

Press Release

27<sup>th</sup> June, 2007

**Himatsingka Seide Ltd's Consolidated Revenues up 38.48% at Rs 244.58 crores  
Consolidated Sales up 29.23% at Rs 209.11 crores**

**Consolidated Financial performance (Year ended 31st March, 2007)**

- Total revenues (including other income) increased to Rs 244.58 crores, 38.48% higher as compared with Rs 176.62 crores in the previous year.
- Net profits were higher by 26.33% at Rs 61.43 crores (FY 2005-06 Rs 48.63 crores).

The consolidated results include the results of Giuseppe Bellora SpA, Italy. Himatsingka had completed the acquisition of a 70% stake in Bellora on 20<sup>th</sup> February, 2007 for an equity consideration of Euro 11.51 million.

Founded in 1881, Giuseppe Bellora SpA is a leading distributor of bed linen products and owns the prestigious "BELLORA" brand. BELLORA is amongst the most recognized luxury brands in Europe and distributes its products through owned and franchised retail stores, high end departmental stores, multi brand outlets and other wholesale distribution channels.

The acquisition of BELLORA is in line with the Himatsingka strategy to acquire distribution strengths in the European Union and United States markets in the home textile space. Going forward, there will be synergies between the new bed linen facility and Bellora, Italy.

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### **Standalone Financial performance (Year ended 31st March, 2007)**

- Himatsingka Seide Ltd's Sales turnover up 15.83% at Rs. 174.16 crores as compared to Rs. 150.36 crores in the previous year.
- Total revenues (including other income) increased to Rs. 201.22 crores, 22.19% higher as compared with Rs 164.67 crores in the previous year.
- Net profits were higher by 13.05% at Rs 54.61 crores (FY 2005-06 Rs 48.31 crores).
- Cash profits at Rs. 68.65 crores (FY 2005-06 Rs. 62.06 crores).
- Earnings per share at Rs 5.60 (FY 2005-06 Rs 5.87).
- Together with the interim dividend of Rs 1.25 per share distributed in November and the 2<sup>nd</sup> interim dividend of Rs. 1.25 per share distributed in March 2007, the total dividend for the year is 50% (Rs 2.50 per share).
- Trial production is currently on at the Hassan Bed Linen manufacturing facility.

### **Retail Business - ATMSOPHERE**

- Total revenues grew by 52.7% to Rs 25.91 crores
- Profit after tax stands at Rs 2.53 crores as compared to Rs 1.02 crores in FY 2005-06.
- ATMOSPHERE that operates 11 stores across India, successfully launched its first international store in Dubai, UAE in May 2007.

### **Bed Linen manufacturing facility**

The Rs 400 crore bed linen manufacturing project at Hassan Special Economic Zone, Karnataka has commenced trial production and is likely to begin commercial production in July 2007.

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Audited Results	Rs Lakhs				
	9 Months Ended 31.12.2006	Quarter Ended 31.03.2007	Quarter Ended 31.03.2006	Year Ended 31.03.2007 (Audited)	Year Ended 31.03.2006 (Audited)
Net Sales	13,099.00	<b>4,317.35</b>	3,782.19	<b>17,416.35</b>	15,036.15
Other Income	1,993.04	<b>712.61</b>	573.27	<b>2,705.65</b>	1,431.06
<b>Total Revenue</b>	<b>15,092.04</b>	<b>5,029.96</b>	<b>4,355.46</b>	<b>20,122.00</b>	<b>16,467.21</b>
Consumption of Raw materials	5,442.98	<b>1,637.41</b>	1,504.18	<b>7,080.39</b>	5,278.36
(Increase)/Decrease in Stock	(976.56)	<b>1.81</b>	(212.23)	<b>(974.75)</b>	(441.14)
Personnel Expenses	1,662.09	<b>859.56</b>	575.59	<b>2,521.65</b>	1,831.67
Manufacturing Expenses	1,244.14	<b>382.83</b>	401.39	<b>1,626.97</b>	1,547.21
Admn., Sales & Other Expenses	1,468.74	<b>855.94</b>	453.32	<b>2,324.68</b>	1,644.50
Total Expenditure	8,841.39	<b>3,737.55</b>	2,722.25	<b>12,578.94</b>	9,860.60
<b>PBIDT</b>	<b>6,250.65</b>	<b>1,292.41</b>	<b>1,633.21</b>	<b>7,543.06</b>	<b>6,606.61</b>
Interest	33.58	<b>11.14</b>	11.06	<b>44.72</b>	114.90
Depreciation	1,098.44	<b>305.99</b>	318.45	<b>1,404.43</b>	1,375.17
<b>Profit Before Tax</b>	<b>5,118.63</b>	<b>975.28</b>	<b>1,303.70</b>	<b>6,093.91</b>	<b>5,116.54</b>
Provision for Taxation	548.00	<b>85.00</b>	120.50	<b>633.00</b>	286.00
<b>Net Profit</b>	<b>4,570.63</b>	<b>890.28</b>	<b>1,183.20</b>	<b>5,460.91</b>	<b>4,830.54</b>
Paid up Equity Share Capital	4,871.66	<b>4,871.66</b>	4,871.66	<b>4,871.66</b>	4,871.66
Face value of each share (Rs)	5.00	<b>5.00</b>	5.00	<b>5.00</b>	5.00
Reserves				<b>55,238.88</b>	52,489.53
Dividend	1,217.91	<b>1,217.92</b>	1,217.92	<b>2,435.83</b>	2,435.83
Dividend per share (Rs)	1.25	<b>1.25</b>	1.25	<b>2.50</b>	2.50
Basic & Diluted EPS (Rs) (Non Annualised)	4.69	<b>0.91</b>	1.21	<b>5.60</b>	5.87
Aggregate of Public Shareholding					
- No of shares	48,042,983	<b>48,042,983</b>	44,768,768	<b>48,042,983</b>	44,768,768
- % of holding (to total shareholding)	49.31	<b>49.31</b>	45.95	<b>49.31</b>	45.95

