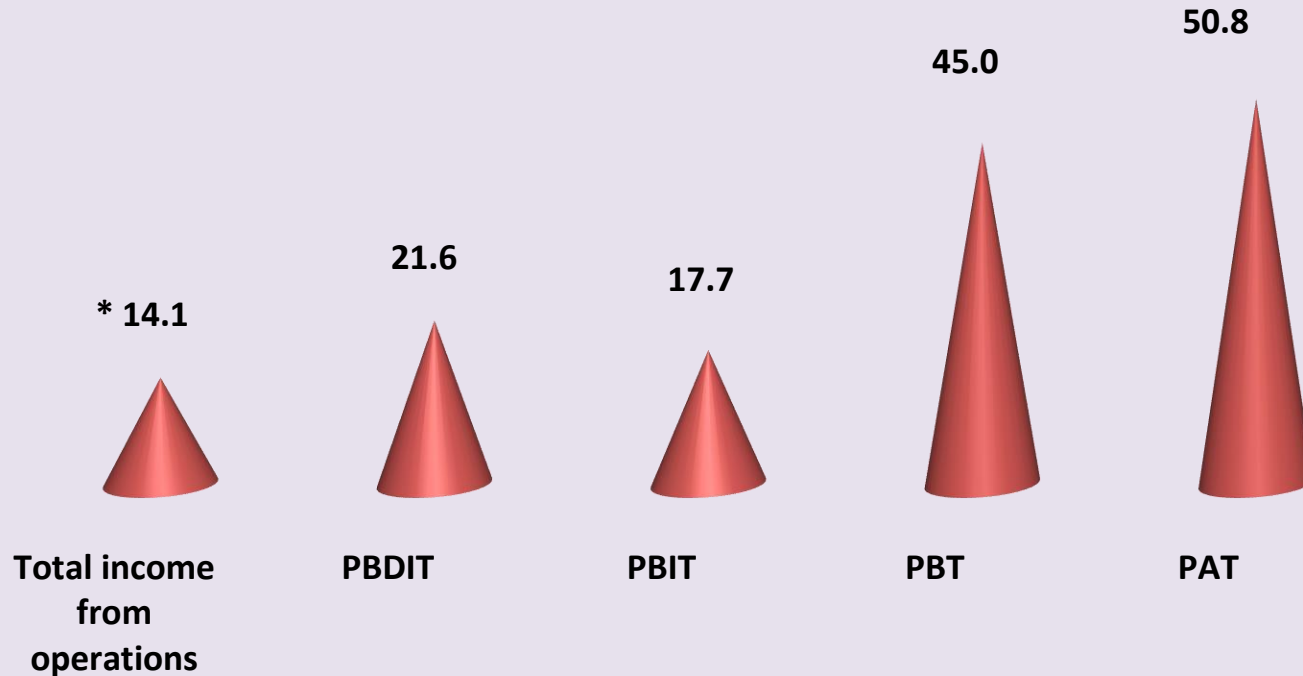




**Berger Paints India Limited  
Earnings Update Call Q4 FY18  
June 6<sup>th</sup>, 2018**

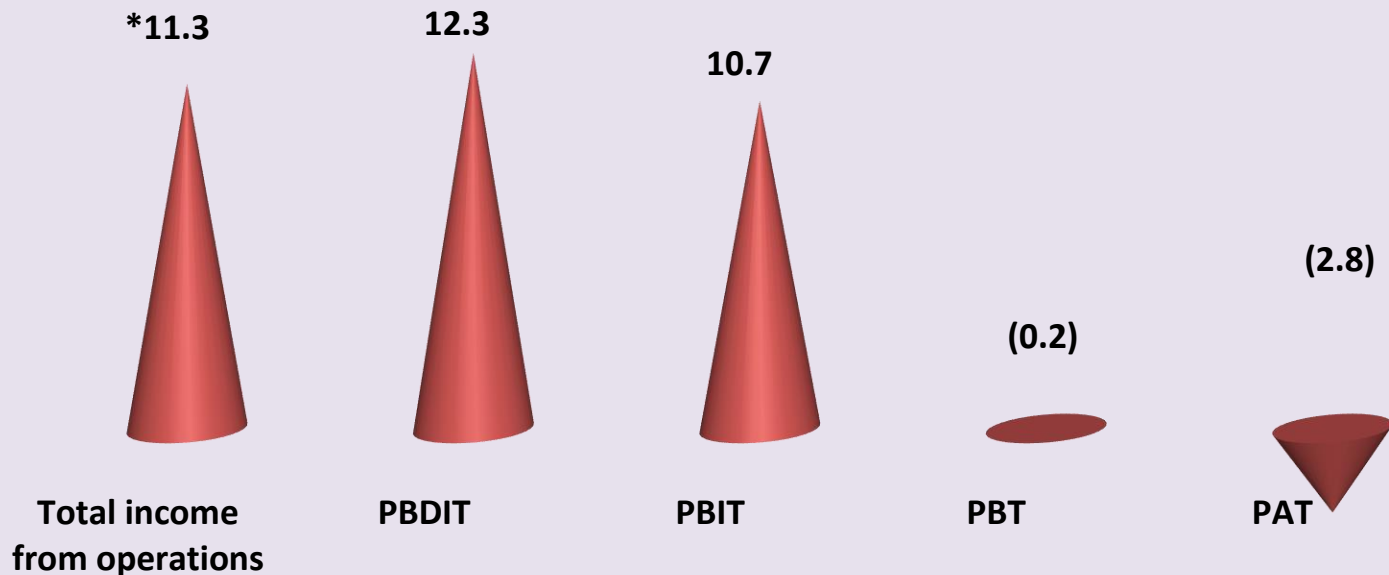
## Q4 FY18 Performance

## GROWTH (%) -Standalone Q4 FY18



- *\*Consistent with note 2 of published results on excise duty adjustment*
- *PBT and PAT figures for Q4 FY 18 and Q4 FY 17 are not comparable on account of impairment recognised for Berger Paints Overseas Limited –Russia (BPOL) during Q4 FY 17 (Rs 28 crores)*

## GROWTH (%) -Standalone YTD MAR FY18



- *\*Consistent with note 2 of published results on excise duty adjustment*
- *PBT and PAT figures for YTD March 2018 and YTD March 2017 are not comparable on account of profit on sale of Company's 4 wheeler passenger cars and SUV's, 3 wheeler and related ancillaries during Q2 FY 17 (Rs 86.67 crores) and impairment recognised for Berger Paints Overseas Limited – Russia (BPOL) during Q4 FY 17 (Rs 28 crores)*

## Financial Results – Standalone Q4 FY18

- Decorative business continued to show improved performance over corresponding quarter
- General Industrial / Automotive business continued to show robust growth
- Both Protective Coatings and Powder coatings segment showed significantly improved performance over corresponding quarter
- Effective Tax rates were higher on account of one time benefits on project related capital expenditure during Q4 FY 17

# Financial Results – Standalone Q4 FY18

Rs Crores

|  | Q4 FY 18      | % to Total<br>Income | Q4 FY 17      | % to Total<br>Income | Growth %    |
|--|---------------|----------------------|---------------|----------------------|-------------|
| <b>Total income from operations</b>              | 1,194.81      |                      | 1,044.78      |                      | <b>14.4</b> |
| Material Cost                                    | 711.20        | 59.5                 | 611.28        | 58.5                 |             |
| Employee Cost                                    | 66.40         | 5.6                  | 58.46         | 5.6                  |             |
