



21st June, 2018

The Secretary
BSE Ltd.
Corporate Relationship Dept.,
14th floor, P. J. Tower,
Dalal Street, Fort
Mumbai - 400 001
Stock Code – 500331

The Secretary
National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex,
Bandra (E),
Mumbai - 400 051
Stock Code - PIDILITIND

Sub: Investor Presentation

Dear Sir,

Please find attached an Investor Presentation.

Thanking You,

Yours faithfully,
For Pidilite Industries Limited

P Ganesh
Chief Financial Officer

Encl: a/a

Pidilite Industries Limited

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Andheri - E, Mumbai 400059, India

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CIN:L24100MH1969PLC014336

Investor Presentation



Presentation Structure



- **Company Overview**
- **Business Overview**
- **Macro Indicators**
- **Strategic Direction**
- **Key Consideration**

Company Overview

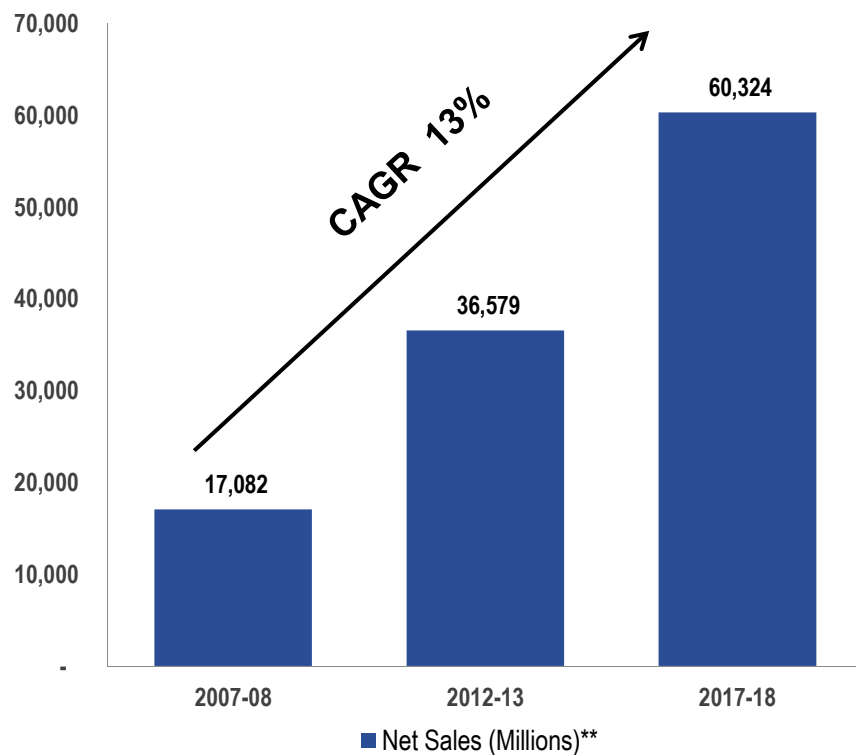


- Established in 1959
- Pioneer in Consumer & Specialty Chemicals in India
- Over 2/3rd of sales from products and segments pioneered in India
- Strong position in most products and segments
- Consistent growth in sales, profits and dividend payout.
- Consolidated Gross Sales of Rs 61,727 mn in FY 17-18
- Wide geographic presence – Domestic & International
- Well established R&D set-up – Most products developed through in-house R&D
- Strong leadership team

