



BERGER PAINTS INDIA LTD

Investor Conference, London, 4th August, 2015

BERGER – HISTORY



1760 – LEWIS BERGER, a young chemist, embarks on a journey into the world of colours in Europe – his successors eventually set up what is now known as Berger, Jenson & Nicholson UK Ltd

1923 – GEORGE HADFIELD, an Englishman, sets up HADFIELD'S INDIA LTD in Calcutta

1947 – BRITISH PAINTS, another UK based paint MNC, acquires Hadfield's 50's – sales offices opened in Delhi, Mumbai, Guwahati in addition to Kolkata

1960's – Company acquired by CELANESE CORP, USA – in 1969 sold to BERGER JENSON & NICHOLSON LTD,UK

1970's – Gradual shift to retail decorative selling in line with growth opportunity

BERGER – HISTORY



1983 – Name of the Company changed to BERGER PAINTS INDIA LTD from British Paints India Ltd

1985-90 – Brand BERGER gains momentum – SILK, RANGOLI, LUXOL, BISON become household names in India – UB group acquires controlling stake

1991 – Mr K S Dhingra & Mr G S Dhingra (UK Paints Group) acquire the controlling stake from the UB group

1995-96 – Point of sale 'COLORBANK' TINTING SYSTEM is launched offering the customers a range of over 5000 shades in minutes

In 1997-98 – Rajdoot Paints Ltd was merged with the company resulting in two more manufacturing units in GOA & SIKANDRABAD entering the Berger fold

2000 – Jenson & Nicholson, Nepal acquired as a 100% subsidiary

BERGER – HISTORY



2001 – Acquisition of ICI India's Motors and Industrial business and factory at Rishra, West Bengal

2004 – Rebranding of Berger Decorative to LEWIS BERGER. New containers and new logo comes into effect.

2007 – Berger Paints Overseas Ltd in Russia commences commercial production of alkyd & water based paints at its plant in Republic of Adegya, Russia

2008 – Acquisition of 100% stake in Bolix, S.A. POLAND – an External Insulation Finishing Systems company

2013 – Acquisition of architectural business of Sherwin Williams Paints India Private Limited as a wholly owned subsidiary – access to Western India project customers and complementary dealer network – platform for Berger's textured coatings technology – renamed BJN Paints India Ltd .

BERGER PAINTS INDIA LIMITED GROUP

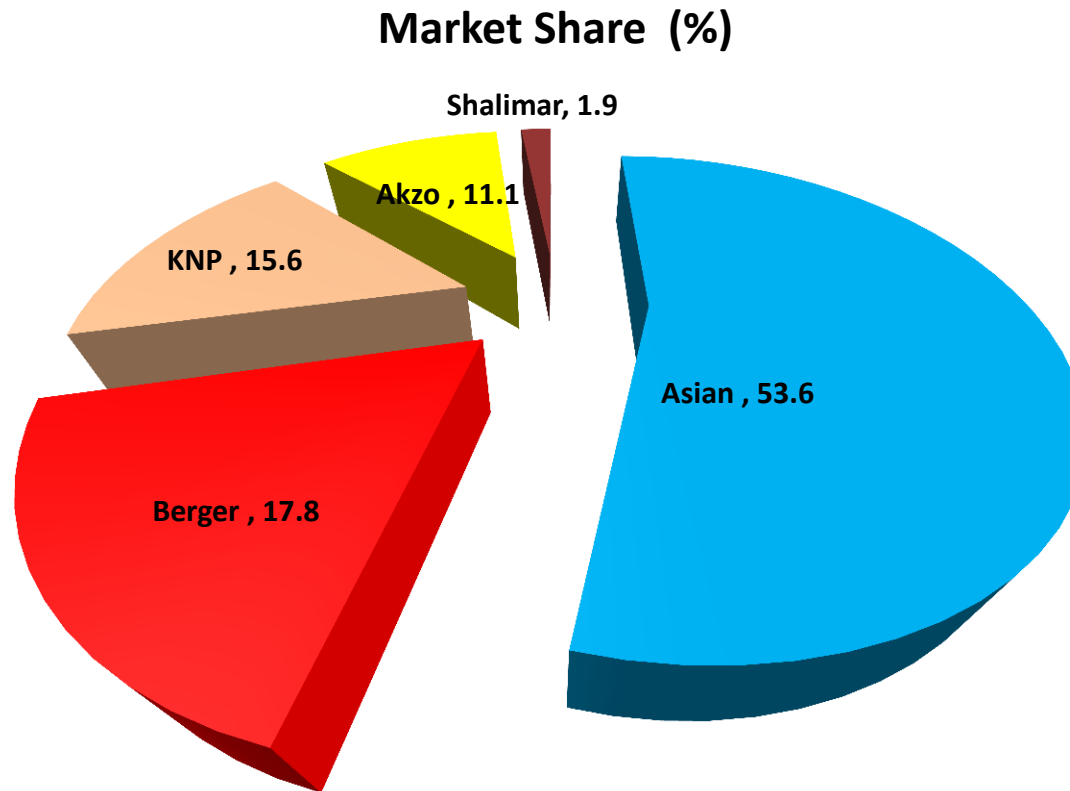


- Berger Paints India Ltd.**
 - Berger Becker Coatings Pvt. Ltd.**
(JV with Becker Industrifarg AG)
 - Berger Jenson & Nicholson, Nepal**
(wholly owned subsidiary)
 - Berger Paints Overseas Limited, Russia**
(wholly owned subsidiary)
 - Berger Paints Bangladesh Ltd**
(Group Company)
 - Berger Nippon Automotive Coatings Pvt Ltd**
(JV with Nippon Automotive Coatings Ltd))
 - Bolix S.A. Poland**
(wholly owned subsidiary)
 - BJN India Paints Limited**
(wholly owned subsidiary)
- Berger Division**
Decorative, Industrial, Protective & Powder Coatings
- British Paints Division - Decorative Coatings**
- Coil Coatings & Coatings for electrical appliances /TV's
- Decorative Coatings
- Decorative Coatings
- Decorative & Industrial Coatings
- Coatings for plastic auto components
- External Insulation Finishing Systems
- Decorative Coatings - specializing in textured coatings and project business (erstwhile deco business of Sherwin Williams in India)