| Other expenses                                   | 228.15        | 19.1                 | 219.61        | 21.0                 |             |
| <b>PBDIT</b>                                     | <b>189.06</b> | <b>15.8</b>          | <b>155.43</b> | <b>14.9</b>          | <b>21.6</b> |
| Depreciation                                     | 28.86         | 2.4                  | 25.44         | 2.4                  |             |
| <b>Profit from operation before interest</b>     | <b>160.20</b> | <b>13.4</b>          | <b>129.99</b> | <b>12.44</b>         |             |
| Other Income                                     | 11.10         | 0.9                  | 15.50         | 1.48                 |             |
| <b>PBIT</b>                                      | <b>171.30</b> | <b>14.3</b>          | <b>145.49</b> | <b>13.93</b>         | <b>17.7</b> |
| Finance Cost                                     | 4.45          | 0.4                  | 2.46          | 0.24                 |             |
| <b>PBT before Exceptional Item</b>               | <b>166.85</b> | <b>14.0</b>          | <b>143.03</b> | <b>13.69</b>         | <b>16.7</b> |
| *Exceptional Item                                | -             | -                    | (28.00)       | -                    |             |
| <b>PBT</b>                                       | <b>166.85</b> | <b>14.0</b>          | <b>115.03</b> | <b>11.0</b>          | <b>45.0</b> |
| Taxes  | 56.48         | 4.7                  | 41.85         | 4.0                  |             |
| <b>PAT</b>                                       | <b>110.37</b> | <b>9.2</b>           | <b>73.18</b>  | <b>7.0</b>           | <b>50.8</b> |
| Other comprehensive income, net of income tax    | 0.74          | 0.1                  | 0.28          | 0.0                  |             |
| <b>Total comprehensive income for the period</b> | <b>111.11</b> |                      | <b>73.46</b>  |                      |             |

