



Investor Presentation

Q2 FY2017

November 2016



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Company Overview

Nitesh Estates: At a Glance



Strong brand equity, business processes & partnerships to attain the next stage of growth



Strong Brand Equity



Platform Agreement with Goldman Sachs: Expand Rental Revenue Stream



Eminent Board of Directors



Long Term Institutional Investors: HDFC, Apollo Global



Professional Management and Mature Business Processes



Leading Global Design & Construction Partners

Nitesh Estates: At a Glance

Brought over 17.27 million sq. ft. of area under development since inception



Residential

- 15 ongoing projects at various stages of construction, with a total developable area of 7.18 mn sq. ft.
- Revenue potential of Rs. 35,641 million over 3-5 years



Commercial

- Attain rental income of Rs. 3,000 million annually within the next 5 years
- 3 ongoing/upcoming commercial properties in Bangalore central business district (CBD) covering an area of over 0.70 mn sq. ft.



Hotel

- Developed The Ritz Carlton Hotel in Bangalore
- Operational since October 2013 with occupancy growing steadily to over 65% currently
- Won coveted awards in short span of time including Conde Nast and Travel + Leisure

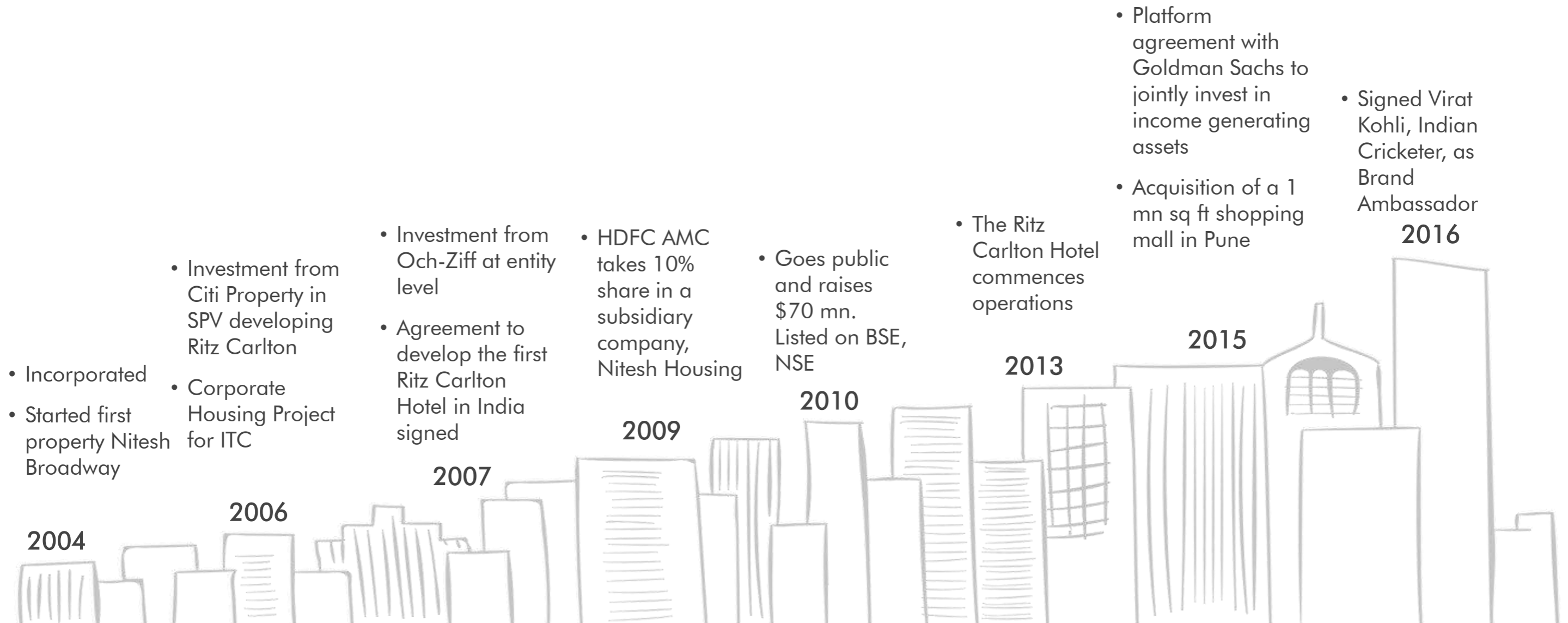


Shopping Mall

- One operational shopping mall in Koregaon, Pune with an area of 1 mn sq. ft. and leasing of around 68%; expected to be leased out completely during FY2017
- Nitesh Mall (future project) covering an area of 1.11 mn sq. ft.

Steady Growth Path

Touching new heights with “leaders” becoming “partners for growth”



Board of Directors

Eminent Board with a high proportion of independent directors



Nitesh Shetty
Chairman &
Managing Director



G. N. Bajpai
Independent Director
Ex-Chairman, SEBI



M. D. Mallya
Independent Director
Ex-CMD, Bank of Baroda



Jagdish Capoor
Independent Director
Ex-Chairman, HDFC Bank



Dipali Khanna
Independent Director
Financial Advisor



Ashok Aram
Independent Director
MD, Deutsche Bank (MENA)



