

INVESTOR UPDATE



ARSHIYA INTERNATIONAL LTD.

Q3 FY12



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Highlights

■ Financial Performance

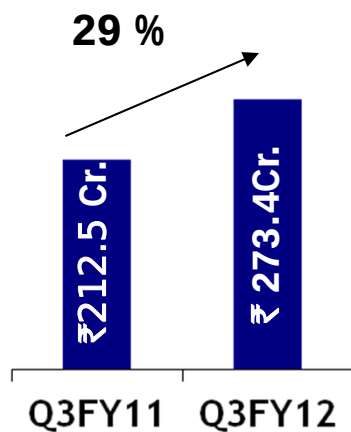
- Consolidated total revenues for Q3 FY12 at ₹273.36 crore, an increase of 29% from ₹212.46 crore in Q3 FY11
- EBIDTA for Q3 FY12 was ₹77.73 crore as against ₹43.96 crore in the corresponding quarter registering a 77% increase
- PAT for Q3 FY12 at ₹34.45 crore, an increase of 71% from ₹20.11 crore in Q3 FY11
- Basic EPS for Q3 FY12 was at ₹5.86 compared to ₹3.42 for Q3 FY11

■ Key Highlights

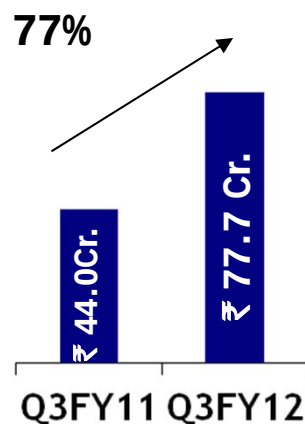
- The quarter witnessed significant customer additions and an increased scope of Value Optimizing Services offered to clients in the FTWZ
- Launched the 135 acre Free Trade Warehousing Zone in Khurja
- Arshiya Rail is currently operating 16 rakes and has won a key tender for movement of 24,000 MT of copper concentrate for Sterlite Industries (India) Ltd. from Khetri (Rajasthan) to Tuticorin (Tamil Nadu).
- The integrated business added customers across industries such as Engineering, Pharma, Solar Energy, Wind Energy, Industrial Safety, Chemicals, Power Systems, FMCG, Retail, etc.

Performance Comparison

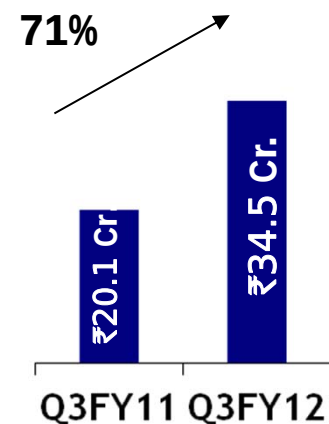
Revenue



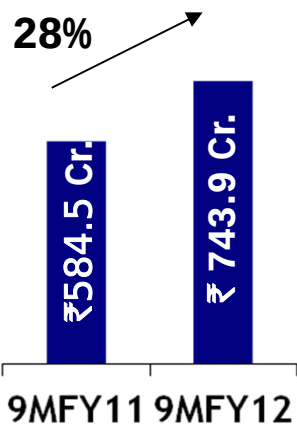
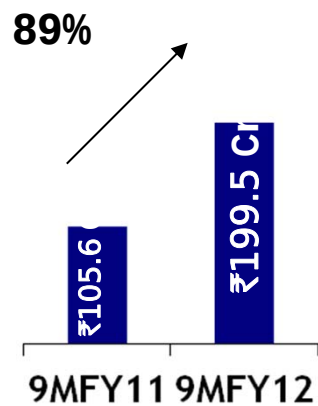
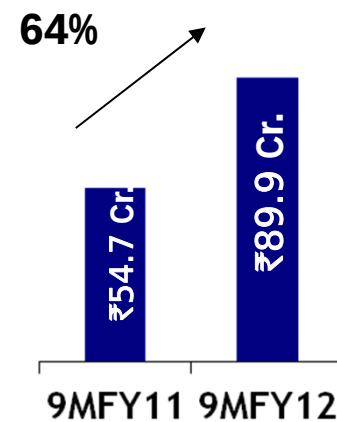
EBITDA



