



Ref: SEC/SE/2017-18
Date: January 31, 2018

Scrip Symbol: NSE & MSEI – DABUR, BSE Scrip Code: 500096

To,

Corporate Relation Department
Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai- 400001

National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor
Plot No. C/1, G Block Bandra – Kurla Complex
Bandra (E), Mumbai – 400051

Metropolitan Stock Exchange Limited (MSEI)
4th Floor, Vibgyor Towers, Plot No. C-62
G-Block, Opposite Trident Hotel,
Bandra Kurla Complex,
Bandra (E), Mumbai - 400098

Sub: Press Release & Investors Communication

Dear Sir,

In compliance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are pleased to enclose a copy of Press Release and Investors Communication being issued by the company today for your records.

This is for your information and records.

Thanking You,

Yours faithfully,

For **Dabur India Limited**


(A-K Jain)

V P (Finance) and Company Secretary

Encl: as above



Dabur India Limited

Investor Communication

Quarter and Nine Months ended 31st December 2017

Contents

1. Q3 FY18 – Overview

2. Category Highlights

3. Business Initiatives

4. Recent Launches

5. International Business – Overview

6. Profit and Loss Statements

1

Consolidated revenue reported 6.1% growth, underlying GST adjusted constant currency growth was 12.9%

2

Growth in Domestic FMCG was 17.7% backed by strong volume growth of 13%

3

International Business reported growth of 5% on constant currency basis in spite of continuing geopolitical headwinds in North Africa

4

Operating margins¹ improved from 18.0% to 20.5%, Operating profit grew by 20.8% in Consolidated Business and 27.5% in India Business

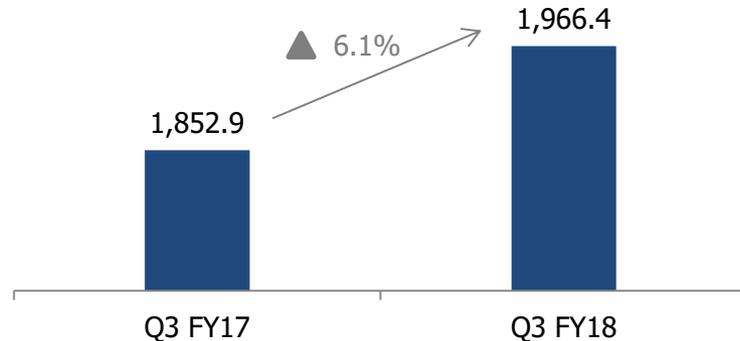
5

PAT grew by 13.1% to reach INR 332 cr , PAT margin increased by 103 bps to touch 16.9%

Q3 FY18 – Consolidated Financials

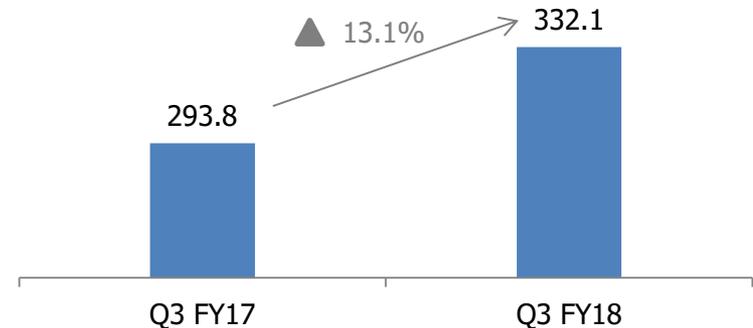


Revenue



- **Consolidated revenue increased by 6.1% on reported basis, GST adjusted constant currency growth was 12.9%**
- **Domestic business revenue grew by 17.7% led by volume growth of 13.0%**
- **International Business grew by 5% on constant currency basis on the back of strong growth in GCC, Egypt, SSA and Nepal**
- **Currency devaluation in overseas markets resulted in translation loss of INR 66 crore (3.6%)**