- *The total income from operations growth rate as per note 2 of published results would have been 14.1 % as against 14.4 %*
- *\* Exceptional item includes impairment recognised for Berger Paints Overseas Limited –Russia (BPOL) during Q4 FY 17 (Rs 28 crores)*

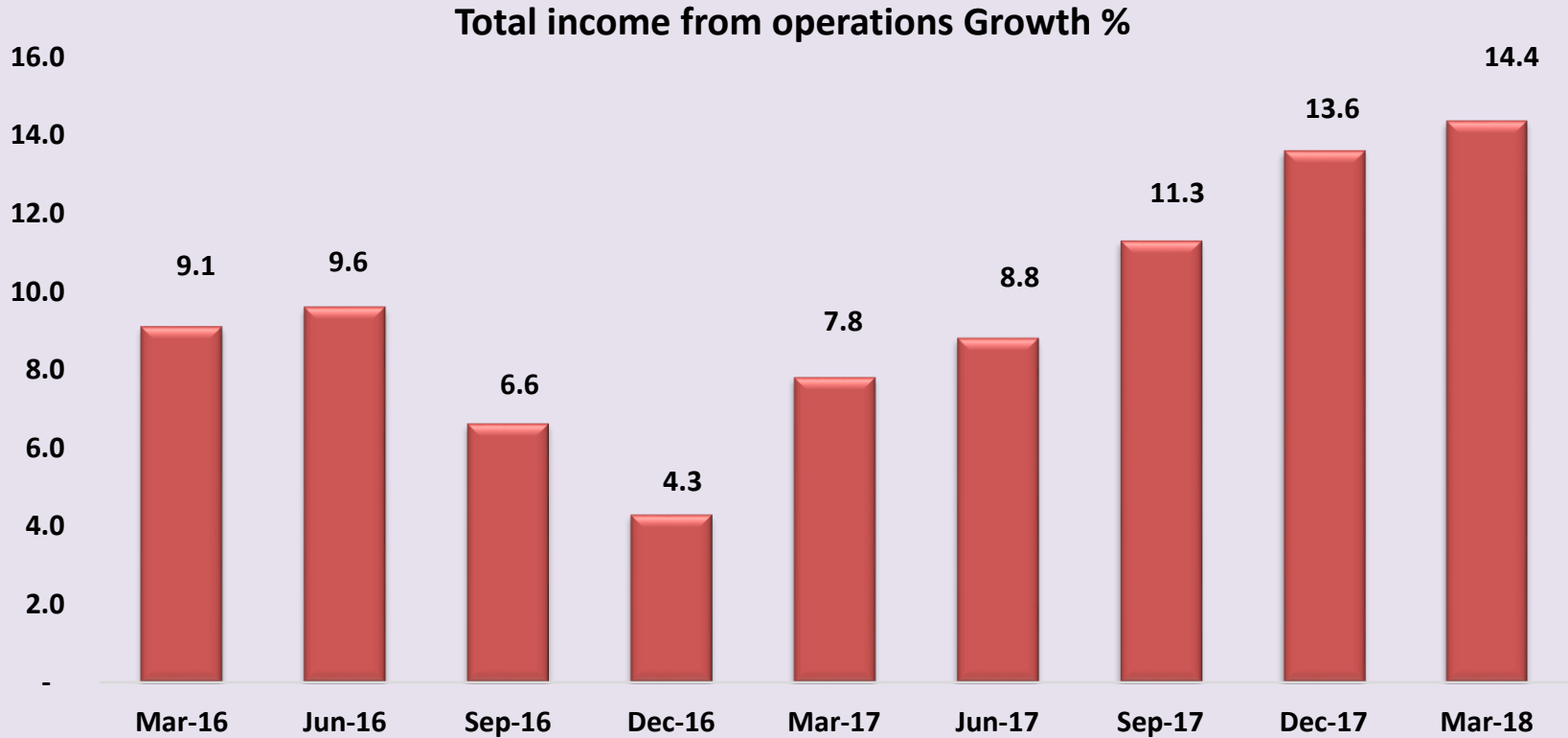
# Financial Results – Standalone YTD MAR FY18

