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For Immediate Release

Sterling Holiday Resorts Announces Q2 Results

Sterling Holiday Resorts (India) Limited (STERLINH), a pioneer and leading Vacation Ownership & Leisure Hospitality company in India, today, announced its results for the quarter ending September 30, 2013.

The Total Operating Income of the Company was reported as INR 283 million, as compared to INR 261 million for the corresponding quarter last year, representing 8.3% growth. Total Income from Resort Operations grew by 22.4% from INR 81.2 million to INR 99.4 million. Sales of Vacation Ownership plans was flat at INR 146 million, as compared to INR 145 million in the same period of the previous year. EBITDA is negative at INR 56.7 million in Q2 primarily due to it being the slow season for one-time leisure guest stays and the downturn in the economy.

During the quarter, the Company continued to focus on increasing customer satisfaction through its ongoing investments in raising the standards of its resorts and holiday experience. In the last few months, the Company has made good progress in the renovation work at its Mussoorie and Yercaud resorts. Work has begun on constructing the planned resort in Dindi, Andhra Pradesh. The Company is also evaluating further expansion of its resort and destination network in the near future.

Commenting on the results, **Mr. Siddharth Mehta, Chairman, Sterling Holidays**, said, "We had a good Q1 with the Company reporting Profit After Tax after a long gap of many years. We had anticipated a slower Q2 since the monsoon season is traditionally a slow period for one-time leisure holidayers. With the advent of the festival season, we are optimistic that we will see a surge in increased numbers of members and one-time leisure guests holidaying at the Company's resorts."

Mr. Ramesh Ramanathan, Managing Director, Sterling Holidays added, "I believe that we are on track to achieving our mission of building a strong brand through the quality of our product and service. The investments and effort to substantially revamp our resorts and holiday experience are yielding results, as evidenced by 5 of our resorts winning the much coveted 'Crown' status from Resort Condominium International (RCI), including the 'Gold' for our resorts in Kodaikanal, Manali and Munnar. Over the last 18 months or so, all our resorts have received highly favourable reviews and climbed substantially in rankings on important online review sites."

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 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,

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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 information visit: www.sterlingholidays.com

For any further information kindly contact:

Ankita Agrawal/ Mary Oomen

9773750233/9819562380

E mail: ankita@torquemail.com / hardik@torquemail.com