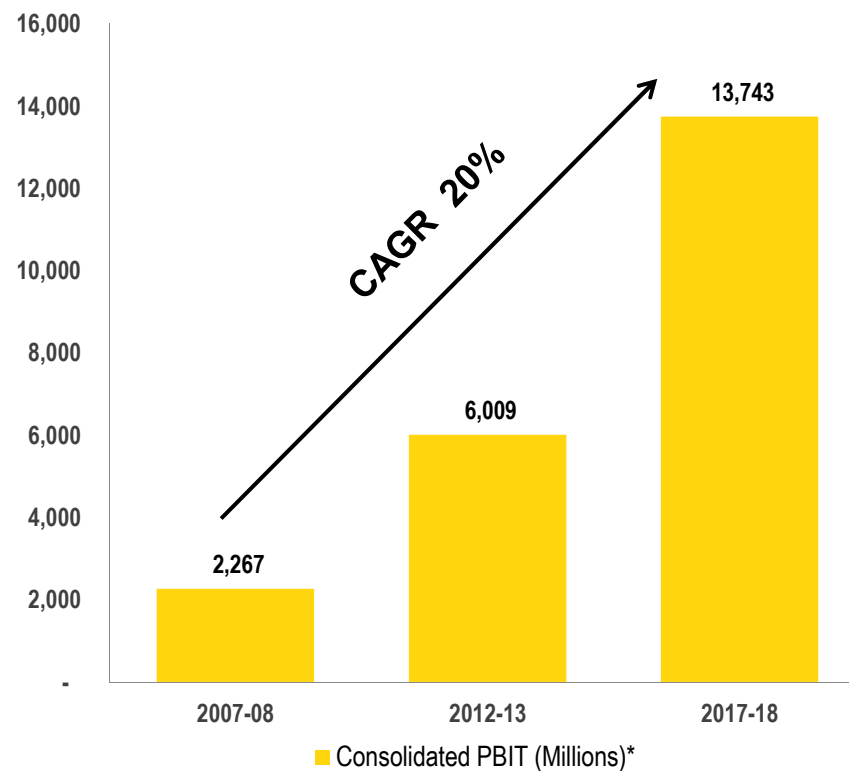
Sustainable strong growth ...



In Rs Millions



**Sales net of excise duty



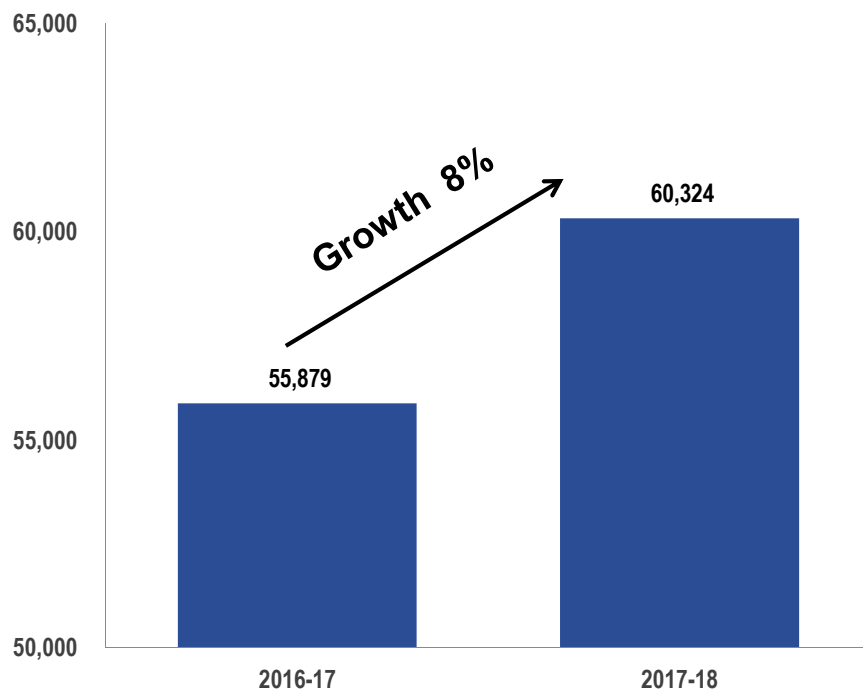
*PBIT is Profit before exceptional item, tax, and interest

