



Trident Limited

Q1 FY16 Performance Overview





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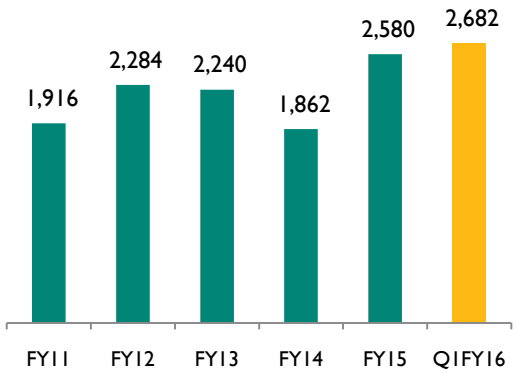


Financial Highlights

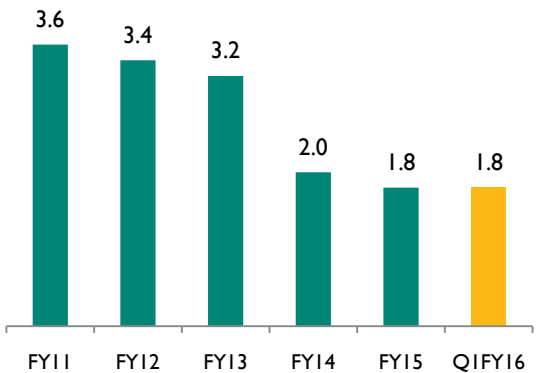
Key Financial Parameters



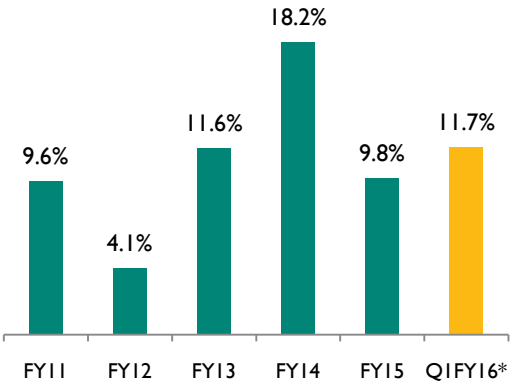
Total Debt (Rs. crore)



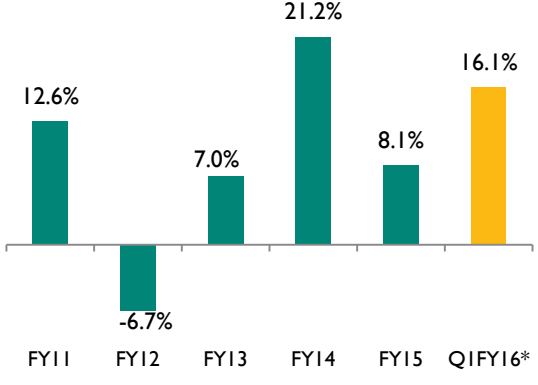
Debt : Equity (x)



ROCE (%)



ROE (%)



* Q1FY16 Figures are annualized

- **Debt Repayment** in FY15 – Rs. 458.4 crore
- **Debt Repayment** of Rs. 102.9 crore in Q1 FY16
 - Includes prepayment of high cost debt of Rs. 32.2 crore
- **Debt / Equity Ratio** stands at 1.77:1
- **Debt level** increased due to expanded capacities
- **Return ratios** improved due to improved margins

Q1 FY16 Financial Highlights



- /// **Net Revenue** at Rs. 879.1 crore compared to Rs. 913.3 crore in Q1 FY15
 - Net Sales declined due to lower yarn realizations and higher captive consumption of yarn
 - De-growth from yarn mitigated by increased product off-take in the Terry Towel
- /// **EBITDA** increased by 7.6% to Rs. 198.0 crore from Rs. 184.0 crore in Q1 FY15
 - **EBIDTA Margin** improved by 237 bps to 22.5% vis-à-vis 19.9% in Q4 FY15
- /// **Finance Cost** declined by 23.5% to Rs. 44.5 crore vis-à-vis Rs. 58.1 crore in Q1 FY15
 - Improvement in credit rating has enabled the Company to significantly reduce the overall interest costs
 - The Company repaid term loan amounting to Rs. 102.9 crore during the quarter
 - Outstanding term debt as on June 30, 2015 stood at Rs. 1,896.5 crore
- /// **PAT** increased by 89% to Rs. 61.0 crore vis-à-vis Rs. 32.3 crore in Q1 FY15
 - **Diluted EPS** (non-annualized) at Rs. 1.20 per share
- /// **Cash Profits** at Rs. 142.3 crore vis-à-vis Rs. 113.1 crore in Q1 FY15
 - **Cash EPS** (diluted & non-annualized) at Rs. 2.80 per share