Current Promoters:

- The Dhingra family, owners of the U.K. Paints Group
- In the paint business in India since the 1890's
- The group owns almost 75% of the shares in Berger Paints India Ltd and 95% of the shares of Berger Bangladesh (the clear market leader with 55% market share and turnover of USD 140 million)
- Set up Joint Venture - Berger Becker Coatings in 1998.
- Track record of highest export of paints and chemical and allied products from the U.K. Paints group – 1982-1992

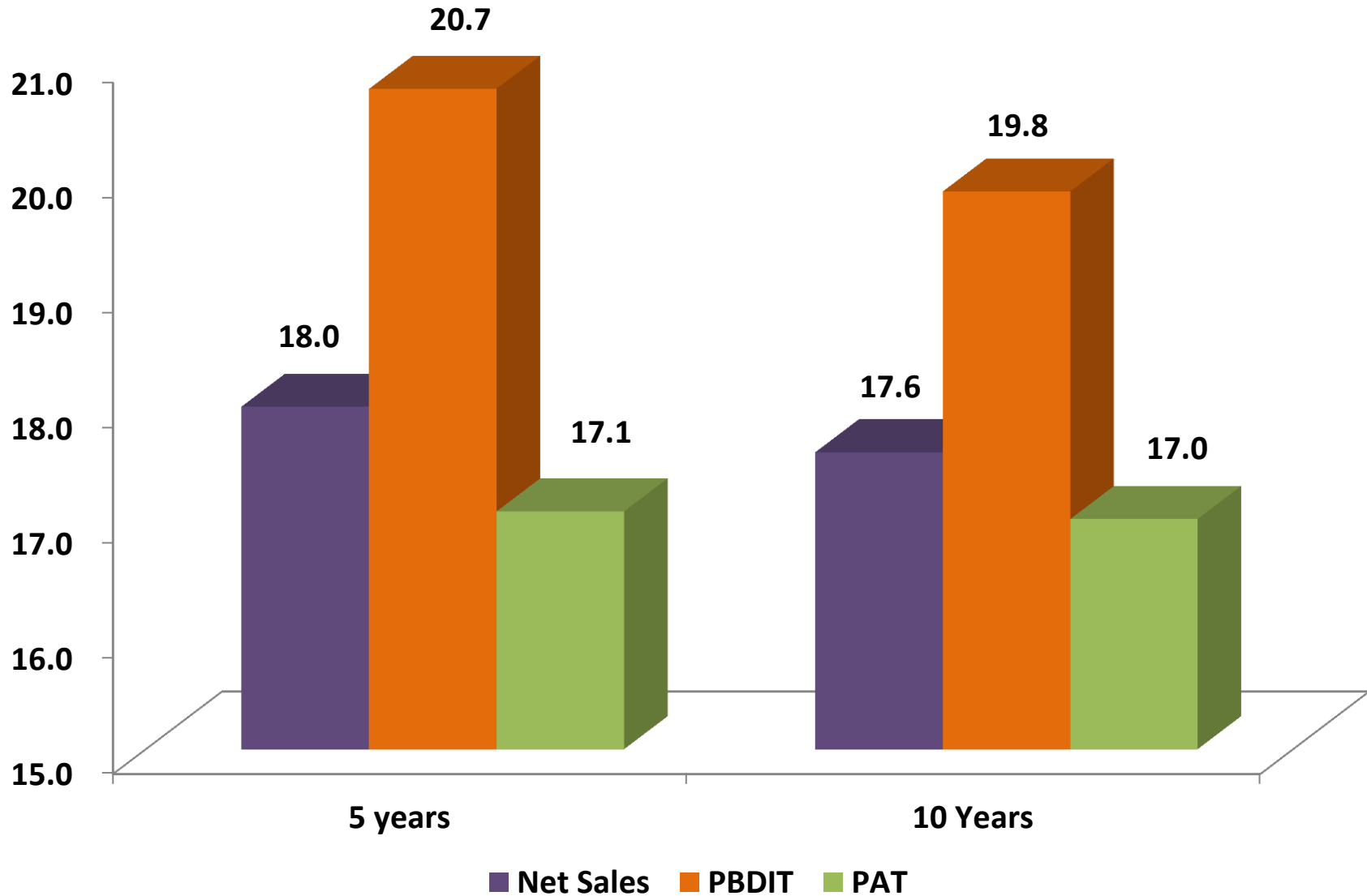
Organised Sector - Top 5 Indian Companies % Market Share FY15



