



17th November, 2022

National Stock Exchange of India Limited
Exchange Plaza Bandra-Kurla Complex
Bandra (E), Mumbai-400051
Scrip Code: TWL (EQ)

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai-400001
Scrip Code: 532966

Dear Sirs,

Sub: Corporate Presentation - September 2022 (Q2 FY 2023)

Dear Sirs,

Please find attached the "Corporate Presentation - September 2022 (Q2 FY 2023)" which is self-explanatory.

Please take the above on record.

Thanking you,

Yours faithfully,
For **TITAGARH WAGONS LIMITED**

Ravi Prakash Mundhra
Company Secretary

Encl.: As above

TITAGARH WAGONS LIMITED

CIN: L27320WB1997PLC084819

Registered & Corporate Office: Titagarh Towers, 756 Anandapur, E. M. Bypass, Kolkata - 700 107, India
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Titagarh Wagons Ltd

(BSE:532966 ; NSE:TWL)

Earnings Presentation Q2 FY2023

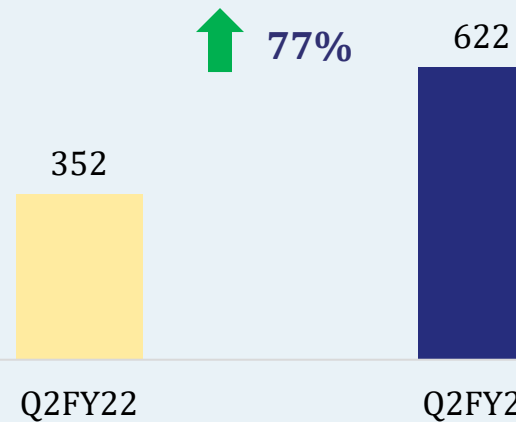
- 1. Merger of wholly owned subsidiary, Titagarh Bridges & International Pvt Ltd (TBIPL) into TWL** – The Hon’ble NCLT, Kolkata bench has approved of the merger of TBIPL with TWL with Appointed date as 1st April, 2021. The impact of same was taken in the results for the quarter ended Q2 FY23 with retrospective effect.
- 2. Fresh equity infusion by Government of Italy into the Italian subsidiary Titagarh Firema S.p.A (TFA) resulting into loss of control** – Pursuant to an investment agreement dated July 20, 2022 signed between the Company and the Government of Italy through its investment agency, Invitalia along with an international private equity investor, have together infused fresh equity into Titagarh Firema Spa of Euro 14.5 million. The above equity infusion resulted in **dilution of equity stake of the Company in Titagarh Firema SPA (TFA) to 49.70%** which along with other terms of the aforesaid agreement **led to Company’s loss of control in TFA as a subsidiary** and is now an **associate company w.e.f. September 9, 2022**. Accordingly, the assets and liabilities of TFA has been deconsolidated from the CFS. Also, the operational results of TFA upto the 8th September, 2022 has been shown under discontinued operation and after that as a proportionate share of profit and loss.
- 3. Highest ever revenue for the quarter** – During the financial quarter, TWL reported its highest ever Total Income of **Rs. 622 Cr**, registering a **y-o-y growth of 77%**. EBITDA for the quarter is **Rs. 71 Cr, up by 56%** from Rs. 46 Cr in same quarter last year.



Robust performance with Total Income up by 77% and Profit Before Tax up by 62% y-o-y

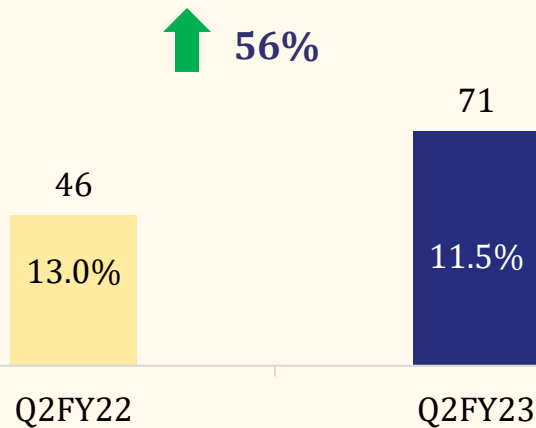
Rs. In Crores

Total Income



- Total Income delivered a double-digit growth of 77% on y-o-y basis, backed by strong order book and execution across the segments
- Demand outlook is expected to remain stable in the coming years

