

30.10.2017

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 24.10.2017 informing about the earnings call organized by the Company on 31 October 2017, please find the attached Investor Presentation relating to the Unaudited Financial Results for second quarter and six months ended on 30 September 2017 .

The same is also available on the website of the Company.

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

Thanking you.

Yours Faithfully,
For **INEOS Styrolution India Limited**
(Formerly: Styrolution ABS (India) Limited)

Haresh Khilnani
Company Secretary, Head – Legal & Compliance

INEOS STYROLUTION INDIA LIMITED



INVESTOR PRESENTATION

Q2 2017-18 (July-September)

Disclaimer

This presentation has been prepared by INEOS Styrolution India Ltd. (the “Company”) solely for your information and may not be taken away, distributed, reproduced, or redistributed or passed on, directly or indirectly, to any other person (whether within or outside your organization or firm) or published in whole or in part, for any purpose by recipients directly or indirectly to any other person. By accessing this presentation, you are agreeing to be bound by the trailing restrictions and to maintain absolute confidentiality regarding the information disclosed in these materials. The Company may alter, modify or otherwise change in any manner the contents of this presentation, without obligation to notify any persons of such change or changes. This presentation and its contents are should not be copied, published, reproduced or disseminated in any manner.

This presentation may contain certain forward looking statements within the meaning of applicable securities law and regulations. These statements include descriptions regarding the intent, belief or current expectations of the Company or its directors and officers with respect to the results of operations and financial condition of the Company. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those in such forward-looking statements as a result of various factors and assumptions which the Company believes to be reasonable in light of its operating experience in recent years. Many factors could cause the actual results, performances, or achievements of the Company to be materially different from any future results, performances, or achievements. Significant factors that could make a difference to the Company’s operations include domestic and international economic conditions, changes in government regulations, tax regime and other statutes. In addition, please note that the date of this presentation is mentioned at the beginning of the presentation, and any forward-looking statements contained herein are based on assumptions that we believe to be reasonable as of this date. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company unless it is required by law.

In no event shall Styrolution or its directors or management, be responsible to any person or entity for any loss or damage, whether direct, indirect, incidental, consequential or otherwise, arising out of access or use or dissemination of information contained in this presentation, including, but not limited to, loss of profits.

Continue...

Disclaimer

No representation, warranty, guarantee or undertaking (express or implied) is made as to, and no reliance should be placed on, the accuracy, completeness or correctness of any information, including any projections, estimates, targets and opinions, contained herein, and no liability whatsoever is accepted as to any errors, omissions or misstatements contained herein and, accordingly, none of the Company, its advisors and representative and any of its or their affiliates, officers, directors, employees or agents, and anyone acting on behalf of such persons accepts any responsibility or liability (in negligence or otherwise) whatsoever arising directly or indirectly from this presentation or its contents or otherwise arising in connection therewith.

Readers must make their own assessment of the relevance, accuracy and adequacy of the information contained in this presentation and must make such independent investigation as they may consider necessary or appropriate for such purpose. Any opinions expressed in this presentation are subject to change without notice and past performance is not indicative of future results. By attending this presentation you acknowledge that you will be solely responsible for your own assessment of the market and the market position of the Company and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the Company's business.

This presentation is not for publication or distribution or release in any country where such distribution may lead to a breach of any law or regulatory requirement. The information contained herein does not constitute or form part of an offer or solicitation of an offer to purchase or subscribe for securities for sale. The distribution of this presentation in certain jurisdictions may be restricted by law and persons into whose possession this presentation comes should inform themselves about and observe any such restrictions. None of the Company's securities may be offered or sold in the United States without registration under the U.S. Securities Act of 1933, as amended, except pursuant to an exemption from registration therefrom.

This disclaimer clause and any claims arising out of the use of the information from this presentation shall be governed by the laws of India and only the courts in Vadodara, and no other Courts, shall have jurisdiction over the same. By accessing this presentation, the reader accepts this.

Notes

- 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 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 and half year ended September 30, 2017 are not comparable with the previous periods.
- 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.

Contents

Executive summary

Company information

Financial review

Outlook 2017

Executive summary

Jul-Sep 17 Performance summary

- Profit Before Tax (PBT) increased to 256 Mio INR in Jul-Sep 17 as compared to 43 Mio INR in Apr-Jun 17.
- Profit Before Tax (PBT) in Jul-Sep 17 is 256 Mio INR as compared to 295 Mio INR in Jul-Sep 16.