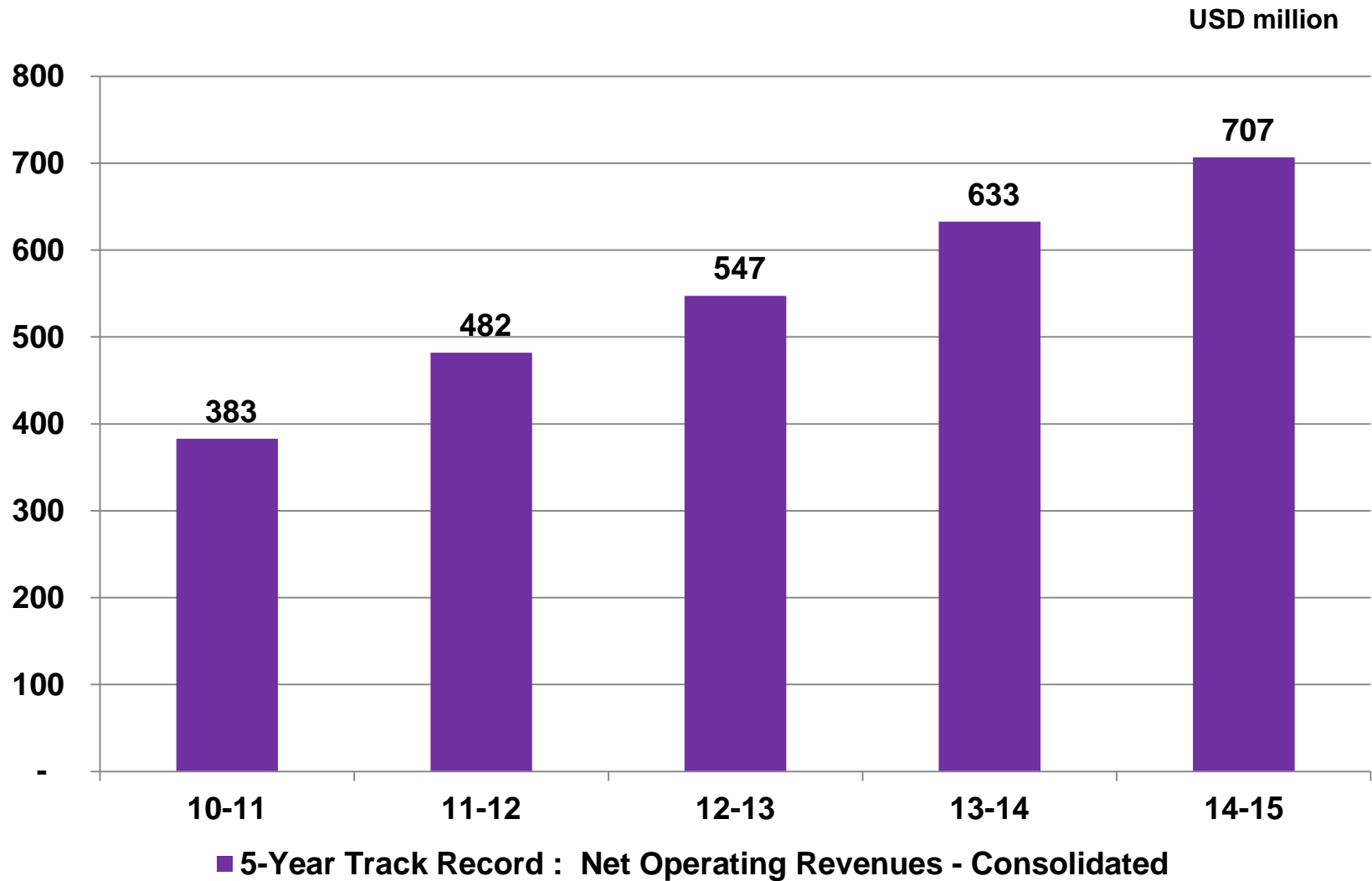
Turnover represents Sales net of excise duties

Turnover includes Joint Ventures & Subsidiaries in India but excludes overseas operations