Mahesh Bhupathi
Non-Executive Director
International Tennis Player



L.S. Vaidyanathan
Executive Director



Ashwini Kumar
Executive Director &
Chief Operating Officer

Management Team



Strong and experienced management team



Nitesh Shetty
Chairman &
Managing Director



L.S. Vaidyanathan
Executive Director



Ashwini Kumar
Executive Director &
Chief Operating Officer



M.A. Venkateshan
Chief Financial Officer



Pradeep Narayan
EVP – Sales,
Marketing & CRM



Drupad J Upadhyaya
Head – Strategic
Finance, M&A and IR



**Sreenivasa Sharma
Anantha**
EVP, Corporate



Vijendra Kumar
VP, Design Planning



Srinivasan D.
Company Secretary &
Chief Compliance Officer



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Strategic Direction

Clear Strategic Direction

- Committed to Quality, Innovation and Customer Satisfaction
- Growing the residential segment in Bangalore – varied mix by price, location and type of homes
- Drive revenue diversification and expand rental income to Rs. 3,000 million annually in next 5 years
- Investment in systems & technologies to enhance business decision making and operational rigour
- Selectively evaluate opportunities to expand presence in other key cities in India
- Manage and promote talent by providing growth opportunities, rewards, respect, learning and fun

Joint Venture with Goldman Sachs



In line with the strategy of diversifying annuity revenue stream



- ⦿ Nitesh Estates and Goldman Sachs, a global financial institution signed a partnership platform agreement (MOU)
- ⦿ Under this platform arrangement Goldman Sachs will make investments through Nitesh Estates SPVs, Associates, Subsidiaries and JVs
- ⦿ Investments will be made in income generating grade A office buildings, shopping malls and luxury hotels across Tier I cities in India
- ⦿ Total assets/investments under the partnership will be upto \$250 million
- ⦿ This partnership will increase the asset base of the Company in next 3-5 years

Further, diversifying for enhancing rental income stream



- ◎ Spread over 6 acres of land, with a built up area of 1 mn sq ft, the mall is located in Koregaon, an upmarket prime location in Pune
- ◎ Has the capacity to accommodate 130 retail outlets and houses luxury brands such as Collective, Swarovski, Calvin Klein, Tommy Hilfeger, M.A.C, U.S Polo Assn. and Crossword
- ◎ Operational cinemas of PVR and hypermarket of SPAR draws high footfalls
- ◎ Strategic location facilitates higher footfall for the shops and is expected to generate a rental income of Rs. 450 mn per annum
- ◎ Current leasing of around 68%; Expect the mall to be fully occupied during FY2017

Super luxury hotel reinforcing the Nitesh brand in the luxury space



- ① Nitesh Estates has developed India's first Ritz Carlton hotel, one of the world's finest luxury hotel brands
- ① Commenced commercial operations from October 31, 2013 and provides a recurring revenue stream to the Company and an association with a global iconic brand
- ① A 5-star luxury hotel located in the Central Business District of Bangalore at Residency Road
- ① Spread over an area of 0.50 msft with 277 richly appointed rooms, 5 world class restaurants offering guests multi-cuisine dining experience
- ① Also offers 18,000 sq. ft. of stylish indoor ballrooms and outdoor venues
- ① Current occupancy level of over 65% coupled with good performance of the restaurants and ballroom
- ① Within a short span of time after being operational, the Hotel has won several coveted awards such as Conde Nast, Travel + Leisure, GeoSpa Asia



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Project Snapshot

Brought 17.27 mn sq. ft. of area under development



Completed Projects (6.12 mn sq. ft.)

- The Ritz Carlton Hotel with 277 richly appointed rooms, 5 world class restaurants
- 11 premium residential projects developed over 3.89 mn sq. ft.
- 0.49 mn sq. ft. corporate housing project for ITC
- 3 commercial properties in Bangalore covering 0.24 mn sq. ft.
- Nitesh Hub, an operational shopping mall in Koregaon, Pune with an area of 1 mn sq. ft.



Ongoing / Upcoming Projects and Future Development (11.15 mn sq. ft.)

- 15 residential projects at various stages of construction, with a developable area of 7.18 mn sq. ft.
- 3 commercial properties with 0.70 mn sq. ft. area under development
- 1 hospitality project in Goa with 0.20 mn sq. ft. area under development
- Nitesh Mall with a developable area of 1.11 mn sq. ft. for future development
- 1.96 mn sq. ft. of area available for future development

Completed Projects

Residential



Nitesh Mayfair

- Completion: 2007
- Location: Lavelle Road, Bangalore
- Segment: High Income
- Area: 0.03 mn sq. ft



Nitesh Wimbledon Park

- Completion: 2007
- Location: Race Course Rd, Bangalore
- Segment: High Income
- Area: 0.03 mn sq. ft.



Nitesh Buckingham Gate

- Completion: 2009
- Location: Lavelle Road, Bangalore
- Segment: High Income
- Area: 0.07mn sq. ft.



Nitesh Canary Wharf

- Completion: 2010
- Location: Bride Street, Bangalore
- Segment: High Income
- Area: 0.03 mn sq. ft.



Nitesh Forest Hills

- Completion: 2010
- Location: Whitefield, Bangalore
- Segment: Mid Income
- Area: 0.53 mn sq. ft.



Nitesh Garden Enclave

- Completion: 2010
- Location: Bellary Road, Bangalore
- Segment: High Income
- Area: 0.49 mn sq. ft.

Residential



Nitesh Camp David

- Completion: 2013
- Location: Frazer Town, Bangalore
- Segment: Mid Income
- Area: 0.03 mn sq. ft.



Nitesh Central Park

- Completion: 2013
- Location: Bellary Road, Bangalore
- Segment: Mid Income
- Area: 0.28 mn sq. ft



Nitesh Flushing Meadows

- Completion: 2014
- Location: Whitefield, Bangalore
- Segment: Mid Income
- Area: 0.38 mn sq. ft



Nitesh Caesars Palace (partly)

- Completion: 2016
- Location : Kanakpura Road, Bangalore
- Segment: Mid Income
- Area : 0.94 mn sq. ft



Nitesh Hyde Park (partly)

- Completion: 2016
- Location : Bannerhatta Road, Bangalore
- Segment: Mid Income
- Area : 0.68 mn sq. ft.



