

PRESS RELEASE:

AARVEE DENIMS & EXPORTS LIMITED

UNAUDITED RESULTS & PROGRESS FOR THE QUARTER ENDED 30TH JUNE 2010

RESULTS

Aarvee Denims & Exports Limited (ADEL) announced its unaudited financial results for the quarter ended June 30, 2010 in the Board meeting of the company held on 11th August, 2010. The company has reported a strong performance in the Quarter. Sales & Operating Income for the quarter stood at Rs 101.69 Crores and the PAT stood at Rs 8.08 Crore representing a 22% and 205% growth respectively over the corresponding quarter of previous year. Highlights of the quarterly result are as under.

	{Rs. In Crore}			
June 2010 Quarter	SALES- 101.69	EDIDTA - 19.91	PBT - 10.09	PAT - 8.08
	↑	↑	↑	↑
June 2009 Quarter	SALES- 83.22	EDIDTA - 10.91	PBT - 3.19	PAT - 02.65
% INCREASE	22%	82.%	216%	205%

This shows the overall improvement in performance of the Company during the first quarter of FY 2010-11 as compared to previous year.

DIVIDEND

Management is of the view that shareholders must get the benefits, when the Company doing well and looking into that the Board has declared interim dividend @ 5% on paid up equity shares.

BUYBACK OF FCCB

During the quarter ADEL has bought back zero coupon Foreign Currency Convertible Bonds (FCCBs) with face value of USD 5 Million out of the outstanding FCCB of USD 12.50 million, at discount as per the RBI approval. After the buyback of FCCB, ADEL has reduced its Long term Debt by around 25%.

EXPANSION PLAN

Demand of denims in domestic market is growing @ 10%-15% and in the international market demand of Indian denim has increased substantially. The Company is planning to increase its Denim capacity from existing 60 Million MTR to 96 Million MTR in two phases by December 2011 with capex of Rs. 150 Crores.

ORDER BOOK AND ADDITION IN CUSTOMER BASE

The Company has been approved as registered vender of the global retail giant WALMART during the quarter. The Company has already started receiving orders from WALMART. The Company is having sufficient order book of export as well domestic sales up to December 2010.