



Trident Limited

Q2 FY16 Performance Overview





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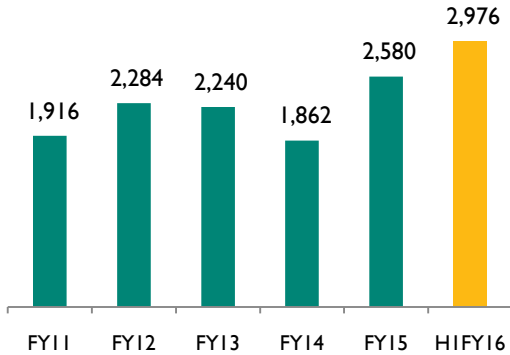
A photograph of a bedroom interior. A bed with a white headboard is the central focus, dressed in a patterned duvet cover and several pillows in purple, white, and patterned designs. To the left is a white nightstand with a small potted plant and a mug. To the right is a dark wood dresser with a blue vase containing greenery and other decorative items. A window with sheer curtains is in the background.

Financial Highlights

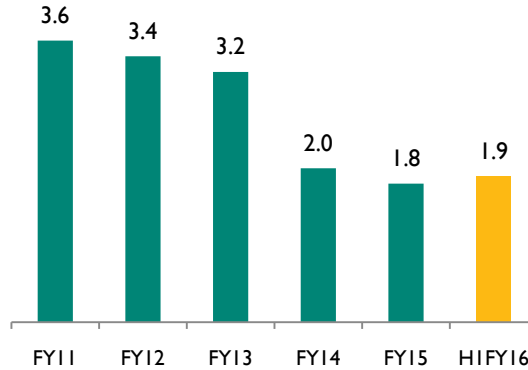
Key Financial Parameters



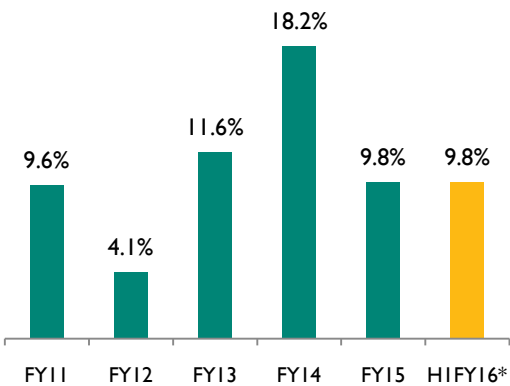
Total Debt (Rs. crore)



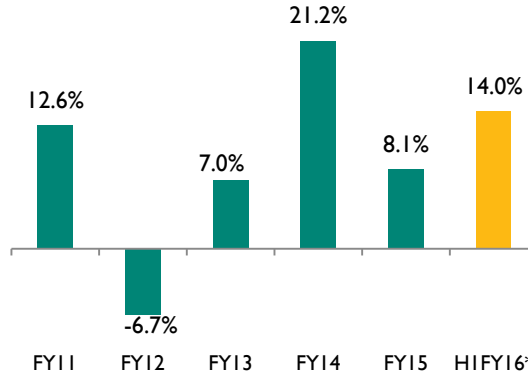
Debt : Equity (x)



ROCE (%)



ROE (%)



