TITAN INDUSTRIES LIMITED

3, SIPCOT INDUSTRIAL COMPLEX, HOSUR 635 126.

UNAUDITED FINANCIAL RESULTS (STAND-ALONE) FOR THE PERIOD ENDED 30 SEPTEMBER 2009

(Rs. in lakhs)

	Quarter ended 30-9-2009 (Unaudited)	Quarter ended 30-9-2008 (Unaudited)	Half year ended 30-9-2009 (Unaudited)	Half year ended 30-9-2008 (Unaudited)	Year ended 31-3-2009 (Audited)
Sales / Income from operations	115,641	110,485	204,501	192,391	384,772
Less : Excise Duty	961	1,632	1,541	2,507	4,434
Net sales / Income from operations	114,680	108,853	202,960	189,884	380,338
Other operating income	8	23	20	37	90
Expenditure					
Decrease / (increase) in stock in trade and work in progress (refer note 2)	(17,006)	(19,267)	(16,654)	(23,016)	(17,867)
Consumption of raw materials	92,021	88,010	143,395	143,728	259,129
Purchase of traded goods	9,681	8,994	18,133	16,178	34,957
Employee cost	6,518	5,571	12,682	10,765	23,340
Advertising	5,156	5,411	9,603	9,481	18,136
Depreciation / Amortisation	890	786	1,786	1,559	4,176
Other expenditure	7,498	7,514	17,061	14,532	32,994
Total expenditure	104,758	97,019	186,006	173,227	354,865
Profit from operations before other income and interest	9,930	11,857	16,974	16,694	25,563
Other income	309	116	397	200	436
Profit before interest	10,239	11,973	17,371	16,894	25,999
Interest	503	580	1,262	1,035	2,943
Profit before taxes	9,736	11,393	16,109	15,859	23,056
Income taxes - Current	2,222	2,444	4,107	3,406	6,300
- Deferred	(176)	52	(362)	172	(653)
- Fringe Benefit	(70)	115	-	232	421
Profit after taxes	7,760	8,782	12,364	12,049	16,988
Less: Income tax of earlier years	-	-	-	-	1,092
Net Profit	7,760	8,782	12,364	12,049	15,896
Paid-up equity share capital (face value: Rs.10 per share)	4,439	4,439	4,439	4,439	4,439
Reserves excluding revaluation reserves					50,685
Basic and diluted earnings per equity share (Rs.) (Not annualised)	17.48	19.78	27.85	27.14	35.81
Public shareholding					
- Number of shares	20,838,912	20,838,912	20,838,912	20,838,912	20,838,912
- Percentage of shareholding	46.9%	46.9%	46.9%	46.9%	46.9%
Promoters and Promoter group shareholding					
a) Pledged / Encumbered					
- Number of shares	-	-	-	-	-
- % of shares (as a % of the total shareholding of the Promoter and Promoter group)	-	-	-	-	-
- % of shares (as a % of the total share capital of the Company)	-	-	-	-	-
b) Non-encumbered					
- Number of shares	23,550,396	23,550,396	23,550,396	23,550,396	23,550,396
- % of shares (as a % of the total shareholding of the Promoter and Promoter group)	100.0%	100.0%	100.0%	100.0%	100.0%
- % of shares (as a % of the total share capital of the Company)	53.1%	53.1%	53.1%	53.1%	53.1%

Segment Results

Net sales / Income from segments					
Watches	29,552	30,345	50,409	47,534	90,849
Jewellery	82,262	75,218	145,817	136,790	276,320
Others	3,103	3,413	7,017	5,763	13,629
Corporate(Unallocated)	80	16	134	34	66
Total	114,997	108,992	203,377	190,121	380,864
Profit / (Loss) from segments before interest and taxes					
Watches	5,827	6,049	8,761	7,746	13,786
Jewellery	5,772	6,762	10,915	10,314	16,440
Others	(1,107)	(513)	(1,993)	(712)	(2,411)
Total	10,492	12,298	17,683	17,348	27,815
Less : Interest	503	580	1,262	1,035	2,943
Unallocable expenditure net of unallocable income	253	325	312	454	1,816
Profit before taxes	9,736	11,393	16,109	15,859	23,056
Capital Employed					
Watches	28,580	36,213	28,580	36,213	35,969
Jewellery	35,253	33,577	35,253	33,577	33,643
Others	9,025	8,756	9,025	8,756	9,059
Corporate(Unallocated)	3,930	1,761	3,930	1,761	(4,188)
Total	76,788	80,307	76,788	80,307	74,483

1. With effect from 1 April 2009, the Company has adopted the principles of hedge and derivative accounting as set out in Accounting Standard 30, 'Financial Instruments : Recognition and Measurement' issued by the Institute of Chartered Accountants of India. Consequent to this change in accounting, the profit before tax for the quarter ended 30 September 2009 is higher by Rs.20 lakhs and by Rs.Nil for the half year ended 30 September 2009.

2. Consequent to the adoption of hedge accounting for gold, for a more accurate reflection of the operational performance and appropriate presentation of the financial statements, the Company has adopted First-in-First-Out (FIFO) method of valuing gold inventory from 1 April 2009 as against weighted average method adopted up to 31 March 2009. This change has resulted in a higher profit before taxes of Rs.189 lakhs during the quarter ended 30 September 2009 and by Rs.3192 lakhs for the half year ended 30 September 2009.

3. Pursuant to the Scheme of Amalgamation of Samrat Holdings Ltd., Questar Investments Ltd., and Titan Holdings Ltd.(wholly owned subsidiaries of the Company) with the Company as sanctioned by the High Court of Bombay and Karnataka, and which came into effect on 30 March 2009, all assets and liabilities have been transferred to and vested in the Company retrospectively with effect from 1 April 2007. Accordingly, the figures for the quarter ended 30 September 2008 and half year ended 30 September 2008 have been appropriately recast to give effect to the Scheme of Amalgamation and to incorporate therein the profitability of the merged entities for the period.

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

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

6. There were no investor complaints pending at the beginning of the quarter. 6 complaints were received and 2 were resolved during the quarter and there were thus 4 complaints lying unresolved at the end of the quarter.

7. The Auditors have carried out a limited review of the financial results for the quarter ended on 30 September 2009, as required by the Listing Agreement.

8. The financial results were reviewed by the Board Audit Committee and were approved by the Board of Directors at their meeting on 23 October 2009.

For and on behalf of the Board of Directors
BHASKAR BHAT
Managing Director

Bangalore, 23 October 2009