

TITAN INDUSTRIES LIMITED

3, SIPCOT INDUSTRIAL COMPLEX, HOSUR 635 126.

UNAUDITED FINANCIAL RESULTS (PROVISIONAL) FOR THE PERIOD ENDED 31 DECEMBER 2006

(Rs. in Crores)

	Quarter ended 31-12-2006 (Unaudited)	Quarter ended 31-12-2005 (Unaudited)	Nine months ended 31-12-2006 (Unaudited)	Nine months ended 31-12-2005 (Unaudited)	Year ended 31-3-2006 (Audited)
Net sales / Income from operations	542.21	381.59	1,530.63	1,047.22	1,481.37
Other income	0.87	0.38	2.81	1.46	2.43
Total income	543.08	381.97	1,533.44	1,048.68	1,483.80
Expenditure					
Decrease / (increase) in stock in trade	(21.63)	30.04	(128.33)	(68.08)	(72.58)
Consumption of raw materials	367.48	211.53	1,112.46	700.45	981.62
Excise duty	13.07	11.26	36.96	30.07	41.19
Staff cost	38.03	26.88	112.63	82.16	109.13
VRS cost	2.53	2.52	7.57	7.57	10.10
Advertising	34.85	31.33	106.21	79.80	101.31
Other expenditure	49.82	38.18	154.00	115.04	156.65
Total expenditure	484.15	351.74	1,401.50	947.01	1,327.42
Interest	4.65	7.27	13.85	19.05	24.84
Depreciation / Amortisation	6.99	4.89	18.44	14.51	19.66
Profit / (Loss) before exceptional items	47.29	18.07	99.65	68.11	111.88
Exceptional items					
Provision for doubtful loans and advances	1.88	2.50	6.80	20.23	25.00
Profit / (Loss) before taxes	45.41	15.57	92.85	47.88	86.88
Income taxes - Current	17.21	4.67	26.46	14.36	14.89
- Deferred	(0.35)	(0.57)	0.03	(5.90)	(5.57)
- Fringe Benefit	0.83	0.69	2.37	2.00	3.01
Profit / (Loss) after taxes	27.72	10.78	63.99	37.42	74.55
Less: Income tax of earlier periods	0.18	-	0.18	1.01	0.93
Net Profit	27.54	10.78	63.81	36.41	73.62
Paid-up equity share capital (face value: Rs.10 per share)	44.39	42.28	44.39	42.28	42.28
Paid-up preference share capital	-	40.00	-	40.00	40.00
Reserves excluding revaluation reserves					150.30
Basic and diluted earnings per equity share (Rupees)	6.20	2.36	14.38	8.05	16.68
Aggregate of Public shareholding					
- Number of shares	20,838,912	19,917,388	20,838,912	19,917,388	19,917,388
- Percentage of shareholding	46.9%	47.1%	46.9%	47.1%	47.1%
Segment Results					
Net sales / Income from segments					
Watches	162.43	148.47	535.98	459.58	654.83
Jewellery	366.51	224.03	951.65	562.82	791.31
Others	14.09	9.39	44.59	26.12	37.01
Total	543.03	381.89	1,532.22	1,048.52	1,483.15
Profit / (Loss) from segments before interest and taxes					
Watches	17.79	18.20	60.93	69.45	104.06
Jewellery	40.16	8.98	67.68	28.03	46.37
Others	(3.20)	(0.69)	(7.58)	(4.36)	(6.84)
Total	54.75	26.49	121.03	93.12	143.59
Less : Interest attributable to segments	4.40	6.87	13.05	17.77	23.12
Operating profit / (loss) from segments	50.35	19.62	107.98	75.35	120.47
Less : Exceptional items					
Provision for doubtful loans and advances	1.88	2.50	6.80	20.23	25.00
Profit / (loss) from segments before taxes	48.47	17.12	101.18	55.12	95.47
Unallocable income net of unallocable expenditure	(3.06)	(1.55)	(8.33)	(7.24)	(8.59)
Profit / (loss) before taxes	45.41	15.57	92.85	47.88	86.88
Capital Employed in segments					
Watches	353.54	328.73	353.54	328.73	327.68
Jewellery	194.59	146.33	194.59	146.33	137.10
Others	58.62	48.87	58.62	48.87	44.21
Corporate(Unallocated)	19.97	36.28	19.97	36.28	15.26
Total	626.72	560.21	626.72	560.21	524.25

In the case of Jewellery, the increase in the value of sales, compared to the same period in the previous year, is partly due to the increase in the price of gold, which has gone up to US\$ 637 per Troy Ounce on 31 December 2006 from US\$ 514 on the same date last year.

The increase in the paid up equity share capital is consequent to the allotment of Rights shares on 12 May 2006. Thereafter, the preference shares aggregating to Rs.40 crores were redeemed out of the proceeds of the Rights issue.

The Company entered into a three-year wage settlement, with the recognised trade union effective from 1 June 2006. The consequential increased outgo has been accounted under Staff cost.

The Company's primary segments consist of Watches, Jewellery and Others, where the 'Others' include Eye wear, Precision Engineering, Machine Building and Clocks.

The figures of the previous period have been regrouped/recast, where necessary.

There were 5 investor complaints pending at the beginning of the quarter. 31 complaints were received and 17 were disposed off during the quarter. There were 19 complaints lying unresolved at the end of the quarter.

The Auditors have carried out a limited review of the financial results for the quarter ended on 31 December 2006, as required by the Listing Agreement.

The financial results were reviewed by the Board Audit Committee and were taken on record by the Board of Directors at their meeting on 25 January 2007.

For and on behalf of the Board of Directors

BHASKAR BHAT
Managing Director

Bangalore, 25 January 2007