



THANK YOU
FOR MAKING US NO.1.

Analyst Meet
Q2'17-18 Results
Conference Call
15th Nov 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.



*“Despite some disruptions in the past few years, we have **maintained our momentum** & **delivered consistent** & **sustained business results**”*



“In this year, a smooth GST implementation was critical for our long term success”

GST migration..

GST Registration

- ~3800 customers
- ~ 2600 vendors

Software migration

- SAP
- Secondary sales system

Training

- Employees
- Vendors
- Customers

Business

- Whole sale channel impacted (**now stabilized**)
- Distributor Issue in Kerala (**solved for**)



However

“Focus on basic execution”

*continued as the underlying theme
for all of us at Britannia*



Our execution focus areas..

*Drive
Premiumisation*

*Increase
Distribution
footprint*

*Attain Cost
leadership*

Delightful Innovation & activation of Brands..

Delightful Innovation

Goodday Wonderfulls



Treat Rennovation



Activation of brands

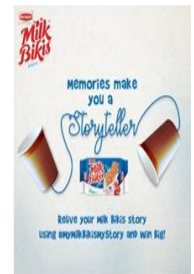
Digital for Goodday "Indian Guard"

World Smiles Day Amplification



MilkBikis Activation

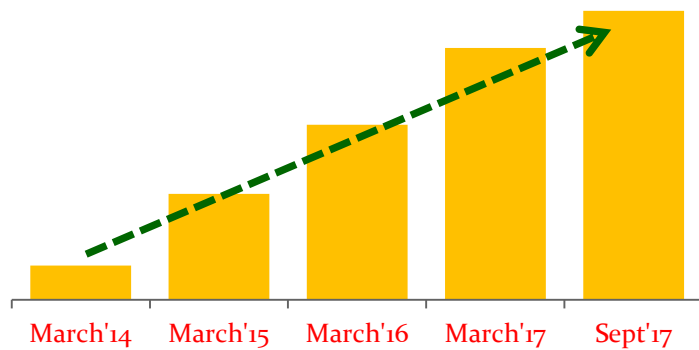
TVC	Visibility	Digital
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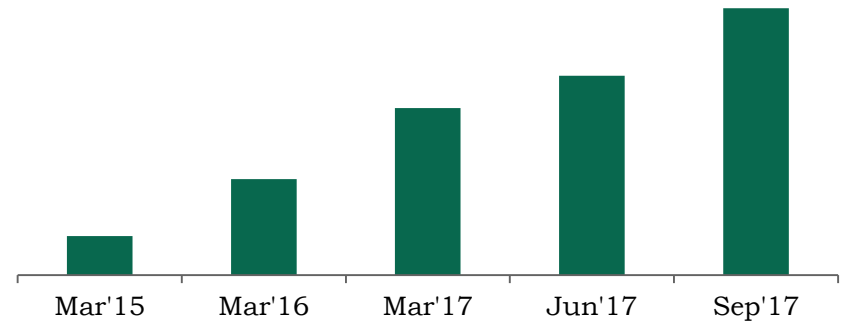
Increased distribution footprint, growths in rural and weak states..



