



Trident Limited

Q3 & 9M FY15 Performance Overview

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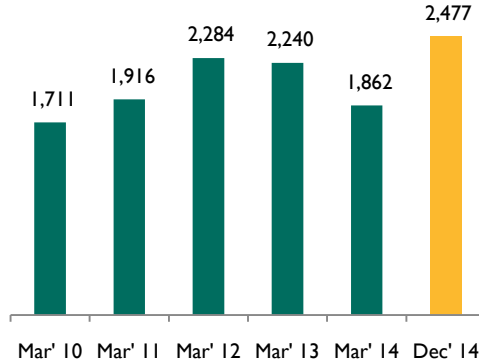
Financial Highlights

Business Highlights

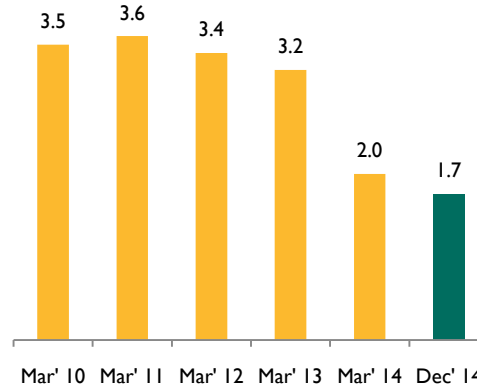
Strategy

About Us and Investor Contacts

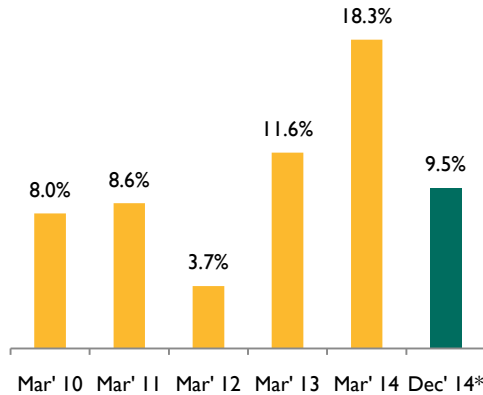
Total Debt (Rs. crore)



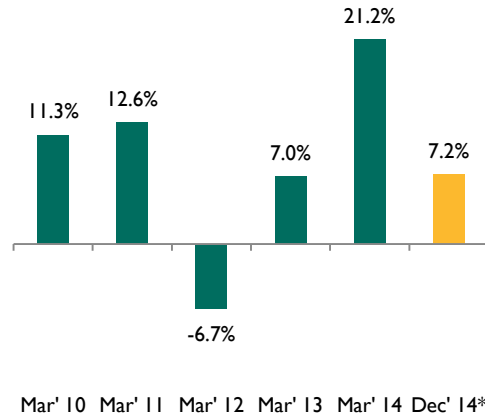
Debt : Equity (x)



ROCE (%)



ROE (%)



Key Financial Parameters

- Debt Repayment of Rs. 79.9 crore in Q3 FY15
- Debt / Equity Ratio at a comfortable level of 1.7:1
- Return ratios reflect high cost cotton inventory and lower yarn prices

Q3 FY15 Financial Highlights

/// **Net Revenue** at Rs. 931.3 crore compared to Rs. 1,020.9 crore in Q3 FY14

- Net Sales declined due to lower yarn realizations
- De-growth from yarn partly mitigated by increased product off-take in the Terry Towel

/// **EBITDA** moderated to Rs. 159.5 crore from Rs. 183.6 crore in Q3 FY14

- **EBITDA Margin** stood at 17.1% vis-à-vis 18.0% due to declining spreads in the yarn business. This was partially offset by improved margins in Terry Towel business

/// **Finance Cost** lowered by 3.3% at Rs. 49.6 crore vis-à-vis Rs. 51.3 crore in Q3 FY14

- The Company repaid 4.5% of outstanding term loans amounting to Rs. 79.9 crore during the quarter
- Outstanding term debt as on December 31, 2014 stood at Rs. 1,784.1 crore

