

Yatra invests Euro 4.40 Million in an upcoming Taj hotel in Kolkata

- **Yatra Capital announces its 14th investment in Indian real estate:**
 - Yatra Capital has invested Euro 4.40 million for 40% interest in Jalan Intercontinental Hotels Private Limited. The company is building a 200 room business hotel in Kolkata.
- **This is Yatra's third investment in Kolkata**
- **Yatra has till date committed Euro 173.48 million, 78.85% of Euro 220 million capital raised**

Yatra Capital Limited ("Yatra"), the first Euronext quoted company with a mandate to invest in Indian real estate, is pleased to announce its 14th investment. The Company has committed Euro 4.40 million in Jalan Intercontinental Hotels Private Limited for a 40% stake in a business hotel in Kolkata.

The proposed hotel is a 200 room business hotel, to be operated under the Taj Gateway brand by Indian Hotels Limited which owns the Taj Hotels brand.

An agreement for long term management and technical assistance has already been signed with Indian Hotels. Indian Hotels operates 75 hotels worldwide, including 18 international properties across 12 countries.

Yatra has two existing investments in hospitality projects in Pune and Bangalore which are part of larger retail-led mixed-use developments.

The hotel will be built on a 1.9 acre plot located strategically at the junction of Rashbehari Connector and EM Bypass in Kolkata. EM Bypass is the main arterial road between old and new Kolkata, connecting Kolkata Airport and eastern parts of the city. The hotel will primarily cater to the needs of IT/ITES companies located in and around Sector V of Salt Lake, upcoming IT hub at Rajarhat and New Town, the proposed IT park at Nonadanga, IT SEZs and Leather Complex coming in the Bantala, and growing population of Rajarhat Township.

Kolkata is the commercial and financial hub of eastern India and an important transport and logistic hub for the east and northeast regions. The key economic activities in the city have been chemicals & petrochemicals, commodity trade, manufacturing and textiles. Since the year 2000, IT/ITES has emerged has been playing an active role in the city's economy.

The emergence of the services sector and other industries such as the upcoming petrochemical hub at Haldia as strong economic drivers for the city has created an unmet requirement for hotel rooms in the city. Almost 60-70% of guests in the premium category hotels are business travelers, with airline crews contributing another 8-10% to the total demand. Most of the premium category hotels report an average of 40% foreigners as their clientele.

At present, there are close to 1500 rooms in the premium category in the city. Occupancy levels have increased at an average rate of 15-18% over the last few

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years with average annual occupancy levels hovering around 80%. This is expected to remain at the same level in the medium term.

Commenting on the transaction, **Sir Nigel Broomfield, Chairman Yatra Capital Limited** said: "Yatra is delighted to announce its third project in the city of Kolkata, a flagship hospitality development on an arterial road in the city. We are pleased to be partnering Jalan Intercontinental Hotels Private Limited, for the project. The investment reiterates Yatra's confidence in Kolkata as a business destination. I am happy to note that a long term agreement has been signed with Taj Hotels for operating the hotel."

Mr Aditya Jalan, Managing Director, Jalan Intercontinental Hotels Private Limited said: "We are delighted to be partnering Yatra Capital in this milestone development. We are sure the project will benefit enormously from the international experience that Yatra brings through the Board of Directors and its India investment advisor, Saffron."

Mr Ajoy Veer Kapoor, Managing Director, Saffron Asset Advisors Private Limited added, "This is Yatra's third hospitality project and is in line with our commitment to building a strong, diversified portfolio of quality assets. Our investments for Yatra have the potential to deliver across a variety of sectors and locations and we will continue to seek opportunities that will maximise shareholder returns."

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Notes to Editors:

- In December 2006, Yatra raised Euro 100 million to invest in Indian real estate. Yatra is the first company listed on Euronext, Amsterdam with a strategy to invest in the Indian real estate market.
- Yatra announced a successful follow on fund raising of Euro 120 million on 19 October, 2007.
- Yatra invests in India through the advice it receives from the investment committee of its wholly owned subsidiary K2, and Saffron Capital Advisors Limited (SCAL).
- Yatra, through K2, entered into an Investment Advisory Agreement with Saffron Capital Advisors in August 2006.
- Saffron Capital Advisors receives [non-binding] advice on investments from Saffron Asset Advisors Pvt Ltd, the India based fund advisor.
- Yatra focuses on investing in opportunities that create high value for its shareholders with a focus on tier 2 and tier 3 cities. Yatra also considers investments in tier 1 cities, subject to value based acquisitions.

Yatra Trades on Euronext with the ticker Yatra

- Further information on Yatra is available from the website www.yatracapital.com.
- Exchange rate assumed as on July 15, 2008- 1 Euro = INR 68.07
- Further information on the Fund Manger is available at www.saffronadvisors.com

NOTE – All figures relating to investment size are accurate on the date of this news release and may change subject to exchange rates.

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