ALLCARGO LOGISTICS LIMITED

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EARNINGS RELEASE

CONSOLIDATED REVENUE FROM OPERATIONS AT RS 1,339 CRORE

GROSS PROFIT AT RS 468 CRORE – YOY INCREASE OF 6%

GROSS PROFIT MARGIN AT 35% - YOY INCREASE OF OVER 400 BPS

CONSOLIDATED NORMALIZED EBITDA (BEFORE ONE TIME EXPENSES) MAINTAINED AT RS 131 CRORE

NORMALIZED EBITDA MARGIN AT 9.8% - YOY INCREASE OF OVER 50 BPS

CONSERVATIVE CAPITAL STRUCTURE – NET DEBT TO EQUITY AT 0.14

BOARD OF DIRECTORS APPROVE IN-PRINCIPLE AN ACQUISITION OF CONTROLLING STAKE IN CCI INTEGRATED LOGISTICS PVT LTD – ONE OF THE LEADERS IN CONTRACT LOGISITICS

PLANS TO RAISE RS 300 CRORE THROUGH PERMITTED SECURITIES

February 13, 2016, Mumbai: Allcargo Logistics Ltd. today announced its un-audited financial results for the quarter ended December 31, 2015.

The performance highlights are:

Consolidated Results – Q3 FY16

- **Total revenue from operations at Rs. 1,339.2 crore** for the quarter ended December 31, 2015, as compared to Rs. 1,431.7 crore for the corresponding previous period, a decrease of 6% on account of lowering freight rates (which is foreseen for the future) and notional currency impact
    - **81% of the revenues** are from the **global MTO business**
    - Inspite of low freight rates due to excess capacity (which is foreseen for the future), business volumes have grown

- **The Gross Profit for the quarter ended December 31, 2015 was Rs 467.9 crore,** as against Rs. 442.4 crore for the corresponding previous period, **year on year growth of 6%**
- **The Gross Profit margin** for the quarter at **35%**, **an increase of over 400 basis points**

- **The Normalized EBITDA, adjusting for onetime expenses,** was maintained at **Rs. 131.2 crore** for the quarter ended December 31, 2015, as against Rs. 132.5 crore for the corresponding previous period

- **The Normalized EBITDA margin** for the quarter at **9.8%**, **an increase of over 50 basis points**

- **PAT** at **Rs. 61.5 crore** for the quarter ended December 31, 2015

Consolidated Results – 9M FY16

- **Total revenue from operations at Rs. 4,286.0 crore** for the nine months ended December 31, 2015, as against Rs. 4,215.7 crore for the corresponding previous period, **an increase of 2%.** This growth has been driven by all the businesses of MTO, CFS and P&E

- **The Gross Profit for the nine months ended December 31, 2015 was Rs 1,392.8 crore,** as against Rs. 1,271.7 crore for the corresponding previous period, **year on year growth of 10%**

- **The Gross Profit margin** for the quarter at **32%**, **an increase of over 230 basis points**

- **The Normalized EBITDA, adjusting for onetime expenses** was at **Rs. 410.6 crore** for the nine months ended December 31, 2015, as against Rs. 368.7 crore for the corresponding previous period, **an increase of 11%.** The growth in EBIDTA was driven by the businesses of MTO, CFS and P&E

- **The Normalized EBITDA margin** for the nine months at **9.6%**, **an increase of over 80 basis points**

- **PAT** at **Rs. 209.2 crore** for the nine months ended December 31, 2015, as against Rs. 184.4 crore for the corresponding previous period, **an increase of 13%**

- The Annualized Consolidated Return on Capital Employed (**ROCE**), without goodwill, **was to 21%,** as compared to 19% in FY15, **an increase of over 200 basis points**

- **EPS** for the nine months ended December 31, 2015 was **Rs 8.3**, for a face value of Rs. 2 per share, **an increase of 13%**

Resources and Liquidity:

As on December 31, 2015, the **Networth stood at Rs. 2,142 crore** and **the Net Debt was at Rs. 293 crore**.

The **net debt to equity ratio** of the Company stood at **0.14** as on December 31, 2015.

Business Performance:

Allcargo operates primarily in three segments, viz., Multimodal Transport Operations, Container Freight Stations Operations and Project & Engineering Solutions. These are consolidated business segments.

Multimodal Transport Operations (MTO):

- MTO segment involves NVOCC (Non Vessel Owning Common Carrier) operations related to LCL (Less than container load) consolidation and FCL (Full container load) forwarding activities in India and across the world through its wholly owned subsidiary ECU Line
- Allcargo is amongst the leading players in the global LCL consolidation market with a strong network across 164 countries and 300 plus offices covering over 4,000 port pairs across the world
- The business clocked **total volumes of 1,16,168 TEUs** for the quarter ended December 31, 2015 as against 1,07,261 TEUs for the corresponding previous period, **an increase of 8%,** despite reducing freight rates due to excess capacity of shipping lines (which is foreseen for the future) and continued decline in global trade
- The **total revenue** for the quarter ended December 31, 2015 was **Rs 1,096 crore** as against Rs 1,210 crore for the corresponding previous period, **a decrease of 9%**, mainly on account of lowering freight rates (which is foreseen for the future) and notional currency impact arising from consolidation of accounts
- **EBIT** was **Rs. 54 crore** for the quarter ended December 31, 2015, as against Rs. 61 crore for the corresponding previous period, **a decrease of 12%,** mainly on account of new offices opened in the Americas, Middle East & South East Asia
- The Annualized Return on Capital (**ROCE**) employed for this business (excluding goodwill) **increased to 62**%, as compared to 49% in FY15

