



PRESS RELEASE

ESCORTS' Q5 PROFIT UP OVER 62% AT RS. 45.6 CRORE

15 MONTH HIGHLIGHTS

Tractor volume at 85,277 as compared to 77,779 in last year same period.

Revenue at Rs. 5,308.6 crores as compared to Rs. 4,922.1 crores in last year 15mths

EBIDTA up by 42.6% vis-à-vis last year

Finance cost down by Rs 20.7 crores in the last 15 months

PBT at Rs. 239.8 crores in 15mths FY12-14

PAT increases 2.2 times, at Rs. 213.1 crore against PAT of Rs.97.7 crores last year same period

EPS for 15mths ended at Rs. 17.87 as compared to Rs 8.2

Q5 Tractor volumes sequentially up by 28% at 19,047 tractors

Revenue, correspondingly up by 12.8% at Rs. 1,159.6 crore

EPS for current qtr at Rs. 3.82 as compared to Rs 2.36

Extended year 15-month profit up by 118% to Rs 213 crore

EBIDTA for 15 months up by 42.6% at Rs 335.5 crore

New Delhi, January 27, 2014: Escorts Limited today reported an increase in net profit of 62% from Rs 28.1 crore last year to Rs. 45.6 crore in the fifth quarter of its extended financial year. The company reported a 118% growth in profit to Rs. 213.1 crore for the 15-month ended 31st December 2013 as against Rs. 97.7 crore in the same period last year. Escorts Limited has extended its financial year by 6 months i.e. up to 31st March 2014 as approved by the Board of Directors in their meeting held on 2nd October 2013. *The company is extending its financial year to align with the April-March fiscal calendar. Accordingly, financial year 2012-13 will close on March 31, 2014.*

The company recorded an increase of 9.6% in tractor volumes from 85,277 in the 15 months of the current year ending 30th December 2013 vis-à-vis 77,779 in last year same period. The increase in tractor volumes contributed to an increase of 7.8% in the revenue at Rs. 5,308 crore on 15 month basis and an increase of 12.8% in the revenue at Rs. 1,159.6 Cr in the current quarter.

Speaking on the results, Chairman Mr. Rajan Nanda said,

“Increase in volumes, better product mix, product enrichment and cost savings across all verticals have been the pillars of success for the last 15 months. Today, Escorts is strengthening its product portfolio to meet the aspirations of its customer base with higher dependency on mechanization and technology. The past 15 months have seen the Industry grow by about 14% with strong growth coming in from South and West markets. While these markets have not been the traditional strongholds of Escorts, the company has shown good growth of 8% in markets of North and East where it is strong.

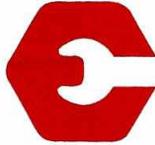
ESCORTS LIMITED

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



ESCORTS

The overall macro-economic factors, including crop prices, monsoons, crop production and government focus has helped in sustaining growth in the sector. We feel we shall continue on the growth path and improve on the basis of new products launched in the last two quarters. We continue to expect a growth of over 10% and are working towards further expanding our customer reach.”

Q5 HIGHLIGHTS

Tractor volume at 19,047 in as that of 14,842 in previous quarter

Revenue at Rs. 1,159.6 crores from Rs. 1,028.2 crores in corresponding qtr

EBIDTA correspondingly up from Rs. 53.0 crores to Rs. 71.0 crores in current quarter

Finance cost is at Rs. 15.5 crores as against Rs. 21.4 crores in corresponding qtr.

PBT at 56.8 crores as against Rs. 31.2 crores in corresponding quarter

PAT at Rs. 45.6 crores against PAT of Rs. 28.1 crores last year

EPS at Rs. 3.82 as compared to Rs 2.36 last year.

Mr. Nikhil Nanda, Managing Director added, “For the last 15 months and specifically for the last quarter, we have worked on strengthening our image and technology leadership by understanding our customer better. The new products, Farmtrac Executive Series & Powertrac Diesel Saver Plus EURO, are challenging the myth that a tractor needs only power and efficiency. We believe and are establishing that these are basic requirements and the farmer also looks at a tractor as more than a work tool – it is an aspirational and status statement as well. We have aggressively expanded our business across the globe. It was a proud moment when the Company launched its new range of Europe line and Heritage Series tractors at Hanover, Germany in November 2013. Our ambition is to globally create leadership positions in the tractor market below 100 horse power. Today, we at Escorts stand committed for doing it in the right way and in a manner that will help us to give India's best to the world and bring the world's best to India.”

SEGMENT WISE PERFORMANCE

Escorts Agri Machinery

Tractor volumes went sequentially up by 28.3% to 19,047 tractors in Q5 ending December 2013 as compared to 14,842 tractors in Q4 ending September 2013. Volumes were up by 11.4% as against 17,106 tractors in the quarter ended December 2012.

Escorts Construction Equipment

Despite a challenged economic environment that included delay in approval of projects, the Construction Equipment Volume went up sequentially by 11.5% to 737 units in Q5 ending

December 2013 as compared to 661 in Q4 ending September 2013.

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Escorts Auto Products

The Indian automobile industry is witnessing continued pressure owing to sustained deceleration in economic activity and consequent weakness in consumer and business sentiment. Overall industry slowdown has resulted in revenue of Rs. 29.4 Cr. in Q5 ending December 2013 as compared to Rs. 31.4 Cr. in Q4 ending September 2013.

Escorts Railway Products

Against a backdrop of stagnant growth in Indian Railways, Escorts Railway Products posted strong growth with sales increasing by 20.2% to Rs. 33.2 crore in Q5 ending December 2013 as compared to Rs. 27.7 crore in the corresponding quarter. The Order Book Position as on 1st Jan 2014 is Rs. 38 Cr. The Escorts' Air Brake System for BMBS Wagons has been performing satisfactorily in the field for the past 9 months and commercial benefits will start after approval by mid-2014.

The reviewed accounts of 15 months ended 31st December 2013 has been approved by the Board of Directors of Escorts Limited.

Note for Editors: Escorts Limited has extended its financial year by 6 months i.e. up to 31st March 2014 as approved by the Board of Directors in their meeting held on 2nd October 2013. The results reported are for 15 months ended 31st December 2013.

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