Key Highlights



- /// **First Interim dividend** of Re. 0.30 (3%) per equity share of face value Rs. 10
- /// **The Board of Directors** has approved raising of funds of Rs. 60 crore through issue of unlisted non-convertible cumulative redeemable preference shares on private placement basis
- /// **The Strategy Committee** of the Company has revisited CAPEX plan of Yarn Modernization Project (Rs. 103.9 crore) and Captive Power Project (Rs. 393 crore for 60 MW) at its facility in Budhni, Madhya Pradesh
 - This is in-line with management's focus on consolidating its existing Terry Towel operations and upcoming Composite Bed Linen project. Going forward, based on free cash flow generation, Trident may evaluate a Captive Power Plant at its Budhni Facility in smaller phases
- /// Trident recently appointed '**Kriti Sanon**' as the brand ambassador to endorse the new bath and home linen collection which is a combination of contemporary designs, innovative constructions and luxurious fiber
 - Also launched a campaign "***The affair to remember***"
- /// Existing SAP upgraded to '**SAP ECC 6**' version – 'Go Live' w.e.f. 1st April, 2015
 - This has moderately impacted the production and dispatch in Q1 due to stabilisation

Profit & Loss Abstract



Q1 FY16	Q4 FY15	Shift %	Particulars (Rs. crore)	Q1 FY16	Q1 FY15	Shift %
879.1	978.0	(10.1)	Net Revenues	879.1	913.3	(3.7)
682.8	783.1	(12.8)	Total Expenditure	682.8	730.8	(6.6)
389.5	478.6	(18.6)	- Material Consumed	389.5	444.3	(12.3)
293.4	304.5	(3.6)	- Other Costs & Expenses	293.4	286.5	2.4
198.0	195.0	1.5	EBITDA	198.0	184.0	7.6
22.5%	19.9%	+258 bps	EBITDA Margin (%)	22.5%	20.1%	+237 bps
81.4	82.9	(1.9)	Depreciation	81.4	80.9	0.6
116.6	112.1	4.0	EBIT	116.6	103.2	13.0
44.5	53.6	(17.1)	Interest	44.5	58.1	(23.5)
72.1	58.5	23.4	PBT	72.1	45.0	60.2
11.2	18.1	(38.1)	Tax	11.2	12.8	(12.3)
61.0	40.4	50.9	PAT	61.0	32.3	88.8
1.20	0.79	51.9	EPS (Diluted & non-annualized) (In Rs)	1.20	0.68	76.5



Commenting on the performance, Mr. Rajinder Gupta, Chairman at Trident Group said:

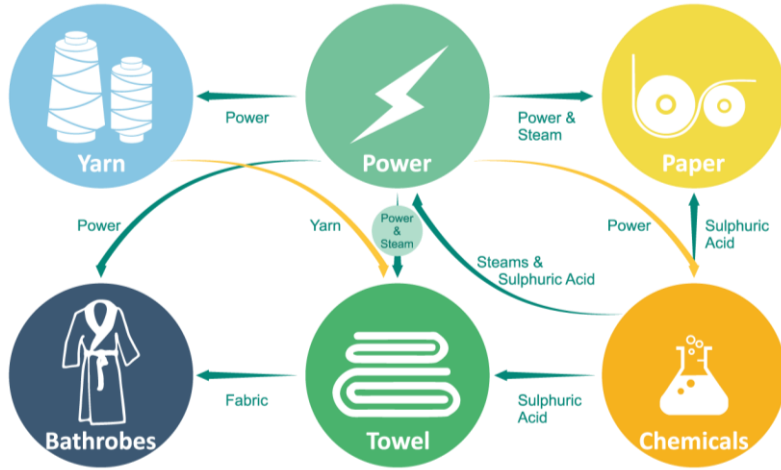
“Trident has begun the year on a positive note with steady performance backed by healthy demand scenario and improved offtake of home textile products. Our Profit After Tax improved by 89% to Rs. 61 crore due to higher captive consumption of yarn for our higher-margin Terry Towel business.

