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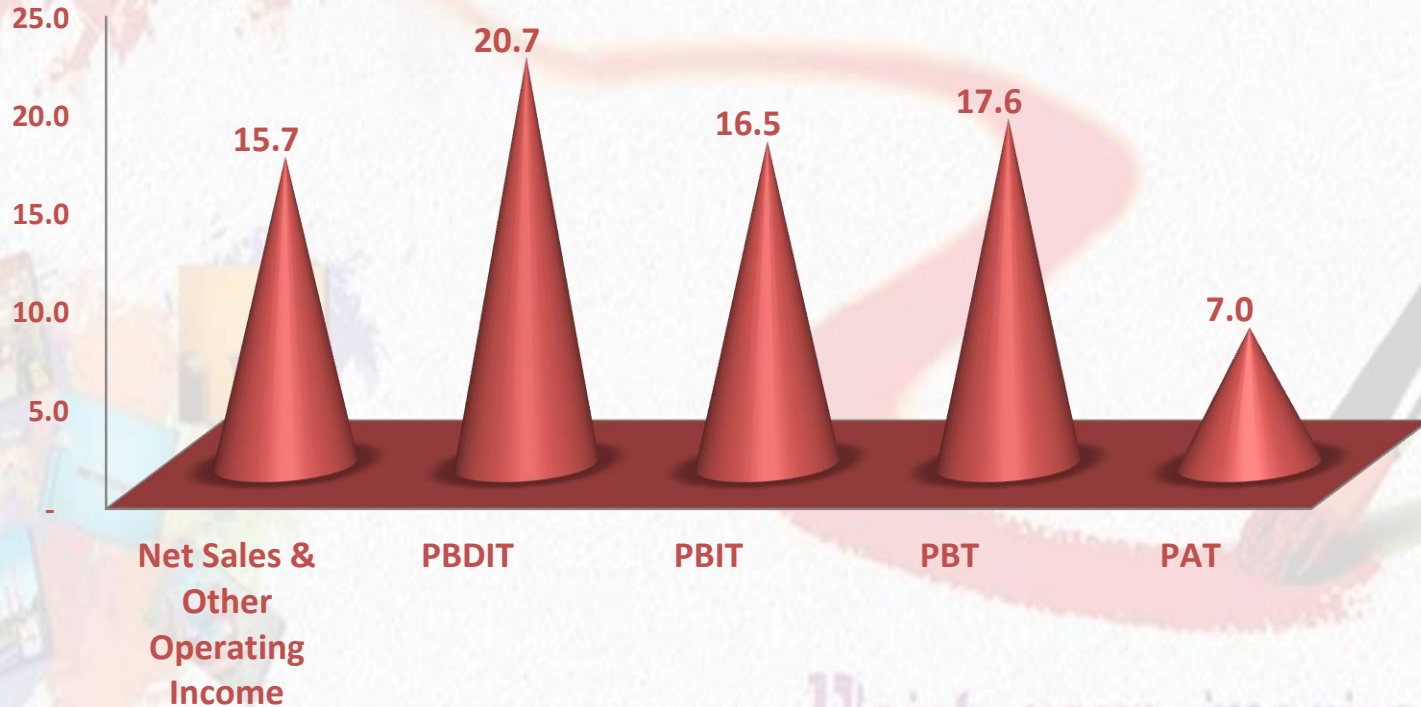
**Earnings Update Call Q2 FY15**

