



13th November, 2019

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

Dear Sir,

Sub: Press release

Please find attached the press release dated 13th November, 2019

Thanking You,

Yours faithfully,
For Pidilite Industries Limited

Puneet Bansal
Company Secretary

Pidilite Industries Limited

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*Press release
For immediate release
November 13th, 2019*

Pidilite Industries reports standalone net sales growth of 4% over the same quarter last year, and PAT growth of 33% for quarter ended 30th September, 2019

Mumbai, November 13, 2019; Pidilite Industries Limited, India's leading manufacturer of adhesives, sealants and construction chemicals today announced its financial results for the quarter and six months ended September 30, 2019.

FINANCIAL PERFORMANCE

Consolidated Performance

- Net sales at Rs 1,797 Cr grew by 3% over the same quarter last year. Net sales for the half year ended stood at Rs 3,803 Cr and grew by 7% over the same period last year.
- EBITDA before non-operating income stood at Rs 369 Cr and marginally declined by 0.6% over the same quarter last year, on account of higher A & SP spends. EBITDA for the half year ended stood at Rs 813 Cr and grew by 8% over the same period last year.
- Profit after tax (PAT) at Rs 325 Cr grew by 41% (excluding exceptional items* grew by 49%) over the same quarter last year, mainly on account of reduction in tax rates by government. For the half year ended, profit after tax at Rs 620 Cr grew by 31% (excluding exceptional items* grew by 36%).

*Exceptional item represents impairment loss on plant and machinery held for sale amounting to Rs. 22 Cr in current period and in value of investment amounting to Rs. 2 Cr in previous period.

Standalone Performance

- Net sales at Rs 1,562 Cr grew by 4% over the same quarter last year with underlying sales volume & mix growth of 1%. This was driven by a 13% growth in sales volume & mix of Industrial Products and decline of 1% in sales volume & mix of Consumer & Bazaar Products. Net sales for the half year ended stood at Rs 3,330 Cr and grew by 7% over the same period last year.
- EBITDA before non-operating income stood at Rs 352 Cr and grew by 1% over the same quarter last year, on account of higher A & SP spends. EBITDA for YTD Sept'19 stood at Rs 770 Cr and grew by 9% over the same period last year.
- PAT at Rs 324 Cr grew by 33% over the same quarter last year. PAT grew by 49%, excluding exceptional items* and dividend income from subsidiaries and effect of tax thereon, in previous corresponding quarter. Effective tax rate for the quarter has been reduced from 33% to 7.5% due to reduction in corporate tax rate and remeasurement of deferred tax liability. For the half year ended, PAT at Rs 612 Cr grew by 20%. PAT grew by 34% excluding exceptional items* and income from inter-company transfer of intangible assets and dividend income from subsidiaries and effect of tax thereon, in same period last year.

* Exceptional item represents impairment loss on plant and machinery held for sale amounting to Rs. 22 Cr in current period.

MD's COMMENTS

Commenting on the quarter performance, Mr. Bharat Puri, Managing Director, Pidilite Industries Ltd, said:

Q2 2019-20:

"This quarter has seen moderation of top line growth as a result of the challenging market conditions, the liquidity crunch as well as the prolonged monsoon and attendant disruption. While gross margins have improved substantially due to softer input costs, higher advertising and sales promotion costs due to phasing in this quarter, saw EBITDA at the same level as last year. For the first half, consolidated net sales grew at 7%, whereas EBITDA has grown by 8% and PAT (excluding exceptional items) by 36%.

While we expect demand conditions to improve in the new year, we remain focused on driving volume growth enabled by investments in brand building, capability and growth in small towns and rural India"

About Pidilite:

Pidilite Industries Limited is a leading manufacturer of adhesives and sealants, construction chemicals, craftsmen products, DIY (Do-It-Yourself) products and polymer emulsions in India. Our products range also includes paint chemicals, automotive chemicals, art materials and stationery, fabric care, maintenance chemicals, industrial adhesives, industrial resins and organic pigments & preparations. Most of the products have been developed through strong in-house R&D. Our brand name Fevicol has become synonymous with adhesives to millions in India and is ranked amongst the most trusted brands in the country. Some of our other major brands are M-Seal, Fevikwik, Fevistik, Roff, Dr. Fixit, and Fevicryl.