



THANK YOU
FOR MAKING US NO.1.

Analyst Meet
Q4'16-17 Results
Conference Call
30th May 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.



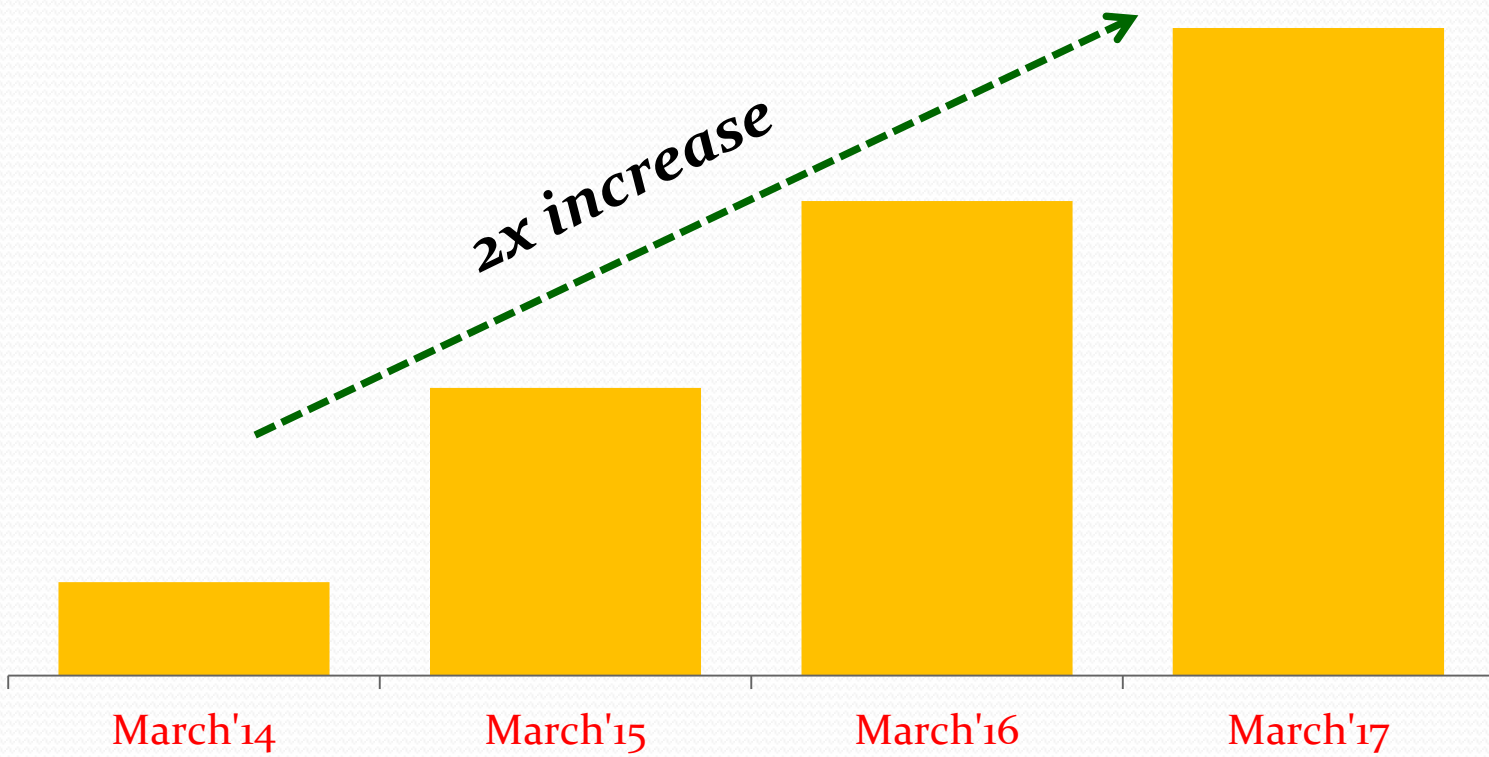
*A good Quarter in the face of
challenging market environment
and sluggish demand scenario
post demonetization...*



*In this environment, our focus on
increasing direct reach coupled
with our hindi belt agenda have
helped us grow faster than the
market*

