



Exide reports 35 per cent rise in PAT

Kolkata, July 13, 2010: In an encouraging start to the financial year 2010-11 Exide Industries Ltd today reported a 35 per cent rise in net profit and 30 per cent rise in gross sales during the first quarter of 2010-11 compared to the corresponding period of the previous year. The company's board met in the city on Tuesday to review the first quarter (April-June 2011) results of the current financial year.

During the period under review, the company's gross sales stood at Rs 1410 crore, compared to Rs 1084 crore during the same period of the previous year and net profit stood at Rs 249 crore compared to Rs 191 crore earned during the same period of the previous year.

"Our continued focus on cost reduction and product mix is once again reflected in this quarter's overall performance," said Mr T.V. Ramanathan, Managing Director and Chief Executive Officer Exide Industries Ltd.

The higher profitability figures are satisfactory considering the continued volatility in raw material prices and foreign exchange rates even as competition from cheaper imports from neighbouring countries continued unabated.

"The Indian market for batteries across segments is fast maturing and customers are becoming more quality rather than price conscious. This positive trend will continue and gain momentum in future to help technology focussed companies like Exide Industries," Mr Ramanathan added.

The company's penetration strategy into the replacement market for commercial vehicles and tractor segment is paying off handsomely where sales grew by 14 per cent. Among other segments, motorcycle battery sales showed significant growth, improving 27 per cent in volume terms.

"To cater to the increased demand for our motorcycle customers – both in OE and after market – and to consolidate our position as the world's second largest two-wheeler battery manufacturer, we are going to start production at our new motorcycle battery manufacturing plant at Ahmednagar in Maharastra," Mr Ramanathan added.

During the current financial year the company's automotive battery SBU showed a growth of 28 per cent and the industrial battery SBU showed a growth of 26 per cent in value terms. Significantly the growth in value terms far outstrips the growth in unit terms in all the segments.

The Board also approved in principle acquisition of the entire shareholding in Leadage Alloys India Limited, a Lead smelting unit, where Exide presently holds 51% shares. With such acquisition, Exide would have two wholly owned smelting units for captive consumption to cater to its requirements of Lead and Lead Alloys.

The company's 63rd annual general meeting is scheduled to be held in the city on Wednesday the 14th July, 2010.

EXIDE INDUSTRIES LIMITED


T.V. RAMANATHAN
Managing Director &
Chief Executive Officer