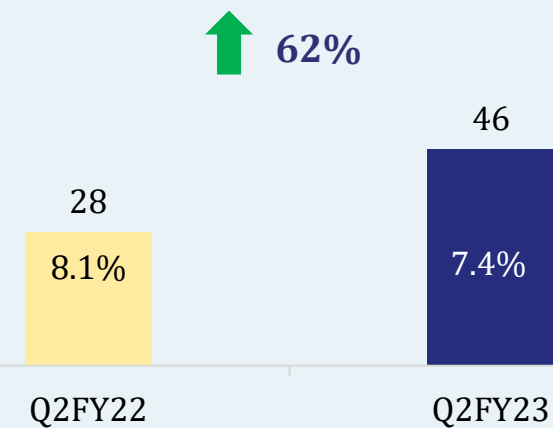
EBITDA*



- EBITDA of Rs. 71 Crores, registering y-o-y growth of 56%
- Delivered EBITDA margins of 11.5%

*Including other Income

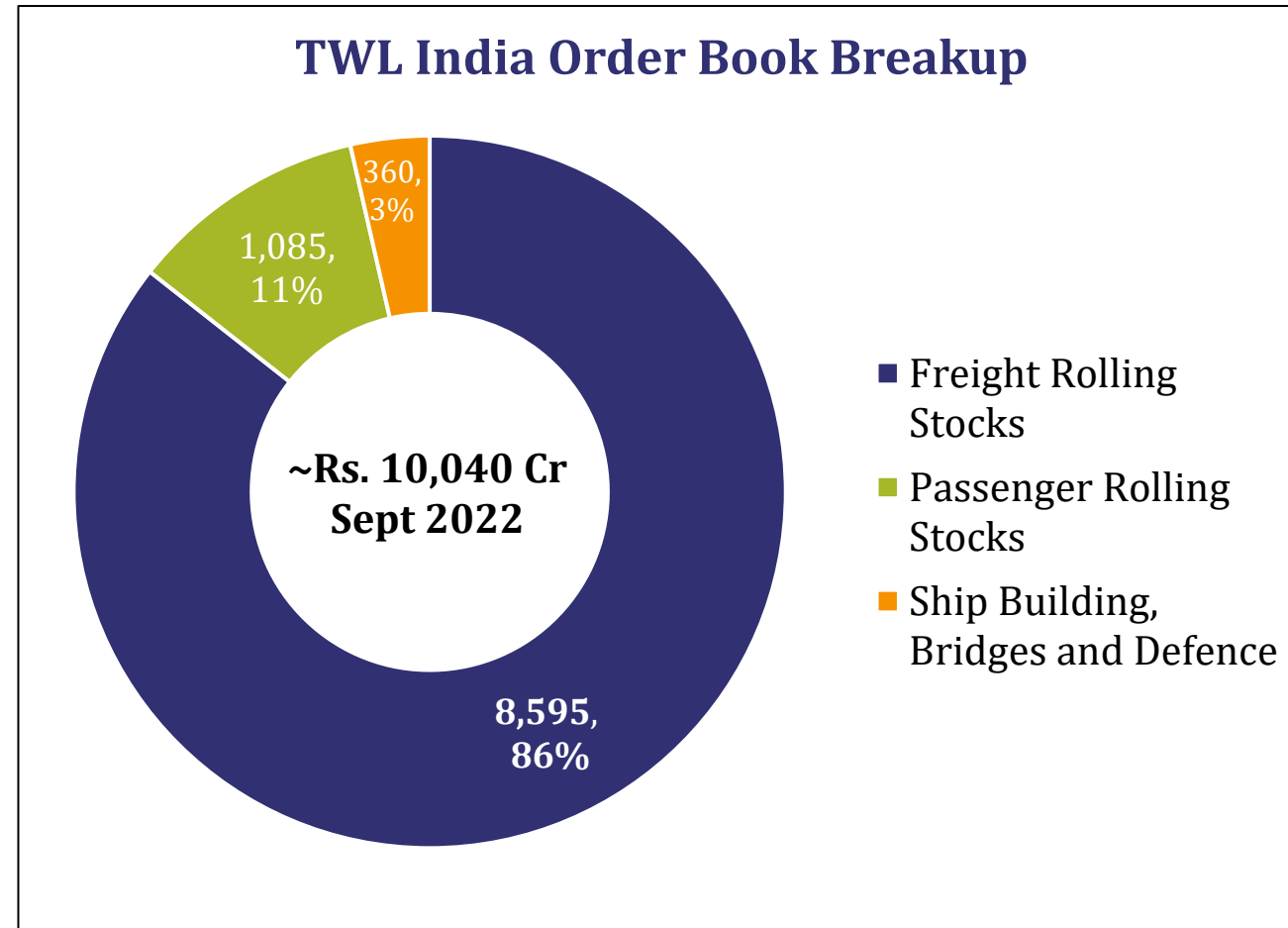
Profit Before Tax*



- Profit before Tax of Rs. 46 Crores with margin of 7.4% registering a y-o-y growth of 62%

*Before exceptional items
 Exceptional items represent impairment loss of investment in TFA. The residual value of investment in TFA as on September 30, 2022 is Rs 1,272.63 lacs.

