

24th January, 2012

Nilkamal Limited – Press Release on Q3 FY12 Results

Q3 2012 Financial Highlights

- ❖ Awarded with prestigious Economic Times Indian Manufacturing Excellence – “Gold Award - Process Sector, Emerging Business” for the year 2011.
- ❖ Ventured into the monolithic construction business by taking up a project for construction of dwelling units in the state of Gujarat on sub-contracting basis.
- ❖ Nilkamal Bito Storage Systems Pvt. Ltd. – Indo-German Joint Venture, achieved break even and made profit since its inception.
- ❖ Cambro Nilkamal Pvt. Ltd – Indo - US Joint Venture Company, attained profit during the first year of its operation.
- ❖ Sustained EBIDTA margin of Plastic business at 12.76%.
- ❖ Capital expenditure of ₹22.40 crores incurred during Q3 2012
- ❖ Opening of two @home store at Bangalore & Hyderabad totaling to 20 stores.
- ❖ Commenced manufacturing of mattresses at the Company’s plant at Hosur.

Nilkamal Limited a dominant player in the moulded furniture and material handling solution provider, today announces its unaudited standalone third quarter results for FY2012.

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(₹ in Crore)

Standalone Financial Highlights				
Particulars	Q3		Nine months ending 31 st December, 2011	Previous Year ended 31 st March, 2011
	FY 2012	FY2011		
Net Sales	343.14	304.13	1015.03	1249.09
EBIDTA	36.76	30.24	109.86	129.70
EBIDTA Margin (%)	10.71%	9.94%	10.82%	10.38%
PBT	16.60	14.98	53.17	70.04
PAT	13.57	11.57	41.25	52.46
Basic EPS	9.09	7.75	27.64	36.80
Cash EPS	16.19	13.40	47.63	59.91

Highlights of the Q3 of FY 2012

For the Q3 of the FY2012, the Net Sales of the Company increased by 13% as compared to Q3 of the FY2011. In Q3 of the FY2012 Net Sales of the plastics segments increased by 12% i.e. ₹292.41 Crores vis a vis ₹260.82 Crores whereas that of the retail segment increased by 4% i.e. ₹43.45 Crores as compared to ₹41.58 Crores for the Q3 of the FY2011.

In the challenging business environment, the Company has improved its operating EBIDTA margin of the plastic division to 12.76% as compared to 12.36% in the immediate preceding quarter.

The Company's retail business under the brand name '@home' has performed satisfactorily showing profitability at all the store levels, except for four stores, three amongst which have been recently opened.

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Due to unusual and steep depreciation in the value of rupee over the last six months, the Company has opted for amortization of foreign exchange loss on long term foreign currency borrowings pertaining to the fixed assets. Accordingly, a sum of ₹ 3.33 Crores shall be amortised over the life of such depreciable fixed assets.

During the nine months of the current financial year, the Company has incurred approximately ₹64.06 Crores of capital expenditure.

The Company has commenced the manufacturing of coir mattresses at its plant at Hosur. It has imported machinery from Germany and Switzerland for the said purpose. The Company has already made its presence in a short span of three months with 750 outlets and 10 offices in the southern region of India. It has also carried out a trial run of spring mattresses and shall start the commercial production of the same during the Q3 of the FY2012. The Company is also planning to launch innovative mattresses during the next quarter.

The Company has stepped into the enormous market for Mass Housing Contracting in India by taking up a Project on Sub Contracting basis to Construct 2560 Dwelling Units in the state of Gujarat by using Monolithic Construction technology. The value of the said project shall exceed ₹ 50 Crores and the Company is planning to complete the said project over the period of 18 months.

The Company was felicitated with Economic Times Indian Manufacturing Excellence – “Gold Award - Process Sector, Emerging Business” for the year 2011. The said award was honoured by Economic Times in partnership with Frost and Sullivan.

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Nilkamal Bito Storage Systems Private Limited, an Indo-German Joint Venture, which is in the business of manufacturing of storage systems, has till date established a wide spread business with multinationals and esteemed corporates. It has achieved a turnover of ₹35.12 Crores and profit of ₹2.46 Crores during the period of nine months ending on 31st December, 2011 thus showing a potential to exhibit a healthy performance in the years to come.

Cambro Nilkamal Private Limited, an Indo – US Joint Venture, catering extensive range of quality products for the commercial food service and hospitality segment has started its operations during the current year and has exhibited positive performance.

Some of the statements in this communication that are not historical facts are forward looking statements. These statements are based on the present business environment and regulatory framework. Developments that could affect the Company's operations include significant changes in political and economic environment in India, tax laws, import duties, litigation and labour relations. We assume no responsibility for any action taken based on the said information, or to update the same as circumstances change.

For NILKAMAL LIMITED



PRITI DAVE
COMPANY SECRETARY