



## NEWS RELEASE

**Mumbai, October 16, 2017**

### **Q2 Net Sales and Net Profit up on adjusted basis**

- Net Sales up 3% on adjusted basis\* (Reported: -10%)
- Gross margin expanded by 50 bps on adjusted basis\* (Reported: +820 bps)
- EBDITA growth at 9% for the quarter
- First Interim Dividend @ Rs. 4 per share
- Colgate strengthens its Naturals portfolio with the launch of Swarna Vedshakti – a perfect Sangam of Ved and Vigyan in South India / Maharashtra

*\* Net Sales and Gross Margin have been restated for impact of GST (Refer Net Sales Reconciliation below)*

**Q2 2017-18 :** Colgate-Palmolive (India) Ltd today reported Net Sales for the quarter ended September 30, 2017 at Rs. 1,077.9 crore. Reported Net Sales declined by 10% due to changes in treatment of indirect taxes post GST implementation. Excluding this impact, Net Sales increased by 3% over previous year (Refer Net Sales Reconciliation below). With overall GST transitions, volumes declined 0.9%.

Reported Net profit after tax for the quarter was Rs. 177.6 crore. Excluding the impact of tax reversals in both the periods, Net Profit after Tax increased by 5% over Q2 16-17.

The Company continues to maintain its leadership position in both the Toothpaste and Toothbrush categories, with volume market shares for the period Jan-Aug'17 at 54.0% and 45.5% respectively.

**Mr. Issam Bachaalani, Managing Director at Colgate-Palmolive (India) Ltd,** said, "With the implementation of GST, Colgate was able to pass on the benefits to consumers, leading to a reduction in MRPs by 8 to 9% for our key categories of Toothpastes and Toothbrushes. Post GST implementation, we have seen consumer demand picking up. Colgate's action to pass the benefit to the consumers by reduction in MRP while maintaining trade margins has been well received. Colgate had initiated numerous steps with key stakeholders that helped in a smooth transition to GST.

While wholesale demand was soft at the start of the quarter, we saw a gradual recovery and expect continued improvement in the coming quarters. Direct trade has seen a good pick up post GST both in Retail and Cash & Carry.

We are also pleased to announce the launch of our Premium Naturals toothpaste – Colgate Swarna Vedshakti, which further strengthens our existing Naturals portfolio, in Maharashtra and South India. Developed with natural ingredients, this toothpaste offers holistic oral care benefits, and is therefore apt for the whole family.

Innovation based on consumer insights, is at the core of everything we create at Colgate. We continue to focus on our priorities of strengthening the core of our business and driving competitive and profitable growth while staying committed to our values and sustainability initiatives.

In keeping with Colgate's belief of contributing to the communities where we live and work, after the successful implementation of our Water initiatives in Bihar and West Bengal, we launched our Water program in the Amravati District of Maharashtra, an area which faces extreme water scarcity and challenges in accessing potable water for daily living. The program was launched in partnership with Water-For-People, India Trust."

## MAJOR ACTIVITIES IN Q2 2017

**Colgate Swarna Vedshakti:** A premium toothpaste in the 'Naturals' category launched in Tamil Nadu, Kerala, Karnataka, Andhra Pradesh and in Maharashtra. Colgate Swarna Vedshakti blends the goodness of Indian natural ingredients of Aloe Vera, Clove, Honey, Tulsi, Neem and Amla with Colgate's oral care expertise, and effectively delivers holistic Oral Care. Available across various retail formats in 100gm priced at MRP Rs.55/- (inclusive of all taxes) and in 200gm priced at MRP Rs. 99/- (inclusive of all taxes).

**Colgate Neo Toothbrush:** An aesthetically designed toothbrush available in 6 exciting & differentiating colour combinations. Its Ultrasoft bristles gently clean your teeth. With high density 3626 bristles, Colgate Neo comes in premium packaging which stands out from other toothbrushes. Available at MRP Rs. 40/- (inclusive of all taxes) for a single toothbrush.

**Asia Book of Records:** Colgate, in partnership with Indian Dental Association (IDA); Sri Ramachandra University (SRU) and Rotary International District 3232, made a proud entry in the **Asia Book of Records, for 'Most People Brushing their Teeth together'**. Aimed at educating people about Oral hygiene and the right techniques for brushing, the event witnessed a total 23,615 people – including school children and adults – brushing their teeth in the right manner, at the same time at the same venue (SRU grounds), using Colgate Toothpaste and Colgate Toothbrushes.

## DIVIDEND

The Board declared a First Interim Dividend for the Financial Year 2017-18 of Rs. 4 per share of Re 1 each (face value) on the share capital. The dividend payout to the shareholders will be Rs. 130.9 Crore (inclusive of the dividend distribution tax of Rs. 22.1 Crore) and will be paid on November 10, 2017 to those shareholders whose names are on the Register of Members of the Company as on October 26, 2017.

## **ABOUT COLGATE-PALMOLIVE(INDIA) LTD.**

Colgate-Palmolive (India) Limited is India's leading provider of scientifically proven oral care products with multiple benefits at various price points. The range includes toothpastes, toothpowder, toothbrushes and mouthwashes under the "Colgate" brand, as well as a specialized range of dental therapies under the banner of Colgate Oral Pharmaceuticals. These have become an essential part of daily oral hygiene and therapeutic oral care in India. The Company also provides a range of personal care products under the 'Palmolive' brand name. For more information about Colgate's business and products, visit the Company's website at [www.colgatepalmolive.co.in](http://www.colgatepalmolive.co.in)

## Net Sales Reconciliation

Particulars (Rs. In Lakhs)	Quarter ended September 30, 2017	Quarter ended September 30, 2016	Incr/ Decr
Net Sales (as reported)	107,798	119,492	-10%
Less: Excise Duty	-	14,660	
Net Sales (as adjusted)	107,798	104,832	3%