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Segment Reporting

	9 Months Ended 31.12.2006	Quarter Ended 31.03.2007	Quarter Ended 31.03.2006	Year Ended 31.03.2007 (Audited)	Year Ended 31.03.2006 (Audited)
<b>1. Segment Revenue</b>					
a) Home Textiles	11,258.39	<b>3,644.78</b>	3,025.75	<b>14,903.17</b>	12,569.37
b) Yarn	2,358.58	<b>853.98</b>	879.86	<b>3,212.56</b>	2,940.95
Total	13,616.97	<b>4,498.76</b>	3,905.61	<b>18,115.73</b>	15,510.32
Less: Inter Segment Revenue	517.97	<b>181.41</b>	123.42	<b>699.38</b>	474.17
<b>Net Sales/Income from Operations</b>	13,099.00	<b>4,317.35</b>	3,782.19	<b>17,416.35</b>	15,036.15
<b>2. Segment Results:</b>					
Profit(+)/ (Loss)(-) before tax and interest					
a) Home Textiles	3,760.62	<b>939.27</b>	964.44	<b>4,699.89</b>	4,471.65
b) Yarn	197.00	<b>42.05</b>	8.58	<b>239.05</b>	187.70
Total	3,957.62	<b>981.32</b>	973.02	<b>4,938.94</b>	4,659.35
Less : Interest	33.58	<b>11.14</b>	11.06	<b>44.72</b>	114.90
Add: Other un-allocable income net of un-allocable expenditure	1,194.59	<b>5.10</b>	341.74	<b>1,199.69</b>	572.09
<b>Total Profit Before Tax</b>	5,118.63	<b>975.28</b>	1,303.70	<b>6,093.91</b>	5,116.54
<b>3. Capital Employed (Segment assets – Segment Liabilities)</b>					
a) Home Textiles	30,324.11	<b>40,279.98</b>	14,322.04	<b>40,279.98</b>	14,322.04
b) Yarn	2,445.64	<b>2,216.70</b>	2,563.64	<b>2,216.70</b>	2,563.64
c) Other Un-allocable Corporate assets	27,773.36	<b>17,613.86</b>	40,475.51	<b>17,613.86</b>	40,475.51
<b>Total</b>	60,543.11	<b>60,110.54</b>	57,361.19	<b>60,110.54</b>	57,361.19

- Trial production at the Hassan Bed-Linen facility has commenced.
- During the quarter, the Company completed the acquisition of a 70% stake in Guiseppe Bellora SpA, Italy.
- There were no pending investor complaints at the beginning of the quarter. During the quarter ended March 31, 2007, the Company received 43 Investor Complaints, which have been attended and no complaints remain unresolved as on 31st March 2007.

- Previous years/quarters figures have been regrouped/recast, wherever necessary

Chennai  
Date: 26.06.2007

**Dinesh Himatsingka**  
**Managing Director**

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**Consolidated Audited Results**

	Year ended 31.03.2007	Year ended 31.03.2006
Net Sales	20,911.29	16,180.76
Other Income	3,546.88	1,481.02
<b>Total Revenue</b>	<b>24,458.17</b>	<b>17,661.78</b>
Consumption of Raw materials	9,190.43	5,593.14
(Increase)/Decrease in Stock	(1,738.61)	(550.64)
Personnel Expenses	3,352.55	2,122.61
Manufacturing Expenses	1,677.95	1,608.63
Admn. Sales and Other Expenses	3,310.38	2,102.38
Total Expenditure	15,792.70	10,876.12
<b>PBIDT</b>	<b>8,665.47</b>	<b>6,785.66</b>
Interest	96.41	114.99
Depreciation	1,570.09	1,502.33
Profit Before Tax	6,998.97	5,168.34
Provision for Taxation	687.53	305.83
<b>Profit After Tax and before Minority Interest</b>	<b>6,311.44</b>	<b>4,862.51</b>
Minority Interest	168.44	-
<b>Net Profit</b>	<b>6,143.00</b>	<b>4,862.51</b>
Paid up Equity Share Capital	4,871.66	4,871.66
Face Value - (Rs)	5.00	5.00
Reserves	54,585.75	52,142.84
Dividend	2,435.83	2,435.83
Dividend per Share (Rs)	2.50	2.50
Basic & Diluted EPS (Rs)	6.30	5.91
Aggregate of Public Shareholding		
- No. of shares	48,042,983	44,768,768
- % of holding (to total shareholding)	49.31	45.95

The above consolidated financial results include figures in respect of its subsidiaries, Himatsingka Wovens Pvt Ltd, Himatsingka America Inc, Twill & Oxford LLC, Giuseppe Bellora SpA, BP Venture srl, Giuseppe Bellora America Inc, Interbrand srl and BP Venture Portugal LDA . GBT SrL (a subsidiary of Giuseppe Bellora SpA) has not been considered for consolidation, since it is under liquidation.

Chennai  
Date: 26.06.2007

Dinesh Himatsingka  
Managing Director

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