



Pidilite Industries Ltd.



Q2FY19

Earnings Presentation

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



Q2FY19 Earnings Summary



| | Net Sales | EBITDA ** | PBT | PAT |
|---------------------|--------------------|------------------|------------------|------------------|
| Standalone | Rs 1,509 Cr | Rs 349 Cr | Rs 365 Cr | Rs 245 Cr |
| YoY Growth | 11.9% | -6.5% | -4.8% | -6.3% |
| Consolidated | Rs 1,748 Cr | Rs 370 Cr | Rs 354 Cr | Rs 231 Cr |
| YoY Growth | 15.5% | -1.9% | -6.1% | -8.6% |

** EBITDA is before non operating income

H1FY19 Earnings Summary



| | Net Sales # | EBITDA ** | PBT | PAT |
|----------------------|--------------------|------------------|------------------|------------------|
| Standalone | Rs 3,101 Cr | Rs 708 Cr | Rs 762 Cr | Rs 512 Cr |
| YoY Growth | 16.8% | 4.3% | 8.7% | 7.0% |
| Consolidated* | Rs 3,566 Cr | Rs 754 Cr | Rs 731 Cr | Rs 472 Cr |
| YoY Growth | 19.5% | 8% | 3.4% | -1.5% |

On Comparable basis after reflecting accounting impact of GST

*Net Sales is excluding Cyclo

** EBITDA is before non operating income

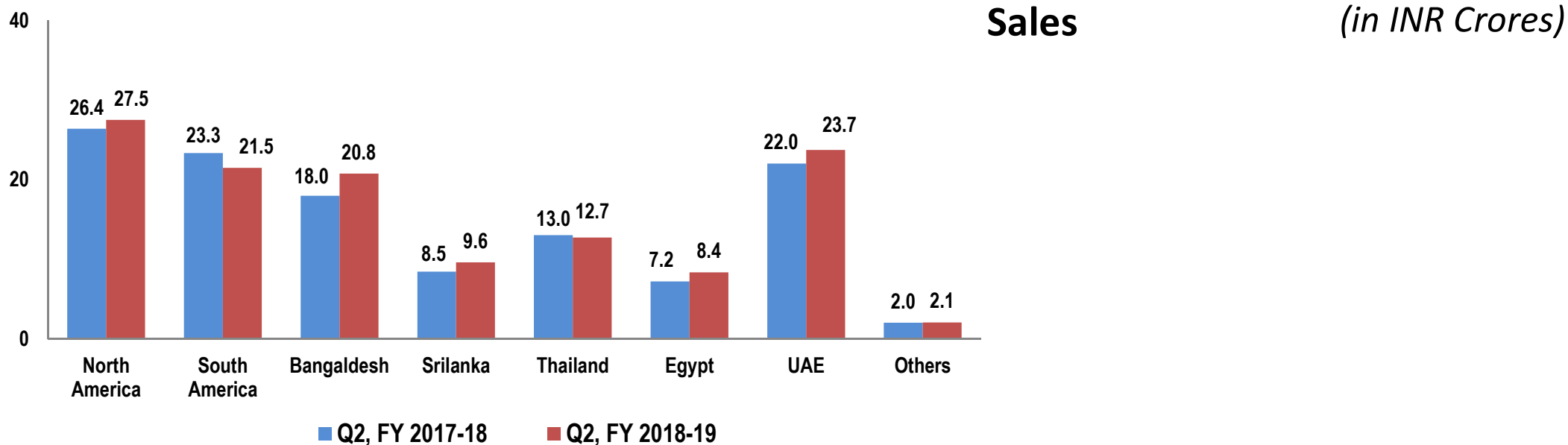
Standalone

- Net Sales grew by 11.9% in Q2.
- EBITDA, before non-operating income, at Rs 349 Cr declined by 6.5% in Q2, given the input cost led contraction in gross margins by 3.6% and higher A&SP spends.