Rs Crores

|  | YTD<br>Mar'18 | % to Total<br>Income | YTD<br>Mar'17 | % to Total<br>Income | Growth %     |
|--|---------------|----------------------|---------------|----------------------|--------------|
| <b>Total income from operations</b>              | 4,723.79      |                      | 4,225.32      |                      | <b>11.8</b>  |
| Material Cost                                    | 2,788.34      | 59.0                 | 2,442.09      | 57.8                 |              |
| Employee Cost                                    | 269.84        | 5.7                  | 244.51        | 5.8                  |              |
| Other expenses                                   | 922.21        | 19.5                 | 876.60        | 20.7                 |              |
| <b>PBDIT</b>                                     | <b>743.40</b> | <b>15.7</b>          | <b>662.12</b> | <b>15.7</b>          | <b>12.3</b>  |
| Depreciation                                     | 111.92        | 2.4                  | 98.00         | 2.3                  |              |
| <b>Profit from operation before interest</b>     | <b>631.48</b> | <b>13.4</b>          | <b>564.12</b> | <b>13.4</b>          |              |
| Other Income                                     | 46.53         | 1.0                  | 48.31         | 1.1                  |              |
| <b>PBIT</b>                                      | <b>678.01</b> | <b>14.4</b>          | <b>612.43</b> | <b>14.5</b>          | <b>10.7</b>  |
| Finance Cost                                     | 16.20         | 0.3                  | 7.76          | 0.2                  |              |
| <b>PBT before Exceptional Item</b>               | <b>661.81</b> | <b>14.0</b>          | <b>604.67</b> | <b>14.3</b>          | <b>9.4</b>   |
| *Exceptional Item                                | -             | -                    | 58.67         | -                    |              |
| <b>PBT</b>                                       | <b>661.81</b> | <b>14.0</b>          | <b>663.34</b> | <b>15.7</b>          | <b>(0.2)</b> |
| Taxes  | 229.97        | 4.9                  | 219.25        | 5.2                  |              |
| <b>PAT</b>                                       | <b>431.84</b> | <b>9.1</b>           | <b>444.09</b> | <b>10.5</b>          | <b>(2.8)</b> |
| Other comprehensive income, net of income tax    | 1.16          | 0.0                  | (1.44)        | (0.0)                |              |
| <b>Total comprehensive income for the period</b> | <b>433.00</b> |                      | <b>442.65</b> |                      |              |

- The total income from operations growth rate as per note 2 of published results would have been 11.3 % as against 11.8%
- \* Exceptional item includes impairment recognised for Berger Paints Overseas Limited –Russia (BPOL) during Q4 FY 17 (Rs 28 crores) and profit on sale of Company's 4 wheeler passenger cars and SUV's, 3 wheeler and related ancillaries during Q2 FY 17 (Rs 86.67 crores)

