

## ESCORTS

### PRESS RELEASE

### **ESCORTS FY10 NET PROFIT UP 53 % AT ₹ 137.5 CRORE**

- **Annual sales at Rs 2745.7 crore, up 27 per cent**
- **EBIDTA for FY10 increases by 16% to Rs 231.2 crore**
- **Profit Before Tax at ₹188 crore**

**New Delhi, November 29, 2010:** Escorts Limited today reported a Net Profit of Rs.137.5 crore for the financial year 2009-10 ending September 30, 2010, registering an increase of 53.3 per cent from Rs.89.7 crore for the financial year of 2008-09. The company increased its Profit Before Tax (PBT) by 69.3% Year on Year (YoY) to Rs.188 crore from Rs.111 crore. Net Sales grew 27% to Rs.2745.7 crore as against Rs.2157.7 crore registered in the last fiscal. EBIDTA for the financial year grew by 16.8% to Rs.231.2 crore from Rs.197.9 crore registered in the previous fiscal. *Escorts Limited follows an October-September fiscal year.*

The Agri Machinery Division recorded revenue of Rs.2473.7 crore, up 30 per cent from Rs.1899.8 crore. Tractor volumes are up by 31.6% to 60,086 units against 45,627 units in the previous year. Of this, exports grew by 56% at 2,017 units against 1,291 units in previous year. The division has launched several new quality products; including India's first ever INVERTER TRACTOR and other high horse power tractors, which provide extra torque and better applicability to the Indian farmer. Further, the company has consolidated its position in the African market both at the retail and institutional level, with an order of 2000 tractors from the Government of Tanzania.

*Speaking on the results, Chairman and Managing Director Mr. Rajan Nanda said,* "Escorts continues its focus on financial prudence and leveraging of our engineering competence during the financial year. Substantial investments have been made in the Agri Machinery Division to further augment our product range. We are constantly aligning our products with emerging applications, to provide greater thrust for value-added farm mechanized solutions. The railway division is diversifying from the traditional rolling stock products to meet the emerging technology needs for faster trains and the Dedicated Freight Corridor Project. We are looking at green field projects in the auto component and railway space through technology alliances. The construction equipment business continues its focus on earthmoving machinery with the recent launch of DigMax –Back Hoe Loader and maintains its leadership position in the material handling equipment business of cranes and soil compactors."

**Mr. Nikhil Nanda, Joint Managing Director said,** "We continue to focus on creating an efficient business that builds and delivers higher value for all stakeholders. The focus on efficiencies has led our EBITDA to grow by 16.8%. Better liquidity and working capital management has resulted in reduction of interest cost by 75% from Rs.47crores to Rs.11.7crores. As we move ahead, our focus on cost rationalization and resource optimization initiatives will continue. Enrichment of our product mix in the three main business verticals will further add improvements in our net contribution, for the next year."

The audited accounts of 2009-10 ending September 2010 has been approved by the Board of Escorts Limited.

**Note for Editors: Escorts Limited follows an October-September fiscal year. The results reported are for the Full Fiscal October 1, 2009 to September 30, 2010.**

**For further information kindly contact:**

Ira Arora/ Bincy Pillai

Torque Communications Pvt Ltd.

Handphone: 9812 88862/ 9899644059

E-Mail I-D:

For **ESCORTS LIMITED**

Authorised Signatory

(RAJEEV DASS)