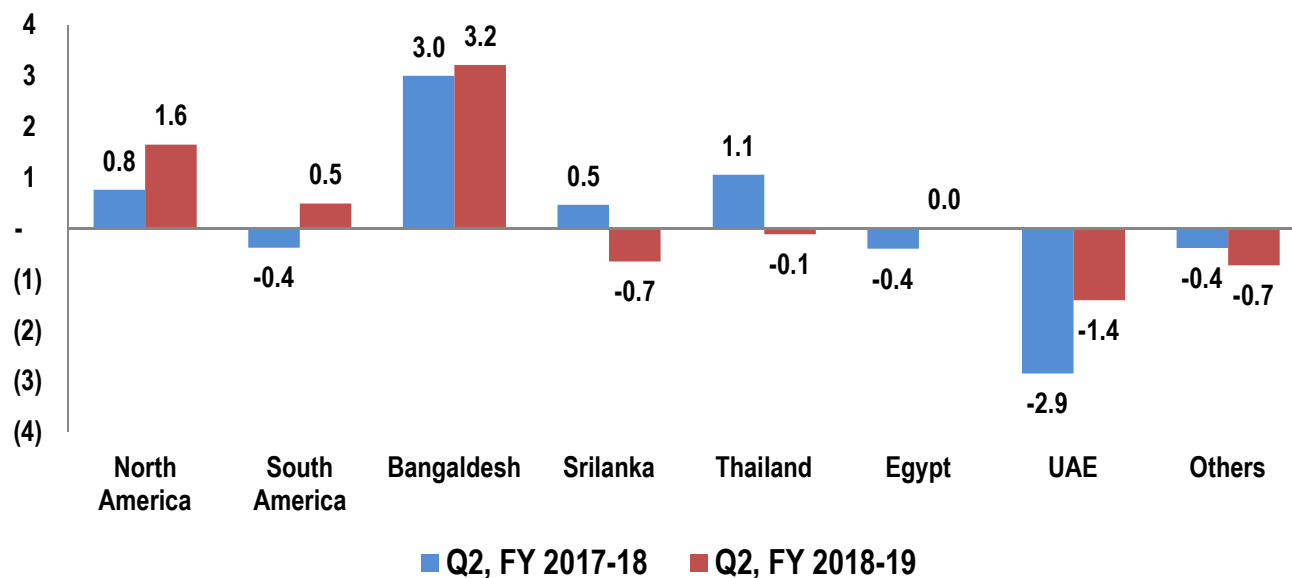
Consolidated

- Net Sales grew by 15.5% in Q2.
- EBITDA, before non-operating income, at Rs 370 Cr declined by 1.9% in Q2, given the input cost led contraction in gross margins by 3.4% and higher A&SP spends.