Nitesh Long Island (partly)

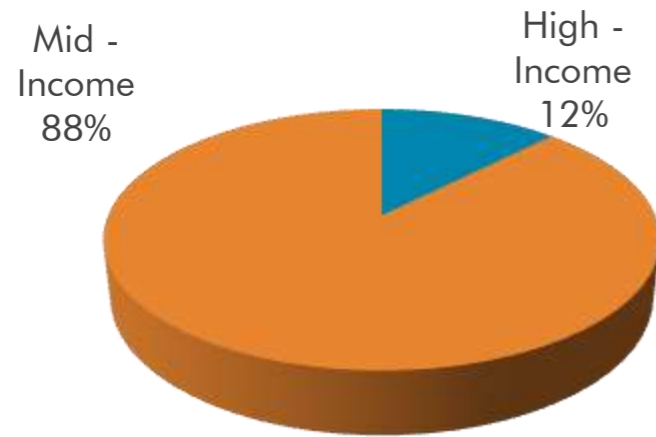
- Completion: 2016
- Location : Devanahalli, Bangalore
- Segment : Plotted Development
- Area : 0.89 mn sq. ft

Notes: In addition to above residential projects, Nitesh Estates has completed 3 commercial projects (Nitesh Broadway, Nitesh Times Square and Nitesh Lexington Avenue)

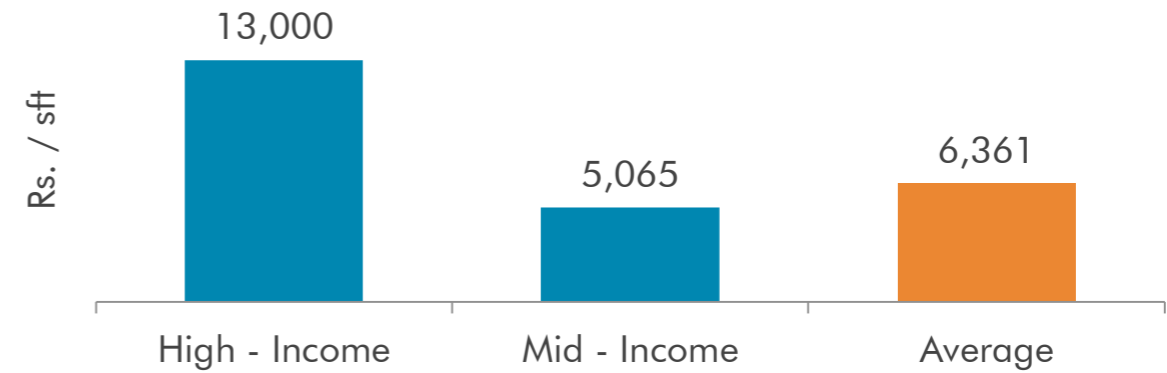
Ongoing Projects Snapshot

Total of 19 projects with 8.08 mn sq. ft. area currently under development

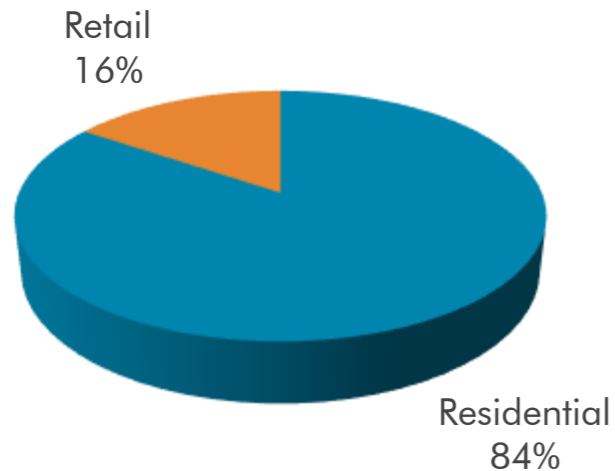
15 residential projects in high and mid income segments...



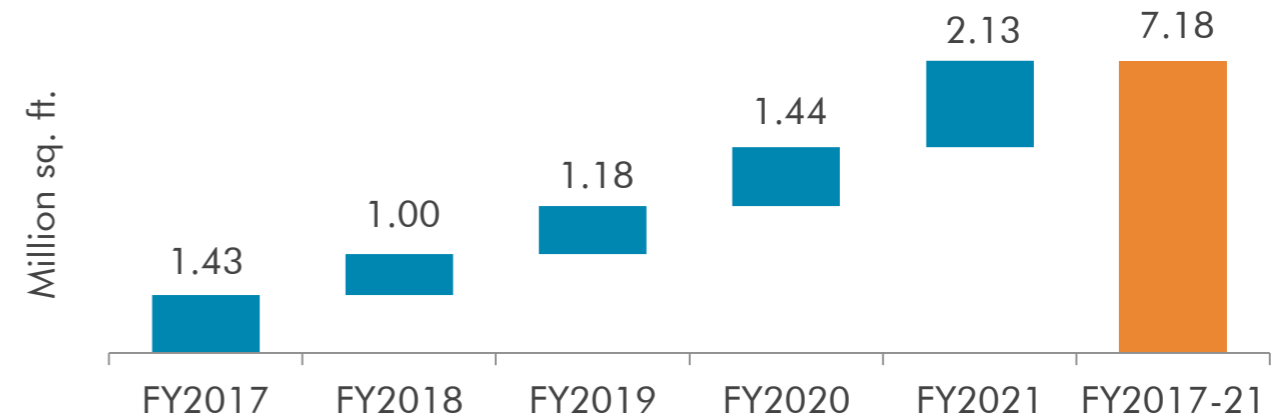
... with one of the highest average price realisation in the industry