Year-on-Year growth in revenue & profit over last 10 years

FY17-18 Revenue & Profit

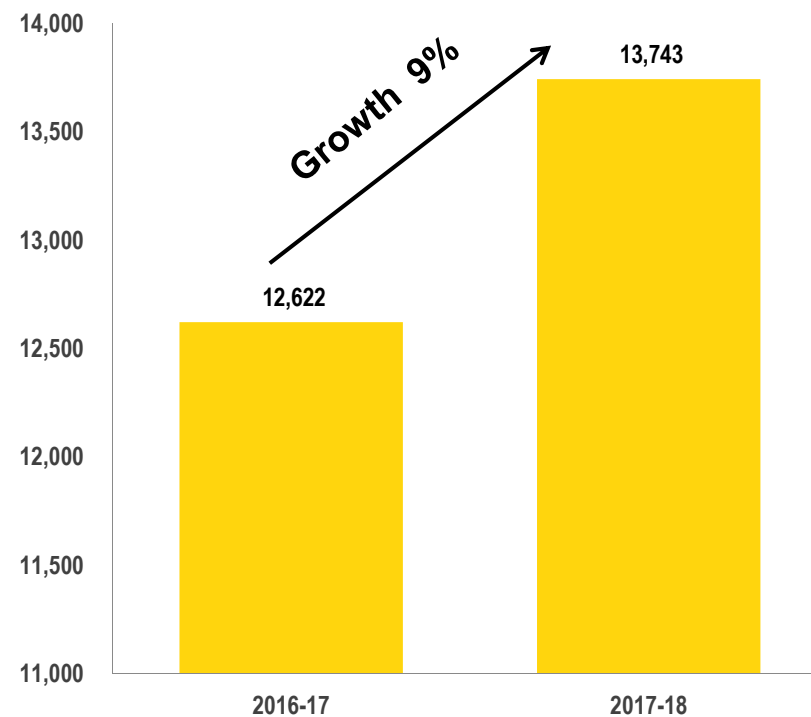


In Rs Millions



■ Net Sales (Millions)**

**Sales net of excise duty

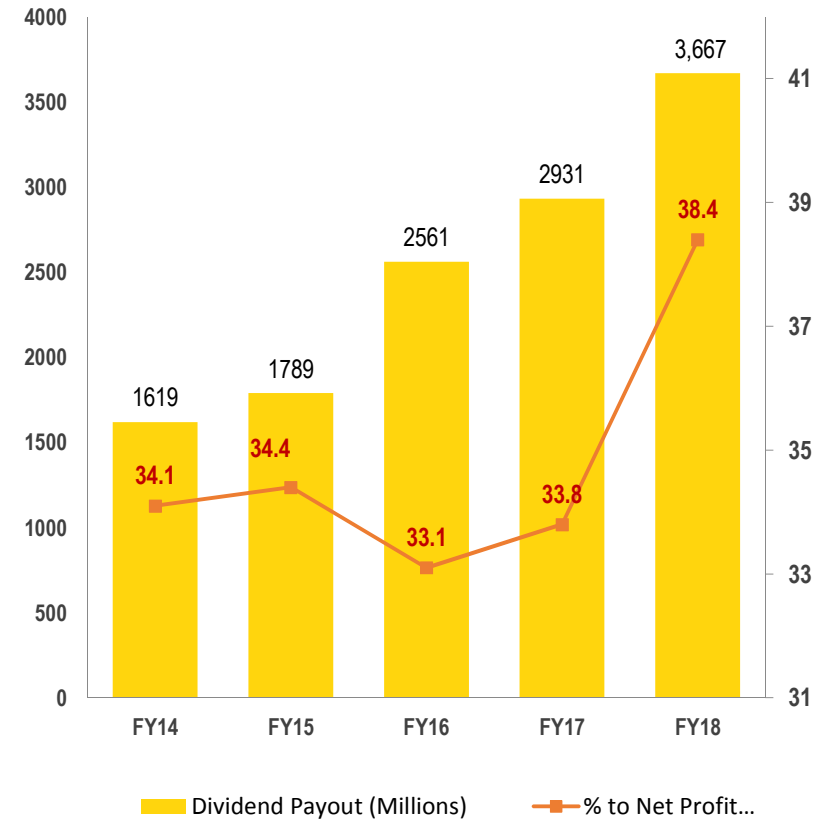
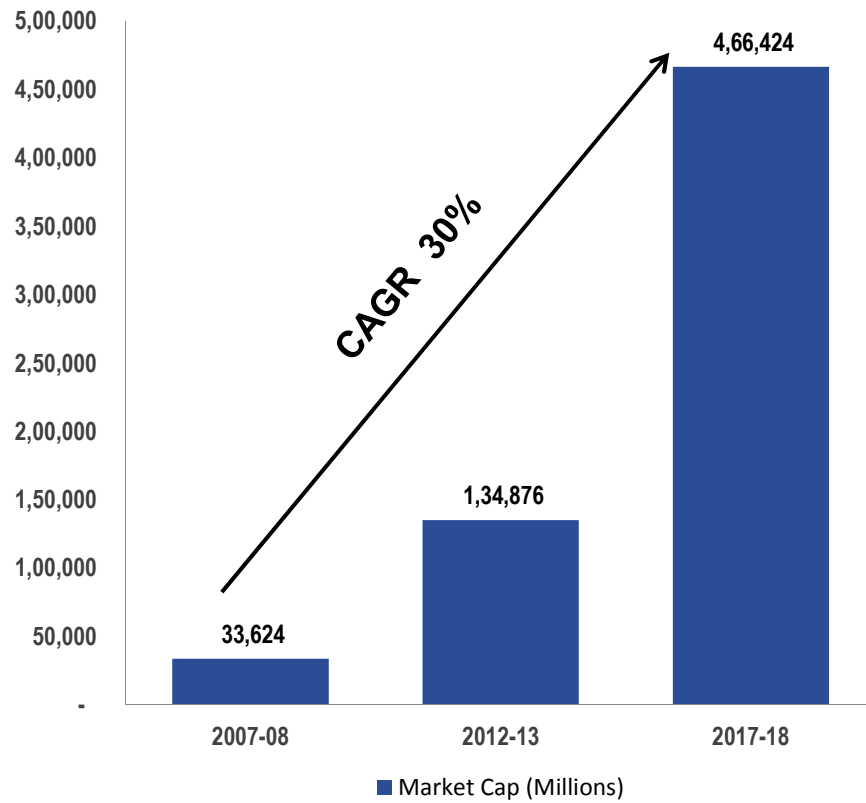


