

Piramal Glass Q1 posts net profit at Rs176mn

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Operating EBIDTA for Q1 FY2011 increased by 40% to Rs628mn over Rs449mn in Q1 FY2010

Piramal Glass Limited, a Piramal Group company and a leading global manufacturer of flaconnage (glass containers) for Cosmetics & Perfumery, Specialty Foods & Beverages and Pharmaceuticals industry has reported continued growth in first quarter (Q1) of FY2011 by recording a jump in its consolidated net profit to Rs176mn compared to a loss of Rs20.84 for the same period last year. Consolidated sales for the quarter ended 30 June 2010 grew by 13.3% to Rs2.83bn over Rs2.51bn in Q1 FY2010.

Operating EBIDTA for Q1 FY2011 increased by 40% to Rs628mn over Rs449mn in Q1 FY2010. Operating EBITDA Margin in Q1 FY2011 has increased to 22.5% from 18.3% in corresponding period last year.

Commenting on the company's performance for Q1 FY2011, Ajay Piramal, Chairman, Piramal Group said, "We're thrilled to report continuous growth for Piramal Glass and we are committed for a sustained growth. Our decision to target emerging economies is also paying off well as BRIC countries have contributed 35% of sales. We have achieved an annualized ROCE and ROE of 13% and 24% respectively for Q1 FY2011 and we are very hopeful and confident of maintaining the growth momentum for the rest of the year."

For Q1 FY2011 annualized EPS stands at Rs88mn while cash EPS stands at Rs20.2. During the same period Interest cost as % to sales has decreased from 15 % to 6% due to reduction in debt & interest cost. This quarter also demonstrated the best performance till date of PGL's US subsidiary with sales growing by 20% and EBIDTA & PAT margins were at 14% and 6% respectively.

Vijay Shah, Managing Director Piramal Glass said, "The major expansion in the margins is due to increased focus in high margin Cosmetic & Perfumery segment which has grown by 35% and contributed 48% of the total sales. We expect this segment to further increase contribution to sales going forward as recently we have bagged the world's second largest cosmetic & perfumery producer, Coty adding to 17 out of 20 global C&P majors being our clients. Overall we are confident of further improving EBIDTA margins and sales growth."

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