

10 Years' Financial Performance



(USD in Million)

| Highlights | 1997-98 | 1998-99 | 1999-00 | 2000-01 | 2001-02 | 2002-03 | 2003-04 | 2004-05 | 2005-06 | 2006-07 | CAGR % |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---------------|
| Operating Results | | | | | | | | | | | |
| Sales and Other Income | 83.9 | 92.2 | 108.0 | 120.9 | 132.4 | 153.2 | 175.4 | 206.4 | 243.6 | 300.3 | 15.22 |
| Manufacturing & Other Expenses | 70.8 | 76.1 | 88.4 @ | 100.3 | 109.5 | 126.7 | 148.2 \$ | 175.5 \$ | 206.8 \$ | 256.6 \$ | 15.39 |
| Operating Profit | 13.1 | 16.1 | 19.6 | 20.6 | 22.9 | 26.5 | 27.3 | 30.9 | 36.8 | 43.7 | 14.30 |
| Interest (Net) | 2.3 | 1.7 | 1.2 | 1.6 | 1.0 | 0.7 | 0.4 | 0.4 | 0.3 | 1.4 | (5.27) |
| Depreciation | 2.0 | 2.2 | 2.7 | 3.8 | 4.4 | 5.2 | 5.8 | 6.2 | 6.3 | 6.9 | 15.00 |
| Profit before Tax | 8.8 | 12.2 | 15.8 | 15.2 | 17.6 | 20.7 | 21.0 | 24.4 | 30.1 | 35.3 | 16.69 |
| Current Tax | 2.6 | 3.6 | 5.2 | 4.2 | 3.8 | 6.8 | 6.7 | 7.9 | 9.4 | 7.1 | 12.01 |
| Deferred Tax | - | - | - | - | 1.8 | - | 0.2 | (0.3) | 0.4 | 0.8 | - |
| Profit after Tax for the year | 6.3 | 8.6 | 10.6 | 10.9 | 12.0 | 13.6 | 14.1 | 16.7 | 20.3 | 27.5 | 17.86 |
| Add: Prior Year's Tax Provision written back | - | - | - | - | 0.4 | - | - | 0.8 | 0.5 | 0.1 | - |
| Profit after Tax | 6.3 | 8.6 | 10.6 | 10.9 | 12.4 | 13.6 | 14.1 | 17.6 | 20.8 | 27.5 | 17.89 |
| Dividend on Equity Shares | 1.5 * | 2.2 * | 2.6 * | 2.9 * | 4.1 | 4.9 * | 5.2 * | 6.6 * | 8.3 * | 10.2 * | 23.29 |
| Retained Earning | 4.7 | 6.4 | 8.0 | 8.0 | 8.3 | 8.7 | 8.9 | 11.0 | 12.6 | 17.4 | 15.58 |
| Financial Position | 31.03.98 | 31.03.99 | 31.03.00 | 31.03.01 | 31.03.02 | 31.03.03 | 31.03.04 | 31.03.05 | 31.03.06 | 31.03.07 | CAGR % |
| Capital | 2.8 | 2.8 | 2.9 | 5.8 | 5.8 | 5.8 | 5.8 | 5.8 | 5.8 | 5.8 | 8.37 |
| Reserves (Less Revaluation Reserve & Misc. Expenditure) | 21.7 | 28.1 | 38.7 | 43.9 | 47.7 ^ | 56.4 ^ | 65.0 | 76.0 | 88.7 | 106.1 | 19.30 |
| Net Worth | 24.5 | 30.9 | 41.6 | 49.7 | 53.5 | 62.2 | 70.8 | 81.8 | 94.5 | 111.9 | 18.39 |
| Borrowings | 18.8 | 12.3 | 18.1 | 10.3 | 10.2 | 9.6 ^ | 12.9 | 14.0 | 12.7 | 31.7 | 5.99 |
| Deferred Tax Liability (Net) | - | - | - | - | 6.4 ^ | 6.7 ^ | 6.9 | 6.6 | 7.0 | 7.8 | - |
| Funds Employed | 43.3 | 43.3 | 59.7 | 60.0 | 70.0 | 78.5 | 90.6 | 102.4 | 114.2 | 151.4 | 14.93 |
| Fixed Assets# | | | | | | | | | | | |
| Gross Block | 29.6 > | 33.5 | 46.4 | 51.7 | 63.6 | 71.9 ^ | 81.2 | 96.4 | 110.4 | 127.4 | 17.60 |
| Depreciation | 8.1 > | 10.2 | 13.2 | 16.9 | 21.1 | 25.7 | 31.5 | 37.5 | 43.7 | 50.1 | 22.51 |
| Net Block | 21.6 | 23.3 | 33.2 | 34.8 | 42.5 | 46.1 ^ | 49.7 | 58.9 | 66.7 | 77.3 | 15.25 |
| Investments in | | | | | | | | | | | |
| - Overseas Subsidiaries | - | - | - | - | - | - | - | 0.7 | 5.2 | 17.3 | - |
| - Others | 3.2 | 4.3 | 5.3 | 3.7 | 3.5 | 3.4 | 3.4 | 3.5 | 3.1 | 3.2 | (0.13) |
| Net Current Assets | 18.5 | 15.7 | 21.3 | 21.5 | 24.1 | 28.9 ^ | 37.4 | 39.3 | 39.3 | 53.6 | 12.55 |
| Total Assets | 43.3 | 43.3 | 59.7 | 60.0 | 70.0 | 78.5 | 90.6 | 102.4 | 114.2 | 151.4 | 14.93 |

All figures are based on exchange rate as of 31st March 2007 (1USD = Rs. 43.5898)

@ Includes VRS Payment of USD 0.30 million.

