

TTK PRESTIGE LIMITED

GIST OF INFORMATION TO BE SHARED WITH ANALYSTS - Q4 FINANCIAL YEAR 2013-14

GENERAL BACKDROP FOR Q4 OF FY2013-14

A. GENERAL ECONOMY

*CONSUMER SENTIMENT CONTINUED TO BE WEAK

*INFLATION IN ARTICLES OF DAILY CONSUMPTION PERSISTED

*NEITHER ECONOMIC NOR POLITICAL CLIMATE WAS CONDUSIVE TO GROWTH

* KEY SOUTHERN MARKETS YET TO RECOVER FROM DEFICIENT MONSOON AND OTHER DISTURBANCES

* NON-SOUTH MARKETS ALSO REMAINED SLUGGISH

B. SPECIFIC TO COMPANY

*PREVIOUS YEAR SAW UNPRECEDENTED DEMAND FOR INDUCTION COOKTOPS AND BUNDLED PRODUCTS FOLLOWING ANNOUNCEMENT OF SUBSIDISED GAS CYLINDER CAP OF 6 AND THIS CONTINUED TILL FEB 2013.

* SUBSIDISED CYLINDER CAP WAS FURTHER INCREASED FROM 9 TO 12 IMPACTING INDUCTION RELATED SALES

*DUE TO THE ABOVE Q4 RESULTS ARE NOT STRICTLY COMPARABLE TO PREVIOUS YEAR Q4

KEY PERFORMANCE HIGH LIGHTS OF QUARTER ENDED 31ST MARCH 2014 (AS COMPARED TO Q4 OF PREVIOUS YEAR)

*SALES FOR Q4 DECLINED BY 4% FROM RS.289 CRORES TO RS.278 CRORES
(THIS DROP IS MUCH LESS THAN THE DROP OF 15% WITNESSED IN Q3).

*EBIDTA (BEFORE EXCEPTIONAL ITEMS)DROPPED BY 33% FROM Rs.43.91 Cr to Rs.29.32 Cr

*EBIDTA MARGIN STOOD AT 10.53% (PRECEDING Q3: 12.87%; PREVIOUS YEAR Q4: 15.17%)
(THE DROP IS DUE TO SEASONAL DECLINE IN TOPLINE AND UNDERABSORPTION OF PERIOD OVERHEADS)

* THERE WAS AN EXCEPTIONAL INCOME OF RS.8.10 CRORES BEING LAND COMPENSATION RECEIVED.

*NET PROFIT AFTER TAX WAS RS.26.21 CRORES AS COMPARED TO 28.03 CRORES

*EPS STOOD AT Rs.22.51(PY Q4 Rs. 24.72) ON EXPANDED CAPITAL

KEY PERFORMANCE HIGH LIGHTS FOR THE FULL YEAR 2013-14 (AS COMPARED TO THE PREVIOUS YEAR)

*SALES FOR THE YEAR DECLINED BY 4.5% FROM Rs.1385.89 Cr to Rs.1323.38 Cr.

*EBIDTA (BEFORE EXCEPTIONAL ITEMS)DECREASED BY 19.4% FROM Rs. 208.45 Cr.to Rs.168.10 Cr.

*EBIDTA MARGIN STOOD AT 12.7% AS COMPARED TO 15.04% IN THE PREVIOUS YEAR

*NET PROFIT AFTER TAX DECREASED BY ABOUT 16% FROM Rs.133 Cr TO Rs. 112 Cr

*EPS DROPPED FROM Rs.117.35 to Rs. 96.78 , PARTLY DUE TO REDUCTION IN PROFIT AND PARTLY DUE TO INCREASE IN SHARE CAPITAL

KEY BUSINESS FACTS FOR Q4 OF 2013-14

*INDUCTION COOKTOPS AND BUNDLED PRODUCTS DECLINED BY 36% FROM Rs.77 cr to Rs.49Cr DIRECTLY DUE TO CHANGE IN GOVERNMENT POLICY WHILE OTHER DOMESTIC CATEGORIES GREW BY ABOUT 7.5 % FROM RS. 199 CR TO 214 CR.

* VALUE ADDED ITEMS SAW REASONABLE TRACTION AS COMPARED TO MASS PRODUCTS

*CONSIDERING THAT FY 12-13 WAS AN ABNORMAL YEAR, THERE IS GROWTH OF 19% AS COMPARED TO Q4 OF 2011-12 A COMPARABLE QUARTER WITH NORMAL BASE. ON THE SAME BASE THE GROWTH IN "NON INDUCTION PRODUCTS" WAS 29%.

*OUR BRAND SALIENCE CONTINUES TO BE HIGH EVEN IN THIS DEPRESSED MARKET

*EBIDTA MARGIN WAS IMPACTED ON ACCOUNT OF DROP IN TOPLINE RESULTING IN UNDERABSORPTION OF INCREMENTAL OVERHEADS

*INDEGNISATION OF PRODUCTION/ASSEMBLY OF SOME PRODUCTS HAS YIELDED BENEFITS

*EXPORTS INCREASED BY 18% FROM RS.11.54CR TIO RS.13.63 CR.

*NET ADDITION TO PRESTIGE SMART KITCHEN NETWORK WAS 27 TAKING THE TOTAL TO 536

*NET BORROWING STOOD AT AROUND 12 Cr.

SALES BREAK UP (RS CRORES)

	Q4 2013-14	Q4 2012-13	GROWTH		12 mths 2013-14	12 mths 2012-13	GROWTH
COOKERS	104	98	6.1%	COOKERS	494	511	-3.3%
COOKWARE	52	55	-5.5%	COOKWARE	227	245	-7.3%
APPLIANCES	113	126	-10.3%	APPLIANCES	564	584	-3.4%
OTHERS	9	10	-10.0%	OTHERS	38	46	-17.4%
TOTAL	278	289	-3.8%	TOTAL	1323	1386	-4.5%

PROPORTION TO SALES	Q4	Q4	12 MONTHS	
	2013-14	2012-13	2013-14	2012-13
COOKERS	37.4%	33.9%	37.3%	36.9%
COOKWARE	18.7%	19.0%	17.2%	17.7%
APPLIANCES	40.6%	43.6%	42.6%	42.1%
OTHERS	3.2%	3.5%	2.9%	3.3%
TOTAL	100.0%	100.0%	100.0%	100.0%

GOING FORWARD

*THOUGH THE CONSUMER SENTIMENT CONTINUES TO BE WEAK DOMESTIC SALES GREW BY 14% IN THE MONTH OF APRIL 2014

*COMPANY IS FOCUSING ON NEW PRODUCT LAUNCHES AND BRAND PROMOTION TO GET BACK INTO GROWTH MODE

* BETTER MONSOON AND A STABLE NEW GOVERNMENT WITH DEVELOPMENT FOCUS CAN FACILITATE GROWTH