* H1FY16 Figures are annualized

➤ **Debt Repayment** in FY15 – Rs. 458.4 crore

➤ **Debt Repayment** of Rs. 200.9 crore in H1 FY16

➤ Includes prepayment of high cost debt of Rs. 53.6 crore

➤ **Debt / Equity Ratio** stands at 1.86:1

➤ **Debt level** increased due to implementation of Integrated Bed-Linen project

➤ **Net Debt** stood at Rs. 2,816.0 crore

➤ **Return ratios** improved due to improved margins

Q2 FY16 Financial Highlights



- /// **Net Revenue** at Rs. 961.0 crore compared to Rs. 965.7 crore in Q2 FY15
 - Net Sales remained flat 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 14.6% to Rs. 178.9 crore from Rs. 156.1 crore in Q2 FY15
 - **EBIDTA Margin** improved by 245 bps to 18.6% vis-à-vis 16.2% in Q2 FY15
- /// **Finance Cost** declined by 17.6% to Rs. 36.8 crore vis-à-vis Rs. 44.6 crore in Q2 FY15
 - Reduction in base rate and better working capital utilisation significantly reduced the overall interest costs
 - The Company repaid high cost term loan amounting to Rs. 98.0 crore during the quarter
 - Outstanding term debt as on September 30, 2015 stood at Rs. 2,432.6 crore
- /// **PAT** stood at Rs. 51.0 crore vis-à-vis Rs. 21.0 crore in Q2 FY15
 - **Diluted EPS** (non-annualized) at Rs. 1.00 per share
- /// **Cash Profits** at Rs. 132.8 crore vis-à-vis Rs. 99.2 crore in Q2 FY15
 - **Cash EPS** (diluted & non-annualized) at Rs. 2.61 per share

Key Highlights



- /// **Second Interim dividend** of Re. 0.30 (3%) per equity share of face value Rs. 10
- /// **Commenced production** at the integrated Bed-Linen facility of 500 looms capable of producing 43.2 million meters of bed-linen per annum and ~1.90 lac yarn spindles for captive consumption at Budni, Madhya Pradesh
 - /// The project involves capital investment of Rs. 1,667 crore with potential revenue of Rs. 1200 crore at optimum utilization
 - /// Technology will be stabilized by Q4 of FY16. Expect to achieve 50 - 60% utilization by FY17

Profit & Loss Abstract



Q2 FY16	Q2 FY15	Shift %	Particulars (Rs. crore)	H1 FY16	H1 FY15	Shift %
961.0	965.7	(0.5)	Net Revenues	1840.1	1872.4	(1.7)
783.0	812.6	(3.6)	Total Expenditure	1465.8	1538.1	(4.7)
467.8	521.5	(10.3)	- Material Consumed	857.2	965.8	(11.2)
315.2	291.1	8.3	- Other Costs & Expenses	608.6	572.3	6.3
178.9	156.1	14.6	EBITDA	376.9	340.2	10.8
18.6%	16.2%	245 bps	EBITDA Margin (%)	20.5%	18.2%	231 bps
81.8	78.2	4.6	Depreciation	163.2	159.1	2.6%
97.1	77.9	24.6	EBIT	213.7	181.1	18.0%
36.8	44.6	(17.6)	Interest	81.2	102.7	(20.9)
60.3	33.3	81.1	PBT	132.5	78.3	69.1
9.4	12.3	(24.1)	Tax	20.5	25.1	(18.1)
51.0	21.0	142.8	PAT	111.9	53.3	110.1
1.00	0.43	132.6	EPS (Diluted & non-annualized) (In Rs)	2.20	1.11	98.2

Balance Sheet Abstract



Particulars (Rs. crore)	As on September 30, 2015	As on September 30, 2014
Sources of Funds		
Share Capital	558.85	448.09
Reserves and Surplus	1,040.76	899.29
Money received against Share Warrants / ESOPs	0.16	60.59
Long Term Borrowings	2,083.00	1,441.92
Other Non Current Liabilities	154.61	106.37
Current Liabilities	1,276.39	1,190.52
TOTAL	5,113.77	4,146.79
Application of Funds		
Fixed Assets	3,861.81	3,080.54
Non Current Investments	11.70	26.23
Long Term loans and advances	158.24	125.00
Current Assets	1,082.01	915.02
TOTAL	5,113.77	4,146.79