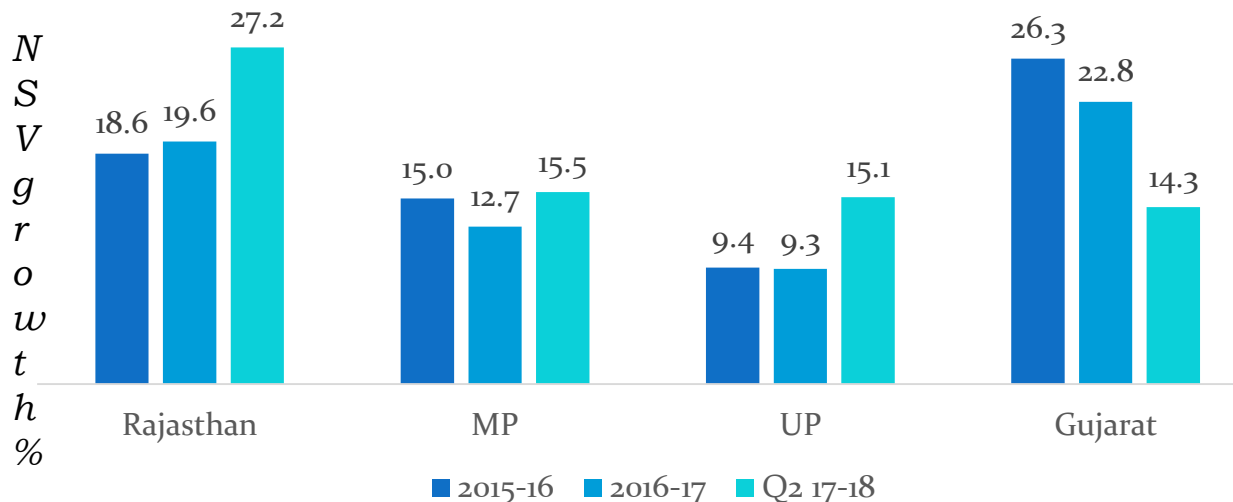
Direct Reach – 2.3X in last three years



Rural continues to grow in double digit



Weak states continue to grow faster..



Share Gain by 170bps

Cost leadership

*Efficiency improvement –
Distance to market 33%
reduction*

*Wastage reduction
Market returns – 30%
Write offs – 80%
Trade loads - ~30%
(Reduction)*

*Cost efficiency program
60% higher than PY*



Now is the time to take the leap forward on “strategic initiatives”

Key strategic initiatives

*Create Business
units*

*Enter 1 new
geography every
year*

*Enter new
product
categories to
become a “Total
Foods Company”*

People being at the core



We firmly believe
**“You don’t build a Business
You build people
And then People build the
business”**

As businesses expand & we enter new categories, it is critical to have *Separate & Focused Business units or Profit centers*

People
Agenda

Strategic
initiative

Head

1

Britannia for
Britannians

New category -
Croissant
New Geography -
Nepal

Vinay
Subramanyam
Anil Sharma

2

Talent from
Outside

Focus on adjacent
categories Bread,
Cake, Rusk &
Adjacency

Jayant Kapre

(Illustrative examples)

Our simple dream of being a “Total Foods Company” is Powerful

Croissant



Dairy



Macro Snacks

**Cake & Rusk Innovation
through new formats
Cheese formats.**

Drinkables



We are also investing in capacities for the future

*Ranjangaon, Maharashtra
Integrated Food Park Q1'18
(Also a milk belt and ideal location
for Dairy)*

*Guwahati, Assam
To service local region
Q1'18*



Investing in capacities for International Business

*Mundra, Gujarat
To service International markets
Q1'18*



*Nepal
Local operation – Q4'18*





Q2 17-18 Results



Delivered high single digit (8%)
value growth in Q2 on a
standalone basis.*

Comparable

Adjacent businesses performance..



Bread: Growths are in double digits and with improved profitability.



International: Positive Growths in Q2, however continues to be impacted by deteriorating geopolitical situation and currency fluctuations in geographies like Middle East and Africa

