

2nd August, 2018

The Secretary
BSE Ltd.
Corporate Relationship Dept.,
14th floor, P. J. Tower,
Dalal Street, Fort
Mumbai - 400 001
Stock Code - 500331

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

Sub: Investor Update

Dear Sir,

Please find attached the Investor Update for the quarter ended 30th June, 2018 and a presentation.

Thanking You,

Yours faithfully,
For Pidilite Industries Limited



A N Parekh
Whole Time Director

Encl: a/a

AS

Pidilite Industries Limited

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Pidilite Industries Limited
Investor Update
Quarter ended June 2018

Coverage

- Financial Highlights
- Business segment wise
- Overseas subsidiaries performance
- Domestic subsidiaries performance
- Financial Results

Investor Communication

This investor update covers the Company's performance for Quarter ended 30th June 2018.

Contact information

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Financial Highlights

April - June 2018

Consolidated Performance as compared to same quarter last year:

- On a comparable basis*, net sales grew by 23.0% (excluding sales of Cyclo division of Pidilite USA Inc., which was sold by Pidilite USA Inc. in June, 2017).
- Material cost, as a % to net sale is higher by 140 Bps.
- Total expenses increased by 15.4% led by higher spend on A&SP.
- EBITDA before non-operating income grew by 19.6%.
- Profit before tax increased by 14.3%.
- Profit after tax increased by 6.3%. The lower rate of growth in consolidated PAT is mainly on account of elimination of profit on inter-company transfer of certain intangible assets and effect of tax thereon during the current quarter, and the profit on sale of Cyclo business in the first quarter of last financial year.

Standalone Performance as compared to same quarter last year:

- On a comparable basis*, net sales grew by 21.2%. Sales volume & mix growth of 17.9%. This was driven by 20.2% growth in sales volume & mix of Consumer & Bazaar products and 7.3% growth in sales volume & mix of Industrial Products.
- Material cost, as a % to net sale is higher by 90 Bps.
- Total expenses increased by 17.3% led by higher spend on A&SP.
- EBITDA, before non-operating income, increased by 17.3%, on the back of input led contraction in gross margin and higher A&SP spends.
- Profit before exceptional item and tax increased by 25.1%.
- Profit after tax increased by 23.0%.

Business Segment Wise – Standalone (On a comparable basis)

Rs Crores

Sr. No	Particulars	Quarter ended		
		June'18	June'17	% Changes
1	Segment Net Sales			
	a) Consumer & Bazaar Products	1,353.1	1,099.7	23.0%
	b) Industrial Products	223.3	200.3	11.5%
	c) Others	16.0	14.3	11.8%
	Total	1,592.4	1,314.4	21.2%
	Less : Inter Segment Revenue	33.8	27.1	24.9%
	Net Sales	1,558.6	1,287.3	21.1%
2	Segment Results			
	a) Consumer & Bazaar Products	388.5	322.1	20.6%
	b) Industrial Products	37.9	36.7	3.3%
	c) Others	-3.3	-0.3	996.7%
	Total	423.1	358.5	18.0%
	Less : i) Finance Costs	2.0	1.5	37.7%
	ii) Other Unallocable Expenditure net of Unallocable Income	24.0	39.7	-39.6%
	Total Profit Before Tax	397.2	317.4	25.1%

April - June 2018

- Net sales of Consumer & Bazaar segment* grew by 23.0%. PBIT of Consumer & Bazaar segment grew by 20.6%.
- Net sales of Industrial Products segment grew by 11.5%. PBIT of Industrial products segment grew by 3.3%.

*Reflecting accounting impact of GST (excise duty and net input taxes adjusted from sales of base quarter).