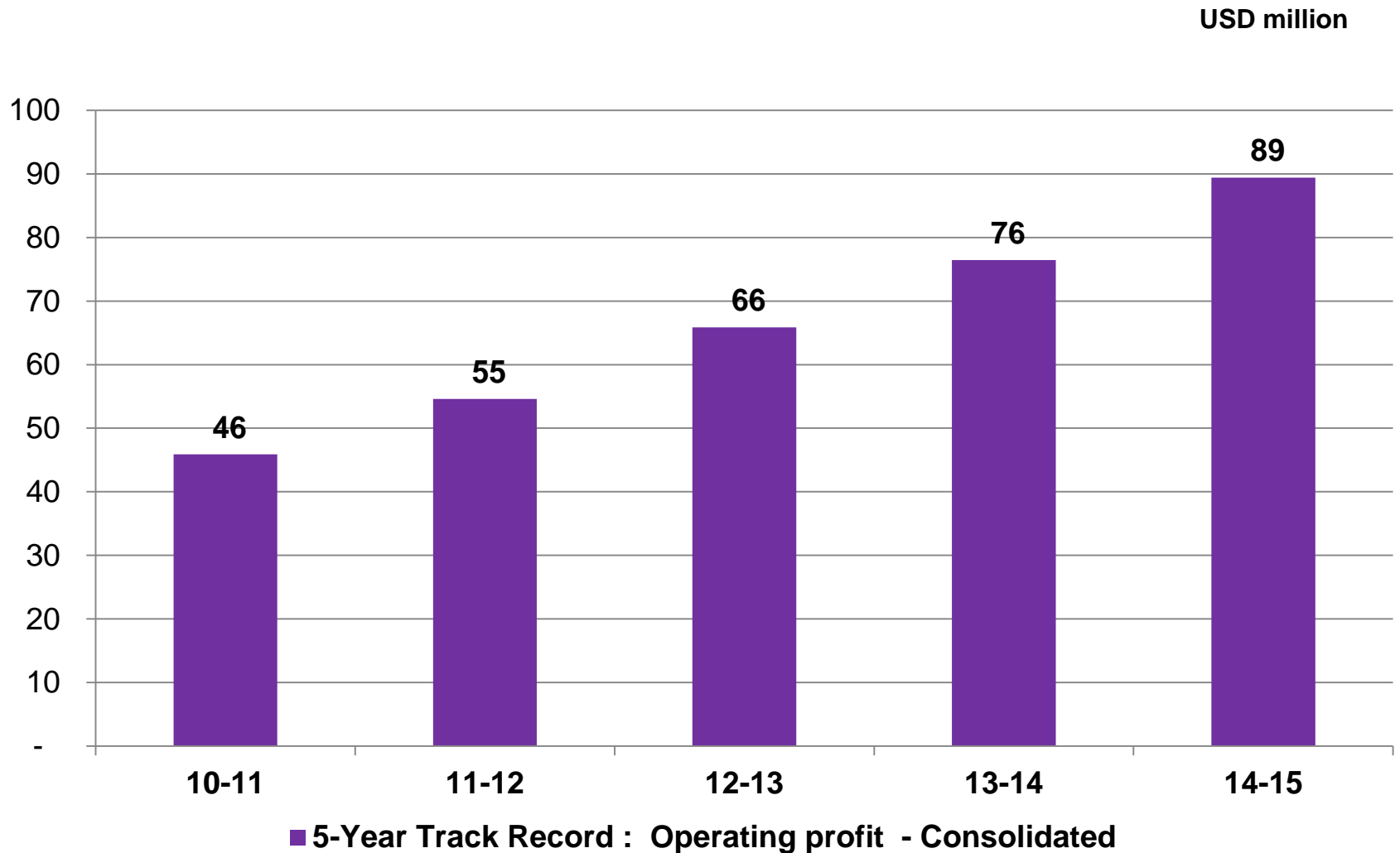
BPIL CONSOLIDATED CAGR NET SALES, PBDIT & PAT



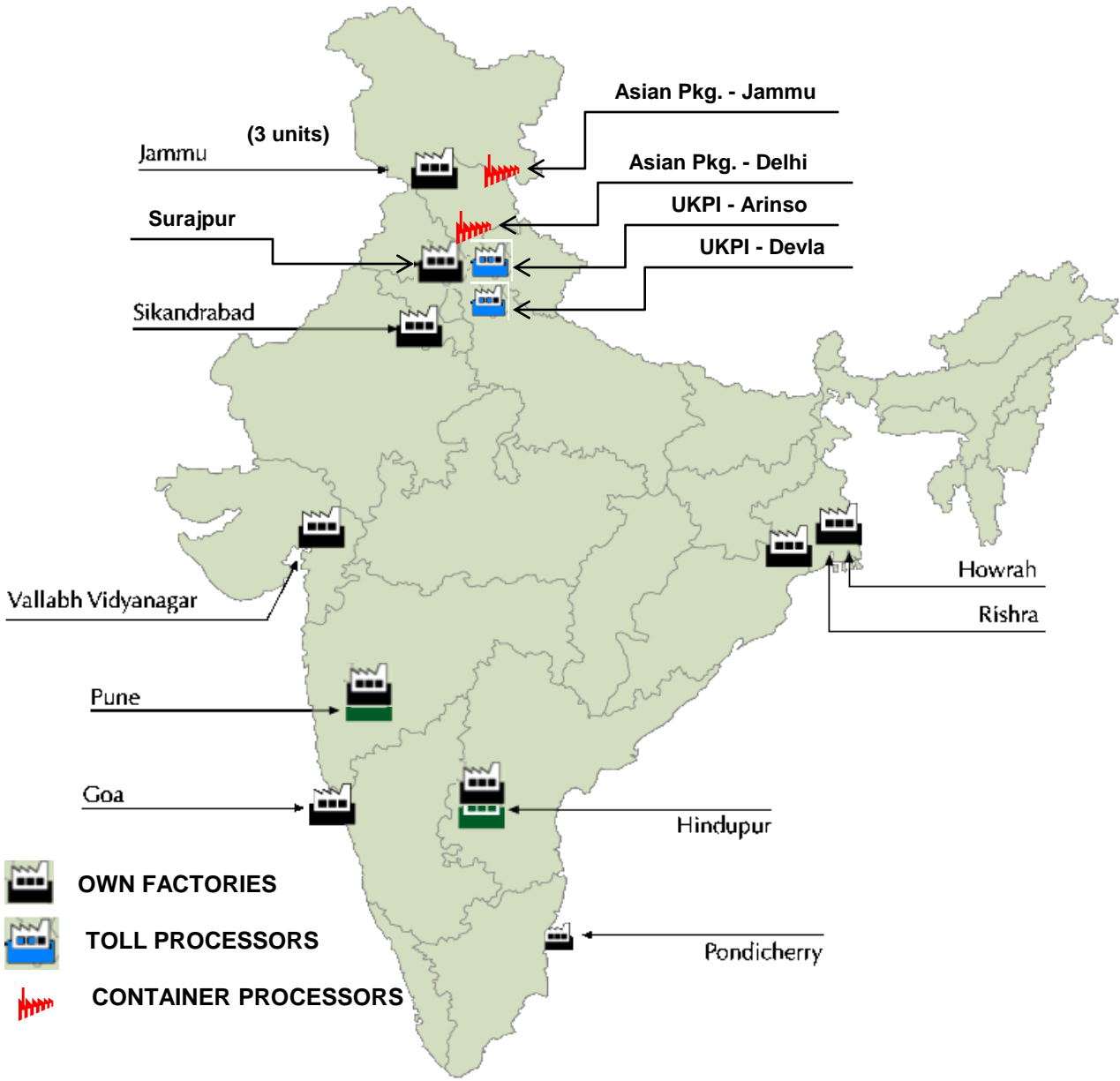
BPIL- 5-Year Track Record : Net Operating Revenues - Consolidated