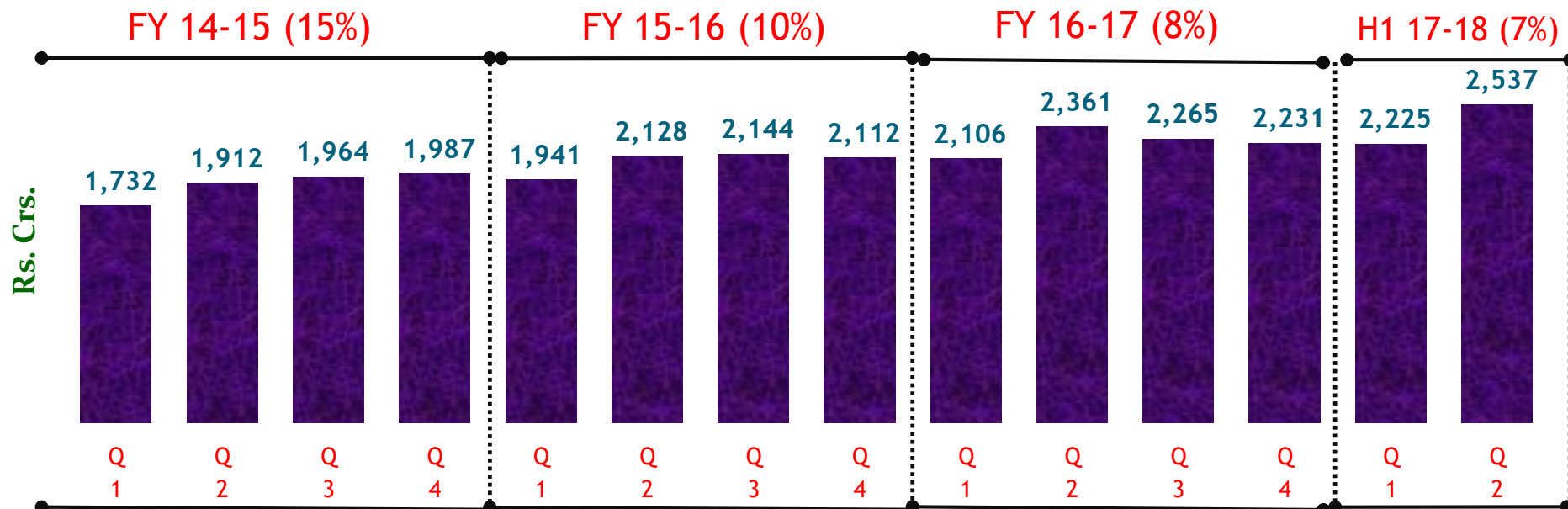


Dairy: Our focus is on driving products with high profitability (double digit growth) and reduce less profitable portfolio.

