

TITAN INDUSTRIES LIMITED

PRESS RELEASE

31st July 2012

Titan Industries Ltd. – Income grows by 9.2% and net profit up by 8.8% in Q1

Titan Industries Ltd. announced that its sales income grew from Rs.2020.51 crores last year to Rs.2205.65 crores in Q1, the profit after tax for the same period grew by 8.8% to Rs.156.09 crores from Rs.143.51 crores last year. The Company's PBT stands at Rs.212.22 crores in Q1 as against Rs.196.76 crores during the same period last year, registering a growth of 7.9%

All businesses of the Company have recorded growth in first quarter. Jewellery income in Q1 was Rs.1775.53 crores, a growth of 7.8% over last year's income of Rs.1647.11 crores. Gold in rupee terms touched its peak at Rs.3067 per gram of 24Kt. during this quarter thus affecting the growth of jewellery. The watches business recorded an income of Rs.360.69 crores as against Rs.315.39 crores last year in Q1, a growth of 14.4%. The reduction in wedding dates during the quarter has also affected both watches and jewellery. The Company's other businesses, Eyewear, Precision Engineering and Accessories grew by 15.7% to Rs.89.62 crores. The Precision Engineering Division continued its momentum of last year and the business outlook looks positive with enhanced interest from overseas clients.

The company's youth brand, Fastrack launched a successful collection in sunglasses called "Eye Sport" and also introduced girls' summer bags and 'His and Her' collections. In international markets, the Company launched a successful "Search for the Face of Titan" campaign in Vietnam and sponsored a high profile marathon in Kuala Lumpur.

The Company maintained the momentum of retail expansion across all its business of 1.08m sq.ft nationally. The Titan Industries retail chain is 847 stores strong, as on 30th June 2012 and is expanding with growth plans in place for all its retail businesses – watches and accessories, jewellery and eyewear.

Mr. Bhaskar Bhat, Managing Director of the Company stated that "The first quarter has been disappointing by way of sales growth due to several factors leading to a weak consumer sentiment. Consumer response was good only to discount offers thereby impacting margins, specially in watches and eyewear. Looking ahead, factors like high inflation, a weak rupee and poor monsoon are likely to have an adverse impact on our targeted growth but Titan Industries will leverage the strength of its brands and maintain its investments in brand building, retail network expansion and new product introductions to infuse confidence in consumers."



S. Ravi Kant
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