



THANK YOU
FOR MAKING US NO.1.

Analyst Meet
Q1'17-18 Results
Conference Call
9th Aug 2017

Disclaimer

This presentation may contain statements which reflect Management's current views and estimates and could be construed as forward looking statements. The future involves risks and uncertainties that could cause actual results to differ materially from the current views being expressed. Potential risks and uncertainties include factors such as general economic conditions, commodities and currency fluctuations, competitive product and pricing pressures, industrial relations and regulatory developments.



*A good Quarter in the face of
challenging market environment &
destocking in trade due to GST..*



*Inspite of adversity in the environment in the last 3 quarters we **continue to deliver consistent results..***

*This is in line with our guiding principle of “**Its not what we do once in a while that shapes our business, its what we do consistently**”*

Our key strategic focus areas:

1

Drive Premiumisation through innovation and remain extremely competitive

2

Increase distribution footprint, grow rural and win share from local players

3

Attain Cost leadership through efficiencies & wastage reduction

4

Focus on People development

5

Enter 1 new geography every year

6

Enter new product categories to be a 'Total Foods company' over the years

1. Drive Premiumisation through Innovation & being competitive

Delightful Innovation

Ensuring consumer value competitiveness

Goodday Wonderfulls



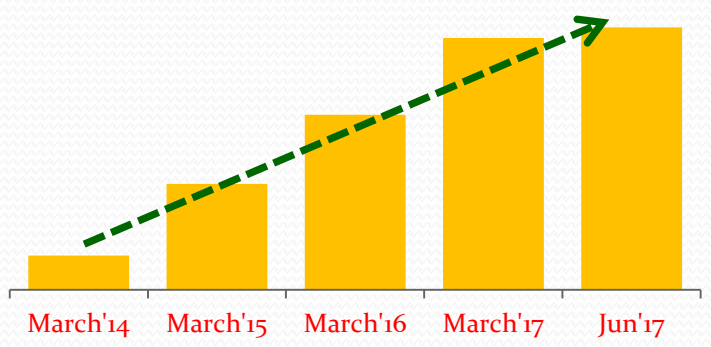
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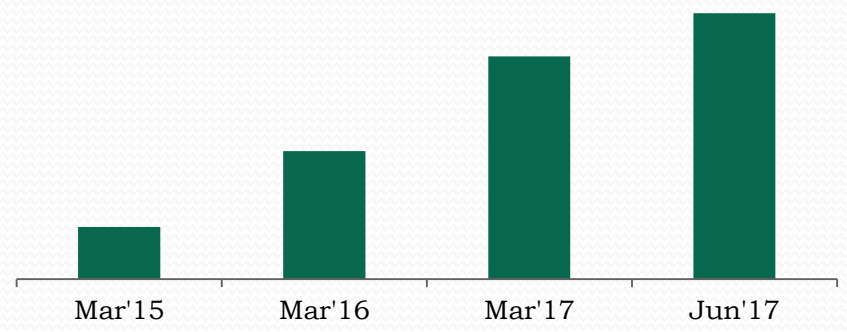


2. Increase distribution footprint, grow rural and win share from local players

Direct Reach – 2.2X in last three years



Rural continues to grow in double digit



Gain share from local players



3. *Attain Cost leadership*

Efficiency improvement – Reduce distance to market & use of new manufacturing technology (Maharashtra Food park)

Wastage reduction- Reduce market returns write offs & Trade loads

Cost efficiency program 60% higher than PY – **Q1 in line with target**

4. Focus on People Development

*Britannia for
Britannians*

80% of the
current senior
leadership
team from
within

*People- friendly
policies*

People friendly
policies derived
through
dialogue with
employees

*Young Managers
for a Young
India*

Young
Managers at
the forefront of
driving our
understanding
about
millennials –
innovation
agenda