Our focus currently would be to drive growth by leveraging and consolidating the existing Terry Towel operations and stabilizing the upcoming Composite Bed Linen project. CAPEX would be deployed only for necessary de-bottlenecking to enhance productivity and performance in the upcoming years. We believe that our integrated business model is well poised to capitalise on the upcoming opportunities in the Textile industry.”

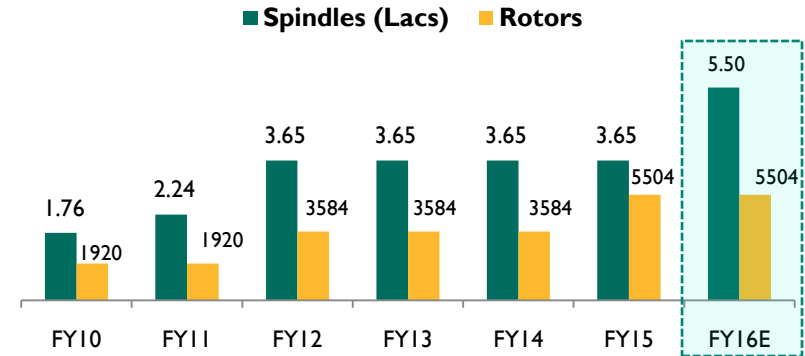
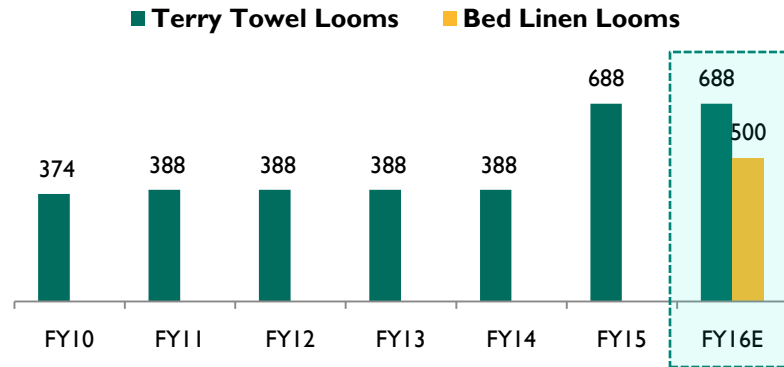


Trident Textiles
Business Highlights

World's Largest Integrated Textile Manufacturer



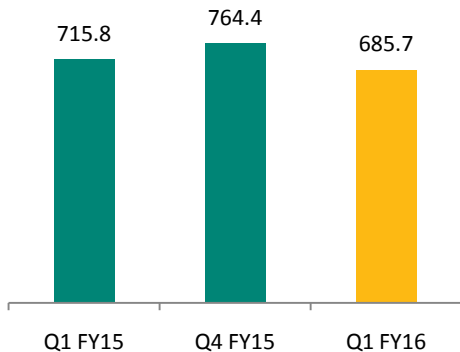
- Fully integrated home-textile operations with terry towel capacity of **360 million pieces of towel per annum**
- Composite Bed Linen Project is under implementation & expected to be commissioned by second half of FY16
- Implemented the **world's largest terry towel project at a single facility in Budni (M.P.)**
- One of the largest cotton yarn spinning capacity in India with 3.66 lac spindles capable of producing **8400 MT/month of cotton and blended yarn**



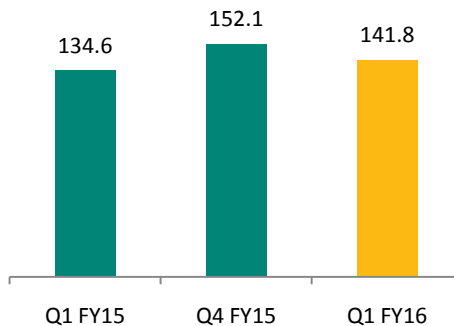
Quarterly Financial Highlights



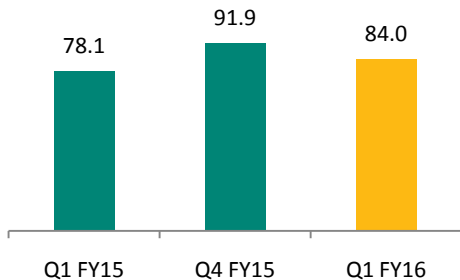
Revenues (Rs. crore)