2X increase in the last 3 years

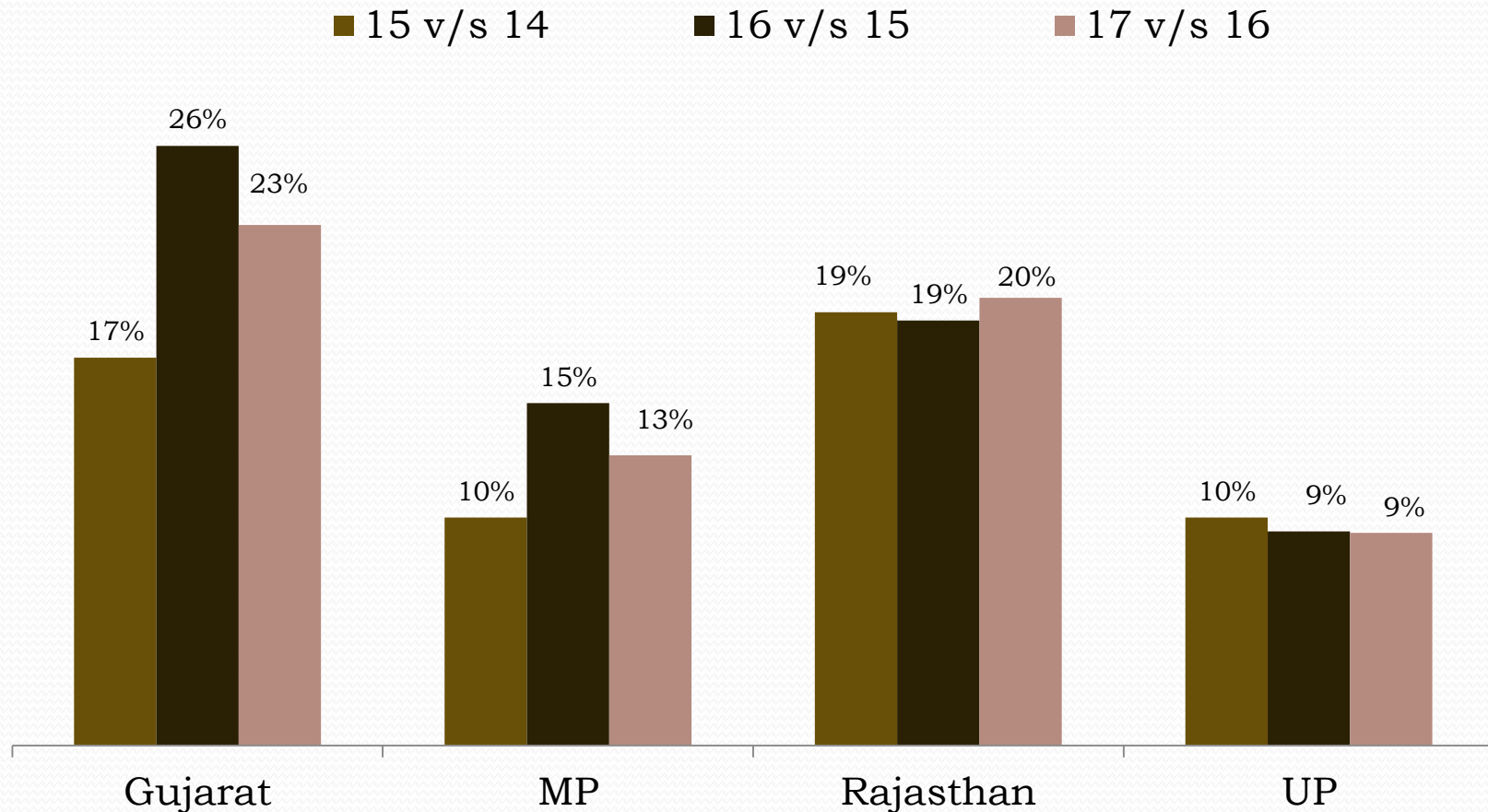
Direct Reach - Britannia



We are growing well in our focus states and it has been a consistent performance



NSV Gr%



Also ensuring that we remain extremely competitive in the market place & plug our portfolio gaps



Ensuring consumer value competitiveness



Plugging portfolio gaps

Launch of Goodday Wonderfulls



Launch of Tiger Creams – Choco Vanilla



New SKU launches – Rs. 10 price point





This helped us deliver high single digit (8%) value growth in Q4 in our base business up from 6% in Q3 and we also strengthened our market share in this difficult phase

However, our adjacent businesses of Bread, Dairy & International continued to be under pressure



Bread: *There has been some recovery after the issue of Potassium Bromate, however growths have not come back to the level we expected*