/// **PAT** stood at Rs. 24.1 crore vis-à-vis Rs. 50.9 crore

- **Diluted EPS** (non-annualized) at Rs. 0.47

/// **Cash Profits** at Rs. 103.4 crore vis-à-vis Rs. 118.5 crore in Q3 FY14

- **Cash EPS** (diluted & non-annualized) at Rs. 2.16

/// **Second Interim Dividend** Re. 0.30 (3%) per share of Rs. 10/-

Profit & Loss Abstract

Q3 FY15	Q3 FY14	Shift %	Particulars (Rs. crore)	9M FY15	9M FY14	Shift %
931.3	1,020.9	(8.8)	Net Revenues	2,806.3	2,893.9	(3.0)
771.8	837.3	(7.8)	Total Expenditure	2,309.9	2,304.8	0.2
485.2	550.0	(11.8)	- Material Consumed	1,451.0	1,498.7	(3.2)
286.5	287.3	(0.3)	- Other Costs & Expenses	858.9	806.1	6.6
159.5	183.6	(13.1)	EBITDA	496.4	589.1	(15.7)
17.1%	18.0%	(90) bps	EBITDA Margin (%)	17.7%	20.4%	(270) bps
79.3	67.6	17.3	Depreciation	238.4	204.4	16.6
80.6	116.2	(30.6)	EBIT	261.7	385.5	(32.1)
49.6	51.3	(3.3)	Interest	152.3	162.4	(6.2)
31.0	65.0	(52.3)	PBT	109.3	223.1	(51.0)
6.9	14.0	(50.7)	Tax	31.9	55.3	(42.3)
24.1	50.9	(52.7)	PAT	77.4	167.8	(53.9)
0.47	1.61	(70.8)	EPS (Diluted & non-annualized) (Rs.)	1.65	5.36	(69.2)

Management Comment

Commenting on the performance, Mr. Rajinder Gupta, Chairman at Trident Group said:

“Trident continues to make progress on several strategic initiatives undertaken over the last couple of quarters. The results in Q3 are a reflection of the challenges faced by the textile industry in terms of volatile cotton costs vis-à-vis lower yarn realizations which impacted earnings. Now, with new cotton available at lower levels, we expect margins to normalize from Q4 onwards. Besides, our focus on the Home Textiles division will further accentuate our ability in mitigating the volatility impact on the business.

The outlook remains robust given improved consumption trend and our focus on brand awareness and introduction of new products. Increased penetration in the domestic markets combined with enhanced utilization rates from new capacities would further aid growth and profitability. These combined with measures to strengthen our balance sheet and prudent financial management should hold us in good stead to further consolidate our position in the industry and enable us to deliver sustainable financial performance going forward.”