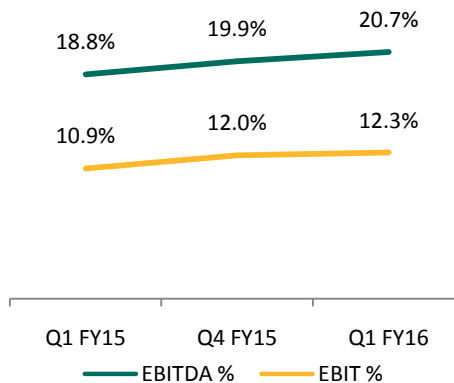
EBITDA (Rs. crore)



EBIT (Rs. crore)



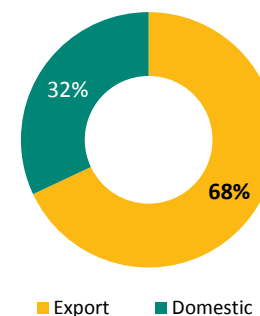
Margin (%)



Improvement in margin profile due to healthy margins in Terry Towel business

Terry Towel volumes increased by 8% as compared to Q1 FY15

**Q1 FY16
Export : Domestic Mix**



Q1 FY16 Financial Overview & Outlook



- /// Topline at Rs. 685.7 crore compared to Rs. 715.8 crore in the corresponding quarter last year
 - Declining yarn realizations and captive yarn consumption moderated topline growth, offset by growth in Terry Towel
 - Terry Towel volumes increased by 8% compared to corresponding quarter last year
- /// Sustained focus on expanding customer base
 - Ramped up business volumes in New Markets – Within India (Central & Eastern India) and International markets
 - Continuously adding multi brand outlets and premium outlets to expand customer base in domestic market
 - Brand presence expanded to more than 120 multi brand outlets across India
- /// Market research and segmentation drive new product launches in the domestic market
 - New look and launch of own brands like Trident Everyday, Trident Home Essentials, Trident Classic, Trident Indulgence and Trident Organica among others to enhance product branding – these products are receiving encouraging response
 - Leveraging R&D to enhance the proportion of value-added products to the overall product mix
 - Focused on increasing domestic sales, launched the campaign “**The affair to remember**” and appointed Kriti Sanon as the brand ambassador to endorse the new bath and home linen collection
- /// Increased presence on online portals reaching direct customers – increasing traction in the e-commerce segment and Channel market spread pan-India
 - Expanding sales through e-commerce in domestic and international market
 - Exclusive brand store on Snapdeal



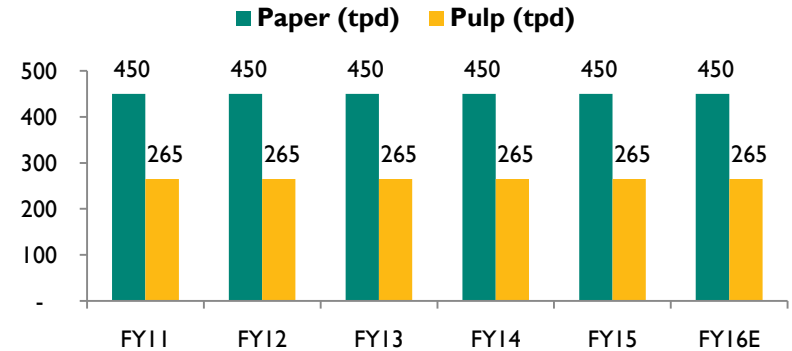


Trident Paper Business Highlights

World's Largest Wheat Straw based Paper Manufacturer

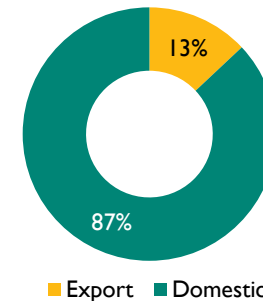


- Agro-residue (wheat straw) and ECF pulp used to manufacture paper
- Customers across 50 countries including India, Middle East, Africa, US, Latin America and UK, among others
- Energy-saving operations initiated to reduce power consumption



Trident Brands	GSM	Brightness
Royal Touch	80	90%
Spectra	75	88%
Eco Green	75	90%
Natural	72	86%
My Choice	70	87%

