

PRESS RELEASE

VARDHMAN TEXTILES LTD. REPORTS HIGHEST EVER QUARTERLY NET PROFIT

Ludhiana, November 8, 2013

Vardhman Textiles Limited, one of the leading textile company in India, recorded highest ever quarterly net profit of Rs. 177.81 crore for the quarter ended 30th September, 2013. The net profit registered an increase of 154% as compared to the profits of corresponding quarter last year that stood at Rs. 69.95 crore. The net profit increased by 23% in comparison to immediately preceding quarter. The half yearly profits are Rs. 322.31 crores. The Net Sales of the Company is Rs. 1,279.51 crore as compared to Rs. 1,010.74 crore in quarter ended 30th September, 2012 showing an increase of about 27%. The EBITDA on standalone basis is Rs. 346.55 crore for the quarter showing a growth of 70.09% over quarter ended 30th September, 2012 (Rs. 203.74 crore). The EBITDA margin is also up at 27.08% during the quarter as against 20.16% of corresponding period and 24.91% of immediate previous period.

There has been a spurt in the margins over the previous quarter and the corresponding quarter of last year essentially due to favorable conditions both in respect of availability of raw material at reasonable cost and the pull in the demand of yarn owing to the big rise of export of yarn to China from India. The management feels that the increase in cotton prices this year as compared to last year and relative lull in demand as of now may not allow the margins to continue at this level.

On the expansion side, during the quarter ended 30th September, 2013, an additional 62,496 spindles, 960 rotors and 120 looms became operational at various manufacturing units of the Group.