Profit After Tax

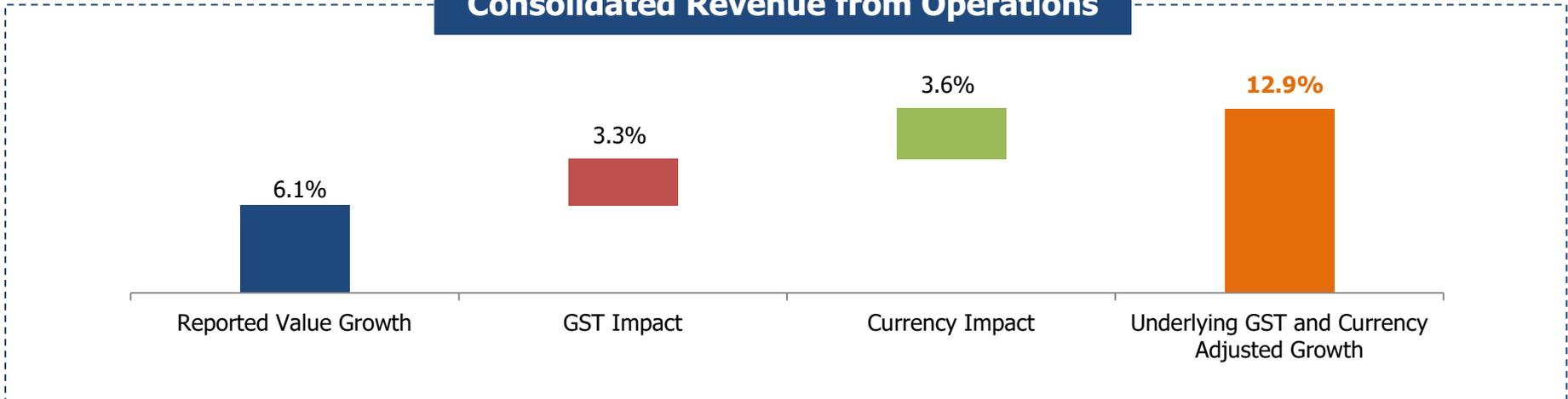


- **Consolidated Profit After Tax (PAT) grew by 13.1%**
- **Material cost came down from 50.6% of sales to 48.4% of sales**
- **Operating margin at 20.5% in Q3 FY18 vs 18.0% in Q3 FY17.**
- **PAT margin increased from 15.9% to 16.9%**

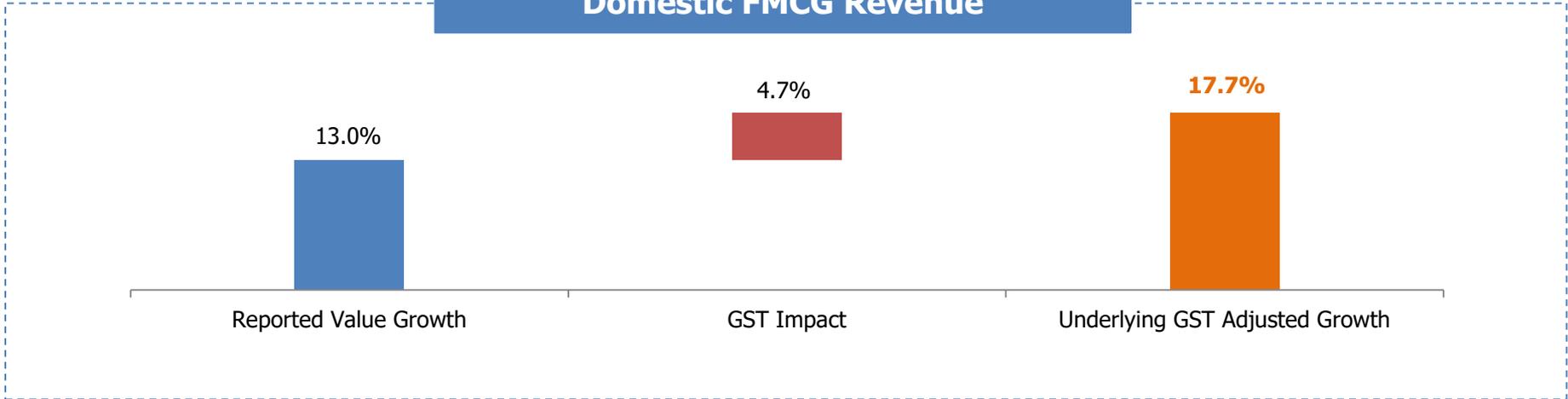
Q3 FY18 – Impact of GST and Currency on Growth



