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Sterling Holiday Resorts Announces Q2 Results

Total Income from Sales of Vacation Ownership Plans Grows by 75.9%

Sterling Holiday Resorts (India) Limited (STERLINH), India's leading Leisure Hospitality and Vacation Ownership Company, today, announced its results for the quarter ending September 30, 2014.

Total Income from Sales of Vacation Ownership Membership plans increased to INR 229 million from INR 130 million in the same period last year. Total Operating Income of the Company grew by 48% from INR 283 million from the corresponding quarter last year to INR 419 million. Total Income from Resort Operations grew by 26.5% from INR 99 million to INR 126 million. EBITDA is negative at INR 4 million. Notably, EBITDA in the same period last year was negative at INR 53 million, indicating the improved performance of the Company in a traditionally low season for the Leisure Hospitality industry.

Commenting on the results, **Ramesh Ramanathan, Managing Director, Sterling Holidays** said, "I am pleased to see the tremendous pick-up in the sales of our Vacation Ownership Membership plans. This is a highly positive indicator of customer confidence in the Sterling brand, giving us the encouragement to accelerate our expansion of our resort network. Already, we have opened 2 new resorts in Nainital and Sariska, and will be opening Corbett shortly, taking the total number of operational resorts in our network to 21. Over the next few months, we will be announcing more exciting destinations for our customers to enjoy their holidays in."

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 1589 rooms spread across 20 resorts located in Darjeeling, Dharamshala, Gangtok, Goa, Karwar, Kodaikanal, Lonavala, Manali, Munnar, Mussoorie, Nainital, Ooty, Puri, Sariska, 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 and then becoming a 100% independently managed subsidiary of Thomas Cook (India) Limited (TCIL), India's leading integrated travel and travel related financial services company. TCIL is a part of Fairfax Financial Holdings Limited, a \$38 billion global investment and insurance holding company, headquartered in Toronto, Canada. Fairfax's portfolio of companies includes several well-known global companies in the insurance, re-insurance and restaurant chains sectors. In India, Fairfax has a majority holding in TCIL, and has also co-promoted ICICI Lombard. In 2012, through its Indian investment business, Fairbridge, Fairfax stepped up its pace of acquisitions commencing with TCIL, and subsequently Ikyo Human Capital Solutions and most recently, Sterling Holidays Resorts (India) Limited.