



emami\* limited

Date: 30th January, 2017

The Secretary  
The National Stock Exchange of India Ltd.  
Exchange Plaza, Plot No. C/1, G. Block  
Bandra Kurla Complex, Bandra (E)  
Mumbai - 400 051

The Secretary  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai - 400 001

The Secretary  
The Calcutta Stock Exchange Limited  
7, Lyons Range  
Kolkata - 700 001

Dear Sirs,

**Sub: Press release**

Enclosed please find the Press Release issued in relation to Unaudited Financial Results of the Company for the Third Quarter and Nine months ended 31st December 2016.

This is for your information and record.

Thanking you,

Yours faithfully,  
**For Emami Limited**

A.K. Joshi

Company Secretary & VP- Legal

(Encl. : As above)

Year: 2015-16

Turnover: ₹ 2,398 cr

Cash Profit: ₹ 617 cr

One of the fastest home-grown FMCG Company in India with a 15% CAGR in topline for past 5 years

**Power Brands-** Boroplus Antiseptic cream, Navratna Oil, Zandu Balm, Fair and Handsome and Kesh King are market leaders in India in their respective categories

**Brand Ambassadors-** Amitabh Bachchan, Pt Birju Maharaj Shah Rukh Khan, Hrithik Roshan Madhuri Dixit, Kareena Kapoor, Yami Gautam, Kangana Ranaut, Shilpa Shetty, Sonakshi Sinha, Shruti Haasan, Juhi Chawla, Sachin Tendulkar, Surya, Jr. NTR, Sania Mirza among others

Covers more than 40 lac retail outlets across India through 2,900 distributors

Forbes India , ranked Mr. R.S. Agarwal and Mr. R.S. Goenka – founders of Emami Group as 84<sup>th</sup> Richest Persons in India. However, if considered one, the ranking would go upto 38<sup>th</sup> position.

Listed among the Fortune 500 India's largest corporations by profitability

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## EMAMI POSTS A RESILIENT PERFORMANCE

### HIGHLIGHTS (CONSOLIDATED)

- ❖ Emami posted a resilient performance during the quarter despite depressed domestic market sentiments resulting in lower offtakes and challenging geo-political conditions in overseas markets.
- ❖ **Muted growth** in the quarter with **9MFY17 growth at 9%** in Consolidated Sales.
- ❖ **Domestic revenues** grew by **3%** in Q3FY17. Growth of **12%** in 9MFY17.
- ❖ **EBIDTA** grew by **4%** in Q3FY17. Growth of **16%** in 9MFY17.
- ❖ **EBIDTA margins** at **35.6%** grew by **120 bps** in Q3FY17 and by **180 bps** in 9MFY17 at **29.7%**
- ❖ **Cash Profit\*** grew by **5%** in Q3FY17. Growth of **10%** in 9MFY17.

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

**Kolkata, January 30<sup>th</sup>, 2017:** The Board of Directors of Emami Limited met on Monday, January 30, 2017 to consider the unaudited financial results of the company for the third quarter and nine months ended December 31, 2016.

Turnover of the company at ₹ 726 cr. posted flat growth due to severe liquidity crunch in domestic markets and poor economic conditions in Middle Eastern countries. In 9MFY17, sales at ₹ 1,955 cr. grew by 9%.

Despite the liquidity crunch owing to demonetization, the company's domestic business delivered a topline growth of 3% during the quarter. In 9MY17, the domestic business grew by 12%. Further, new launches such as Fair & Handsome Face Wash, 7 Oils in One and HE Deodorants performed well.

Emami continued its focus on innovations with launch of **BoroPlus Perfect Touch** and **Fair And Handsome 100% Oil Clear Instant Fairness Facewash** during the quarter. The company also introduced **Kesh King Ayurvedic Shampoo in a sachet** at an attractive price point of ₹ 3/- to induce trials.

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Our power brands like Navratna Cool Oil, Balms (Zandu and Mentho Plus) and Navratna Cool Talc further increased their market share to 62.0%, 56.3% and 27.1% respectively. Boroplus, Fair and Handsome Cream and Kesh King continued to maintain leadership with Volume Market Shares of 75.4%, 65.2% and 29.8% respectively.

