

BERGER PAINTS INDIA LIMITED



Earnings Update Call Q2 FY14 :
November 5, 2013

Financial Results – Standalone Q2 FY14

	Growth %
Net Sales & Other Operating Income	16.3
PBDIT	21.4
PBIT	20.7
PBT	18.9
PAT	21.3

Financial Results – Standalone H1 FY14

	Growth %
Net Sales & Other Operating Income	12.5
PBDIT	19.9
PBIT	19.0
PBT	19.3
PAT	18.3

Financial Results – Standalone Q2 FY14

- **Decorative Business continued to record steady growth**
- **Industrial business growth continued to be affected by the demand conditions in Automotive & Infrastructure sectors**
- **Exchange Fluctuation affected landed cost of direct imports as well as other raw materials which are import dependent**
- **Increase in other expense is primarily on account of increase in advertisement & sales promotion expenses, new initiatives in customer support, and foreign exchange loss on account of rupee depreciation**
- **Weighted Avg interest cost showed an increase for the quarter on account of rate hikes by RBI**
- **Manufacturing facility at Hindupur started trial production in the quarter**

Rs. Crore

STATEMENT OF STANDALONE PROFIT & LOSS : Q2 FY14

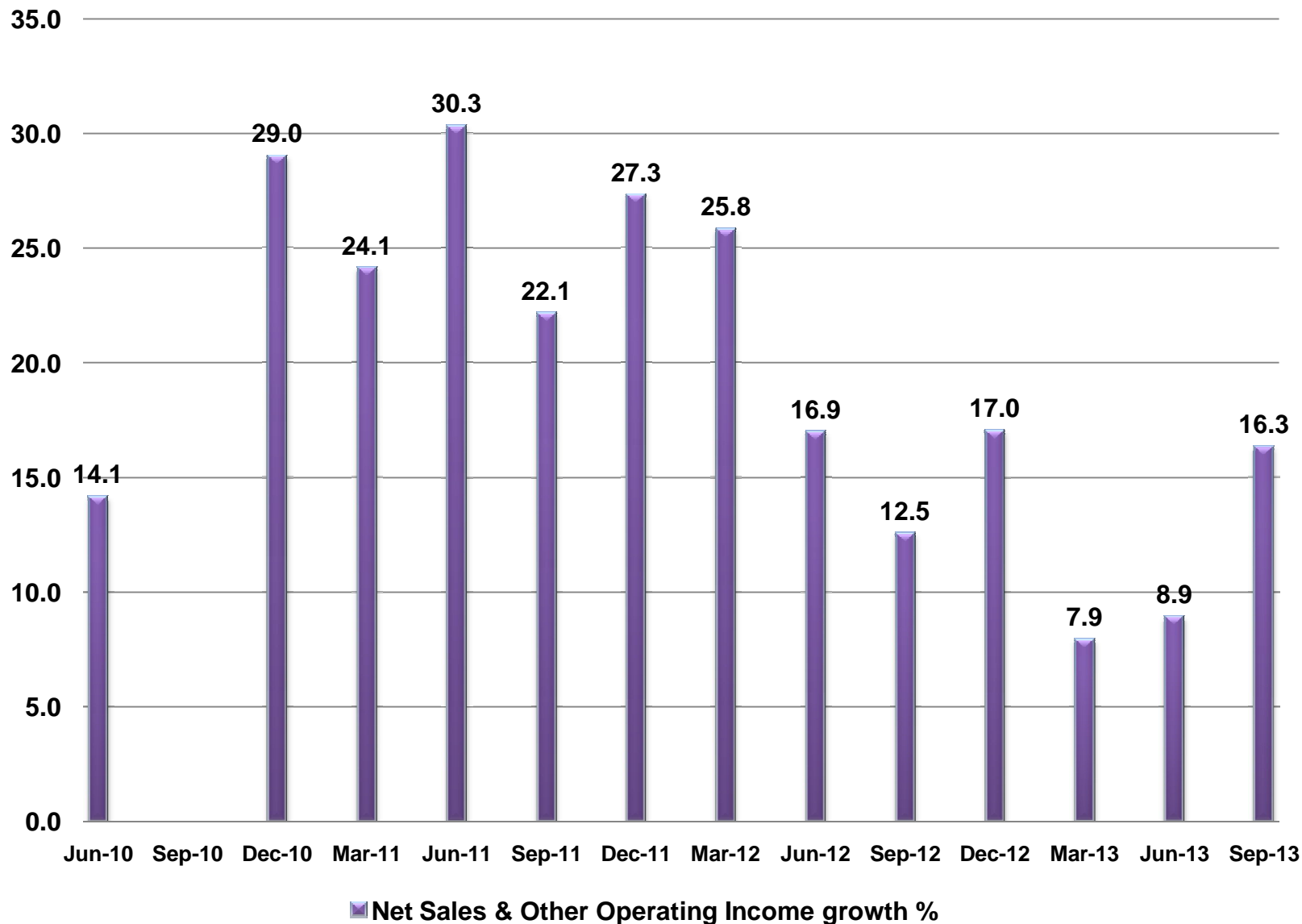
	Q2 FY 14	% to Sales	Q2 FY 13	% to Sales	Growth %
Net Sales & Other Operating Income	831		714		16.3
Material Cost	499	60.1	448	62.7	
Employee Cost	41	4.9	35	4.9	
Other Expenses	199	24.0	157	22.0	
PBDIT	91	10.9	75	10.5	21.4
Depreciation	14	1.6	11	1.6	
Profit from operations before interest	77	9.3	64	8.9	21.5
Other Income	7	0.9	6	0.9	
PBIT	85	10.2	70	9.8	20.7
Finance Cost	9	1.1	7	0.9	
PBT	76	9.1	64	8.9	18.9
Taxes	20	2.4	18	2.5	
PAT	56	6.7	46	6.4	21.3

