

News Release

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Thomas Cook (India) Ltd declares strong consolidated Q3 results despite turbulent travel environment

- Profit from operations grows by 80 %
- Profit Before Tax growth of 71 %
- Profit After Tax grows by 77 %

Mumbai, October 24, 2013: Thomas Cook (India) Limited (TCIL) declared its consolidated third quarter results today with an increase in profit from operations of 80% (Rs. 210 Mn. to Rs. 379 Mn), a strong growth in Profit Before Tax of over 71% (Rs. 159 Mn. to Rs. 272 Mn.) and Profit After Tax of over 77% (Rs. 100 Mn. to Rs. 178 Mn.) respectively, for the three month period ended Sept 30, 2013 Vs. the corresponding period of 2012.

These consolidated results reflect the overall performance of the various lines of business and subsidiaries of the company, including the contributions of the IKYA Group from May 14, 2013, when TCIL completed its acquisition.

What is commendable is that, TCIL's core Travel & Foreign Exchange businesses independently showed remarkable resilience, delivering a strong growth in Profit from Operations of over 23% (Rs. 231 Mn. to Rs. 285 Mn.), a Profit Before Tax growth of 15% (Rs. 159 Mn. to Rs. 183 Mn.) and Profit After Tax growth of 18% (Rs. 101 Mn. to Rs. 119 Mn.) despite the quarter being the traditional lean period for both Outbound and Inbound travel, negative economic/customer sentiment, unprecedented devaluation of the Rupee Vs. the US Dollar and rising airfares combining to challenge the industry as a whole during this time.

Despite these challenging conditions, Thomas Cook (India) Ltd, also continued on its planned expansion strategy, via a combination of owned shops and franchisee partners, adding 27 new outlets to the Company's network, in addition to the launch of 2 new mall counters, at Kochi's LuLu Mall and Osia Mall, Goa. The expansion plan aims at improving the breadth and depth of access for Thomas Cook to new and rapidly growing regional markets in Tier II & III towns like Erode, Tumkur, Bhilwara and Dhanbad, in addition to enhancing presence in metros with new outlets in Mumbai, New Delhi, Kolkata and Pune. The Company's international presence was also enhanced with an additional outlet each in Sri Lanka, Mauritius and Nepal during this period.

Commenting on the results, **Mr. Madhavan Menon, Managing Director, Thomas Cook (India) Ltd** said,

"Given that this quarter has always been the leanest period for our core travel businesses and that this quarter was exacerbated by poor economic indicators & customer sentiment plus an unprecedented, rapid devaluation of the Rupee and higher airfares that combined to significantly impact the entire industry – the performance of TCIL's core businesses is remarkable and a true indicator of the strength of our brand, products and people. Our consolidated results, that since mid May include those of the IKYA Group, are a good indicator of the strength and long term value that they represent & that we invested in."

He added, "With a focus on sustained delivery of top notch products and service quality and a carefully calibrated expansion strategy, a now stable Rupee, clearly improved market sentiment, our confidence in the innovative new products we have waiting in the pipeline & forward bookings showing sustained growth of over 20% against the previous year, Thomas Cook (India) Ltd is well poised to maintain its leadership in the travel space and end this financial year on a very strong note."

Commenting on the performance of IKYA Group for the period, Ajit Isaac, CEO of IKYA was quoted as saying "The IKYA Group has had a successful Quarter with the group posting robust growth in terms of Revenues & Operating Profit. For the quarter, the Group has grown head count by 23%, revenues by 42% and EBITDA by 73% Vs the same reporting period for the previous year. We are confident that our broad portfolio of services, depth in offerings, reach and longstanding customer relationships will help in solidifying our status as a class leading business services entity"

About Thomas Cook (India) Limited:

Thomas Cook (India) Ltd is the leading integrated travel and travel related financial services company in the country offering a broad spectrum of services that include Foreign Exchange, Corporate Travel, MICE, Leisure Travel, Insurance, Visa & Passport services and E-Business. The company set up its first office in India in 1881.

TCIL's footprint currently extends to over 236 locations (including 23 airport counters) in 98 cities across India, Mauritius & Sri Lanka and is supported by a strong partner network of 135 Gold Circle Partners and 165 Preferred Sales Agents in over 150 cities across India.

Thomas Cook (India) Ltd has been voted **Best Tour Operator at the Lonely Planet Travel Awards 2013**, **Favourite Specialist Tour Operator at the Condé Nast Traveller Readers' Travel Awards 2012 & 2011** and **Best Tour Operator - Outbound at the CNBC AWAAZ Travel Awards 2013**. In addition, TCIL has been chosen as the **Best Corporate Travel Management Company by World Travel Brands 2012**, and recognized as a "Consumer Superbrand" 2013-2012 by Superbrands. At the **National Tourism Awards 2011-2012**, TCIL was the recipient of 3 prestigious awards. Thomas Cook India's **Centre of Learning** has received **IATA accreditation as "Top 10 South Asia IATA Authorized Training Centers", 2013 & 2012**.

ICRA has assigned a long term rating of 'ICRA AA-/ Stable' and CRISIL has assigned a long term rating of CRISIL AA / stable outlook, to the non convertible debenture program.

For more information, please visit www.thomascook.in

Thomas Cook (India) Limited is promoted by Fairfax Financial Holdings Limited through its wholly-owned subsidiary, Fairbridge Capital. Fairbridge is responsible for the execution of acquisition and investment opportunities in the Indian subcontinent on behalf of the Fairfax family of companies.

About Fairfax Financial Holdings Limited:

Fairfax Financial Holdings is a Toronto-based financial services holding company with a global presence in insurance and reinsurance and a portfolio of assets in excess of \$30 billion invested worldwide. The Company, founded in 1985 by the present Chairman and Chief Executive Officer, Prem Watsa, has over the past 25 years, demonstrated a strong financial track record to achieve an annual appreciation in Book Value per Share of 24.7% annually.

Fairfax has almost 20 general insurance subsidiaries and joint ventures globally, including ICICI Lombard (India).

Fairfax is engaged in long term investments from its own resources, with a focus to delivering long term capital appreciation through a flexible and value oriented approach.

Fairfax Financial Holdings through Thomas Cook (India) Ltd. owns 74% of the IKYA Group, a provider of HR Recruitment Services.

About IKYA Group

The IKYA Group, established in 2007, has over the last 6 years, evolved into a diversified provider of Business Services with interests in Human Resources (Recruitment & General Staffing), IT Staffing & Services, Facilities Management, Food & Hospitality services and Training & Skill Development through a combination of organic and inorganic methods. The Group operates out of 33 offices across 22 cities and employs 65,000 personnel.

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