



Q1FY17

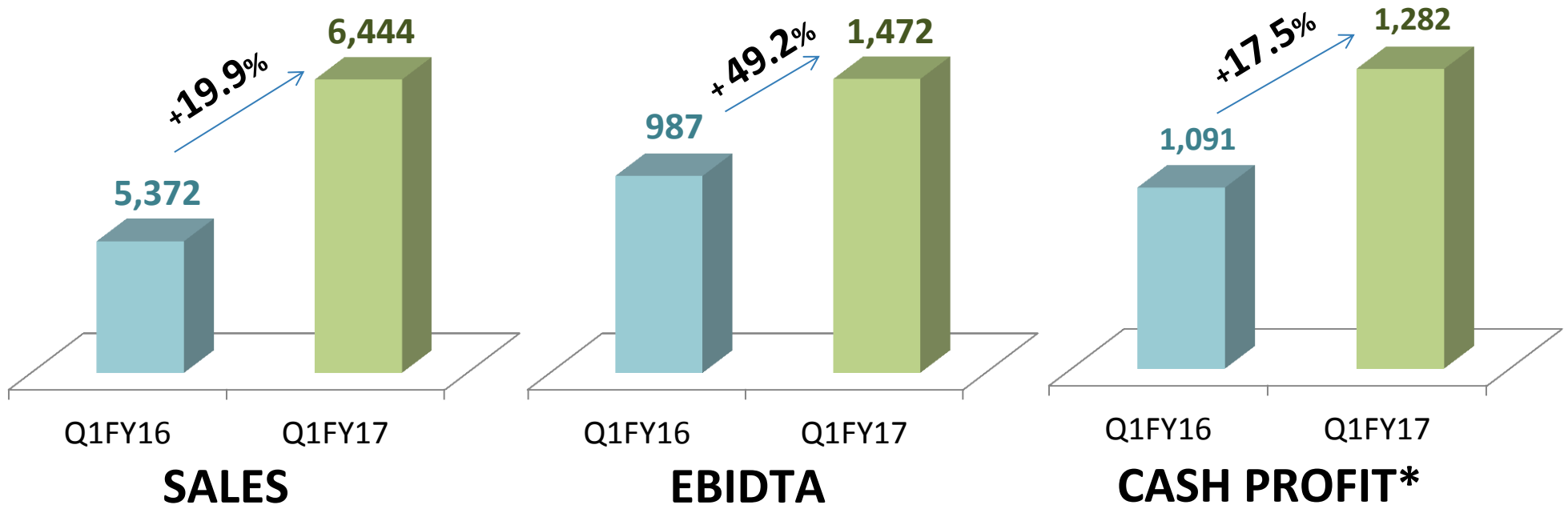
  
**emami\* limited**

Making people healthy & beautiful, naturally

Performance Update  
3<sup>rd</sup> August 2016

# Q1FY17 Snapshot...Consolidated

₹ in Millions



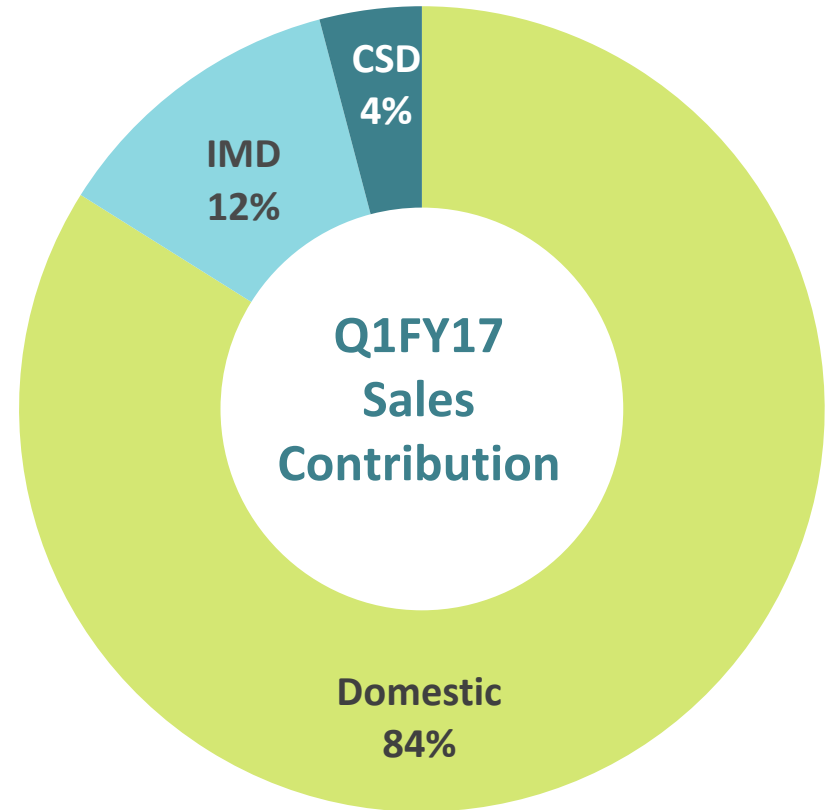
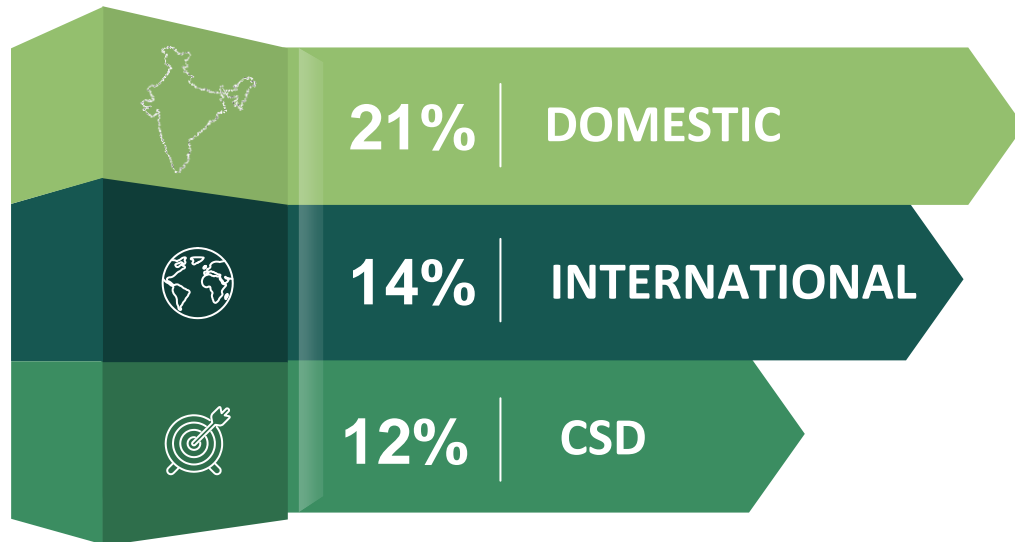
However, PAT at ₹ 566.5 mn was lesser compared to Q1FY16 because of amortization of Kesh King intangibles by ₹ 598.2 mns against ₹ 125.7 mns in the corresponding period in PY.

*\*Cash Profits = PAT+ Depreciation & Amortization.*

**Financial results for Q1FY17 prepared in accordance with Indian Accounting Standards (Ind-AS) and the results for Q1FY16 and FY16 have been re-casted in accordance with Ind-AS to facilitate comparison**

# Sales Growth

- **Consolidated Sales** grew by **20%**
  - **Volumes** grew by **17%**
- **Organic Sales** grew by **9.5%**
  - **Organic Volumes** grew by **6.4%**



# Brand-wise Performance

**Q1FY17 Domestic Brand-wise  
Performance Update**

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# Navratna Cool Oils

- Sales grew by 8%.
- Cool Oils re-launched in a new packaging with a new campaign featuring **Amitabh Bachchan**.
- Gained Volume Market Share by **100 bps** at **62.3%**