Resulting in a consolidated growth of.. 7.4% in Q2



Consolidated NSV as per Statutory results*



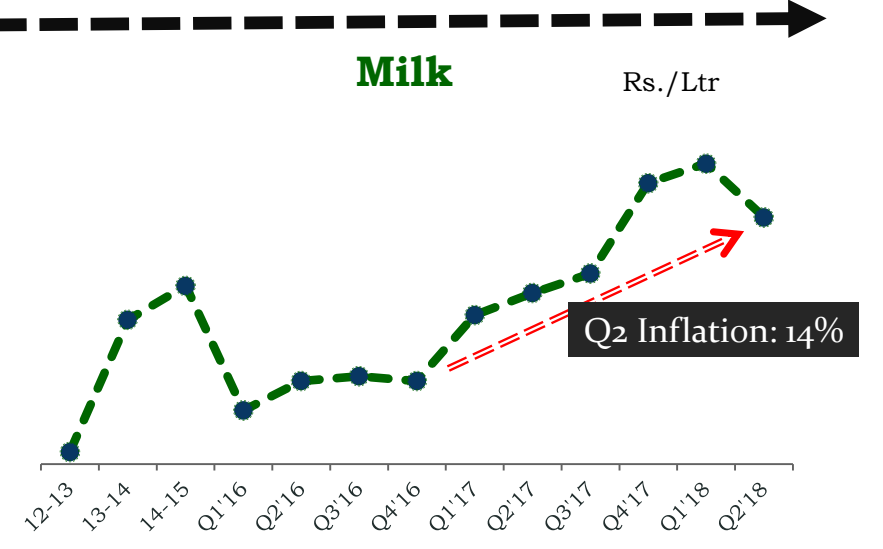
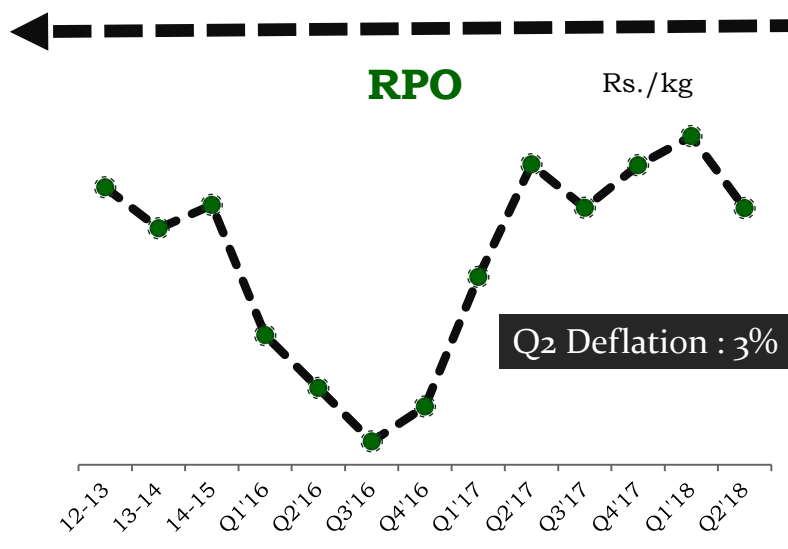
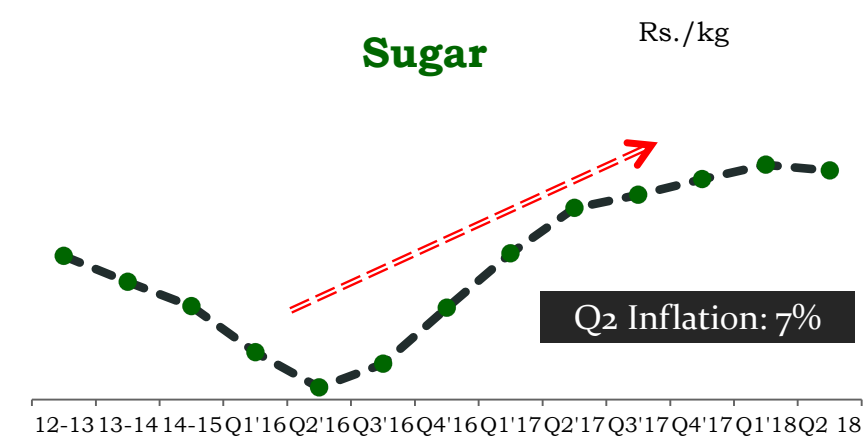
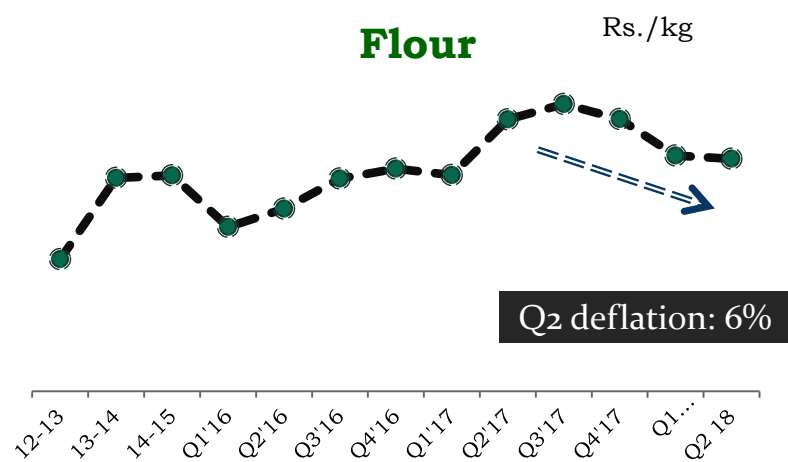
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Growth%	12%	11%	9%	6%	9%	11%	6%	6%	6%	7%
24 month growth%	30%	26%	25%	22%	22%	23%	15%	12%	15%	19%

Note: Numbers from PYs have been restated for IND AS and tax adjustments to make it comparable



*In the meantime, inflation in
commodities is stable.*

Except Sugar & Milk prices other commodity prices are stable. Overall inflation in Q2 – 1%