Q2FY19 Overseas Subsidiaries Performance

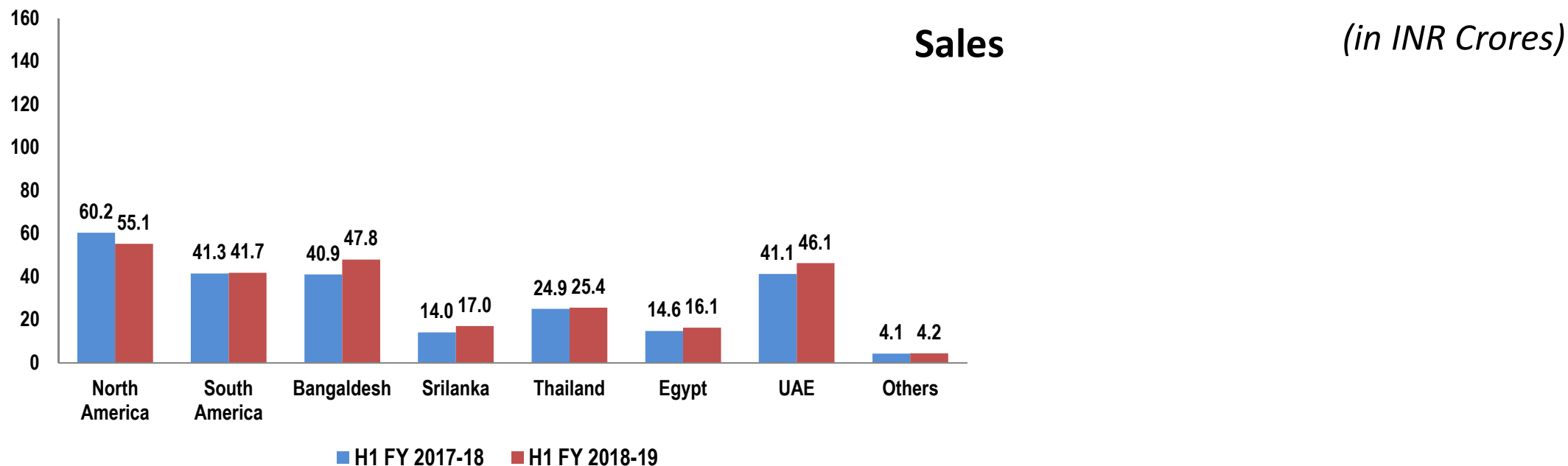


EBITDA

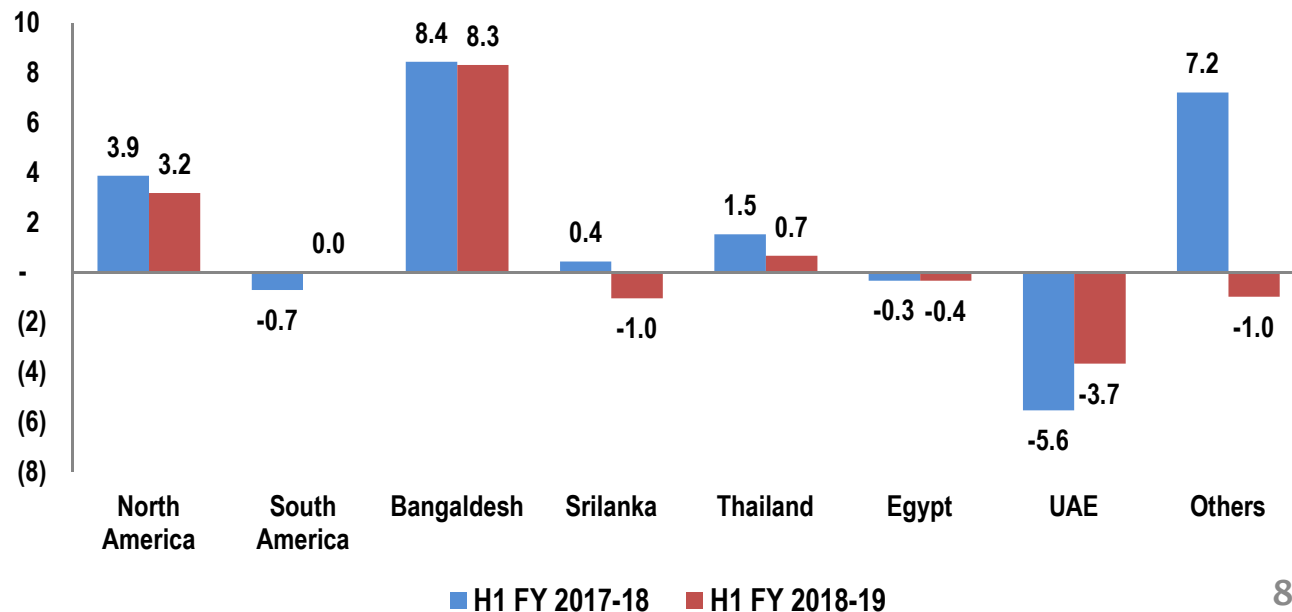


EBITDA is before exception items
 Figures are reported as per constant currency

H1FY19 Overseas Subsidiaries Performance

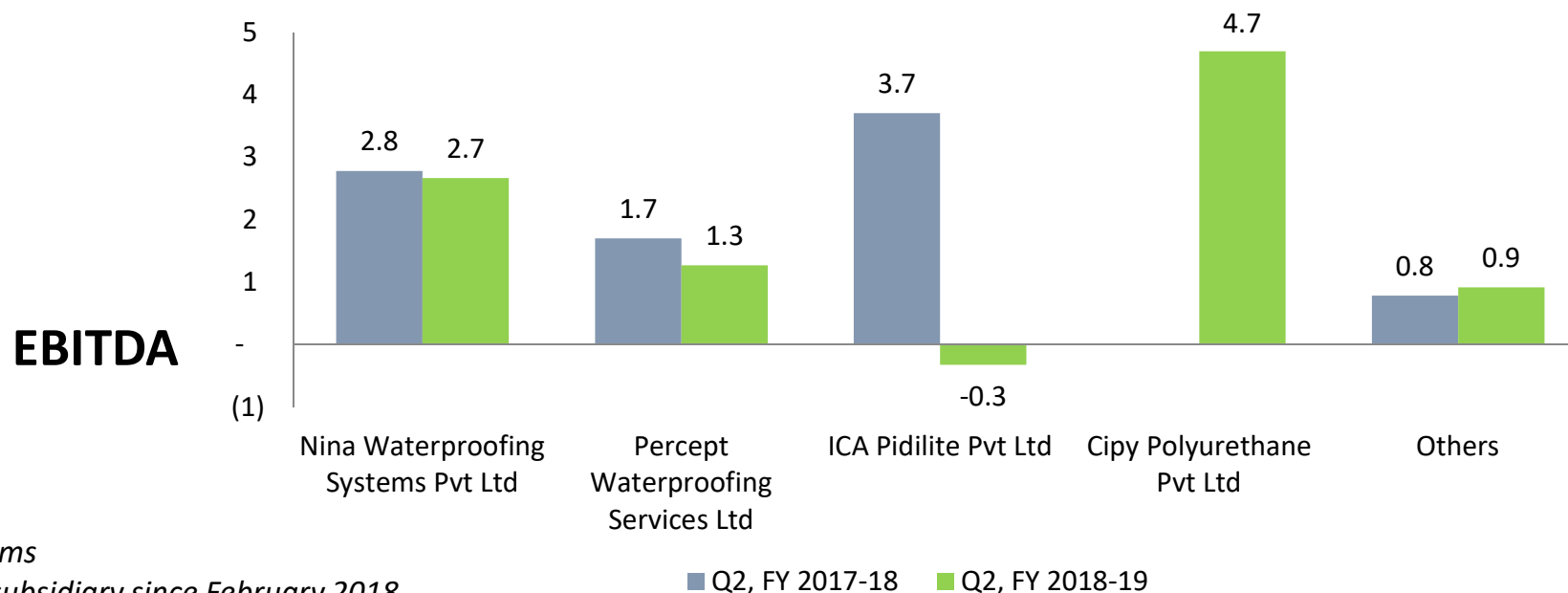
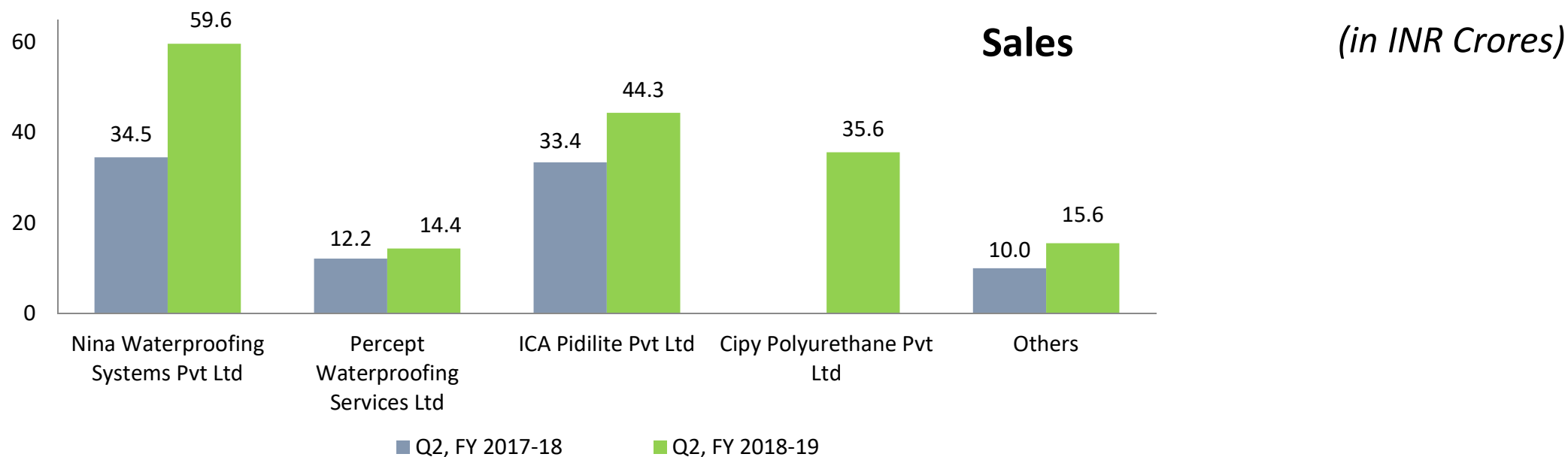