- Launched **Navratna Almond Cool Oil**, in a non-sticky format. Endorsed by **Shilpa Shetty**.



# Navratna Cool Talc

- Sales grew by 15%.
- Introduced a new variant, **Navratna i-Cool Talc**
- Powered by '*Intelligent Sweat Sense*' technology, the **i-cool talc** offers cooling not only during application but also releases an instant burst of cooling for the second time during actual sweating.
- Volume Market Share at **24.1%**



# Balms Range

- Sales grew by 6%.
  - Zandu Balm re-launched with new packaging and formulation with better sensory and efficacy.
  - Launched 1 ml SKU of Zandu Balm Ultra Power in Andhra Pradesh & Karnataka
- Maintained leadership with a Volume Market Share of 54.5%





# Fair and Handsome Range

- **Fairness Cream's Market Share (Vol.) grew by 120 bps at 64.9%**
  - Sales grew by 1%
  - **Re-launched** with new formulation and packaging.
- **Face wash grew by 16%.**
  - Introduced a convenient 7 gm tube priced at ₹ 10/- to penetrate the largely untapped rural and semi-urban markets.
  - Gained Volume Market Share by **70 bps** at **12.6%**





# Kesh King Range

- Sales grew by **23%** on QoQ basis.
- Gained Volume Market Share by **360 bps** at **33.6%**.



