

GOOD LUCK STEEL TUBES LTD

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PRESS RELEASE

Ghaziabad, May 24, 2016: Good Luck Steel Tubes Ltd, an engineering product manufacturing conglomerate reported its financial performance for the quarter and year ended on March 31, 2016.

Financial Performance Highlights for Q4 and FY16: **Achieved EBITDA growth of 30%**

Q4FY16:

- + EBITDA margin improved by 60 basis points to 9.5% in Q4FY16 over Q4FY15
- + **Profit before Tax** at Rs.9.01 Cr in Q4FY16 compared to Rs. 8.17 Cr in Q4FY15, **up by 10 %**

FY16:

- + **EBITDA** at Rs. 102.05 Cr in FY16 compared to Rs. 84.99 Cr in FY15
- + **Net Profit after Tax** at Rs. 33.20 Cr in FY16 compared to Rs. 27.57 Cr in FY15, **up by 20 %**
- + **Earnings Per Share** at Rs. 15.09 in FY16 compared to Rs. 13.16 in FY15

Commenting on the company's performance for FY16, **Mr. Mahesh Chandra Garg, Chairman said**, "We are continuously shifting our focus towards the high-margin value added steel products like auto tubes, forgings and structured steel products. Our financial result is clear reflection of our strategy with continuous improvement in our EBITDA margin which improved by 30% over FY15 to reach at double digit at 10.4% in FY16. We are committed to create superior value for our shareholders by taking necessary actions with focus to improve our bottom line vs. top line."

Net sales were lower at Rs. 983.22 Cr in FY16 on account of sharp decline in global commodity prices. Despite the volatile commodity price environment, the company was able to maintain its growth momentum and registered volume growth of 8.5% in FY16 over FY15. The company continues to maintain strong relations with its customer base and has received several repeat orders from them.

During Q4FY16, the Company completed its capex in its structure division. With RDSO (Research Design & Standards Organization), Ministry of Railway, approval and strong order book, we expect the structures division to boost revenues by atleast 10%.

With solar power being the top priority of the Central Government (100 GW by 2020) and repeat orders from marquee clients like the Tata group, NTPC, the company continued to generate robust growth in its Solar Structure division and targeting to supply Solar Structure support for 300MW in next year.

Going forward, Good Luck is continued to enhance its Engineering Value Products which mainly contribute Structure Support Solution, Auto Tubes and Forging. These segments go along with Government's thrust area. Government spending on Solar Energy, Railways and Infrastructure as well as "Make in India" and "Smart Cities" campaign and Auto Mission Plan 2016-26 will work in favour of Good Luck growth plan.

About Good Luck Steel:

Good Luck Group is an ISO 9001 certified organization, engaged in manufacturing and exporting of wide range of Automobile CDW Tubes, Forged Engineering Products, T&D Towers & Boiler Structure, Galvanized Pipes, Roofing Sheets & Annealed Sheets. Our Group is one of India's leading and fastest growing business groups with over 1,800 employees and having plants and units at different locations. With all requisite facilities and domain expertise, Good Luck has the capacity to manufacture & process around 2,24,000 MT of various steel products. Years of research and careful co-ordination of methodology has resulted in qualitatively superior products meeting stringent customer norms, manufactured by cost effective production techniques.

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential product characteristics and uses, product sales potential and target dates for product launch are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results, changed assumptions or other factors

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