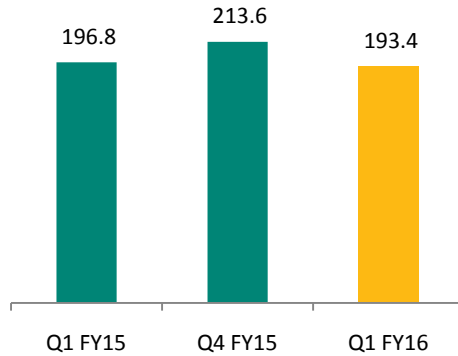
Q1 FY16
Export : Domestic Mix



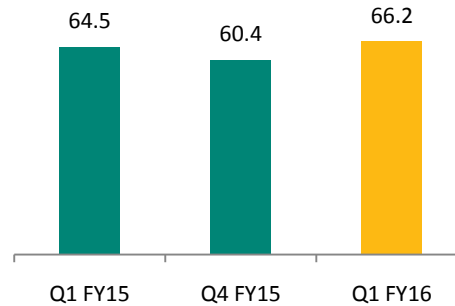
Quarterly Financial Highlights



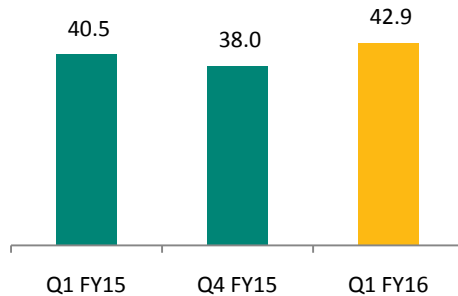
Revenues (Rs. crore)



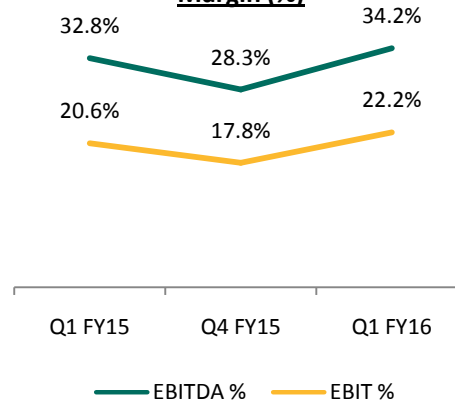
EBITDA (Rs. crore)



EBIT (Rs. crore)



Margin (%)



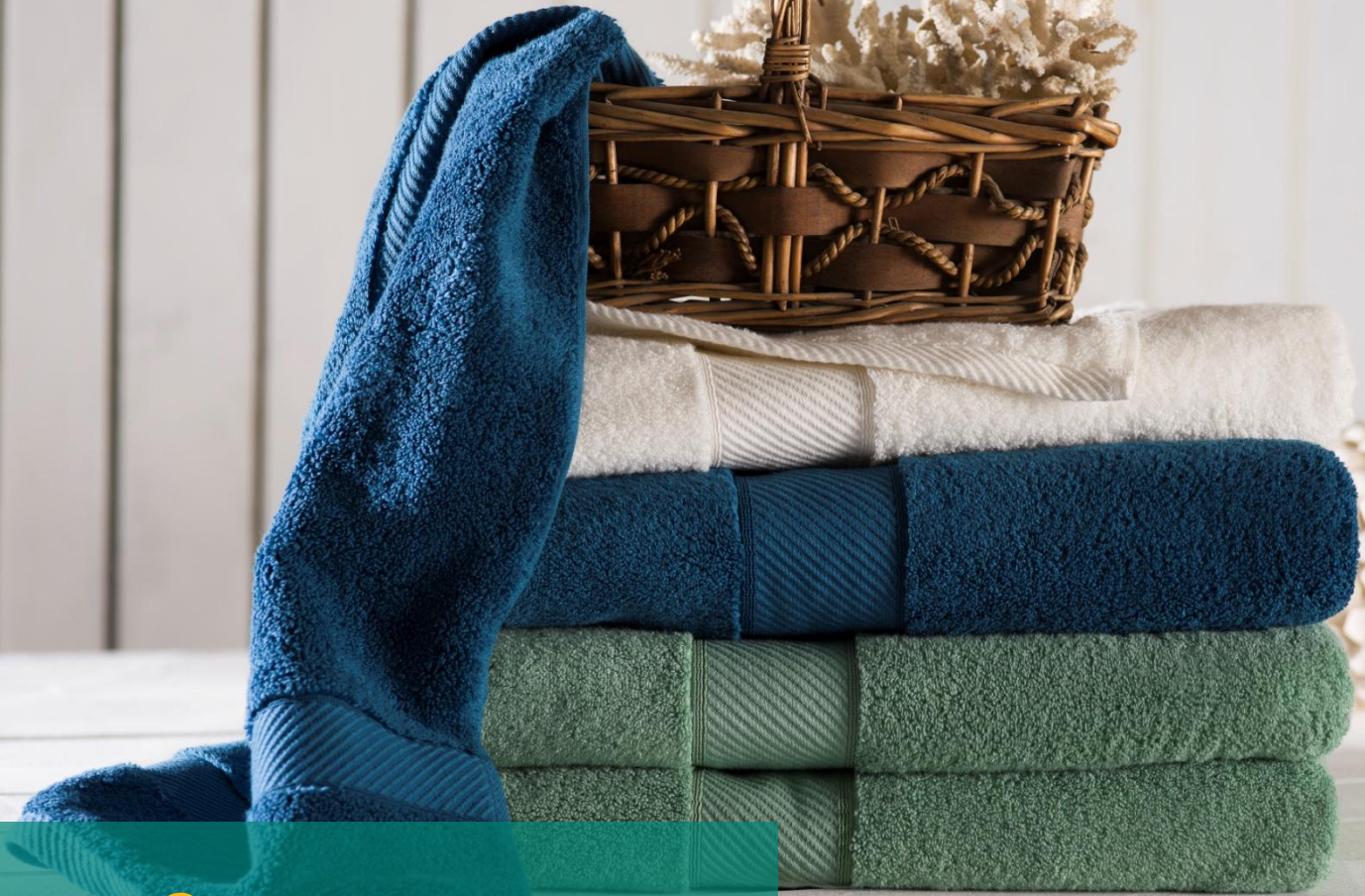
EBITDA Margins increased by 140 bps to 34.2% compared to 32.8% in Q1 FY15