BPIL 5-Year Track Record : Operating Profit –Consolidated

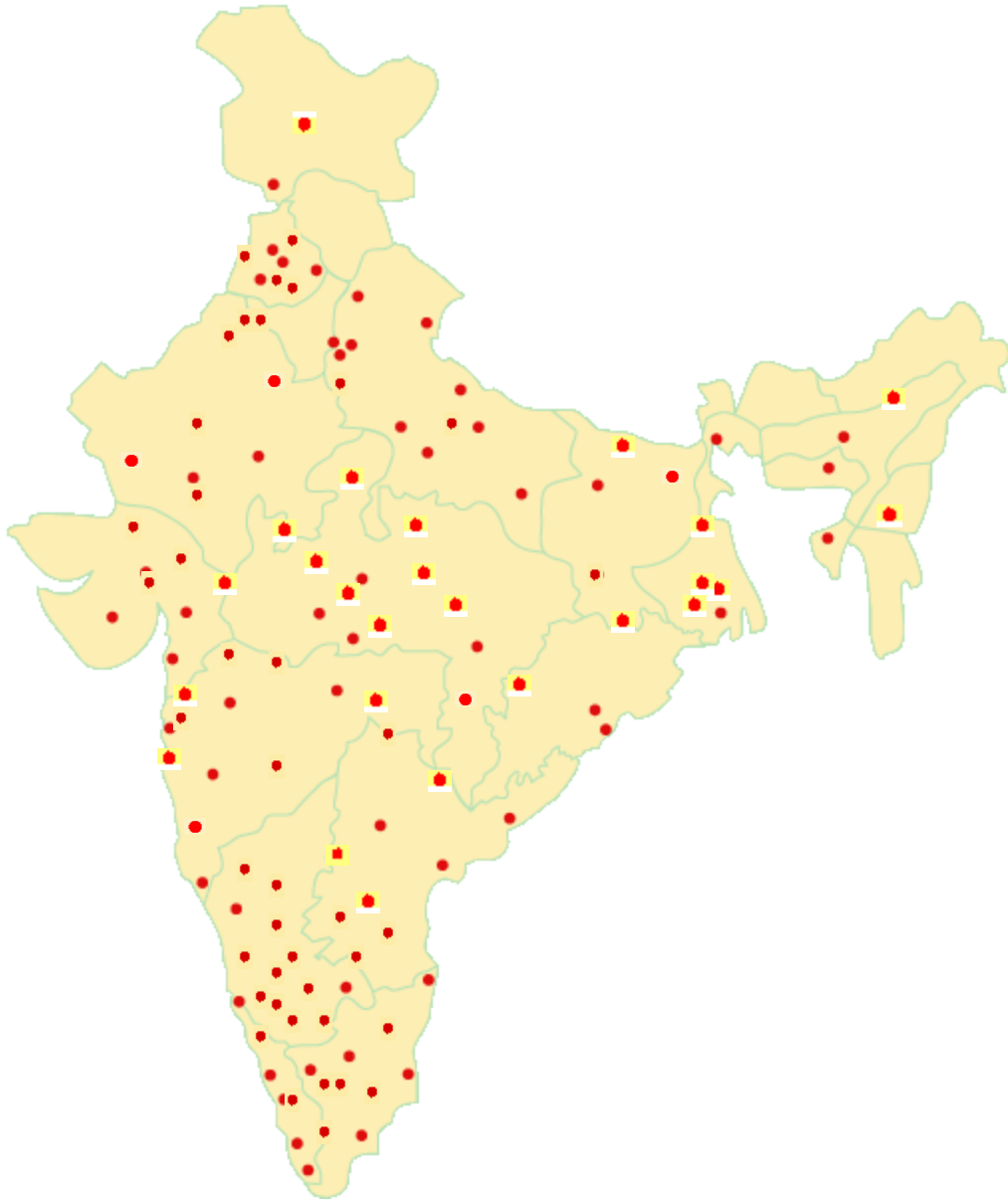


PAINT MANUFACTURING UNITS



INDIA-WIDE NETWORK CAPABILITY

Over 160+ Stock Points



Dedicated Sales Teams
in all locations with
empowered support staff
to cater to customer needs

Berger Paints in Forbes India's Super 50 List



Abstract from Forbes India article

“A voracious appetite for growth and innovation coupled with the ability to tide over tough times can yield great results. Consider Forbes India's Super 50 companies, which have earned their place in this list by consistently proving their worth.....”

