



PRESS RELEASE

ESCORTS CLOCKS 20% GROWTH IN SALES TO RS. 3,877.7 CRORE

EBIDTA up 23.1% at Rs. 182 crore

Standalone Net Profit at Rs. 89 crore

Escorts Agri Machinery EBIT up 20.7% at Rs. 226.6 crore

New Delhi, November 27, 2012: Escorts Limited today reported its first annual results of the post-merger entity. The company reported net sales of Rs. 3,877.7 crore, an increase of 20% over the previous fiscal's net sales of Rs. 3,210 crore. Escorts Limited reported a 23.1% increase in EBIDTA at Rs. 182.2 crore as against Rs. 148.1 crore in the previous fiscal. Net Profit stood at Rs. 69.6 crore.

The annual results for fiscal 2011-12 are post the completion of the process of merger of group companies Escorts Construction Equipment Limited ("**ECEL**"), Escorts Finance and Investments Private Limited ("**EFILL**") and Escotracs Finance Investments and Leasing Private Limited ("**Escotracs**") into Escorts Limited.

STANDALONE RESULTS

Escorts reported net sales of Rs. 3,179 crore whilst recording a 22% increase in EBIDTA at Rs. 180.6 crore. Net sales dipped marginally by 1.8%. Profit Before Tax rose from Rs. 100.6 crore last year to Rs. 107.3 crore in the current fiscal. The company reported a Net Profit of Rs. 89 crore as against Rs. 120 crore the previous fiscal. In the previous fiscal, the company's profits had benefited from a tax credit of Rs. 38 crore. Profits have also been impacted by increase in finance charges as a result of increase in deployment of working capital.

The standalone results are the performance of the company comparable to last year's results prior to merger (excluding ECEL, EFILL and Escotracs).

Escorts Limited follows an October-September fiscal year.

Speaking on the annual results, Chairman and Managing Director Mr. Rajan Nanda said, "The last fiscal was difficult and Escorts battled successfully against the market challenges both in the tractor and construction industry. Escorts has decided to take the path of driving growth by opening up markets and capturing market share while keeping a tight rein on costs. Further, the recent policy decision of allowing FDI in multi brand retail will help farmers become part of India's growth story, thereby driving mechanization. The outlook on the infrastructure and construction business continues to be difficult but the government's effort to revive growth is timely. The combined strength of the group implies greater flexibility to deal with down turns and to stay profitable in the toughest of market situations."

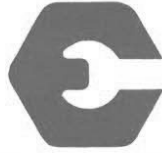
ESCORTS LIMITED

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Registered Office: SCO - 232, 1st Floor, Sector 20, Panchkula - 134109, (Haryana)



ESCORTS

The tractors division EBIT increased by 20.7% to Rs 226.6 crore from Rs 187.7 crore in the previous fiscal. The year saw a slowdown in tractor sales with volumes at 60,673, down 4.3 per cent, however company domestic market share stood at 11.7%. Escorts Agri Machinery revenue dropped marginally by 1.3 per cent at Rs 2,912 crore as against Rs 2,950 crore in the previous fiscal. Net revenue for Escorts Construction stood at Rs 749 crore as against Rs 827 crore in the previous fiscal, reflecting the overall shrinkage in industry. The Auto Products Division recorded sales growth of 16.3 per cent at Rs. 143.2 crore.

Mr. Nikhil Nanda, Joint Managing Director said, "The restructured Escorts Limited will be the transformation driver for Escorts Limited and will bring significant benefits to customers, shareholders and wider stakeholders. In FY 2012-13, the company has embarked on the process of becoming a large, collaborative engineering enterprise with seamless sharing and transfer of manufacturing best practices between divisions. To start with, the Agri Machinery division is driving introduction of new products every 6 months, which not only brings value to the customers but will significantly increase Escorts market share. The Construction division too is setting its sights on the near horizon, as the return of the construction boom is imminent due to pent up demand for infrastructure and housing projects.

GROUP CONSOLIDATED RESULTS

The company and its wholly owned subsidiaries recorded net sales of Rs. 4,050 crore as against Rs. 4,101 crore in the previous fiscal, a marginal decline of 1.2%. EBIDTA improved by 13.1 % from Rs. 167.5 crore to Rs. 189.5 crore. Profit Before Tax stood at Rs. 91.9 crore while Net Profit stood at Rs. 73.2 crore. Last year, the company had a tax credit of Rs. 38 crore which had bolstered its net profit to Rs 125 crore.

The audited accounts of 2011-12 ending September 2012 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, 2011 to September 30, 2012.

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