

Yatra's Acquisition of ATB Conference Call Prepared Remarks

Manish H: Good morning, everyone. Thank You all for joining the call today. This call is to discuss Yatra Online, Inc's acquisition of Air Travel Bureau Limited, which was announced yesterday. Joining us on the call today are Dhruv Shringi, Yatra's CEO and Co-Founder and Alok Vaish, Yatra's CFO.

The following discussion, including responses to your questions, reflects management's views as of today, July 24, 2017 only. We do not undertake any obligation to update or revise the information.

As always, some of the statements made on today's call are forward-looking, typically preceded by words such as we expect, we believe, we anticipate or similar statements. Please refer to today's press release and the company's filings with the SEC for information about factors, which could cause our actual results to differ materially from these forward-looking statements.

Additional information concerning these statements is contained in the Risk Factors section of the Company's Annual Report on Form 20-F filed with the SEC on June 30, 2017. Copies of this and other filings are available from the SEC or on the investor relations section of our website.

With that stated, let me turn the call over to our CEO, Dhruv Shringi.

Dhruv Shringi: Thank you, Manish. Good Morning everyone. I am very pleased to announce the acquisition of Air Travel Bureau Limited ("ATB"). ATB is the largest independent corporate travel management company in India with Gross Bookings of INR 15 billion (roughly US\$230 million) generated through a diverse client base of over 400 large and medium sized businesses across India. We believe this acquisition

significantly strengthens our position in the large and growing corporate travel market in India. With this acquisition, we believe we are now the largest Corporate travel services platform in India by Gross Bookings. This acquisition will allow us to deliver best-in-class experiences to an even wider set of travelers, through our web and mobile app platforms and enhance our reach to cross-sell our entire product suite, including hotels, to this customer base.

The travel industry in India is witnessing a period of sustained growth, and this acquisition, we believe, further strengthens our positioning and brand.

We expect to leverage our common technology platform to provide the newly acquired corporate travel customers a superior online and mobile app based booking experience. We believe this acquisition will enhance our ability to win market share in the corporate travel segment.

We have a robust product platform, which has the ability to handle complex approval and policy compliance requirements with deep integration with the customers' ERP systems, ensuring a high level of stickiness with the customers. Organically, we continue to witness very healthy growth on both air and hotel bookings on the corporate travel platform.

Corporate travel in India is projected to grow at over 12% per annum between 2015 and 2020 making India the fastest growing corporate travel market in the world according to KPMG research.

In an emerging market with limited disposable income, business travel is generally the first form of travel undertaken by consumers. The combined entity of Yatra and ATB will have the potential to access a captive consumer base of over 4.6mil people who are employed in the over 650 large and medium scale enterprise customers that the entity will service. According to Facebook, 85million Indians evince an interest in undertaking travel, assuming an average family size of 4 in India, the employees of the organizations that the combined entity will

service, would translate into over 18M consumers to whom leisure travel services can then be cross sold.

In addition, we believe that there is an opportunity to cross sell Yatra's hotel inventory (India's largest at over 65,000 properties) to the 400+ existing enterprise customers of ATB and the opportunity to implement Yatra's self-booking corporate travel platform and mobile app across ATB's customer base.

Hence, we believe that this acquisition provides us with a unique opportunity to grow our business in India without compromising on margins in the medium term.

An update on the branding front. We have run a very successful campaign with India's biggest youth icon Ranbir Kapoor as our brand ambassador. I believe that this association has come at the right time. Just like Ranbir, our brand is, now, more contemporary, youthful and technologically advanced.

I'm now going to hand it over to Alok to walk you through the financial details of the transaction. Alok.

Alok Vaish:

Thanks Dhruv. We are acquiring Air Travel Bureau for a total purchase price between US\$22.5 and US\$27.5 million for equity to be paid for in cash and assumption of debt. Out of this approximately US\$8 million will be paid on first closing in about 2-3 weeks for acquisition of majority of the outstanding shares. The balance of the outstanding shares of ATB will be acquired in exchange for the final payment to be made in Q2 of the 2018 calendar year. Based on the terms of the Share Purchase Agreement and management estimates, we expect the total payment, including assumption of debt, not to exceed a total purchase price of US\$22.5 to US\$27.5 million and shall be financed through a combination of debt and cash in the bank. ATB serves some very large reputed customers and has been doing that for

several decades. ATB has a healthy level of operating margins and will be a meaningful contributor to our top line. We expect a Net Revenue less service costs contribution of 8-10% from ATB for FY18 depending on when the transaction closes. We are assuming approximately 8 months of contribution for FY18. We believe this is a great step towards strengthening our market leadership in the Indian travel and OTA sector. We look forward to welcoming ATB into Yatra family.

This concludes our prepared remarks, and we can now open it up for Q&A.