



Amira Nature Foods Ltd Announces First Quarter Fiscal 2014 Financial Results

First Quarter Revenue Increased 37.6% to \$110.3 Million

First Quarter EBITDA Increased 42.4% to \$14.5 Million

DUBAI – August 26, 2013 – Amira Nature Foods Ltd (the "Company;" NYSE: ANFI), a leading global provider of packaged Indian specialty rice, today reported financial results for the first quarter ended June 30, 2013.

First Quarter Financial Highlights:

- Revenue increased 37.6% to \$110.3 million, compared to \$80.2 million in the first quarter of fiscal 2013
- EBITDA increased 42.4% to \$14.5 million, compared to \$10.2 million
- Profit after tax increased 124.5% to \$7.3 million, compared to \$3.3 million
- Basic and diluted earnings per share⁽¹⁾ was \$0.21 compared to \$0.13
- For better quarter-over-quarter comparability, after using 35.7 million fully diluted shares, adjusted earnings per share was \$0.21 compared to \$0.09 in the first quarter of fiscal 2013

Karan A. Chanana, Amira's Chairman and Chief Executive Officer, stated, "We are off to a strong start in fiscal 2014. In the first quarter, we generated robust revenue and EBITDA growth, reflecting the continued strong demand for our products and successful execution on our business strategy."

Mr. Chanana continued, "In fiscal 2014, we believe we are positioned to benefit from the progress we made to our business last fiscal year, including the addition of new customers in both India and internationally and an expanded geographic footprint. We recently announced the launch of the Amira Organic business division, which we expect will enable us to enhance the strength of the Amira brand product offering and capitalize on the growing global demand for organic packaged foods for years to come."

First Quarter Fiscal 2014 Results

Revenue for the first quarter of fiscal 2014 increased 37.6% to \$110.3 million, compared to \$80.2 million for the same period in fiscal 2013. The revenue increase was primarily due to increased sales volume and prices both in India and internationally. Revenue in the first quarter of fiscal 2014 for Amira and third party branded products was 96.0% of total revenue, compared to 95.8% for the first quarter of fiscal 2013.

Cost of materials including change in inventory of finished goods increased \$21.6 million, or 32.8%, to \$87.5 million in the first quarter of fiscal 2014 from \$65.9 million in the first quarter of fiscal 2013. This increase primarily reflects the growth in revenue. As a percentage of revenue, cost of material decreased to 79.3% in the first quarter of fiscal 2014, compared to 82.2% in the first quarter of fiscal 2013, primarily due to improved operating efficiencies and economies of scale.

EBITDA increased 42.4% to \$14.5 million in the first quarter of fiscal 2014, compared to \$10.2 million in the same period last year. A reconciliation of EBITDA to the IFRS measure of profit after tax is provided in the "Non-IFRS Financial Measures" section of this release.

Profit after tax for the first quarter of fiscal 2014 increased 124.5% to \$7.3 million, compared to \$3.3 million in the quarter of fiscal 2013. Basic and diluted earnings per share⁽¹⁾ was \$0.21 compared to \$0.13 for the first quarter of fiscal 2013.

For better quarter-over-quarter comparability, after using 35.7 million fully diluted shares, adjusted earnings per share was \$0.21 compared to \$0.09 in the first quarter of fiscal 2013. A reconciliation of adjusted earnings per share to basic and diluted earnings per share is provided in the “*Non-IFRS Financial Measures*” section of this release.

Balance Sheet and Cash Flow Highlights

At June 30, 2013, the Company’s cash and cash equivalents was \$32.6 million and adjusted net working capital was \$226.6 million. Net debt (after deducting cash and cash equivalents) as of June 30, 2013 was \$107.7 million. As of June 30, 2013, inventory decreased \$20.7 million to \$160.8 million from \$181.5 million as of March 31, 2013. As of June 30, 2013, trade receivables were \$62.4 million, a decrease of \$4.4 million from \$66.8 million as of March 31, 2013. Reconciliations of adjusted net working capital and net debt to the IFRS measures of working capital and total current and non-current debt, respectively, are provided in the “*Non-IFRS Financial Measures*” section of this release.