Overseas subsidiaries performance

- The Company has 17 overseas subsidiaries (5 direct and 12 step-down) and one joint venture including those having manufacturing and selling operations in USA, Brazil, Thailand, Dubai, Egypt, Sri Lanka and Bangladesh.
- The performance of the following major geographies in constant currency terms is detailed below. These are like for like actual reported numbers excluding translations and other consolidation impacts.
- Figures shown below do not include Sales and EBITDA of Cyclo Division of Pidilite USA as Cyclo business was sold by Pidilite USA in June 17.

Sales - Rs Crs	Quarter Ended		
	June'18	June'17	% Changes
Pidilite USA Inc. (Sargent)	27.0	33.1	-18.4%
Pulvitec do Brasil Industria e Comercio de Colas e Adesivos Ltda	20.7	18.4	12.0%
Pidilite Speciality Chemicals Bangladesh Pvt Ltd	26.4	22.4	18.1%
Pidilite Industries Egypt SAE includes Pidilite Trading Egypt L.L.C	7.6	7.2	5.8%
Pidilite Bamco Ltd includes Bamco Supply and Services	12.6	11.7	7.7%
Pidilite MEA Chemicals LLC	21.9	18.6	17.2%
Pidilite Lanka Pvt Ltd	7.3	5.4	33.2%
Others	2.2	2.0	9.1%
TOTAL SALES	125.6	118.9	5.6%

EBITDA - Rs Crs	Quarter Ended		
	June'18	June'17	% Changes
Pidilite USA Inc. (Sargent)	1.5	3.0	-51.1%
Pulvitec do Brasil Industria e Comercio de Colas e Adesivos Ltda	(0.5)	(0.4)	-39.3%
Pidilite Speciality Chemicals Bangladesh Pvt Ltd	5.0	5.3	-6.4%
Pidilite Industries Egypt SAE includes Pidilite Trading Egypt L.L.C	(0.3)	0.1	-687.4%
Pidilite Bamco Ltd includes Bamco Supply and Services	0.8	0.5	65.8%
Pidilite MEA Chemicals LLC	(2.2)	(2.6)	16.2%
Pidilite Lanka Pvt Ltd	(0.4)	(0.0)	-992.9%
Others	(0.3)	7.4	-103.6%
TOTAL EBITDA	3.5	13.3	-73.4%

- Pidilite USA sales declined due to drop in demand for products for adult coloring segment. EBITDA for the quarter was impacted by lower sales and change in product/customer mix.
- Pulvitec do Brasil sales grew by 12.0% due to increase in sale of key products and launch of new products. EBITDA declined by 39.3% on account of higher material cost and adverse exchange rate.
- Pidilite Bangladesh has reported sales growth of 18.1%. However, EBITDA declined on account of higher material cost and SG&A spends.
- Pidilite Industries Egypt reported sales growth of 5.8% over the same quarter last year. EBITDA declined due to higher material cost and pricing pressure.

- Pidilite Bamco Ltd and Bamco Supply and Services, subsidiaries in Thailand, reported sales growth of 7.7% driven by higher project and retail sales.
- Pidilite Lanka continued to grow strongly, with sales growth of 33.2%. However, EBITDA has declined on account of higher material cost and investments in SG&A expenses to support future sales growth.
- Pidilite MEA Chemicals reported good sales growth. EBITDA losses have reduced due to improvement in sales.

Domestic subsidiaries performance

- The subsidiaries include 9 domestic subsidiaries and 2 partnership firms.
- The performance of major subsidiaries is detailed below. These are like for like actual reported numbers and exclude consolidation impact.