Jul-Sep 17 Market update

- Market recovered in current quarter post Goods and Services Tax (GST).
- Growth in market demand and sales mainly driven by Automotive and Household.

Jul-Sep 17 Business update

- Sales volume increased in key accounts of Automotive and Household mainly driven by festive season.
- Successful transition to GST completed.

INEOS Styrolution at a glance



3,200
EMPLOYEES



9
COUNTRIES



16
PRODUCTION SITES



6
R&D
CENTERS



24 sales
offices



APPROX. **1,000**
PATENTS



4,000+
CUSTOMERS



1,500+ PRODUCTS



2,000+ APPLICATIONS ACROSS SEVEN INDUSTRIES



AUTOMOTIVE



ELECTRONICS



HOUSEHOLD



CONSTRUCTION



HEALTHCARE



PACKAGING

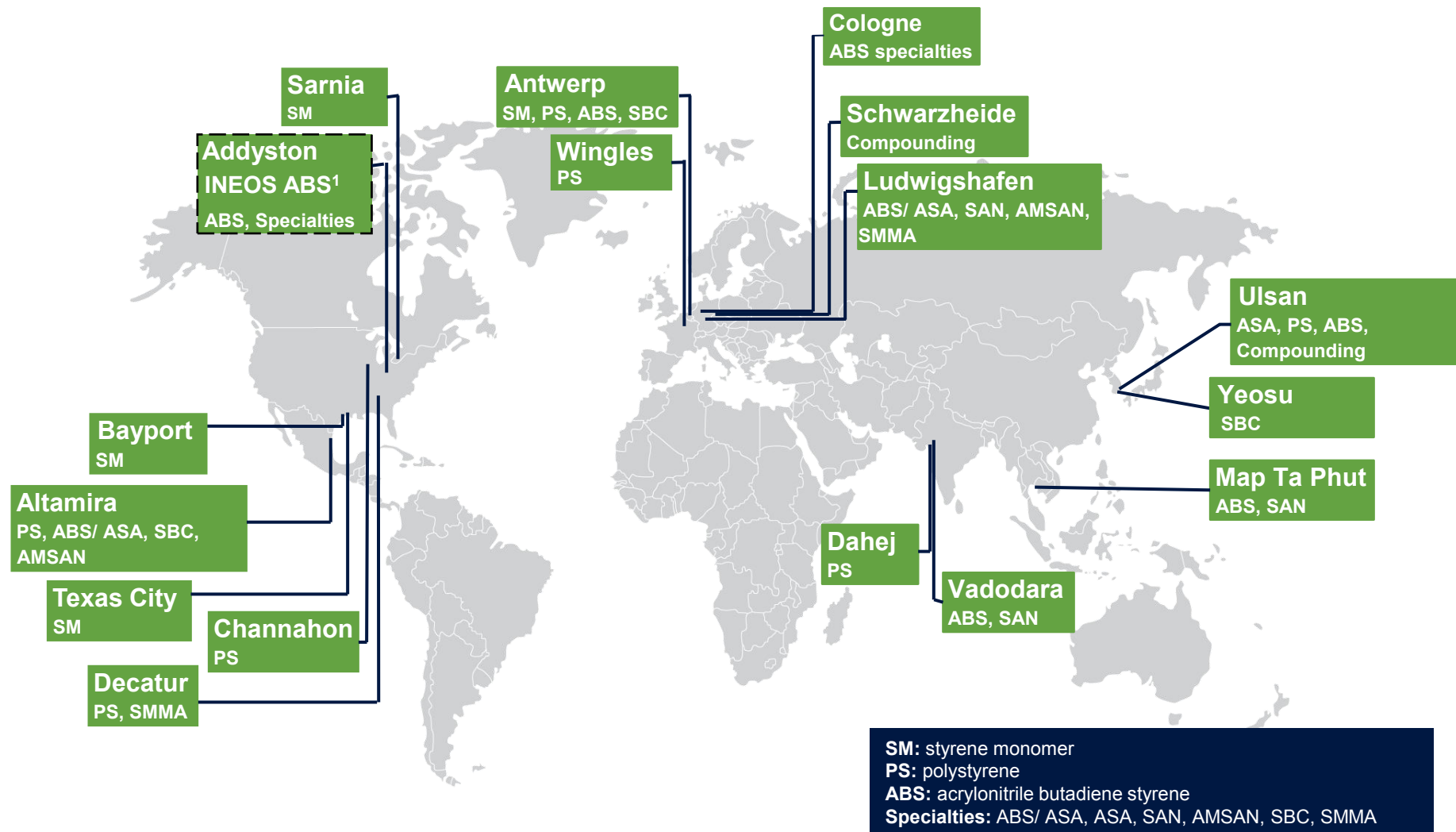


TOYS, SPORTS
& LEISURE

4.5 BILLION
EUROS IN REVENUE
IN 2016



Global reach and proximity to customer markets



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

INEOS Styrolution India Limited

Footprint in India