**November 10 , 2014**



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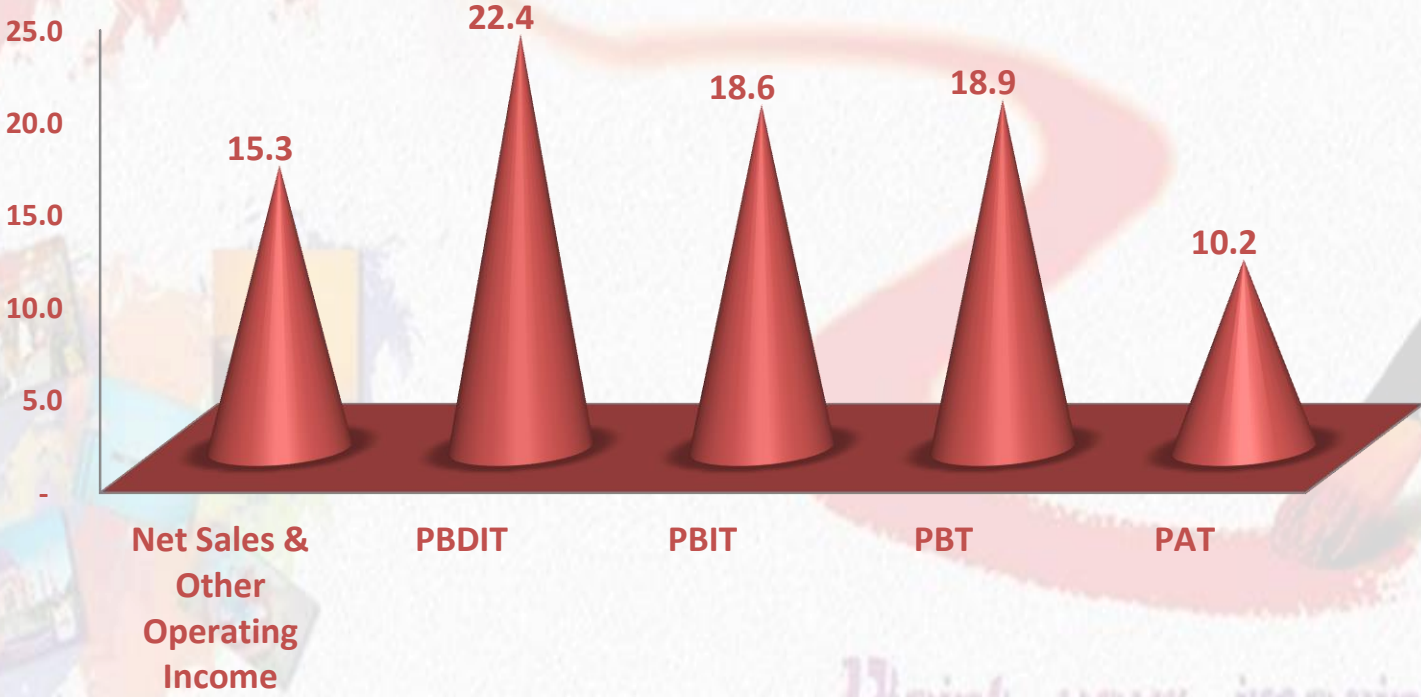
# GROWTH (%) -Standalone Q2 FY15



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# GROWTH (%) -Standalone H1 FY15



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# Financial Results – Standalone Q2 FY15

- Decorative business line showed improved demand
- General Industrial/Automotive business lines registered improved growth for the quarter
- Improvement in material cost % to net sales was mainly on account of deco price increases, USD rate stabilization, product mix improvement
- Increase in other expenses, was largely on account of advertisement and promotion cost in line with early festive season
- Lower PAT % for the quarter was on account of increase in effective tax rate on expiry of sec 80IB benefit for two major units in Jammu plant
- Depreciation has increased on account of additions at Hindupur factory and additional tinting machines

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# FINANCIAL RESULTS- STANDALONE: Q2 FY15