Financial Highlights

Business Highlights

Strategy

About Us and Investor Contacts



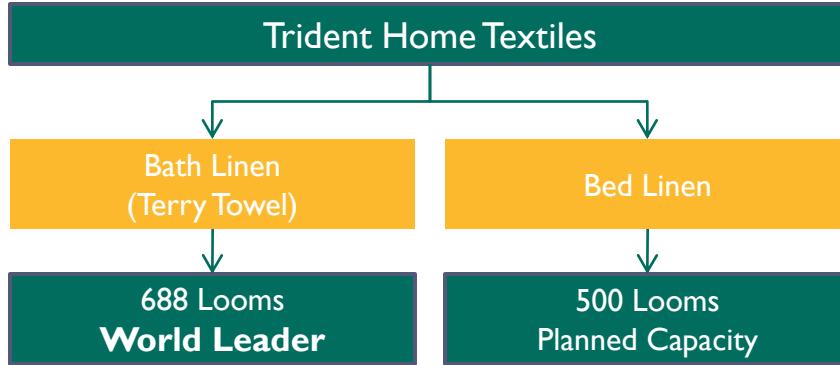
TRIDENT
Everyday
Towel Collection

TRIDENT
HOME
Essentials
Premium Towels

TRIDENT
CLASSIC
Super Soft, Super Absorbent

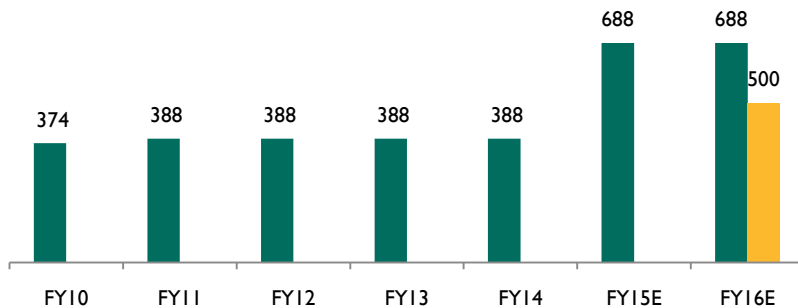
TRIDENT
Indulgence

One of the World's Largest Integrated Home Textile Manufacturers

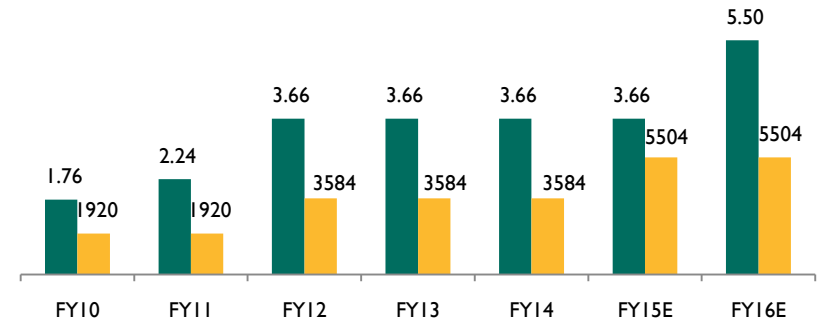


- Fully integrated home-textile operations with terry towel capacity of 360 million pieces of towel per annum
- Composite Bed Linen Project is under implementation & expected to be commissioned by Sep. 2015
- Implemented the world's largest terry towel project at a single facility
- One of the largest cotton yarn spinning capacity in India with 3.66 lac spindles capable of producing 8,400 MT/month of cotton and blended yarn

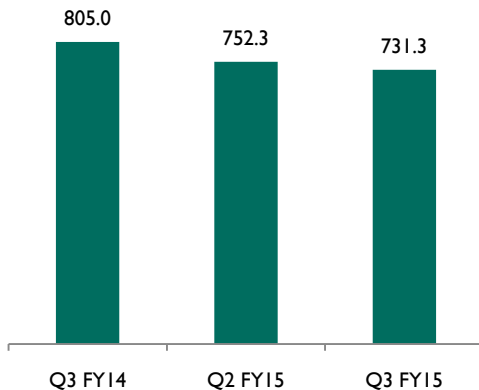
■ Terry Towel Looms ■ Bed Linen Looms



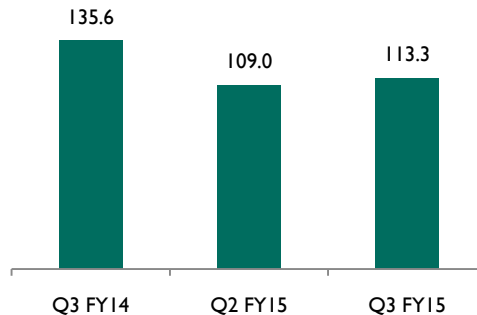
■ Spindles (Lacs) ■ Rotors



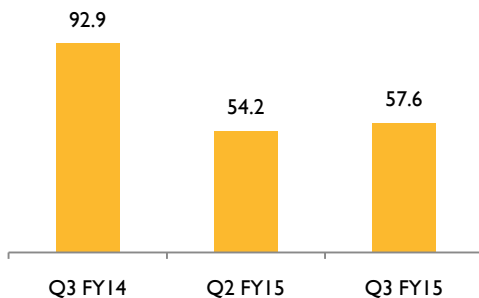
Revenues (Rs. crore)



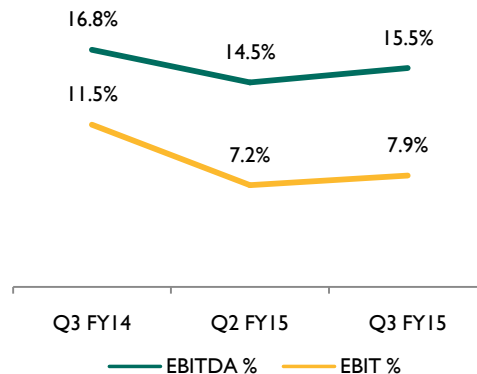
EBITDA (Rs. crore)



EBIT (Rs. crore)