Nandesari

- Graft rubber 27 kt/a
- Compounding 14 kt/a
- 45,000 m²



Katol

- SAN 100 kt/a
- 45,000 m²



Moxi

- Compounding 66 kt/a
- 37,700 m²



Dahej

- GPPS 38 kt/a; HIPS 40kt/a
- 227,286 m²



Moxi - R&D Centre



Kandla - Shore tanks

- 11 tanks, 13.2 km³

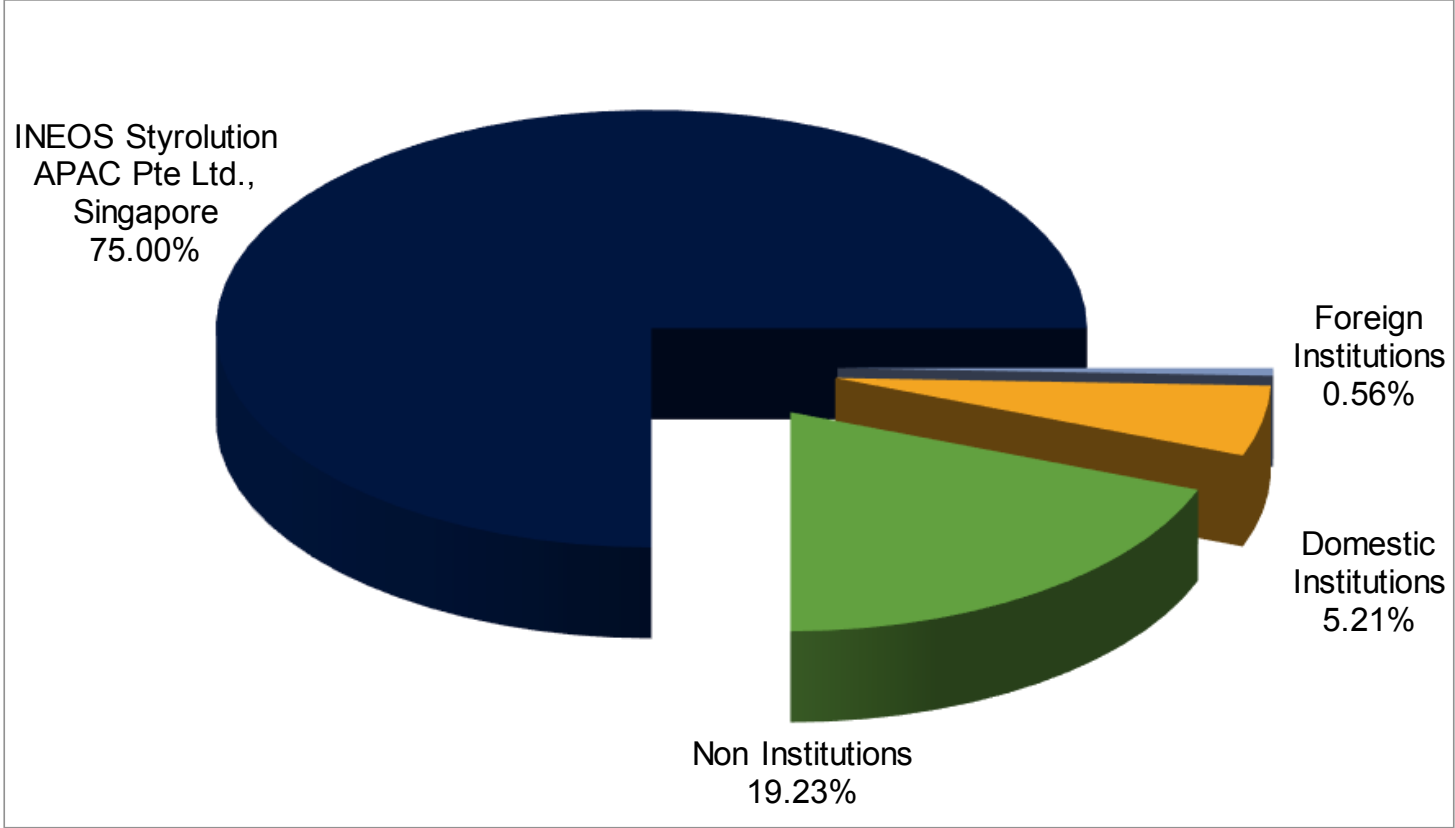


Lamba, Dhank, Pransla - Windmills

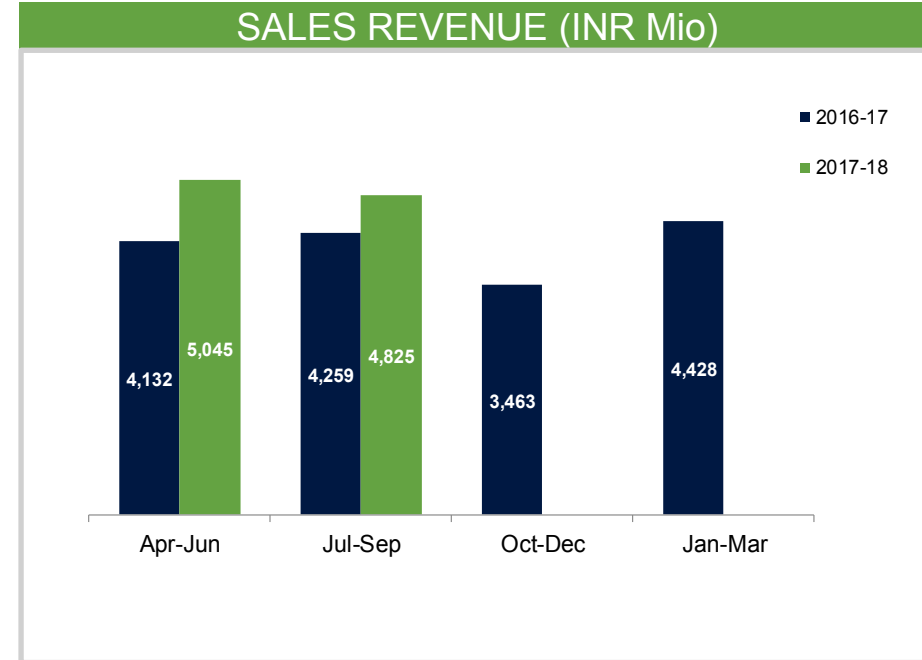
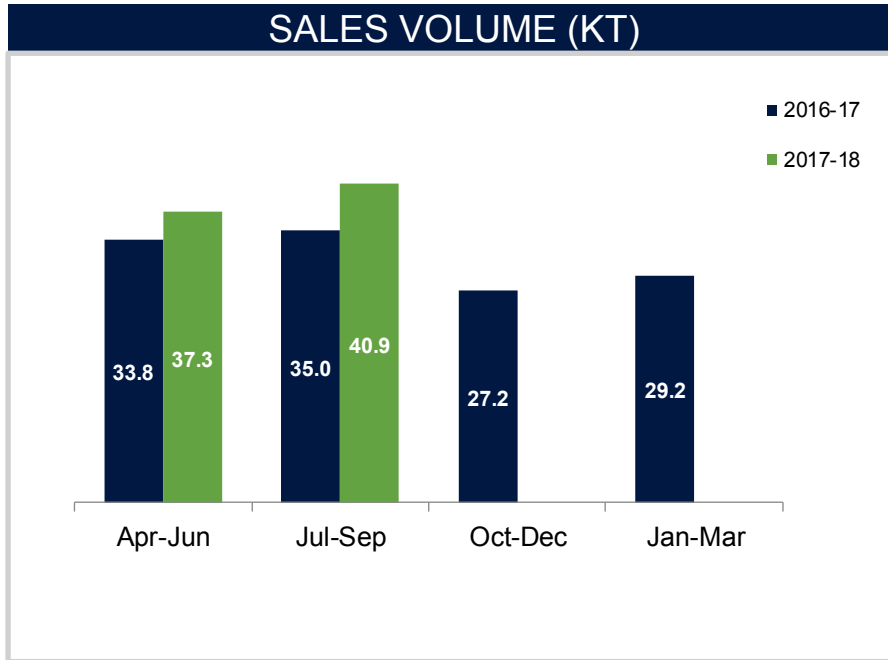
- 40 wind turbines
- 8.6 MW

