

Return to Double-Digit Growth Trajectory

- ✓ Double-digit revenue growth, predominantly volume-driven
- ✓ Christy's E-commerce revenue grows 140% YoY
- ✓ PAT grows 18% YoY

Mumbai, October 22, 2018: Welspun India Ltd. (WIL), part of the US\$ 2.3 billion Welspun Group, announced Q2FY19 / H1FY19 results today.

Consolidated Financial Summary								(Rs. Million)
Particulars	Q2FY19	Q2FY18	YoY Change	Q1FY19	QoQ Change	H1FY19	H1FY18	YoY Change
Total Income	17,978	16,299	10.3%	15,778	13.9%	33,756	31,826	6.1%
EBITDA	3,073	3,063	0.3%	3,251	-5.5%	6,324	6,437	-1.8%
EBITDA Margin	17.1%	18.8%	-170 bps	20.6%	-351 bps	18.7%	20.2%	-149 bps
Finance Cost	369	325	13.6%	342	7.8%	712	681	4.4%
Depreciation	1,083	1,287	-15.8%	1,059	2.3%	2,142	2,469	-13.3%
PBT	1,621	1,451	11.7%	1,850	-12.4%	3,471	3,286	5.6%
PAT After Minority Interest	1,148	966	18.8%	1,272	-9.8%	2,420	2,209	9.6%
Cash Profit*	2,322	2,393	-3.0%	2,441	-4.9%	4,763	4,818	-1.1%
EPS# (Rs.)	1.14	0.96	18.8%	1.27	-9.8%	2.41	2.20	9.6%

*Cash Profit = PBDT – Current Tax

EPS not annualized

Balance Sheet Snapshot (Rs. million)	30 th Sept 2018	31 st Mar 2018
Net worth	26,390	26,057
Gross debt	33,930	32,807
- Short Term Loans	14,216	12,580
- Long Term Loans (excl. Welspun Flooring Debt)	18,861	20,228
- Welspun Flooring Debt	853	-
Net Debt	30,330	30,269
Net fixed assets (incl. CWIP)	33,045	33,641
Net current assets (excl. cash & cash equiv.)	22,506	23,734
Capital Employed (avg.)	63,425	62,111
Net Debt/EBITDA	2.40x	2.51x
Net Debt/Equity	1.15x	1.16x

Consolidated Highlights

- For Q2FY19, total income was Rs. 17,978 million vs. Rs. 16,299 million in Q2FY18. The growth of 10.3% YoY was predominantly volume driven, partly offset by change in drawback rates. Sequentially, sales improved by 13.9% on the back of higher volumes.

- EBITDA was at Rs. 3,073 million in Q2FY19 vs. Rs. 3,063 million in Q2FY18. EBITDA margins were lower by 170 bps YoY, as the cost structure has aligned to the new exchange rate; however, the impact of the same is not reflected in the revenue due to existing hedges. Full impact of the exchange rate will be evident in the revenue during the next financial year.
- PAT after Minority Interest was at Rs. 1,148 million in Q2FY19, up 18.8% YoY
- Long term debt (excluding Welspun Flooring debt) lower by Rs. 1,367 million compared to FY18-end
- Net debt stands at Rs. 30,330 million as on 30th Sept 2018 (Rs. 30,269 million at FY18-end) implying a Net debt/Equity of 1.15x (1.16x at FY18-end)
- Wel-Trak now available on shelves across multiple fibers, multiple products and multiple geographies
- 'Spaces' grows 20% YoY on comparable basis; New brand campaign launched
- Christy's E-commerce revenue grows 140% YoY
- Major client win in advanced textiles for industrial filters
- Awarded Texprocil Platinum Trophy for 'Highest Global Exports' and Gold Trophies for 'Highest Export of Terry Towels' and 'Highest Export of Bed Linen'

Project Status

- Company continues to calibrate capex according to cashflows. Capex for the flooring project is on track.
- Capex was Rs. 3,213 million during H1FY19 including Welspun Flooring capex of Rs. 1,924 million.
- FY19 total capex is expected to be Rs. 9 billion.

Management comments

Speaking about the performance, Mr. B.K. Goenka, Chairman, Welspun Group, said, "We see an uptick in US retail sales and this is translating into higher volume growth for us. All the basic building blocks for significant share of B2C business are in place and our retail business is gathering momentum. We continue to pursue our differentiation strategy based on branding, innovation and sustainability."

About Welspun India (www.welspunindia.com)

Welspun India Ltd, part of US\$ 2.3 billion Welspun Group, is one of the world's largest home textile manufacturers. With a distribution network in more than 50 countries and world class manufacturing facilities in India, it is the largest exporter of home textile products from India. Welspun is supplier to 17 of Top 30 global retailers.

For further information please visit www.welspunindia.com or contact:

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