Consolidated Revenue from Operations



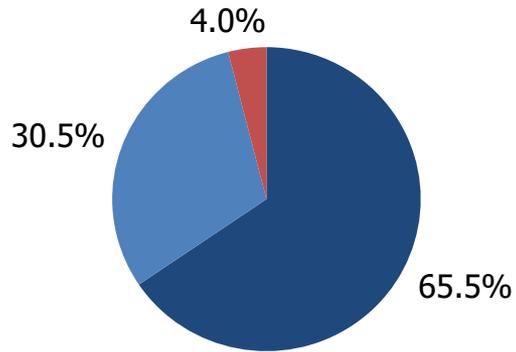
Domestic FMCG Revenue



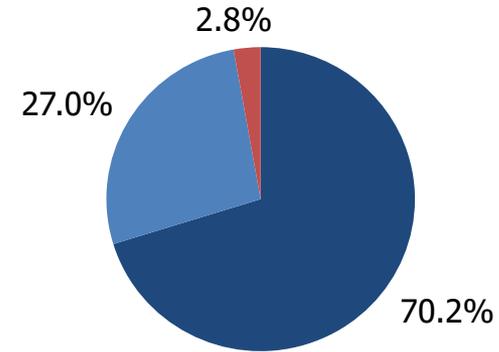
Q3 FY18 – Business Overview



Q3 FY17



Q3 FY18



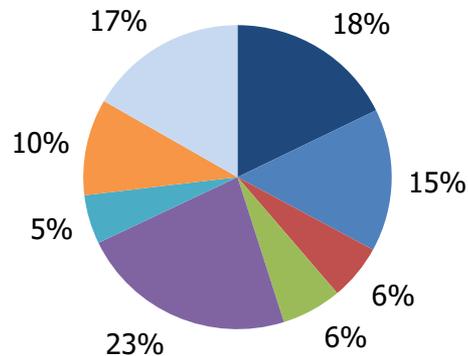
■ Domestic ■ International ■ Others

- **Contribution of Domestic FMCG increased to 70% from 65% last year**
- **International Business contributed 27% as compared to 30% last year**

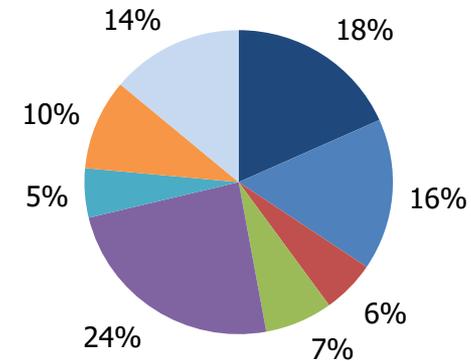
Domestic FMCG – Category-wise Sales



Q3 FY17



Q3 FY18



■ Hair Care ■ Oral Care ■ Skin Care ■ Home Care ■ Health Supplements ■ Digestives ■ OTC & Ethicals ■ Foods

- **Share of Hair Care category remained stable at 18%**
- **Oral Care category increased share from 15% to 16%**
- **Home Care and Health Supplements also increased share by ~1%**
- **Food decreased from 17% in Q3 FY17 to 14% in Q3 FY18**

1. Q3 FY18 – Overview

2. Category Highlights

3. Business Initiatives

4. Recent Launches

5. International Business – Overview

6. Profit and Loss Statements

Home and Personal Care (HPC) – Q3 FY18



- **HPC posted a growth of 22.9% in Q3 FY18**
- **Oral care** recorded a **growth of 23%** driven by increase in penetration, strengthening foothold in MT, strong growth in South and increase in commerce sales
 - **Toothpaste** category recorded **growth of 26%** and gained market share
 - › **Red Toothpaste Franchise** continued its **growth momentum**
 - › **Babool & Meswak** recorded **strong double digit growth**
 - **Toothpowder** category posted **growth of 6.2%**
- **Hair oil** category grew by **16.7%** on the back of good growth in both coconut and perfumed oils
- **Shampoos category** grew by **56%** driven by re-launch of Vatika Shampoo brand and focused marketing initiatives
- **Homecare category** posted **growth of 36%** led by strong performance of Odonil and Sanifresh
- **Skin care** posted **growth of 14.5%** driven by double digit growth across brands