Container Freight Stations (CFS) / Inland Container Depot (ICD) Operations:

- This segment operations are involved in import / export cargo stuffing, de-stuffing, customs clearance and other related ancillary services to both, importers and exporters
- The CFS facilities are located near JNPT, Chennai and Mundra ports
- The **total capacity** of the CFSs and ICDs at the end of December 31, 2015 is **5,73,000 TEUs per annum**
- The business clocked **total volumes of 74,251 TEUs** for the quarter ended December 31, 2015 as against 70,587 TEUs for the corresponding previous period, **an increase of 5%,** despite only a 0.6% container volume growth in India during the quarter
- The **total revenue** for the quarter ended December 31, 2015 was **Rs 115 crore** as against Rs 106 crore for the corresponding previous period, **an increase of 8%,** due to handling of special cargo and long standing containers
- **EBIT** was **Rs. 38 crore** for the quarter ended December 31, 2015, as against Rs. 31 crore the corresponding previous period, **an increase of 24%,** on account of improved productivity and efficiency coupled with reasons stated above
- The Annualized Return on Capital (**ROCE**) employed for this business **increased to 40%,** from 30% in FY15

Project & Engineering Solutions (P&E):

- Project & Engineering Solutions segment provides integrated end-to-end project, engineering and logistic services through a diverse fleet of owned / rented special equipment like hydraulic axles, cranes, barges, reach-stackers and ships to carry ODC / OWC cargos as well as project engineering solutions across various sectors

- The **total revenue** for the quarter ended December 31, 2015, was **Rs. 140 crore** as against Rs. 133 crore for the corresponding previous period, **an increase of 6%**

- **EBIT** was **Rs. 9 crore** for the quarter ended December 31, 2015, as against Rs. 19 crore for the corresponding previous period, **a decline of 51%**, mainly on account of two vessels under repair and impact of derivative income in Q3FY15

- The Return on Capital (**ROCE**) employed for this business was at **8%**

Recent Achievements / Developments – Q3FY16

- **Board of Directors has given in-principle approval for the acquisition of a controlling stake in CCI Integrated Logistics Pvt Ltd (CCI)**
    - Contract logistics is one of the key areas of growth for Allcargo
    - CCI is one of the largest players in contract logistics in India and is a strong and key player in sectors of chemicals, FMCG, pharma, white goods, auto and industrials offering value added services to marquee clients

- **Plans to raise funds upto INR 300 Cr** through permitted securities, for proposed / future CAPEX or acquisitions for business growth

- **Mr Shashi Kiran Shetty** was awarded **'Lifetime Contribution to Freight'** at Global Freight Awards 2015, in London

Stock Market Highlights – General Information and Shareholding Pattern as on December 31, 2015:

Particulars	
Exchange Code	BSE: ALLCARGO / NSE: ALLCARGO
No. of Shares Outstanding	12,60,47,762
Closing Market Price (Rs.)[1]	160.75
Market Capitalization (Rs. Crore)[1]	4,078

[1]BSE stock exchange as on February 12, 2016, market capitalization adjusted for bonus shares

Particulars	**No of shares**	**% Holding**
Promoters	8,81,34,024	69.9%
Foreign Investors – FIIs, FCs, NRIs and others	3,18,82,587	25.3%
Domestic institutions/ Banks/ Mutual Funds	1,57,695	0.1%
Indian Public	58,73,456	4.7%
Total - 14,611 shareholders	**12,60,47,762**	**100.0%**

About Allcargo Logistics Limited
Allcargo Logistics Ltd., part of The Avvashya Group, is a global leader in integrated logistics solutions. The company offers specialized logistics services across Multimodal Transport Operations, Container Freight Station Operations and Project & Engineering Solutions. Benchmarked quality standards, standardized processes and operation excellence across all the services and facilities, have enabled Allcargo Logistics Ltd. to emerge as the market leader in all these segments.

The company currently operates out of 300 plus offices in 164 countries and gets supported by an even larger network of franchisee offices across the world. Allcargo is today one of India's largest publicly owned logistics companies, listed on the Bombay Stock Exchange (BSE: ALLCARGO) and The National Stock Exchange of India (NSE: ALLCARGO).

Caution Concerning Forward-Looking Statements*: This document includes certain forward-looking statements. These statements are based on management's current expectations or beliefs, and are subject to uncertainty and changes in circumstances. Actual results may vary materially from those expressed or implied by the statements herein due to changes in economic, business, competitive, technological and/or regulatory factors. Allcargo Logistics Limited is under no obligation to, and expressly disclaims any such obligation to, update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.*

FOR FURTHER INFORMATION PLEASE CONTACT:

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