■ Consolidated PBIT (Millions)*

*PBIT is Profit before exceptional item, tax, and interest

- On a comparable basis after reflecting accounting impact of GST, net sales grew by 11.5% (excluding sales of Cyclo division which was sold by Pidilite USA Inc. in June, 2017).

...Creating value for shareholders



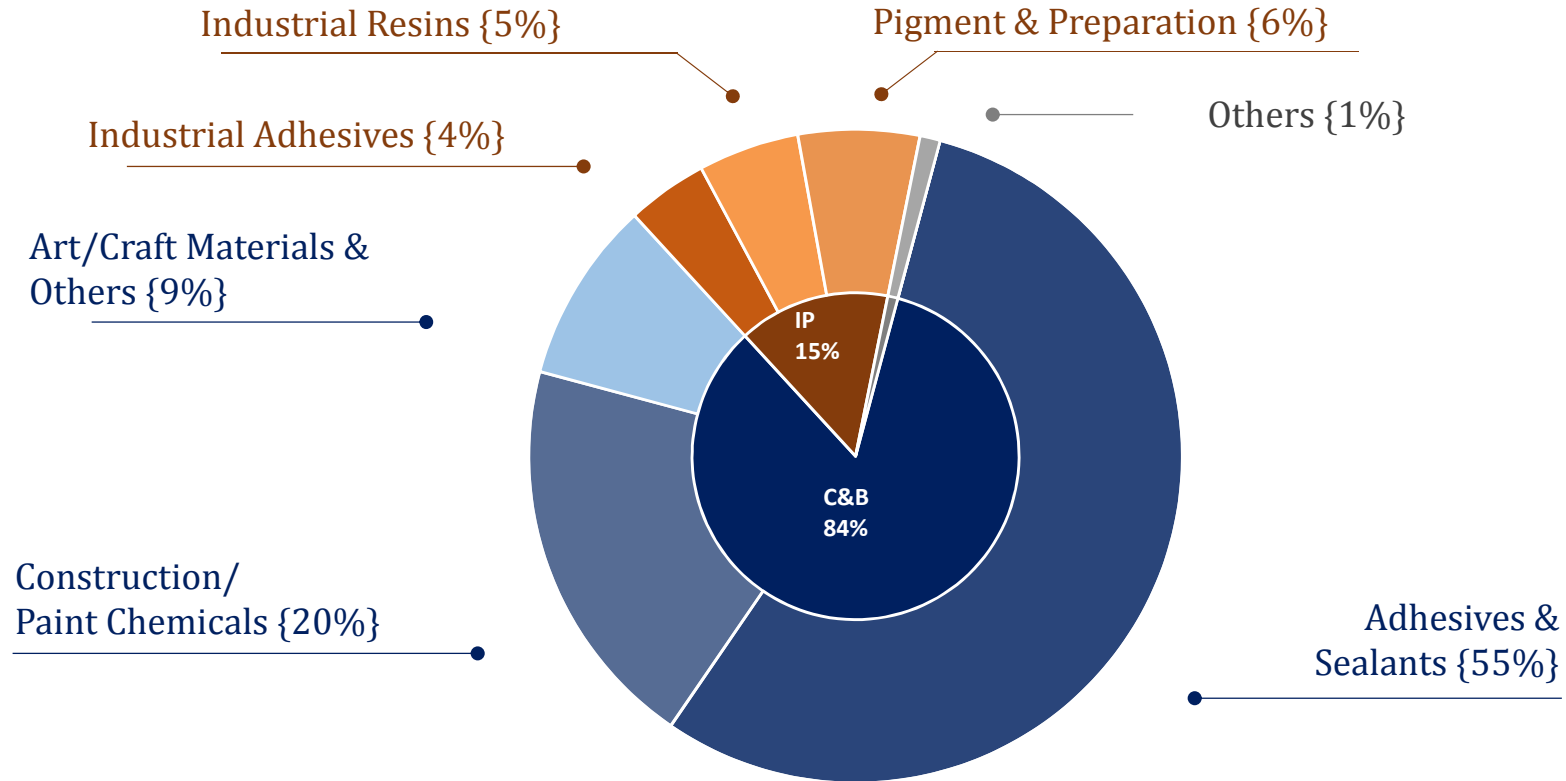
Market Cap growth @ 30% CAGR / Steady dividend payout