PAT



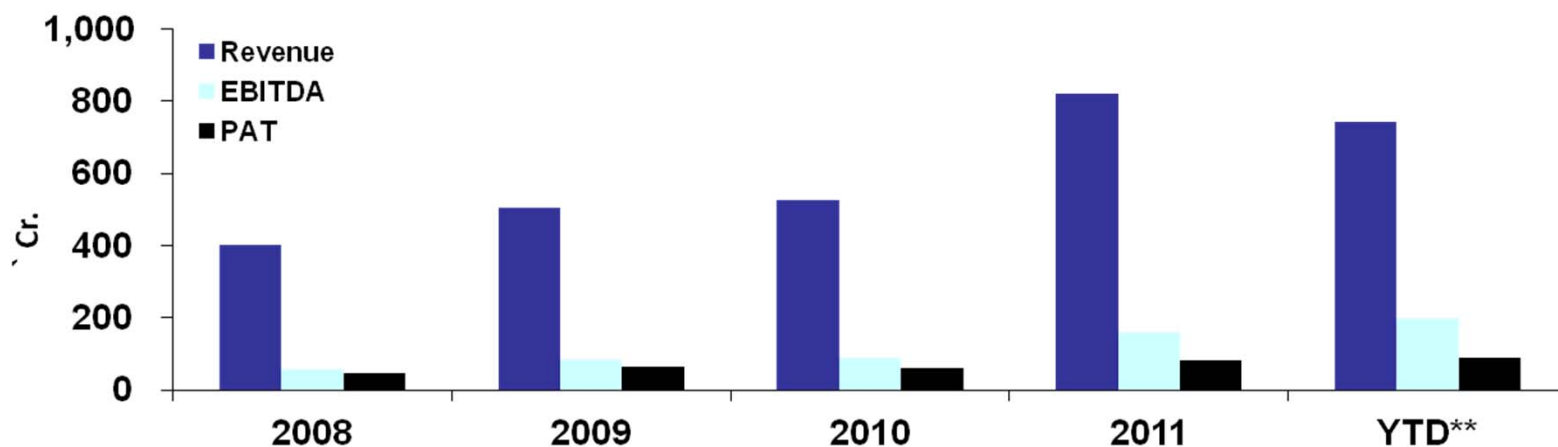
Quarterly
Q3



YTD
9M

Consolidated Financials

Performance Overview



Consolidated	FY 2008	FY 2009	FY 2010	FY 2011	YTD**
Operating Income — ₹ Cr.	401.2	503.0	525.9*	821.5	743.9
EBITDA — ₹ Cr.	57.7	85.5	88.1*	160.8	199.5
PAT — ₹ Cr.	45.4	65.6	98.3	82.0	89.9
EPS — ₹ per share	9.4	11.3	16.7	14.0	15.3#

Operating Income and EBITDA excludes income from sale of software marketing rights of INR 38.89 cr whereas PAT includes the same

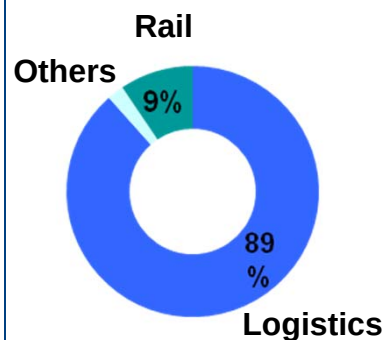
**For 9M FY 2012

Not annualized

Segmental Revenues

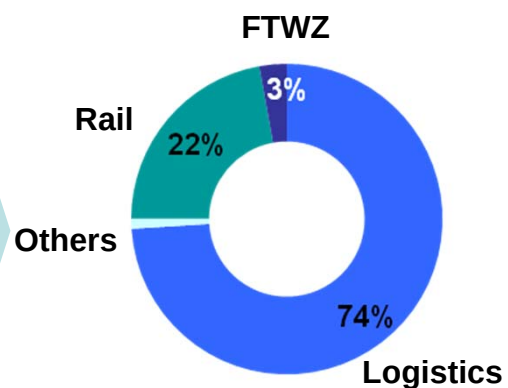
Q3 FY 2010

₹ 133.60 Cr.