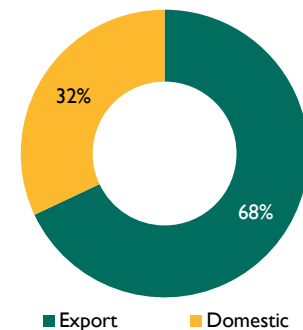
Margin (%)



Quarterly Financial Highlights

Improvement in margin profile resultant to healthy margins in Terry Towel business

**9M FY15
Export : Domestic Mix**



Textile Brands



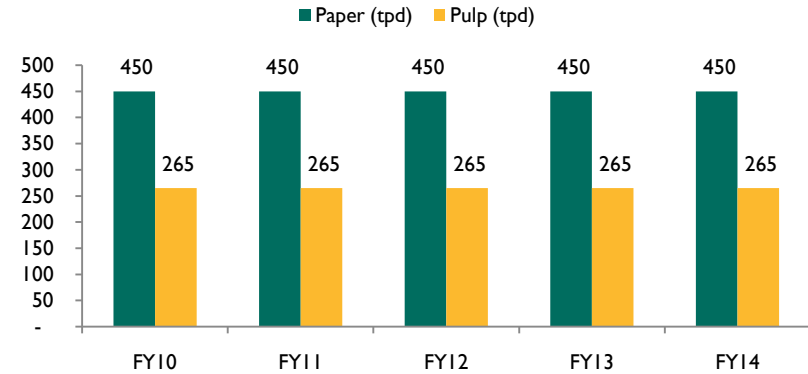
Q3 FY15 Performance Overview & Outlook

- /// Topline at Rs. 731.3 crore compared to Rs. 805.0 crore in the corresponding quarter last year
 - Declining Yarn realizations moderated topline growth, partly offset by growth in Terry Towel
- /// Sustained focus on expanding customer base
 - Ramped up business volumes in New Markets – Kolkata & Central India
 - Added new multi brand outlets to expand customer base in domestic market
 - Brand presence expanded to more than 100 multi brand outlets across India
- /// Market research and segmentation drive new product launches in the domestic market
 - New look and launch of own brands like Trident Everyday, Trident Home Essentials, Trident Classic, etc. to enhance product branding – these products are receiving encouraging response
 - Leveraging R&D to enhance the proportion of value-added products to the overall product mix
- /// Increased presence on online portals reaching direct customers – increasing traction in the e-commerce segment and Channel market spread pan-India
 - Expanding sales through e-commerce in domestic and international market



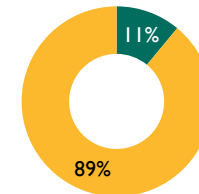
World's Largest Wheat Straw-based Paper Manufacturer

- Agro-residue (wheat straw) and ECF pulp used to manufacture paper
- Customers across 40 countries including India, Middle East, Africa, US, Latin America and UK, among others
- Energy-saving operations initiated to reduce power consumption



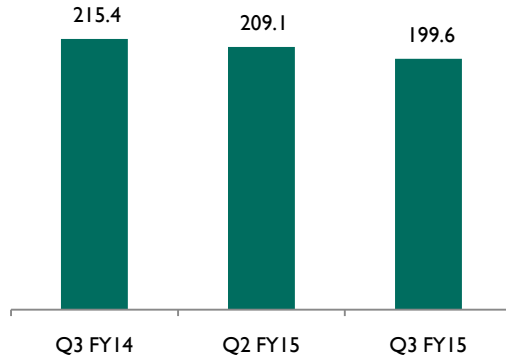
Product Portfolio	Trident Brands	GSM	Brightness
	Royal Touch	80	90%
	Spectra	75	88%
	Eco Green	75	90%
	Natural	72	86%
	My Choice	70	87%

