

Pennar records highest-ever consolidated Gross Sales of Rs 1,446.5 Crores; +11.7% YoY
EBITDA growth of 30.9% YoY to Rs 117.5 crores
PAT growth of 38.4% YoY to Rs 35.9 crores
Cash PAT up by 28.4% YoY at Rs 62.5 crores

Hyderabad, May 13, 2015: Pennar Industries Limited is one of India's leading industrial organizations offering specialized, engineered steel solutions announced today their unaudited financial results for the quarter ended 31st March, 2015.

Commenting on the results and performance, Aditya Rao, – Vice-Chairman & Managing Director, Pennar Industries Limited, said, "It has been a robust quarter with continued focus on improving margins. We have added several new products this year and progressively moved to higher margins in each vertical. In this past year, we have successfully widened our customer base in every vertical, all the while ensuring that receivables from these customers conform to our policies. Our achievements this year include expansion of some manufacturing lines in record time, improvement in productivity and margins across product categories, and expanding our customer base into new geographies."

CONSOLIDATED FINANCIAL HIGHLIGHTS:

	Q4		y-o-y	Q3	q-o-q	Year		y-o-y
(Rs. Crore)	FY2015	FY2014	Growth (%)	FY2015	Growth (%)	FY15	FY14	Growth (%)
Gross Sales	415.3	367.6	13.0%	349.1	19.0%	1,446.5	1,294.6	11.7%
Net Sales	366.7	321.0	14.2%	306.4	19.7%	1,267.5	1,124.9	12.7%
EBITDA	45.2	30.1	50.3%	25.6	76.4%	117.5	89.8	30.9%
EBITDA Margin (%)	12.3%	9.4%		8.4%		9.3%	8.0%	
Cash Profit	22.7	14.3	59.3%	14.7	54.3%	62.5	48.7	28.4%
Cash Profit Margin (%)	6.2%	4.4%		4.8%		4.9%	4.3%	
Net Profit	16.0	7.4	115.9%	7.7	108.1%	35.9	25.9	38.4%
Net Profit Margin (%)	4.4%	2.3%		2.5%		2.8%	2.3%	
Basic EPS (Rs)	1.33	0.60	121.9%	0.64	108.0%	2.98	2.14	39.4%

SEGMENT FINANCIALS FOR STANDALONE:

	Sales					EBITDA					EBITDA Margin (%)		
(Rs. Crore)	Q4		y-o-y	Q3	q-o-q	Q4		y-o-y	Q3	q-o-q	Q4		Q3
	FY15	FY14	Growth (%)	FY15	Growth (%)	FY15	FY14	Growth (%)	FY15	Growth (%)	FY15	FY14	FY15
Steel Products	89.9	106.8	(15.8)%	98.9	(9.1)%	6.6	5.3	24.3%	6.2	6.3%	7.3%	5.0%	6.2%
Tubes	35.8	34.5	3.9%	32.8	9.1%	2.7	1.4	95.7%	2.3	18.4%	7.7%	4.1%	7.1%
Industrial Components	17.8	14.3	24.7%	15.7	13.8%	2.8	2.1	35.2%	2.2	29.0%	15.9%	14.7%	14.0%
Systems and Projects	81.7	34.2	139.0%	48.3	69.4%	11.3	4.2	167.9%	5.5	104.5%	13.8%	12.3%	11.3%
Scrap	9.0	11.2		9.4									
Total Standalone	234.3	201.0	16.6%	205.0	14.3%	23.4	12.9	81.6%	16.2	44.4%	10.0%	6.4%	7.9%

PENNARINDUSTRIESLIMITED

Floor: 3, DHFLVC Silicon Towers

Kondapur, Hyderabad - 500 084, Telangana

CIN : L27109AP1975PLC 001919

www.pennarindia.com

BUSINESS HIGHLIGHTS FOR Q4FY15:

Systems & Projects: Q4 opened with an Order Book of Rs 124 Cr and sales worth Rs 41 crores were concluded in Q4FY15. Financial year 2015-16 has begun with an opening Order Book of Rs. 83 Crores. Repeat orders were received from ICF and Wagon Builders. A new product - Modular Frames & Cross Members for LHB Coach Applications - was added and supplied to ICF, Chennai. With the new bay at Pennar's Chennai plant coming onstream, we expect the revenue in this segment to increase. Going forward, several tenders are also in the pipeline.

