

Revenue Growth momentum continues

- ✓ Double-digit revenue growth continues, predominantly volume-driven
- ✓ Wel-Trak products contribute 3% to overall revenues
- ✓ Launched Copper and Charcoal infused products as part of innovation portfolio
- ✓ Major business expansion in the Hospitality business in India and abroad

Mumbai, February 4, 2019: Welspun India Ltd. (WIL), part of the US\$ 2.3 billion Welspun Group, announced Q3FY19 / 9MFY19 results today.

Consolidated Financial Summary								(Rs. Million)
Particulars	Q3FY19	Q3FY18	YoY Change	Q2FY19	QoQ Change	9MFY19	9MFY18	YoY Change
Total Income	16,574	14,143	17.2%	17,978	-7.8%	50,109	45,969	9.0%
Adjusted EBITDA	2,890	2,685	7.7%	3,105	-6.9%	9,107	8,970	1.5%
Adjusted EBITDA Margin	17.4%	19.0%	-154 bps	17.3%	17 bps	18.2%	19.5%	-134 bps
Forex Gain in Other Income [#]	-	2		82		-	153	
Forex (loss) in Other Expenses [#]	(385)	-		-		(164)	-	
EBITDA	2,506	2,687	-6.8%	3,186	-21.4%	8,943	9,124	-2.0%
<i>EBITDA Margin</i>	<i>15.1%</i>	<i>19.0%</i>	<i>-388 bps</i>	<i>17.7%</i>	<i>-261 bps</i>	<i>17.8%</i>	<i>19.8%</i>	<i>-200 bps</i>
Finance Cost	402	345	16.4%	369	8.9%	1,114	1,027	8.5%
Depreciation	1,118	1,272	-12.1%	1,083	3.2%	3,259	3,741	-12.9%
PBT (before exceptional)	986	1,070	-7.9%	1,734	-43.2%	4,570	4,356	4.9%
Exceptional Item	(294)	-		(113)		(407)	-	
PAT After Minority Interest and Exceptionals	471	774	-39.2%	1,148	-59.0%	2,891	2,983	-3.1%
Cash Profit*	1,928	2,270	-15.1%	2,435	-20.8%	6,804	7,088	-4.0%
EPS ** (Rs.) after exceptional	0.47	0.77	-39.2%	1.14	-59.0%	2.88	2.97	-3.1%

Refer note 3 of the published results

*Cash Profit = PBDT before exceptionals – Current Tax

** EPS not annualized

Prior period figures are restated and reclassified, wherever necessary

Balance Sheet Snapshot (Rs. million)	31 st Dec 2018	31 st Mar 2018
Net worth	28,213	26,057
Gross debt	35,743	32,807
- Short Term Loans	15,763	12,580
- Long Term Loans (excl. Welspun Flooring Debt)	17,944	20,228
Net Debt excluding Flooring Debt	29,356	30,269
- Welspun Flooring Debt	2,036	-
Net Debt	31,392	30,269
Net fixed assets (incl. CWIP)	33,137	33,641

Net current assets (excl. cash & cash equiv.)	24,219	23,734
Capital Employed (avg.)	65,337	62,111
Net Debt/EBITDA*	2.63x	2.51x
Net Debt/Equity	1.11x	1.16x

* For 9MFY19, P&L figures have been annualized

Q3FY19 Consolidated Highlights

- Total income was Rs. 16,574 million vs. Rs. 14,143 million in Q3FY18. The growth of 17.2% YoY was predominantly volume driven.
- Adjusted EBITDA margin was 17.4% (9MFY19: 18.2%), adjusted for forex impact of Rs. (385) mn (9MFY19: Rs. (164) mn) shown in ‘Other Expenses’.
- Favourable impact of the rupee depreciation during the current year will be evident in the revenue during the next financial year.
- Exceptional expense of Rs. 294 mn is on account of the legal expenses in US
- Wel-Trak products contribute 3% to overall revenues
- Launched Copper and Charcoal infused products as part of innovation portfolio
- Major business expansion in the Hospitality business in India as well as abroad
- Successful exhibition of Welspun’s flooring range at AceTech exhibitions across India as well as Domotex, Germany
- Advanced textile division qualifies as a supplier to one of the world’s largest players in wet-wipes
- Awarded ‘Exporter of the Year-Textile’ at the Gujarat Junction 2019, held by EXIM India

Project Status

- Company continues to calibrate capex according to cashflows. Capex for the flooring project is on track.
- Capex was Rs. 5,634 million during 9MFY19 including Welspun Flooring capex of Rs. 3,721 million.
- 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 continue to maintain our focus on the domestic market and building a strong B2C presence. Our new initiatives such as flooring solutions, advanced textiles, e-commerce and hospitality are contributing towards sustainable growth. Branding, innovation and sustainability continue to be the cornerstones of our differentiation strategy.”

About Welspun India Ltd.

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.

About Welspun Group

A US\$ 2.3 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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