EBITDA



EBITDA is before exception items
 Figures are reported as per constant currency
 Sales and EBITDA are excluding Cyclo

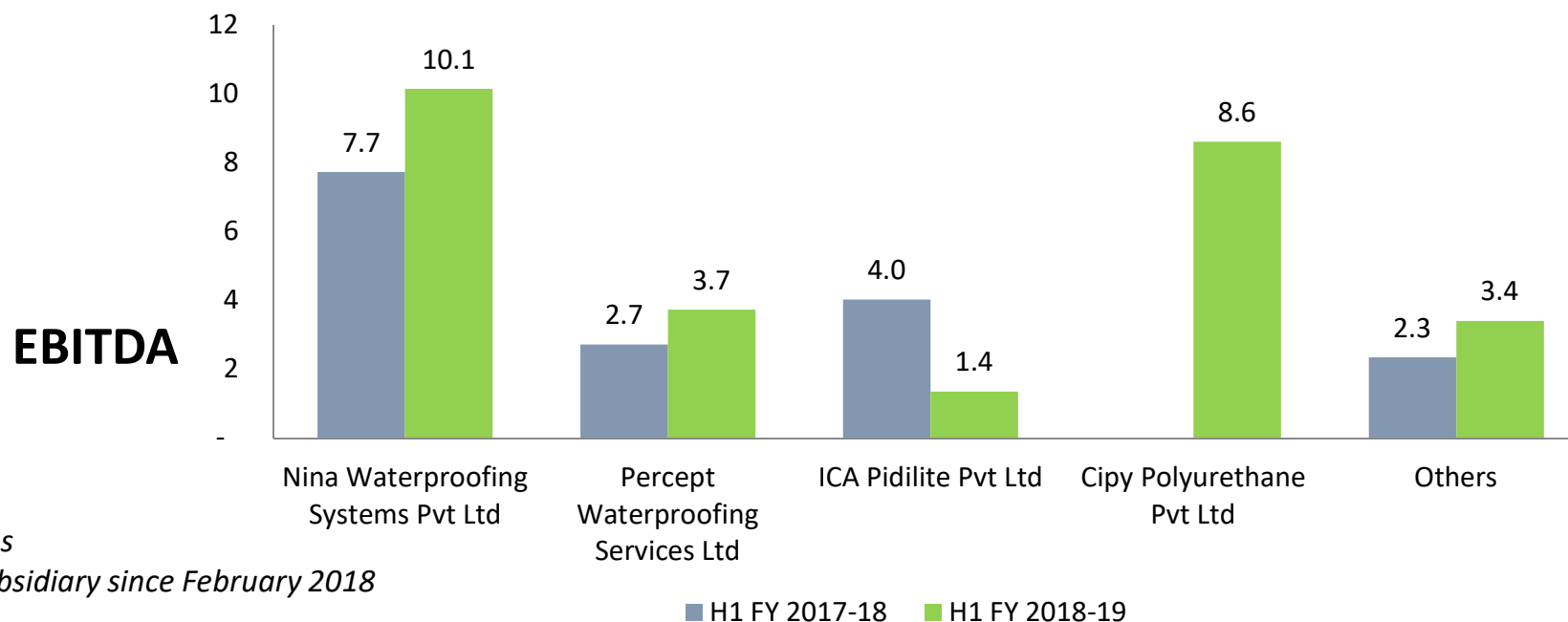
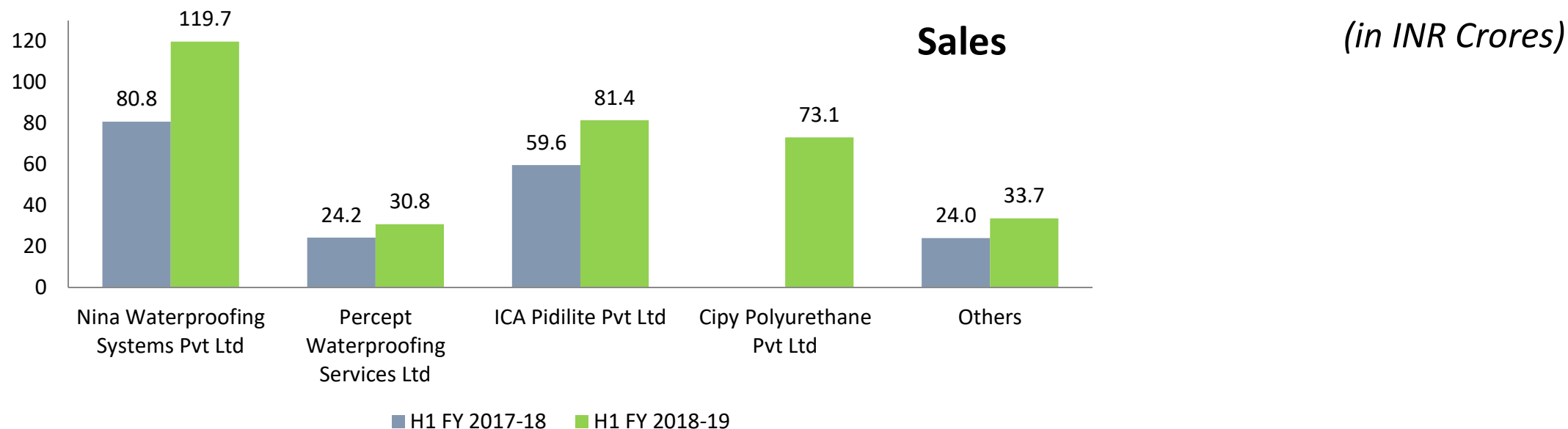
Q2FY19 Domestic Subsidiaries Performance



