Pidilite Industries Ltd.

Q3 FY18
Earnings Presentation
Disclaimer

This presentation may contain statements which reflect the management’s current views and estimates and could be construed as forward looking statements.

The future involves certain risks and uncertainties that could cause actual results to differ materially from the current views being expressed.

Potential risks and uncertainties include such factors as general economic conditions, foreign exchange fluctuations, competitive product and pricing pressures and regulatory developments.
Financial Highlights
## Q3 FY18 Earnings Summary

<table>
<thead>
<tr>
<th></th>
<th>Net Sales</th>
<th>EBITDA **</th>
<th>PBT</th>
<th>PAT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Standalone</strong></td>
<td>Rs 1366 Cr</td>
<td>Rs 359 Cr</td>
<td>Rs 353 Cr</td>
<td>Rs 239 Cr</td>
</tr>
<tr>
<td><strong>YoY Growth</strong></td>
<td>20.2%</td>
<td>28.9%</td>
<td>26.0%</td>
<td>17.0%</td>
</tr>
<tr>
<td><strong>Consolidated</strong>*</td>
<td>Rs 1533 Cr</td>
<td>Rs 372 Cr</td>
<td>Rs 358 Cr</td>
<td>Rs 239 Cr</td>
</tr>
<tr>
<td><strong>YoY Growth</strong></td>
<td>17.3%</td>
<td>28.0%</td>
<td>27.1%</td>
<td>18.0%</td>
</tr>
</tbody>
</table>

*Sales is excluding Cyclo  
**EBITDA is before non operating income
# 9M FY18 Earnings Summary

<table>
<thead>
<tr>
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<th>PAT</th>
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</thead>
<tbody>
<tr>
<td><strong>Consolidated</strong>*</td>
<td>Rs 4546 Cr</td>
<td>Rs 1070 Cr</td>
<td>Rs 1066 Cr</td>
<td>Rs 719 Cr</td>
</tr>
<tr>
<td><strong>YoY Growth</strong></td>
<td>6.8%</td>
<td>6.2%</td>
<td>7.2%</td>
<td>1.8%</td>
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<tbody>
<tr>
<td><strong>Standalone</strong></td>
<td>Rs 4048 Cr</td>
<td>Rs 1039 Cr</td>
<td>Rs 1053 Cr</td>
<td>Rs 717 Cr</td>
</tr>
<tr>
<td><strong>YoY Growth</strong></td>
<td>9.1%</td>
<td>6.7%</td>
<td>7.4%</td>
<td>2.0%</td>
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*Sales is excluding Cyclo

**EBITDA is before non operating income
Comments on Financial Performance

Standalone

- Net Sales grew by 20.2% in Q3.
- EBITDA, before non-operating income, at Rs 359 Cr, grew by 28.9%

Consolidated

- Net Sales grew by 17.3% (excluding sales of Cyclo division of Pidilite USA Inc., which was sold by Pidilite USA Inc. in June, 2017).
- EBITDA, before non-operating income, at Rs 372 Cr, grew by 28.0%.
Q3 FY18 Overseas Performance

Sales and EBITDA are excluding Cyclo. Figures are reported as per constant currency.

(in INR Crores)

Sales

EBITDA

Sales and EBITDA are excluding Cyclo. Figures are reported as per constant currency.
9M FY18 Overseas Performance

Sales and EBITDA are excluding Cyclo.
Figures are reported as per constant currency.
Company Overview
Company Overview

Brand established in 1959. Pioneer in Consumer and Specialty Chemicals

Adhesives & sealants, construction chemicals, art & craft products and polymer emulsions

History of creating strong brands.

Among the most trusted brands in the country. Other big brands include Dr. Fixit, M-seal and Fevikwik

8 Regional offices with 23 plants and 23 co-makers in India

* International manufacturing facilities in USA, Thailand, Dubai, Brazil, Egypt, Singapore and Bangladesh
* Manufacturing facility planned in Sri Lanka and Ethiopia. An additional manufacturing facility planned in Bangladesh

Exporter of Pigments and Pigment emulsions to emerging markets as well as Europe and North America

3 R&D centers in India
Industry Segment Composition as on March 2017

- **Construction/ Paint Chemicals**: 19%
- **Adhesives & Sealants**: 55%
- **Art/Craft Materials & Others**: 10%
- **Industrial Adhesives**: 5%
- **Industrial Resins**: 5%
- **Pigment & Preparation**: 5%
- **Others**: 1%

**C&B – Consumer & Bazaar, IP – Industrial Products, Others**

*Standalone Results – % of Total Net Revenue*
5-Year Performance by Business Segments

Numbers represent Percentage of Total Net Revenue

Consumer and Bazaar Products

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<tr>
<td>81%</td>
<td>81%</td>
<td>82%</td>
<td>83%</td>
<td>84%</td>
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Industrial Products

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<tbody>
<tr>
<td>19%</td>
<td>19%</td>
<td>18%</td>
<td>17%</td>
<td>16%</td>
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</table>
Domestic Presence – India operations

- **5200+** SKUs of **500** products
- Gross Turnover (domestic) of **Rs. 5,720 Cr** for FY17
- **23** plants, **23** Co-makers

- **5442** distributors
- **28** warehouses
- **8** regional offices & **2** RDCs
Global Presence

- Exports to more than **80** countries. Major exports to Middle East, Africa, USA & Europe.

- Export Turnover of **Rs. 484 Cr** in **FY17**.

- **17** Overseas subsidiaries – 5 Direct and 12 Step down. 1 Joint Venture.

- Total revenue from Overseas subsidiaries of **Rs. 599 Cr** in **FY17**.

- International manufacturing facilities in USA, Thailand, Dubai, Brazil, Egypt, Singapore and Bangladesh.

- Specific focus **growing business in Bangladesh, Sri Lanka and Egypt**.

- Manufacturing facility planned in **Sri Lanka** and **Ethiopia** this year. Additional manufacturing facility planned in **Bangladesh**.
Marketing/ Advertising

- Consistent and effective brand building activities across various categories (a) Consumer Adhesives & Sealants (b) Craftsmen Adhesives (c) Waterproofing Chemicals (d) Hobby & Craft Colours

- Several of the brands are well-known in respective categories (Fevicol, Fevikwik, M-Seal, Dr Fixit, Fevicryl, etc.)

- Award winning advertisements resulting in mass appeal of brands across all segments and geographies.

- Significant relationship building activities with end users and influencers.

- Extensive grass root contact with end-users to promote usage of products and brands.
Shareholding Pattern as of December 31, 2017

- Promoters: 69.59%
- Mutual Funds: 15.66%
- FPIs: 10.99%
- Others: 3.76%
Share Price Movement

Rebased to 100
Backed by consistent dividend payouts

Note: The company transitioned into IND AS from 01.04.2015
Investor Contacts

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