Sales - Rs Cr	Quarter Ended		
	June'18	June'17	% Changes
Nina Waterproofing Systems Pvt Ltd	60.1	46.3	29.9%
Percept Waterproofing Services Ltd	16.4	12.1	36.3%
ICA Pidilite Pvt Ltd	37.1	26.2	41.6%
Besi & Hybrid	4.5	5.7	-21.8%
Cipy Polyurethane Pvt Ltd	37.4	-	0.0%
Others	11.6	8.3	39.6%
Total Sales	167.1	98.5	69.7%

EBITDA - Rs Cr	Quarter Ended		
	June'18	June'17	% Changes
Nina Waterproofing Systems Pvt Ltd	7.5	5.0	51.1%
Percept Waterproofing Services Ltd	2.5	1.0	139.7%
ICA Pidilite Pvt Ltd	1.7	0.3	431.0%
Besi & Hybrid	0.7	0.7	6.9%
Cipy Polyurethane Pvt Ltd	3.9	-	0.0%
Others	0.8	0.9	7.8%
Total EBITDA	17.1	7.9	117.3%

- Nina and Percept, domestic subsidiaries engaged in waterproofing services, have reported strong sales and EBITDA growth for the quarter ended June 2018.
- ICA Pidilite, reported strong growth in sales and EBITDA. During the quarter, intangible assets pertaining to woodfinish products, were acquired from Pidilite Industries Limited.
- CIPY, a subsidiary since February 2018, reported sales of Rs 37.4 Cr for the quarter ended June 30, 2018. EBITDA for the period amounted to Rs. 3.9 Cr.

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30.06.2018

Rs Crores

Sr. No.	Particulars	For the Quarter ended			For the Year ended
		30.06.2018	31.03.2018	30.06.2017	
		Unaudited	Audited	Unaudited	
1	Total Income				
	a) Revenue from Operations	1608.31	1273.63	1486.32	5490.96
	b) Other Income	64.50	47.07	35.44	136.49
	Total Income	1672.81	1320.70	1521.76	5627.45
2	Expenses				
	a) Cost of materials consumed	700.95	586.74	587.43	2271.28
	b) Purchases of stock-in-trade	84.66	70.36	80.07	275.13
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	11.20	(57.37)	(7.82)	(8.48)
	d) Excise Duty	-	-	136.56	136.56
	e) Employee benefits expense	166.11	139.77	144.49	570.86
	f) Finance costs	2.01	1.63	1.46	6.06
	g) Depreciation and amortisation expense	22.93	22.83	22.84	91.48
	h) Other expenses	287.80	278.95	239.36	953.28
	Total Expenses	1275.66	1042.91	1204.39	4296.17
3	Profit before exceptional items and tax (1-2)	397.15	277.79	317.37	1331.28
4	Exceptional items	-	-	-	-
5	Profit before tax (3-4)	397.15	277.79	317.37	1331.28
6	Tax Expense				
	Current tax	128.10	34.42	94.29	356.89
	Deferred tax	2.12	5.21	6.00	19.20
7	Profit for the period (5-6)	266.93	238.16	217.08	955.19
8	Other Comprehensive Income				
	Items that will not be reclassified to profit or loss	(0.04)	3.64	(0.70)	0.20
	Income tax relating to items that will not be reclassified to profit or loss	0.01	(1.12)	0.20	(0.07)
9	Total Comprehensive Income for the period (7+8)	266.90	240.68	216.58	955.32
10	Paid-up Equity Share Capital (Face value of share : Re. 1/-)	50.78	50.78	51.27	50.78
11	Other Equity				3513.15
12	Earnings per equity share in Rs.				
	a) Basic	@ 5.26	@ 4.69	@ 4.23	18.81
	b) Diluted	@ 5.25	@ 4.68	@ 4.23	18.80

@ For the period only and not annualised.

