



4th November, 2020

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

Dear Sir,

Sub: Press release

Please find attached the press release dated 4th November, 2020.

Thanking You,

Yours faithfully,
For Pidilite Industries Limited

Puneet Bansal
Company Secretary

Pidilite Industries Limited

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Press release
For immediate release
November 4th, 2020

Pidilite Industries reports standalone net sales growth of 4% over the same quarter last year, and EBITDA growth of 35% for quarter ended 30th September 2020

Mumbai, November 4, 2020: Pidilite Industries Limited, India's leading manufacturer of adhesives, sealants and construction chemicals today announced its financial results for the quarter and half year ended September 30, 2020.

Overall, the Consumer and Bazaar segment returned to growth reaching pre- Covid levels in most geographies. Growth was healthy in Construction Chemicals and DIY products. B2B segment continued to face headwinds, however it showed signs of recovery in the latter part of the quarter.

International subsidiaries have reported healthy double-digit constant currency growth.

Domestic subsidiaries continued to witness challenging business conditions. However, performance has continued to improve sequentially during the quarter.

On 28th October 2020, the Company entered into a definitive agreement with Huntsman Group (USA) to acquire 100% stake in one of their subsidiary in India namely Huntsman Advanced Materials Solutions Private Limited (HAMSPL) for a cash consideration of approximately Rs. 2100 crores, excluding customary working capital and other adjustments. Huntsman Group is a leading global producer of differentiated organic chemical products. HAMSPL manufactures and sells Adhesives, Sealants and other products under well-known brands such as Araldite, Araldite Karpenter and Araseal. On 3rd November 2020, the Company has completed the acquisition of 100% stake in HAMSPL.

FINANCIAL PERFORMANCE

Consolidated Performance

- Net sales at Rs 1,857 Cr grew by 3% over the same quarter last year. Net sales for the half year ended stood at Rs 2,730 Cr and declined by 28% over the same period last year.
- EBITDA before non-operating income at Rs 514 Cr grew by 39% over the same quarter last year on account of lower input cost and A&SP spends. EBITDA for the half year ended stood at Rs 582 Cr and declined by 29% over the same period last year.
- Profit before Tax and Exceptional Items (PBT) at Rs 479 Cr grew by 27% over the same quarter last year. PBT for the half year ended stood at Rs 510 Cr and declined by 37%.
- Profit after tax (PAT) at Rs 357 Cr grew by 10% over the same quarter last year due to tax reversal in the prior year with reduction in corporate tax rate (on like to like basis PAT grew by 34%). For the half year ended, PAT at Rs 372 Cr declined by 40% (on like to like basis PAT declined by 37%).

Standalone Performance

- Net sales at Rs 1,620 Cr grew by 4% over the same quarter last year with underlying sales volume and mix growth of 3.6%. This was driven by 7.4% growth in sales volume and mix of C&B and 7.2% decline in sales volume & mix of B2B. Net sales for the half year ended stood at Rs 2,388 Cr and declined by 28% over the same period last year.
- EBITDA before non-operating income at Rs 473 Cr grew by 35% over the same quarter last year on account of lower input cost and A&SP spends. EBITDA for half year ended stood at Rs 570 Cr and declined by 26% over the same period last year.
- Profit before Tax and Exceptional Items (PBT) at Rs 455 Cr grew by 22% over the same quarter last year. PBT for the half year ended stood at Rs 532 Cr and declined by 33%.
- PAT at Rs 339 Cr grew by 5% over the same quarter last year due to tax reversal in the prior year with reduction in corporate tax rate (on like to like basis PAT grew by 27%). For the half year ended, PAT at Rs 396 Cr declined by 35% (on like to like basis PAT declined by 32%).

Commenting on the quarter performance, Mr. Bharat Puri, Managing Director, Pidilite Industries Ltd, said:

Q2 2020-21:

“This quarter saw steadily improving demand conditions each month. Consumer and Bazaar businesses grew volumes aided by strong growth in the rural and semi urban areas. B2B businesses as well as the metros, while improving sequentially have still to reach pre-covid levels. Our profitability was aided by benign input costs as well as strong cost optimisation measures.

While we are seeing signs of input costs hardening, we remain cautiously optimistic on steadily improving demand recovery. Our focus would be to continually drive volume growth via investment in our brands, in sales and distribution and in consumer relevant innovation.”

About Pidilite:

Pidilite Industries Limited is a leading manufacturer of adhesives and sealants, construction chemicals, craftsmen products, DIY (Do-It-Yourself) products and polymer emulsions in India. Our products range also includes paint chemicals, automotive chemicals, art materials and stationery, fabric care, maintenance chemicals, industrial adhesives, industrial resins and organic pigments & preparations. Most of the products have been developed through strong in-house R&D. Our brand name Fevicol has become synonymous with adhesives to millions in India and is ranked amongst the most trusted brands in the country. Some of our other major brands are M-Seal, Fevikwik, Fevistik, Roff, Dr. Fixit, Fevicryl, Motomax, Hobby Ideas.