

14 February 2019

To,
BSE Limited
Dept. DSC_CRD
Phiroze Jeejeebhoy Towers,
Dalal Street
Bandra (E)
Mumbai 400 001
Stock code No. **506222**

National Stock Exchange of India Limited
Exchange Plaza,
Plot No. C/1, 'G' Block,
Bandra- Kurla Complex,
Bandra (E)
Mumbai 400 051
Stock code. **INEOSSTYRO**

Subject: Investors Presentation

Dear Sir,

In continuation to our letter dated 31.01.2019 informing about the earnings call organized by the Company on 14 February 2019, please find the attached Investor Presentation relating to the Unaudited Financial Results for the third quarter ended on 31 December 2018.

You are requested to kindly take the above information on your records.

Thanking you.

Yours faithfully,
For **INEOS Styrolution India Limited**

Naveesh
Sanjiv Vasudeva
Managing Director



INEOS STYROLUTION INDIA LIMITED

INVESTOR PRESENTATION

Q3 2018-19 (Oct-Dec)

INEOS
STYROLUTION

Driving Success. Together.

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Notes

- Revenue from operations for period up to June 30, 2017 include excise duty, which is discontinued effective from July 01, 2017 upon implementation of Goods and Services Tax in India. In accordance with Ind AS 18, Revenue, GST is not included in revenue from operations. In view of the aforesaid restructuring of indirect taxes, revenue from operations for the quarter Apr - Jun 2018 is not comparable with the quarter Apr – Jun 2017. Similarly, revenue from operations for period Apr – Dec 2018 is not comparable with the period Apr – Dec 2017.
- Segment Information :
Segment reporting in financial results: Based on the "management approach" as defined in Ind AS 108 - 'Operating Segments', the Chief Operating Decision Maker (CODM), as represented by Chairman, Managing Director and CFO, evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. The accounting principles used in the preparation of these financial results are consistently applied to record revenue and expenditure in individual segment.

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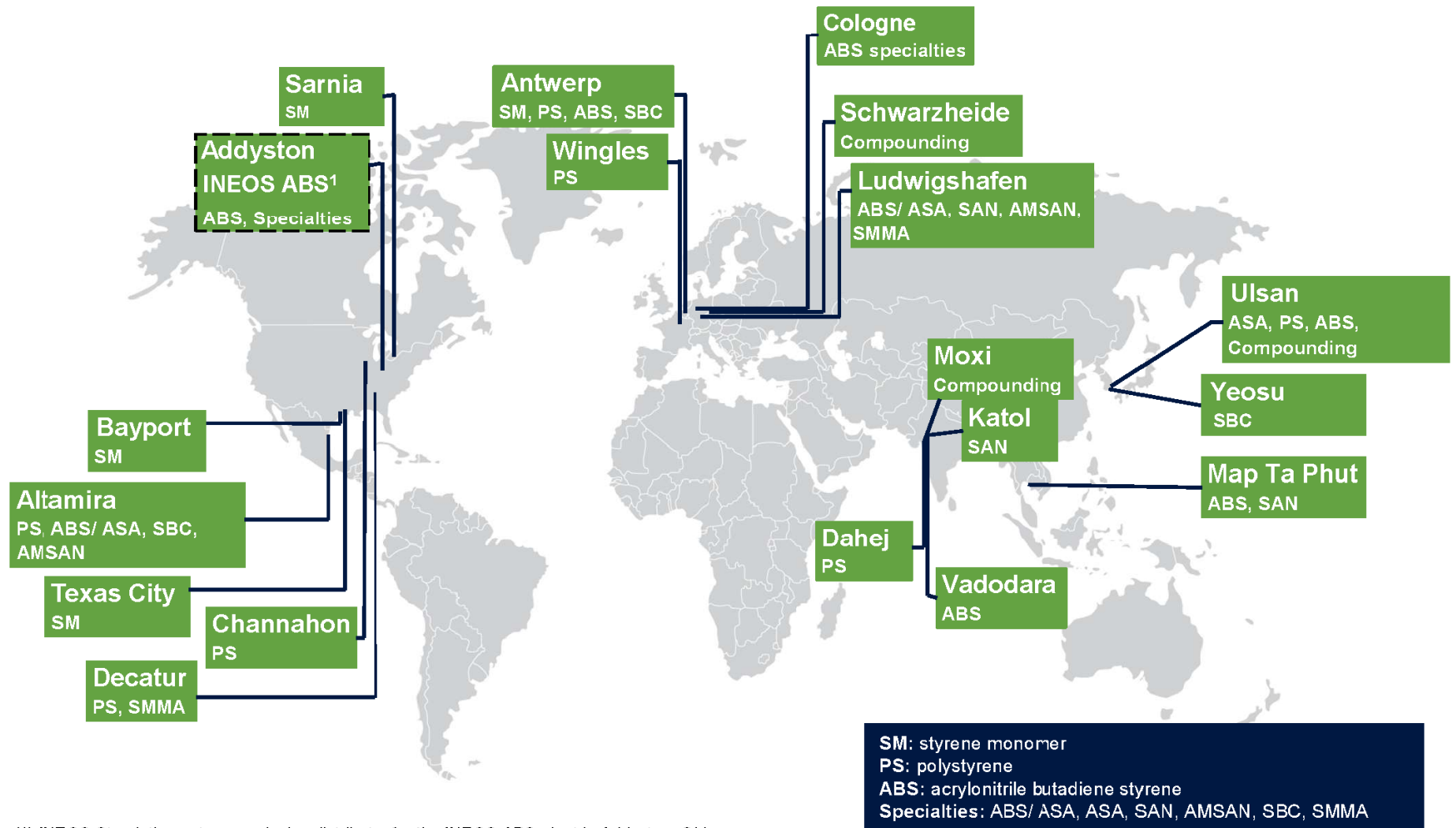
Executive summary