See accompanying Notes to Financial Results

STANDALONE UNAUDITED SEGMENT INFORMATION FOR THE QUARTER ENDED 30.06.2018

Rs Crores

Sr. No.	Particulars	For the Quarter ended				For the Year ended	
		30.06.2018		31.03.2018			31.03.2018
		Unaudited	Audited	Audited	Unaudited		Audited
1	Segment Revenue						
	a) Consumer & Bazaar Products	1368.31	1015.91	1248.86	4546.29		
	b) Industrial Products	257.60	272.66	248.48	994.77		
	c) Others	16.23	12.58	16.07	55.81		
	Total	1642.14	1301.15	1513.41	5596.87		
	Less : Inter Segment Revenue	33.83	27.52	27.09	105.91		
	Revenue from Operations	1608.31	1273.63	1486.32	5490.96		
2	Segment Results						
	a) Consumer & Bazaar Products	421.89	268.34	322.11	1349.96		
	b) Industrial Products	37.93	46.94	36.72	158.29		
	c) Others	(3.29)	(1.44)	(0.30)	(1.94)		
	Total	456.53	313.84	358.53	1506.31		
	Less : i) Finance Costs	2.01	1.63	1.46	6.06		
	ii) Other Unallocable Expenditure net of Unallocable Income						
	Total Profit Before Tax	397.15	277.79	317.37	1331.28		
3	Segment Assets						
	a) Consumer & Bazaar Products	1883.80	1822.41	1691.39	1822.41		
	b) Industrial Products	532.35	508.51	446.46	508.51		
	c) Others	45.74	46.54	44.73	46.54		
	d) Unallocated	2596.65	2250.49	2504.42	2250.49		
	Total Segment Assets	5058.54	4627.95	4687.00	4627.95		
4	Segment Liabilities						
	a) Consumer & Bazaar Products	745.27	727.27	700.54	727.27		
	b) Industrial Products	205.61	163.22	178.42	163.22		
	c) Others	10.04	5.92	10.59	5.92		
	d) Unallocated	265.58	167.61	180.01	167.61		
	Total Segment Liabilities	1226.50	1064.02	1069.56	1064.02		

Unallocated Segment Assets as at 30th June 2018 include the following:-

- a) Capital Work in Progress Rs. 101.35 Crores (31st March 2018 Rs. 101.35 Crores and 30th June 2017 Rs. 101.35 Crores) of Synthetic Elastomer Project,
- b) Investments in units of mutual funds/ term deposits with banks Rs. 1402.11 Crores (31st March 2018 Rs. 1176.59 Crores and 30th June 2017 Rs. 1663.83 Crores)

Notes to the Standalone Financial Results:

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 1st August 2018.
2. The Company has opted to publish Standalone as well as Consolidated Financial Results. The Statutory Auditors have carried out a "Limited Review" of the above financial results for the quarter ended 30th June 2018.
3. The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the relevant rules of the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.
4. Consequent to the introduction of Goods and Services Tax (GST) with effect from 1st July 2017, Revenues are required to be net of GST. Accordingly, the Revenues for the periods upto 30th June 2017 included Excise Duty and are not comparable to those presented thereafter. Revenues for the quarter ended 30th June 2017 include Excise Duty upto 30th June 2017. The following additional information is being provided for ease of understanding:

Rs Crores

	Quarter ended			Year ended
	30.06.2018	31.03.2018	30.06.2017	31.03.2018
Revenue from Operations (A)	1608.31	1273.63	1486.32	5490.96
Excise Duty (B)	-	-	136.56	136.56
Revenue from Operations excluding Excise Duty (A-B)	1608.31	1273.63	1349.76	5354.40

5. During the quarter, the Company allotted 8,900 equity shares of face value of Re. 1/- each under Employee Stock Option Scheme - 2012 and 1,350 equity shares of face value of Re. 1/- each under Employee Stock Option Plan - 2016 to the eligible employees of the Company and its subsidiaries.
6. The Company granted options for 8,300 equity shares of face value of Re. 1/- each under Employee Stock Option Plan - 2016 on 11th April 2018.
7. The current tax for the quarter and year ended 31st March 2018 includes Rs. 46.47 Crores being excess provision written back of earlier years.
8. The figures for the quarter ended 31st March 2018 is the balancing figure between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the relevant financial year.
9. Previous periods' figures are regrouped to make them comparable with those of current period.

