

30th October, 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

Dear Sir,

Sub: Press release

Please find attached the press release dated 30th October, 2018.

Thanking You,

Yours faithfully,
For Pidilite Industries Limited


P Ganesh
Chief Financial Officer



Pidilite Industries Limited

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Press release

For immediate release

October 30, 2018

Pidilite Industries reports consolidated net sales growth of 15%; domestic volume growth at 10%.

Mumbai, October 30, 2018: Pidilite Industries Limited, India's leading manufacturer of adhesives, sealants and construction chemicals today announced its financial results for the quarter and half year ended September 30th, 2018.

FINANCIAL PERFORMANCE

Consolidated Performance

- Net sales at Rs 1,748 Cr grew by 15% over the same quarter last year. Comparable* net sales for the half year stood at Rs 3,566 Cr and grew by 20% (excluding the sales of Cyclo Division of Pidilite USA Inc which was sold by Pidilite USA Inc in June 2017) over the same period last year.
- EBITDA before non-operating income stood at Rs 370 Cr and declined by 2% over the same quarter last year, given the input cost led contraction in gross margins by over 3% and higher A&SP spends. EBITDA for the half year stood at Rs 754 Cr and grew by 8% over the same period last year, given the input cost led contraction in gross margins by over 2% and higher A&SP spends.
- Profit after tax at Rs 231 Cr declined by 9% over the same quarter last year. For the half year, profit after tax at Rs 472 Cr declined by 2% over the same period last year. The higher decline in consolidated Profit after tax as compared to EBITDA is primarily on account of elimination of inter-company dividend and effect of tax thereon.

Standalone Performance

- Net sales at Rs 1,509 Cr grew by 12% over the same quarter last year with underlying sales volume & mix growth of 10%. This was driven by a 11% growth in sales volume & mix of Consumer & Bazaar products and 5% growth in sales volume & mix of Industrial Products. Comparable* net sales for the half year stood at Rs 3,101 Cr and grew by 17% over the same period last year.
- EBITDA before non-operating income stood at Rs 349 Cr and declined by 6% over the same quarter last year, given the input cost led contraction in gross margins by about 4% and higher A&SP spends. EBITDA for the half year stood at Rs 708 Cr and grew by 4% over the same period last year given the input cost led contraction in gross margins by over 2% and higher A&SP spends.
- Profit after tax stood at Rs 245 Cr and declined by 6% over the same quarter last year. Profit after tax for the half year stood at Rs 512 Cr and grew by 7% over the same period last year.

*Reflecting accounting impact of GST (excise duty and net input taxes adjusted from sales of base half year).

MD's COMMENTS

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

Q2 2018-19:

"We have delivered another quarter and half year of double digit volume growth. However, a challenging cost environment as a result of crude oil inflation and the depreciating rupee has resulted in lower gross margins. We have initiated several cost reduction measures as well as taken some price increases to address this. Overall, we remain committed to our strategic agenda of delivering consistent, profitable volume led growth."

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.