# BoroPlus

- Sales grew by **38%**.
- Maintained leadership with a Volume Market Share of **76.2%**



# HE Range

- Relunched HE Deodorants with an easy to use premium packaging
- Introduced a new fragrance “HE Respect”
- Forayed into “No-Gas” Category
  - **Body Perfume Collection:** Passion & Hypnotic fragrances.
  - **ICY Collection-** Offering cooling effect on users along with long lasting fragrance.



# 7 Oils in One



- Sales grew by 38%

# Health Care Range

- Sales grew by 14%.
- Pancharishtha & Nityam Churna / Tablets performed well.



# International Business

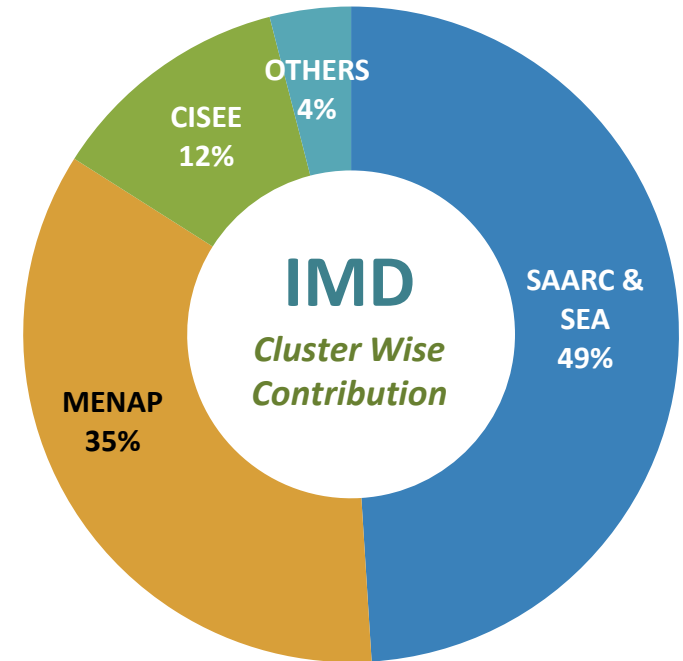
**Q1FY17 International Business  
Performance Update**

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# International Business

- International business grew by 14%
- Robust growth in Bangladesh and GCC.
- Maintained leadership across key categories