Dabur Gulabari Franchise



Relaunched Vatika Hair Oil in South

Healthcare (HC) – Q3 FY18



- Healthcare vertical posted growth of **16.6%** in Q3 FY18
- Health Supplements grew by **19.5%** on the back of strong growth of Chyawanprash and Honey
- Dabur Honey reported a strong recovery growing by **33.2%** and gaining market share
- Digestives posted growth of **19.3%** led by strong performance of Hajmola tablets and Pudina Hara group
- OTC & Ethicals category grew by **8.7%** led by good growth in Lal Tail, Honitus, Ashokarishta and Dashmularishta

Asavs



Hajmola – New TVC



Ayurvedic Health Tonic for Women:
Dabur Ashokarishta



Dabur Honitus Hot Sip

- **Foods category remained flat during Q3** primarily on account of high base as Foods had grown at 52% in Q3FY17.
- Shifting of Diwali season & proliferation of value players also impacted sales in the quarter
- Culinary business impacted by supply issues for some of the key SKUs
- Launched **India's first range of packaged fruit-based Mocktails in a ready-to-drink format under the Réal brand**
- Activ Coconut Water continued to post good sales
- Continued A&P support to increase frequency of consumption
- Focus on innovation and penetration led growth



First Ever TVC For Real Pomegranate



Real Mocktails



Dabur Hommade range with new packaging

1. Q3 FY18 – Overview
2. Category Highlights
- 3. Business Initiatives**
4. Recent Launches
5. International Business – Overview
6. Profit and Loss Statements

Consumer/ Marketing Initiatives (1 of 2)



School Contact Programs (Oral Care)



Winter Special Offers on Gulabari



Festive TV Campaign



Generating Trials for Bleach through Workshops and Seminars



Odonil Zipper – Title Sponsor of ITA Awards 2017



Odonil Zipper - Khushboo on Wheels



Odomos – Associating with Government of Uttar Pradesh



Defeating Diabetes

Consumer/ Marketing Initiatives (2 of 2)



Monsoon Campaign for Dabur Chyawanprash



Dabur Honey – Weight Management



New Year Resolutions Campaign



Hajmola branded boats at Chitrakoot Mela, UP



Ayurved Parv



Honitus Hot Sip – TV Campaign



Real Mocktails



Dabur Amla Miss North India

1. Q3 FY18 – Overview
2. Category Highlights
3. Business Initiatives
- 4. Recent Launches**
5. International Business – Overview
6. Profit and Loss Statements

