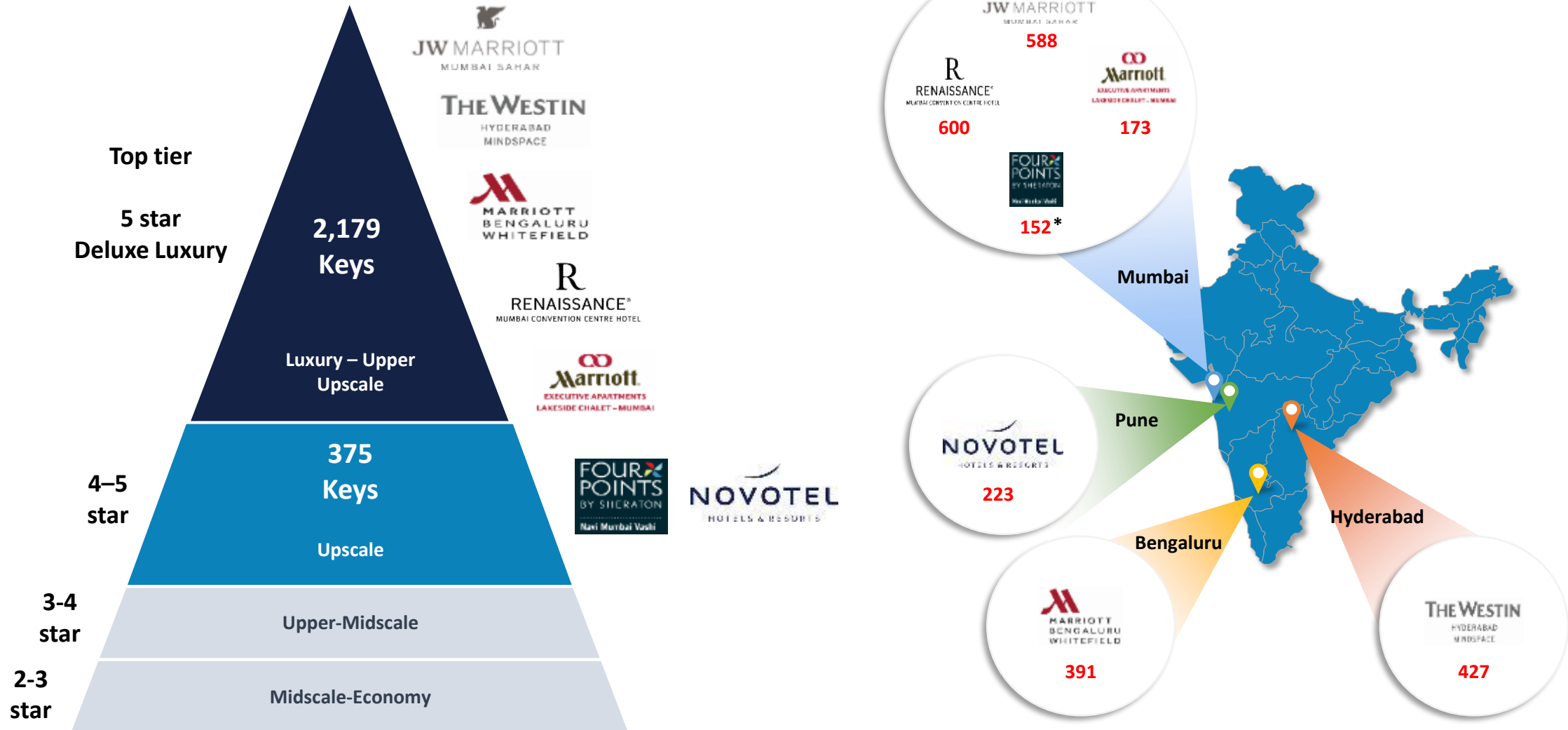


Renaissance Mumbai Convention Centre Hotel (600 Keys)
Proposed to be rebranded as 'Westin' in 2020



Lakeside Chalet, Mumbai-Marriott Executive
Apartments (173 Keys)

Portfolio of High-End, Globally Recognized, Branded Hotels



* Under Franchise Agreement, Leasehold Land



Swachhata Survekshan 2020 – MCGM

– Renaissance Mumbai Convention Centre Hotel & Lakeside
Chalet – Mumbai, Marriott Executive Apartments



Best Business Hotel in Maharashtra Business Leaders Award 2019

– Four Points by Sheraton, Vashi



Highest Reduction in Energy Intensity - Marriott International at the APEC Awards

– Renaissance Mumbai Convention Centre Hotel & Lakeside
Chalet – Mumbai, Marriott Executive Apartments



Best Business Hotel South Region 2nd Quarter 2019 Awards

– The Westin Hyderabad Mindspace



Hotel Manager of the Year National Award 2019

– J W Marriott Mumbai Sahar

Executive Chef of the Year (West Zone) PR Manager of the Year (West Zone)

