

Ready to enter the Next Trajectory

- ✓ Partnership with Oritain™ under Wel-Trak™ Global Cotton Integrity Process
- ✓ Only Indian company ranked among Top-3 in Product-Wise Sustainability scores by ‘Walmart’
- ✓ EBITDA Margin at 19%, Net Debt / Equity at 1.12x

Mumbai, February 13, 2018: Welspun India Ltd., (WIL), part of the US\$ 2.3 billion Welspun Group announced Q3FY18 / 9MFY18 results today.

Consolidated Financial Summary - Q3FY18 & 9MFY18								(Rs. Million)
Particulars	Q3FY18	Q3FY17	YoY Change	Q2FY18	QoQ Change	9MFY18	9MFY17	YoY Change
Total Income	14,143	15,218	-7.1%	16,299	-13.2%	45,969	49,484	-7.1%
EBITDA	2,687	3,673	-26.8%	3,063	-12.3%	9,124	12,655	-27.9%
EBITDA Margin	19.0%	24.1%	-513 bps	18.8%	21 bps	19.8%	25.6%	-573 bps
Finance Cost	345	480	-28.1%	325	6.3%	1,027	1,153	-10.9%
Depreciation	1,272	1,305	-2.5%	1,287	-1.2%	3,741	3,689	1.4%
PBT	1,070	1,888	-43.3%	1,451	-26.3%	4,356	7,813	-44.2%
Exceptional Gain / (Loss)	-	239		-		-	(4,656)	
PAT Before Minority Interest	795	1,502	-47.1%	1,003	-20.7%	3,083	2,079	48.3%
PAT After Minority Interest	774	1,494	-48.2%	966	-19.9%	2,983	2,037	46.4%
Cash Profit*	2,270	2,563	-11.4%	2,393	-5.1%	7,088	10,623	-33.3%
EPS [#] (Rs.)	0.77	1.49	-48.2%	0.96	-19.9%	2.97	2.03	46.4%

*Cash Profit = PBDT before exceptionals – Current Tax; Prior-period figures have been restated for comparison purpose

EPS not annualised

Balance Sheet Snapshot (Rs. million)	31 st Dec 2017	31 st Mar 2017
Net worth	25,759	23,971
Gross debt	34,853	33,114
Net Debt	28,903	30,389
Net fixed assets (incl. CWIP)	34,242	35,713
Net current assets (excl. cash & cash equiv.)	21,797	20,114
Capital Employed (avg.)	63,150	58,189
Net Debt/EBITDA*	2.38x	1.83x
Net debt/Equity	1.12x	1.27x
ROCE (pre-tax)*	11.4%	19.3%
ROE*	16.0%	29.6%

Note: Prior-period figures have been restated for comparison purpose

* For 9MFY18, P&L figures have been annualized; For FY17, figures adjusted for exceptional items

Consolidated Highlights – Q3 FY18 (compared with Q3 FY17 figures)

- Total Income at Rs. 14,143 million vs. Rs. 15,218 million in Q3FY17; the decrease was on account of a volume decline due to customer destocking coupled with GST impact on duty drawback
- New ‘Spaces’ campaign generates strong recall value in the domestic market
- Christy’s presence in China expanded to 36 stores
- EBITDA at Rs. 2,687 million vs. Rs. 3,673 million in Q3FY17. EBITDA margins were adversely impacted by lower volumes as well as higher raw material costs
- Finance cost stood at Rs. 345 million, 28% lower YoY (Rs. 480 million in Q3FY17)
- Depreciation was marginally lower YoY at Rs. 1,272 million (Rs. 1,305 million in Q3FY17)
- Profit before Tax stood at Rs. 1,070 million compared to the Q3FY17 figure of Rs. 1,888 million
- Net worth stands at Rs. 25,759 million as on 31st Dec 2017 (Rs. 23,971 million at FY17-end)
- Net debt stands at Rs. 28,903 million as on 31st Dec 2017 (Rs. 30,389 million at FY17-end) implying a Net debt/Equity of 1.12x (1.27x at FY17-end)
- Net debt/EBITDA as on 31st Dec 2017 stands at 2.38x (1.83x in FY17)
- Pre-tax ROCE for 9MFY18 (annualised) stands at 11.4% and ROE stands at 16.0%
- Partnership with Oritain™ to provide comprehensive traceability under Wel-Trak™
- New state-of-the art warehousing facility in US East Coast for future-ready supply chain
- Gold trophy from Texprocil for Highest Exports for the 5th year in a row
- Only Indian company ranked among Top-3 in Product-Wise Sustainability scores by ‘Walmart’

Project Status

- Company continues to calibrate capex according to cashflows. Capex during 9MFY18 was Rs. 2.3 billion. Full-year capex is expected at Rs. 4.5 billion.

Management comments

Speaking about the performance, Mr. B.K. Goenka, Chairman, Welspun Group, said, “We have been taking steps to be prepared for the future - in terms of our brands, channels, innovation, traceability solutions, sustainability initiatives and so many other areas. We believe we have built a solid foundation and are ready to enter the next trajectory.”

About Welspun India (www.welspunindia.com)

Welspun India Ltd, part of US\$ 2.3 billion Welspun Group, is one of the world’s largest home textile manufacturers. With a distribution network in more than 50 countries and world class manufacturing facilities in India, it is the largest exporter of home textile products from India. Supplier to 17 of Top 30 global retailers, the Company has marquee clients like Bed Bath & Beyond, Costco, Kohl’s, Wal-Mart and Macy’s to name a few.

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