



SRF Limited

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For Immediate Release

SRF Q2 PAT rises by 26% at Rs. 59 crore

- Q2 turnover at Rs. 509 crore, a growth of 24%
- H1 Profit (Before finance related costs) at Rs. 224 crore, a growth of 42%
- Board approves Interim Dividend of Rs. 5 per share

New Delhi, 23rd October 2008: The domestic market leader in technical textiles and refrigerant gases and a preferred supplier of other fluorochemical products and polyester films, SRF Limited reported 26% growth in its net profit (Profit After Tax) at Rs. 59 crore for the second quarter of 2008-09 ended on 30th September 2008 over the corresponding period last year (CPLY) even as it absorbed losses related to foreign exchange fluctuations. SRF's profit prior to finance related costs (Interest & Finance Charges and Exchange Currency Fluctuations) improved by 42% to Rs. 224 crore during the first half of 2008-09 as against Rs. 158 crore recorded during CPLY.

Aided by improved realisations in its businesses and operational efficiencies the company's earnings (turnover) increased by 24% to Rs. 509 crore during July-September 2008 as against Rs. 412 crore during CPLY. The financial results of SRF were taken on record by SRF's Board in a meeting held this afternoon. The Board also approved an interim dividend at the rate of 50% amounting to Rs. 5 per share.

Reflecting on the financial performance of the company, **Mr. Ashish Bharat Ram, Managing Director, SRF Limited**, explained: "It is heartening to note that our Technical Textiles and Packaging Film Businesses have shown significant improvements in performance. While prevailing economic downturn is likely to continue for sometime, we expect to maintain our performance going forward."

PERFORMANCE OVERVIEW

SRF recorded 20% growth in revenues at Rs. 983 crore during the first Half of 2008-09 as against Rs. 818 crore recorded during CPLY. However, the company's net profit for the first six months of the current financial year increased marginally to Rs. 105 crore over Rs. 103 crore recorded during the same period last year. The company's EBIDT during Q1 and H1 of 2008-09 increased by 51% and 34% respectively to Rs. 149 crore and Rs. 271 crore as against Rs. 99 crore and Rs. 203 crore recorded during CPLY.

The sales and operating profits of TTB products, which accounts for more than 50% of the company's revenue, grew by 20% and 573% respectively during the second quarter of 2008-09 over CPLY. The earnings from the sales of CERs continued to be consistent during the period. The operating profit of polyester films from the company's Packaging Films Business (PFB) recorded a growth of 293% along with 54% growth in sales during

the same period. The company stepped up the sales of polyester films by 15% in the domestic market and 19% in the overseas market during April – September 2008 over CPLY.

Acquisitions

Earlier during the second quarter of the year, the company through its wholly-owned subsidiary acquired two foreign companies - Thailand based Thai Baroda Industries Limited (TBIL), a manufacturer of nylon tyre cord, and South Africa based Industex Technical Textiles (Pty) Limited, a manufacturer of belting fabrics.

About SRF Limited

SRF Ltd, a leading industrial group, manufactures Technical Textiles, Fluorochemicals, Packaging Films and Fluoro Specialities. Commencing operations in 1974, SRF today operates from eight plant locations in India and abroad and has attained market leadership position in Nylon Tyre Cord Fabric (3rd largest manufacturer of Nylon6 tyre cord in the world & approx 36 per cent market share in India), Belting Fabrics (3rd largest in the world & approx 60 per cent market share in India), Refrigerant Gases (approx 40 per cent market share in India) and Chloromethane. Currently, SRF's products cater to industrial customers in more than 60 countries globally. SRF's relentless focus on TQM techniques has resulted in the company winning the prestigious Deming Application Prize in 2004 for the erstwhile Industrial Synthetics Business of SRF (now integrated with Technical Textiles business), the first nylon tyre cord company outside Japan to be awarded this prize.

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