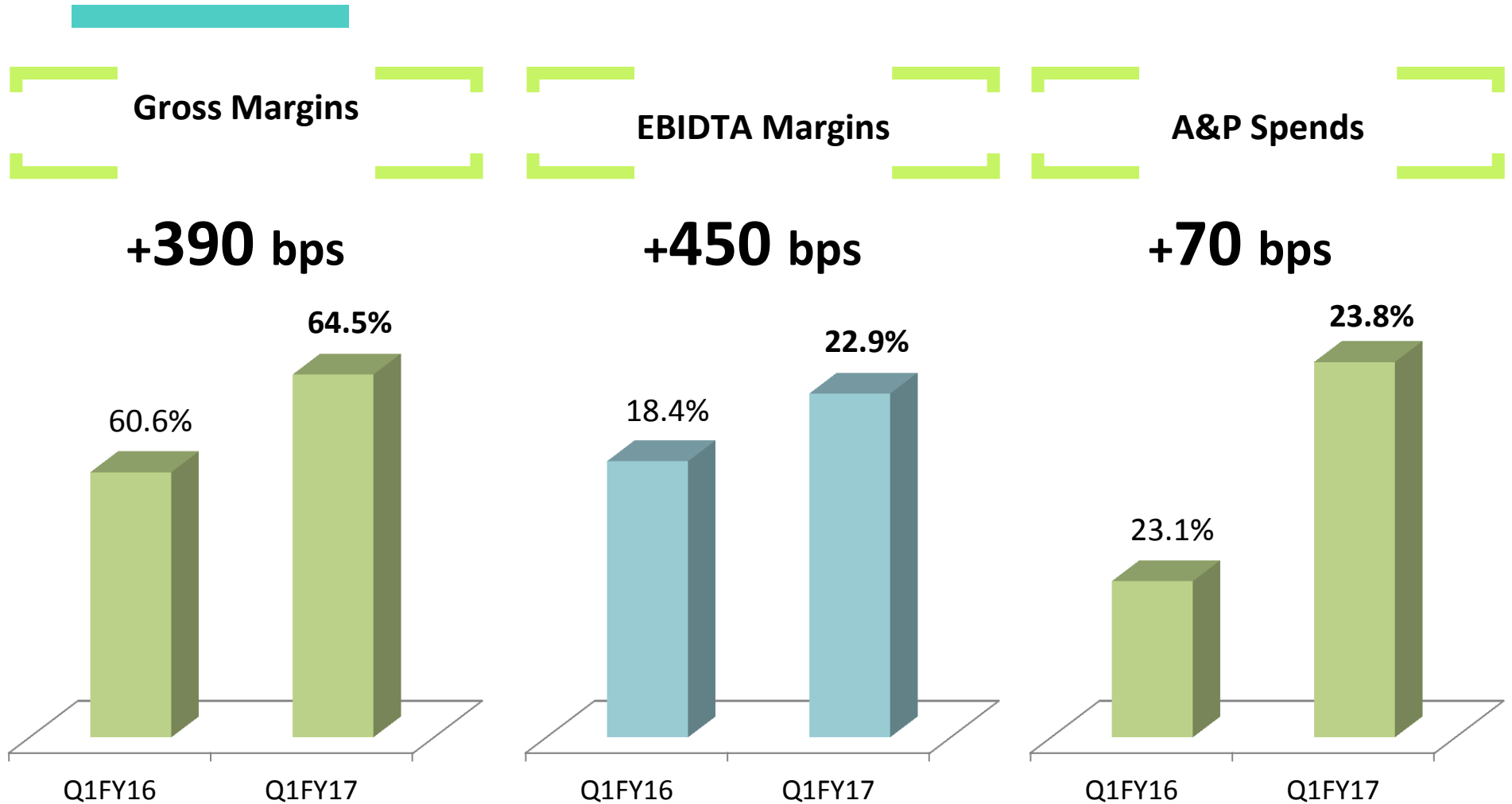
# Earnings Analysis

## Q1FY17 Financial Analysis

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# Margin Profile



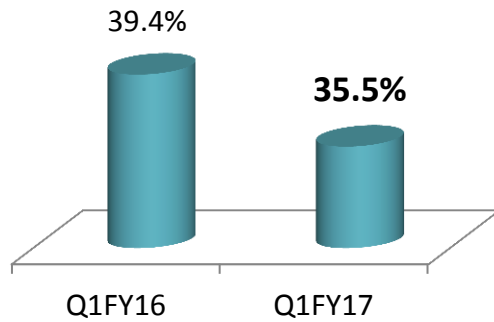


# Financial Analysis

## Cost of Goods Sold

(as a % of Sales)

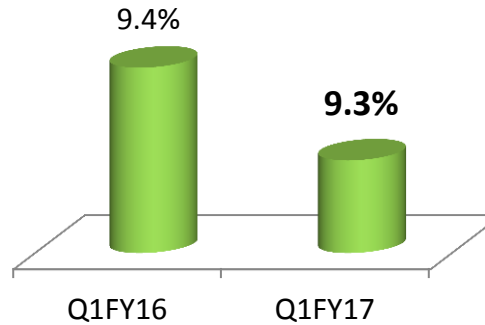
**- 390 bps**



## Staff Costs

(as a % of Sales)

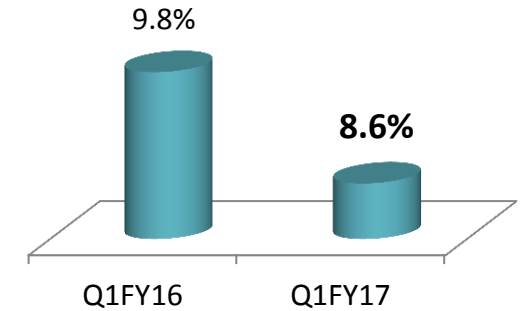
**- 10 bps**



## Admin & Other Exp

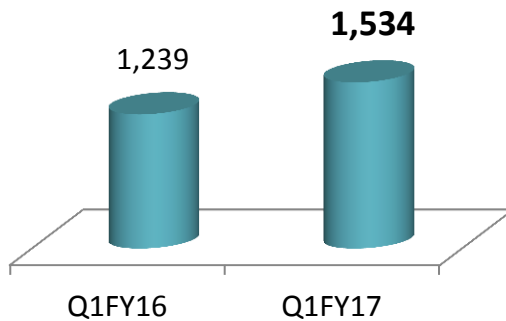
(as a % of Sales)

