

Phillips Carbon Black Ltd

Investor Update Q3 FY18

Highlights of Q3 FY18

- Increased capacity utilization at 98% in Q3FY18 driven by improved plant performance
- Growth in sales volume of Specialty Black by 83% in Q3FY18 vis a vis Q3FY17
- Completion of debottlenecking activity resulting in release of additional capacity.
- Power Sale realization per unit increased by 29% in Q3FY18 as compared to Q3FY17.
- Product mix towards high value grades led to improved EBITDA margins of 17.7%
- The Board of Directors has approved the following, subject to the approval of the shareholders and other authorities.
 - Raising funds upto Rs 500 crs by way of further issue of securities
 - Splitting of equity shares having face value of Rs 10 each into 5 equity shares of Rs 2 each

Quantitative Summary : Q3 FY18

Particulars	Q3FY18	Q2FY18	%Change (QoQ)	Q3FY17	%Change (YoY)
Production (MT)	1,00,957	98,912	2%	97,521	4%
<i>Capacity Utilization(%)</i>	<i>98%</i>	<i>96%</i>	<i>2%</i>	<i>95%</i>	<i>3%</i>
Total Sales Volume (MT)	1,00,514	100,335	-	96,164	5%
Domestic (MT)	78,297	76,261	3%	73,247	7%
Export (MT)	22,217	24,074	(8%)	22,917	(3%)

Financial Summary : Q3 FY18

In Rs Crs

Particulars	Q3FY18	Q2FY18	%Change (QoQ)	Q3FY17	%Change (YoY)
Total Income	616	601	3%	487	26%
EBITDA (before forex)	108	104	4%	74	46%
EBITDA%	17.7%	17.3%	0.4%	15.2%	2.5%
PBT	78	71	10%	40	96%
PAT	57	51	11%	15	280%

Outlook

- Tyre industry is expected to maintain a strong momentum in FY18.
- PCBL continues to focus both in domestic market as well as new geographies in the International market.
- Moving up the value chain and expanding its portfolio of high margin grades for both rubber and non rubber applications including specialty black.
- Planning greenfield capacity expansion in South India.

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