

Gokaldas Exports Ltd

Performance Review – Q3 FY 2014-15

- **Revenue growth of 3% for 9 months of FY15**
- **9 months' EBIDTA at Rs. 57 Cr, growth of 71%**
- **9 months' EBIDTA % at 5.9% as compared to 4.2% of corresponding previous year**

Gokaldas Export Limited (GEX) has posted revenues of Rs.238 Cr for Q3 FY15. On a 9 month basis, revenues have been Rs. 832 Cr showing a growth of 3%.

The company has posted strong profit growth for 9 months of FY15. The topline, however, has shown marginal growth in the wake of weak economic conditions in certain geographies, eg, Europe, Latin America and Russia which are part of our overall markets.

There have been delays in the ordering cycles by many large retailers in Europe affecting the sales revenue in Q3 FY15. Domestic retailers were also cautious in their ordering for the festive season, due to inventory build-up. These factors have impacted our operating margins this quarter.

Business development initiatives have been put in place by the management to increase share of business in USA which is having good growth prospects with the strong revival of the economy in that country.

The overall demand pattern is likely to be stable in the short to medium term, with operating costs at similar level as this quarter.

Date: February 14, 2015