Oct - Dec 18 Performance summary	<ul style="list-style-type: none">• Profit Before Tax (PBT) is (-355) INR mn in Oct - Dec 18 as compared to 107 INR mn in Jul - Sep 18• Profit Before Tax (PBT) is (-355) INR mn in Oct - Dec 18 as compared to 228 INR mn in Oct - Dec 17
Oct - Dec 18 Market update	<ul style="list-style-type: none">• Automotive market slowed down after Aug and yearly plant shutdown in Dec• Slowdown observed across all segments• Higher imports in PS segment
Oct - Dec 18 Business update	<ul style="list-style-type: none">• Adverse impact of high cost raw material inventory• Significant drop in market prices leading to adverse impact on margins• Demand further impacted due to weak INR keeping input cost high

INEOS Styrolution at a glance



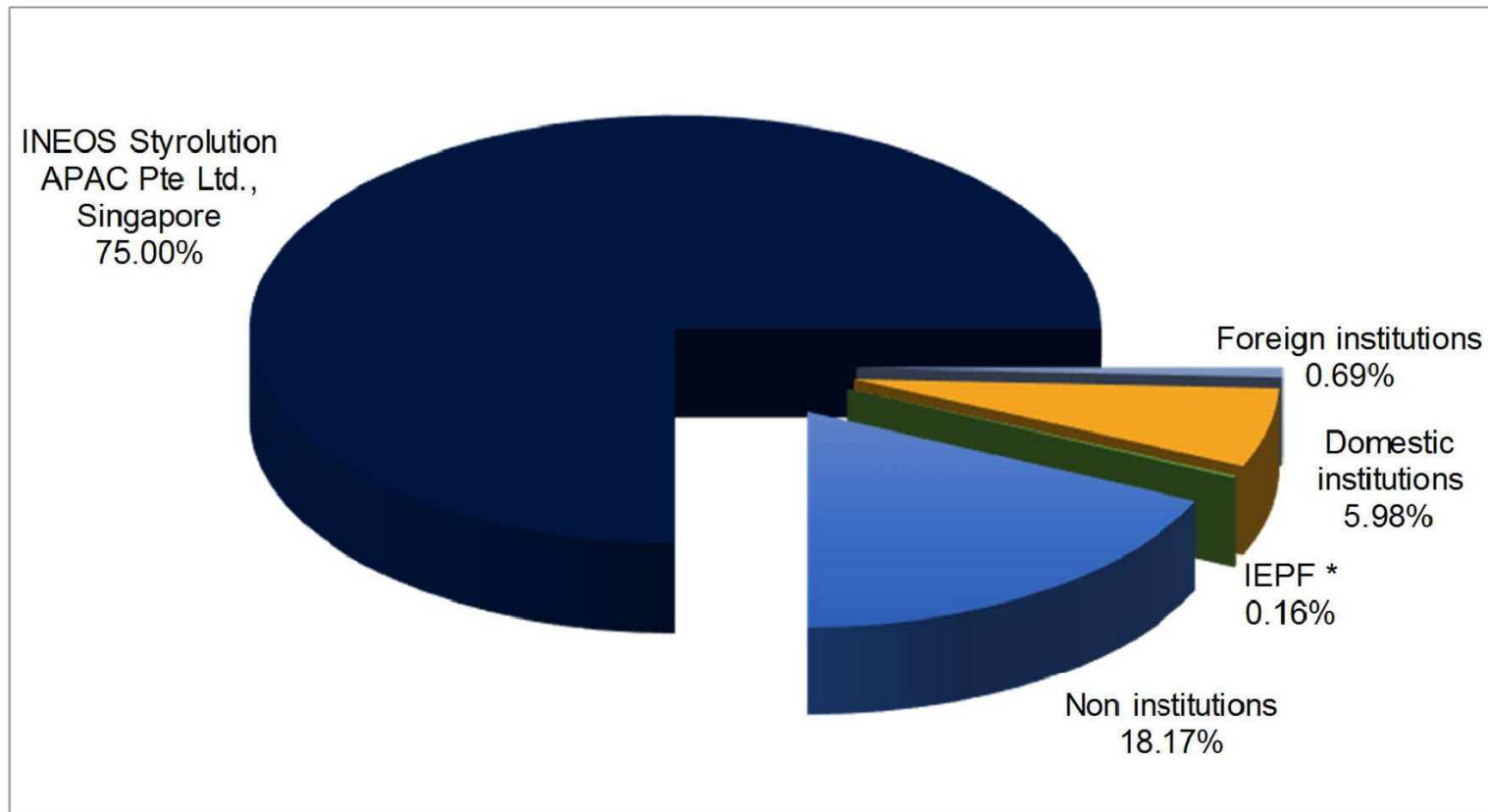
Global reach and proximity to customer markets



(1) INEOS Styrolution acts as exclusive distributor for the INEOS ABS plant in Addyston, Ohio.

