

## **PRESS RELEASE**

### **EIH LIMITED**

**60<sup>th</sup> Annual General Meeting in Kolkata on  
Tuesday, 24<sup>th</sup> August, 2010**

- **The Oberoi, Mumbai reopens after complete renovation.**
- **Oberoi Hotels ranked amongst the best in Asia and in the world.**
- **Recovery in demand for hotel rooms expected later this year.**
- **Profitability in 1<sup>st</sup> Quarter better than in the previous Quarter.**
- **Steady growth.**

**Kolkata, 24<sup>th</sup> August, 2010:** Addressing the Sixtieth Annual General Meeting of EIH Limited (the flagship Company of The Oberoi Group) held in Kolkata today, Mr. P.R.S. Oberoi, Chairman stated “The Oberoi, Mumbai which was destroyed by the terrorists in November, 2008 reopened on 24<sup>th</sup> April, 2010. The Oberoi, Mumbai has been well received by guests. Mr. Oberoi also stated that ‘The Oberoi, Mumbai is now amongst the best in the region”.

Mr. Oberoi added that “Travel + Leisure, a leading international travel magazine, has, in a readers’ poll, ranked one of the Company’s hotels as the Best Hotel in the World; four Oberoi Hotels have been ranked as number 1, 2, 3 and 4 Best in Asia and four Oberoi Hotels have been ranked in the first 15 in the world. No hotel company has received such distinctions in the past.

The above honours bear testimony to the levels of excellence and service standards that the Company has strived to maintain”.

Mr. Oberoi also said, “The demand for hotel rooms in India should grow in this Financial Year. Whilst room rates should begin to improve, margins are likely to be under strain due to high inflation. Appropriate measures have been taken to contain costs, wherever possible, while ensuring service excellence”.

The difficult financial landscape of 2009-2010 impacted the Company’s performance during that Financial Year. As a result :

- Total Revenue for the year ended 31<sup>st</sup> March, 2010 was Rs. 907.27 crores as compared to Rs.1078.47 crores in the previous year;
- The Profit before Tax was Rs. 88.99 crores as compared to Rs. 273.26 crores in the previous year;
- The Profit after Tax was Rs.57.23 crores as compared to Rs. 170.44 crores in the previous year.

Nonetheless, the previous year’s Dividend of Rs. 1.20 per share had been maintained.

The operating results of the first quarter in this Financial Year are better than that of the first quarter in the previous Financial Year, without considering the estimated income from insurance claims accounted for in the previous Financial Year.

Thus:

- Total Income for the first quarter increased from Rs.166.39 crores to Rs.205.16 crores. This represents an increase of 23.3%.
- The Earnings before Interest, Depreciation, Taxation and Amortisation (“EBITDA”) increased from Rs.15.78 crores to Rs.25.95 crores. This represents an increases of nearly 65%.

Mr. Oberoi further added, “On 12<sup>th</sup> July, 2010, we opened our first overseas Flight Kitchen venture at Mauritius. The Kitchen is owned through a wholly owned subsidiary. The 10,000 meals per day capacity Kitchen has cost us approximately US \$ 24 million”.

Mr. Oberoi pointed out that the Company had completed the following projects/acquisitions:

- On 30<sup>th</sup> June, 2010 EIH International Limited, a wholly owned subsidiary of EIH Limited completed the acquisition of the 45.85% equity interest of Amex Investment Limited in its international hotels Joint Venture Company EIH Holdings Limited for US \$ 45 million. With this acquisition, EIH Holdings Limited was now a wholly owned subsidiary of EIH International Limited.
- The 440 key Trident at Bandra Kurla, Mumbai opened on 1<sup>st</sup> December, 2009. The hotel had been well received and occupancies were stabilising.

The opening of the Trident, Bandra Kurla, Mumbai and the much anticipated successful re-opening of The Oberoi Mumbai will ensure that the Company had the requisite inventory of rooms to cater to future demand.

The status of other projects on hand is as follows:

- The Oberoi, Gurgaon consisting of 202 keys was expected to open during the fourth quarter of the current Financial Year.
- Construction of the 103 Key Trident hotel at Dehradun was on schedule. The hotel was expected to open in the spring of 2012.
- Construction of the 229 Key Oberoi hotel at Cyber City, Hyderabad was under way. This was in addition to a 323 key Trident hotel also under construction at the adjacent site. Both hotels were expected to open in phases beginning in the summer of 2012.
- Construction of the 252 key Oberoi hotel in Dubai located at Business Bay was progressing. The hotel is expected to commence operations in the last quarter of 2011 or in the first quarter of 2012.
- Planning had commenced on Oberoi hotels in Abu Dhabi and in Oman.
- Planning for The Oberoi, Marrakech, Morocco is under way.
- A Management Contracts for a hotel at Scorpio Bay, Greece and a second Oberoi hotel in Mauritius have been signed.

- The new Flight Kitchen in Delhi was expected to be operational in March 2011.
- The Flight Kitchen at Cochin was expected to be commissioned shortly; while the Calicut Flight Kitchen was expected to commence operations in early 2011.

In conclusion Mr. Oberoi further stated, that “The last two and half years have been challenging due to the global financial crisis and the terrorist attack on Mumbai in November 2008. I am confident that we have the trained work force and the commitment to meet the challenges of the future and emerge stronger and more profitable”.

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