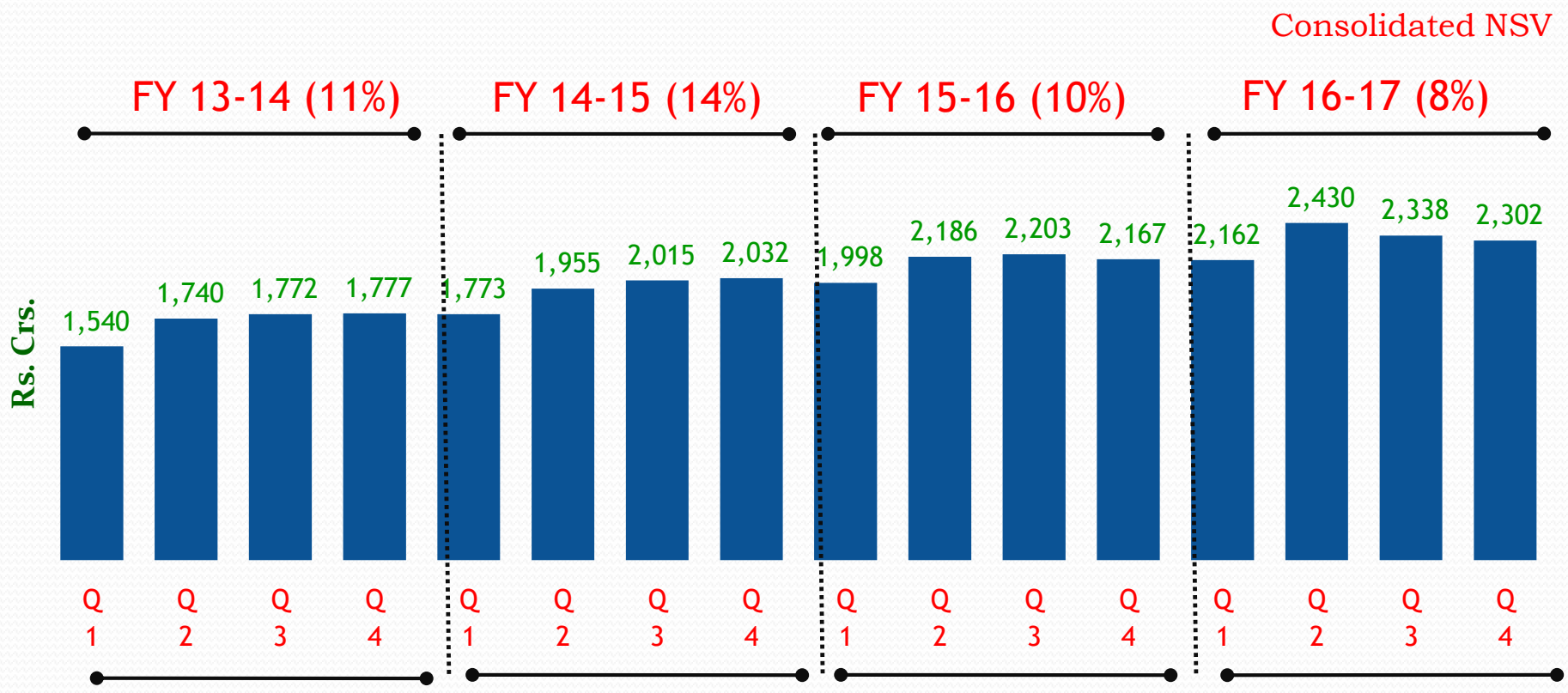
International: *Continues to be severely impacted on account of deteriorating geopolitical situation and currency fluctuations in geographies like Middle East and Africa*



Dairy: *Our focus is on driving products with high profitability and reducing our play in the less profitable commoditized products.*



Considering the market environment, we have done reasonably well and grew at 6% in Q4...