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Our Business Dimensions



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

Standalone Results – % of Total Sales – As of 31 Mar 2018



Our Brands

- Fevicol SH
- Fevicol Marine
- Fevicol SR998
- Fevicol Probond
- Fevikwik
- Fevicol MR
- M-seal
- Dr Fixit
- Fevicryl
- Wudfin
- Woodgrip

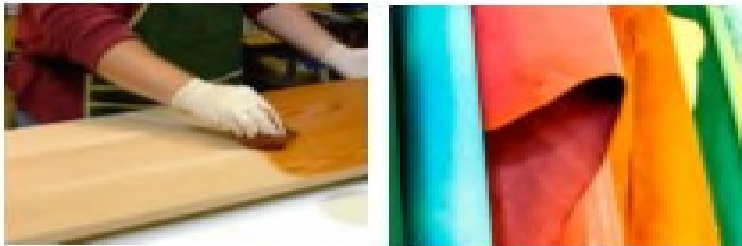


Consumer and Bazaar Products – 84% of Company's Sales



- Consists of Adhesives & Sealants (55%), Construction & Paint Chemicals (20%) and Art/Craft Materials and others (9%)
- Market leader across adhesives and sealants, construction chemicals (retail) and hobby colours.
- Extensive product range, developed through strong in-house R&D
- Strong brands – (Fevicol, Dr Fixit, Fevikwik, M Seal, Steel Grip)
- Extensive distribution network
- Significant potential to expand consumption in most products / segments

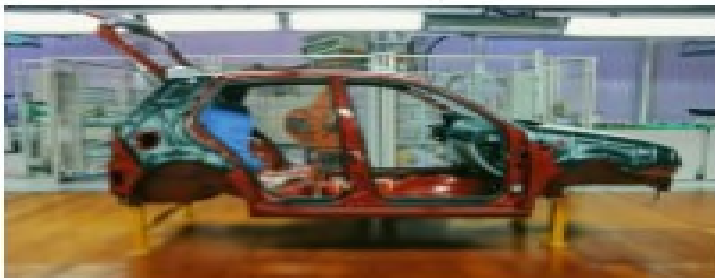
Industrial Resins & Leather chemicals



Industrial & Footwear adhesives



Industrial Bonding solutions



Industrial Products – Business Segments

- Hot melt adhesives for end-of-line packaging, book binding and product assembly
- Resins for Paints, Paper & Textiles
- Adhesives for Footwear
- Adhesives for Leather
- Water based adhesives for paper correcting & lamination
- Epoxy & Cyanoacrylates for Automotive assembly
- Organic & high-performance Pigments sold in India and exported to the leading global Ink, Paints and Coatings, Plastics and Rubber master batch manufacturers
- Pigment dispersions for textile, paper and paint applications