Recent Launches



Real Mocktails – Pina Colada and Virgin Mary



Odomos Fabric Roll-On



Sani Fresh Bathroom Cleaner



GlycoDab tablets - Ayurvedic medicine



Odonil Nature Air Freshener – Fruit Blast

1. Q3 FY18 – Overview

2. Category Highlights

3. Business Initiatives

4. Recent Launches

5. International Business – Overview

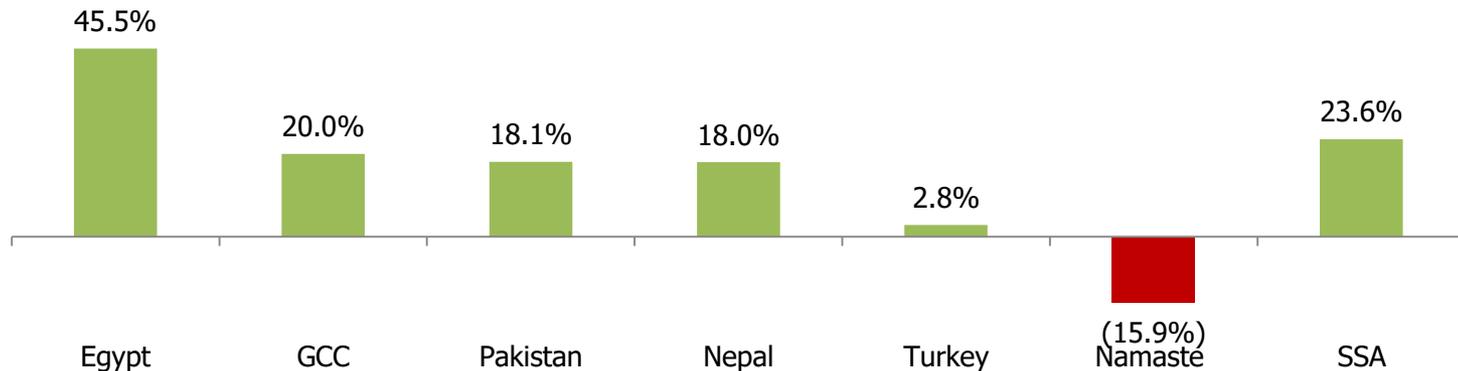
6. Profit and Loss Statements

International Business – Q3 FY18



- **International Business posted 5% growth in constant currency terms during Q3 FY18**
- Severe currency devaluation in Egyptian Pound, Naira and Turkish Lira led to significant translation loss of INR 66 crore impacting ~3.6% of consolidated sales
- **GCC markets** witnessed a turn around with constant currency growth of 20.0% led by Saudi Arabia which grew by 34%
- **Egypt** posted strong growth of 45.5% in constant currency
- **Sub Saharan Africa** posted 23.6% constant currency growth led by localization and distribution expansion initiatives in Nigeria, South Africa and East Africa
- SAARC markets reported good growth led by Nepal and Pakistan
- Shutdown in Algeria & Yemen led to loss of sales in North African region
- US business of Namaste reported muted performance due to category issues and competitive activity

Constant Currency Growth Rate – Q3 FY18



Consumer & Marketing Initiatives – International



Dentist Advice to go back to Nature



Oral Care Program in UAE Schools



In Store visibility - shampoos



International Dental Conference, Iraq



Dabur Amla – Youtube campaign



Vatika Enrich Oil – Regional Arab TVC Airing



New Packaging for Vatika Hammam Zaith



Vatika Shampoo – Pan Arab TVC

1. Q3 FY18 – Overview
2. Category Highlights
3. Business Initiatives
4. Recent Launches
5. International Business – Overview

6. Profit and Loss Statements

Consolidated Profit & Loss – Q3 FY18 (1 of 2)



	Q3 FY18	Q3 FY17	Y-o-Y (%)	9M FY18	9M FY17	Y-o-Y (%)
Revenue from operations	1,966.4	1,852.9	6.1%	5,715.4	5,786.8	(1.2%)
Other Income	66.3	83.1	(20.1%)	231.9	233.3	(0.6%)
Total Income	2,032.8	1,936.0	5.0%	5,947.4	6,020.1	(1.2%)
Material Cost	952.3	938.3	1.5%	2,844.0	2,867.1	(0.8%)
<i>% of Revenue</i>	<i>48.4%</i>	<i>50.6%</i>		<i>49.8%</i>	<i>49.5%</i>	
Employee expense	204.8	189.2	8.3%	612.0	616.5	(0.7%)
<i>% of Revenue</i>	<i>10.4%</i>	<i>10.2%</i>		<i>10.7%</i>	<i>10.7%</i>	
Advertisement and publicity	185.3	177.2	4.6%	481.1	523.1	(8.0%)
<i>% of Revenue</i>	<i>9.4%</i>	<i>9.6%</i>		<i>8.4%</i>	<i>9.0%</i>	
Other Expenses	220.5	214.3	2.9%	646.0	688.7	(6.2%)
<i>% of Revenue</i>	<i>11.2%</i>	<i>11.6%</i>		<i>11.3%</i>	<i>11.9%</i>	
Operating Profit	403.5	333.9	20.8%	1,132.3	1,091.4	3.7%
<i>% of Revenue</i>	<i>20.5%</i>	<i>18.0%</i>		<i>19.8%</i>	<i>18.9%</i>	
EBITDA	469.8	416.9	12.7%	1,364.2	1,324.7	3.0%
<i>% of Revenue</i>	<i>23.9%</i>	<i>22.5%</i>		<i>23.9%</i>	<i>22.9%</i>	
Finance Costs	13.2	13.9	(5.3%)	39.8	42.4	(6.0%)
Depreciation & Amortization	40.5	33.3	21.6%	119.6	103.3	15.7%
Profit before exceptional items, tax and share of profit/(loss) from joint venture	416.2	369.7	12.6%	1,204.8	1,179.0	2.2%
<i>% of Revenue</i>	<i>21.2%</i>	<i>20.0%</i>		<i>21.1%</i>	<i>20.4%</i>	
Exceptional item(s)	0.0	0.0	n.a.	14.5	0.0	n.a.

