



Gokaldas Exports' operational turnaround delivers positive EBITDA of Rs. 11.9 cr against Rs. (-29.3) cr last fiscal

Reports consolidated revenue of Rs. 1030 crore for FY12

Highlights:

- **32% growth in Q4 revenues over Q3 in FY12**
- **Full year revenue down by 10% at Rs. 1030 cr in FY12 as against Rs. 1146 cr last year**
- **Bags 9 new eminent customers.**
- **Company clocks positive EBIDTA for the 3rd consecutive quarter. Positive swing of Rs. 41 cr in FY 12 EBITDA.**
- **Reduces net borrowings by 28% from Rs.264 Cr in FY 2011 to Rs.190 Cr in FY 2012**

Bangalore, May 21, 2012:

Gokaldas Exports Limited announced its audited financial results for the year ending March 31, 2012. In FY12, the company reported consolidated revenue of Rs.1030 Cr with an EBIDTA of Rs. 12 Cr before exchange difference gain / loss, and one time charges as against a loss of Rs. (29.3) cr in the previous year. This represents a Rs. 41 cr swing to profitability at EBITDA level, clearly showing the company's turnaround which has been achieved through sustained efforts on operational profitability management.

While weathering the economic slowdown globally, Gokaldas ended the year with total revenues down 10% at 1030 cr., as against Rs. 1146 cr in the previous year. The company has achieved this by gaining greater share of business of key customers and also by bagging 9 new customers.

The company has also been able to reduce costs by 13% from Rs. 1249 crores to Rs. 1081 crores, including a reduction in Raw Material Costs by 19%. The net borrowings have come down from Rs.264 Cr as on April 2011 to Rs.190 Cr as of March 2012, a reduction of 28%, achieved through profitability improvement and better working capital management. This has also helped reduce interest costs substantially by 27% from Rs. 36.3cr to Rs. 26.5cr, notwithstanding rising interest rates for most part of the year.

PBT has been impacted due to a one-time charge of Rs. 46.6 crores, on account of the revised estimate of carrying value of old inventory, in Q4 FY12. This resulted in a PBT of Rs. (131) cr. for FY 12, as compared to PBT of Rs. (93) cr last fiscal. However, these charges are non-recurring in nature.

Gautam Chakravarti, Chief Executive Officer, Gokaldas Exports Ltd., said, “The company has now turned the corner and is now poised for profitable growth. Our focus on strengthening existing customer relationships, expanding to superior product portfolio & newer product categories, apart from gaining significant new customers, has started showing results for the company. Our cash focus has helped in reducing net borrowings through the year & this had a positive impact on the interest outgo, resulting in strong intrinsic EBITDA performance. Going forward our efforts for strong topline growth will continue & we believe that we can drive more productivity, leading to better profitability.”

For FY12 Q4, the company has clocked total revenue of Rs. 285 Cr representing a growth of 32% over Q3 F12 and a decline of 5% as against the over corresponding quarter of previous year. This shows a growth of For this quarter, the company has clocked an EBIDTA of Rs.13.5 cr against a loss of Rs. (7.2) cr for the corresponding quarter of last fiscal.

Added **Gautam Chakravarti,** “The full impact of revenue enhancement plus cost and operational effectiveness will be visible in FY13. We are continuing to aggressively focus on business development and new customer acquisitions to solidify customer base and grow business volumes. All this coupled with our healthy growth from our current set of customers, despite weakness in Europe, will place Gokaldas on the path to sustained profitable growth”.

About Gokaldas Exports

Gokaldas Exports continues to be a major player in the readymade garment industry across the globe. A well-established Indian manufacturer & exporter, Gokaldas Exports successfully meets the demands of global readymade garment markets. Incorporated in 1979 and based in Bangalore (India), the facilities, technology and standards of performance of Gokaldas Exports meet international paradigms. Gokaldas Exports has capacity to produce 3 million garments per month. For more information, please visit www.gokaldasindia.com.

For further information, please contact:

Sumit Keshan, Chief Financial Officer, Gokaldas Exports
sumit.keshan@gokaldasexports.com
Phone: +91-80-22223600

Shreela Roy, IPAN Hill & Knowlton
sroy@ipanhillandknowlton.com
Mobile: +91-9820149119