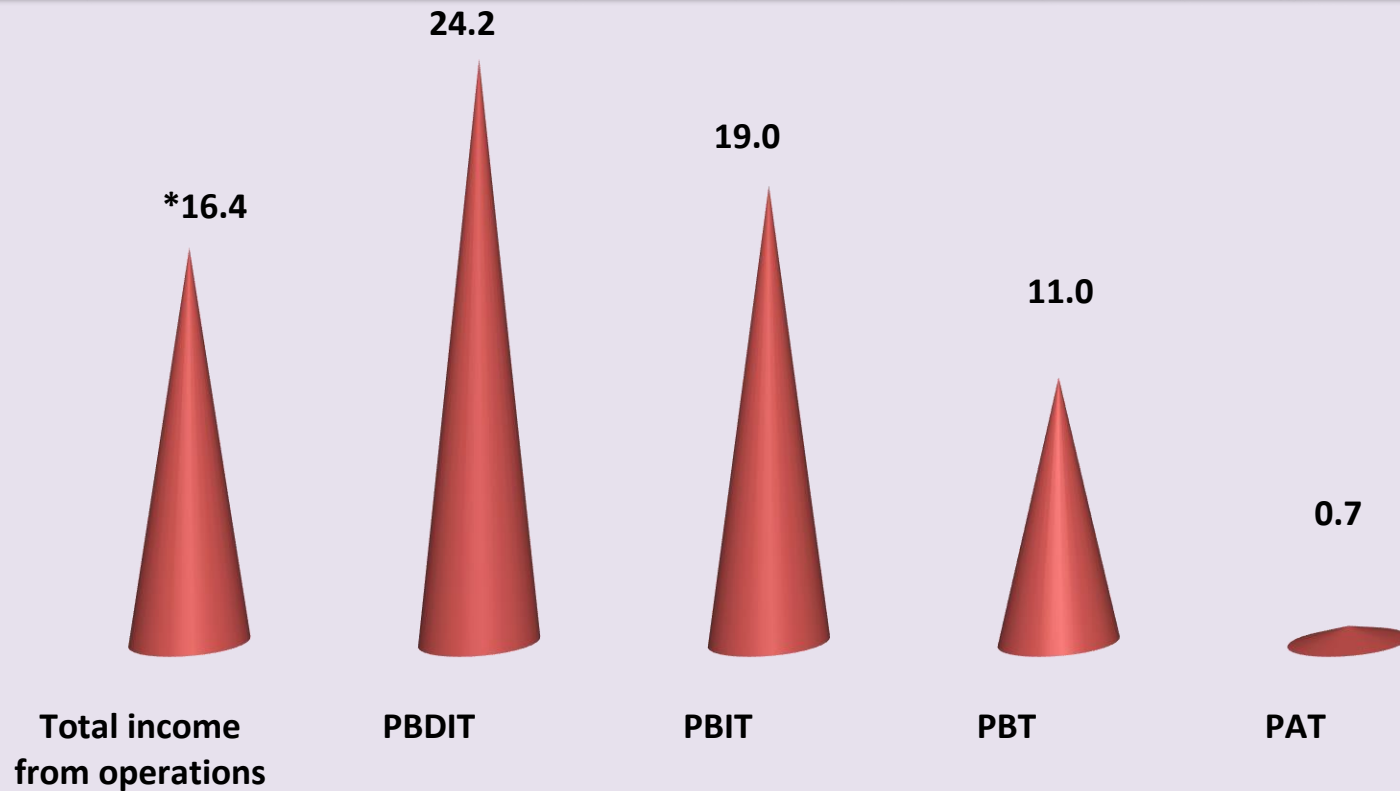
# Total income from operations Growth % -Standalone Q4 FY18



Growth % for previous quarters are based on sales (grossed up for excise duty) and hence not comparable