Fiscal 2014 Outlook

The Company reiterates its previously issued guidance and continues to expect full year fiscal 2014 revenue in the range of \$480 million to \$507 million and EBITDA in the range of \$62 million to \$66 million. This is in line with long-term guidance previously provided to the investment community in connection with Amira’s initial public offering. We note that the Company’s guidance is based on foreign exchange rates as of June 30, 2013 and takes into account the potential impact of foreign currency fluctuations for the remainder of our fiscal year.

Conference Call

The Company will hold an investor conference call today at 4:30 p.m. Eastern time. The dial-in number for this conference call is (877) 407-3982 for North American listeners and (201) 493-6780 for international listeners. Live audio of the conference call will be simultaneously webcast in the investor relations section of the Company's website at <http://www.amirafoods.com>.

An audio replay will be available following the completion of the conference call by dialing (877) 870-5176 for North American listeners or (858) 384-5517 for international listeners (conference ID 418626). The webcast of the teleconference will be archived and available on the Company’s website.

About Amira Nature Foods

Founded in 1915, Amira has evolved into a leading global provider of packaged Indian specialty rice, with sales in over 40 countries today. Amira sells Basmati rice, a premium long-grain rice grown only in certain regions of the Indian sub-continent, under their flagship Amira brand as well as under other third party brands. Amira sells its products primarily in emerging markets through a broad distribution network. Amira’s headquarters are in Dubai, United Arab Emirates, and it also has offices in India, Malaysia, Singapore, the United Kingdom, and the United States.

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Cautionary Note on Forward-Looking Statements

This release may contain forward-looking statements within the meaning of the U.S. federal securities laws. These forward-looking statements generally can be identified by phrases such as that we or our members of management “believe,” “expect,” “anticipate,” “foresee,” “forecast,” “estimate” or other words or phrases of similar import. Specifically, these statements include, among other things, statements that describe our expectations for the growth of our business, expansion into new geographic markets, maintaining and expanding our relationship with key retail partners, the financial impact of new sales contracts on our revenue, our plans to make significant capital expenditures, and other statements of management’s beliefs, intentions or goals. It is uncertain whether any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do, what impact they will have on our results of operations, financial condition, or the price of our ordinary shares. These forward-looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those indicated in such forward-looking statements, including but not limited to our ability to penetrate and increase the acceptance of our products in new geographic markets; our ability to perform our agreements with customers and further develop our relationships with key retail partners; our ability to recognize revenue from our contracts; continued competitive pressures in the marketplace; our reliance on a few customers for a substantial part of our revenue; our ability to implement our plans, forecasts and other expectations with respect to our business and realize additional opportunities for growth; and the other risks and important factors contained and identified in our filings with the Securities and Exchange Commission. All forward-looking statements attributable to us or to persons acting on our behalf are expressly qualified in their entirety by these risk factors. Other than as required under the securities laws, we undertake no obligation to update any forward-looking or other statements herein, whether as a result of new information, future events or otherwise.

(1) Basic and diluted earnings per share is calculated by dividing our profit after tax as reduced by the amount of a non-controlling interest reflecting the remaining approximately 19.6% of Amira India that is not indirectly owned by us, by our weighted average outstanding ordinary shares during the applicable period.

Amira Nature Foods Ltd

Condensed Consolidated Statements of Financial Position

	As at June 30, 2013 (Unaudited)	As at March 31, 2013
ASSETS		
Non-current		
Intangible assets	\$ 596,771	\$ 607,871
Property, plant and equipment	21,290,063	23,467,379
Other long-term assets	433,180	430,739
Total non-current assets	\$ 22,320,014	\$ 24,505,989
Current		
Inventories	\$ 160,803,687	\$ 181,459,799
Trade receivables	62,356,613	66,792,434
Derivative financial instruments	-	1,260,512
Prepayments	12,873,666	8,386,856
Other current assets	11,371,702	10,856,050
Cash and cash equivalents	32,611,996	33,270,338
Total current assets	\$ 280,017,664	\$ 302,025,989
Total assets	\$ 302,337,678	\$ 326,531,978
EQUITY AND LIABILITIES		
Equity		
Share capital	\$ 9,111	\$ 9,111
Share premium	82,639,766	82,639,766
Share based compensation reserve	313,485	227,674
Reserve for available for sale financial assets	(6,384)	(21,561)
Currency translation reserve	(14,687,829)	(5,582,983)
Cash flow hedging reserve	(4,251,078)	258,647
Actuarial gain reserve	26,340	26,340
Restructuring reserve	9,398,927	9,398,927
Retained earnings	50,229,432	44,348,684
Equity attributable to Shareholders of the Company	\$ 123,671,770	\$ 131,304,605
Equity attributable to Non-Controlling Interest	10,478,803	12,328,130
Total Equity	134,150,573	143,632,735
Liabilities		
Non-current liabilities		
Employee benefit obligations	\$ 199,611	\$ 185,437
Debt	3,943,933	4,831,416
Deferred tax liabilities	6,872,048	8,527,874
Total non-current liabilities	\$ 11,015,592	\$ 13,544,727
Current liabilities		
Trade payables	\$ 4,483,286	\$ 4,516,657
Debt	136,351,744	156,785,820
Current tax liabilities (net)	2,546,577	2,658,236
Derivative financial instruments	7,382,468	-
Other current liabilities	6,407,438	5,393,803
Total current liabilities	\$ 157,171,513	\$ 169,354,516
Total liabilities	\$ 168,187,105	\$ 182,899,243
Total equity and liabilities	\$ 302,337,678	\$ 326,531,978