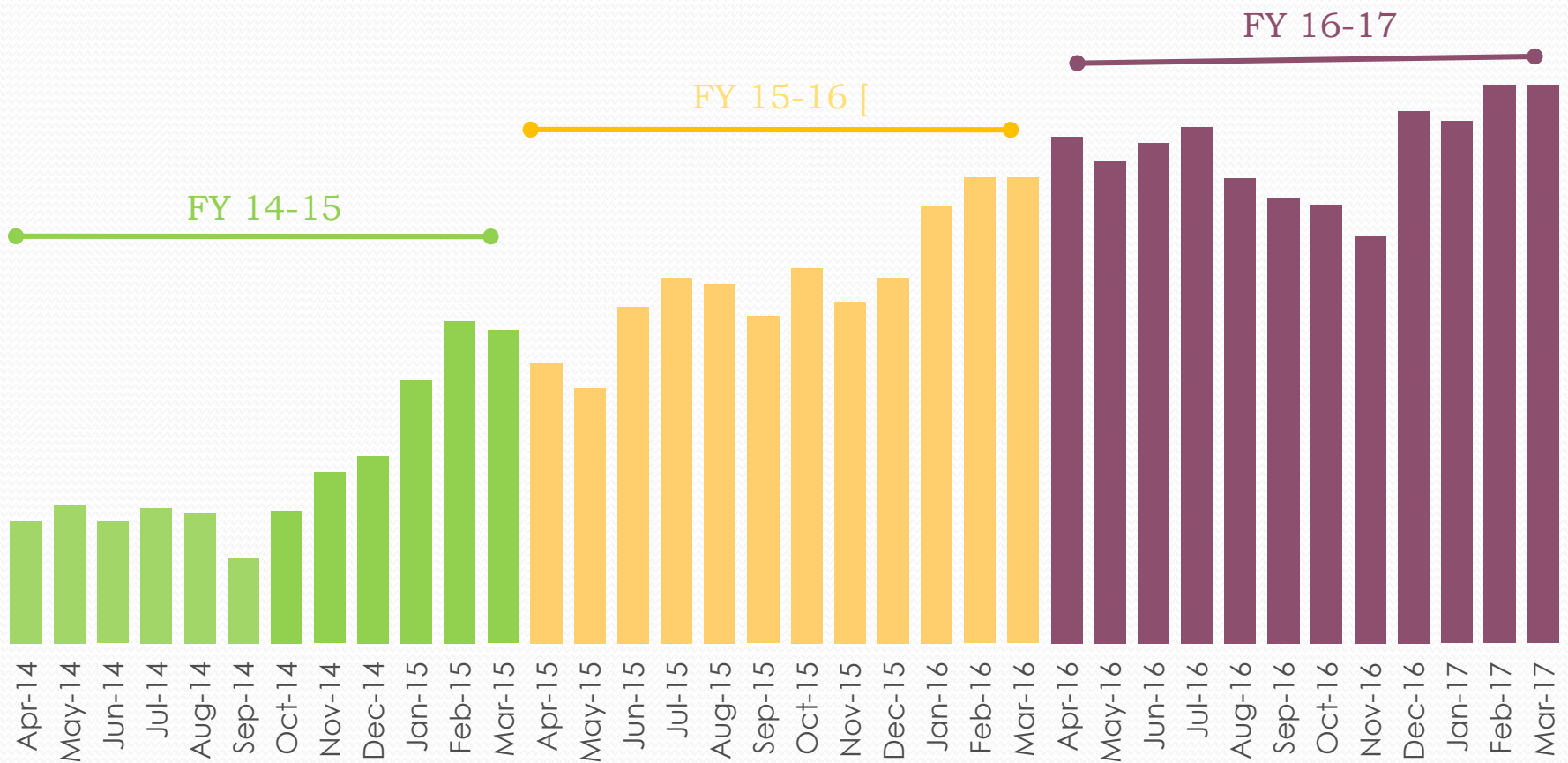
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Growth%	14%	13%	10%	9%	15%	12%	14%	14%	13%	12%	9%	7%	8%	11%	6%	6%
24 months growth%	28%	24%	28%	21%	31%	27%	25%	24%	30%	26%	24%	22%	22%	24%	16%	13%

Note: Numbers mentioned above have been re-stated for FY 15-16 & FY16-17 as per IND AS. While FY 13-14 & FY 14-15 numbers as per earlier GAAP.



We continue to gain share and maintain market leadership..