Improvement in margins due to enhanced contribution from valued-added copier segment

Q1 FY16 Financial Overview & Outlook

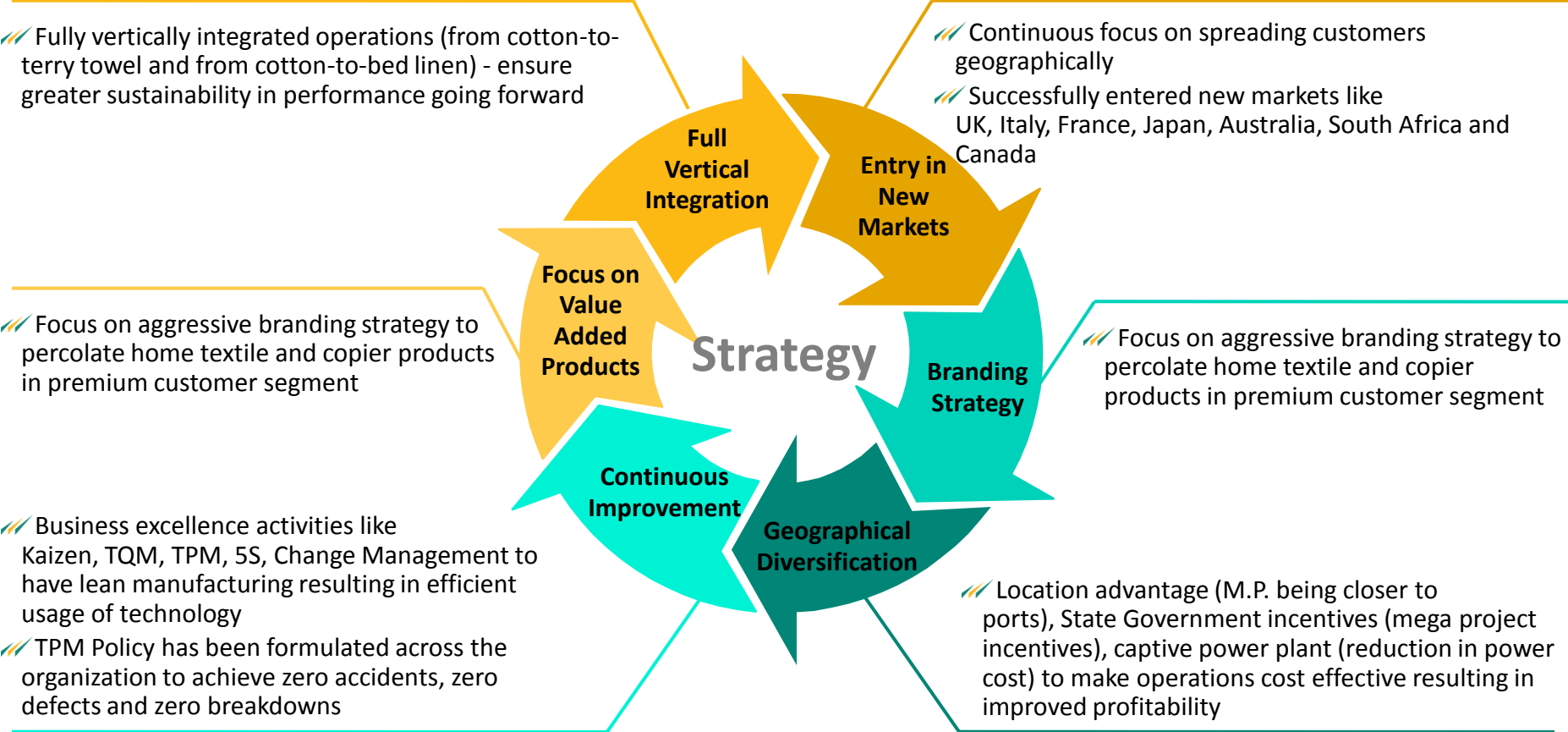


- /// Topline stood at Rs. 193.4 crore vis-à-vis Rs. 196.8 crore in Q1 FY15
- /// EBITDA margin improved by 140 bps to 34.2% as compared to Q1 FY15 – result of focus on enhancing contribution towards value-added copier segment
- /// Trident Retailer-ship scheme launched to improve the presence and increase pull from End Consumers
- /// Improvement in average GSM to achieve higher profitability by increasing operational efficiencies
- /// Improvement in service aspect to achieve price premium vis-à-vis competition
- /// Product availability in all major hypermarkets and supermarkets
- /// New customer/markets developed in South and North America



Strategy

Group Strategy



Post Expansion Capacities



Business		Operations	
Division	Product	Existing	Post ongoing expansions
Textiles	Terry Towels	688 Looms	688 Looms
	Bed Linen	---	500 Looms
	Yarn	3.66 Lac Spindles	5.50 Lac Spindles
		5,500 Rotors	5,500 Rotors
	Dyed Yarn	6,825 TPA	6,825 TPA
Paper & Chemicals	Paper	175,000 TPA	2,00,000 TPA
	Chemicals	100,000 TPA	100,000 TPA
Energy	Captive Power	50 MW	50 MW



A stack of six folded towels in various colors (pink, light pink, purple, white, dark purple, and blue) is placed on a wooden surface. A pink soap dispenser with a silver pump is visible to the right of the stack. A small pink flower is also on the surface. The background is a light-colored brick wall and a window with white frames.

***About Us &
Investor Contacts***

About Us



