TITAN
COMPANY

30th October 2014

PRESS RELEASE

Titan Company Ltd registers a growth of 28.6% in Q2 net profit.

Titan Company Ltd announced a growth of 28.6% in net profit in the second quarter over last year. The income from operations in the second quarter, July to September 2014, was Rs.3564.67 crore, a growth of 55.7% over last year's income of Rs.2290.02 crore during the same period. The jewellery business of the company experienced an extra-ordinary growth due to redemption of Golden Harvest accounts of existing customers which had to be closed due to regulatory changes. The income for April to September 2014, the first half of this financial year, stands at Rs.6418.33 crore, registering a healthy growth of 19.3% over last year.

The net profit for Q2 is Rs.239.98 crore, up from Rs.186.65 crore last year – a growth of 28.6%. The net profit for the six months ended September 2014 is Rs.417.25 crore, up 13% over last year. The profit before tax is Rs.320.11 crore for Q2 and Rs.560.58 crore for the first half.

The Watches division has also done well in the quarter backed by successful activations for both Titan and Fastrack brands. A new brand campaign on 'gifting of time' went on air for Titan watches. The income for watches was Rs.527.46 crore in Q2 as compared to Rs.439.07 crore last year. The jewellery business recorded an outstanding income growth of 64.8% in Q2 over last year. It had an income of Rs.2929.38 crore this year in Q2 as compared to Rs.1777.39 crore last year. Other businesses of the Company comprising Precision Engineering, a B2B business, the Eyewear business and accessories grew by 20.9% in Q2. The combined income of these businesses was Rs.137.90 crore in Q2. Their last year income for Q2 was Rs.114.03 crore.

The Titan Company retail chain is 1136 stores strong, as on 30th September 2014 with a retail area crossing 15.3 lac sq.ft. nationally for all its brands.

Mr. Bhaskar Bhat, Managing Director of the Company stated that "This was an extra-ordinary quarter for the company and we witnessed an income growth of over 55% on account of an encouraging performance by all divisions, especially the jewellery business where the accounts of our Golden Harvest Scheme customers had to be closed based on regulatory changes. We have also seen an improvement in consumer sentiment in the second quarter and many of our brands ran successful activations to build on this sentiment and the festive mood. Gold prices have been stable and inflation is falling which would help in providing a lift to the economy. However, the coming quarter will have to be observed and tackled appropriately as some channels are beginning to report lower walk-ins. All our brands will invest in new campaigns in this quarter to improve our connect with the consumer."

S. Ravi Kant
Executive Vice President
(Corporate Communications)