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Media Statement

16th July 2026

Financial Results for the Quarter ended 30th June 2026

SUSTAINED GROWTH MOMENTUM; ACCELERATED 'ASSET-RIGHT' EXPANSION

- **Consolidated Revenue from Operations at ₹ 936 cr. up 15%, EBITDA at ₹ 292 cr. up 19%, and PAT at ₹ 182 cr. up 36%**
- **Kumarakom Resort & Spa acquisition completed and comprehensive renovation underway; Property to open as an 'ITC Hotels' branded luxury resort & spa by Q3 FY27**
- **8 new signings in Q1; Managed Portfolio surpasses 200 Hotels with ~16,000 keys**
- **ITC Ratnadipa, Sri Lanka sustains RevPAR leadership and delivers positive EBITDA. Progressive handover of Sapphire Residences continues**
- **Trailblazer in Responsible Luxury & Sustainability:**
    - **1.5 MWp Solar Power Plant commissioned at ITC Grand Bharat, Delhi NCR**
    - **ITC Royal Bengal accredited with LEED® Zero Water certification**
    - **Welcomhotel Vadodara accredited with LEED Platinum® certification**

MACRO ECONOMIC & OPERATING CONTEXT

The operating environment during the quarter was marked by heightened uncertainty and volatility, driven by the West Asia conflict, which disrupted air travel and added to inflationary pressures.

India remains the world's fastest-growing major economy against the backdrop of slowing global growth. IMF estimates of India's FY27 Real GDP growth remains broadly stable at 6.4% with FY28 estimates revised upward to 6.7% (up 20 bps vs. earlier estimates), supported by resilient domestic demand and robust services activity. While the RBI has raised its FY27 inflation forecast to 5.1% amid emerging food and fuel price pressures, India's strong consumption fundamentals, rising urban affluence and increasing discretionary spending continue to provide a favourable long-term foundation for the travel and hospitality industry.

India's hospitality sector entered Q1 FY27 under the shadow of West Asia conflict led disruptions. The month of April'26 witnessed broad-based demand softness across key markets, driven by uncertainty around air travel, as reflected in weak foreign tourist arrivals. As travel sentiment improved, occupancy and room rates witnessed swift recovery in May & June'26, underscoring structural resilience of the demand environment.

The outlook for the hospitality industry remains positive, underpinned by India's strong economic growth, thrust on infrastructure and connectivity improvement, rising discretionary consumption and favourable supply-demand dynamics in the hospitality segment, particularly in Tier I cities.

PERFORMANCE HIGHLIGHTS - CONSOLIDATED

The Company delivered a robust performance in Q1 FY27, demonstrating agility and focused execution amid a challenging operating environment.

- **Revenue from operations (ex-Branded Residences) grew 10% YoY.**
    - **Room Revenue** grew 8% YoY led by strong performance in the retail segment, offsetting the high base effect in the MICE and Weddings segments in the previous year.
        - ADRs grew 4% and Occupancy expanded by 290 bps YoY, resulting in overall RevPAR growth of 8% YoY.
        - The Company maintained a RevPAR premium of 33% over industry[1], reflecting superior brand standing and continued guest preference for its services.
    - **Food & Beverage (F&B) revenue** grew 11% YoY, led primarily by speciality outlets and banqueting.
    - **Management Fees** during the quarter registered a growth of 35% YoY, driven by strong performance of managed hotels at leisure locations and stabilization of managed properties commissioned during the previous year.
- **EBITDA margin (ex-Branded Residences)** expanded by 125 bps to 31%, reflecting steady growth in Rooms and F&B, higher management fees and cost management initiatives.
- **ITC Ratnadipa[2]** delivered **positive EBITDA** during the quarter, while **sustaining its leadership position in RevPAR**. Progressive handover of Sapphire Residences continued during the quarter; 16 apartments have been handed over till date.
    - Sri Lanka's economy remained largely stable during the period, supported by ongoing fiscal and structural reforms under the IMF programme. However, the tourism sector witnessed moderation in foreign tourist arrivals during the quarter, reflecting the impact of geopolitical developments and softer travel demand in certain source markets. Despite these near-term headwinds, improving macroeconomic stability, easing financial conditions and the country's strong tourism fundamentals are expected to support a gradual recovery in travel and hospitality demand over the medium term.
- Aligned with its **'Asset-Right'** growth strategy, the Company completed the acquisition of Kumarakom Resort & Spa during the quarter and has initiated a comprehensive renovation programme of the property. Upon completion, the property will be relaunched under the **'ITC Hotels'** brand luxury resort & spa by Q3 FY27, reflecting the Company's strategy of unlocking value

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[1] Industry (India - Luxury, Upper Upscale & Upscale); Domestic owned hotels YTD May'26
[2] Owned by WelcomHotels Lanka (Private) Limited, a wholly owned subsidiary

through brand-led asset enhancement and strengthening its footprint in high-potential leisure destinations.

During the quarter, **8 new hotels** were signed in Jaipur, Manesar, Bhubaneswar, Sonipat, Shirdi, Shahjahanpur and Zirakpur, enhancing the Company's presence across business, industrial, pilgrimage and leisure destinations. The quarter also marked the signing of the **25th Storii property** at Amchong Tea Estate, Guwahati, reinforcing the brand's focus on immersive and experience-led destinations. The opening of Fortune Bhimtal further strengthened the Company's presence in the fast-growing leisure segment. These initiatives reinforce the Company's commitment to accelerating scale through a capital-efficient growth model while deepening its market reach and network strength.

- The Company continues to strengthen its Responsible Luxury and Sustainability credentials through sustained investments in renewable energy and environmental stewardship. During the quarter, a **1.5 MWp captive solar plant was commissioned at ITC Grand Bharat**, taking the Company's total installed renewable energy capacity to **52.4 MW**. These initiatives further support carbon footprint reduction while enhancing long-term energy security and cost efficiency. Reinforcing its leadership in sustainable hospitality, **ITC Royal Bengal** became the Company's **13th** hotel to achieve LEED® Zero Water Certification, while **Welcomhotel Vadodara** secured LEED Platinum® Certification, becoming the **24th** hotel in the portfolio to attain this distinction. Together, these milestones reflect the Company's continued commitment to advancing sustainability, resource efficiency and responsible growth.

'ITC Hotels Limited' takes immense pride in its sustainability credentials with the **largest number of LEED Platinum®** certifications in the world as per US Green Building Council (USGBC) wherein **24 of its hotels** have this highest recognition; the **first 12 hotels** in the world to be **LEED® Zero Carbon certified** and the **first 13 hotels** in the world to be **LEED® Zero Water** certified as of date, making it a global exemplar in sustainability.

The Company's balanced portfolio, strong brand equity, depth of operational expertise, people-first culture, Asset-Right growth strategy, and leadership in Responsible Luxury & Sustainability provide a strong foundation for long-term profitable growth and value creation.

The Board of Directors, at its meeting on 16^{th} July 2026, approved the financial results for the Quarter ended 30^{th} June 2026.

(Richa Sharma)
Head-Corporate Communications