*Rs crores*

	Q2 FY 15	% to sales	Q2 FY 14	% to sales	Growth %
Net sales and other operating income	961		831		15.7
Material Cost	563	58.6	499	60.1	
Employee Cost	46	4.8	41	4.9	
Other expenses	243	25.3	199	24.0	
<b>PBDIT</b>	<b>110</b>	<b>11.4</b>	<b>91</b>	<b>10.9</b>	<b>20.7</b>
Depreciation	18	1.9	14	1.6	
<b>Profit from operation before interest</b>	<b>91</b>	<b>9.5</b>	<b>77</b>	<b>9.3</b>	
Other Income	7	0.7	7	0.9	
<b>PBIT</b>	<b>99</b>	<b>10.3</b>	<b>85</b>	<b>10.2</b>	<b>16.5</b>
Finance Cost	10	1.0	9	1.1	
<b>PBT</b>	<b>89</b>	<b>9.2</b>	<b>76</b>	<b>9.1</b>	<b>17.6</b>
Taxes	29	3.1	20	2.4	
<b>PAT</b>	<b>59</b>	<b>6.2</b>	<b>56</b>	<b>6.7</b>	<b>7.0</b>

# FINANCIAL RESULTS- STANDALONE: H1 FY15

*Rs crores*

	H1 FY 15	% to sales	H1FY 14	% to sales	Growth %
Net sales and other operating income	1901		1649		<b>15.3</b>
Material Cost	1127	59.2	998	60.5	
Employee Cost	93	4.9	83	5.1	
Other expenses	460	24.2	387	23.5	
<b>PBDIT</b>	<b>221</b>	<b>11.6</b>	<b>181</b>	<b>11.0</b>	<b>22.4</b>
Depreciation	36	1.9	26	1.6	
<b>Profit from operation before interest</b>	<b>185</b>	<b>9.7</b>	<b>155</b>	<b>9.4</b>	
Other Income	16	0.9	15	0.9	
<b>PBIT</b>	<b>201</b>	<b>10.6</b>	<b>170</b>	<b>10.3</b>	<b>18.6</b>
Finance Cost	18	1.0	16	1.0	
<b>PBT</b>	<b>183</b>	<b>9.6</b>	<b>154</b>	<b>9.3</b>	<b>18.9</b>
Taxes	61	3.2	43	2.6	
<b>PAT</b>	<b>122</b>	<b>6.4</b>	<b>111</b>	<b>6.7</b>	<b>10.2</b>