**- 120 bps**



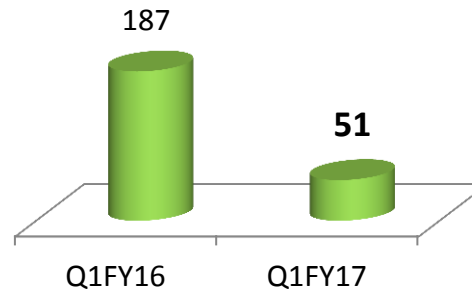
## A&P Spends

(₹ in Millions)



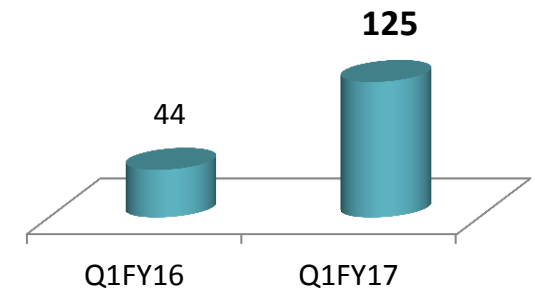
## Other Income

(₹ in Millions)



## Interest Paid

(₹ in Millions)



# Summarized Results

₹ in Millions

| Particulars  | Q1FY17         | % of Sales    | Q1FY16         | % of Sales    | Growth %     | FY16            | % of Sales   |
|--|----------------|---------------|----------------|---------------|--------------|-----------------|--------------|
| <b>Net Sales</b>                                   | <b>6,443.7</b> | <b>100.0%</b> | <b>5,372.1</b> | <b>100.0%</b> | <b>19.9%</b> | <b>23,937.4</b> | <b>100%</b>  |
| Materials Cost                                     | 2,286.9        | 35.5%         | 2,114.0        | 39.4%         | 8.2%         | 8,513.4         | 35.6%        |
| A&P  | 1,534.0        | 23.8%         | 1,238.7        | 23.1%         | 23.8%        | 4,304.7         | 18.0%        |
| Staff Cost   | 598.3          | 9.3%          | 506.6          | 9.4%          | 18.1%        | 2,067.6         | 8.6%         |
| Admn & Other Exp                                   | 552.0          | 8.6%          | 526.0          | 9.8%          | 4.9%         | 2,207.7         | 9.2%         |
| <b>EBIDTA</b>                                      | <b>1,472.5</b> | <b>22.9%</b>  | <b>986.8</b>   | <b>18.4%</b>  | <b>49.2%</b> | <b>6,844.0</b>  | <b>28.6%</b> |
| Other Income                                       | 50.8           | 0.8%          | 186.7          | 3.5%          | -72.8%       | 449.1           | 1.9%         |
| Interest   | 125.1          | 1.9%          | 44.0           | 0.8%          | 184.3%       | 542.9           | 2.3%         |
| Amortisation of acquired TM's/ brands              | 609.2          | 9.5%          | 136.5          | 2.5%          | 346.2%       | 2,099.8         | 8.8%         |
| Depreciation/Amortisation of other assets          | 106.0          | 1.6%          | 88.4           | 1.6%          | 19.9%        | 449.5           | 1.9%         |
| PBT  | 683.0          | 10.6%         | 904.6          | 16.8%         | -24.5%       | 4,200.9         | 17.5%        |
| Tax  | 116.5          | 1.8%          | 38.5           | 0.7%          | 202.6%       | 582.3           | 2.4%         |
| PAT  | 566.5          | 8.8%          | 866.1          | 16.1%         | -34.6%       | 3,618.6         | 15.1%        |
| <b>Cash Profit (PAT + Dep. &amp; Amortization)</b> | <b>1,281.7</b> | <b>19.9%</b>  | <b>1,091.0</b> | <b>20.3%</b>  | <b>17.5%</b> | <b>6167.9</b>   | <b>25.8%</b> |
| EPS - Rs.  | 2.5            |               | 3.8            |               | -34.5%       | 15.9            |              |
| Cash EPS - Rs.                                     | 5.6            |               | 4.8            |               | 17.4%        | 27.2            |              |

# Awards & Accolades

- Emami featured in the “**Super 50 Companies**” listing by **Forbes India** with knowledge support from PwC, India.
  - *Three key metrics — shareholder value, sales growth and return on equity were taken into consideration.*
  
- Navratna received the **Silver Award** for its Kumbh Mela Campaign at the **WOW Awards Asia 2016**.



**Thank You!**