



## **Press Release**

### **Piramal Glass Limited reports substantial turnaround in Q2 FY2010 results; Consolidated Revenues grew by 14.3% to Rs. 2.9 billion, Operating Profit up by 45.9% to Rs. 558.8 million, Reports Net Profit of Rs. 5.7 million after 15 consecutive quarters of Net Losses**

**Mumbai, 16 October 2009:** Piramal Glass Limited, (PGL) (NSE: PIRGLASS, BSE: 532949) a leading global manufacturer of flaconnage (glass containers) for Pharmaceuticals, Specialty Foods & Beverages and Cosmetics & Perfumery industry, today reported substantial turnaround in second quarter (Q2) results for FY2010.

Consolidated sales for the quarter ended 30 September 2009 was up 14.3% over Q2-FY2009 to Rs. 2.9 billion. The operating profit grew by 45.9% to Rs. 558.8 million and Operating Profit Margin (EBITDA Margin) was up from 14.9% in Q2FY2009 to 19.1% in Q2FY2010. Net profit for the period was Rs. 5.7 million as compared to a loss of Rs. 149.6 million for the same period last year.

Speaking on the performance of the company, Mr. Vijay Shah, Managing Director said.

“This quarter has evidenced a stellar financial performance through increased market share, rigorous cost containment measures and an improved capital structure. A focused approach, increasing profit margins and well diversified income streams have enabled us to achieve highest ever EBITDA margins in the last 3 years. At this point, our goals to improve margins, earnings and significantly reduce debt remain right on track.”

The company operates in three major business segments – Cosmetics & Perfumery, Specialty Food and Beverages (SF&B) and Pharmaceuticals. The sales from Cosmetic & Perfumery (C&P) division grew by 6% at Rs. 1.3 billion. The company has 97 products under development from top-7 Cosmetics & Perfumery Customers globally. Piramal Glass continued to maintain its leadership position in India in Pharmaceuticals segment with the segment registering a marginal decline during the quarter to remain at Rs. 904.2 million.

The Company's Specialty Food and Beverage (SF&B) recorded strong growth for the quarter. Revenues grew by an impressive 63.3% to reach Rs. 762.8 million. Revenue growth was driven by increased demand for the company's products from Sri Lanka which witnessed a huge surge in export sales.

Revenues of the Company's US subsidiary - Piramal Glass USA Inc. grew by 7.3% to reach Rs. 888.3 million. The Company reported a turnaround with Operating Profit at (EBITDA) Rs. 51.4 million in Q2 FY2010 as compared to a Operating Loss of Rs. 6.4

million in Q2FY2009. Net Loss for the quarter was lower at Rs. 38.8 million as compared to Rs.63.6 million for Q2 FY2009.

### **Half-Yearly Result:**

Consolidated total operating income for the half-year ended 30 September 2009 grew by 12.9% to Rs. 5.4 billion. The Operating Profit was up by 31.6% for H1 FY2010 at Rs. 931.2 million as compared to Rs. 707.6 million for H1 FY2008 and Net loss for the half-year was substantially lower at Rs. 178.0 million as compared to Rs. 254.1 million for H1 FY2009.

During H1 FY2010, the company's Cosmetic & Perfumery (C&P) business grew by 1.8% to Rs. 2.3 billion. The Specialty Food and Beverages (SF&B) segment grew by 58.0% to Rs. 1.4 billion and Pharmaceutical segment grew by 2.9% to Rs. 1.7 billion.

The turnaround plan of the Company's US subsidiary - Piramal Glass USA Inc. is progressing well. Revenues of the Company for the half-year ended 30<sup>th</sup> September 2009 were up 4.2% to Rs. 1.7 billion. Operating Profit (EBITDA) was up from Rs. 21.1 million in H1 FY2009 to Rs. 82.8 million for H1 FY2010. Net Loss was Rs. 100.1 million for the period as compared to Rs. 87.5 million for the same period last year.

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### **Notes to Editors:**

#### **About the Piramal Group**

The Piramal Group, led by Ajay G. Piramal is one of India's foremost business conglomerates. Driven by the core values of Knowledge Action Care, the Piramal Group has interests in a myriad of industries that encompass healthcare, drug discovery & research, diagnostics, glass and real estate. The Piramal Group steadfastly pursues inclusive growth while adhering to ethical and value driven practices. The Group's turnover exceeded US \$ 900 million in FY2009.

#### **About Piramal Glass Limited:**

Piramal Glass Limited ("PGL", erstwhile Gujarat Glass Limited) is a leading global manufacturer of flaconnage (glass containers) for pharmaceuticals, foods & beverages and cosmetics and perfumery industries. The Company had revenues of Rs. 10.0 billion in FY2009. PGL has a global footprint, with manufacturing facilities located in USA, Sri Lanka and India. The Company markets its products to more than 54 countries across the globe. The Company is also the largest producer of nail-polish bottles globally, with more than 30% market share. PGL is listed on the National Stock Exchange (Ticker: PIRGLASS), the Bombay Stock Exchange (Ticker: 532949) and Ahmedabad Stock Exchange (Ticker: 20219).

**For investor enquiries, please contact:**

**Chunduru Srinivas  
Sagar Gokani  
Prasad Mhatre  
Piramal Glass Limited  
Contact: +91-22-3046 6461/3046 6474/3046 6489**

**For media enquiries, please contact:**

PIRAMAL GLASS LIMITED Ganesh Somwanshi Corporate Communications, Piramal Group. Contact: +91 22 3046 5921 Mobile: +91 9819334878 <a href="mailto:ganesh.somwanshi@piramal.com">ganesh.somwanshi@piramal.com</a>	PUBLIC RELATIONS AGENCY Divya / Janhavi Hanmer MS&L. Tel: +91-22-6633 5969 Mobile: +91 9769019059 / +91 9322854508 <a href="mailto:divya.nair@hanmermsl.com">divya.nair@hanmermsl.com</a> <a href="mailto:janhavi.bellare@hanmermsl.com">janhavi.bellare@hanmermsl.com</a>
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