Order Book as on September 2022: Rs. 10,040 Crore



- Well diversified order book across the three segments
- Around 86% of order book is from Freight Rolling stocks backed by recent order received from Indian Railways
- Non-wagon division is expected to contribute more than 50% of order book which will reduce dependency on the wagon business
- Significant plans are in place to participate in other large value metro tenders to further bolster its place in the metro industry
- Demand outlook for freight wagons from private customers is very positive



Financial Performance: Standalone

Rs. Crores	Q2		<i>y-o-y</i> <i>Growth (%)</i>	Q1 FY2023	<i>q-o-q</i> <i>Growth (%)</i>	Half Year		<i>y-o-y</i> <i>Growth (%)</i>
	FY2023	FY2022				FY23	FY22	
Total Income	622	352	76.8%	443	40.6%	1,065	700	52.2%
EBITDA	71	46	56.0%	50	42.3%	121	90	34.6%
<i>Margin (%)</i>	11.5%	13.0%	-	11.3%	-	11.4%	12.9%	-
Profit Before Tax and Exceptional Items (PBT)	46	28	62.2%	29	58.2%	75	57	31.1%
<i>Margin (%)</i>	7.4%	8.1%	-	6.6%	-	7.1%	8.2%	-
Profit After Tax (PAT)	(12)	(13)	-	23	nm	11	8	32.9%
<i>Margin (%)</i>	(1.9)%	(3.6)%	-	5.2%	-	1.0%	1.2%	-
Basic EPS (Rs.)	(1.0)	(1.1)	nm	1.9	nm	0.9	0.7	32.9%



Financial Performance: Consolidated



Rs. Crores	Q2 FY23		H1 FY23	
	Standalone	CFS	Standalone	CFS
Total Income	622	623	1,065	1,064
EBITDA	71	71	121	120
<i>Margin (%)</i>	11.5%	11.5%	11.4%	11.3%
Profit Before Tax and Exceptional Items (PBT) – From Continuing Operations	46	46	75	74
Share of Loss of Joint Ventures or Associate	-	(2)	-	(2)
Profit / (Loss) from discontinued operation	-	12	-	(10)
Profit Before Tax and Exceptional Items (PBT)	46	56	75	62
<i>Margin (%)</i>	7.4%	9.0%	7.0%	5.8%

Notes:

1) Profit before tax and exceptional items from continuing operations for the quarter and half year ended for both Standalone and CFS is similar as it includes the operational results of Titagarh Wagons Limited and Titagarh Singapore PTE Limited (which is not significant).

2) The financial results of TFA upto September 8, 2022 has been disclosed as discontinued operations which comprises of loss from operations and net gain / Loss arising out of derecognition of net assets and liabilities relating to TFA due to loss of control.

3) Share of loss of Joint Ventures / Associate represents proportionate loss in TFA for the period September 9, 2022 to September 30, 2022. The net value of investment in TFA appearing in the consolidated balance sheet as on September 30, 2022 is Rs 11 cr and any further losses in TFA will be restricted to the extent of the same in the future.



Segment Performance: Consolidated



Rs. Crores	Q2		YoY Growth	Q1 FY2022	QoQ Growth	Half Year Ended		YoY Growth
	FY2023	FY2022				FY2023	FY2022	

Freight Rolling Stock

Revenue	472	247	91.3%	325	45.3%	796	564	41.2%
PBT	50	36	38.0%	32	57.6%	82	81	1.8%
Margin (%)	10.7%	14.8%		9.8%		10.3%	14.3%	

Passenger Rolling Stock

Revenue	126	75	67.4%	82	54.8%	208	75	175.5%
PBT	4	3	26.9%	3	70.7%	7	2	230.5%
Margin (%)	3.4%	4.5%		3.1%		3.3%	2.8%	

Shipbuilding, Bridges and Defence

Revenue	9	20	(54.0)%	26	(64.2)%	35	27	32.1%
PBT	2	4	(61.1)%	4	(61.9)%	5	4	30.7%
Margin (%)	16.2%	19.2%		15.3%		15.5%	15.7%	

Profit / (Loss) from discontinued operations

Profit / (Loss) from discontinued operations	12	(15)		(22)		(10)	(17)	
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NOTE: The consolidated financial results of TWL include results of subsidiaries Titagarh Firema S.p.A (upto Sept 8, 2022) and Titagarh Singapore Pte Limited (TSPL) and one associate and one joint venture namely Titagarh Firema S.p.A (from Sept 9, 2022) and Titagarh Mermec Private Limited respectively