EBITDA is before exception items

CIPY Polyurethanes Pvt Ltd a subsidiary since February 2018

H1FY19 Domestic Subsidiaries Performance



EBITDA is before exception items

CIPY Polyurethanes Pvt Ltd a subsidiary since February 2018

■ H1 FY 2017-18 ■ H1 FY 2018-19

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



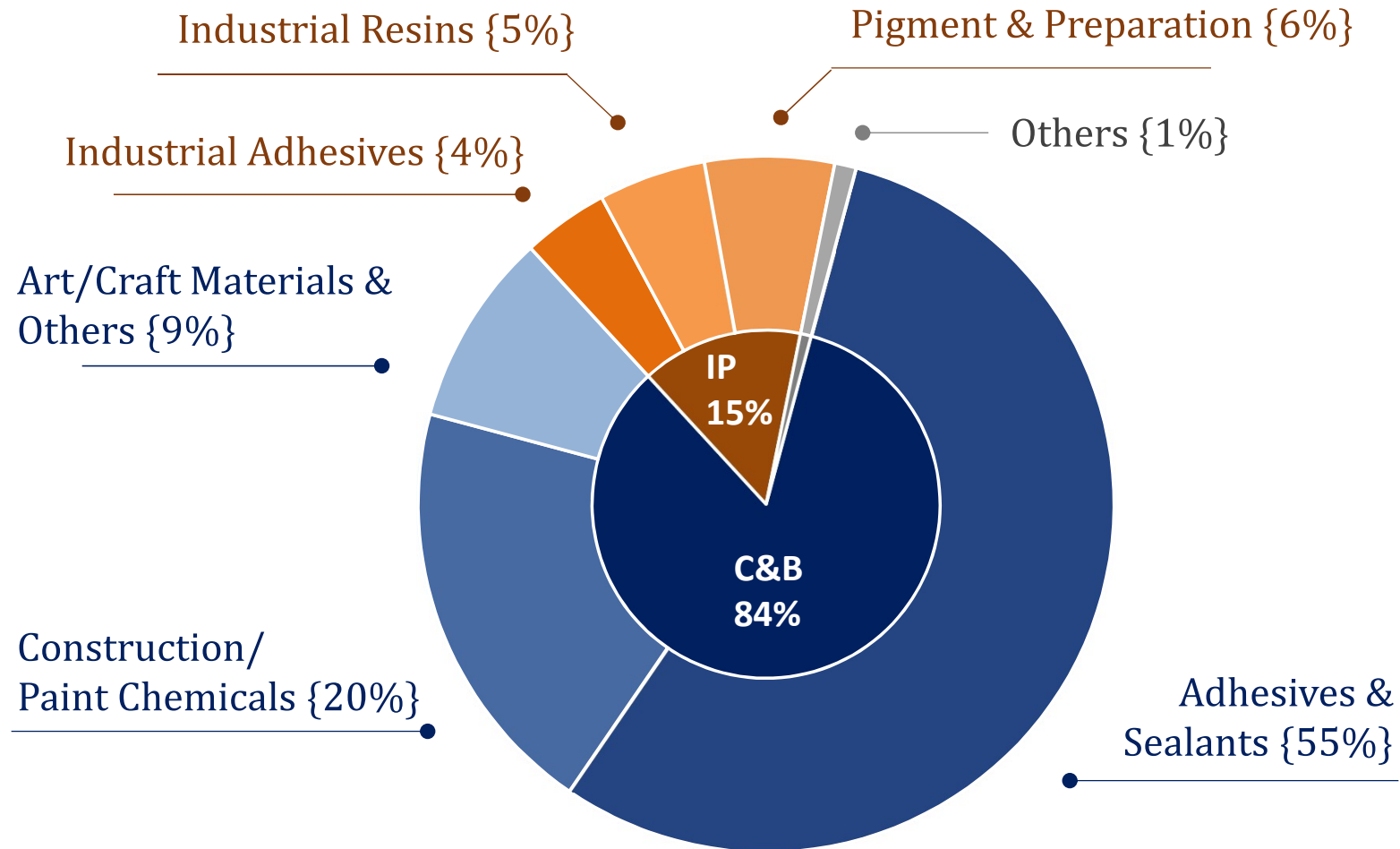
8 Regional offices with 23 plants and
23 co-makers in India