– Renaissance, Mumbai

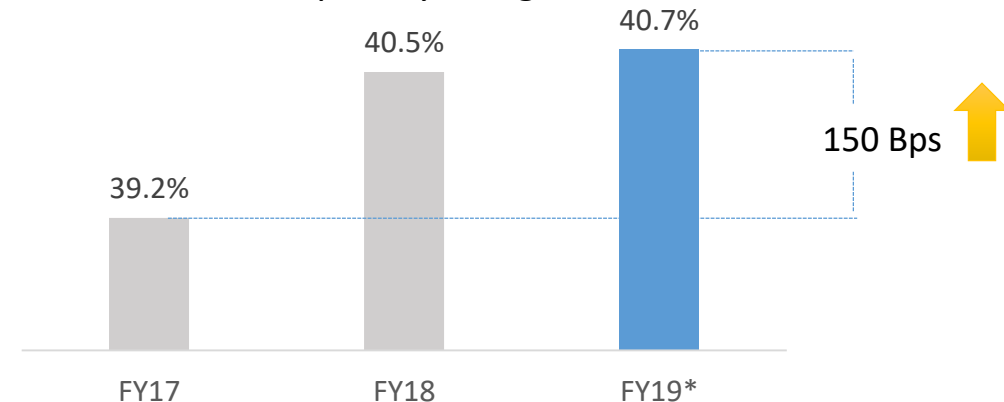
- ✓ Actively engage with hotel management team at each hotel to set operational and financial targets
- ✓ Drive performance through structured monthly review of reports generated by each hotel
- ✓ Review and execute renovation plans
- ✓ Discuss and optimize pricing strategies to maximize room yield
- ✓ Conduct periodic meetings with hotel operator's leadership teams
- ✓ Review competitor set performance and penetration

Market Leading Operating Parameters

14% Employee Cost as a % of Revenue (FY19)
Staff per room ratio at 1.2

7% Power & Fuel Cost as a % of Revenue (FY19)

Consistent improvement in Operating Performance Hospitality Margins%**



* Excludes impact of Forex Movement

** Segment Profit before Interest Depreciation and Tax

Strategy of **co-locating projects** augur well for **Business Demand**
coupled with optimal utilization of **available land**

Office and Retail (0.9 Mn sqft)



Office Tower
Whitefield, Bengaluru

109K sq ft



Inorbit Mall
Whitefield, Bengaluru

260K sq ft of Retail area

+
Multiplex under construction

Office Tower
Sahar, Mumbai

374K sq ft in Prime Location



The Orb
Sahar, Mumbai

123K sq ft Food & Beverage
Hub in Prime Location



Proposed Development Pipeline in Key Business Districts

	Hotel and Convention Center	Hotel	Commercial
Location	Renaissance Complex, Powai	Airoli, Navi Mumbai	Renaissance Complex, Powai
Proposed Brand	'W' ³	Hyatt Regency ⁴	-
Est. opening	2022 ¹	2022 ¹	2021 ¹
Keys / Total Build Up Area	~150 Keys & ~40k Sqft Convention Center	~260	~750k Sqft

Hotel

Location: Novotel Complex, Viman Nagar

Est. opening: 2020¹

Keys: 84-88 Keys

Commercial

Location: Marriott Complex, Whitefield

Est. opening: 2021¹

Total Build Up Area: ~400k Sqft.

Residential

Location: Koramangala



Hotel

Location: Mindspace, Hyderabad

Proposed Brand: Westin³

Est. opening: 2020¹

Keys: ~170

Note

1. Dates are based on management estimates, subject to approvals
2. MoU for lease executed

3. MoU executed for the brand
4. Lol executed for the brand
5. Lease deed Executed

This release has been prepared by Chalet Hotels Ltd (CHL) and the information on which it has been based has been derived from sources that we believe to be reliable. Whilst all reasonable care has been taken to ensure the facts stated are accurate and the opinions given are fair and reasonable, neither CHL, nor any director or employee of CHL shall in any way be responsible for the contents.

Certain statements in this release concerning our future growth prospects are forward-looking statements within the meaning of applicable securities laws and regulations, and which involve a number of risks and uncertainties, beyond the control of the Company, that could cause actual results to differ materially from those in such forward-looking statements.

The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition including those factors which may affect our cost advantage, wage increases, our ability to attract and retain highly skilled professionals, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry.

Chalet Hotels Limited may, from time to time, make additional written and oral forward looking statements, including our reports to shareholders. The Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company. The Company also expects the media to have access to all or parts of this release and the management's commentaries and opinions thereon, based on which the media may wish to comment and/or report on the same. Such comments and/or reporting maybe made only after taking due clearance and approval from the Company's authorized personnel. The Company does not take any responsibility for any interpretations/ views/commentaries/reports which may be published or expressed by any media agency, without the prior authorization of the Company's authorized personnel.

This release does not constitute a sale offer, or any invitation to subscribe for, or purchase of equity shares.

Thankyou

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