9M FY15
Export : Domestic Mix

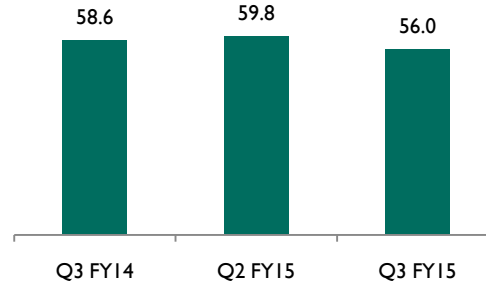


■ Export ■ Domestic

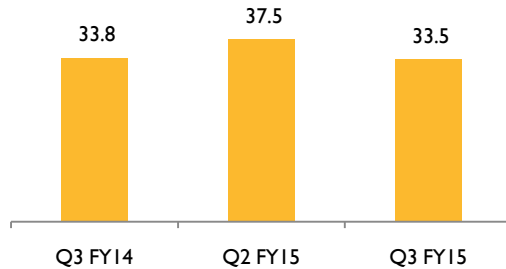
Revenues (Rs. crore)



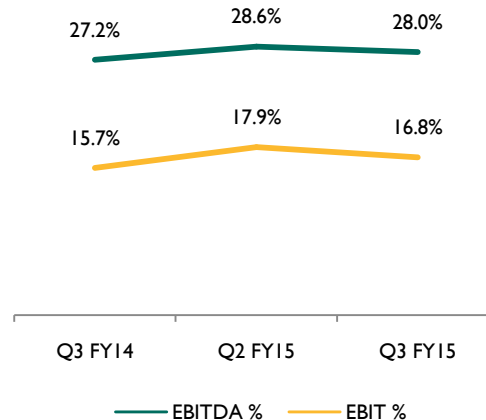
EBITDA (Rs. crore)



EBIT (Rs. crore)



Margin (%)



Quarterly Financial Highlights

Improvement in margins resultant to enhanced contribution from valued-added copier segment

Q3 FY15 Performance Overview & Outlook

- ✔ Topline stood at Rs. 199.6 crore vis-à-vis Rs. 215.4 crore in Q3 FY14
- ✔ EBITDA margin improved by 80 bps to 28.0% as compared to Q3 FY14 – result of focus on enhancing contribution from copier segment
- ✔ Trident Scholarship scheme launched to improve the presence and increase pull from End Consumers
- ✔ Improvement in average GSM to achieve higher profitability by increasing operational efficiencies
- ✔ Improvement in service aspect to achieve price premium vis-à-vis competition
- ✔ Focus on institutional orders for longer runs, thereby improving productivity



Financial Highlights



Business Highlights



Strategy



About Us and Investor Contacts

Strategy

Continuous Improvement

- Business excellence activities like Kaizen, TQM, TPM, 5S, Change Management to have lean manufacturing resulting in efficient usage of technology
- TPM Policy has been formulated across the organization to achieve zero accidents, zero defects and zero breakdowns

Focus on value-added Products

- Innovation in design and product development of textile and paper products
- Patented technologies for superior quality Air Rich™ towels for better functionality and aesthetics
- Paper division geared towards high margin copier segment

Brownfield Expansion

- 38,802 TPA of additional cotton yarn capacities to meet captive demand
- Sheeting unit in Budni with 500 looms
- Capital outlay reduced due to incentive schemes by central and state governments

Strategy

Focus on Cost Efficiencies

- ✓ Captive Power capacities – one of the lowest ratio of power cost to revenue
- ✓ Leverage existing relations with suppliers in India, China & Egypt for supply of quality cotton at competitive prices

Entry in New Markets

- ✓ Continuous focus on spreading customers geographically
- ✓ Successfully entered new markets like UK, Italy, France, Japan, Australia, South Africa and Canada