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

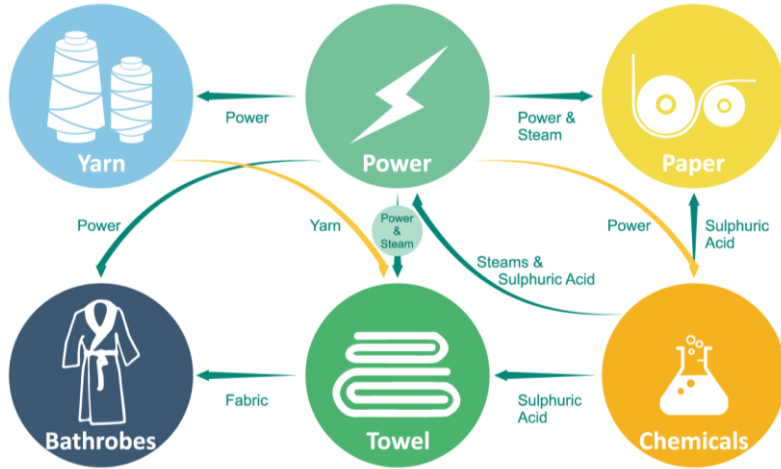
“Trident has reported steady performance during the quarter led by healthy volumes in the terry towel business. Given our overall thrust on marketing, we believe we could further improve upon this performance in the coming quarters. I am also pleased to share that we have commenced production at the integrated bed-linen facility of 500 looms in Budni, Madhya Pradesh. With a major project milestone completed, the entire management’s focus is now towards driving sales volume through various marketing initiatives.

We are witnessing strong traction in the domestic market where we continue to lay strong emphasis on brand building and this will help support growth in medium-to-long run. In addition, we would continue to focus on improving our utilization rates of home textiles and also increase our contribution towards high margin value-added products. This along with greater contribution from the newly-commissioned bed-linen unit would help consolidate Trident’s position in the home textile industry and achieve stronger growth in the ensuing years.”

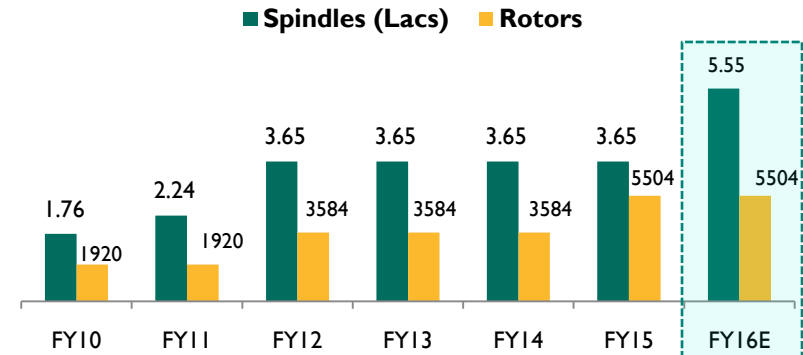
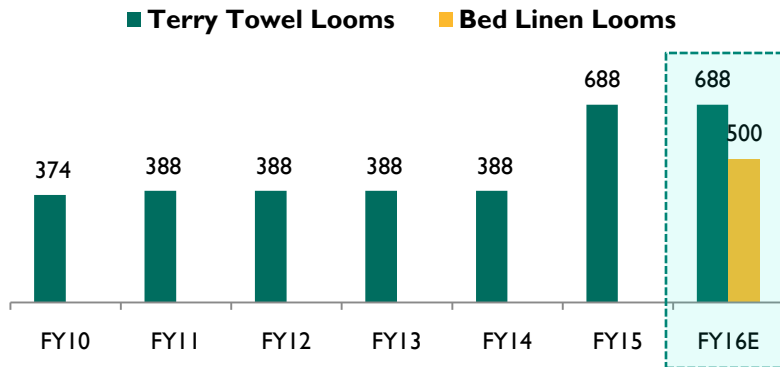


Trident Textiles
Business Highlights

World's Largest Integrated Textile Manufacturer



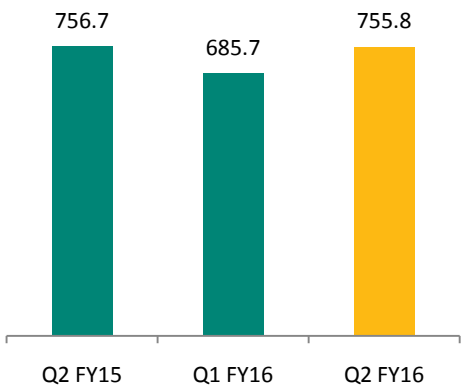
- Fully integrated home-textile operations with terry towel capacity of **360 million pieces of towel per annum**
- Commenced production at its Bed Linen Project of 500 looms capable of producing **43.2mn meters of bed-linen**
- Implemented the **world's largest terry towel project at a single facility in Budni (M.P.)**
- One of the largest cotton yarn spinning capacity in India with 5.55 lac spindles capable of producing **cotton and blended yarn**