- International manufacturing facilities in USA, Thailand, Dubai, Brazil, Egypt, Singapore, Bangladesh and Sri Lanka
- Special focus growing business in Bangladesh, Sri Lanka, and Egypt
- Manufacturing facility planned in 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



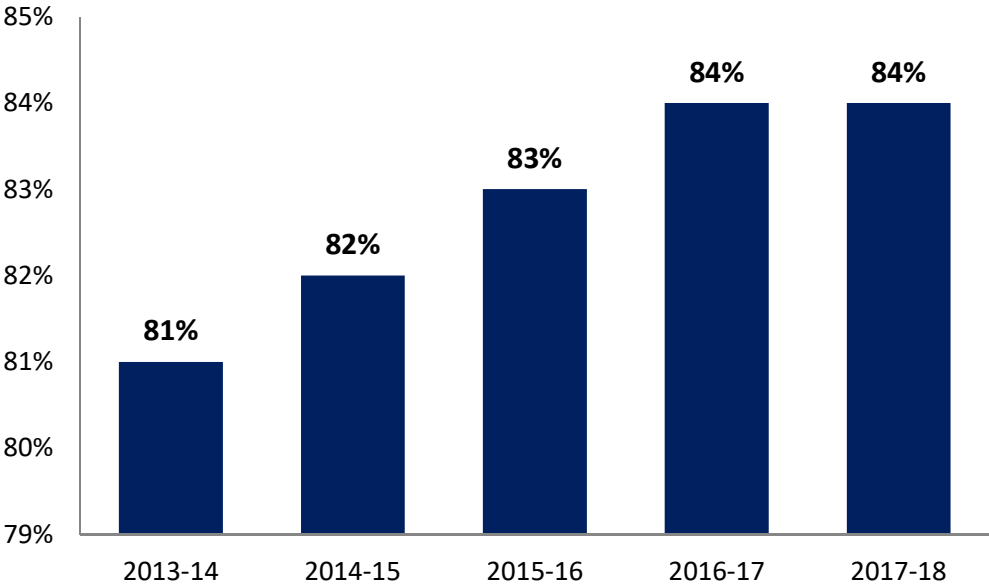
C&B – Consumer & Bazaar, IP – Industrial Products, Others

5-Year Performance by Business Segments



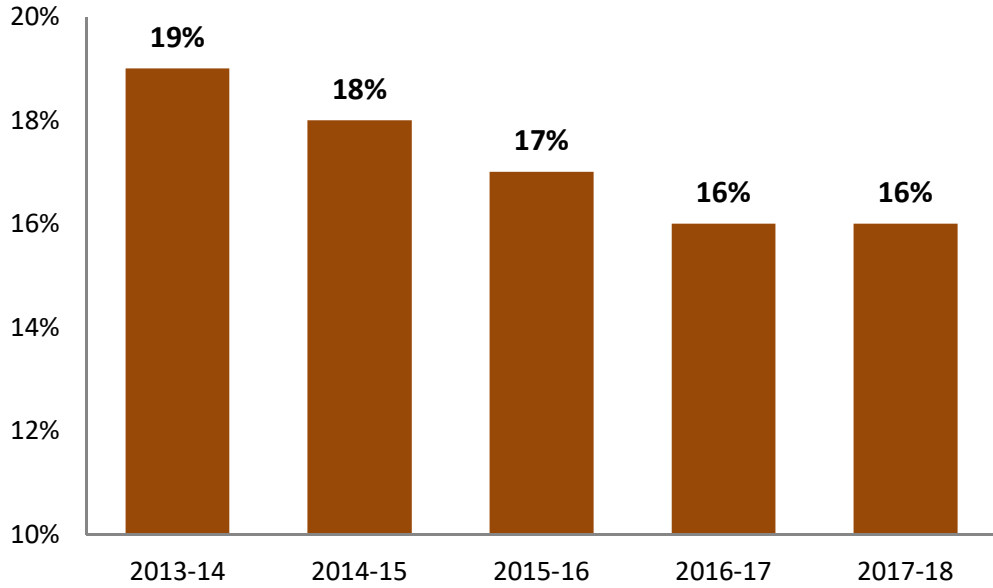
Numbers represent Percentage of Total Sales

Consumer and Bazaar Products



Industrial Products

IP includes Others also



Domestic Presence – India operations

- 5200+ SKUs of 500+ products
- Gross Turnover (domestic) of **Rs. 5,382 Cr** for FY18
- **23** plants, **23** Co-makers
- 4,900+ distributors
- **26** warehouses
- **8** regional offices & **2** RDCs



- Exports to more than **80** countries. Major exports to Middle East, Africa, USA & Europe.
- Export Turnover of **Rs. 519 Cr** in **FY18**.
- **18** Overseas subsidiaries – 6 Direct and 12 Step down. 1 Joint Venture.
- Total revenue from Overseas subsidiaries of **Rs. 491 Cr** in **FY18**.
- International manufacturing facilities in USA, Thailand, Dubai, Brazil, Egypt, Singapore, Bangladesh and Sri Lanka.
- Specific focus on **growing business in Bangladesh, Sri Lanka and Egypt**.
- Manufacturing facility planned in **Ethiopia**. An additional manufacturing facility planned in **Bangladesh**.