BROWSE THE LIST

Name	Sharehold Return (In %)	Sales Growth (In %)	Return on Equity (In %)
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Asian Paints

156

14

34



Berger Paints

299

14

24

Berger features within top 25 in Coatings World Journal



2014 Top Companies

- 01 PPGI
- 02 AkzoNobel
- 03 Henkel
- 04 Sherwin-Williams
- 05 Valspar
- 06 RPM
- 07 Axalta
- 08 BASF
- 09 Kansai
- 10 Sika
- 11 3M
- 11 Asian Paints
- 13 Nippon
- 14 H.B. Fuller
- 15 Masco
- 16 Jotun
- 17 Hempel
- 18 KCC
- 19 DAW
- 19 Shawcor
- 21 Materis Paints S.A.S.
- 22 Dulux Group Ltd.
- 23 Chugoku Marine Paints
- 24 Berger Paints India 
- 25 Benjamin Moore
- 25 SK Kaken



**Berger India Group breaks into the
Global top 25
6th in Asia**

Berger Ranked 37 in BrandZ Top 50 Most Valuable Indian Brands 2014



- Renowned global research agency Millward Brown and the largest media/advertising name in the world WPP, released a list that featured the Top 50 'India's Most Valuable' brands
- Berger Paints has occupied a respectable position in the BrandZ Top 50 Most Valuable Indian Brands
- 37th in the Millward Brown list – AP the only other paint company



All the brands which made it to the Top 50 list had to pass the following eligibility criteria:

- the brand or corporate brand owner was publicly traded in India;
- it reported positive earnings;
- it operated in a consumer facing category, not B2B

Diversified Business Segments



RETAIL
Decorative solutions through Dealers and Specifiers



GI & AUTO
Process Industry, General Industry & Automotive



PROTECTON
Protective Coating & Infrastructure



POWDER
Coating for white goods, consumer durables and household appliances & fittings



DECORATIVE PRODUCT PORTFOLIO

PINK & PURPLE

English Vermilion 14 0204
Evening Rose 17 0208

17 0214 Pink Plum 16 1425 Pink Pea
17 0411 Dipped Blush 17 1211 Easter Party
17 1608 Little Princess 17 0422 Miss Poppy
17 0208 Evening Rose 17 0427 Great Rose
17 0209 Blush Bouquet 17 1222 Pastel Purple
10 0202 Island Coral 17 1204 Crocus Queen
10 0222 Secret Garden 02 0209 Pink Lavender
14 0204 English Vermilion 17 0210 Abyssal
14 0418 Carmine Red 10 0429 Monsoon Haze

The blush of 'English Vermilion' with 'Evening Rose' sets the twin beds center stage for the trendy occupants.

Only beautiful walls.

**Chic Glam
Silk Illusions**

Steggings Owl ST 1722
Deep Currents 8D 0351

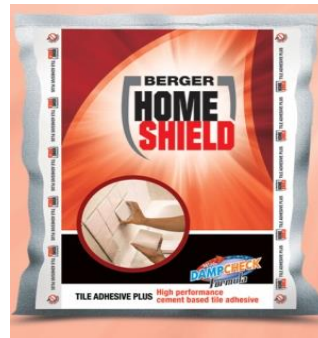
Silk Designz Art Deco
Metallica Silver Fire Gently Raining
Maze Autumn Good Fortune



COMPREHENSIVE PRODUCT RANGE



COMPREHENSIVE PRODUCT RANGE





EASY CLEAN



**NO दाग
NO धब्बा**
Only beautiful walls



**RICH
SMOOTH
FINISH**



Dealer Outlet Livery

**NO दाग
NO धब्बा**
Only beautiful walls



**SMS EASY CLEAN
to 567672**

**SMS EASY CLEAN
to 567672**

Silk – Luxury Interior Emulsion



PREMIUM EMULSION BRANDS

Weather Coat AllGuard - The 1ST & only brand with Silicone Enhanced technology

Easy Clean – The most washable emulsion in India



- These are specialty products used to extend structural life of buildings
- These products impart protection from environmental hazards as well as reduce the amount of water and cement required

BERGER HOME SHIELD

Waterproof Homes -
signed, sealed and
delivered

With DAMPCHECK Formula

Introducing a new range of waterproofing chemicals from Berger

SERVICES OFFERED ARE-

- CONSUMER SERVICE DIVISION
- SINGLE POINT SOLUTION FOR HASSLE FREE PAINTING
- COST ESTIMATION
- COLOUR CONSULTANCY
- PRODUCT SELECTION
- PAINT PURCHASE
- FURNITURE SHIFTING
- PAINTING BY EXPERT PAINTERS
- SPECIALISED SUPERVISION
- POST- PAINTING CLEAN UP
- SERVICE WARRANTY OF 1 YEAR



Since 1962
Berger
Paint your imagination
HOME PAINTING

We got a perfect finish
indoors and out...

Benefit
• Supervised
• Hassle free

Call Home Painting at **1800-345-8800** or SMS **Berger** to **56767**

- PROLINKS TEAM FOCUS IS ON CONVERSION OF VERY LARGE PROJECTS
- TEAM GETS PRODUCT APPROVAL FROM LARGE PROJECTS THROUGH PRESCRIPTIVE SELLING
- SOME SPECIALISED SERVICES ARE-
 - AUDIT
 - ANALYSIS OF PROBLEM AND PROVISION OF SOLUTION
 - INTERACTION WITH THE CLIENT
 - TECHNICAL SUPPORT
 - MONITORING AND THOROUGH INSPECTION

COMMONWEALTH GAMES VILLAGE DELHI



Services – Express Painting

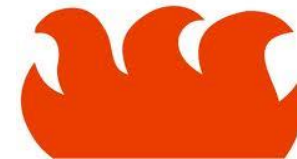
- New age end-to-end painting solution
- Faster, cleaner & better painting experience
- Uses mechanized tools & skilled painters



**AUTO
&
INDUSTRIAL**



Strategic Alliances in Industrial Coatings



Divisions



POWDER COATING



BERGER PAINTS IS THE
NUMBER ONE
IN THIS BUSINESS SEGMENT

Protecton



Protecton
TECHNICAL CONSULTANCY SERVICES



A LONG LIST OF ASSETS IN CORE INDUSTRIAL & INFRASTRUCTURE AREAS ARE PROTECTED BY BERGER'S PROTECTON RANGE OF COATINGS.