Trident Limited is the flagship company of Trident Group, a USD 1 billion Indian business conglomerate and a global player. Headquartered in Ludhiana, Punjab, Trident is the largest terry towel and wheat straw based paper manufacturer in the world. With the establishment of the state-of-the-art manufacturing processes and systems coupled with appropriate human capital and credentials, Trident has frequently received accolades from its patrons in recognition for delivering high quality standards and for its customer-centric approach.

The Company operates in two major business segments: Textiles and Paper with its manufacturing facilities located in Punjab and Madhya Pradesh. Trident's customer base spans over more than 100 countries across 6 continents and comprises of global retail brands like Ralph Lauren, Calvin Klein, JC Penney, IKEA, Target, Wal-Mart, Macy's, Kohl's, Sears, Sam's Club, Burlington, etc. With export turnover accounting for about 50% of total sales of the Company, Trident Group has emerged as one of the world's largest integrated home textile manufacturer.





Awards & Accolades

- 4 Wal-Mart Supplier of the Year awards
- 3 JCPenney - Best Supplier , Innovation, Quality Awards
- 3 Corporate Governance Awards
- 9 Texprocil Export Performance Awards
- 2 IKEA Quality and Sustainability Awards
- 1 National Energy Conservation Awards (NECA)
- 1 Niryat Shree – FIEO Awards
- 1 Punjab Safety Awards
- 1 D&B – ECGC: Exporter’s Excellence Awards - Best Diversified Exporter (Runner-Up) - Best Rural Exporter (Runner-Up)





For more information about us, please visit www.tridentindia.com

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