

# **Phillips Carbon Black Ltd**

## **Investor Update Q3 FY13**



# Performance Summary

Particulars	Q3FY13	Q2FY13	%Change (QoQ)	Q3FY12	%Change (YoY)
<b>Production (MT)</b>	72,531	73,880	(1.8)	72,706	(0.24)
<i>Capacity Utilization(%)</i>	71%	72%	(1)	71%	-
<b>Total Sales Volume (MT)</b>	68,054	73,954	(8)	71,761	(5)
<b>Domestic (MT)</b>	49,327	52,140	(5)	49,628	(0.61)
<b>Export (MT)</b>	18,727	21,814	(14)	22,133	(15)
	₹ Crs	₹ Crs		₹ Crs	
<b>Net Sales</b>	546	583	(6)	515	6
<b>EBITDA (before forex)</b>	31	(0.35)	-	50	(38)
<b>EBITDA%</b>	5.7%	-	-	9.7%	-
<b>PBT</b>	(14)	(35)	(60)	20	(170)
<b>PAT</b>	0.76	(33)	102	20	(96)
<b>EPS (Fully Diluted) – ₹</b>	0.22	(9.55)	-	5.76	-

# Performance Summary: YTD

Particulars	9MFY13	9MFY12	%Change
<b>Production (MT)</b>	229,780	242,967	(5.4)
<i>Capacity Utilization(%)</i>	75%	79%	(4.0)
<b>Total Sales Volume (MT)</b>	223,710	239,580	(6.6)
<b>Domestic (MT)</b>	159,761	156,717	1.9
<b>Export (MT)</b>	63,949	82,863	(22.8)
	₹ Crs	₹ Crs	
<b>Net Sales</b>	1750	1646	6
<b>EBITDA (before forex)</b>	78	214	(64)
<b>EBITDA%</b>	4.5%	13%	-
<b>PBT</b>	(42)	97	(143)
<b>PAT</b>	(26)	82	(132)
<b>EPS (Fully Diluted) – ₹</b>	(7.42)	24.49	-

# Power Sales

	Power Sales (KwH in lacs)	Net Sales (₹ Crs)	Net Realization
<b>Q1 FY12</b>	712	22.53	3.16
<b>Q2 FY12</b>	598	18.06	3.02
<b>Q3 FY12</b>	671	20.33	3.03
<b>Q4 FY12</b>	715	20.92	2.93
<b>Q1FY13</b>	792	24.39	3.08
<b>Q2FY13</b>	725	21.04	2.90
<b>Q3FY13</b>	657	19.19	2.92

# Highlights of Q3 FY13

- Compared to last year, Net Sales increased in Q3FY13 due to sales price increase on account of steep increase in raw material prices.
- There is a steep drop in export volume due to slowdown in Europe and very low export prices of China in S.E Asia market which made exports to S.E Asia market economically not viable.
- The CBFS prices is expected to rise with the economic revival of USA, China and stabilization of Euro Zone.
- The government has imposed safeguard Duty of 30% from 5th October'12 till 5th October'13 and 25% on import of carbon black from China till 31st December 2013. The imports in India from China has reduced, however, total imports in India continue to remain same.

# Outlook for Q4 FY13

- Sales volume expected to be in line with this quarter
- Margin in carbon black expected to be under pressure
- Average realization on power is expected to be in line with Q3FY13



# Status of new projects

- The 50,000 MT Carbon Black expansion at Cochin plant is expected to be completed by Q4 FY13
- MOU signed with Tamilnadu Govt for setting up new carbon black & power plant. Environment clearance is under process.
- The project work at Vietnam is under review in view of global developments



# Cautionary Statement

Statement in this “ Management Discussion and Analysis” describing the Company’s objectives, projections, estimates, expectations or predictions may be “ forward looking statements” within the meaning of applicable securities law and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company’s operations include demand supply conditions, finished goods prices, availability and prices of raw materials, changes in the government regulations, tax regimes, economic development within India and the countries within which the Company conducts business and other factors such as litigations and labour negotiations.





# Thank You

