



ClubMahindra

Mahindra Holidays to increase stake in Holiday Club Resorts, Finland

June 9, 2015





**Transaction -
A bird's eye view**

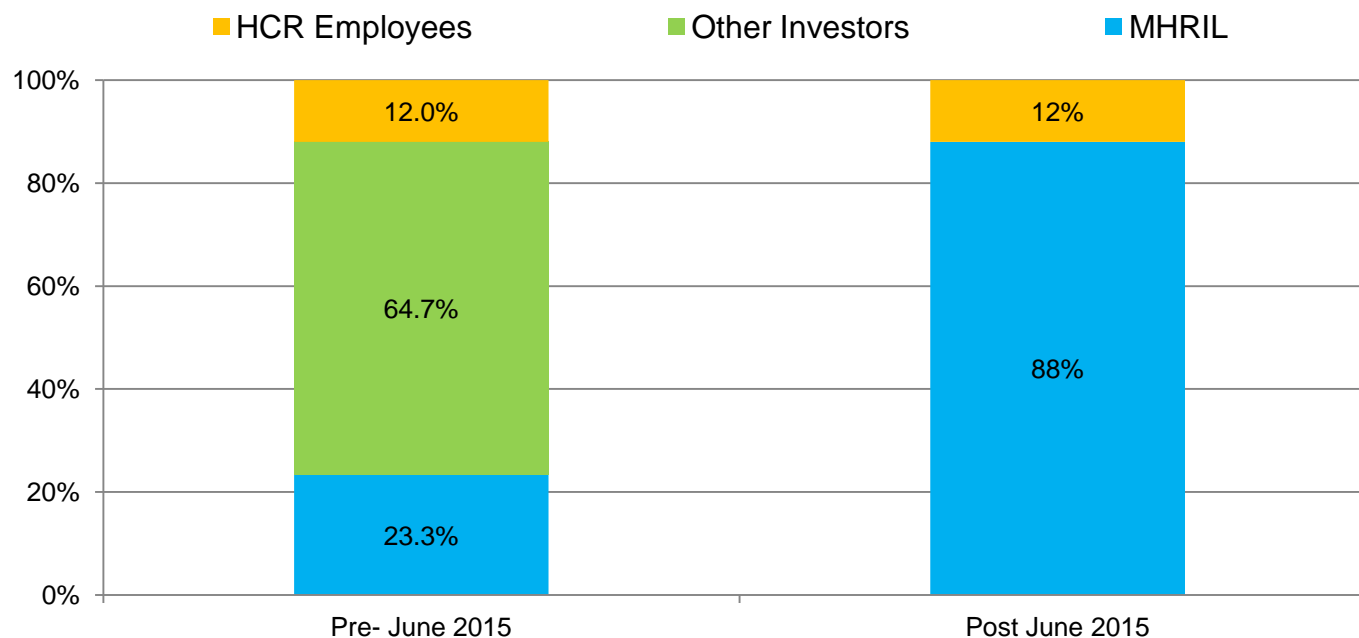


Transaction Specifics

- The Investment Committee, of the Board of Directors of Mahindra Holidays & Resorts India Limited (MHRIL) has approved the exercise of its Option to increase its stake in Holiday Club Resorts, Oy, Finland (HCR).
- MHRIL presently owns a 23.3% stake in HCR, Europe's leading vacation ownership company, with 30 resorts in Finland, Sweden, and Spain.
- Pursuant to the Call Option agreement signed earlier with the existing shareholders of HCR, MHRIL's holding in HCR can go up to 88% of the equity capital of HCR.
- The investment required for this 64.7% stake is Euro 28 million.
- MHRIL would make this investment through its overseas subsidiaries.
- The deal is expected to be completed in a 2-3 month time-frame, subject to customary regulatory approvals in different countries.
- In addition to the above investment, MHRIL may invest an additional up to Euro 10 million in HCR in the form of equity/ loan to finance the growth of the company in the near future.

Transaction Structure

- In July 2014, Mahindra Holidays (MHRIL) acquired 18.8% stake in HCR.
- Subsequently, MHRIL increased it to 23.3%.
- In June 2015, Mahindra Holiday's Investment Committee of the Board approves the proposal to increase ownership in HCR up to 88%*



- Conditional on HCR shareholders accepting the offer and MHRIL securing regulatory approvals

Strategic Intent of Investment



- Opportunity for MHRIL to become a global player
- Holiday Club is one of the most respected brands in Europe in Vacation Ownership
- HCR is the right partner for executing our growth strategies in Europe and Middle East
- Additional resorts for our ~1.83 Lac members to visit
- Opportunities for MHRIL to acquire properties in locations where Indians travel
- Access to Technology and European management expertise, including
 - Fractionals
 - Point-based products
 - Member Services