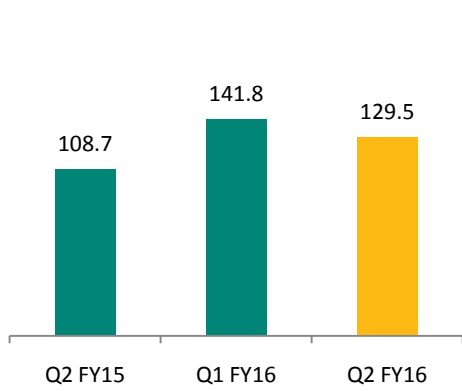
Quarterly Financial Highlights



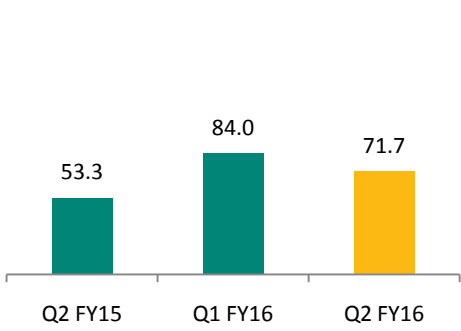
Revenues (Rs. crore)



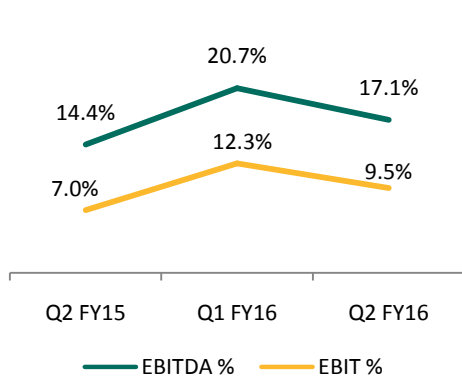
EBITDA (Rs. crore)



EBIT (Rs. crore)

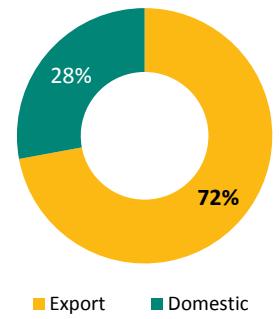


Margin (%)



- Improvement in margin profile due to healthy margins in Terry Towel business
- Terry Towel volumes increased by ~22% as compared to Q1 FY16

H1 FY16 Export : Domestic Mix



Q2 FY16 Financial Overview & Outlook



- /// Topline at Rs. 755.8 crore compared to Rs. 756.7 crore in the corresponding quarter last year
 - Subdued yarn realizations and captive yarn consumption moderated topline growth, offset by growth in Terry Towel
 - Terry Towel volumes increased by ~22% compared to Q1FY16
 - Domestic Towel sales increased by ~46% compared to Q1FY16
- /// 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
 - Entered into Infants and Kids segment with brands: Cuddlies, Chhota Bheem, Bath Buddy and Play
- /// Increased presence on online portals reaching direct customers – increasing traction in the e-commerce segment and Channel market spread pan-India
 - Revenue from Online channel increased by ~17% compared to Q1FY16



