

Sintex Industries Limited, Kalol, Ahmedabad - 382 721 India

Sintex Industries Limited: Q4FY12 Results Communication

FY12 Net Sales at Rs. 44.36 billion
EBITDA at Rs 7.68 billion

Sintex Industries, a market leader in the plastic and textiles business segments, today announced its audited financial results for the year ended 31st March, 2012.

Q4 & FY12 Business Highlights

- ❖ Prefabricated building systems continues strong growth momentum
- ❖ Overall growth moderation reflects slowdown in Monolithic business and International custom molding segment

Financial performance overview

Q4FY12 (January –March 2012) v/s. Q4FY11 (January - March 2011)

- ❖ Consolidated Net income from operations at Rs 10153 million
- ❖ Earnings Before Interest Depreciation, Taxes and Amortisation (EBIDTA) at Rs. 1.72 billion
- ❖ Net Profit After Tax (PAT) at Rs. 912 million
- ❖ Basic and Diluted EPS (not annualized) stood at Rs.3.37

Note : The figures for the quarter ended 31st March 2012 and 31 March 2011 are the balancing figures between audited figures in respect of full financial year ended 31st March 2012 and 31st March 2011 respectively.



FY12 (April – March 2012) v/s. FY11 (April – March 2011)

- ❖ Consolidated Net income from operations Rs.44367 million
- ❖ EBIDTA at Rs. 7.68 billion
- ❖ Net PAT at Rs.3.07 billion (post exceptional item of Rs 3.53 billion)
- ❖ Basic and Diluted EPS: Rs. 11.32

Commenting on the Company's financial performance for Q4FY12, **Mr. Amit Patel, Managing Director, Sintex Industries**, said:

"FY12 has been an extremely challenging year. A glaring slowdown domestically in the government business and the global recession led to underutilization of capacities and reduced margins. Domestically, we view this opportunity to streamline the monolithic business in terms of working capital efficiency, site management and build a profitable business model considering the changing dynamics of current business environment. I am confident we will emerge much stronger and will be back on growth track in the near term. Our Prefabs business has grown reasonably well during the year."

The recessionary trend in Euro zone hit our custom molding business leading to a drop in both topline as well as the bottomline. We are aggressively tapping synergies as we domestically embrace the technology and enhance our capabilities to service customers globally. "

"The stringent measures that we take today will deliver improved returns on businesses and efficient cash management."

The following table represents a revenue break-up:

In Rs million

Category	FY12	FY11	Growth
	(Rs mn)	(Rs mn)	(%)
Building material	20320	21810	-6.83%
Custom molding	19370	18710	3.53%
Textiles	4680	4360	7.34%



Building materials

Monolithic construction, caters to the low cost housing segment. The business has seen slower pace of execution with abysmal government activity driven by elections in couple of states resulting in delayed approvals for some sites. Hence delays in these projects have led to fall in EBITDA margins, increased collection period and working capital requirements. The strategy is to finish these sites and reallocate resources to productive sites over next couple of quarters, which will improve the margins.

The second large chunk of building materials business consists of prefabricated building systems, it is progressing at a steady pace. FY12 has seen a reasonably good growth in the business, despite government contribution being a major portion of revenue. The unique characteristics of this business is being aligned to rural areas, small ticket sales and short execution cycle has ensured a decent growth.

Efforts are on to streamline working capital management across the businesses and build deeper client relationships in order to improve collection mechanism.

Custom molding

Custom molding business is aligned to OEM's performance both domestic and globally.

Domestically growth is attributed to the growing automotive segment and outsourcing for global customers, where company is gradually building a pipeline of marquee customers. After a strong growth in H1FY12, the last two quarters of FY12 was a mixed bag, Q3 FY12 couple of our customers witnessed strike and loss of working days impacting our growth, else growth would have been higher.

The international business continued to reel under Eurozone recession. The impact has been drastic in the second half of FY12, margins were impacted for the year under review. Management efforts are on to control costs, curtail capex. Leveraging customer relationships globally and improve outsourcing domestically, this will gradually enhance the profitable business mix.

Custom molding registered a topline of Rs 21.6 bln for the year under review.



Textiles

Textile segment revenues stood at Rs.4680 million for FY12.

About Sintex Industries Limited

Sintex Industries Limited is a dominant player in the plastic and textile business segments. The Company manufactures a range of building materials and composites at its 16 plants across India. Subsequent to several strategic acquisitions the Company also possesses a global footprint that is spread across the continents of USA and Europe. In the textile segment the Company is focused on niche offerings, possessing specialization in men's structured shirting in the very premium fashion category.

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