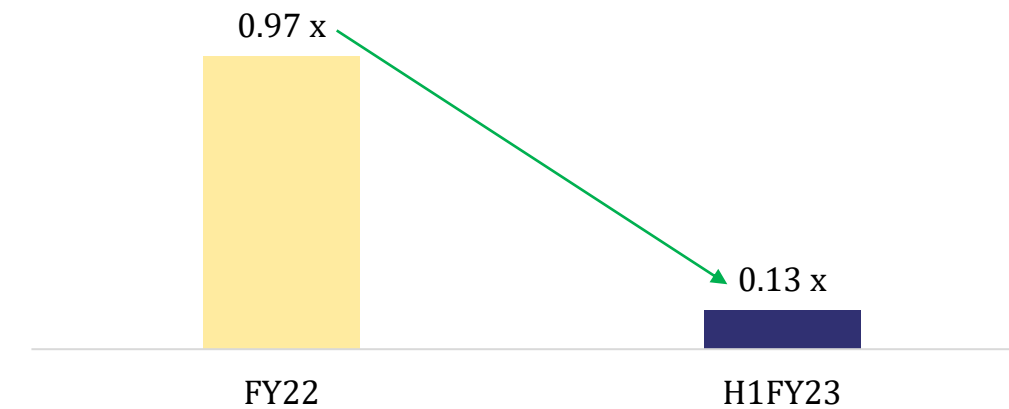


Significant improvement in financial gearing and ratios

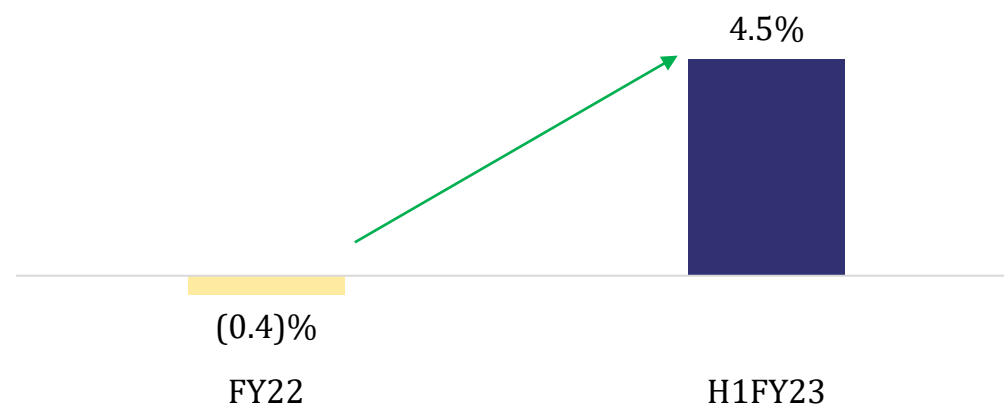
Rs. In Crores

(Rs. Million)	Mar 22	Sept 22
Long Term Debt	496	24
Short Term Debt	365	258
Total Debt	861	282
(-) Cash & Cash Equivalents	42	168
Net Debt	819	114

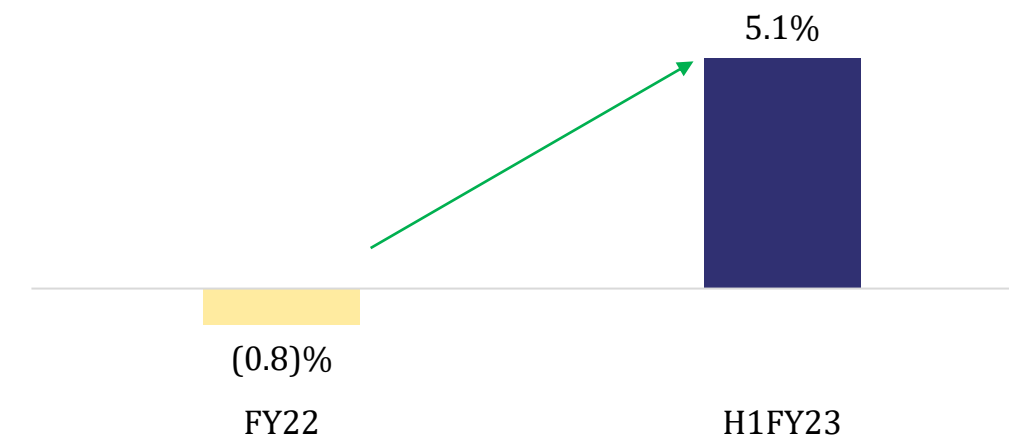
Net Debt/Equity



Return on Capital Employed



Return On Equity



The financial ratios of H1 FY23 are not annualized



Disclaimer



This presentation contains statements that are “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Titagarh Wagons’ future business developments and economic performance. While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance.

Titagarh Wagons undertakes no obligation to publicly revise any forward looking statements to reflect future/ likely events or circumstances.

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