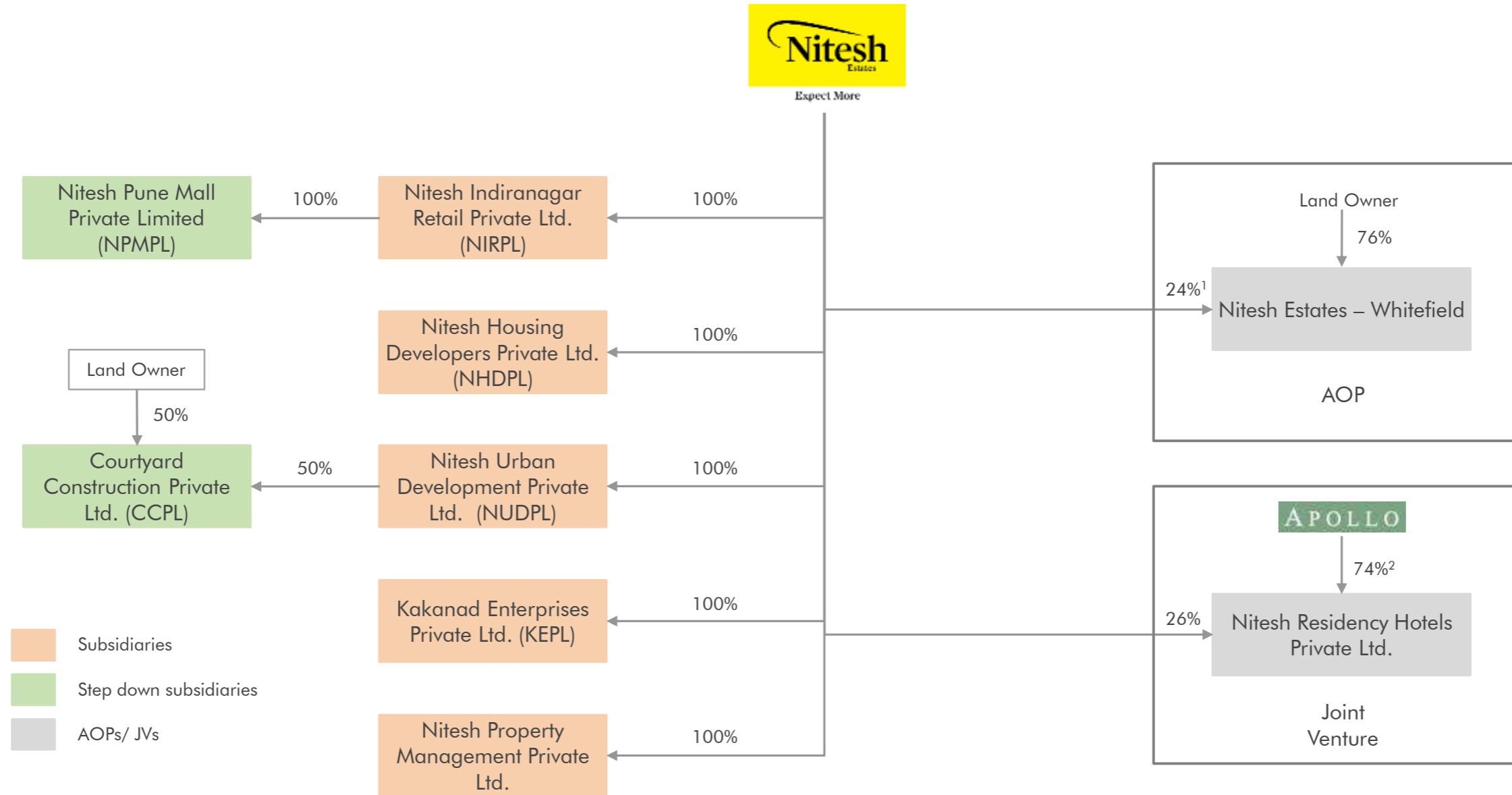
Current project mix focused towards residential...



... with project completion schedule providing visibility over 5 years



Organization Structure



Notes:

1. As per the terms of the AOP agreement, Nitesh Estates is entitled to 24% of the net profits of the AOP
2. Citi Property Investors had invested in the project in 2006. Apollo Global Management acquired Citi Property Investors in 2010
3. NPMPL owns the recently acquired mall in Pune; NIRPL is constructing a mall in Bangalore (50% JDA with the land owner)

Remaining Income potential of Rs. 22,192 mn by FY2021

Overall:	
Total Developable Area (mn sq. ft.)	7.18
Total Saleable Area (mn sq. ft.)	6.97
Total Saleable Area (mn sq. ft.) (excluding Land Owner's share in case of Area Sharing projects)	4.92
Area Sold till September 30, 2016 (mn sq. ft.)	1.66
Total Sales Value Potential (Rs. mn)	35,641
Sales Booked till September 30, 2016 (Rs. mn)	10,258
Collections till September 30, 2016 (Rs. mn)	5,372
Company's Share:	
A. Total Sales Value Potential (Rs. mn)	32,513
A1. Sales Booked till September 30, 2016 (Rs. mn)	10,321
A2. Collections till September 30, 2016 (Rs. mn)	5,272
A3. Income Recognized till September 30, 2016 (Rs. mn)	5,702
B. Total Expected Project Cost (Rs. mn)	21,239
B1. Cost Incurred till September 30, 2016 (Rs. mn)	3,834
B2. Cost Recognized till September 30, 2016 (Rs. mn)	3,919
C. Income Unrecognized till September 30, 2016 (Rs. mn) (A1 – A3)	4,619
D. Remaining Sales Potential from Ongoing Projects by FY2021 (Rs. mn) (A – A1)	22,192
E. Total Income Potential from Ongoing Projects by FY2021 (Rs. mn) (C + D)	26,811