Despite sustained investments in brands, the Company's EBIDTA margins at 35.6% rose by 120 bps in Q3FY17 and by 180 bps in 9MFY17 at 29.7% mainly on account of gross margin expansion. EBIDTA at ₹ 259 crores grew by 4% in the third quarter and by 16% in 9MFY17 at ₹ 581 crores.

Cash Profits at ₹ 216 cr grew by 5% in Q3FY17 and by 10% in 9MFY17 with a Cash Profit of ₹ 489 cr. PAT at ₹ 134 cr posted flat growth in Q3FY17. However, PAT at ₹ 257 cr is lower by 9% in 9MFY17 on account of higher amortization of Kesh King intangibles by ₹ 62 cr vis-à-vis PY.

## INTERNATIONAL BUSINESS

Globally, business environment continued to be volatile and challenging. While Bangladesh delivered good growth, worsening geopolitical situation in MENAP region and Africa impacted the sales in those regions adversely. Emami, however continued to gain market shares across major portfolio. While International Business excluding MENAP region grew by 10% and 14% in Q3 and 9M respectively, overall it degrew by 16% in Q3 and by 5% in 9MFY17.

### Mr Mohan Goenka, Director, Emami Limited said:

“Despite challenging domestic and international macro- economic factors, Emami has been able to perform satisfactorily. While liquidity crunch and sales channel disruption impacted the offtake of some of our brands in domestic market, challenging geo-political situation particularly in Middle East, Africa and other countries impacted the international performance to some extent. With the post demonetization situation improving and the consumer sentiment getting back on track gradually, Emami is poised to capture this positive sentiment and target a good performance in the days to come.”

### Mr Harsha V Agarwal, Director, Emami Limited said:

“Muted performance in the third quarter is in line with our expectation because of the prevailing depressed market sentiments. However, despite lower offtakes, all our major brands have improved their market shares. Our winter

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brands such as BoroPlus and Vasocare have performed satisfactorily due to focused and targeted media campaigns and other brand initiatives. We continue to invest on our brands judiciously and expect to grow with the improving economic conditions.”

### NEW MANUFACTURING UNIT

The company is augmenting its manufacturing capacity by setting up a third manufacturing unit in North East under a mega project scheme at Guwahati, Assam. The total planned outlay for the project is ₹ 300 crore out of which the company has already invested ₹ 205 crore. The unit is expected to commence operations by FY17.

### AWARDS

Emami Limited was ranked at 87th position (PY: 91) in Business Today's "BT 500 India's Most Valuable Companies" Ranking 2016.

**Boroplus** ranked **54th** and **Zandu** ranked **100th** featured among the **Top 100 Brands** in the Economic Times **Brand Equity -Most Trusted Brands**, 2016 across categories

Mr. R.S. Agarwal, Founder and Chairman was featured in the prestigious list of **India's Top 100 CEO's** by Business Today.

### About Emami Ltd

Emami: (NSE: Emami Ltd, BSE: 531162) Emami Ltd, founded in 1974, is one of India's leading FMCG Companies engaged in manufacturing & marketing of personal care & healthcare products.

With over 300 diverse products, Emami's portfolio includes trusted power brands like Zandu, Boroplus, Navratna, Fair & Handsome, Mentho Plus, Fast Relief and Sona Chandi Chyawanprash. In 2015, Emami Ltd acquired the business of 'Kesh King' and forayed into the Ayurvedic hair & scalp care segment. Emami products are available in over 4 million retail outlets across India through its network of 2900+ distributors and its global footprint spans over 60 countries including GCC, Europe, Africa, CIS countries & the SAARC.

Emami has maintained a CAGR turnover of 15% over the last 5 years through its consistent business performance. Emami focuses on aggressive marketing powered by celebrity endorsements like Amitabh Bachchan, Shah Rukh Khan, Hrithik Roshan, Kareena Kapoor Khan, Kangana Ranaut, Yami Gautam, Juhi Chawla, Shruti Haasan, Shilpa Shetty, Bipasha Basu, Sonakshi

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Sinha, Mahendra Singh Dhoni, Sourav Ganguly, Mary Kom, Saina Nehwal, Sushil Kumar, Sania Mirza among others.

With a market cap of around Rs.23000 cr, Emami Ltd is the flagship Company of the diversified Emami Group.

Please visit [www.emamitd.in](http://www.emamitd.in) for further information.

**For further information, please contact :**

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