



Exide reports Rs 213 crore Net Profit

Kolkata, October 12, 2010: Exide Industries Ltd on Tuesday reported net profit of Rs 213 crore and gross sales of Rs 1374 crore for the second quarter of 2010-11. The company's gross sales for the half year ended 30 September stood at Rs 2783 crore and net profit for the same period was Rs 538 crore. During the day the Company's Board met in Mumbai to approve the results for the quarter ended 30th September 2010.

The Profit before Tax for the second Quarter includes Rs 46.93 crore on transfer of a leasehold land, which was no longer in use.

During the quarter under review the company commissioned its third motorcycle battery plant in Ahmednagar, Maharashtra thereby consolidating its position as one of the world's largest motorcycle battery manufacturers. The company already has motorcycle manufacturing plants at Bawal in Haryana and at Chinchwad near Pune.

The Board of Directors also declared an interim dividend of Rupee 0.90 per share which works out to 90% on the face value of Rupee one per share.

"In the recent past we faced some challenging times trying to keep pace with the sudden and unprecedented rise in demand in the automobile sector, mainly for motorcycle batteries. In addition, the inadequate production capacity for 4-wheeler batteries (SLI) also restricted the volume available for more profitable replacement trade segment. We had to earmark a significant part of our production volume for our valued OE customers even at the cost of reduced supplies in the replacement market, inspite of it being more profitable. Priority given to OE customers had a negative impact in terms of market share, adverse sales mix and consequent operating margins during the

quarter under review. However, with the commissioning of the Ahmednagar plant for motor cycle batteries and additional production lines at our Shamnagar and Haldia factories for 4-wheeler batteries all in September, the availability for replacement segment will improve significantly in the near term which augurs well for the rest of the financial year” Mr T V Ramanathan, Managing Director & CEO said.

“The Company plans to invest Rs 375 to Rs 400 crores on capital expenditure in this financial year to enhance the production capacities compatible with the now projected demand for the coming financial year.

During the quarter under review the Company acquired the balance 49 per cent stake from the erstwhile promoters of Leadage Alloys India Ltd, whereby the said company became a 100 percent subsidiary of Exide. This would enable the Company to ensure better compliance requirements under Batteries (Management and Handling) Rules 2001, and to augment the availability of indigenous raw materials.

“This acquisition gives us better control over the entire manufacturing value chain and consolidates our position as a complete producer and recycler of lead acid batteries,” Mr Ramanathan added.

EXIDE INDUSTRIES LIMITED



T. V. RAMANATHAN
Managing Director &
Chief Executive Officer