Amira Nature Foods Ltd

Condensed Consolidated Statements of Income

	Three months ended	
	June 30, 2013 (Unaudited)	June 30, 2012 (Unaudited)
Revenue	\$ 110,285,088	\$ 80,171,804
Other income	37,876	51,399
Cost of material	(89,871,922)	(36,778,793)
Change in inventory of finished goods	2,368,511	(29,108,552)
Employee expenses	(2,144,918)	(804,681)
Depreciation and amortization	(488,883)	(460,898)
Freight, forwarding and handling expenses	(6,541,015)	(2,724,280)
Other expenses	(3,421,597)	(2,912,313)
	\$ 10,223,140	\$ 7,433,686
Finance costs	(5,163,522)	(5,338,500)
Finance income	784,977	109,167
Other financial items	3,758,638	2,269,416
Profit before tax	\$ 9,603,233	\$ 4,473,769
Income tax expense	(2,256,537)	(1,201,915)
Profit after tax	\$ 7,346,696	\$ 3,271,854
Profit after tax attributable to:		
Shareholders of the company	5,880,748	2,630,571
Non-controlling interest	1,465,948	641,283
Earnings per share		
Basic and diluted earnings per share	\$ 0.21	\$ 0.13

Amira Nature Foods Ltd

Condensed Consolidated Statements of Comprehensive Income

	Three months ended	
	June 30, 2013	June 30, 2012
	(Unaudited)	(Unaudited)
Profit after tax	\$ 7,346,696	\$ 3,271,854
Other comprehensive income		
<i>Items to be reclassified to income statement in subsequent period</i>		
Available for sale financial assets		
-Current period gain/(loss)	28,596	(14,285)
-Income tax	(9,720)	4,635
Cash flow hedge reserve		
-Current period gain/ (loss)	(7,983,593)	(10,224,404)
-Reclassification to income statement	(513,772)	-
-Income tax	2,888,254	3,317,308
Exchange differences on translation of foreign operations	\$ (11,324,434)	\$ (2,893,428)
Other comprehensive loss for the period, net of tax	\$ (16,914,669)	\$ (9,810,174)
Total comprehensive loss for the period	\$ (9,567,973)	\$ (6,538,320)
Total comprehensive loss for the period attributable to:		
Shareholders of the Company	(7,718,646)	(5,256,810)
Non-controlling interest	(1,849,327)	(1,281,510)