# Quarter wise Growth-Standalone

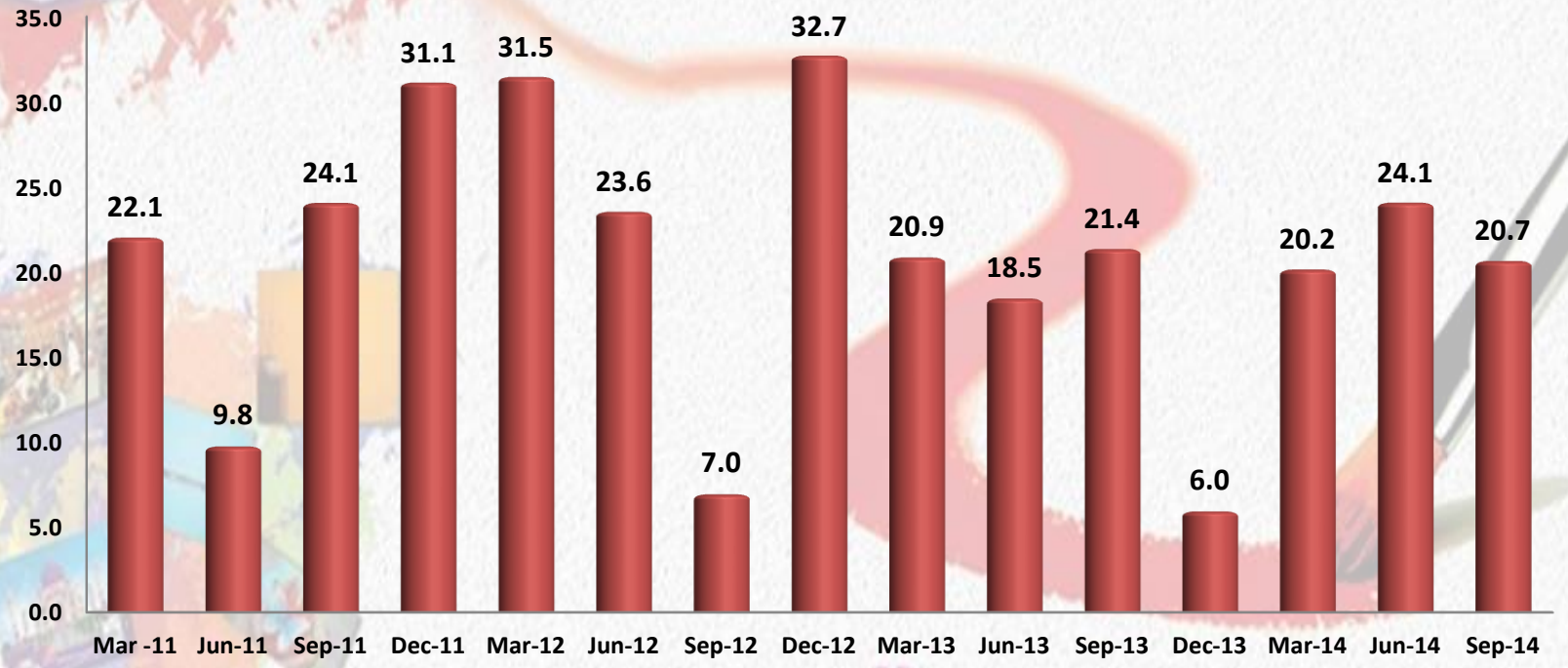


■ Net Sales & Other Operating Income growth %

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# Quarter wise EBITDA -Standalone