WIDE RANGE OF COATINGS OFFERED TO MEET CUSTOMER'S REQUIREMENTS.

FASTEST GROWING SEGMENTS

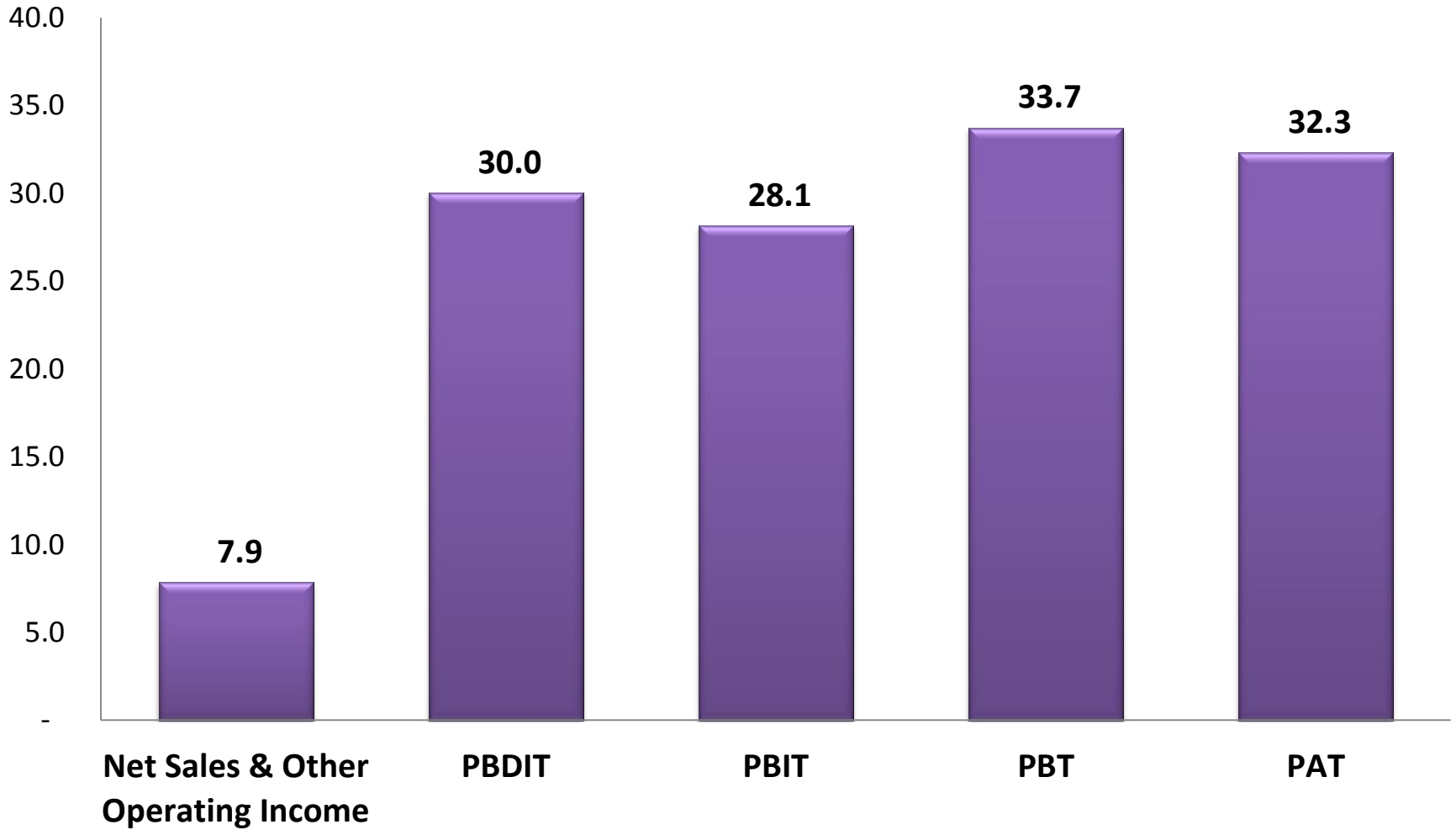
- Oil & Gas, Refineries
- Power
- Infrastructure
- Chemicals & Fertilizers
- Mining & Metallurgy
- Ports, Railways, Airports
- Food Processing, Pharma
- General Industries