\$ Includes VRS Payment of USD 0.05 million.

* Includes Tax on Dividend.

> Figures have been regrouped in Annual Report for 1998-99

^ Figures have been reclassified/regrouped in 2003-04

Excluding Revalued Assets & Depreciation thereon

"The above results for Pidilite Industries Limited are on a stand-alone basis and without consolidating the results of its subsidiaries"

10 Years' Financial Performance



(USD in Million)

| Highlights | 1997-98 | 1998-99 | 1999-00 | 2000-01 | 2001-02 | 2002-03 | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Funds Flow | | | | | | | | | | |
| Sources | | | | | | | | | | |
| Internal Generation | 8.2 | 10.8 | 13.6 | 14.8 | 18.6 | 19.1 | 20.1 | 23.5 | 27.5 | 35.2 |
| Increase in Capital & Reserve (Net) on Amalgamation | - | - | 2.8 | - | - | - | - | - | - | - |
| Increase in Loans | - | - | 5.8 | - | - | - | 3.3 | 1.1 | - | 19.0 |
| Decrease in Investment - Others | - | - | - | 1.6 | 0.2 | 0.1 | - | - | 0.5 | - |
| Decrease in Working Capital | - | 1.8 | - | - | - | - | - | - | - | - |
| Decrease in Miscellaneous Expenditure | - | - | - | - | - | - | - | 0.1 | 0.1 | 0.1 |
| Total | 8.2 | 12.7 | 22.2 | 16.4 | 18.7 | 19.2 | 23.5 | 24.6 | 28.1 | 54.3 |
| Applications | | | | | | | | | | |
| Repayment of Loans | 1.0 | 5.5 | - | 7.8 | 0.2 | 0.4 | - | - | 1.3 | - |
| Capital Expenditure (Net) | 2.8 | 3.9 | 13.0 @ | 5.5 | 12.0 \$ | 8.8 # | 9.5 | 15.3 + | 14.1 ! | 17.6 |
| Investments - Overseas Subsidiaries | - | - | - | - | - | - | - | 0.7 | 4.5 | 12.1 |
| - Others | 0.3 | 1.1 | 0.9 | - | - | - | - | 0.1 | - | 0.1 |
| Dividend | 1.5 | 2.2 | 2.6 | 2.9 | 4.1 | 4.9 | 5.2 | 6.6 | 8.3 | 10.2 |
| Increase in Working Capital | 2.6 | - | 5.6 | - | 2.5 | 5.0 | 8.5 | 1.9 | - | 14.3 |
| Increase in Miscellaneous Expenditure | - | - | - | - | - | - | 0.2 | - | - | - |
| Total | 8.2 | 12.7 | 22.2 | 16.4 | 18.7 | 19.2 | 23.5 | 24.6 | 28.1 | 54.3 |
| Ratios | | | | | | | | | | |
| Return on Average Net Worth % (RONW) (PAT divided by Average Net Worth) | 28.4 | 30.9 | 30.1 | 24.1 | 24.0 | 23.5 | 21.2 | 23.0 | 23.6 | 26.7 |
| Return on Average Capital Employed % (ROCE) (PBIT divided by Average Funds Employed*) | 27.0 | 32.2 | 33.5 | 28.0 | 30.0 | 31.6 | 27.6 | 27.6 | 30.0 | 29.3 |
| Long Term Debt/Cash Flow | 1.1 | 0.1 | 0.4 | 0.1 | 0.1 | 0.3 | 0.2 | 0.2 | 0.2 | 0.4 |
| Gross Gearing % (Debt as a percentage of Debt plus Equity) | 43.4 | 28.5 | 30.3 | 17.1 | 16.0 | 13.3 | 15.4 | 14.6 | 11.8 | 22.1 |
| Current Ratio | 3.3 | 2.3 | 2.5 | 2.6 | 2.3 | 2.6 | 3.0 | 2.5 | 2.2 | 2.3 |
| Assets Turnover (times) (Gross Sales divided by Total Assets) | 1.9 | 2.1 | 1.8 | 2.0 | 1.9 | 1.9 | 1.9 | 2.0 | 2.1 | 2.0 |

All figures are based on exchange rate as of 31st March 2007 (1USD = Rs. 43.5898)

@ Includes Cost of Brands Acquired USD 8.39 million

\$ Includes Cost of Brand Acquired USD 2.00 million

Includes Cost of Brands Acquired USD 2.08 million

+ Includes Cost of Brand Acquired USD 3.07 million

! Includes Cost of Brands Acquired USD 0.41 million

* Excluding Deferred Tax Liability (Net)

"The above results for Pidilite Industries Limited are on a stand-alone basis and without consolidating the results of its subsidiaries"