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Rama Steel Tubes Ltd.

Manufacturers & Exporters : ERW Steel Tubes (Black & Galvanised)

CIN : L27201DL1974PLC007114

Regd. Office

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Media Release

Strong Growth Across Product Segments

Revenue at Rs. 66.78 crore, YoY growth of 41%

EBITDA at Rs. 6.01 crore, YoY growth of 44%

EBITDA Margin at 9%, Increase of over 23bps on YoY

PAT at Rs. 2.63 crore, YoY growth of 61%

PAT Margin at 4%, Increase of over 50bps on YoY

Mumbai, February 10, 2017: Rama Steel Tubes Limited (BSE: 539309, NSE: RAMASTEEL), a leading player in the manufacturing of ERW pipes, announced its un-audited results for the quarter and nine months ended December 31, 2016.

Key Financials:

| Particulars (Rs. Crs) | Q3 FY17 | Q3 FY16 | YoY | 9M FY17 | 9M FY16 | YoY |
|--------------------------|---------|---------|-------|---------|---------|--------|
| Revenue | 66.78 | 47.48 | 41% | 191.77 | 162.61 | 18% |
| EBITDA | 6.01 | 4.17 | 44% | 16.60 | 10.28 | 61% |
| EBITDA Margin | 9.00% | 8.77% | 23bps | 8.68% | 6.32% | 236bps |
| PAT | 2.63 | 1.63 | 61% | 7.86 | 3.73 | 111% |
| PAT Margin | 3.94% | 3.44% | 50bps | 4.11% | 2.29% | 182bps |

Management Comments:

"This quarter we have delivered strong growth across all product segments, despite being briefly impacted by demonetization. Our operating efficiency combined with favorable raw material conditions have benefited us a lot. Our continuous efforts to control the working capital requirement contributed to the improved performance of the Company.



We are happy to state that we are well on track with our strategic plan of capacity expansion and increasing our geographical presence. This expansion will enable us to cater to a wider range of customers by increasing the available SKUs significantly. Going forward, we continue to look at opportunities by exploring the high demand markets of South India.

We plan to increase our capacity along with increasing the number of our dealers and distributor network, driving the growth of our Company. We also plan to venture into value added products like Pre-Galvanized Tubes. With Increase in our capacity utilizations and foraying into value added products will bring in improved margins.”

Q3 & 9M FY17 Performance Highlights:

Q3 FY17 Highlights: -

- **Revenue stood at Rs. 66.78 crore** in Q3 FY17, as against Rs. 47.48 crore in the corresponding previous period
- **EBITDA stood at Rs. 6.01 crore** in Q3 FY17 as against Rs. 4.17 crore in the corresponding previous period and **grew by 44% YoY**
- **EBITDA margin at 9.00%**, an improvement of **23 basis points YoY** mainly on account of **favourable commodity prices**
- **Profit After Tax stood at Rs. 2.63 crore** in Q3 FY17 as against Rs. 1.63 crore in Q3 FY16, **YoY growth of 61%**
- **PAT margin at 3.94%**, an improvement of **50 basis points YoY**

9M FY17 Highlights: -

- **Revenue stood at Rs. 191.17 crore** in 9M FY17, as against Rs. 162.61 crore in the corresponding previous period, a **YoY growth of 18%**
- **EBITDA stood at Rs. 16.60 crore** in 9M FY17 as against Rs. 10.28 crore in the corresponding previous period and **grew by 61% YoY**
- **EBITDA margin at 8.68%**, an improvement of **236 basis points YoY**
- **Profit After Tax stood at Rs. 7.86 crore** in 9M FY17 as against Rs. 3.73 crore in 9M FY16, **YoY growth of 111%**
- **PAT margin at 4.11%**, an improvement of **182 basis points YoY**

About Rama Steel Tubes Limited:

Incorporated in 1974, Rama Steel Tubes is a pioneer in the steel tubes industry and well established strong brand known for its high quality amongst customers. The Company has two state of art



manufacturing facilities in Sahibabad and Khopoli with a total installed capacity of 1,32,000 MT. Rama, under its strong brand of 'TTT Rama' offers a wide product suite, with presence in key sectors and catering to diverse applications in sectors of automobile, infrastructure, real estate and furniture amongst others. The Company has robust exports, which currently contribute to ~15% of revenues and spread across 76 countries.

For more details please visit: www.ramasteel.com

For any Investor Relations query, please contact:

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Note: Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Further, past performance is not necessarily indicative of future results. Given these risks, uncertainties and other risk factors, viewers are cautioned not to place undue reliance on these forward-looking statements. Rama Steel Tubes Ltd. will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

