

## Volume growth to power robust performance

- ✓ Volume Growth of 8% YoY
- ✓ 'Spaces' Brand growth at 18%
- ✓ Christy's E-commerce revenue more than doubles
- ✓ EBITDA Margin at 20.6%

**Mumbai, July 27, 2018:** Welspun India Ltd., (WIL), part of the US\$ 2.3 billion Welspun Group announced Q1FY19 results today.

| Consolidated Financial Summary     |               |               |                 |               | (Rs. Million)  |
|------------------------------------|---------------|---------------|-----------------|---------------|----------------|
| Particulars                        | Q1FY19        | Q1FY18        | YoY Change      | Q4FY18        | QoQ Change     |
| <b>Total Income</b>                | <b>15,778</b> | <b>15,526</b> | <b>1.6%</b>     | <b>15,349</b> | <b>2.8%</b>    |
| <b>EBITDA</b>                      | <b>3,251</b>  | <b>3,374</b>  | <b>-3.7%</b>    | <b>2,922</b>  | <b>11.3%</b>   |
| <b>EBITDA Margin</b>               | <b>20.6%</b>  | <b>21.7%</b>  | <b>-113 bps</b> | <b>19.0%</b>  | <b>157 bps</b> |
| Finance Cost                       | 342           | 356           | -3.9%           | 381           | -10.1%         |
| Depreciation                       | 1,059         | 1,183         | -10.5%          | 1,301         | -18.6%         |
| PBT                                | 1,850         | 1,835         | 0.8%            | 1,241         | 49.1%          |
| PAT Before Minority Interest       | 1,328         | 1,286         | 3.3%            | 899           | 47.8%          |
| <b>PAT After Minority Interest</b> | <b>1,272</b>  | <b>1,243</b>  | <b>2.4%</b>     | <b>866</b>    | <b>46.9%</b>   |
| Cash Profit*                       | 2,441         | 2,425         | 0.7%            | 2,325         | 5.0%           |
| EPS# (Rs.)                         | 1.27          | 1.24          | 2.4%            | 0.86          | 46.9%          |

\*Cash Profit = PBDT – Current Tax

# EPS not annualized

| Balance Sheet Snapshot (Rs. million)          | 30 <sup>th</sup> June 2018 | 31 <sup>st</sup> Mar 2018 |
|---|----------------------------|---------------------------|
| <b>Net worth</b>                              | <b>26,599</b>              | <b>26,057</b>             |
| Gross debt                                    | 31,934                     | 32,807                    |
| <b>Net Debt</b>                               | <b>28,840</b>              | <b>30,269</b>             |
| Net fixed assets (incl. CWIP)                 | 33,275                     | 33,641                    |
| Net current assets (excl. cash & cash equiv.) | 22,715                     | 23,734                    |
| Capital Employed (avg.)                       | 62,662                     | 62,111                    |
| Net Debt/EBITDA                               | 2.22x                      | 2.51x                     |
| Net debt/Equity                               | 1.08x                      | 1.16x                     |

### Consolidated Highlights

- For Q1FY19, total income was Rs. 15,778 million vs. Rs. 15,526 million in Q1FY18. Volume growth of ~8% was mostly offset by change in drawback rates resulting in a reported growth rate of 1.6%. Sequentially, sales improved by 2.8% on the back of higher volumes.
- EBITDA was at Rs. 3,251 million vs. Rs. 3,374 million in Q1FY18. EBITDA margins were lower by 113 bps YoY; however, it improved 157 bps sequentially on account of higher volumes and better mix
- PAT after Minority Interest was at 1,272 million, up 2.4% YoY and 46.9% QoQ.

- Net debt stands at Rs. 28,840 million as on 30<sup>th</sup> June 2018 (Rs. 30,269 million at FY18-end) implying a Net debt/Equity of 1.08x (1.16x at FY18-end)
- Special edition Wimbledon towels sold out at stores in 1 hour and online in 4 hours in UK
- Commissioned all-women multi-operation unit at Anjar
- Received 'Platinum award' for Water Stewardship from Apex India foundation

### **Project Status**

- Company continues to calibrate capex according to cashflows.
- Capex during Q1FY19 was Rs. 700 million. Capex for flooring project is expected to pick up in the coming quarters.
- FY19 total capex is expected to be Rs. 9 billion.

### **Management comments**

**Speaking about the performance, Mr. B.K. Goenka, Chairman, Welspun Group, said, “We see a positive growth momentum in volumes and are confident of achieving our annual guidance for revenues and profits. We continue to pursue our differentiation strategy based on branding, innovation, sustainability and our patented traceability solution.”**

### **About Welspun India ([www.welspunindia.com](http://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. Welspun is supplier to 17 of Top 30 global retailers.*

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**For further information please visit [www.welspunindia.com](http://www.welspunindia.com) or contact:**

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