Britannia market share value %



Market share as per Nielsen

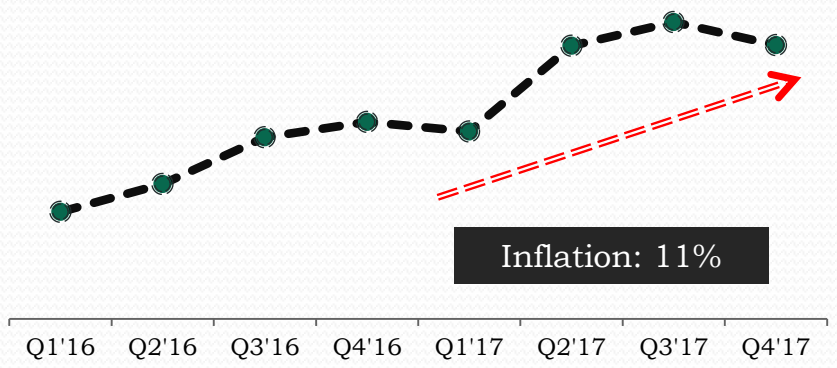


*Meanwhile, Material prices
continued to firm up...with
inflation in excess of 10%*

Commodity prices continued to be firm...

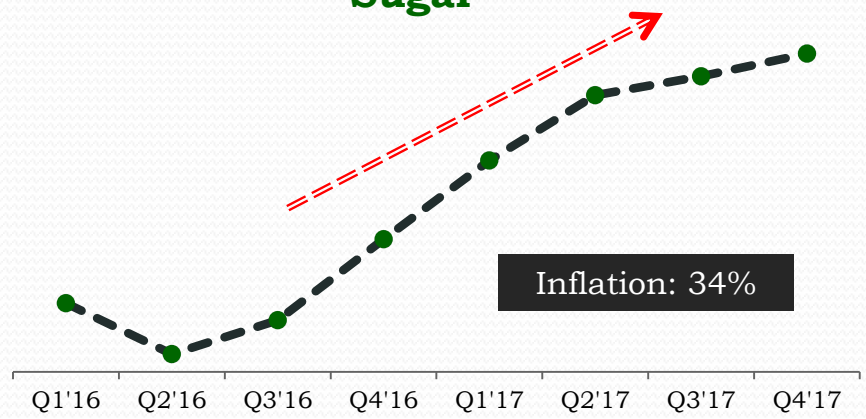
Flour

Rs./kg



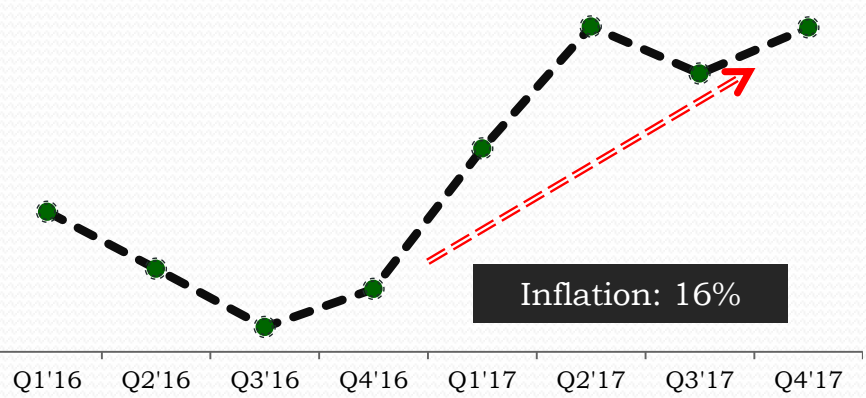
Sugar

Rs./kg



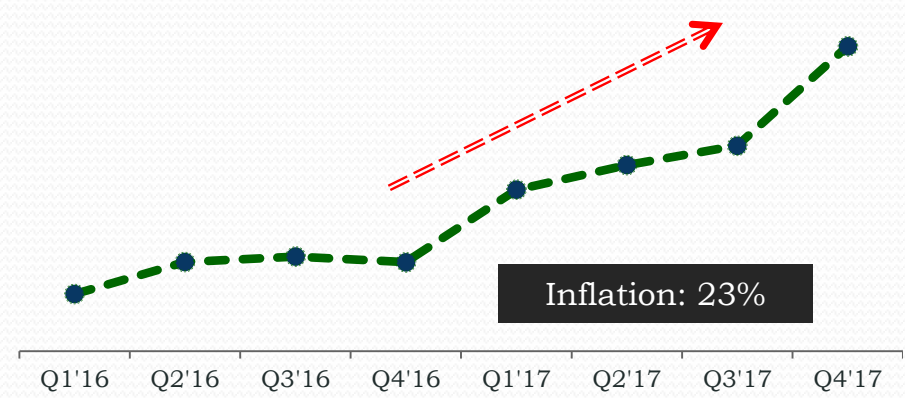
RPO

Rs./kg



Milk

Rs./Ltr





Our pricing action has been limited due to market environment, however, our accelerated cost efficiency program has helped mitigate inflation to some extent