Ongoing Projects – Residential

Total Sales Potential of Rs. 35,641 mn from 15 Current Residential Projects

No.	Project	Land Agreement	Location ¹	Segment	Land Area (acres)	Developable Area (mn. sq. ft.)	Total Units	Company's Share (%)
Area Sharing								
1	Nitesh Columbus Square	JDA	Bellari Road	Mid – Income	4.36	0.73	364	66%
2	Nitesh Logos	JDA	Aga Abbas Ali Road	High – Income	0.64	0.09	16	48%
3	Nitesh Cape Cod	JDA	Outer Ring Road	Mid – Income	4.38	1.00	417	76%
4	Nitesh Napa Valley	JDA	Bellary Road	High – Income	20.13	0.59	133	63%
5	Nitesh Park Avenue	JDA	Sankey Road	High – Income	0.62	0.14	28	50%
6	Nitesh Knightsbridge	JDA	Sadashivanagar	High – Income	0.32	0.05	15	50%
7	Nitesh Menlo Park	JDA	Off Mysore Road	Mid – Income	2.53	0.11	328	68%
8	Nitesh Santa Clara	JDA	Bellary Road	Mid – Income	5.15	0.21	141	61%
9	Nitesh Melbourne Park	JDA	Hennur	Mid – Income	14.00	0.98	440	66%
10	Nitesh Chelsea	JDA	Bommasandra	Mid – Income	3.12	0.49	262	64%
11	Nitesh Virgin Island	JDA	Old Madras Road	Mid – Income	7.73	1.04	471	65%
12	Nitesh Plaza	JDA	Ali Askar Road	High – Income	2.44	0.11	55	89%
Revenue Sharing								
13	Nitesh Rio	JDA	Kanakapura Road	Mid – Income	14.00	0.61	95	28%
14	Nitesh British Columbia	JDA	Anjanapura	Mid – Income	4.70	0.54	329	68%
15	Nitesh Palo Alto	JDA	ORR, Marathalli	Mid – Income	11.15	0.49	716	66%
Total					95.27	7.18	3,810	

1. All projects in Bangalore

2. Total Units include Land Owners' share

Ongoing/Upcoming Projects – Commercial / Hospitality



0.90 mn sq. ft. of ongoing and upcoming commercial / hospitality projects

No.	Project	Land Agreement	Location	Segment	Land Area (acres)	Developable Area (mn. sq. ft.)	Company's Share (%)
1	Nitesh Soho	JDA	Commissariat Road	Commercial	2.05	0.36	50%
2	Nitesh Madison Square	JDA	Cunningham Road	Commercial	0.48	0.05	50%
3	Nitesh Plaza	JDA	Ali Askar Road	Commercial	0.00	0.30	37%
4	Nitesh Fisher Island	JDA	Goa	Hospitality	9.32	0.20	50%
Total					11.85	0.90	

3.07 mn sq. ft. of area available for future development

No.	Project Location	Land Agreement	Segment	Land Area (acres)	Developable Area (mn. sq. ft.)
1	Devanahalli, Bangalore	JDA	High - Income Residential	12.00	0.51
2	Old Airport Road, Bangalore	JDA	Commercial	4.00	0.06
3	Indiranagar, Bangalore	JDA	Retail / Mall	5.06	1.11
4	Chennai	MOU	Commercial / Residential	8.26	1.00
5	Bolghatty Island, Kochi	MOU	Hospitality	3.56	0.39
Total				32.88	3.07



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Financial Overview

- ⊙ Revenue of Rs. 1,654 mn, up 68.2%
- ⊙ Gross Profit of Rs. 537 mn, up 68.1% y-o-y; Margin at 32.5%
- ⊙ EBITDA of Rs. 189 mn, up from Rs. 13 mn in H1 FY2016; Margin at 11.5%
- ⊙ Sale of land parcel in Kakkanad

Commenting on the performance and outlook, **Mr. Ashwini Kumar, Executive Director & Chief Operating Officer of Nitesh Estates** said:

“While we reported an encouraging financial performance with a 68% y-o-y Revenue growth, our operating performance was subdued. The pace of the decision making of various Government bodies was slow resulting in delay in approvals at a few of our projects which impacted our operational performance. However, our existing projects such as Nitesh Rio, Nitesh Knightsbridge and Nitesh Melbourne Park continue to perform in line with our expectations. We are optimistic about the long term dynamics of the Bangalore real estate industry. Our portfolio caters to the choices of a wide range of customers and is positioned to capitalise on the uptick in the industry.”