Industrial Components: Several new products were added and business with existing customers was expanded. This vertical's business with Wabco recorded a growth of 5%. The Honda cup project with INEL began and a Pilot supply was completed. Growth of business with Endurance at 17% over last year. Going forward, in the automotive space, the company intends to identify global sourcing and deemed export opportunities. In the White Goods segment, the goal is to sustain the current base and identify new customers for the next level. We intend to identify sub-assembly opportunities by leveraging our capabilities of fabrication & pressed components. In the Hydraulics cylinders segment, several bulk orders were received in this quarter.

Tubes: There was a concerted effort in moving to higher-margin products like CDW. The ongoing capital expenditure in this vertical has been completed. In this quarter, the overall cost of manufacturing was reduced by Rs. 460/MT. Going forward, several new products are being developed for all types of commercial vehicles. Trials for products like Front Fork, Shocker Tube Inner, Propeller shaft York Tube, Tie-rod have begun.

Steel Products: We have increased our focus on special grades and these have yielded higher margins. The steel vertical secured major repeat orders from Thermax limited, Cethar limited and Hamon Research Cottrell. Going forward, additional capital expenditure is planned for increasing the production of special grade products.

Pennar Enviro (PEL): As of March 31, 2015, PEL's order book stood at Rs. 57.6 Crores with over 90% of this in the Projects segment. 35% of Q4FY15 revenues came from new customers. Going forward, we hope to double growth in FY16. We already have a sizeable order book in Projects. We will likely add more in O&M through our partners and other large EPC companies. In the Chemicals segment, we expect to get large orders.

Pre-Engineered Buildings (PEBSL): Pennar Engineered Building Systems Ltd ("PEBS") has filed a Draft Red Herring Prospectus with SEBI on 27th March 2015. As per ICDR guidelines, nothing outside of the DRHP of PEBS may be mentioned in this release.

ABOUT PENNAR INDUSTRIES LIMITED:

Pennar Industries (NSE: PENIND, BSE: 513228) is one of India's leading industrial organizations offering specialized, engineered steel solutions. The Company has a strong presence across growth sectors in India through four business units, Steel Products, Tubes, Industrial Components and Systems & Projects, and two subsidiary companies, Pennar Engineered Building Systems Limited and Pennar Enviro Limited. All of Pennar's manufacturing units are ISO 9001:2008-certified and the Company has presence across 10 industry verticals. Pennar has over 30 years of rich experience and more than 1,000 precision engineered products, 2,500 tools and dies, over 600 customers and six manufacturing plants located at Patancheru, Sadashivpet, Isnapur and Mallapur near Hyderabad, Chennai in Tamil Nadu and Tarapur in Maharashtra.

For more information, please visit www.pennarindia.com

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For further enquiries, please contact:

Pennar Industries

investorrelations@pennarindia.com

Disclaimer:

This release contains statements that contain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Pennar’s future business developments and economic performance. While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macroeconomic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Pennar undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.

Q4FY15 CONFERENCE CALL INVITATION:

Dolat Capital will host the Q4FY15 conference call of the Pennar Industries on May 14, 2015 at 10:30 am.

Details are given below –

Primary Number:	+91 22 6746 5816
Secondary Number:	+91 22 3938 1006
International Toll Free Numbers:	USA : 1 866 746 2133 UK : 0 808 101 1573 Singapore : 800 101 2045 Hong Kong : 800 964 448
Date:	Thursday, 14 May 2015
Time:	10:30 AM to 11:30 AM

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