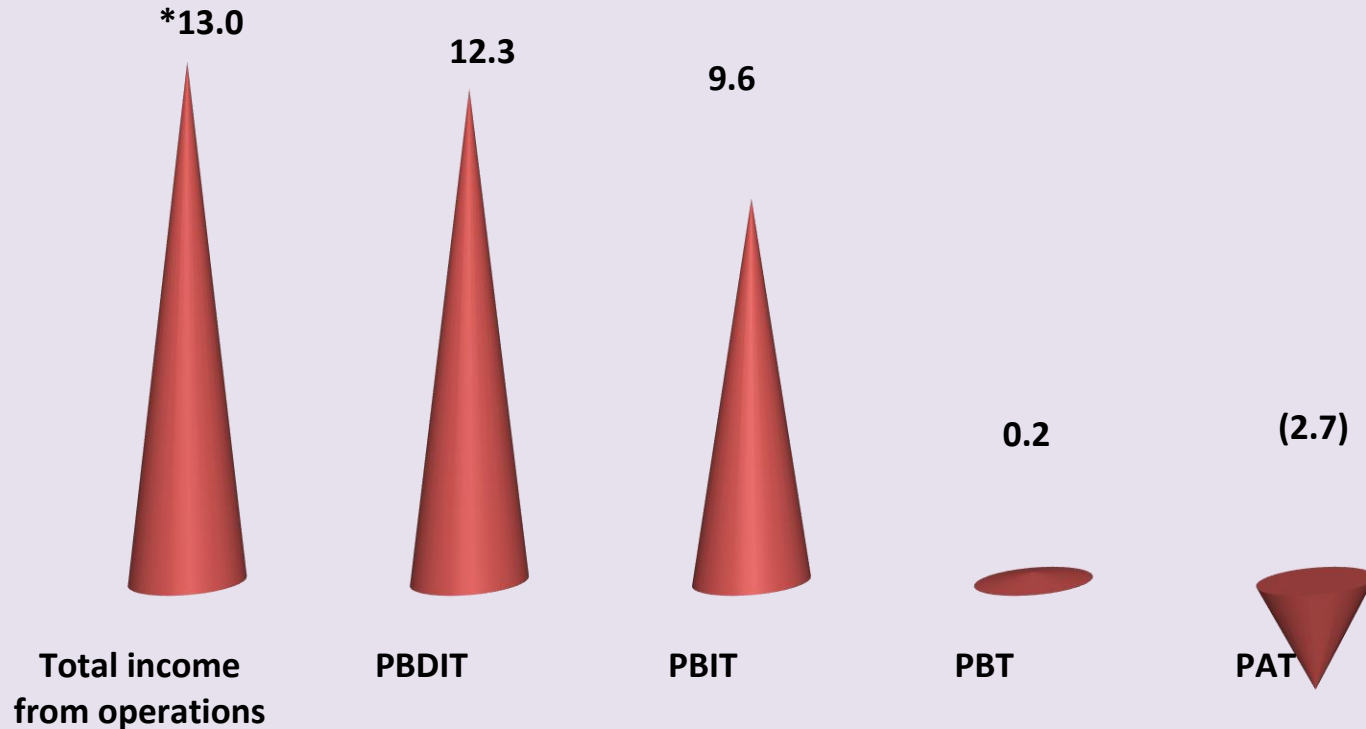


## Consolidated Q4 FY18- Growth (%)



- *\*Consistent with note 2 of published results on excise duty adjustment*

## Consolidated YTD MAR FY18 - Growth (%)



- *\*Consistent with note 2 of published results on excise duty adjustment*
- *PBT and PAT figures for YTD March 2018 and YTD March 2017 are not comparable on account of profit on sale of Company's 4 wheeler passenger cars and SUV's, 3 wheeler and related ancillaries during Q2 FY 17 (Rs 44.20 crores –after elimination of intercompany profit portion)*

# Financial Results- Consolidated: Q4 FY18

Rs Crores

|   | Q4 FY 18      | % to Total<br>Income | Q4 FY 17      | % to Total<br>Income | Growth %    |
|---|---------------|----------------------|---------------|----------------------|-------------|
| <b>Total income from operations</b>                       | 1,298.27      |                      | 1,112.90      |                      | <b>16.7</b> |
| Material Cost   | 761.67        | 58.7                 | 643.49        | 57.8                 |             |
| Employee Cost   | 90.77         | 7.0                  | 76.31         | 6.9                  |             |
| Other expenses  | 245.66        | 18.9                 | 231.97        | 20.8                 |             |
| <b>PBDIT</b>  | <b>200.17</b> | <b>15.4</b>          | <b>161.13</b> | <b>14.5</b>          | <b>24.2</b> |
| Depreciation  | 31.99         | 2.5                  | 27.53         | 2.5                  |             |
| <b>Profit from operation before interest</b>              | <b>168.18</b> | <b>13.0</b>          | <b>133.60</b> | <b>12.0</b>          |             |
| Other Income  | 12.20         | 0.9                  | 18.00         | 1.6                  |             |
| <b>PBIT</b>   | <b>180.38</b> | <b>13.9</b>          | <b>151.60</b> | <b>13.6</b>          | <b>19.0</b> |
| Finance Cost  | 6.38          | 0.5                  | 3.96          | 0.4                  |             |
| <b>PBT before share of joint ventures</b>                 | <b>174.00</b> | <b>13.4</b>          | <b>147.64</b> | <b>13.3</b>          | <b>17.9</b> |
| Share of Profit / (loss) of associates and joint ventures | (7.33)        |                      | 2.47          |                      |             |
| <b>PBT before exceptional Items</b>                       | <b>166.67</b> | <b>12.8</b>          | <b>150.11</b> | <b>13.5</b>          | <b>11.0</b> |
| Exceptional Item  | -             | -                    | -             | -                    |             |
| <b>PBT</b>  | <b>166.67</b> | <b>12.8</b>          | <b>150.11</b> | <b>13.5</b>          | <b>11.0</b> |
| Taxes   | 60.46         | 4.7                  | 44.61         | 4.0                  |             |
| <b>PAT</b>  | <b>106.21</b> | <b>8.2</b>           | <b>105.50</b> | <b>9.5</b>           | <b>0.7</b>  |
| Other comprehensive income, net of income tax             | 9.64          |                      | (17.22)       |                      |             |
| <b>Total comprehensive income for the period</b>          | <b>115.85</b> |                      | <b>88.28</b>  |                      |             |