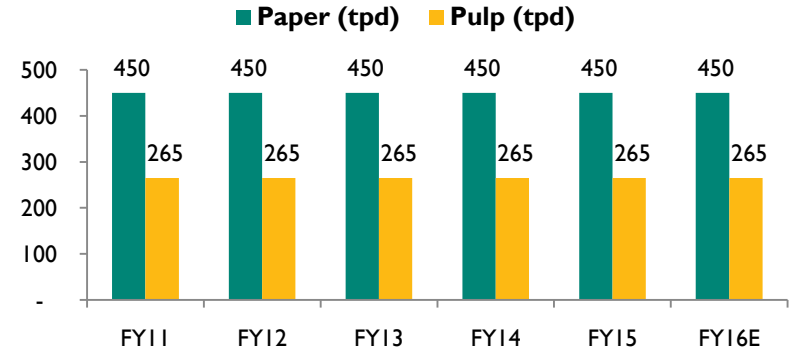


Trident Paper Business Highlights

World's Largest Wheat Straw based Paper Manufacturer

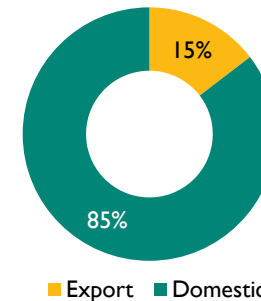


- Agro-residue (wheat straw) and ECF pulp used to manufacture paper
- Customers across 50 countries including India, Middle East, Africa, US, Latin America and UK, among others
- Energy-saving operations initiated to reduce power consumption



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

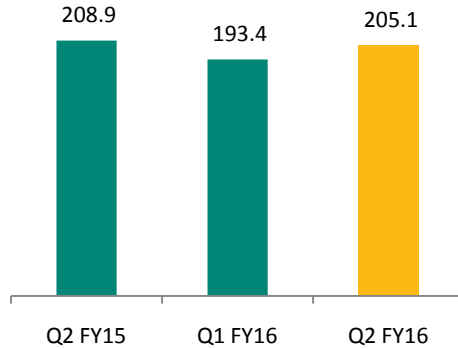
HI FY16
Export : Domestic Mix



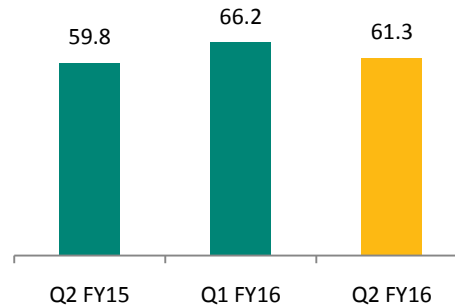
Quarterly Financial Highlights



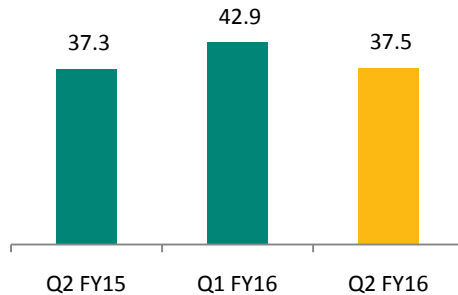
Revenues (Rs. crore)



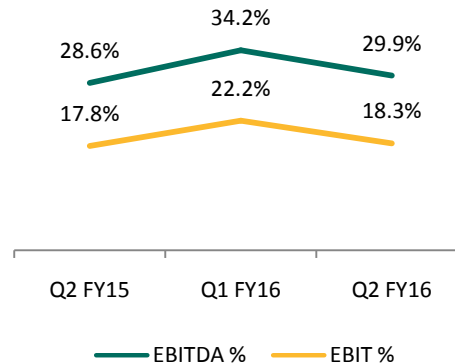
EBITDA (Rs. crore)



EBIT (Rs. crore)



Margin (%)