Industrial Products - 15% of company's sales



- Consists of Industrial Adhesives (4%), Industrial Resins (5%), Pigments and Preparations (6%)
- Extensive range of industrial adhesives for various applications.
- Market leader in pigment dispersions for Indian textile segments
- Pioneer in manufacturing Pigment Violet 23 in India
- Specialty polymers and co-polymers for various industries like paints, non-woven and flocked fabrics, construction chemicals and leather

Business Overview – Global Presence



- Exports to more than 80 countries. Major exports to Middle East, Africa, USA & Europe
- Export Turnover of Rs. 5,185 Mn in FY'18
- 17 Overseas subsidiaries – (5 Direct and 12 Step down) and one Joint venture.
- Total Revenue from Overseas subsidiaries of Rs. 4,912 Mn in FY'18.
- International manufacturing activities in USA, Brazil, Thailand, Bangladesh, Egypt, Srilanka, Dubai and Singapore.
- New manufacturing facilities planned in Srilanka and Ethiopia. An additional manufacturing facility planned in Bangladesh.

Business Overview : International Subsidiaries



North America

- Sargent Arts is the leading supplier of quality art materials to the educational and retail markets throughout the United States.
- Adult colouring segment had witnessed very high demand last year but has seen slow-down in current year.

South America

- The business manufactures and sells Adhesives, Sealants and Construction Chemicals.
- Sales declined due to competitive pressure in key products.
- Focus on new and fast moving products for improving margin.

SAARC / SEA

- Bangladesh: No. 1 player manufacturing adhesives, sealants. Growing & profitable business, and in the process of expanding manufacturing capacity.
- Sri-Lanka: Acquired from CIC Holdings PLC, Chemifix trademark and other brands associated with PVAC adhesives business in 2015.
- SEA : Construction chemical subsidiary in Thailand, achieving consistent growth in sales. EBITDA decline on account of higher material cost and SG&A spends

MEA

- Egypt: Manufactures & sells adhesives, sealants & other products. Performance impacted due to adverse economical situation.
- Dubai - Modern purpose built factory at Dubai Investment Park II. The facility manufactures and supports a proven range of construction chemicals.
- Africa has numerous similarities with India - trade (small retail setups), application (No DIY concept). Most of the dealers in Africa are of Indian origin.

We continue to deliver promise through our engaging & humorous advertisements



- Dr. Fixit's new TV advertisement with superstar Amitabh Bachchan as brand ambassador was a multimedia national marketing campaign across TV, digital, radio, retail activations and innovative outdoor. The films featured Mr. Bachchan talking about proactively doing waterproofing of homes with Dr. Fixit
- Fevicol & Fevikwik continued its series of advertisements reinforcing the brands strength & strengthening connect with users.



And our efforts have resulted in periodic recognition



- Dun & Bradstreet Corporate Awards 2018 felicitated the best performing companies in India across 50+ sectors; Pidilite was selected as the winner in the Chemical sector

Presentation Structure



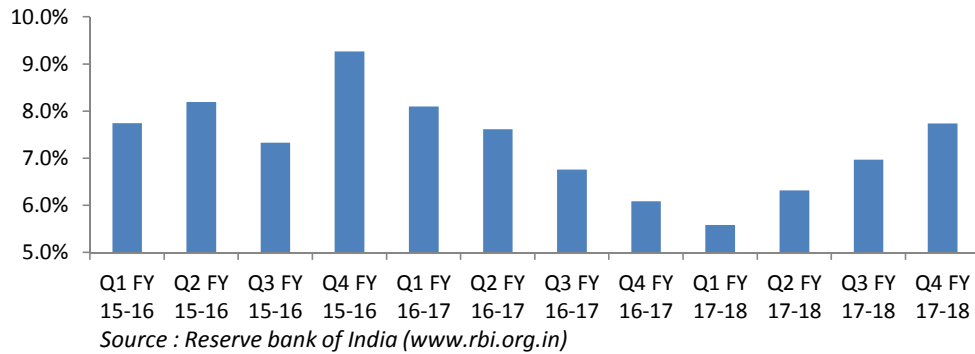
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Macro indicators provide strong impetus..