Amira Nature Foods Ltd

**Condensed Consolidated Statements of Changes in Equity
(Unaudited)**

	Share capital	Share premium	Share based compensation reserve	Reserve for available for sale financial assets	Currency translation Reserve	Cash flow hedging Reserve	Actuarial gain/(loss) Reserve	Restructuring Reserve	Retained Earnings	Equity attributable to Shareholders of the Company	Equity attributable to Non - controlling interest	Total Equity
Balance as at April 1, 2012	\$ 100	\$ —	\$ —	\$ (25,496)	\$ (1,945,447)	\$ —	\$ 9,954	\$ 9,398,927	\$ 29,292,375	\$ 36,730,413	\$ 8,954,156	\$ 45,684,569
Profit after tax	—	—	—	—	—	—	—	—	2,630,571	\$ 2,630,571	641,283	\$ 3,271,854
Other comprehensive income /(loss) for the period	—	—	—	(7,760)	(2,326,316)	(5,553,305)	—	—	—	\$ (7,887,381)	(1,922,793)	\$ (9,810,174)
Total comprehensive income/(loss) for the period	\$ —	\$ —	\$ —	\$ (7,760)	\$ (2,326,316)	\$ (5,553,305)	\$ —	\$ —	\$ 2,630,571	\$ (5,256,810)	\$ (1,281,510)	\$ (6,538,320)
Balance as at June 30, 2012	\$ 100	\$ —	\$ —	\$ (33,256)	\$ (4,271,763)	\$ (5,553,305)	\$ 9,954	\$ 9,398,927	\$ 31,922,946	\$ 31,473,603	\$ 7,672,646	\$ 39,146,249
Balance as at April 1, 2013	\$ 9,111	\$ 82,639,766	\$ 227,674	\$ (21,561)	\$ (5,582,983)	\$ 258,647	\$ 26,340	\$ 9,398,927	\$ 44,348,684	\$ 131,304,605	\$ 12,328,130	\$ 143,632,735
Share based compensation	—	—	85,811	—	—	—	—	—	—	\$ 85,811	—	\$ 85,811
Transaction with owners	\$ —	\$ —	\$ 85,811	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 85,811	\$ —	\$ 85,811
Profit after tax	—	—	—	—	—	—	—	—	5,880,748	\$ 5,880,748	1,465,948	\$ 7,346,696
Other comprehensive income /(loss) for the period	—	—	—	15,177	(9,104,846)	(4,509,725)	—	—	—	\$ (13,599,394)	(3,315,275)	\$ (16,914,669)
Total comprehensive income/(loss) for the period	\$ —	\$ —	\$ —	\$ 15,177	\$ (9,104,846)	\$ (4,509,725)	\$ —	\$ —	\$ 5,880,748	\$ (7,718,646)	\$ (1,849,327)	\$ (9,567,973)
Balance as at June 30, 2013	\$ 9,111	\$ 82,639,766	\$ 313,485	\$ (6,384)	\$ (14,687,829)	\$ (4,251,078)	\$ 26,340	\$ 9,398,927	\$ 50,229,432	\$ 123,671,770	\$ 10,478,803	\$ 134,150,573

Amira Nature Foods Ltd

Condensed Consolidated Statements of Cash Flows

	June 30, 2013 (Unaudited)	June 30, 2012 (Unaudited)
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	\$ 9,603,233	\$ 4,473,768
Adjustments for non-cash items	(1,869,009)	(2,083,040)
Adjustments for non-operating expenses	3,954,965	4,241,217
Changes in operating assets and liabilities	2,777,060	(17,038,395)
	\$ 14,466,249	\$ (10,406,450)
Income Taxes paid	(225,043)	(191,174)
Net cash generated from/(used in) operating activities	\$ 14,241,206	\$ (10,597,624)
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	\$ (315,703)	\$ (245,883)
Purchase of intangible assets	(67,286)	(27,485)
Proceeds from sale of property, plant and equipment	5,332	-
Interest income	784,976	109,167
Net cash generated from/(used in) investing activities	\$ 407,319	\$ (164,201)
(C) CASH FLOWS FROM FINANCING ACTIVITIES		
Net proceeds from/(repayment of) short term debt	\$ (7,714,984)	\$ 13,000,712
Repayment of long term debt	(500,743)	(599,186)
Interest paid	(4,743,922)	(4,350,384)
Net cash (used in)/ generated from financing activities	\$ (12,959,649)	\$ 8,051,142
(D) Effect of change in exchange rate on cash and cash equivalents	(2,347,218)	(2,010,709)
Net decrease in cash and cash equivalents (A+B+C+D)	\$ (658,342)	\$ (4,721,392)
Cash and cash equivalents at the beginning of the period	33,270,338	8,368,256
Cash and cash equivalents at the end of the period	\$ 32,611,996	\$ 3,646,864

Non-IFRS Financial Measures

In evaluating our business, we consider and use the non-IFRS measures EBITDA, adjusted earnings per share, adjusted net working capital and net debt as supplemental measures to review and assess our operating performance. The presentation of these non-IFRS financial measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with IFRS. We define: (1) EBITDA as profit after tax plus finance costs (net of finance income), income tax expense and depreciation and amortization; (2) adjusted earnings per share as the quotient of: (a) profit after tax and (b) the sum of our outstanding ordinary shares and the ordinary shares subject to the exchange agreement between us and the non-controlling shareholders of Amira India or 35.7 million shares, during the applicable period; (3) adjusted net working capital as total current assets minus: (a) cash and cash equivalents and (b) trade payables, current tax liabilities (net) and other current liabilities; and (4) net debt as total current and non-current debt minus cash and cash equivalents.