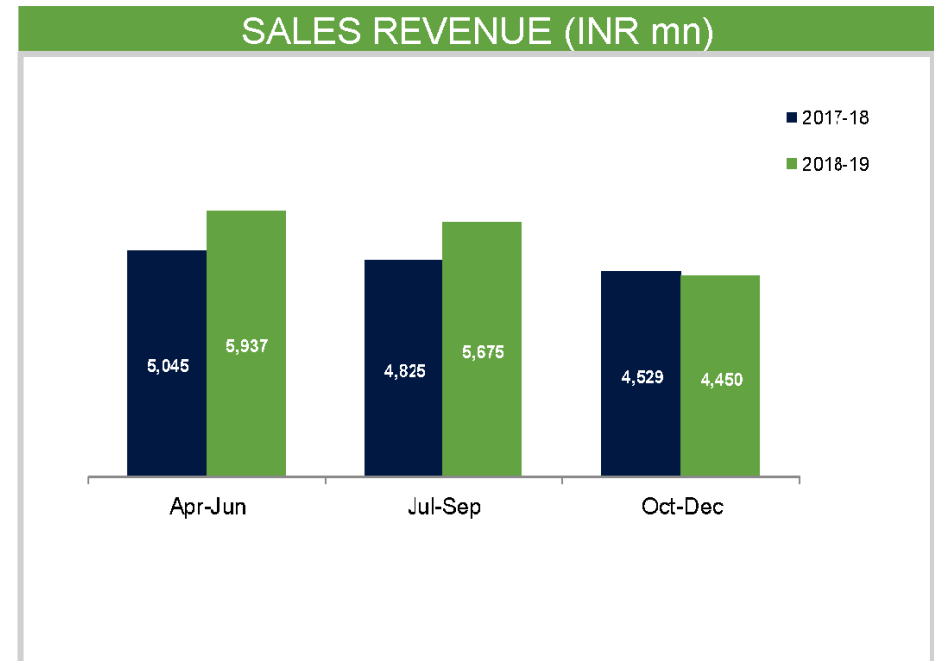
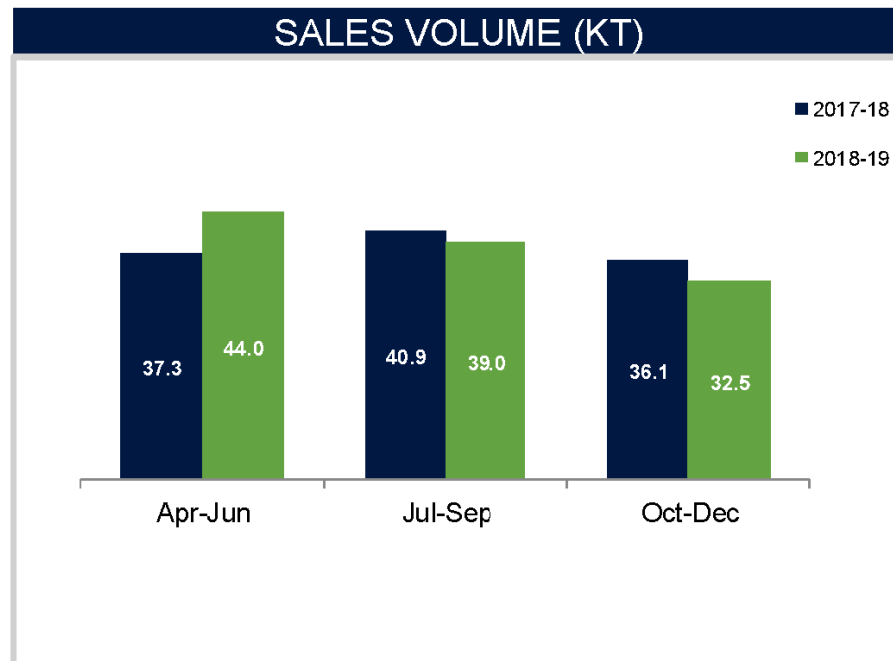
Shareholding pattern

as at Dec 31, 2018



* IEPF : Investor Education and Protection Fund [Government Organization]

Sales performance



- Sales revenue – refer note below.

Revenue from operations for periods up to June 30, 2017 include excise duty, which is discontinued effective from July 01, 2017 upon implementation of Goods and Services Tax (GST) in India. In accordance with Ind AS 18, Revenue, GST is not included in revenue from operations. In view of the aforesaid restructuring of indirect taxes, revenue from operations for the period Apr – Jun 18 is not comparable with period Apr – Jun 17.

Financial review

Q3 2018-19 (Oct - Dec) results highlights

(Unit : INR mn except volumes & EPS)

Particulars	Oct-Dec 18	Jul-Sep 18	Oct-Dec 17	% vs Jul-Sep 18	% vs Oct-Dec 17
Volumes (kt)	32.5	39.1	36.1	(16.8)	(10.0)
Sales revenue	4,450	5,675	4,529	(21.6)	(1.7)