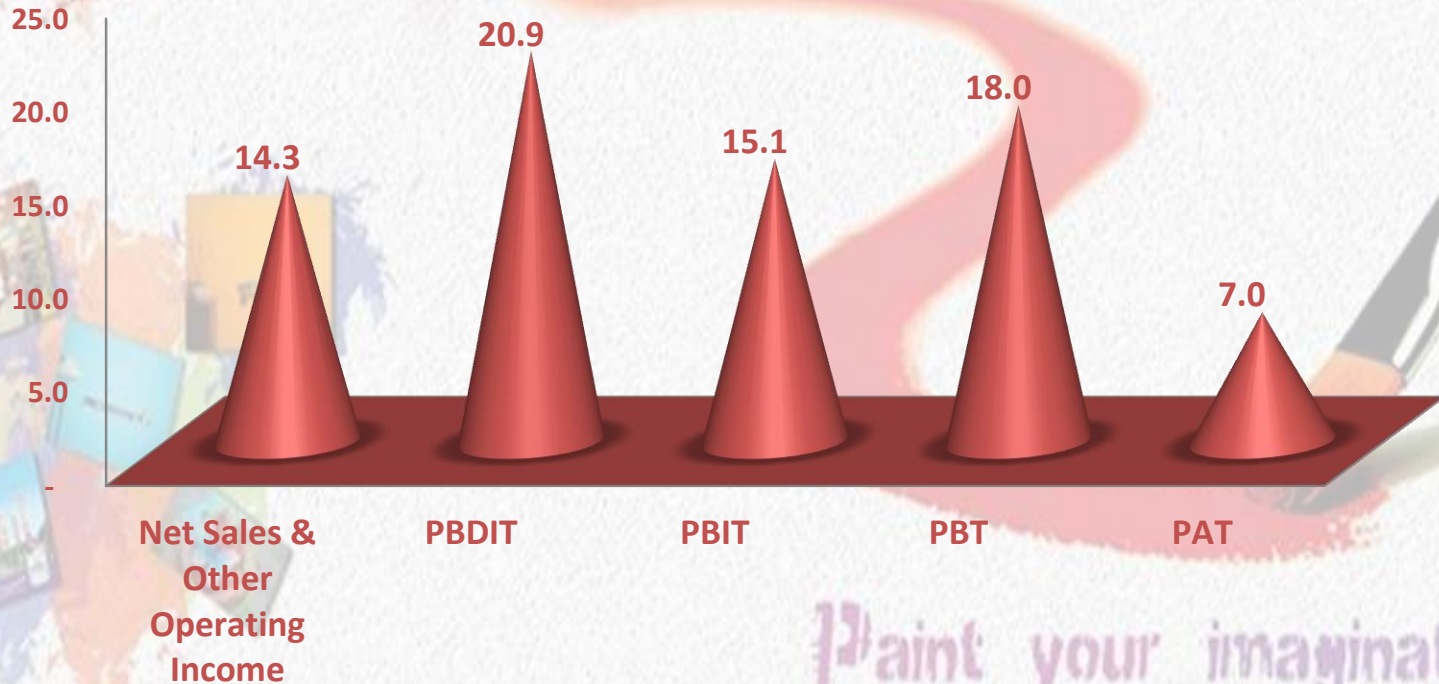


■ Quarterwise EBITDA growth %

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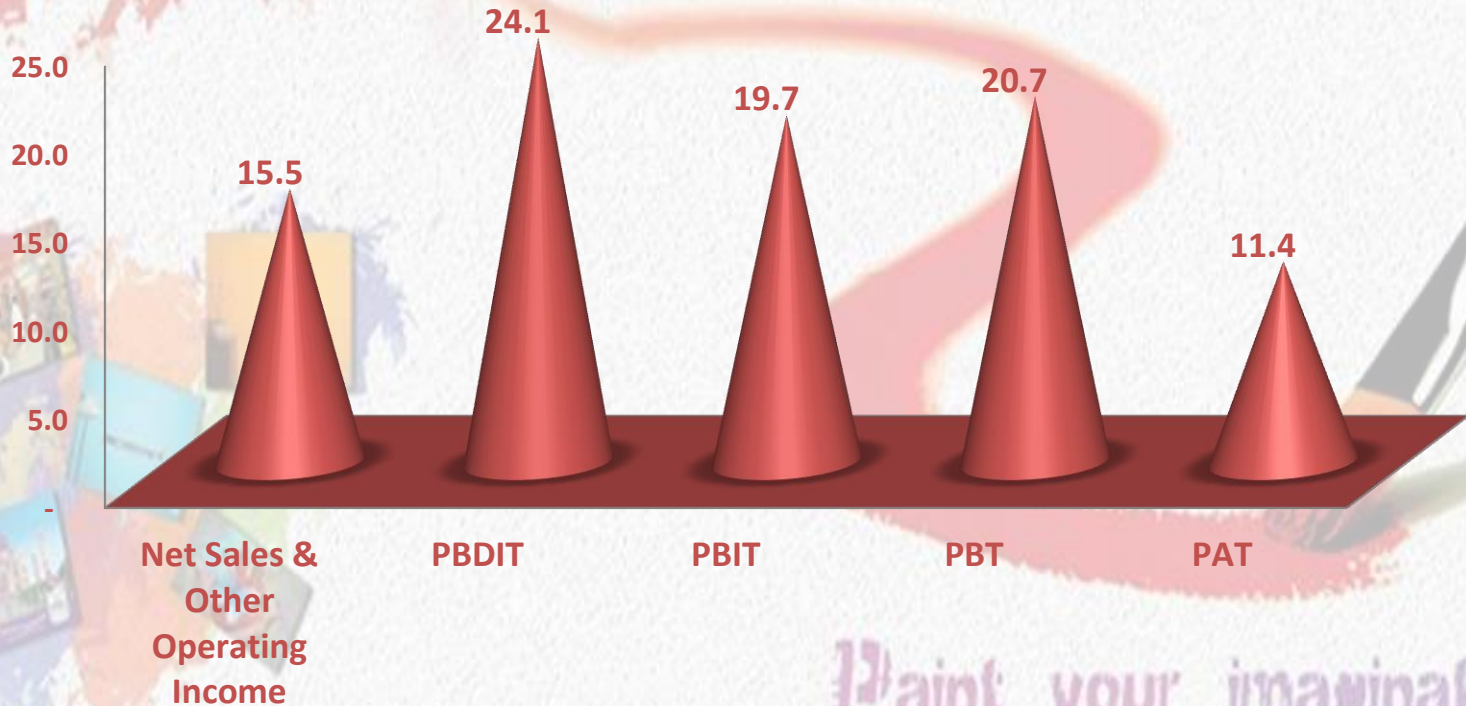