We use EBITDA as a measure of operating performance to assist in comparing performance from period to period on a consistent basis, as a measure for planning and forecasting overall expectations, for evaluating actual results against such expectations and as a performance evaluation metric, including as part of assessing and administering our executive and employee incentive compensation programs. We believe that the use of EBITDA as a non-IFRS measure facilitates investors' assessment of our operating performance from period to period and from company to company by backing out potential differences caused by variations in items such as capital structure (affecting relative finance or interest expenses), the book amortization of intangibles (affecting relative amortization expenses), the age and book value of property and equipment (affecting relative depreciation expenses). We also present this non-IFRS measure because we believe it is frequently used by securities analysts, investors and other interested parties as measure of the financial performance of companies in our industry.

We present adjusted earnings per share, adjusted net working capital and net debt because we believe these measures provide additional metrics to evaluate our operations and, when considered with both our IFRS results and the reconciliation to profit after tax, basic and diluted earnings per share, working capital and total current and non-current debt, respectively, provide a more complete understanding of our business than could be obtained absent this disclosure. We also believe that these non-IFRS financial measures are useful to investors in assessing the operating performance of our business after reflecting the adjustments described above.

The following is a reconciliation of profit after tax to EBITDA:

	<i>(Amounts in USD)</i>	
	Three months ended June 30, 2013	Three months ended June 30, 2012
Profit after tax	\$7,346,696	\$3,271,854
Add: Income tax expense	2,256,537	1,201,915
Add: Finance costs (net of finance income)	4,378,545	5,229,333
Add: Depreciation and amortization	488,883	460,898
EBITDA	\$14,470,661	\$10,164,000

The following is a reconciliation of earnings per share and adjusted earnings per share:

	<i>(Amounts in USD)</i>	
	Three months ended June 30, 2013	Three months ended June 30, 2012
Profit after tax (PAT)	\$7,346,696	\$3,271,854
Profit attributable to Shareholders of the company (A)	\$5,880,748	\$2,630,570
Weighted average number of shares (B)	28,661,998	19,660,000
Basic and diluted Earnings per share as per IFRS (A/B)	\$ 0.21	\$ 0.13
Number of shares outstanding including shares for non-controlling interest - fully diluted	35,676,434	35,676,434
Adjusted earnings per share	\$ 0.21	\$ 0.09

The following is a reconciliation of working capital (total current assets minus total current liabilities) and adjusted net working capital:

	<i>(Amounts in USD)</i>	
	As at June 30, 2013	As at March 31, 2013
Current assets:		
Inventories	\$160,803,687	\$181,459,799
Trade receivables	62,356,613	66,792,434
Derivative financial instruments	-	1,260,512
Prepayments	12,873,666	8,386,856
Other current assets	11,371,702	10,856,050
Cash and cash equivalents	32,611,996	33,270,338
Total current assets	\$280,017,664	\$302,025,989
Current liabilities:		
Trade payables	\$4,483,286	\$4,516,657
Debt	136,351,744	156,785,820
Current tax liabilities (net)	2,546,577	2,658,236
Derivative financial instruments (liability)	7,382,468	-
Other current liabilities	6,407,438	5,393,803
Total current liabilities	\$157,171,513	\$169,354,516
Working Capital as per IFRS (Total current assets minus Total current liabilities)	\$122,846,151	\$132,671,473
Less: Cash and cash equivalents	32,611,996	33,270,338
Add: Current debt	136,351,744	156,785,820
Adjusted net working capital	\$226,585,899	\$256,186,955

The following is a reconciliation of total current and non-current debt to net debt:

	<i>(Amounts in USD)</i>	
	As at June 30, 2013	As at March 31, 2013
Current debt	\$136,351,744	\$156,785,820
Non-current debt	3,943,933	4,831,416
Total current and non-current debt as per IFRS	\$140,295,677	\$161,617,236
Less: Cash and cash equivalents	32,611,996	33,270,338
Net debt	\$107,683,681	\$128,346,898