Holiday  *Club*



Mahindra Holidays + Holiday Club Resort

**Largest VO Company
based outside USA**

Mahindra Holidays

Mahindra Holidays



- 45 Resorts across India & abroad
- Holiday for 25 years, 7 days a year
 - Pre-bought holidays for 25 years
 - Flexibility of location, room size and number of holidays
 - Access to thousands of resorts worldwide via 4000+ RCI resorts
- Family vacations with activities for all ages
- 183K Happy Club Mahindra Members



Ashtamudi Resort



Khandaghat Resort



Manali Resort



Virajpet Resort





Holiday Club Resorts, Finland

Holiday Club Resorts - Key Facts



- Established 1986
- Holiday Club is Europe's leading vacation ownership company
 - Largest in terms of New Enrollments
- A total of 30 resorts
 - 22 in Finland, including 6 spa hotel resorts
 - 2 in Sweden
 - 6 in Spain: 5 in Gran Canaria, 1 in Costa del Sol

Holiday Club Resorts - Key Facts

- **Total Units** **2638**
 - Hotel Rooms 839
 - Holiday Apartments & Cottages 1514
 - Villas 285 (under construction 47)
- Sales offices in Finland, Sweden, Spain & Russia
- Around 50,000 families and over 1,100 corporates are members



Holiday Club Resorts



◀ Tampereen Kylpylä,
Finland

Saimaa, Finland ▶



Holiday Club Resorts



Katinkulta, Finland



Kuusamon Tropiikki,
Finland

Holiday Club Resorts



Salla, Finland

Saariselkä,
Finland



Holiday Club Resorts



◀ Sol Amadores,
Canary Islands/Spain

Jardin Amadores,
Canary Islands/Spain



Holiday Club Resorts

Differentiated Business Model

- Conventional Vacation Ownership (VO) product includes
 - Fixed Week and Fixed Resort Product
 - Deeded sale (Asset is transferred to Owner)
- Resort Management Contracts – Earns fee for managing resorts on behalf of owners' associations
- Holiday Club has 6 Spa hotels co-located with VO
 - All of these have indoor water parks
- Holiday Club has 4 children theme parks called Angry Bird Activity Park
- 3 Golf Courses
- Successfully launched Fractional products and Villas

Leadership Team



CEO
Vesa Tengman



Timeshare,
Villas, Renting
Tapio Anttila



Business
Development
Iiro Rossi



Spa Hotels
Marko Hiltunen



CFO
Anne Jalo-Jokinen



Contracts and
Legal Issues
Anne Oravainen



Director, Property
Management
Riku Rauhala



Spain
Calvin Lucock

Number of employees ~ 830

- Finland: 604
- Sweden: 24
- Spain (Gran Canarias): 192
- Russia: 9

Financial Performance 2014



In Mln €	YE Sep 2014
Turnover	123
EBITDA	9.7 (8%)
Profit before taxes	2.7

For further enquiries

Deepa Thomas
General Manager, Group Communications
Mahindra Group
Phone: +91 22 24916855
Email: thomas.deepa@mahindra.com



Thank You

Investor Relations

Chief Investor Relations Officer,
Mahindra Holidays
Phone: +91 22 3368 4733/20
Email: investors@mahindraholidays.com

CIN: L55101TN1996PLC036595

Disclaimer

Mahindra & Mahindra herein referred to as M&M, and its subsidiary companies provide a wide array of presentations and reports, with the contributions of various professionals. These presentations and reports are for informational purposes and private circulation only and do not constitute an offer to buy or sell any securities mentioned therein. They do not purport to be a complete description of the markets conditions or developments referred to in the material. While utmost care has been taken in preparing the above, we claim no responsibility for their accuracy. We shall not be liable for any direct or indirect losses arising from the use thereof and the viewers are requested to use the information contained herein at their own risk. These presentations and reports should not be reproduced, re-circulated, published in any media, website or otherwise, in any form or manner, in part or as a whole, without the express consent in writing of M&M or its subsidiaries. Any unauthorized use, disclosure or public dissemination of information contained herein is prohibited. Unless specifically noted, M&M or any of its subsidiary companies is not responsible for the content of these presentations and/or the opinions of the presenters. Individual situations and local practices and standards may vary, so viewers and others utilizing information contained within a presentation are free to adopt differing standards and approaches as they see fit. You may not repackage or sell the presentation. Products and names mentioned in materials or presentations are the property of their respective owners and the mention of them does not constitute an endorsement by M&M or its subsidiary companies. Information contained in a presentation hosted or promoted by M&M is provided "as is" without warranty of any kind, either expressed or implied, including any warranty of merchantability or fitness for a particular purpose. M&M or its subsidiary companies assume no liability or responsibility for the contents of a presentation or the opinions expressed by the presenters. All expressions of opinion are subject to change without notice.