

## **Exide reports Rs 51 crore net profit, pays 90 per cent interim dividend**

**Kolkata, October 20, 2011:** Exide Industries Ltd on Thursday reported a net profit of Rs 51 crores on a turnover of Rs 1175 crores for the second quarter ended September 30, 2011. The Board of Directors of the company met in Mumbai on Thursday to consider the results.

For the first half of the current financial year, the company's net turnover and net profit were, Rs 2419 crores and Rs 214 crores, respectively.

At its meeting the board announced an interim dividend of 90 Paise per share (90 per cent on the Rupee one Equity Shares).

Commenting on the quarter's performance, the Managing Director and CEO, Mr T.V. Ramanathan said, the Automotive battery segment was adversely impacted by lower off take from the OEM customers. In addition, the sales volume in the Replacement segment also did not pick up to the extent earlier envisaged mostly due to the lower off take by OEM customers in the aftermath of 2009 global meltdown. As a result, the sales volume for the quarter was 6% lower than the same period last year. The combination of lower OEM off take together with the lower Replacement sales volume has pushed the per unit cost of production and the consequential drop in the profit levels.

As regards the Industrial battery segment which caters to a number of infrastructure segments like Telecom, power generation, construction, the demand for battery was lower due to lack of growth in these segments.

Consequently, the sales volume in the Industrial segment was 5% lower in the quarter when compared to the same period last year. The higher overhead charge on a lower sales volume lead to a further reduction in the profit levels.

The depreciation of Rupee vis-a-vis the US \$ also impacted to the extent of Rs 15 crs in the quarter under review.

"However, on the positive side, the two wheeler battery segment had a robust volume growth of 30%", Mr Ramanathan added.

Lead prices were firm almost throughout the quarter but softened from the third week of September. The positive impact of this softening in the price of the crucial raw material will be felt only towards the end of the third quarter. However, the falling rupee continues to remain a cause of concern and it has the potential to offset the positive impact of the lead price softening.

During the quarter under review the company test marketed its own range of inverters under the Chloride brand name. The company already owns the country's major inverter

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battery brands like Inva Tubular and Mega Inva. The company's own inverter range is now expected to offer a complete and integrated package for the end consumer. The initial sales reports are encouraging for the new range of inverters.

The Company has cash reserves of Rs 505 crores at end of the quarter under review.

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