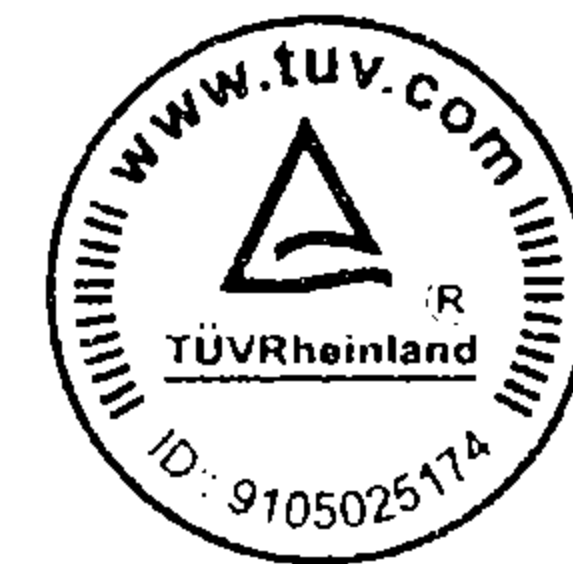


TTK Prestige LIMITED



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Phone: 91-80-22217438/39, Fax: 91-80-22277446, E-mail: ttkcorp@ttkprestige.com
www.ttkprestige.com CIN : L85110TZ1955PLC015049

April 18, 2016

Bombay Stock Exchange

National Stock Exchange Limited

Dear Sirs,

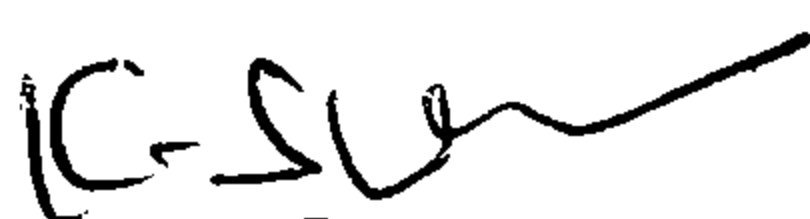
Sub: Horwood Acquisition– Information to be shared with Analysts

We are enclosing herewith a copy of information to be shared with Analysts. The said information will be published in our website also.

The above information may please be taken on record.

Thanking you,

Yours faithfully,
For TTK Prestige Limited,


K. Shankaran
Director & Secretary

TTK PRESTIGE LIMITED

SALIENT FEATURES OF HORWOOD ACQUISITION

(TO BE SHARED WITH INVESTING COMMUNITY – 18th April 2016)

1. TTK Prestige through its 100% subsidiary TTK British Holdings Limited, UK (TTK Brit) has acquired the business of Horwood Housewares Limited, Bristol, UK which is the ultimate operating subsidiary (Horwood). An intermediate holding company which holds shares in Horwood has been bought by TTK Brit on 11th April 2016.
 2. Horwood is a family business and has been in business for over 100 years.
 3. Horwood owns four brands – Horwood, Judge, Stellar and Kauffmann, the most traded being Judge and Stellar.
 4. The product range consists of cookware, tableware, kitchen electric appliances and kitchen requisites - the number of SKUs involved being in excess of 2000.
 5. Horwood caters predominantly to upper middle class and high income groups. The brand salience and trade relationship is impeccable.
 6. The brands are registered in key markets across the globe.
 7. Predominant sale has been in UK and select neighbouring markets.
 8. It is a compact profitable business with logistic facilities for importing and distributing various products in their own brands. No manufacturing base. Strong marketing and distribution network. Total human resource is in the region of 50. The EBIDTA margin is in excess of 15%.
 9. Since most of the profits hitherto have been distributed, Horwood could not experiment expanding its customer base and geographical base. Going forward, a good share of profits will be ploughed back into business to grow the market share and customer base.
- 

10. Strong synergies exist between TTK and Horwood -

- business values, ethics and culture;
- potential to use of India Manufacturing Base;
- Calibrated outsourcing as the combined imports will give volumes and hence better terms;
- bringing UK designs/brands + for Indian and global markets; taking India innovation to global markets; pooling of design ideas etc.,

11. The following criteria fixed for an overseas acquisition fully met:

- A running branded business in small value kitchen and home appliances in UK and European markets.
- Local marketing and distribution infrastructure with a sourcing model rather than an own manufacturing model.
- Compact human resource and experienced management.
- Business size of around 30 million US dollars
- Maintainable margins and profitability
- Reasonable acquisition costs (within 10 times EBIDTA multiples) that will not adversely impact the consolidated ROCE.
- Potential to grow
- Leveraging India manufacturing and sourcing base.
- Meeting with internal ROCE hurdle rates for the long-term.

12. Confidentiality agreements and competition sensitivity prohibit sharing of other details like valuation, future business plans, etc. TTK's equity contribution to TTK Brit is around 10 million GBP. TTK Prestige will continue to have reasonable free cash at the end of FY 16-17 after this investment.

13. Current management team in UK will continue to run the business with adequate empowerment.

14. First consolidated results will be provided as part of Q1 results of FY 16-17

15. Consolidated financials expected to result in superior turnover, profits and ROCE.

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