



January 24, 2013

For Immediate Release

Sterling Holiday Resorts clocks 60% growth in Q3

Highlights of Q3 FY13 Results:

- Total Operating Income for the quarter rose to INR 284 million, up 60% from the corresponding quarter of the previous year
 - Total Income from Sales of Vacation Ownership Plans rose to INR 115 million, an increase of 95%

Sterling Holiday Resorts (India) Limited (STERLINH), India's leading Vacation Ownership & Leisure Hospitality company, today, announced its results for the quarter ending December 31, 2012.

The quarterly Total Operating Income of the Company was reported as INR 284 million, as compared to INR 178 million for the same period of the previous fiscal, representing a 60% growth.

The Company continued to grow its core business of Vacation Ownership with Income from Sales increasing to INR 115 million from INR 59 million, a 95% growth over the same period last year. The consistent growth in acquiring new members is indicative of the resurgence of the Sterling brand and is particularly significant in the backdrop of a lacklustre economy. EBITDA is negative at INR 51 million in Q3 primarily due to continued investments in enhancing service standards, employee and marketing spends. Notably, the Company's performance has improved with EBITDA negative being lower in Q3 by 34 million, as compared to the same period last year.

During the quarter, the Company opened its 20th resort in Dharamshala. With the addition of Dharamshala – The Sanctuary, the Company has expanded its footprint in the North, which includes Corbett, Manali and Mussoorie. Over the next few months, the Company plans to further expand its footprint with the addition of Daman, Ganapatipule and a new resort in Lonavala.

Commenting on the results, **Mr. Siddharth Mehta, Chairman, Sterling Holidays**, said, "I am happy to see that Sterling is on track to achieving its goals. The YTD performance of the Company has crossed INR 1000 million in Revenue while Total Operating Income has risen to INR 862 million, representing a 77% increase over the corresponding period last year. These figures reflect the all round growth in the Company's resort footprint, resort revenue and sales of Vacation Ownership. We have strengthened our Management team with the appointment of Miguel Munoz as the Head of Resort Operations. With Miguel's global experience in Vacation Ownership and Resort Operations, we believe we will be able to further raise our service standards to global, best-in-class levels."

Mr. Ramesh Ramanathan, Managing Director, Sterling Holidays added, "We are extremely pleased with the progress we have made. Q3 saw a huge increase in the number of members holidaying at all our resorts and the positive reviews from the renovated resorts is adding strength to the resurgence of the brand."

About Sterling Holiday Resorts (India) Limited

Sterling Holiday Resorts (India) Limited is a pioneer in Vacation Ownership and a leading Leisure Hospitality company in India. Sterling was incorporated in 1986 with the vision of delivering Great

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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 20 resorts located in Dharamshala, Corbett, Darjeeling, 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.

For more do visit: www.sterlingholidays.com

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