

Q2 & H1 FY15
Press Release

Trident reports Rs. 1,874.9 crore in Revenues and Rs. 340.2 crore in EBITDA in H1 FY15

Ludhiana/Barnala/Bhopal, November 14, 2014: Trident Limited, flagship Company of USD 1 billion Trident Group and leading manufacturer and exporter of Textiles & Paper products, today announced its financial results for the quarter & half year ended September 30, 2014.

Financial Highlights for Q2 & H1 FY15

Q2 FY15	Q2 FY14	Shift %	Particulars (Rs. crore)	H1 FY15	H1 FY14	Shift %
961.7	1,000.2	(3.9)	Revenues	1,874.9	1,872.9	0.1
156.1	211.7	(26.3)	EBITDA	340.2	406.0	(16.2)
16.2	21.2	(500) bps	EBITDA Margin %	18.1	21.7	(360) bps
77.9	143.0	(45.5)	EBIT	181.1	269.3	(32.8)
33.3	91.1	(63.5)	PBT	78.3	158.1	(50.5)
21.0	72.7	(71.1)	PAT	53.3	116.8	(54.4)
0.43	2.34	(81.6)	EPS (Diluted & non-annualized) (Rs.)	1.11	3.76	(70.5)

Commenting on the performance, Mr. Rajinder Gupta, Chairman at Trident Group said:

"We are pleased to report a healthy operational and financial performance in an environment that was challenging for the yarn segment. Our integrated operations combined with our thrust on efficiencies, cost rationalization and increasing contribution from high margin value-added products has held us in good stead during the quarter under review.

In Q2 FY15, we moved a step closer to our dream of becoming the largest home textile company globally by inaugurating world's largest Terry Towel plant in Budni. We also laid the foundation stone for our composite textile project. The entry into the bed linen segment will improve our product basket by offering a complete range of home textile products.

Overall, we are confident of delivering sustained growth as we believe that we are well placed to capitalize on the opportunity given our diverse product-mix and value offerings to our entrenched global clientele. The increased capacities, measures to strengthen our balance sheet combined with prudent financial management should result in sustainable improvements in profitability and delivering better returns to our shareholders."

Highlights for the quarter ended September 30, 2014

- In line with the Company's long term focus of being the largest textile leader, the Company inaugurated the world's largest terry towel plant at Budhni, Madhya Pradesh comprising of 300 looms. With this expansion, the installed capacity of Trident has increased to 688 looms. The Company also laid the foundation stone of its composite textile project comprising of two spinning units, one bed linen unit and a captive power plant
- CARE has upgraded the credit ratings on Trident's Short Term and Long Term Bank Facilities. The revision in ratings factors in the improvement in the operational and financial profile of the Company marked by growth in operations, better profitability and improved capital structure
- The Board of Directors of Trident Limited announced dividend policy
 - **Objective**
 - The objective of the dividend policy of Trident Limited is to reward its shareholders by sharing a portion of the profits, whilst also ensuring that sufficient funds are retained for growth of the Company
 - **Dividend Policy**
 - The Company would endeavor to pay 6% of the face value per share as dividend every year; subject to the gross dividend payout not exceeding 33% of the net profit after tax of the Company
 - The Company would endeavor to keep the gross dividend payout ratio up to 33% except for reasons to be recorded. The dividend for each year would be recommended by the Board at its discretion taking into account the free cash flow position, the profit earned during that year, the capex requirements and applicable taxes. The Board may also declare interim dividend at its discretion within the aforesaid payout ratio
 - Depending on the long term growth strategy of the Company and the prevailing circumstances, the Board may increase the aforesaid threshold dividend of "6% of the face value per share" from time-to-time, while trying to ensure that sufficient funds are retained for growth of the Company
 - **Dividend Guideline**
 - The Board at its discretion, while approving the annual accounts in each financial year, also recommend the dividend for approval of the shareholders after taking into account the free cash flow position, the profit earned during that year, the Capex requirements and applicable taxes. A dividend policy stated by the current Board cannot be binding on the extant Board. However, the current Board can form a guideline on dividend payout in future in the interest of providing transparency to the shareholders

- The Company repaid 7.2% of the outstanding term loans amounting to Rs. 136 crore during the quarter
 - Repayment of higher cost loans led to a 13.9% decline in finance costs
 - Outstanding term debt as on September 30, 2014 stood at Rs. 1,794.3 crore
- The revenues of Textile division stood at Rs. 752.3 crore compared to Rs. 786.8 crore in the corresponding quarter last year, while EBITDA came in at Rs. 109.0 crore compared to Rs. 164.0 crore in Q2 FY14.
- Revenues from Paper & Chemicals division came in at Rs. 209.1 crore as compared to Rs. 212.8 crore in Q2 FY14; EBITDA increased by 5.5% to Rs. 59.8 crore, while the EBITDA margins stood strong at 28.6%, up 190 bps Y-o-Y

Segmental Overview

Textiles

- Topline de-grew by 4.4% mainly on account of declining spread in yarn division
 - However, Terry Towel sales volume improved by 20.4% while realizations improved by 8.0% backed by greater focus on value-added products
- EBITDA margin in the textiles division moderated to 14.5%

Paper & Chemicals

- Topline growth remained flat, while the EBITDA enhanced by 5.5%
 - EBITDA margins improved by 190 bps to 28.6%
- NSR improved by 7.3% during the quarter
 - Improvement in NSR was driven by greater contribution of branded copier products

About Trident Limited:

Trident Limited is the flagship Company of Trident Group, a USD 1 billion Indian business conglomerate and a global player. Headquartered in Ludhiana, Punjab, Trident is the largest terry towel and wheat straw based paper manufacturer in the world. With the establishment of the state-of-the-art manufacturing processes and systems coupled with appropriate human capital and credentials, Trident has frequently received accolades from its patrons in recognition for delivering high quality standards and for its customer-centric approach.

The Company operates in two major business segments: Textiles and Paper with its manufacturing facilities located in Punjab and Madhya Pradesh. Trident's customer base spans over more than 75 countries across 6 continents and comprises of global retail brands like Ralph Lauren, Calvin Klein, JC Penney, IKEA, Target, Wal-Mart, Macy's, Kohl's, Sears, Sam's Club, Burlington, etc. With export turnover accounting for about 50% of total sales of the Company, Trident Group has emerged as one of the world's largest integrated home textile manufacturer.

For more information about us, please visit www.tridentindia.com OR contact:

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