- The total income from operations growth rate as per note 2 of published results would have been 16.4 % as against 16.7%

# Financial Results- Consolidated: YTD MAR FY18

|   | Rs Crores     |                      |               |                      |             |
|---|---------------|----------------------|---------------|----------------------|-------------|
|   | YTD Mar'18    | % to Total<br>Income | YTD Mar'17    | % to Total<br>Income | Growth %    |
| <b>Total income from operations</b>                       | 5,165.73      |                      | 4,552.25      |                      | <b>13.5</b> |
| Material Cost   | 3,009.96      | 58.3                 | 2,592.30      | 56.9                 |             |
| Employee Cost   | 356.58        | 6.9                  | 306.72        | 6.7                  |             |
| Other expenses  | 992.20        | 19.2                 | 934.67        | 20.5                 |             |
| <b>PBDIT</b>  | <b>806.99</b> | <b>15.6</b>          | <b>718.56</b> | <b>15.8</b>          | <b>12.3</b> |
| Depreciation  | 124.21        | 2.4                  | 108.05        | 2.4                  |             |
| <b>Profit from operation before interest</b>              | <b>682.78</b> | <b>13.2</b>          | <b>610.51</b> | <b>13.4</b>          |             |
| Other Income  | 45.87         | 0.9                  | 54.54         | 1.2                  |             |
| <b>PBIT</b>   | <b>728.65</b> | <b>14.1</b>          | <b>665.05</b> | <b>14.6</b>          | <b>9.6</b>  |
| Finance Cost  | 24.55         | 0.5                  | 16.22         | 0.4                  |             |
| <b>PBT before share of joint ventures</b>                 | <b>704.10</b> | <b>13.6</b>          | <b>648.83</b> | <b>14.3</b>          | <b>8.5</b>  |
| Share of Profit / (loss) of associates and joint ventures | 0.64          |                      | 10.05         |                      |             |
| <b>PBT before exceptional Items</b>                       | <b>704.74</b> | <b>13.6</b>          | <b>658.88</b> | <b>14.5</b>          | <b>7.0</b>  |
| *Exceptional Item   | -             | -                    | 44.20         | -                    |             |
| <b>PBT</b>  | <b>704.74</b> | <b>13.6</b>          | <b>703.08</b> | <b>15.4</b>          | <b>0.2</b>  |
| Taxes   | 243.91        | 4.7                  | 229.42        | 5.0                  |             |
| <b>PAT</b>  | <b>460.83</b> | <b>8.9</b>           | <b>473.66</b> | <b>10.4</b>          | <b>-2.7</b> |
| Other comprehensive income, net of income tax             | 34.44         |                      | (18.94)       |                      |             |
| <b>Total comprehensive income for the period</b>          | <b>495.27</b> |                      | <b>454.72</b> |                      |             |

- The total income from operations growth rate as per note 2 of published results would have been 13 % as against 13.5%
- Exceptional item includes profit on sale of Company's 4 wheeler passenger cars and SUV's, 3 wheeler and related ancillaries during Q2 FY 17 (Rs 44.20 crores – after elimination of intercompany profit portion )

## Financial Results- Consolidated: Q4 FY18

- Company's wholly owned subsidiary BJN Nepal continued to show robust performance both in top line & profitability
- Company's wholly owned subsidiary Bolix S.A, Poland showed overall improved performance over corresponding quarter
- Company's newly acquired subsidiary Saboo Coatings Private Limited continued its steady performance for the quarter
- Profitability of Company's JV, Berger Nippon Paints Automotive Coatings Ltd was impacted by foreign exchange fluctuations (INR Vs JPY) and initial start up costs for business expansion

*The company's JV's are consolidated under equity method*

## Industry Outlook

- Decorative paint segment expected to show improved growth going forward on the back of prediction of normal monsoon and uptick in rural demand
- Automotive segment is expected to sustain its steady performance
- Volatility in crude oil prices and any adverse movement in currency continue to remain potential concerns

## Disclaimer

*This presentation has been prepared by Berger Paints India Limited for information purposes only.*

*The forward looking statements, if any, involve risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the statements.*