Other income	24	46	16	(48.4)	50.0
Cost of goods sold	3,972	4,690	3,432	(15.3)	15.7
Depreciation & amortization	54	64	68	(16.1)	(20.6)
Other expenses	803	860	817	(6.7)	(1.7)
Profit before tax	(355)	107	228	(430.6)	(255.3)
Profit after tax	(228)	70	143	(424.6)	(259.1)
Other comprehensive income	(1)	0	8	(460.1)	(116.2)
Total comprehensive income	(229)	70	151	(424.8)	(251.8)
EPS (Rs.)	(12.95)	3.99	8.14	(424.6)	(259.1)

Financial review

YTD Dec 2018 (Apr - Dec) results highlights

(Unit : INR mn except volumes & EPS)

Particulars	YTD Dec'18	YTD Dec'17	%
Volumes (kt)	115.5	114.0	1.2
Sales Revenue	16,062	14,397	11.6
Other Income	107	49	119.6
Cost of goods sold	13,446	11,368	18.3
Depreciation & amortization	180	191	(5.6)
Other expenses	2,524	2,360	6.9
Profit before tax	19	527	(96.5)
Profit after tax	11	340	(96.7)
Other comprehensive income	(2)	5	(129.5)
Total comprehensive income	10	346	(97.2)
EPS (Rs.)	0.64	19.35	(96.7)

