



Ester Industries announces FY19 results

**Revenue up 25% to Rs. 1,028 cr; EBITDA grows 59%
PAT surges 6x to Rs. 31 cr v/s PAT of Rs. 5 cr FY18**

Gurugram, 13th May, 2019: Ester Industries Limited, India's leading manufacturer of Polyester Films, Engineering Plastics and Specialty Polymers, announced its financial results for the quarter & year ended March 31, 2019.

Particulars (Rs.cr)	FY19	FY18	%
Total Revenue	1,028	824	25%
EBITDA	114	71	59%
Margins (%)	11.1%	8.7%	+240 bps
PAT (A)	31.1	5.3	486%
Other comprehensive income for the period (B)	0.05	0.3	-
Total Comprehensive Income (A+B)	31.16	5.6	456%

Commenting on the performance, Mr. Arvind Singhania, Chairman, Ester Industries said:

"We have ended the year on a strong note with revenue growth of 25% and profitability growth of 456% respectively. Overall improved performance for FY19 was largely driven by the stellar performance of our film business. The performance of our Specialty Polymers business was muted during the year, we are however encouraged by some good order flows in the current quarter which we expect will continue & grow further.

We expect the momentum in Film business to continue in the coming year as well – largely on the back of favorable demand – supply dynamics. Domestic demand continues to remain strong and we expect the market to absorb the incremental capacities likely to hit the market in the current year with minimal disruption. Further, our efforts towards improving the product mix by increasing the share of value added products should help us mitigate cyclicity & drive profitability.

Our Specialty Polymer business should perform well in coming years. We are making significant headway across our key products – our engagement with a global chemical leader being one of them. Our other products as well are in the various stages of the product evaluation or acceptance cycle.

Engineering Plastics business performance was largely impacted by tepid demand and higher input prices. We are nonetheless taking measures towards improving our product mix and controlling cost to improve profitability.

In addition to the above, our cost rationalization measures should also help us in delivering higher profitability."



Business Highlights

- **Polyester Films**
 - Stellar performance marked by higher volumes and better realisations
 - Share of value added products amounted to 20% for the year; plan to increase it to ~30% in next 2 years
 - Expect business momentum to continue on the back of stable demand – supply scenario.
- **Specialty Polymers – optimistic about FY20**
 - Soft performance for a large portion of the year.
 - Encouraging levels of traction for MB-03 being seen.
 - Demand for MB-03 expected to grow substantially along with new product introductions during following years
- **Engineering Plastics**
 - Revenue growth of ~14% was driven primarily by higher polymer rates.
 - However, benign demand coupled with higher input prices resulted in lower profitability for the business
- **Debt Rationalization**
 - Outstanding term debt of Rs. 76 cr as of March 31 2019
 - Interest bearing working capital liabilities stood at Rs. 167 cr as of March 31 2019
 - Debt / equity to remain at comfortable level going forward

About Ester Industries:

Ester Industries Limited is a public limited company incorporated in 1985 promoted by the Singhania family. The company is one of India's leading producers of Polyester Films, Engineering Plastics and Speciality Polymers having a track record of continually developing new and innovative products for customers across the globe. Ester Industries has state of the art manufacturing facilities in khatima in Uttarakhand with the capacity of 67,000 TPA of Polyester Resin, 57,000 TPA of Polyester Film, 30,000 TPA of Specialty Polymers and 16,500 TPA of Engineering Plastics. The company currently exports more than 30% of its production of Polyester Films with sales and distribution network in more than 56 countries across the world resulting in strong customer relationship. Specialty Polymers are manufactured primarily for the European and US markets.

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