

Gokaldas Exports Ltd

Performance Review – Q4 FY 2014-15

- **EBIDTA growth of 33% in FY15 over FY14**
- **EBIDTA % at 6.1% as compared to 4.4% in FY14**
- **PBT of Rs.34 Cr as compared to (-)7 Cr in FY14**

Gokaldas Export Limited (GEX) has posted growth in operational EBIDTA for the year 2014-15. It has increased from Rs.49.5 Cr in FY14 to Rs.66 Cr in FY15, reflecting a growth of 33%. EBIDTA margins have also improved from 4.4% in FY14 to 6.1% in FY15.

There has also been an improvement in the PBT of the company, which has moved from (-)7 Cr in FY14 to Rs.34 Cr in FY15. PBT for the year 2014-15, excluding one-time income, has also improved over FY14.

The company has achieved cash profits of Rs.20 Cr in the current financial year. The overall debt has also reduced by 15% (Rs.42Cr) during the year.

Despite flat revenues in FY15, the company has been able to achieve growth in profitability in a challenging global and domestic environment, through a combination of margin improvement and consolidation of manufacturing operations.

From a topline perspective, the company has been able to garner higher business from certain existing customers as well as adding new customers. Gains from these have largely got offset due to decline in business from other customers, who have been adversely affected by market conditions in their operating environments.

Traction is foreseen in the US market and in select European brands. Based on this scenario, business development initiatives have been put in place by the management to increase share of business in USA, with its strong revival prospects.

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: May 25, 2015