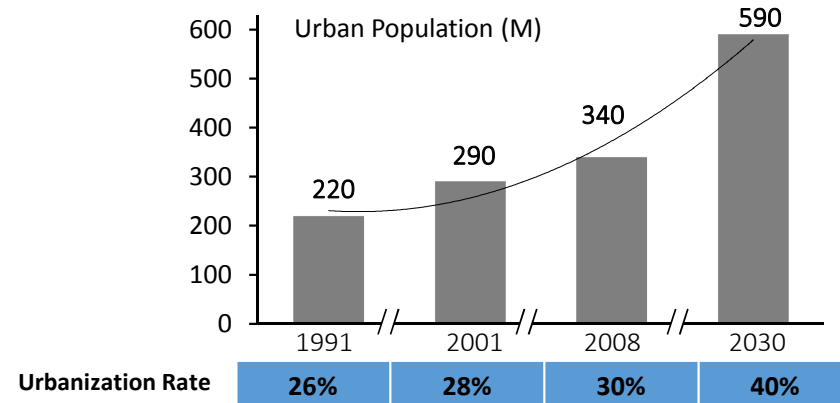


GDP GROWTH STORY INTACT

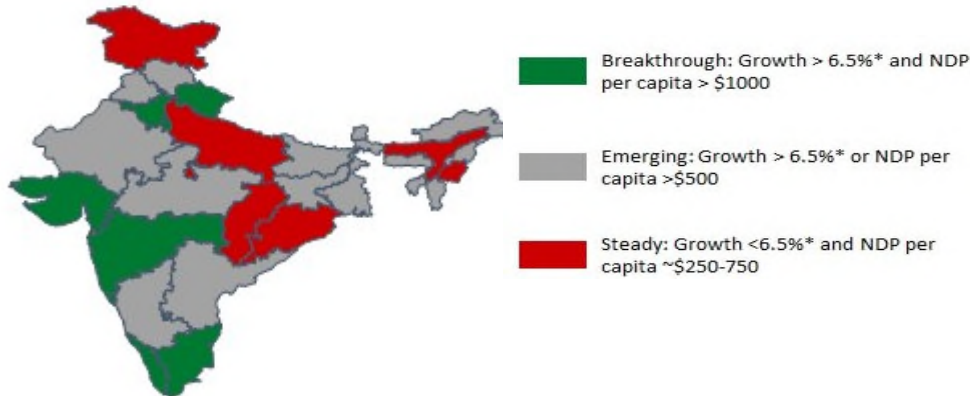
GDP Growth (%)



BY 2030, 40% OF INDIA WILL LIVE IN CITIES

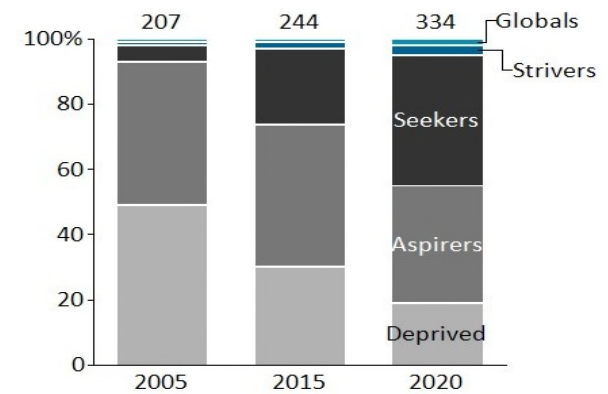


.....OPPORTUNITY IN TIER 2 & TIER 3 STATES



Note: Urban (GOI definition): 4,000 People/75% of men in non agricultural work/Population density of 400 per sqkm
 Source: MGI, Monitor Analysis

...AND IN ASPIRERS / BOTP CONSUMER SEGMENTS



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