5. International foray

Entry into Nepal is just the beginning



Actively working on the next geography



6. Total Foods Company

Chipita Joint venture

CHIPITA
€800-m
Greek baker

Spans categories like croissants, cakes, biscuits, jams and confectionery

Brands in portfolio include 7Days, Molto, Fineti and Chipicao

Been selling confectionery brand Feniti in India over past 4 years

Operates through joint ventures outside of Europe

THE PARTNERSHIPS

- Middle East with the Almaraih group
- Egypt with the Berzi group
- Saudi Arabia with the Almarai group & the Olayan Group



Dairy project under finalisation



Other Adjacent Caegories

Cake & Rusk
Innovations &
new formats

Other adjacent
opportunities



Q1 17-18 Results



*Delivered high single digit (7.4%)
value growth in Q1 on a
standalone basis.*

Adjacent businesses performance..



Bread: *Growths are back and is in double digits.*



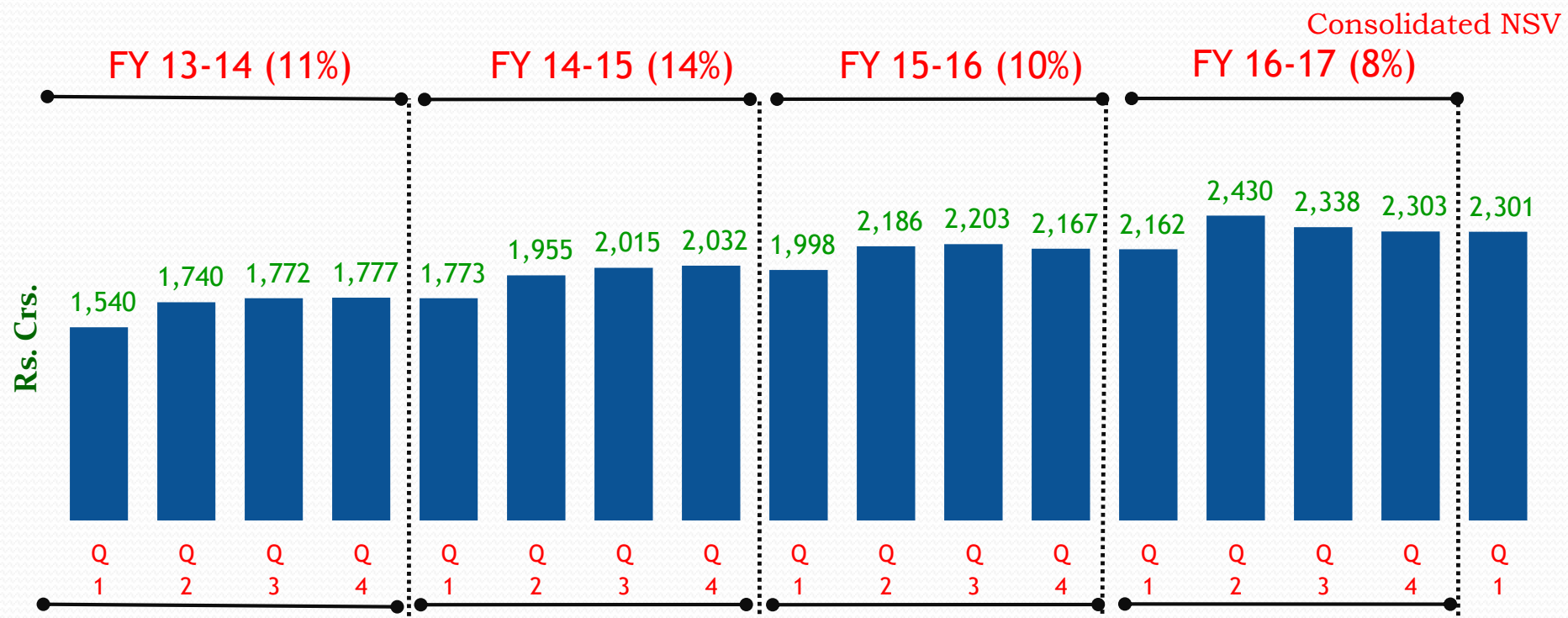
International: *Continues to be severely impacted on account of deteriorating geopolitical situation and currency fluctuations in geographies like Middle East and Africa*