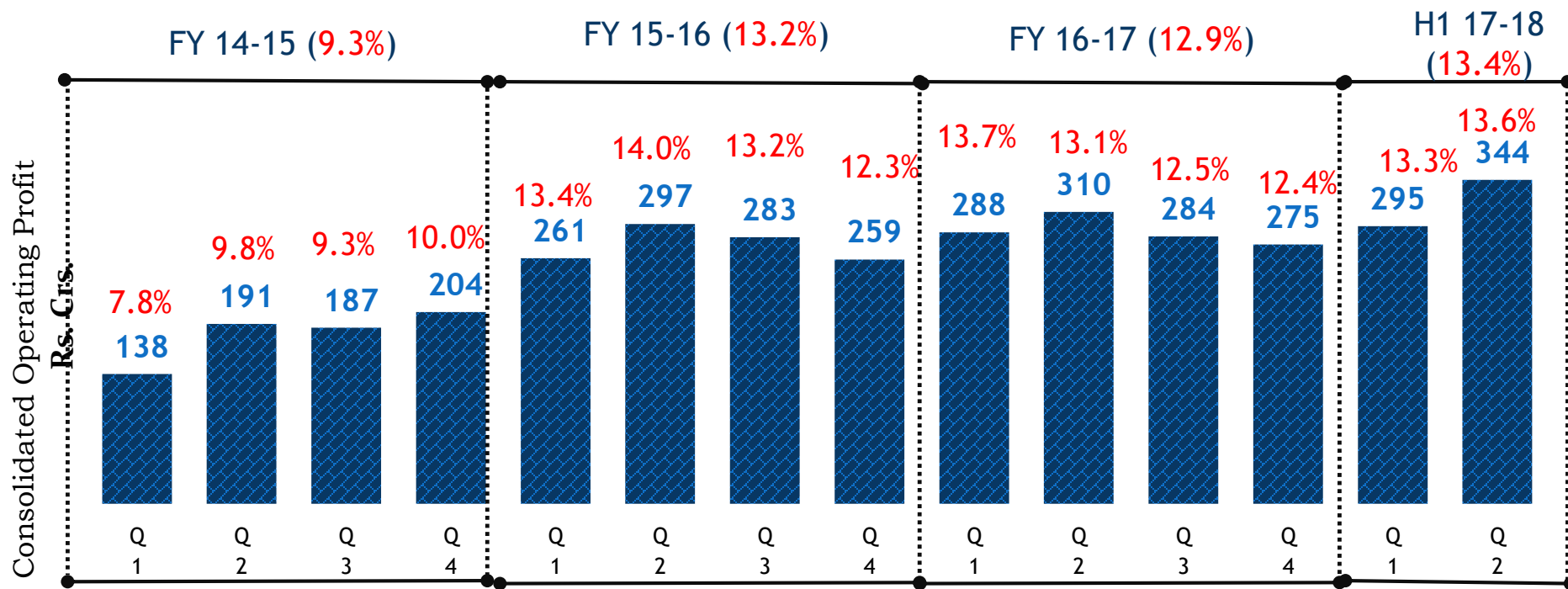




Our bottom line performance has been consistent due to:-

- ❖ *accelerated cost efficiency program*
- ❖ *leveraged fixed costs*

As a result, we were able to improve profitability



	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Growth%	17%	37%	35%	38%	89%	56%	51%	27%	11%	4%	0%	6%	3%	11%
24 months growth%	119%	158%	121%	62%	121%	113%	104%	76%	109%	62%	52%	35%	13%	16%

Note: Operating Profit % have been restated from 15-16 onwards to make the nos comparable

THE BRITANNIA PROMISE



Financials

Key Financial Lines - Consolidated



Rs. Crs.

Particulars (Consolidated)	Q2'17-18	Growth %
Net Sales	2,537	7%
Profit from Operations	344	11%
Profit Before Tax	394	13%
Profit After Tax	261	12%

Particulars (Consolidated)	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	H1'17-18
Profit from Operations%	4.6%	5.7%	8.0%	9.3%	13.2%	12.9%	13.4%
Profit before Tax%	4.9%	5.8%	8.3%	12.2%	14.7%	14.5%	15.2%
Profit after Tax%	3.7%	4.2%	5.8%	8.9%	9.9%	9.9%	10.0%

Note: Profit% have been restated from 15-16 onwards to make the nos comparable



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