Q2 FY2017 Highlights

- ◎ 15 current ongoing projects
- ◎ Sales Value of Rs. 630 mn
 - Cumulative Sales Value of Rs. 10,528 mn achieved through the sale of 1.66 mn sq. ft. area
- ◎ Continued strong Average Price Realization of Rs. 11,632 per sq. ft.
 - Compared with Rs. 7,744 per sq. ft. in Q2 FY2016
 - Strong sales at the high income, luxury project: Nitesh Napa Valley, Nitesh Park Avenue, Nitesh Knightsbridge
- ◎ Area Sold of 0.054 mn sq. ft.
 - 22 Units Sold
- ◎ Cash Collection from Projects: Rs. 223 mn

Future Potential (Company's Share)

- ◎ Total Sales Potential of Rs. 32,513 mn from 15 Current Residential Projects
 - Sales booked to date of Rs. 10,231 mn
 - Further sales potential of Rs. 22,192 mn by FY2021
- ◎ Unrecognized Income of Rs. 4,619 mn as at September 30, 2016
 - 10 residential projects are under income recognition
 - 5 residential projects yet to cross the threshold for revenue recognition
- ◎ Cumulative Collection of Rs. 5,272 mn; represents 51.1% of sales booked till date

Consolidated Financial Performance

(Rs. mn)	Q2		Q1	Half Year	
	FY2017	FY2016	FY2017	FY2017	FY2016
Revenue ¹	664.5	492.9	989.2	1,653.7	983.4
Gross Profit	156.1	179.8	381.1	537.2	319.5
Margin (%)	23.5%	36.5%	38.5%	32.5%	32.5%
EBITDA ¹	(38.5)	33.4	227.9	189.4	13.4
Profit After Tax (PAT)	(227.9)	(88.9)	18.7	(209.2)	(236.8)
Net Profit ²	(276.8)	(143.2)	(25.5)	(302.3)	(346.5)
Basic EPS (Rs.)	(1.90)	(0.98)	(0.17)	(2.07)	(2.38)

(Rs. mn)	Q2		Q1
	FY2017	FY2016	FY2017
Total Debt ³	9,667.3	7,169.3	9,355.2
Cash & Cash Equivalent	148.5	34.9	204.9
Net Debt	9,518.8	7,134.4	9,150.3
Equity	1,956.9	3,220.1	2,244.1
Net Debt / Equity (x)	4.86x	1.22x	4.08x
Book Value Per Share (Rs.)	13.42	22.08	15.39

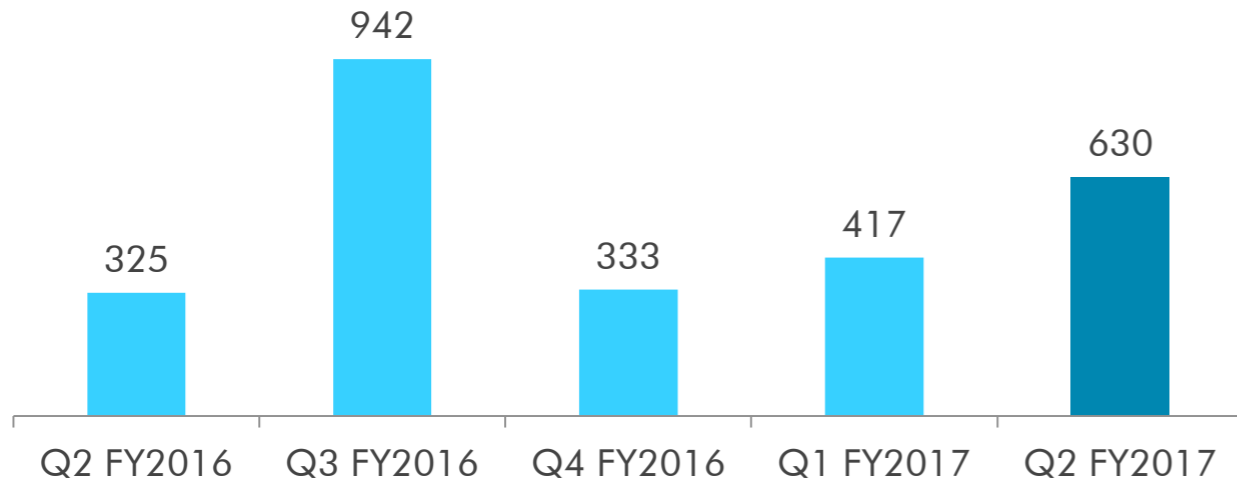
Note:

