

LT Foods Limited: 9M FY16 Results

Consolidated Revenue Rs. 2,173 Crores; growth of 5% YoY

EBITDA of Rs. 264 crores; growth of 19% YoY- EBITDA Margin of 12%

Net Profit after tax of Rs. 73 Crores; growth of 35%

Consolidated Financials at a Glance:

Rs. Crores	9MFY16	9MFY15	Y-o-Y
Revenue	2,173	2,063	5.3%
EBITDA	264	222	19.1%
EBITDA Margin	12.1%	10.7%	+141 bps
Profit after Tax	73	54	34.5%

Key Highlights:

- **Domestic Volumes has seen growth**
 - Domestic Volume grew by **9%** YoY
 - Domestic Realization has seen de growth of (21%) YoY
- **Exports Volumes has seen double digit growth**
 - Export Volume grew by **34%** YoY
 - Export Realization has seen de growth of (15%) YoY

Update on Insurance Claim:

LT Foods Ltd had informed that there was fire accident at one of the Company's subsidiary i.e. Daawat Foods Limited on June 07, 2014. The production area of the plant was safe and no casualty had occurred. This fire had resulted in loss of stock of raw material having book value of Rs. 179.9 crs. The stock was fully insured.

The Company had filed an insurance claim with the insurance company amounting to Rs. 189.7 crs. The said claim has been recently repudiated by the Insurance Company. Based on multiple legal advices, Daawat Foods Limited is in the process of finalizing the legal recourses against the said repudiation.

Commenting on the performance Mr. Ashwani Arora, MD & CEO said:

“During this quarter volatility in paddy prices shook importers and farmer confidence. In such a challenging environment, our brand strength of ‘Daawat’ and ‘Royal’ helped us in maintaining our growth momentum. We continued to grow ahead of the industry with volume growth of 9% in domestic market and 34% in export market as compared to same period last year. Benign raw material prices and operational efficiencies led to EBITDA improvement of 141 bps. We are confident of sustaining this profitability expansion going forward through increased focus on branded products and improving demand scenario.

Our growth strategy through expansion in business segments, geography and product portfolio is helping us build a sustainable business model. In line with this we have initiated a dialogue with DSM Nutritional products to introduce fortified rice as a new offering in the nutritional range. The proposed initiative will leverage our strengths on the product and process side and DSM’s unrivalled and customized micronutrient blends. The rice flour provided by LT foods will be mixed with high quality vitamin and mineral mix to produce a unique product offering. This venture will strengthen our presence in the nutritional product segment and will go a long way in building the brand at large.”

About LT Foods

LT Foods offers branded basmati rice, value-added staples and organic food. Its brands 'Royal' and 'Daawat' enjoy No.1 & No.2 positions in US and India respectively. While Basmati rice remains its core proposition, the Company's vision is to emerge as a Global Specialty Food Company, admired for its wider range of quality products. Its integrated operations span the entire rice value chain – right from farm to fork. The Company has 5 state-of-the-art manufacturing units in India, 2 packaging facilities in US and in addition deploys 5 more third-party facilities to manufacture high quality food products. LT Foods operations include contract farming, procurement, storage, processing, packaging and distribution. It is also engaged in research and development to add value to rice and rice food products. Outpacing the growth of the industry, the Company's revenue has grown at an impressive CAGR of 21.37% over the last four years.

Safe harbor statement

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

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