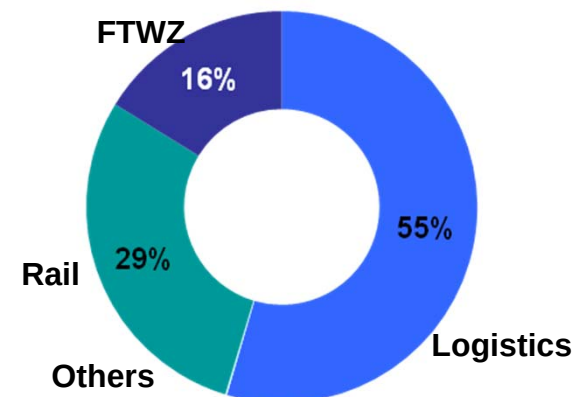
Q3 FY 2011

₹ 212.46 Cr.



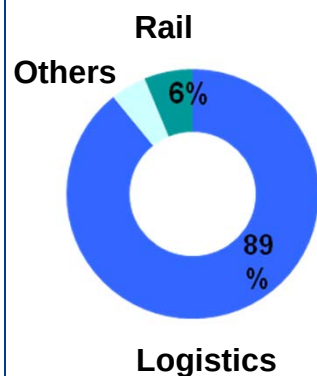
Q3 FY 2012

₹ 273.36 Cr.



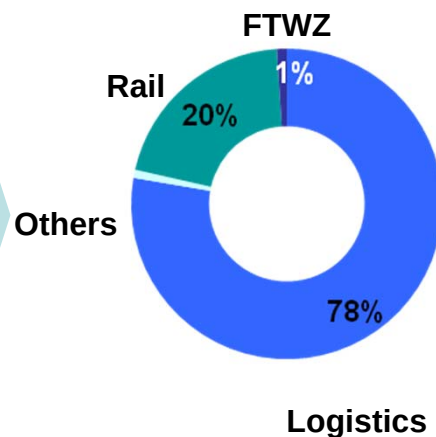
9M FY 2010

₹ 352.30 Cr.



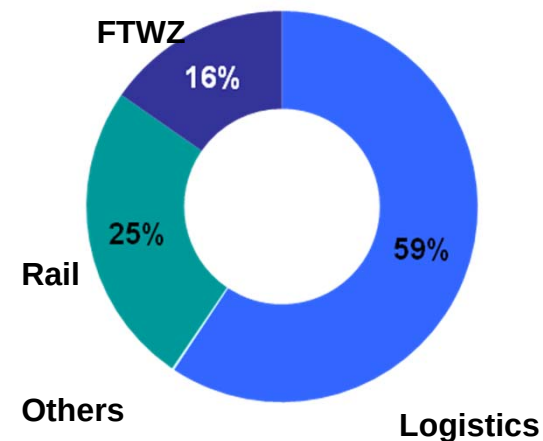
9M FY 2011

₹ 584.46 Cr.