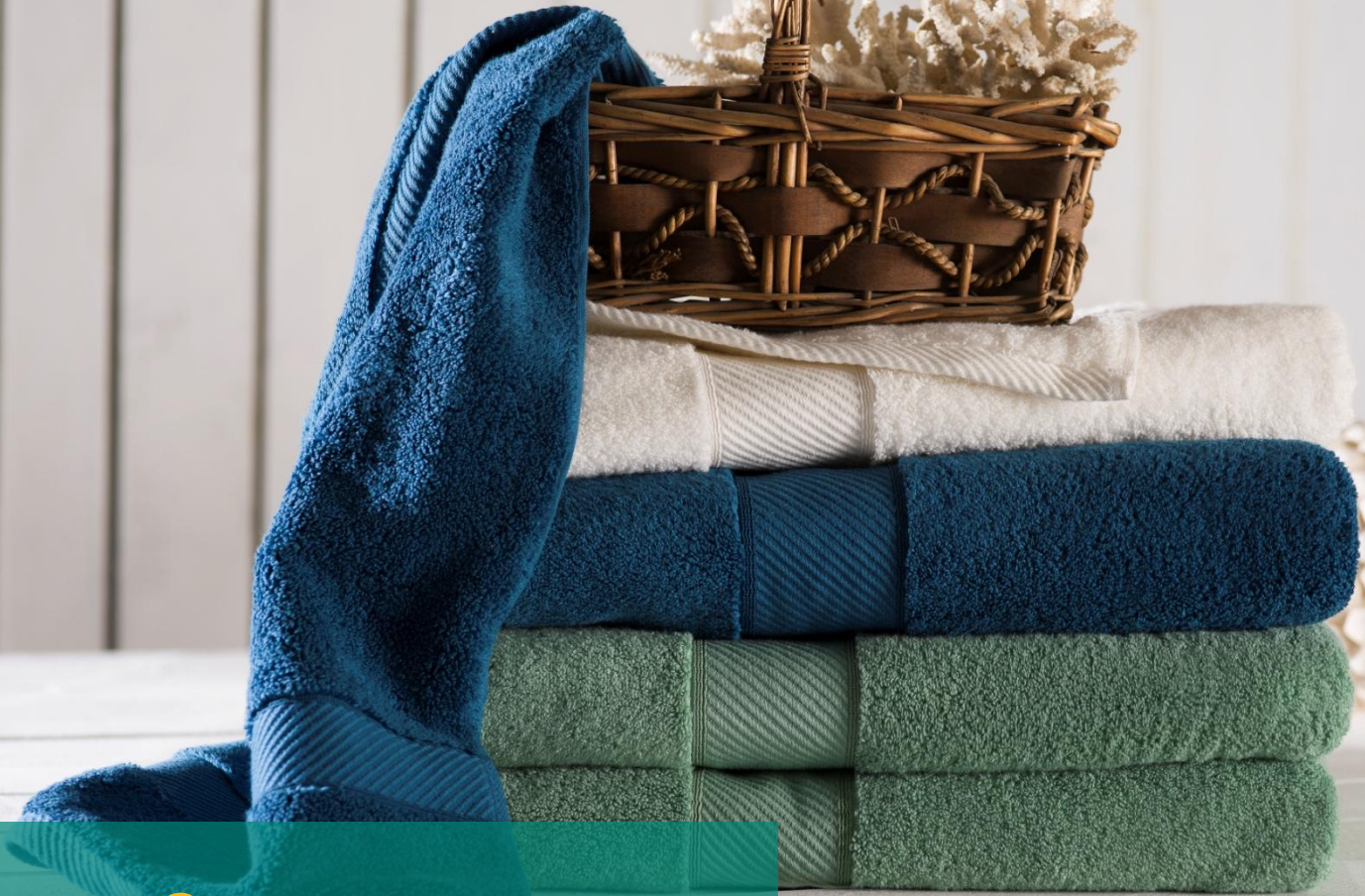
EBITDA Margins increased by 130 bps to 29.9% compared to 28.6% in Q2 FY15

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

Q2 FY16 Financial Overview & Outlook



- /// Topline stood at Rs. 205.1 crore vis-à-vis Rs. 208.9 crore in Q2 FY15
- /// EBITDA margin improved by 130 bps to 29.9% as compared to Q2 FY15 – result of focus on enhancing contribution towards value-added copier paper
- /// Trident Retailer-ship scheme launched to improve the presence and increase pull from End Consumers
- /// Improvement in operational efficiencies due to better product mix
- /// 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
- /// Dedicated team for Institutional business for improving profitability



Strategy

Group Strategy



Capacities



Business	Operations	
Division	Product	Capacity
Home Textiles	Terry Towels	688 Looms
	Bed Linen	500 Looms
	Yarn	5.55 Lac Spindles
		5,504 Rotors
	Dyed Yarn	6,825 TPA
Paper & Chemicals	Paper	1,75,000 TPA
	Chemicals	100,000 TPA
Energy	Captive Power	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 with green leaves is also on the surface. The background consists of a light-colored brick wall and a window with white frames.

***About Us &
Investor Contacts***



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, Hema, Metro Group 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
- 12 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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