

Emerging businesses gaining traction

- ✓ Emerging businesses grew by 30% YoY
- ✓ EBITDA margin at 22.0%
- ✓ Net Debt / Equity continues to be below 1x
- ✓ Flooring business commences operations
- ✓ Prepayment of High Cost Debt of Rs. 2.84 bn

Mumbai, October 22, 2019: Welspun India Ltd. (WIL), part of the US\$ 2.7 billion Welspun Group, announced Q2FY20/H1FY20 results today.

Consolidated Financial Summary								(Rs. Million)
Particulars	Q2FY20	Q2FY19	YoY Change	Q1FY20	QoQ Change	H1FY20	H1FY19	YoY Change
Total Income	18,371	17,978	2.2%	17,363	5.8%	35,682	33,756	5.7%
EBITDA	4,034	3,186	26.6%	3,712	8.7%	7,746	6,437	20.3%
EBITDA Margin	22.0%	17.7%	424 bps	21.4%	58 bps	21.7%	19.1%	264 bps
Finance Cost	336	369	-9.1%	374	-10.2%	709	712	-0.3%
Depreciation	1,145	1,083	5.7%	1,094	4.6%	2,239	2,142	4.6%
PBT	2,554	1,734	47.2%	2,244	13.8%	4,798	3,584	33.9%
PAT After Min. Int	1,985	1,148	72.9%	1,500	32.3%	3,486	2,420	44.0%
Cash Profit*	3,366	2,435	38.2%	2,746	22.6%	6,112	4,876	25.3%
EPS# (Rs.)	1.98	1.14	72.9%	1.49	32.3%	3.5	2.4	44.0%

*Cash Profit = PBDT before exceptionals – Current Tax

EPS not annualized

Prior period figures are restated and reclassified, wherever necessary

Balance Sheet Snapshot (Rs. million)	30 th Sep 2019	31 st Mar 2019
Net worth	30,377	27,793
Gross debt	29,973	33,104
- Short Term Loans	13,747	14,080
- Long Term Loans (excl. Welspun Flooring Debt)	10,938	16,153
Net Debt excluding Flooring Debt	22,695	27,412
- Welspun Flooring Debt	5,288	2,870
Net Debt	27,983	30,283
Net fixed assets (incl. CWIP)	39,369	36,154
Net current assets (excl. cash & cash equiv.)	20,979	22,210
Capital Employed (avg.)	65,639	64,209
Net Debt/EBITDA*	1.81x	2.64x
Net Debt/Equity	0.92x	1.09x

* Based on annualized EBITDA

Consolidated Highlights:

- Q2FY20 Total income was Rs. 18,371 million vs. Rs. 17,978 million in Q2FY19, registering a growth of 2.2% YoY. Emerging businesses grew by 30% YoY.
- EBITDA margin for Q2FY20 was 22.0%, higher 424 bps YoY
- Net debt/equity continues to be below 1x
- Prepaid term loans of Rs. 2,841.7 million, weighted average interest rate of these loans was 9.8% p.a.
- 'Badal Dalo' campaign for 'Welspun' brand with Amitabh Bachchan as brand ambassador was well received.
- 'Rangana by Spaces' grew 74% YoY
- Awarded 'Vendor of the year' for sustainability by Macy's

Capex and Project Status

- Company continues to calibrate capex according to cashflows
- H1FY20 Capex was approx. Rs. 4.6 billion
- FY20 total capex is expected to be Rs. 6 billion

- **Welspun Flooring (WFL)** – WFL has commenced its operations with effect from September 13, 2019. Overall capex till date is around Rs. 8.1 bn. As part of the sales network, 42 distributors and around 450 dealers have been appointed so far pan-India.

Management comments

Speaking about the performance, Mr. B.K. Goenka, Chairman, Welspun Group, said, "Our emerging businesses are gaining traction. We are excited about our recently commissioned flooring solutions plant, which could provide tremendous growth opportunities in the domestic market as well as the export market. We have roped in Mr. Amitabh Bachchan as brand ambassador for our 'Welspun' brand, and our new campaign has received positive response. We will continue to pursue our differentiation strategy based on Branding, innovation and sustainability."

About Welspun India Ltd.

Welspun India Ltd, part of US\$ 2.7 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.

About Welspun Group

A US\$ 2.7 billion enterprise, Welspun Group is one of India's fastest growing conglomerates with businesses in Line Pipes, Home Textiles, Infrastructure, Oil & Gas, Advanced Textiles and Floorings. The Group has a strong foothold in over 50 countries with 26,000 employees and over 100,000 shareholders. Headquartered in Mumbai, Welspun Group's manufacturing facilities are strategically located in India, USA and Saudi Arabia. Known for technological and operational excellence, the Group has established a leadership position in the Line Pipe & Home Textiles sectors globally. Its clients include most of the Fortune 100 companies.

For further information please visit www.welspunindia.com

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