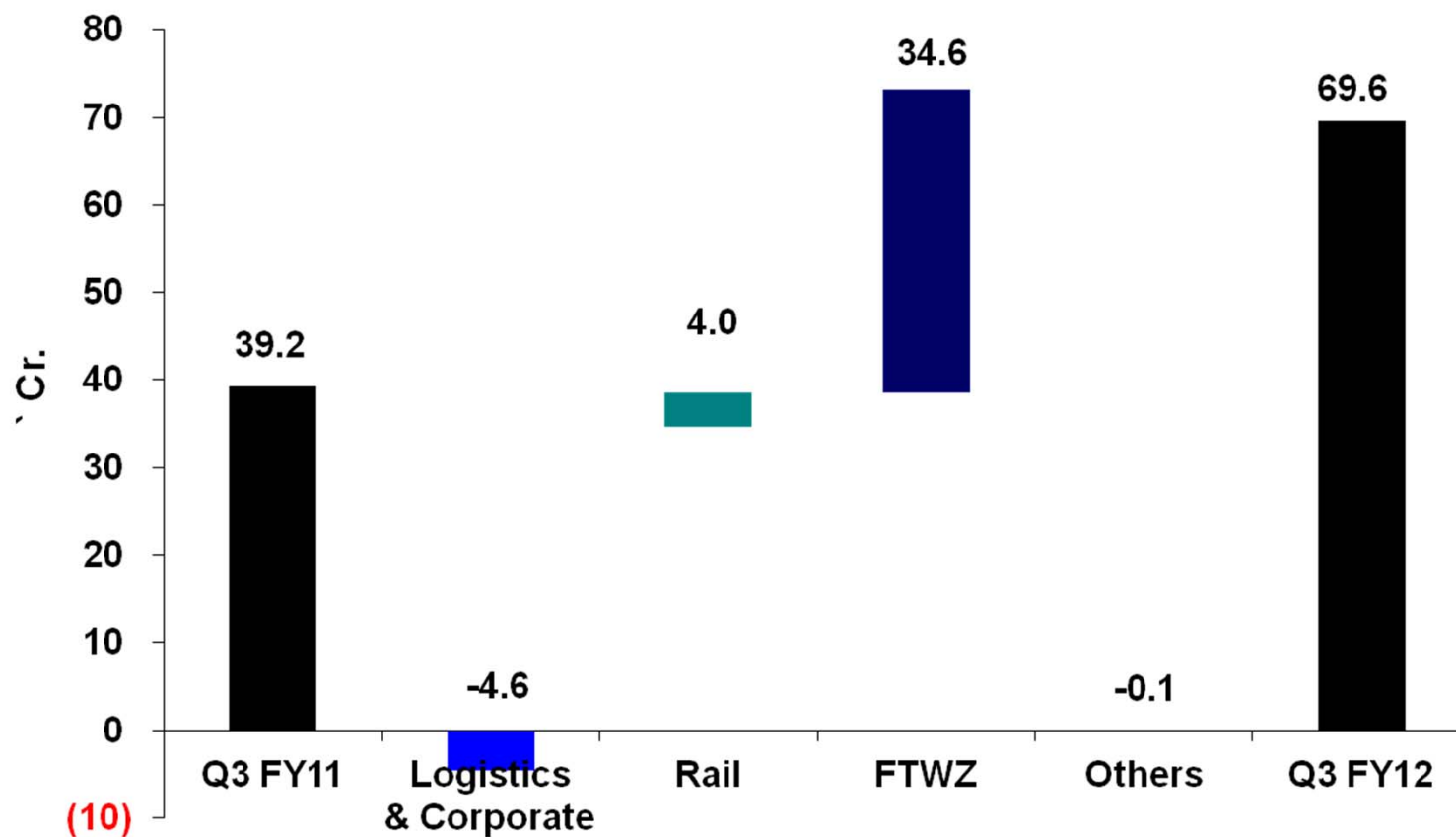


9M FY 2012

₹ 743.93 Cr.



Operating Profit Drivers – EBIT bridge



■ EBIT Margin increased from 18.47% in Q3 FY11 to 25.47% in Q3 FY12

Sources of Revenue through the FTWZ

THROUGHPUT

FREIGHT FORWARDING/TRANSPORT & HANDLING	RAIL & RAIL INFRASTRUCTURE	DOMESTIC LOGISTICS PARKS
VOS ON CONTAINER	VOS ON PALLETS	SUPPLY CHAIN MANAGEMENT
RENTAL	HIGHER END VOS	AUXILLIARY & IT SERVICES

REVENUE FROM INTEGRATED LOGISTICS INFRASTRUCTURE & SUPPLY CHAIN SOLUTIONS

REVENUE FROM VALUE OPTIMISING SERVICES (VOS) ON CONTAINERS AND PALLETS

REVENUE FROM RENTALS OF WAREHOUSE, CHILLER/FREEZER, CONTAINER & ODC YARD, OFFICE SPACE

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Panvel

- Acquired new clients who have made Arshiya's Free Trade and Warehousing Zone (FTWZ) as their regional distribution hub. Examples of significant customer acquisitions -
 - Broekman Logistics India Private Limited, a subsidiary of Netherlands based Broekman Group engaged in third part logistics (3PL) services has began utilizing Arshiya's FTWZ in Mumbai (Panvel) as a regional hub for all of Broekman's distribution activities into India to cater to their India based customers specially in the chemical and engineering products.
 - Soilmec India, a subsidiary of Italian based leader in design, manufacture, and distribution of equipment for the ground engineering industry has made Arshiya's FTWZ in Panvel, Mumbai its regional distribution hub. Soilmec will be utilizing the FTWZ for importing large sized machines and heavy engineering products as well as the spare parts required to service these heavy engineering equipments and providing it immediate access to the Indian market.
- Introduced specialized multi-tiered area for Value Optimizing Services (VOS) within Warehouses that improves productivity and efficiency of VOS activities
- Performed high end Value Optimizing Services such as Kitting, Export and Import Consolidation, Sorting and Quality Control for various products including temperature sensitive and hazardous cargo.