Earnings Update Q1 FY 16



Q1 FY 16 Financial Results – Standalone Growth%



Statement of standalone Profit and loss : Q1 FY16



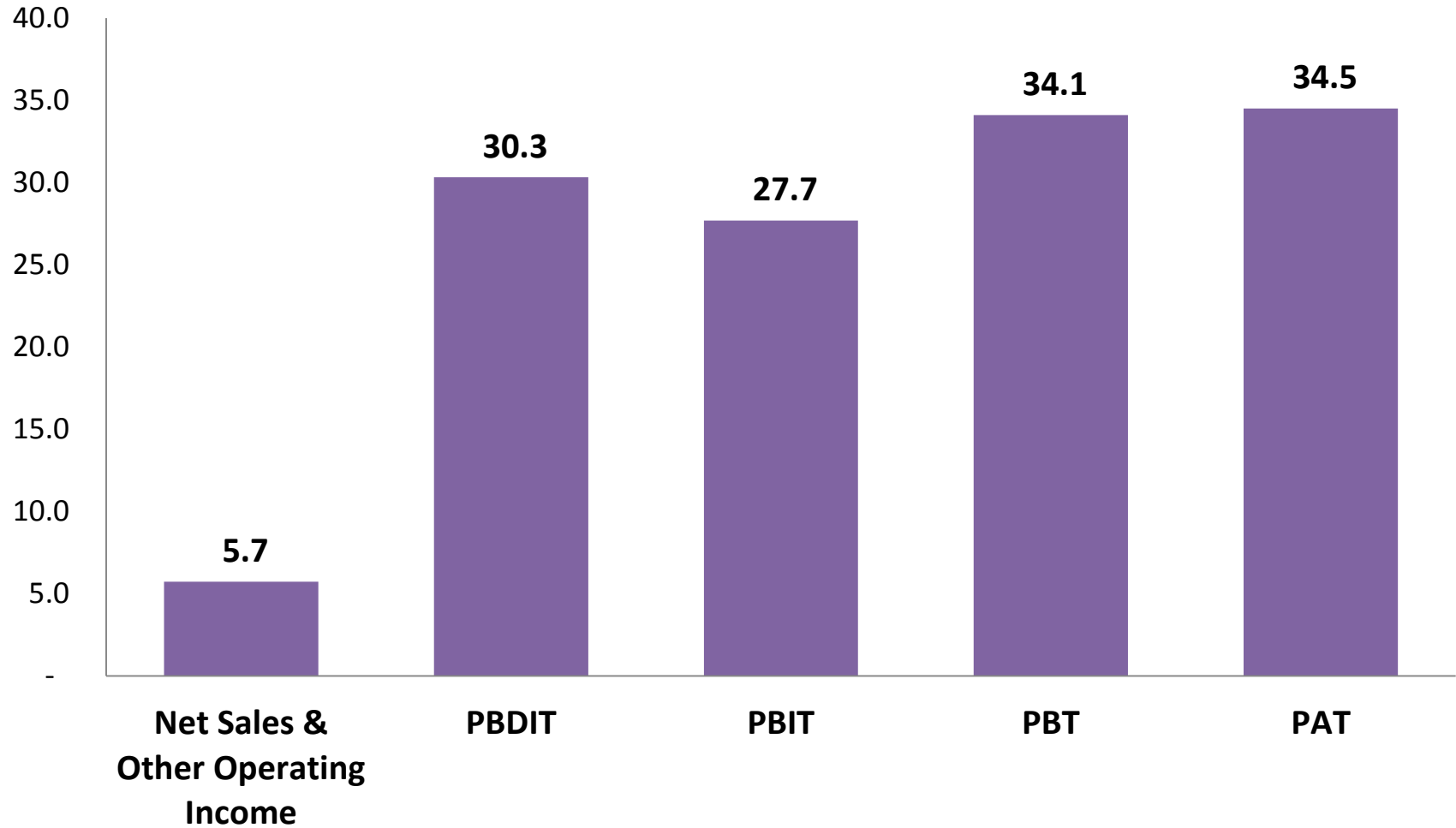
USD Mn

	Q1 FY 16	% to sales	Q1 FY 15	% to sales	Growth %
Net sales and other operating income	160		148		7.9
Material Cost	92	57.3	89	60.0	
Employee Cost	8	5.0	7	5.0	
Other expenses	37	23.3	34	23.1	
PBDIT	23	14.3	18	11.9	30.0
Depreciation	3	2.1	3	1.9	
Profit from operation before interest	20	12.2	15	10.0	
Other Income	1	0.7	1	1.0	
PBIT	21	13.0	16	10.9	28.1
Finance Cost	1	0.6	1	0.9	
PBT	20	12.4	15	10.0	33.7
Taxes	7	4.3	5	3.4	
PAT	13	8.2	10	6.7	32.3

Average Exchange rate: April 15 – June 15 = 63.5

- Decorative business growth was impacted by lower demand
- Protective Coating business continue to show robust growth for the quarter
- General Industrial/Automotive business lines continue to show sustained growth
- Sustained improvement in material cost % to net sales mainly on account of raw material price reduction which continued into Q1 FY 2016 in spite of price reduction in decorative production effective March 2015
- Marginal softening in interest rates

Q1 FY 16 Financial Results – Consolidated Growth%



Statement of consolidated Profit and loss : Q1 FY16



USD MN

	Q1 FY 16	% to sales	Q1 FY 15	% to sales	Growth %
Net sales and other operating income	177		167		5.7
Material Cost	102	57.7	101	60.4	
Employee Cost	11	6.1	10	6.2	
Other expenses	40	22.9	38	22.6	
PBDIT	24	13.3	18	10.8	30.3
Depreciation	4	2.2	3	2.0	
Profit from operation before interest	20	11.2	15	8.8	
Other Income	1	0.7	2	1.0	
PBIT	21	11.8	16	9.8	27.7
Finance Cost	2	0.9	2	1.2	
PBT	19	10.9	14	8.6	34.1
Taxes	7	4.0	5	3.2	
PAT	12	6.9	9	5.4	34.5

Average Exchange rate: April 15 – June 15 63.5

- Consolidated results effected by
 - a) Slowdown in Coil Coatings demand impacting JV Berger Becker Coatings operations
 - b) Company's wholly owned subsidiary BJN Nepal operations were impacted in the aftermath of the twin earthquakes in April & May 2015

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.