Rs. Crore

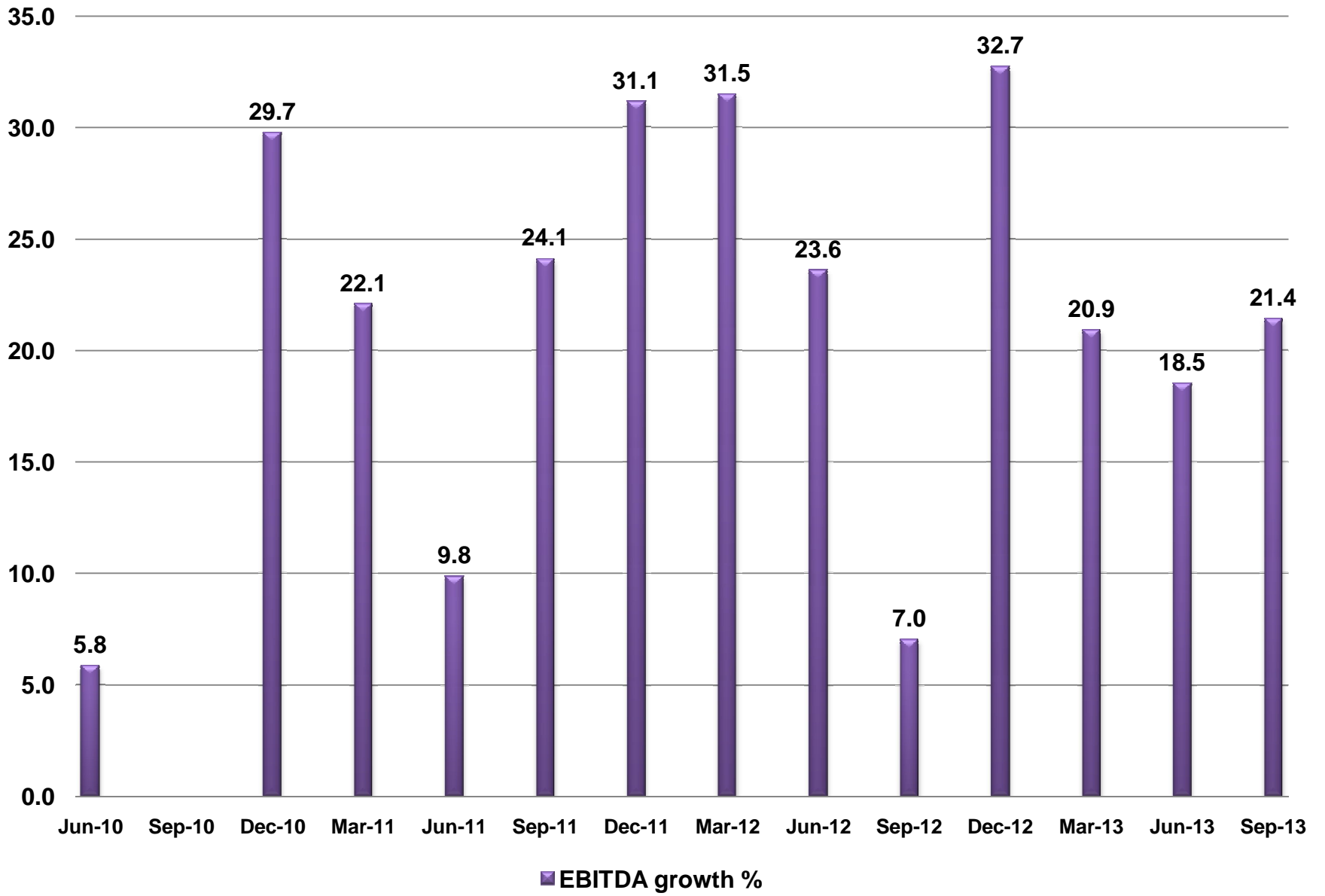
STATEMENT OF STANDALONE PROFIT & LOSS : H1 FY14