Dairy: *Our focus is on driving products with high profitability (double digit growth) and reduce less profitable portfolio.*



Considering the market environment we have done reasonably well and grew at 6.4% in Q1



	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Growth%	14%	13%	10%	9%	15%	12%	14%	14%	13%	12%	9%	7%	8%	11%	6%	6%	6%
24 month growth%	28%	24%	28%	21%	31%	27%	25%	24%	30%	26%	24%	22%	22%	24%	16%	13%	15%

Note: Numbers mentioned have been re-stated for FY 15-16 onwards as per IND AS. While FY 13-14 & FY 14-15 numbers as per IND GAAP.

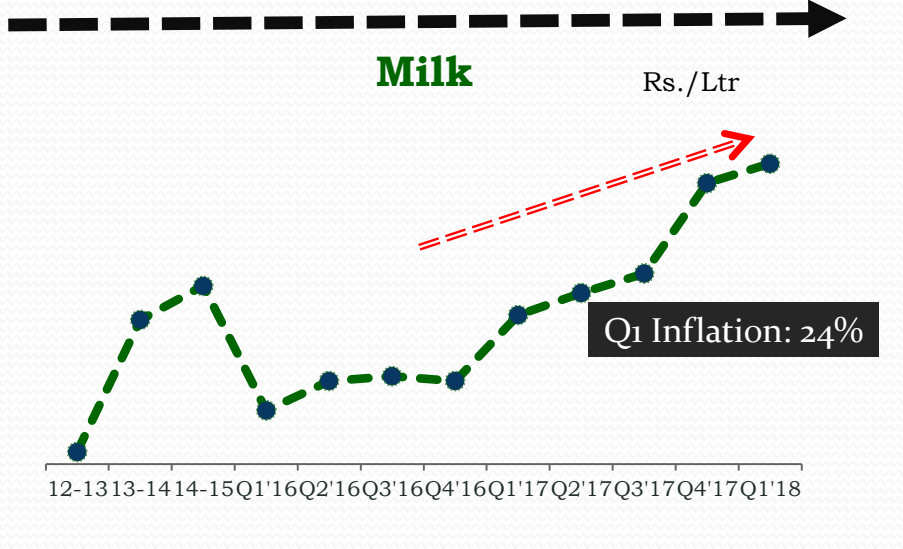
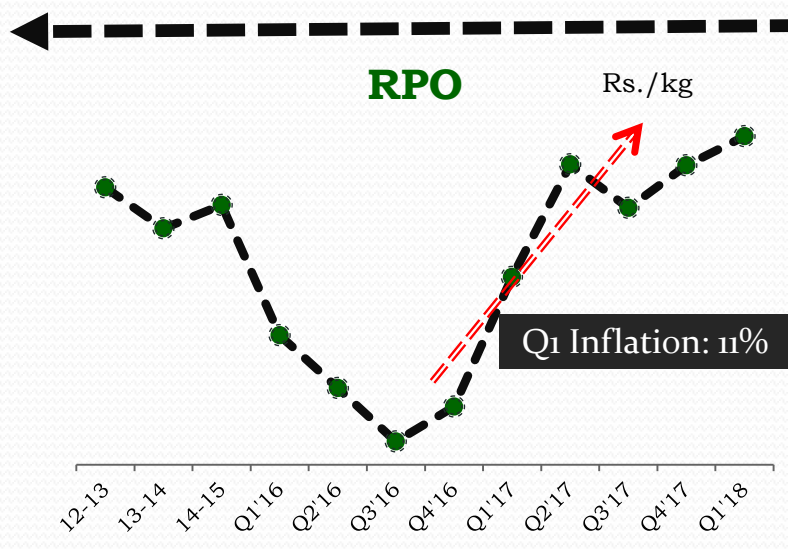
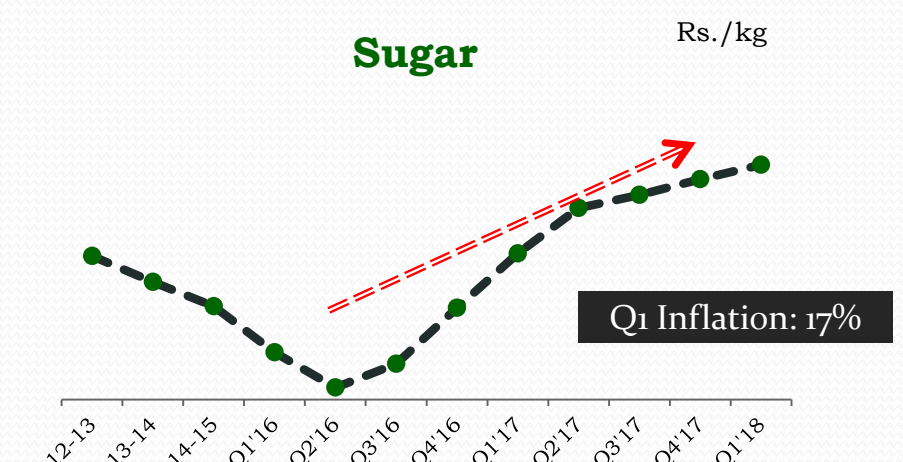
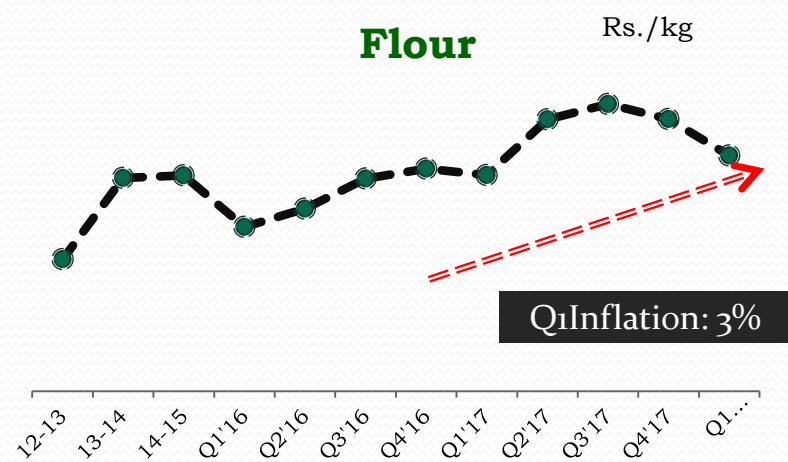