Note: All figures are in INR crores, unless otherwise stated

Consolidated Profit & Loss – Q3 FY18 (2 of 2)



	Q3 FY18	Q3 FY17	Y-o-Y (%)	9M FY18	9M FY17	Y-o-Y (%)
Tax Expenses						
Current Tax	79.3	71.3	11.3%	219.3	219.3	0.0%
Deferred Tax	4.0	4.0	0.3%	10.8	13.4	(19.4%)
Net profit after tax but before share of profit/(loss) from joint venture	332.9	294.5	13.0%	960.1	946.3	1.5%
<i>% of Revenue</i>	<i>16.9%</i>	<i>15.9%</i>		<i>16.8%</i>	<i>16.4%</i>	
Share of profit / (loss) of joint venture	0.2	0.2	(4.7%)	0.4	0.3	27.3%
Non controlling interest	0.9	0.9	(0.4%)	2.4	2.8	(16.3%)
Net profit for the period/year	332.1	293.8	13.1%	958.2	943.8	1.5%
<i>% of Revenue</i>	<i>16.9%</i>	<i>15.9%</i>		<i>16.8%</i>	<i>16.3%</i>	

Standalone Profit & Loss – Q3 FY18 (1 of 2)



	Q3 FY18	Q3 FY17	Y-o-Y (%)	9M FY18	9M FY17	Y-o-Y (%)
Revenue from operations	1,449.3	1,284.0	12.9%	4,099.4	3,935.0	4.2%
Other Income	60.6	75.7	(20.0%)	212.4	214.6	(1.0%)
Total Income	1,509.9	1,359.7	11.0%	4,311.8	4,149.6	3.9%
Material Cost	734.0	696.4	5.4%	2,145.3	2,087.3	2.8%
<i>% of Revenue</i>	<i>50.6%</i>	<i>54.2%</i>		<i>52.3%</i>	<i>53.0%</i>	
Employee expense	122.9	105.6	16.3%	359.4	336.3	6.9%
<i>% of Revenue</i>	<i>8.5%</i>	<i>8.2%</i>		<i>8.8%</i>	<i>8.5%</i>	
Advertisement and publicity	146.8	111.6	31.6%	380.2	340.5	11.7%
<i>% of Revenue</i>	<i>10.1%</i>	<i>8.7%</i>		<i>9.3%</i>	<i>8.7%</i>	
Other Expenses	135.7	127.2	6.7%	396.2	417.9	(5.2%)
<i>% of Revenue</i>	<i>9.4%</i>	<i>9.9%</i>		<i>9.7%</i>	<i>10.6%</i>	
Operating Profit	309.9	243.1	27.5%	818.3	752.9	8.7%
<i>% of Revenue</i>	<i>21.4%</i>	<i>18.9%</i>		<i>20.0%</i>	<i>19.1%</i>	
EBITDA	370.5	318.8	16.2%	1,030.7	967.5	6.5%
<i>% of Revenue</i>	<i>25.6%</i>	<i>24.8%</i>		<i>25.1%</i>	<i>24.6%</i>	
Finance Costs	5.2	3.9	33.1%	16.0	11.3	41.6%
Depreciation & Amortization	26.2	18.0	45.0%	76.2	54.1	40.8%
Profit before exceptional items, tax and share of profit/(loss) from joint venture	339.1	296.9	14.2%	938.5	902.1	4.0%
<i>% of Revenue</i>	<i>23.4%</i>	<i>23.1%</i>		<i>22.9%</i>	<i>22.9%</i>	
Exceptional item(s)	0.0	0.0	n.a.	14.5	0.0	n.a.

Note: All figures are in INR crores, unless otherwise stated

Standalone Profit & Loss – Q3 FY18 (2 of 2)



	Q3 FY18	Q3 FY17	Y-o-Y (%)	9M FY18	9M FY17	Y-o-Y (%)
Tax Expenses						
Current Tax	70.6	63.4	11.5%	196.5	192.5	2.1%
Deferred Tax	3.0	4.5	(33.3%)	9.0	13.5	(33.3%)
Net profit for the period/year	265.5	229.0	15.9%	718.5	696.1	3.2%
% of Revenue	18.3%	17.8%		17.5%	17.7%	

Thank You