



Press Release

For immediate Release

Mahindra Holidays to acquire 18.8% stake in a leading European Vacation Ownership company, Holiday Club Resorts Oy Finland

MHRIL has right to increase its ownership over the next two years

Combined entity has potential to become largest vacation ownership company ex-USA

Mumbai, July 7, 2014: Mahindra Holidays & Resorts India Limited today signed definitive agreements with the shareholders of **Holiday Club Resorts Oy, Finland** to initially acquire 18.8% of its shares with a right to increase its ownership over a period of two years. This initial acquisition will be completed in a month's time subject to required regulatory approvals.

Holiday Club Resorts Oy (Holiday Club) is a leading vacation ownership company in Europe with thirty-two resorts, twenty four of which are located in Finland, two in Sweden and six in Spain (1 in Costa del Sol and 5 in Gran Canaria). Seven of these resorts have spa hotels with indoor water parks, three have golf course and there are five indoor theme parks for children called 'Angry Birds Activity Parks'.

Holiday Club has a membership base of ~ 50,000 families and is a leading leisure brand in Europe. It has an efficient sales and marketing organization in addition to strong core competencies in the design of holiday homes and apartments, spa hotels and resort management. Recently, Holiday Club has also successfully begun selling fractional membership, a concept that has been well received by its European clients.

The proposed acquisition will enable Mahindra Holidays to make significant inroads into the European markets and to leverage Holiday Club's expertise in the vacation ownership model, as well as its strong technology platform and talent pool.

Once full ownership is achieved, the combined entity has the potential to become the largest vacation ownership company in the world, outside the United States.

Commenting on the acquisition, **Anand Mahindra, Chairman, Mahindra Group, said**, "The acquisition of Holiday Club Resorts will elevate Mahindra Holidays to a global leader in the vacation ownership industry. This timely acquisition not only provides access to European assets, technology and processes, but more importantly, provides a springboard to Mahindra Holidays for growth in Europe and other international destinations."

Commenting on the deal, **Arun Nanda, Chairman, Mahindra Holidays, said**, "This acquisition is part of a larger vision to widen our international footprint. We are excited at the prospect of expanding in Europe and the Middle East along with Holiday Club. We like the company for the quality of its



management team, its emphasis on innovation and its expertise in design and speedy construction of cost efficient resorts. We are confident that synergies from this acquisition will fuel and propel our future growth.”

Also commenting on the deal, **Vesa Tengman, CEO Holiday Club, said** “We warmly welcome a new shareholder with such a good reputation in the vacation ownership industry. We are excited about the various development opportunities and synergies that the collaboration of two market leaders will bring about. We look forward to prospecting new opportunities to expand further in Europe.”

ABOUT MAHINDRA HOLIDAYS & RESORTS INDIA LIMITED

Mahindra Holidays & Resorts India Limited (MHRIL), India’s leading player in the leisure hospitality industry, offers quality family holidays primarily through vacation ownership memberships. While Club Mahindra is the flagship brand, the other brands offered by the company are –Club Mahindra Fundays and Club Mahindra Travel. As on March 31, 2014, MHRIL has ~171, 000 vacation ownership members. The company currently operates 41 resorts across India and abroad. Additional information: www.clubmahindra.com

ABOUT HOLIDAY CLUB RESORTS Oy

Holiday Club Resorts Oy is the leading vacation ownership company in Europe and a significant operator in the fields of holiday housing and tourism. The company is owned by its acting management, Varma, Finnish Industry Investment Ltd, Ilmarinen, the Fennia Group and a group of Finnish private investors. Holiday Club Resorts Oy has 32 resorts and 1,700 holiday homes. Seven of the resorts feature not only holiday homes but also a spa hotel. Nine resorts are located outside Finland, in Sweden, on the Costa del Sol in Spain and in the Canary Islands. Holiday Club has approximately 50,000 weekly vacation ownership client families. During the financial year 2012–2013, the consolidated turnover amounted to EUR 120 million, and the Group employed 716 people. Additional information: www.holidayclubresorts.com

ABOUT MAHINDRA

The Mahindra Group focuses on enabling people to rise through solutions that power mobility, drive rural prosperity, enhance urban lifestyles and increase business efficiency.

A USD 16.5 billion multinational group based in Mumbai, India, Mahindra employs more than 180,000 people in over 100 countries. Mahindra operates in the key industries that drive economic growth, enjoying a leadership position in tractors, utility vehicles, after-market, Information Technology and vacation ownership. In addition, Mahindra enjoys a strong presence in the agribusiness, aerospace, components, consulting services, defence, energy, financial services, industrial equipment, logistics, real estate, retail, steel, commercial vehicles and two wheeler industries.

In 2012, Mahindra featured on the Forbes Global 2000 list, a listing of the biggest and most powerful listed companies in the world. In 2013, the Mahindra Group received the Financial Times ‘Boldness in Business’ Award in the ‘Emerging Markets’ category.

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