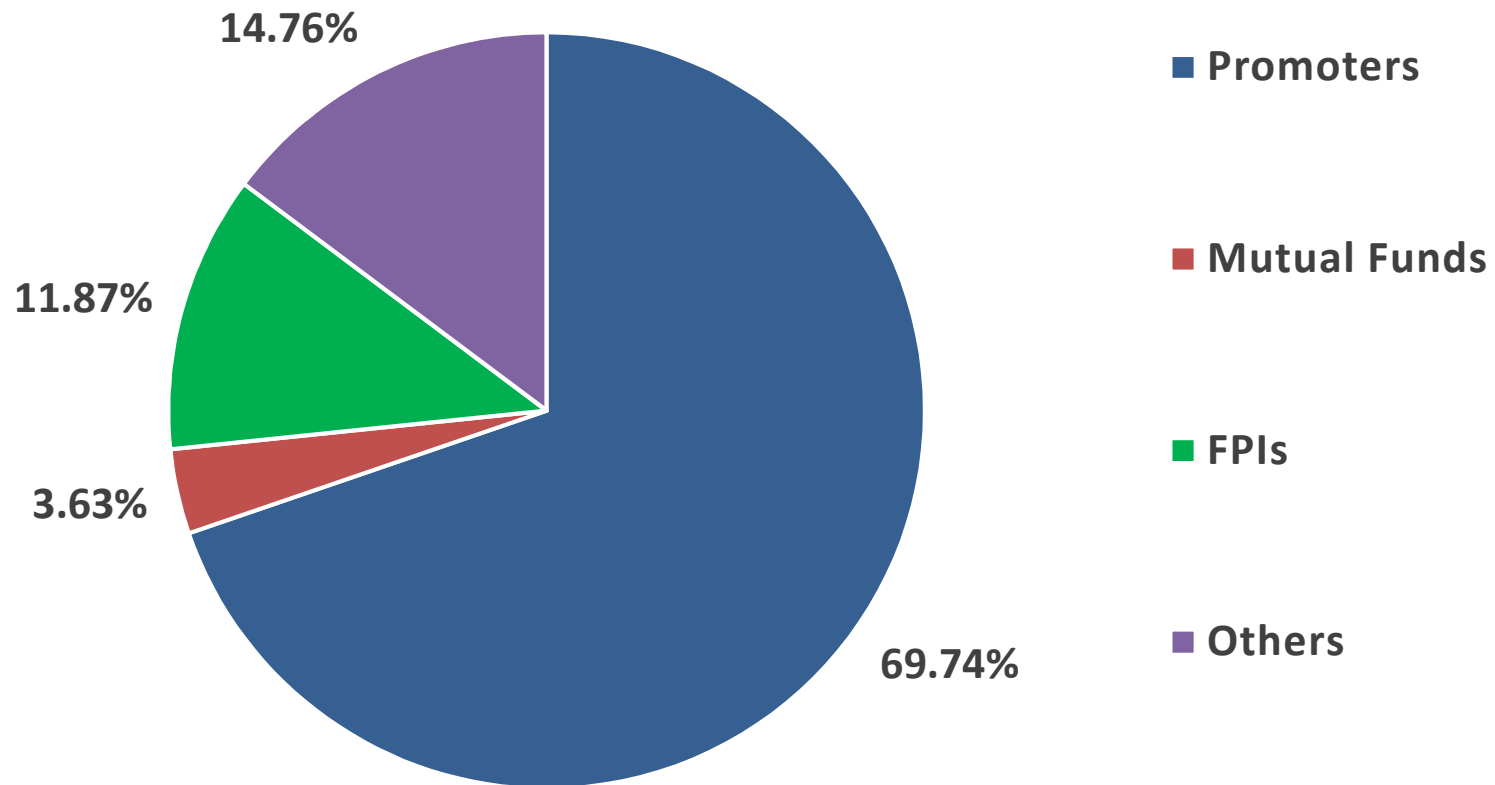
Marketing/ Advertising



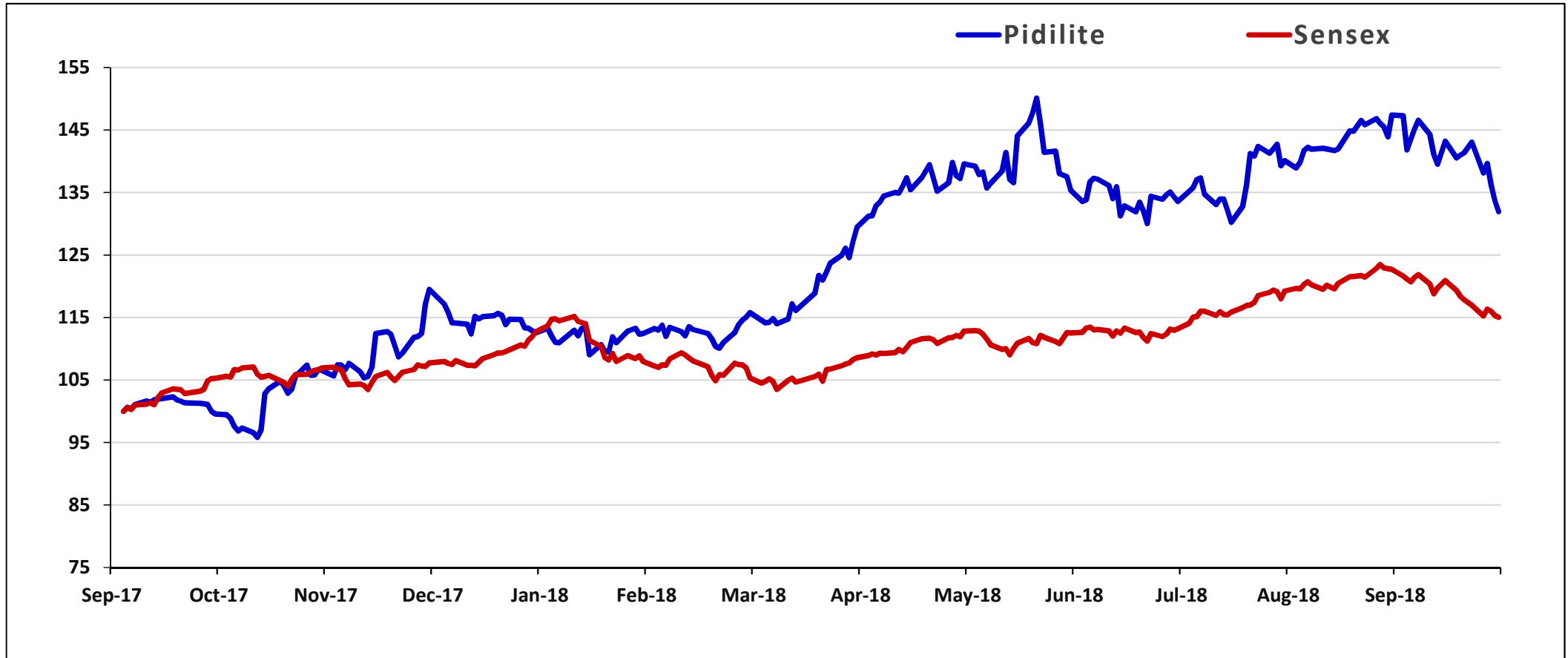
- Consistent and effective brand building activities across various categories (a) Consumer Adhesives & Sealants (b) Craftsmen Adhesives (c) Waterproofing Chemicals (d) Hobby & Craft Colours
- Several of the brands are well-known in respective categories (Fevicol, Fevikwik, M-Seal, Dr Fixit, Fevicryl, 