1. Revenue and EBITDA include Other Income
2. Net Profit includes transfer to / income from Minorities / Associates

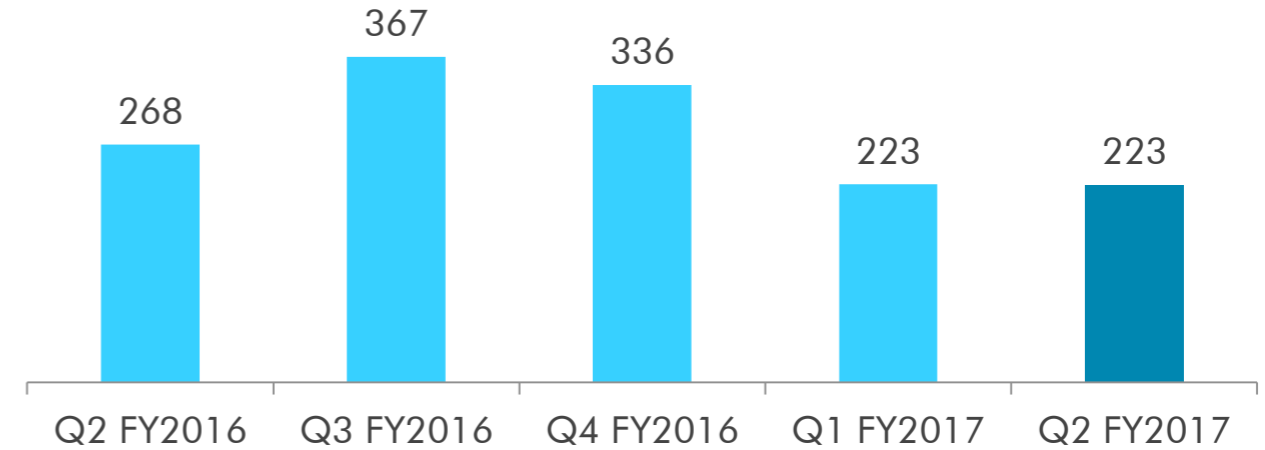
Q2 FY2017 Summary



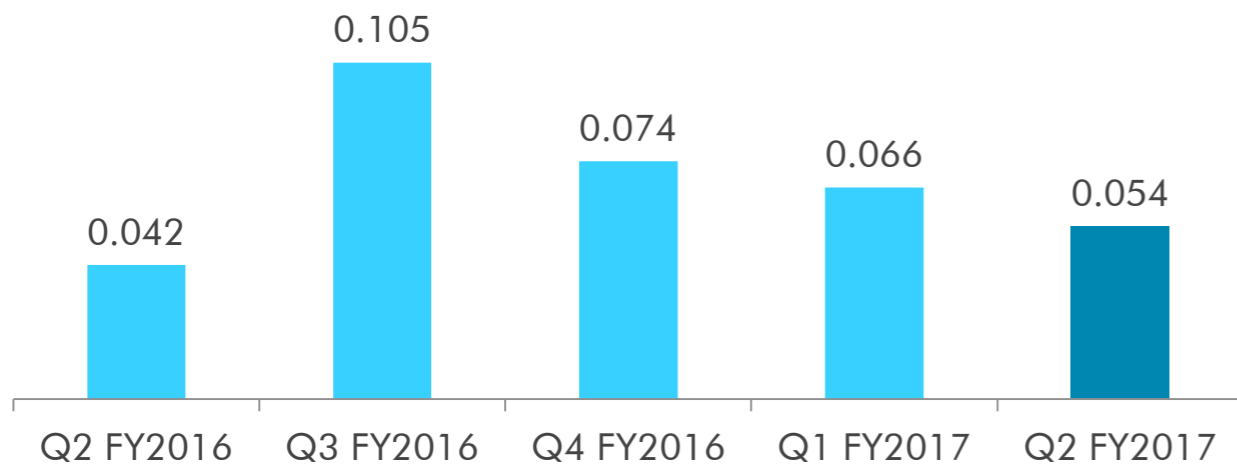
Sales Value (Rs. million)



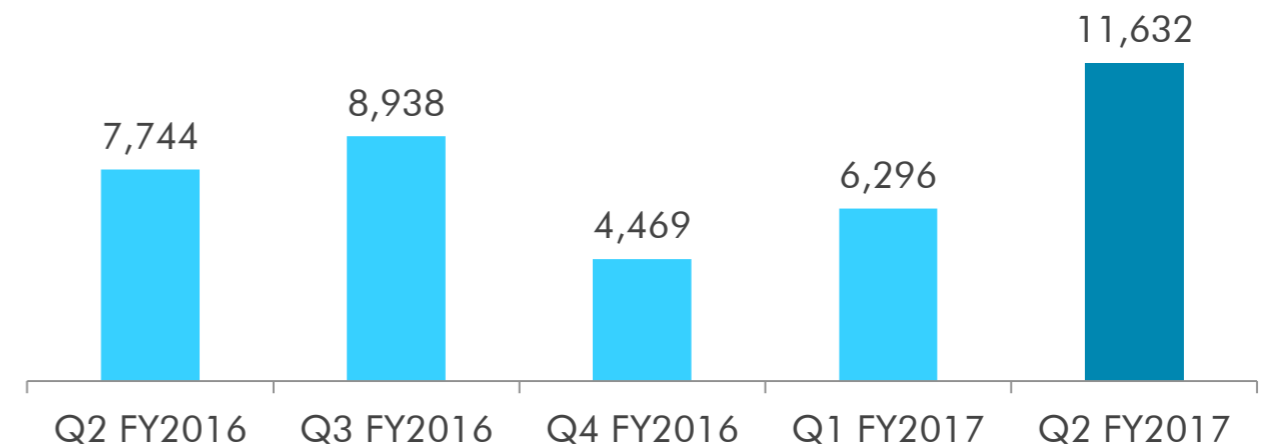
Collections (Rs. million)



Area Sold (mn sq. ft.)

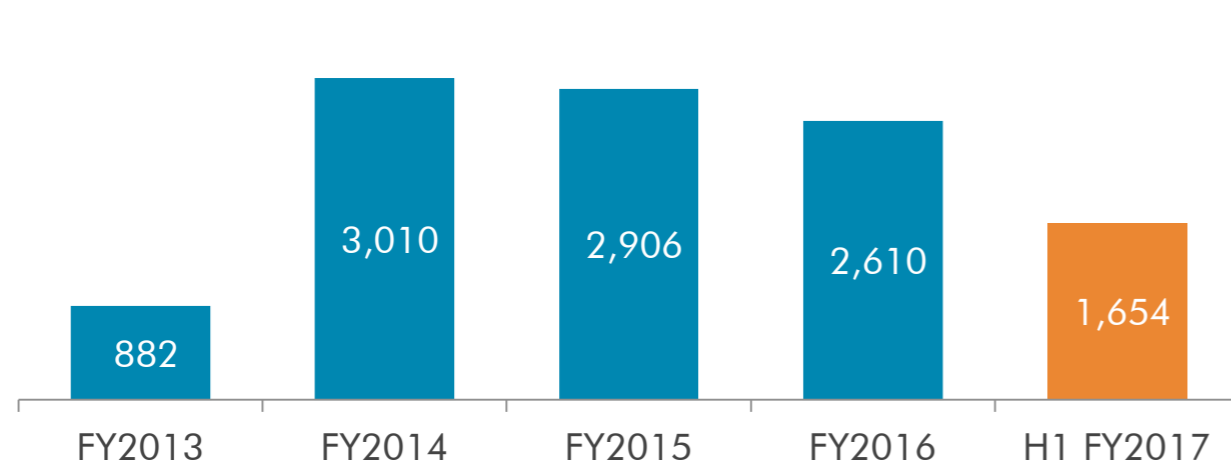


Average Price Realization (Rs. per sq. ft.)

