



**For Immediate Release**

**Gati Ltd's Q2FY'14 Consolidated YoY Net Profit up 12% to Rs.8.74 crore**

**Gati Ltd's H1FY'14 Consolidated YoY Net profit up 480% to Rs 14.5 crore**

**Total Consolidated H1FY'14 YoY Income up 16% to Rs. 741 crore**

**Consolidated Financial Highlights of Q2FY'14 v/s Q2FY'13**

- Consolidated total income Rs. 374 crore v/s Rs.338 crore
- EBITDA at Rs. 34 crore v/s Rs. 30 crore
- PAT at Rs. 8.7 crore v/s Rs 7.8 crore

**Consolidated Financial Highlights of H1FY'14 v/s H1FY'13**

- Consolidated total income Rs. 741 crore v/s Rs.641 crore
- EBITDA at Rs. 63 crore v/s Rs. 52 crore
- PAT at Rs. 14.5 crore v/s Rs. 2.5 crore

**Hyderabad, February 06, 2014:** GATI Ltd. (NSE: GATI, BSE: 532345) India's leader in Express Distribution and Supply Chain Solutions, declared its financial results for the quarter ended 31<sup>st</sup>December 2013.

In Q2FY'14, the Company's net profit stood at Rs 8.7 crore as against profit of Rs 7.8 crore in the corresponding quarter previous year. The total consolidated income stood at Rs. 374 crore for the quarter ended December 31, 2013 compared to Rs 338 crore in the same period of last fiscal. In December 2013, consolidated business of Express Distribution, e-commerce and International crossed the all-time high revenue of Rs. 100 crore.

For H1FY'14, net profit stood at Rs. 14.5 crore as against profit of Rs 2.5 crore in the corresponding period last year. The total consolidated income stood at Rs. 741 crore for the half-year ended December 31, 2013 compared to Rs.641 crore in December 31, 2012. Gati e-commerce has registered outstanding growth of 128% YoY.

**Segmental Highlights:**

**1. Gati Kintetsu Express Private Ltd - Express Distribution and Supply Chain Solutions**

- a. For the Quarter ended December 31<sup>st</sup> 2013, GATI-KWE revenues were up 16% at Rs.261 crore from Rs.226crore in the corresponding quarter of last year
- b. EBIDTA rose to Rs.29 crore in Q2FY'14 from Rs.23 crore in Q2FY'13



- c. EBIDTA margins stood at 11.1% in Q2FY'14 compared to 10.2% in Q2FY'13
- d. For the half-year, revenues were up 17.5% at Rs.511 crore
- e. JV Synergy-the synergies business with our JV partner has further progressed and generated revenue of Rs. 3.6 crore in Q2. The synergy has also helped acquire 10 new business accounts in the quarter. Going forward the JV synergy is expected to grow over 20% and improve profitability through cost efficiencies.

## 2. Gati Kausar (Cold Chain Solutions)

- a. Gati Kausar registered a growth of 6% YoY and the business revenues stood at Rs. 11.6 crore for the quarter, with operating margin at 15%
- b. For half-year, revenue stood at Rs. 25 crore, registering a growth of 16% on YoY basis
- c. Targeted to expand fleet size to 350 vehicles by 2015, for long haul and secondary distribution primarily through lease model
- d. The company plans to commence operations of cold storage warehouses near Gurgaon for which it is in talks with partners for real estate and technology support
- e. Going forward, the company will focus primarily on consumer foods, pharmaceuticals, retail and agri-foods sector as an integrated cold chain service provider.

## 3. Gati e-commerce

- a. For H1FY'14, E-commerce business recorded a revenue of Rs.25 crore, registering a YoY growth of 128%, out of which Rs 14.6 crore was earned in Q2 due to season uptake
- b. The company is expanding its network and delivery capabilities ;
- c. All major e-tailers are regular clients for Gati's e-commerce logistics business
- d. Focus for the next quarter would be on air shipments, new packaging and e-fulfilment centres at major cities and launching Reverse logistics services.

Commenting on the company's quarterly performance, **Mr. Mahendra Agarwal, Founder & CEO, Gati Limited** said, *"We have seen a change in the business scenario over the past quarter, partly because of trade momentum picking up on the macro side and also because we as a company are in a ramp-up mode. While we are focussed on our core business of Express Distribution, we have geared ourselves to tap full potential of e-commerce opportunity and emerge as a leader in the segment.*

*"Our focus on improvement in quality and profitability will continue",* he added.



**About Gati Ltd:**

Gati Limited ([www.gati.com](http://www.gati.com)) is pioneer and leader in Express Distribution and Supply Chain Solutions in India delivers 5.2 million packages per Month. Having started as a cargo management company in 1989, Gati has grown into an organization with more than 4,000 business partners and an annual turnover of Rs 1289.5 crore (249 million USD) covering 653 out of total 657 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, Hong Kong, China, Nepal and Thailand.