Mumbai

Dated : 1st August 2018

BHARAT PURI
Managing Director
DIN: 02173566

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30.06.2018

Rs Crores

Sr. No.	Particulars	For the Quarter ended				For the Year ended	
		30.06.2018		31.03.2018		31.03.2018	
		Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
1	Total Income						
	a) Revenue from Operations	1834.07	1485.31	1669.27	6218.76		
	b) Other Income	32.13	52.07	43.22	148.41		
	Total Income	1866.20	1537.38	1712.49	6367.17		
2	Expenses						
	a) Cost of materials consumed	791.77	697.29	645.54	2565.02		
	b) Purchases of stock-in-trade	105.46	83.15	86.24	318.86		
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	10.15	(68.52)	6.33	3.77		
	d) Excise Duty	-	-	140.35	140.35		
	e) Employee benefits expense	207.10	173.45	180.92	712.40		
	f) Finance costs	7.27	3.83	3.73	15.54		
	g) Depreciation and amortisation expense	30.11	29.77	31.26	119.88		
	h) Other expenses	337.93	326.01	288.91	1137.14		
	Total Expenses	1489.79	1244.98	1383.28	5012.96		
3	Share of profit of associate	0.46	1.39	0.43	4.75		
4	Share of profit of joint venture	(0.04)	(0.57)	0.12	(0.16)		
5	Profit before tax (1-2+3+4)	376.83	293.22	329.76	1358.80		
6	Tax Expense						
	Current tax	134.28	40.45	98.03	374.08		
	Deferred tax	1.77	5.25	5.22	18.63		
7	Profit for the period (5-6)	240.78	247.52	226.51	966.09		
	Attributable to:						
	Shareholders of the Company	238.67	244.11	226.49	962.35		
	Non Controlling Interest	2.11	3.41	0.02	3.74		
8	Other Comprehensive Income						
	Items that will not be reclassified to profit or loss	(0.23)	3.52	(0.68)	(0.02)		
	Income tax relating to items that will not be reclassified to profit or loss	0.07	(1.08)	0.20	-		
	Items that will be reclassified to profit or loss	2.23	2.54	(4.52)	(1.52)		
	Total Other Comprehensive Income	2.07	4.98	(5.00)	(1.54)		
	Attributable to:						
	Shareholders of the Company	2.22	4.82	(5.00)	(1.70)		
	Non Controlling Interest	(0.15)	0.16	-	0.16		
9	Total Comprehensive Income for the period (7+8)	242.85	252.50	221.51	964.55		
	Attributable to:						
	Shareholders of the Company	240.89	248.93	221.49	960.65		
	Non Controlling Interest	1.96	3.57	0.02	3.90		
10	Paid-up Equity Share Capital (Face value of share : Re. 1/-)	50.78	50.78	51.27	50.78		
11	Other Equity						
12	Earnings per equity share in Rs.						
	a) Basic	4.70	4.80	4.42	18.95		
	b) Diluted	4.70	4.80	4.42	18.94		

@ For the period only and not annualised.