*We also grew our market share in
this difficult phase*



*However inflation in **commodities**
(except flour) continues to be in
double digits.*

Except flour other commodity prices continue rising. Inflation in Q1 – 6% vs PY

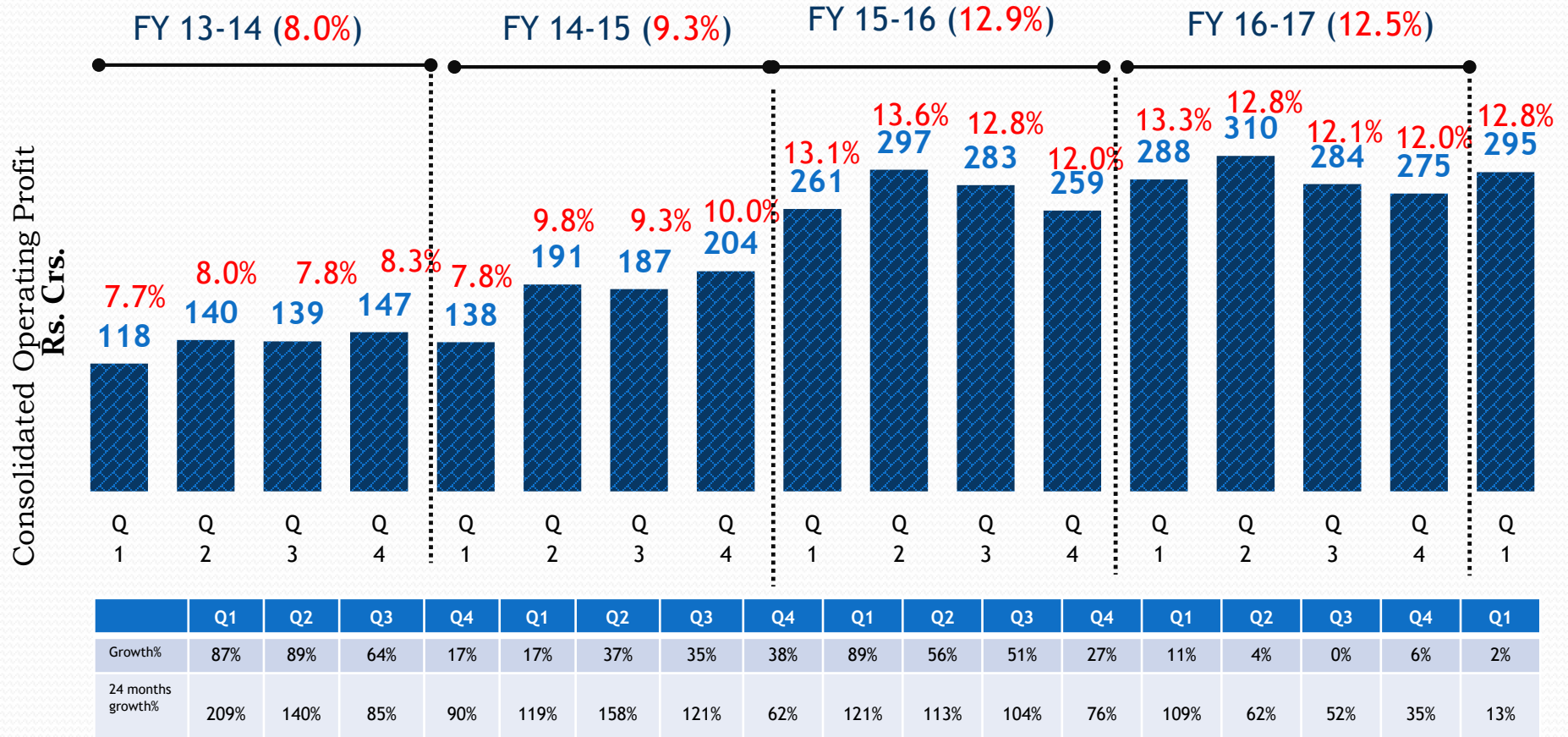




Our bottom line performance has been consistent due to:-

- ❖ *Limited pricing action*
- ❖ *accelerated cost efficiency program*
- ❖ *leveraged fixed costs*

As a result, in this challenging environment, we were able to sequentially improve our profitability



Note: Numbers mentioned above have been re-stated from FY 15-16 onwards as per IND AS. While FY 13-14 & FY 14-15 numbers are as per earlier GAAP.

Operating Profit%



Financials

Key Financial Lines - Consolidated



Rs. Crs.

Particulars (Consolidated)	Q1'17-18	Growth %
Net Sales	2,301	6%
Profit from Operations	295	2%
Profit Before Tax	329	1%
Profit After Tax	216	-1%

Particulars (Consolidated)	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	Q1'17-18
Profit from Operations%	4.6%	5.7%	8.0%	9.3%	12.9%	12.6%	12.8%
Profit before Tax%	4.9%	5.8%	8.3%	12.2%	14.3%	14.1%	14.3%
Profit after Tax%	3.7%	4.2%	5.8%	8.9%	9.6%	9.6%	9.4%



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