	H1 FY14	% to Sales	H1 FY13	% to Sales	Growth %
Net Sales & Other Operating Income	1649		1466		12.5
Material Cost	998	60.5	926	63.2	
Employee Cost	83	5.1	71	4.9	
Other Expenses	387	23.5	317	21.6	
PBDIT	181	11.0	151	10.3	19.9
Depreciation / Amortization	26	1.6	22	1.5	
Profit from operations before interest	155	9.4	129	8.8	20.1
Other Income	15	0.9	14	0.9	
PBIT	170	10.3	143	9.7	19.0
Finance Cost	16	1.0	13	0.9	
PBT	154	9.3	129	8.8	19.3
Taxes	43	2.6	36	2.4	
PAT	111	6.7	94	6.4	18.3

Quarter wise Net Sales & Other Operating Income growth %



Quarterwise EBITDA growth %



Financial Results – Consolidated Q2 FY14

	Growth %
Net Sales & Other Operating Income	19.1
PBDIT	15.6
PBIT	18.1
PBT	15.9
PAT	17.3

Financial Results– Consolidated H1 FY14

	Growth %
Net Sales & Other Operating Income	15.9
PBDIT	16.3
PBIT	17.0
PBT	16.5
PAT	14.2

Financial Results – Consolidated H1 FY14

- **Healthy top line growth assisted by improved performance in BBN Nepal, inclusion of Brushworks and JVs Berger Becker Coatings & BNB Chemicals**
- **Sales and profitability of Bolix S.A., Poland in Q2 FY14 improved significantly over Q1 FY14—this is a regular feature since Q1 comprises the winter months which is traditionally the low season for EIFS**

Rs. Crore

STATEMENT OF CONSOLIDATED PROFIT & LOSS : Q2 FY14

	Q2 FY 14	% to Sales	Q2 FY 13	% to Sales	Growth %
Net Sales & Other Operating Income	966		811		19.1
Material Cost	584	60.4	503	62.1	
Employee Cost	57	5.9	46	5.7	
Other Expenses	221	22.9	172	21.2	
PBDIT	104	10.8	90	11.1	15.6
Depreciation	16	1.7	14	1.7	
Profit from operations before interest	88	9.1	76	9.4	14.8
Other Income	8	0.9	5	0.6	
PBIT	96	9.9	81	10.0	18.1
Finance Cost	12	1.3	9	1.1	
PBT	84	8.7	72	8.9	15.9
Taxes	21	2.2	19	2.3	
PAT	63	6.5	53	6.6	17.3

Rs. Crore

STATEMENT OF CONSOLIDATED PROFIT & LOSS : H1 FY14

	H1 FY14	% to Sales	H1 FY13	% to Sales	Growth %
Net Sales & Other Operating Income	1874		1618		15.9
Material Cost	1139	60.8	1016	62.8	
Employee Cost	114	6.1	93	5.8	
Other Expenses	427	22.8	341	21.1	
PBDIT	194	10.3	167	10.3	16.3
Depreciation / Amortization	32	1.7	27	1.7	
Profit from operations before interest	162	8.7	140	8.6	16.0
Other Income	17	0.9	13	0.8	
PBIT	179	9.6	153	9.5	17.0
Finance Cost	22	1.2	18	1.1	
PBT	157	8.4	135	8.4	16.5
Taxes	46	2.4	37	2.3	
PAT	112	6.0	98	6.0	14.2

Industry Outlook

- **Decorative business growth expected to be sustained in the medium term on the back of a satisfactory monsoon and associated rural & semi-urban demand.**
- **Infrastructure / Automotive sector growth expected to remain subdued in the short term**
- **Effect of further INR depreciation on raw material prices may be a concern.**

Disclaimer

This presentation has been prepared by Berger Paints India Limited for information purposes only.

The forward looking statements, if any, involve risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the statements.