



## **Gati Ltd. announces a special dividend of 30% post JV formation**

**Mr. Yoshinobu Mitsuhashi and Mr. Sanjeev Kumar Jain appointed on the Board**

### **Mumbai - July 02, 2012**

The Board of Gati Ltd. - India's pioneer in Express Distribution and Supply Chain Solutions provider has announced a special dividend of 30% on a face value Rs. 2/- for the financial year ended 30<sup>th</sup> June, 2012. This is a special dividend and reflects Company's shareholder-friendly policies and also mark's successful consummation of partnership with KWE.

Kintetsu World Express has invested Rs 267.7 crore for 30% stake in joint-venture company Gati-Kintetsu Express Pvt. Ltd. This fund infusion would reduce substantially the debt of the Company and consequently the interest cost of the Company would be reduced by half. The current interest cost of the Company is approximately Rs. 50 crores. This makes GATI's Balance sheet much stronger through a significant deleveraging of the debt and reduction in the interest costs upto 50 percent, which in turn will help in re-investment in the growth of the organization and will reflect a healthy bottom line.

Mr. Yoshinobu Mitsuhashi has been appointed as the Director on GATI's Board. Mr. Mitsuhashi, a graduate from Keio University, Faculty of Law, Department of Political Science has a varied experience across 3 decades in the logistics industry. He is presently the Director and General Manager of South East Asia Region, (KWE) Kintetsu World Express Inc.

The Company's Chief Financial Officer (CFO) Mr. Sanjeev Kumar Jain has been elevated to Director Finance and on the board of Gati. Mr. Jain has a diverse experience spanning over 25 years in key financial positions. Prior to joining Gati Ltd. as CFO in 2011, he was associated with AFL-FedEx Express Ltd., where he was spear heading the role of Chief Financial Officer. He has previously worked with Tata Communication Ltd for 10 years.



Speaking on the announcements **Mr. Mahendra Agarwal, Founder and CEO** of Gati Ltd said, "It gives us immense pleasure to announce this special dividend. It is a reward to our shareholders for their constant support and confidence in our capabilities. I strongly believe that the inclusion of Mr. Yoshinobu Mitsuhashi and Mr. Sanjeev Kumar Jain on our Board of Directors will further strengthen our competence and enable us achieve greater milestones. It will be our constant endeavour to work in the best interest of all our stakeholders".

#### **About Gati Limited:**

Gati Limited ([www.gati.com](http://www.gati.com)) is pioneer and leader in Express Distribution and Supply Chain Solutions in India. Having started as a cargo management company in 1989, Gati has grown into an organization with more than 3500 employees and an annual turnover of Rs 12094 million (249 million USD) covering 622 out of total 626 districts in India. Gati has over 4500 vehicles on the road excluding their fleet of refrigerated vehicles, container shipping vessels and world class warehousing facilities across India. Furthermore, Gati has a strong market presence in the Asia Pacific region and SAARC countries. Gati has offices in India , Singapore, China, Hong Kong, Nepal, Indonesia, Thailand and a network offices across the world .

#### **About KWE Inc**

The Tokyo Stock Exchange listed KWE Inc ([www.kwe.com](http://www.kwe.com)) is a Global provider of logistic services and solutions to its world-wide clients. Established in the year 1970, KWE today has a total of 308 offices in 194 cities in 32 countries overseas.

KWE provides comprehensive one-stop services & solutions that incorporate airfreight forwarding, Ocean freight forwarding and a full-range of logistics services to provide "Optimum Distribution Solutions" to its clients on a global scale. KWE has 57 affiliated companies with a total of 308 offices spread in 194 cities and 32 countries. The consolidated revenue for the last financial year stood at USD 3505.6 Mn and the consolidated net income was at 103.20 Mn USD. The total asset was at USD 1575.17 Mn.

#### **About Gati - Kintetsu Express Private Limited**

Gati-Kintetsu Express Pvt Ltd is a Joint Venture between the Indian logistics player Gati Ltd and the Japanese logistics solutions provider KWE Inc. The JV, formed in February 2012, specializes in Express Distribution and Supply Chain Solutions (EDSC) and combines Gati's proficiency in 3PL in India along with KWE's freight forwarding expertise and global customer base. The JV company, in which Gati holds 70% and KWE 30%, is targeting business expansion of domestic and international customers in the Indian market. The company shall also invest in high end 3PL facilities, including temperature controlled warehouses.

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