Branding Strategy

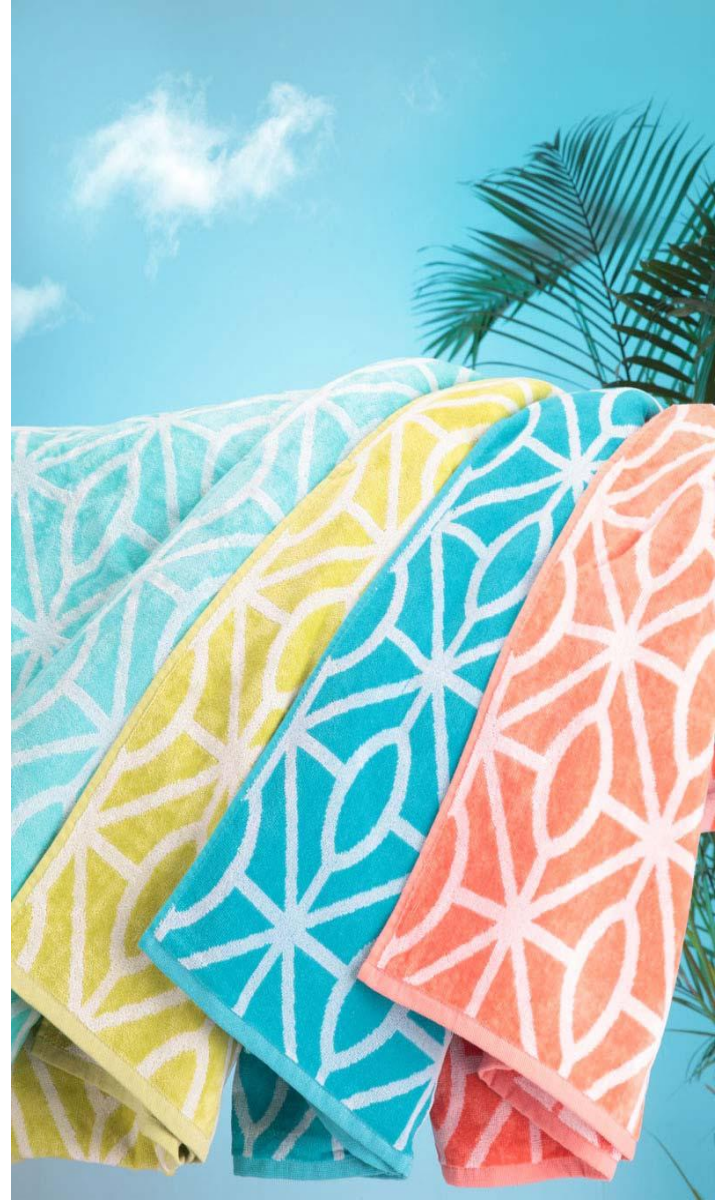
- ✓ Focus on aggressive branding strategy to percolate home textile product in premium customer segment

Geographical Diversification

- ✓ Locational advantage (M.P. being closer to ports), State Government incentives (mega project incentives), captive power plant (reduction in power cost) to make operations cost effective resulting in improved profitability

Post Expansion Facilities

Business		Operations	
Division	Product	Existing	Post ongoing expansions
Textiles	Terry Towels	688 Looms	688 Looms
	Bed Linen	---	500 Looms
	Yarn	3.66 Lac Spindles	5.50 Lac Spindles
		5,500 Rotors	5,500 Rotors
	Dyed Yarn	6,825 TPA	6,825 TPA
Paper & Chemicals	Paper	175,000 TPA	2,00,000 TPA
	Chemicals	100,000 TPA	100,000 TPA
Energy	Captive Power	50 MW	110 MW





Financial Highlights

Business Highlights

Strategy

About Us and Investor Contacts



About Us

Trident Limited is the flagship Company of Trident Group, a USD 1 billion Indian business conglomerate and a global player. Headquartered in Ludhiana, Punjab, Trident is the largest terry towel and wheat straw based paper manufacturer in the world. With the establishment of the state-of-the-art manufacturing processes and systems coupled with appropriate human capital and credentials, Trident has frequently received accolades from its patrons in recognition for delivering high quality standards and for its customer-centric approach.

The Company operates in two major business segments: Textiles and Paper with its manufacturing facilities located in Punjab and Madhya Pradesh. Trident's customer base spans over more than 75 countries across 6 continents and comprises of global retail brands like Ralph Lauren, Calvin Klein, JC Penney, IKEA, Target, Wal-Mart, Macy's, Kohl's, Sears, Sam's Club, Burlington, etc. With export turnover accounting for about 50% of total sales of the Company, Trident Group has emerged as one of the world's largest integrated home textile manufacturer.

Awards and Accolades

... recognized by the world

- /// 4 times **Wal-Mart** Supplier of the Year Awards
- /// 3 times **JC Penney** Awards (Best Supplier, Innovation & Quality)
- /// 2 **Ikea** Quality and Sustainability Awards
- /// 3 **Corporate Governance** Awards
- /// 9 **Texprocil** Export Performance Awards
- /// **Niryat Shree** – FIEO Awards



Investor Contacts

For more information about us, please visit www.tridentindia.com

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