FTWZ

Khurja

- Launched the second FTWZ in Khurja, near Delhi in Jan 2012.
- Arshiya's FTWZ in the north will empower manufacturers to substantially bring down transactional cost and boost EXIM, facilitate imports through implementation of vendor managed inventory and encourage exports by enabling quality check & consolidation before organized shipment.
- Arshiya's integrated facility at Khurja will soon see operational launch of the Domestic Distripark (DDP) and a rail siding. This will be the flagship state-of-the-art logistics infrastructure in the north to service the massive manufacturing belt. It will enable efficient warehousing, value optimizing and distribution of EXIM and domestic cargo.



Rail

Arshiya Rail Infrastructure Ltd won a key tender for movement of 24,000 MT of copper concentrate for Sterlite Industries (India) Ltd. The movement of Copper concentrate is from Khetri (Rajasthan) to the Copper Smelter Unit of SIIL, located at Tuticorin (Tamil Nadu). As part of the services, Arshiya Rail provided an end-to-end solution to Sterlite for this movement which also includes first and last mile transportation and handling. This movement has further strengthened Arshiya Rail Infrastructure's already strong presence in the Southern region for the evacuation of finished products.

Arshiya Rail Infrastructure Ltd. is also the first private container train operator to commence export-import container operations on the Chennai-Bangalore circuit. So far, only the Railway arm Concor offered this service. Arshiya, commenced its rail service from PSA Chennai, the second private container terminal, run by PSA International of Singapore. Arshiya moved the import boxes to Pearl Container Terminal, Whitefield, Bangalore, and vice-versa for exports.



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Standalone Financial Statements (Q3FY12 vs Q3FY11)

December 2011 Quarter	Q3 FY12	₹ Crore Q3 FY11	Change ₹ Crore	%
Net Sales	148.38	114.69	33.69	29%
Other Operating Income	4.47	-		
Cost of Operations	97.42	88.38		
Gross Margin	55.43	26.31	29.12	111%
	37.36%	22.94%		
Employee Cost	9.34	6.43		
Other Administrative Expenses	10.39	6.18		
Other Income	-9.59	-7.02		
EBITDA	45.29	20.72	24.58	119%
	30.53%	18.07%		
Depreciation	4.25	1.36		
Interest Expense	21.72	9.82		
Profit Before Tax	19.32	9.54	9.78	102%
	13.02%	8.32%		
Exceptional Item	-	-1.61		
Profit Before Tax (After Exceptional)	19.32	11.15	8.17	73%
	13.02%	9.73%		
Tax	6.19	3.63		
Profit After Tax	13.14	7.52	5.62	75%
	8.85%	6.56%		

Standalone Financial Statements (9MFY12 vs 9MFY11)

	9M FY12	₹ Crore 9M FY11	Change ₹ Crore	%
Net Sales	416.98	313.64	103.34	33%
Other Operating Income	7.04	-		
Cost of Operations	276.74	249.72		
Gross Margin	147.28	63.92	83.36	130%
	35.32%	20.38%		
Employee Cost	26.08	17.21		
Other Administrative Expenses	28.82	18.58		
Other Income	-23.98	-14.58		
EBITDA	116.36	42.70	73.66	173%
	27.91%	13.62%		
Depreciation	11.42	3.91		
Interest Expense	51.32	18.65		
Profit Before Tax	53.62	20.14	33.48	166%
	12.86%	6.42%		
Exceptional Item	-2.70	-		
Profit Before Tax (After Exceptional)	56.32	20.14	36.18	180%
	13.51%	6.42%		
Tax	17.73	8.54		
Profit After Tax	38.58	11.60	26.98	233%
	9.25%	3.70%		

Consolidated Financial Statements (Q3FY12 vs Q3FY11)

December 2011 Quarter	Q3 FY12	₹ Crore Q3 FY11	Change ₹ Crore	%
Net Sales	268.89	212.46	56.43	27%
Other Operating Income	4.47	-		
Cost of Operations	170.83	148.67		
Gross Margin	102.54	63.79	38.74	61%
	38.13%	30.03%		
Employee Cost	17.41	11.04		
Other Administrative Expenses	14.96	10.46		
Other Income*	-7.56	-1.67		
EBITDA	77.73	43.96	33.76	77%
	28.91%	20.69%		
Depreciation	8.09	4.46		
Interest Expense	28.56	16.74		
Profit Before Tax	41.07	22.76	18.31	80%
	15.28%	10.71%		
Exceptional Item	-	-1.66		
Profit Before Tax (After Exceptional)	41.07	24.42	16.66	68%
	15.28%	11.49%		
Tax	6.62	4.13		
Profit After Tax	34.45	20.29	14.16	70%
	12.81%	9.55%		
Minority Interest	-	0.18		
Profit After Tax & Minority Interest	34.45	20.11	14.34	71%
	12.81%	9.47%		