# Consolidated Q2 FY15- Growth (%)



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# Consolidated H1 FY15- Growth (%)



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# FINANCIAL RESULTS- CONSOLIDATED: Q2 FY15

*Rs crores*

	Q2 FY 15	% to sales	Q2 FY 14	% to sales	Growth %
Net sales and other operating income	1104		966		<b>14.3</b>
Material Cost	649	58.8	584	60.4	
Employee Cost	65	5.8	57	5.9	
Other expenses	265	24.0	221	22.9	
<b>PBDIT</b>	<b>126</b>	<b>11.4</b>	<b>104</b>	<b>10.8</b>	<b>20.9</b>
Depreciation	22	2.0	16	1.7	
<b>Profit from operation before interest</b>	<b>104</b>	<b>9.4</b>	<b>88</b>	<b>9.1</b>	
Other Income	6	0.6	8	0.9	
<b>PBIT</b>	<b>111</b>	<b>10.0</b>	<b>96</b>	<b>9.9</b>	<b>15.1</b>
Finance Cost	12	1.1	12	1.3	
<b>PBT</b>	<b>99</b>	<b>8.9</b>	<b>84</b>	<b>8.7</b>	<b>18.0</b>
Taxes	32	2.9	21	2.2	
<b>PAT</b>	<b>67</b>	<b>6.1</b>	<b>63</b>	<b>6.5</b>	<b>7.0</b>



## FINANCIAL RESULTS- CONSOLIDATED: H1 FY15

*Rs crores*

	H1 FY 15	% to sales	H1FY 14	% to sales	Growth %
Net sales and other operating income	2165		1874		<b>15.5</b>
Material Cost	1289	59.6	1139	60.8	
Employee Cost	130	6.0	114	6.1	
Other expenses	505	23.3	427	22.8	
<b>PBDIT</b>	<b>241</b>	<b>11.1</b>	<b>194</b>	<b>10.3</b>	<b>24.1</b>
Depreciation	43	2.0	32	1.7	
<b>Profit from operation before interest</b>	<b>198</b>	<b>9.1</b>	<b>162</b>	<b>8.7</b>	
Other Income	17	0.8	17	0.9	
<b>PBIT</b>	<b>214</b>	<b>9.9</b>	<b>179</b>	<b>9.6</b>	<b>19.7</b>
Finance Cost	24	1.1	22	1.2	
<b>PBT</b>	<b>190</b>	<b>8.8</b>	<b>157</b>	<b>8.4</b>	<b>20.7</b>
Taxes	66	3.0	46	2.4	
<b>PAT</b>	<b>124</b>	<b>5.8</b>	<b>112</b>	<b>6.0</b>	<b>11.4</b>

# Financial Results – Consolidated Q2 FY15



- Subsidiaries BJN Nepal & Beepee Coatings continued to show steady growth
- Bolix S.A reported flat revenue growth
- JV's Berger Becker Coatings & BNB Coatings showed improvement in both top line & profitability

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# Industry Outlook

- **Decorative demand expected to be sustained**
- **General Industrial and Automotive segment expected to sustain recovery**
- **Protective Coatings continue to suffer from lack of project funding and liquidity constraints – however expected to recover in medium term**
- **Crude prices show downward trend - may effect solvent based RM cost**
- **Exchange rate volatility continues to be a potential concern**

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