

TTK PRESTIGE LIMITED

GIST OF INFORMATION TO BE SHARED WITH ANALYSTS - Q2 /2013-14

KEY PERFORMANCE HIGH LIGHTS OF 2ND QUARTER ENDED 30TH SEPT 2013 (AS COMPARED TO Q2 OF PREVIOUS YEAR)

SALES GREW BY 3.1 % FROM Rs. 343 CRORES TO Rs.353 CRORES

EBIDTA DECREASED FROM Rs.51.51 CRORES to Rs.47.02 CRORES

EBIDTA MARGIN STOOD AT 13.31% AS COMPARTED TO PY AVERAGE OF 15% AND 13.7% IN Q1

NET PROFIT AFTER TAX STOOD AT THE SAME LEVEL OF Rs.30.3 CRORES AS IN PY Q2

EPS STOOD AT Rs.26.03 (PY Q2 Rs. 26.75) ON EXPANDED CAPITAL

KEY PERFORMANCE HIGH LIGHTS OF 1st HALF ENDED 30TH SEPT 2013 (AS COMPARED TO 1ST HALF OF PREVIOUS YEAR)

SALES FOR 1ST HALF GREW BY 2.3 % FROM Rs.652 CRORES to Rs.667 CRORES.

EBIDTA DECREASED FROM Rs.100.55 CRORES to Rs.90.11 CRORES

EBIDTA MARGIN STOOD AT 13.52% AS COMPARTED TO PY AVERAGE OF 15.43%

NET PROFIT AFTER TAX DECREASED BY ABOUT 8% FROM Rs.61 CRORES TO Rs.56 CRORES

EPS DROPPED FROM Rs.53.85 to Rs. 48.18 , PARTLY DUE TO REDUCTION IN PROFIT AND PARTLY DUE TO INCREASE IN SHARE CAPITAL

KEY BUSINESS FACTS FOR Q2 OF 2013-14

MARGINAL GROWTH IN SALES WAS IN LINE WITH EXPECTATIONS AS KEY SOUTHERN MARKETS REMAINED SUBDUED AND FURETHER COMPOUNDED BY DISTURBANCES IN ANDHRA PRADESH SINCE JULY. NON-SOUTH MARKETS WITNESSED A GRWOTH OVER 30%. PRESTIGE BRAND SALIENCE ACROSS ALL MARKETS CONTNUES TO IMPROVE.

COMPANY WITHSTOOD THE GENERAL RECESSION. THE OVERALL GROWTH WAS AFFECTED MORE BY FACTORS RELATED TO SPECIFIC GEOGRAPHIES. BASE EFFECT WITH REFERENCE TO INDCUTION COOKTOP IS ALSO AN IMPORTANT FACTOR.

EBIDTA MARGIN WAS IMPACTD BY COST ESCALATION ON ACCOUNT OF EXCHANGE FLUCTUATION AND THE LAG BETWEEN PRICE INCREASE AND INPUT COST INCREASE

EXPORT SALES IN Q2 WAS Rs. 18.25Crores (PY Q2 Rs.19.87 Crs). OWING TO MODEL CHANGE LARGE PART OF EXPORT ORDERS ARE EXPECTED FROM END OF Q3.

NET ADDITION TO PRESTIGE SMART KITCHEN NETWORK WAS 29 TAKING THE TOTAL TO 492

SIGNIFICANT IMPROVEMENT IN INVENTORY AND RECEIVABLE TURNOVER RATIOS AS COMPARED TO Q1

NET BORROWING STOOD AT Rs.23 CRORES.

SALES BREAK UP (RS CRORES)

	Q2	Q2	GROWTH		I HALF	I HALF	GROWTH
	2013-14	2012-13			2013-14	2012-13	
COOKERS	138	133	4%	COOKERS	257	254	1%
COOKWARE	56	61	-8%	COOKWARE	104	114	-9%
APPLIANCES	150	137	9%	APPLIANCES	288	259	11%
OTHERS	9	12	-25%	OTHERS	18	25	-28%
TOTAL	353	343	3%	TOTAL	667	652	2%

PROPORTION TO SALES	Q2	Q2	I HALF	
	2013-14	2012-13	2013-14	2012-13
COOKERS	39.1%	38.8%	38.5%	39.0%
COOKWARE	15.9%	17.8%	15.6%	17.5%
APPLIANCES	42.5%	39.9%	43.2%	39.7%
OTHERS	2.5%	3.5%	2.7%	3.8%
TOTAL	100.0%	100.0%	100.0%	100.0%

GOING FORWARD

A LOT DEPENDS ON GENERAL CONSUMER SENTIMENT AND REVERSAL OF RECESSIONARY TREND

IMPROVEMENT IN POWER SITUATION/AGRICULTURE IN KEY SOUTHERN MARKETS MAY CONVERT IN TO BETTER PURCHASING POWER DURING 1ST HALF OF NEXT CALENDER YEAR AS THERE IS ALWAYS A LAG BETWEEN INDSUTRIAL/AGRICULTURAL REVIVAL AND PURCHASING POWER

NEW MODELS OF VARIOUS PRODUCTS ARE BEING LAUNCHED AND ARE RECEIVING GOOD ACCEPTANCE AT THE CONSUMER END.

AGGRESSIVE SPENDS ON BRAND WILL CONTINUE. ALL NEW CAMPAIGN WITH INDIA'S LEADING CELEBRITY COUPLE MR ABISHEK BACHCHAN AND MRS AISHWARYA RAI BACHCHAN AS BRAND AMBASSADORS COMMENCED IN OCTOBER 2013.

INDIGENOUS PRODUCTION OF A FEW IMPORTED PRODUCTS ARE PROGRESSING SATISFACTORILY AND THIS COUPLED WITH INCREASED UTILISATION OF UTHARAKAAND FACILITIES CAN HAVE POSITIVE IMPACT ON POST-TAX PROFITS.