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 September 30, 2018

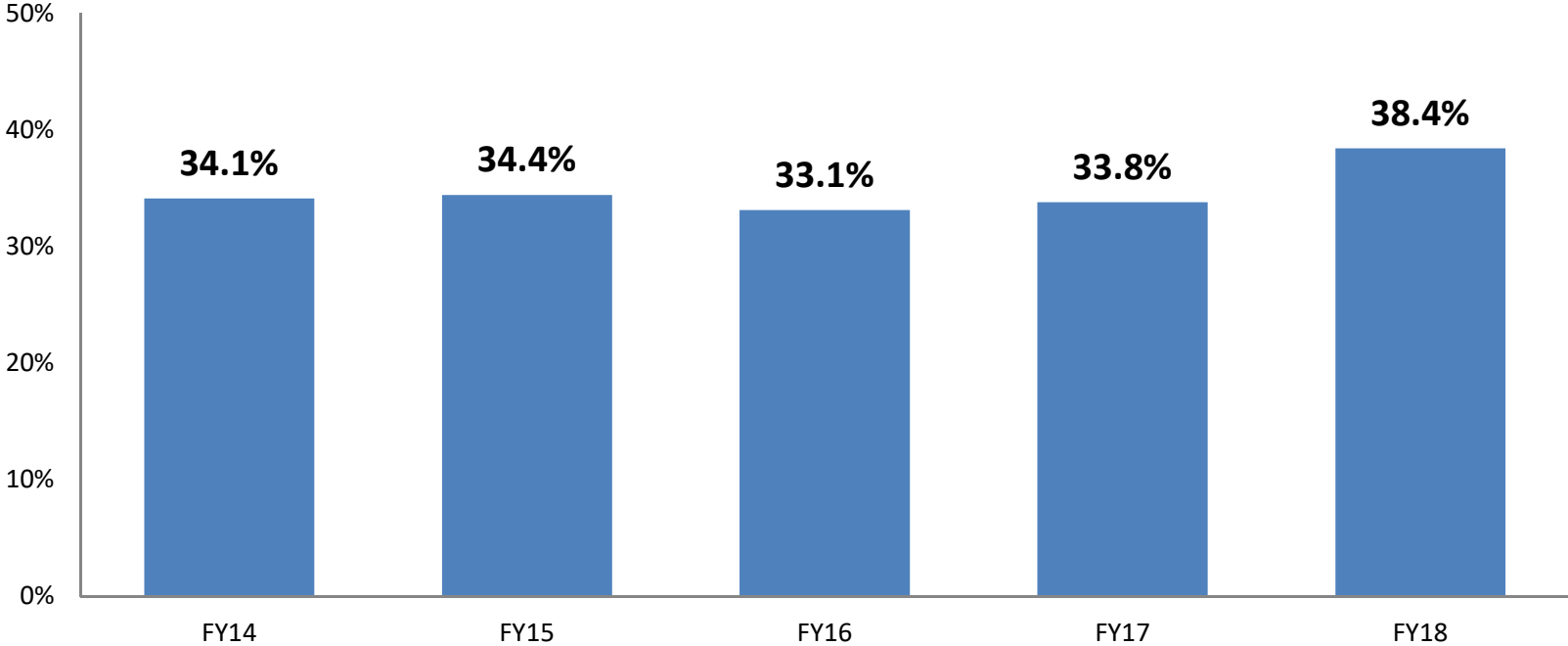


Share Price Movement



Rebased to 100

Backed by consistent dividend payouts



Note : The company transitioned into IND AS from 01.04.2015
Dividend payout % is on standalone results

Investor Contacts



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The ultimate adhesive