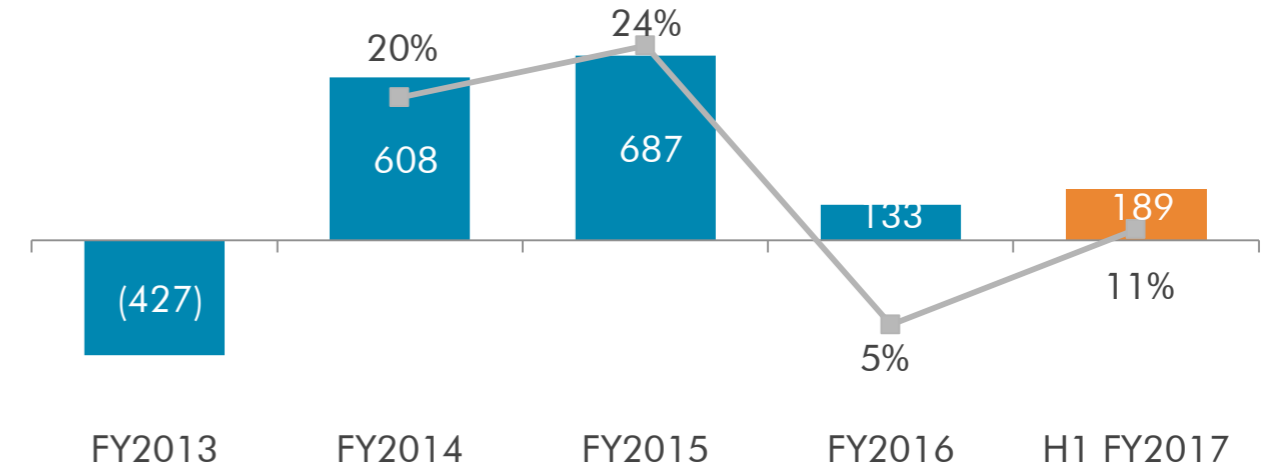


Consolidated Financial Performance

Revenue (Rs. million)



EBITDA (Rs. million) and Margin (%)



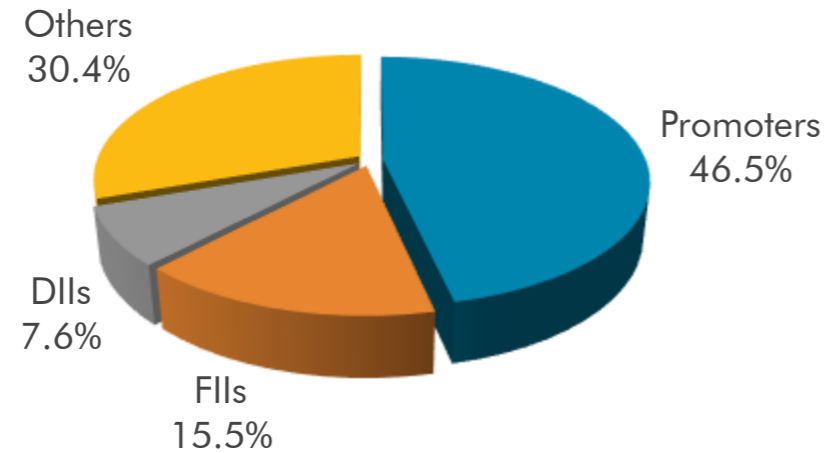
Capital Structure

Rs. million	30-09-2016	31-03-16	31-03-15	31-03-14	31-03-13
Shareholder's Equity	1,957	2,655	3,278	3,262	3,209
Total Debt	9,667	12,052	4,176	3,362	2,709
Cash and Cash Equivalents	148	391	280	364	279
Net Debt	9,519	11,662	3,897	2,998	2,431

Ownership Structure

Backed by long term institutional investors

Shareholding Pattern (30-September-2016)



Top Institutional Shareholders



Shareholding Pattern Trend

Shareholders (%)	Sep-15	Dec-15	Mar-16	Jun-16	Sept-16
Promoters	46.59	46.49	46.52	46.50	46.52
FII	17.42	17.42	16.07	15.81	15.54
DII	7.48	7.54	7.48	7.60	7.55
Others	28.51	28.55	29.93	30.09	30.39
Total	100.00	100.00	100.00	100.00	100.00

- ⊙ An integrated property developer with strong brand equity and presence across all asset classes
- ⊙ Projects mostly executed through the “joint development” model which ensures properties in premium locations, lock-in of minimal funds and quicker monetization
- ⊙ Strong pipeline and balanced portfolio of projects
 - Brought over 17.27 mn sq ft of area under development since inception in 2004
- ⊙ Currently main focus on residential segment in Bangalore
 - 15 ongoing residential projects have revenue potential of close to Rs. 35,641 mn
- ⊙ The Ritz Carlton Hotel and Nitesh Hub add steady cash flow streams and significant value to the Company
- ⊙ Selectively looking at opportunities of diversifying in other cities in India
- ⊙ Platform agreement with Goldman Sachs to significantly enhance rental revenue stream
- ⊙ Strong and experienced board of directors and management team
- ⊙ Book Value per share of Rs. 13.42 with the Price/Book Value ratio of 0.79x
- ⊙ Investments from leading domestic and international institutional investors
- ⊙ Relationship with some of the leading players across value chain



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