Other income for the current quarter includes exchange gain of ₹ 7.14 crore

Consolidated Financial Statements (9MFY12 vs 9MFY11)

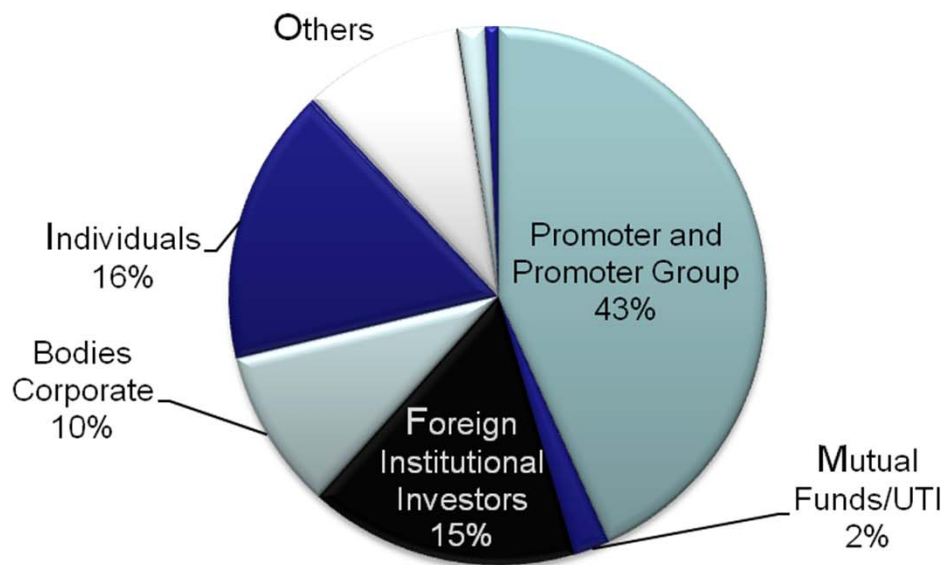
	9M FY12	₹ Crore 9M FY11	Change ₹ Crore	%
Net Sales	736.89	584.46	152.43	26%
Other Operating Income	7.04	-		
Cost of Operations	470.58	419.75		
Gross Margin	273.35	164.71	108.64	66%
	37.09%	28.18%		
Employee Cost	46.65	30.53		
Other Administrative Expenses	39.09	31.32		
Other Income	-11.89	-2.77		
EBITDA	199.50	105.63	93.87	89%
	27.07%	18.07%		
Depreciation	22.08	10.99		
Interest Expense	69.09	31.85		
Profit Before Tax	108.33	62.79	45.54	73%
	14.70%	10.74%		
Exceptional Item	-	-1.66		
Profit Before Tax (After Exceptional)	108.33	64.45	43.88	68%
	14.70%	11.03%		
Tax	18.40	9.52		
Profit After Tax	89.93	54.93	35.00	64%
	12.20%	9.40%		
Minority Interest	-	0.25		
Profit After Tax & Minority Interest	89.93	54.68	35.25	64%
	12.20%	9.36%		

Other income for the current quarter includes exchange gain of ₹ 10.84 crore

Project Spending Schedule (as on 31.12.2011)

Project (₹ in crore)	Debt	Equity	Total
Panvel FTWZ – Phase I & II	724	242	966
Khurja FTWZ	256	160	416
Rail Infrastructure	381	226	607
Khurja Distripark	364	177	541
Nagpur FTWZ	0	93	93
Total	1725	898	2623

Shareholding Pattern (as on 31st Dec 2011)



Key Institutional shareholders

Shareholders	No. of shares	% holding
Tree Line Asia Master Fund (Singapore) Pte Ltd	31,76,000	5.40
Merill Lynch Capital Market	30,97,556	5.27
Reliance Mutual Fund	13,10,273	2.23
Swiss Finance Corporation Ltd	11,34,832	1.93
CITI Group Global Market Mauritius Pvt Ltd	9,94,169	1.69
Handelsbankers Till Vaxtmarknadsfond	5,88,423	1.00

Awards & Recognitions



- Arshiya International received a special recognition award at SAP ACE 2011 for 'Implementation of SAP in Emerging Enterprise'



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