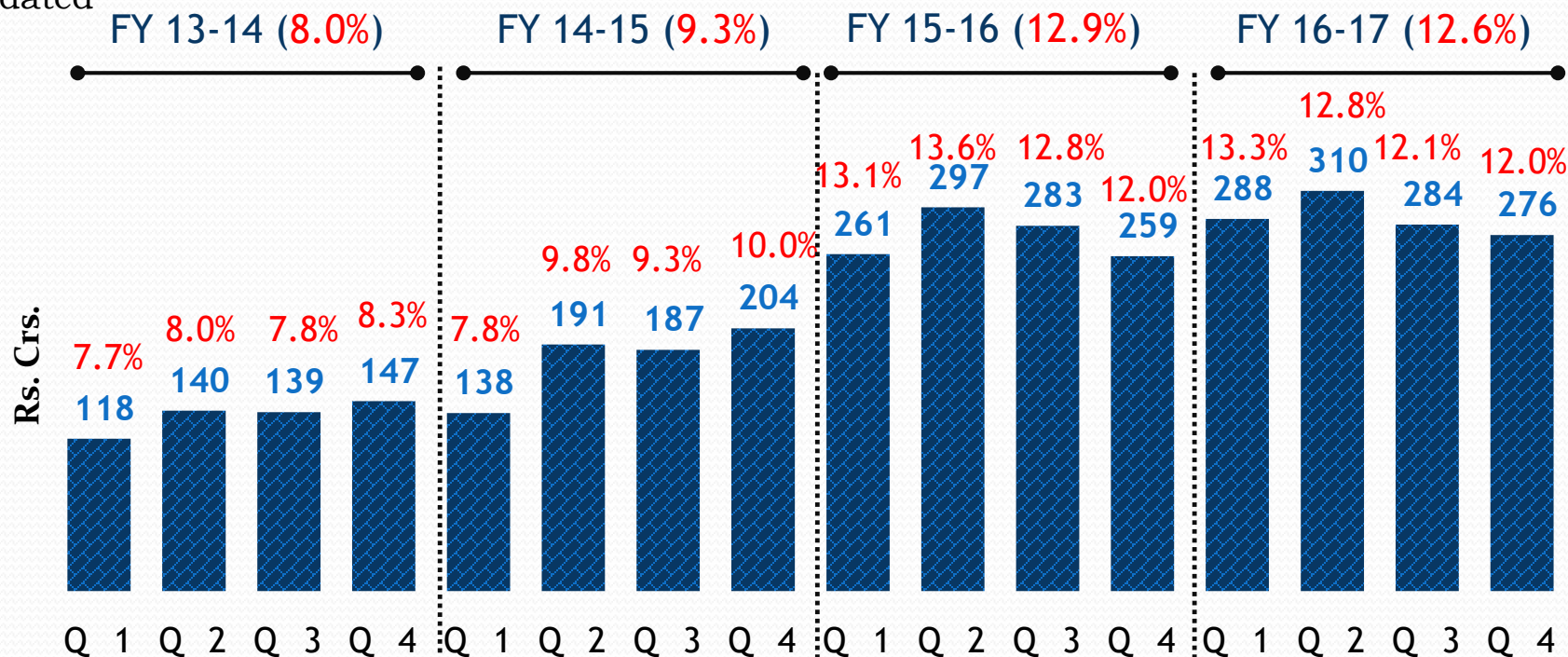
We also rationalized advertising costs and focused our spends on ensuring competitiveness in the market place and endeavored to leverage our fixed costs to aid our operating margins to the extent we could



Our bottom-line performance has been robust considering the hyper-inflationary environment and the economic situation that we are operating in...

Our endeavor would be to sustain the level of profitability we have achieved...

Consolidated



	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Growth%	87%	89%	64%	17%	17%	37%	35%	38%	89%	56%	51%	27%	11%	4%	0%	6%
24 months growth%	209%	140%	85%	90%	119%	158%	121%	62%	121%	113%	104%	76%	109%	62%	52%	36%

Note: Numbers mentioned above have been re-stated for FY 15-16 & YTD'16-17 as per IND AS. While FY 13-14 & FY 14-15 numbers are as per earlier GAAP.