Revenue from operations for periods up to June 30, 2017 include excise duty, which is discontinued effective from July 01, 2017 upon implementation of Goods and Services Tax (GST) in India. In accordance with Ind AS 18, Revenue, GST is not included in revenue from operations. In view of the aforesaid restructuring of indirect taxes, revenue from operations for the period Apr – Dec 18 is not comparable with the period Apr – Dec 17.

Segment revenue & results

Q3 2018-19 (Oct - Dec) results highlights

(Unit : INR mn)

Particulars	Oct-Dec 18	Jul-Sep 18	Oct-Dec 17	% vs Jul-Sep 18	% vs Oct-Dec 17
1. Segment revenue					
(Revenue from operations)					
(a) Specialties	3,299	4,393	3,277	(24.9)	0.7
(b) Polystyrene	1,157	1,290	1,253	(10.4)	(7.7)
(c) Others	-	-	-	0.0	0.0
Total	4,455	5,684	4,530	(21.6)	(1.7)
2. Segment results					
(Segment profit before interest and tax)					
(a) Specialties	(125)	233	245	(153.7)	(151.0)
(b) Polystyrene	(200)	(67)	7	198.9	(3009.9)
(c) Others	-	-	-	0.0	0.0
Total segment profit before interest and tax	(325)	166	252	(296.3)	(229.1)
(i) Interest expense	(45)	(18)	(34)	147.7	32.3
(ii) Interest income	0	18	4.3	(99.6)	(98.3)
(iii) Other unallocable expenditure (Net of income)	16	(58)	6	(127.3)	160.0
Profit before tax	(355)	107	228	(430.6)	(255.3)

Segment revenue & results

YTD Dec 2018 (Apr - Dec) results highlights

(Unit : INR mn)

Particulars	YTD Dec'18	YTD Dec'17	% vs YTD Dec'17
1. Segment revenue			
(Revenue from operations)			
(a) Specialties	12,046	10,129	18.9
(b) Polystyrene	4,037	4,273	(5.5)
(c) Others	-	-	
Total	16,084	14,402	11.7
2. Segment results			
(Segment profit before interest and tax)			
(a) Specialties	451	661	(31.8)
(b) Polystyrene	(273)	(22)	1155.9
(c) Others	-	-	0.0
Total segment profit before interest and tax	177	639	(72.2)
(i) Interest expense	(82)	(119)	(30.7)
(ii) Interest income	22	25	(11.1)
(iii) Other unallocable expenditure (Net of income)	(98)	(17)	464.9
Profit before tax	19	527	(96.5)

Revenue from operations for periods up to June 30, 2017 include excise duty, which is discontinued effective from July 01, 2017 upon implementation of Goods and Services Tax (GST) in India. In accordance with Ind AS 18, Revenue, GST is not included in revenue from operations. In view of the aforesaid restructuring of indirect taxes, revenue from operations for the period Apr – Dec 18 is not comparable with the period Apr – Dec 17.

Segment assets & liabilities

YTD Dec 2018 (Apr - Dec) results highlights

(Unit : INR mn)

Particulars	YTD Dec'18	YTD Dec'17	% vs YTD Dec'17
Segment assets			
(a) Specialties	9,178	6,938	32.3
(b) Polystyrene	2,631	2,290	14.9
(c) Unallocated	295	393	(25.1)
Total segment assets	12,104	9,621	25.8
Segment liabilities			
(a) Specialties	2,329	1,706	36.5
(b) Polystyrene	662	114	481.7
(c) Unallocated	2,743	1,670	64.3
Total segment liabilities	5,734	3,489	64.3

Outlook 2019

Assumptions for 2019

- We expect various budgetary schemes to continue to drive demand growth
- We expect currency rates and raw material prices to stabilize

Target 2019

- Continue to strengthen our position in Specialties focus segments and drive product mix to maximize margins
- Safe and successful startup of Moxi compounding expansion from 66kt to 100 kt

THANK YOU