See accompanying Notes to Financial Results

CONSOLIDATED UNAUDITED SEGMENT INFORMATION FOR THE QUARTER ENDED 30.06.2018

Sr. No.	Particulars	Rs Crores				For the Year ended 31.03.2018 Audited
		For the Quarter ended				
		30.06.2018 Unaudited	31.03.2018 Audited	30.06.2017 Unaudited	31.03.2018 Audited	
1	Segment Revenue					
	a) Consumer & Bazaar Products	1594.07	1227.59	1431.81	5274.09	
	b) Industrial Products	257.60	272.66	248.48	994.77	
	c) Others	16.23	12.58	16.07	55.81	
	Total	1867.90	1512.83	1696.36	6324.67	
	Less : Inter Segment Revenue	33.83	27.52	27.09	105.91	
	Revenue from Operations	1834.07	1485.31	1669.27	6218.76	
2	Segment Results					
	a) Consumer & Bazaar Products	402.99	282.06	334.14	1371.80	
	b) Industrial Products	37.93	46.94	36.72	158.29	
	c) Others	(3.29)	(1.44)	(0.30)	(1.94)	
	Total	437.63	327.56	370.56	1528.15	
	Less : i) Finance Costs	7.27	3.83	3.73	15.54	
	ii) Other Unallocable Expenditure net of Unallocable Income	53.95	31.33	37.62	158.40	
	Add: Share of profit/(loss) of associate/joint venture	0.42	0.82	0.55	4.59	
	Total Profit Before Tax	376.83	293.22	329.76	1358.80	
3	Segment Assets					
	a) Consumer & Bazaar Products	3120.57	3012.02	2611.04	3012.02	
	b) Industrial Products	532.35	508.51	446.46	508.51	
	c) Others	45.74	46.54	44.73	46.54	
	d) Unallocated	1946.80	1637.39	2055.55	1637.39	
	Total Segment Assets	5645.46	5204.46	5157.78	5204.46	
4	Segment Liabilities					
	a) Consumer & Bazaar Products	1108.15	1087.08	964.34	1087.08	
	b) Industrial Products	205.61	163.22	178.42	163.22	
	c) Others	10.04	5.92	10.59	5.92	
	d) Unallocated	300.38	199.19	180.01	199.19	
	Total Segment Liabilities	1624.18	1455.41	1333.36	1455.41	

Unallocated Segment Assets as at 30th June 2018 include the following:-

- a) Capital Work in Progress Rs. 101.35 Crores (31st March 2018 Rs. 101.35 Crores and 30th June 2017 Rs. 101.35 Crores) of Synthetic Elastomer Project,
- b) Investments in units of mutual funds/ term deposits with banks Rs. 1402.11 Crores (31st March 2018 Rs. 1176.59 Crores and 30th June 2017 Rs. 1663.83 Crores)

Notes to the Consolidated Financial Results:

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 1st August 2018.
2. The Company has opted to publish Standalone as well as Consolidated Financial Results. The above results comprise the results of Pidilite Industries Ltd. (Holding Company), 26 subsidiary companies, two partnership firms, one Associate Company and one Joint Venture. The Statutory Auditors have carried out a "Limited Review" of the above financial results for the quarter ended 30th June 2018.
3. The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the relevant rules of the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.
4. Consequent to the introduction of Goods and Services Tax (GST) with effect from 1st July 2017, Revenues are required to be net of GST. Accordingly, the Revenues for the periods upto 30th June 2017 included Excise Duty and are not comparable to those presented thereafter. Revenues for the quarter ended 30th June 2017 include Excise Duty upto 30th June 2017. The following additional information is being provided for ease of understanding:

	Rs Crores	
	Quarter ended	Year ended
	30.06.2018	31.03.2018
Revenue from Operations (A)	1834.07	1485.31
Excise Duty (B)	-	1669.27
Revenue from Operations excluding Excise Duty (A-B)	1834.07	140.35
		6078.41

5. During the quarter, the Company allotted 8,900 equity shares of face value of Re. 1/- each under Employee Stock Option Scheme - 2012 and 1,350 equity shares of face value of Re. 1/- each under Employee Stock Option Plan - 2016 to the eligible employees of the Company and its subsidiaries.
6. The Company granted options for 8,300 equity shares of face value of Re. 1/- each under Employee Stock Option Plan - 2016 on 11th April 2018.
7. The current tax for the quarter and year ended 31st March 2018 includes Rs. 46.47 Crores being excess provision written back of earlier years.
8. The figures for the quarter ended 31st March 2018 is the balancing figure between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the relevant financial year.
9. Previous periods' figures are regrouped to make them comparable with those of current period.

Mumbai

Dated : 1st August 2018

BHARAT PURI
Managing Director
DIN: 02173566