Operating Profit%



*As we progress on our journey, we are confident of keeping our momentum going by **working on multiple opportunity areas** that we had laid out in last quarter presentation ...*

Opportunity Areas

Opportunities to enhance Revenue

Base business
Creams, Premium new
formats

Hindi Belt - Weak
*markets: We are **only***
~1/5th of the market
leader

Distribution long way to
go
BIL - 4.5 Mn
Market Leader - 5.8 Mn

Cake & Rusk
New Formats &
Innovations

New adjacent
opportunities

New International
markets



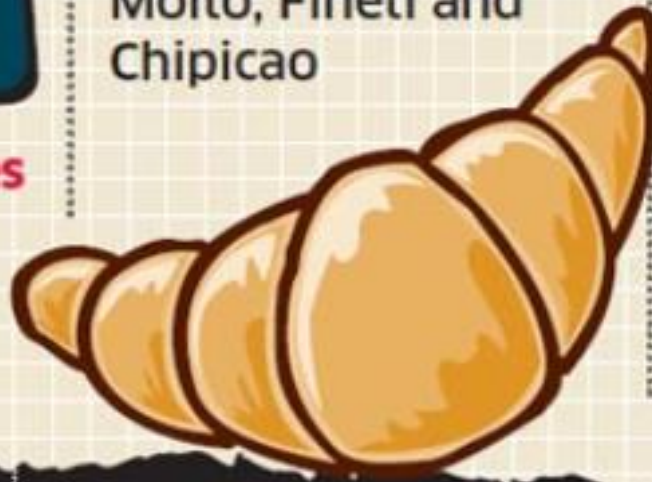
*In this regard, I am delighted to announce our **Joint Venture with Chipita** (Greek Company) for manufacturing and selling **long life filled croissants** and the project is expected to be commercialized by **July 2018***

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 Fineti 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





*We shall continue to work on such opportunities to **drive profitable growth** for our Company as we move forward!*

We are actively working on our endeavor to...

- Launch one new category every year*
- Launch differentiated products by leveraging new technologies*
- Enter new countries/geographies and increase our international play – Our foray into Nepal is just the beginning*



Financials

Key Financial Lines - Consolidated



Rs. Crs.

Particulars (Consolidated)	Q4'16-17	Growth %
Net Sales	2,302	6%
Profit from Operations	276	6%
Profit Before Tax	308	5%
Profit After Tax	211	6%

Particulars (Consolidated)	2011-12	2012-13	2013-14	2014-15	2015-16	Q1'16-17	Q2'16-17	Q3 16-17	Q4 16-17	2016-17
Profit from Operations%	4.6%	5.7%	8.0%	9.3%	12.9%	13.3%	12.8%	12.1%	12.0%	12.6%
Profit before Tax%	4.9%	5.8%	8.3%	12.2%	14.3%	15.1%	14.4%	13.7%	13.4%	14.1%
Profit after Tax%	3.7%	4.2%	5.8%	8.9%	9.6%	10.1%	9.6%	9.4%	9.2%	9.6%

Reconciliation - IND AS v/s earlier GAAP

NSV Reconciliation	Q1'15-16	Q1'16-17	Q2'15-16	Q2'16-17	Q3'15-16	Q3'16-17	Q4'15-16	Q4'16-17
AS per IND AS	1,998	2,162	2,186	2,430	2,203	2,338	2,167	2,302
AS per earlier GAAP	2,003	2,176	2,191	2,432	2,224	2,337	2,190	2,297
Variance	(5)	(14)	(5)	(2)	(21)	1	(23)	5
Reasons for variance:								
Trade Loads, Discounts etc. re-classified from A&SP cost to NSV	(61)	(70)	(63)	(71)	(79)	(72)	(78)	(67)
Excise Duty reclassified from NSV to a separate cost line	57	56	58	69	59	73	55	72

PAT Reconciliation	Q1'15-16	Q1'16-17	Q2'15-16	Q2'16-17	Q3'15-16	Q3'16-17	Q4'15-16	Q4'16-17
AS per IND AS	194	219	221	234	211	220	199	211
AS per earlier GAAP	190	209	219	224	208	221	190	220
Variance	4	10	2	9	3	(1)	9	(9)
Reasons for variance:								
Fair Valuation of Investments	4	10	2	10	3	(1)	9	(6)
Others (ESOP cost etc.)	(0)	(0)	(0)	(1)	(0)	(0)	0	(3)



invrl@britindia.com