Shareholding pattern

as at September 30, 2017



Sales performance



- Sales volume increased owing to festive season and market recovery post GST hurdle.
- 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 quarter and half year ended September 30, 2017 are not comparable with the previous periods.

Financial review

Q2 2017-18 (Jul-Sep) results highlights

(Unit : INR Mio except volumes & EPS)

Particulars	Jul-Sep 17	Apr-Jun 17	Jul-Sep 16	% vs Apr-Jun 17	% vs Jul-Sep 16
Volumes (kt)	40.9	37.3	35.0	9.8	16.9
Sales revenue	4,826	5,045	4,402	(4.3)	9.6
Other income	5	26	18	(82.0)	(73.7)
Cost of goods sold	3,770	3,681	2,925	2.4	28.9
Excise duty	-	553	470	(100.0)	(100.0)
Depreciation & amortization	61	62	63	(1.8)	(3.5)
Other expenses	745	731	667	1.8	11.6
Profit before tax	256	43	295	489.3	(13.4)
Profit after tax	170	27	192	519.3	(11.6)
Other comprehensive income	(1)	(1)	(2)	0.1	(33.7)
Total comprehensive income	169	26	190	541.3	(11.4)
EPS (Rs.)	9.65	1.56	10.92	519.3	(11.6)

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 quarter and half year ended September 30, 2017 are not comparable with the previous periods.

Financial review

H1 2017-18 (Apr-Sep) results highlights

(Unit : INR Mio except volumes & EPS)

Particulars	Apr-Sep 17	Apr-Sep 16	% vs Apr-Sep 16
Volumes (kt)	78.2	68.8	13.7
Sales Revenue	9,871	8,667	13.9
Other Income	30	24	24.6
Cost of goods sold	7,450	5,810	28.2
Excise Duty	553	931	(40.5)
Depreciation & amortization	123	126	(2.7)
Other expenses	1,475	1,302	13.3
Profit before tax	299	522	(42.8)
Profit after tax	197	342	(42.3)
Other comprehensive income	(2)	(3)	(33.7)
Total comprehensive income	195	338	(42.4)
EPS (Rs.)	11.21	19.43	(42.3)

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 quarter and half year ended September 30, 2017 are not comparable with the previous periods.

Segment revenue & results

Q2 2017-18 (Jul-Sep) results highlights

(Unit : INR Mio)

Particulars	Jul-Sep 17	Apr-Jun 17	Jul-Sep 16	% vs Apr-Jun 17	% vs Jul-Sep 16
1. Segment revenue					
(Revenue from operations)					
(a) Specialties	3,478	3,371	2,964	3.2	17.3
(b) Polystyrene	1,346	1,673	1,295	(19.5)	4.0
(c) Others	2	1	143	20.0	(98.9)
Total	4,826	5,045	4,402	(4.3)	9.6
2. Segment results					
(Segment profit before interest and tax)					
(a) Specialties	269	143	323	87.6	(16.7)
(b) Polystyrene	41	(70)	20	158.8	107.9
(c) Others	2	1	2	20.0	(36.1)
Total segment profit before interest and tax	312	75	345	314.5	(9.7)
(i) Interest expense	(19)	(26)	(12)	(25.7)	55.8
(ii) Interest income	0.1	20.2	9.6	(99.4)	(98.7)
(iii) Other unallocable expenditure (Net of income)	(37)	(26)	(47)	41.2	(21.9)
Profit before tax	256	43	295	489.3	(13.4)

- Revenue is not comparable as Apr-Jun 17 and Jul-Sep 16 sales is inclusive of excise duty which is discontinued effective from July 1, 2017 upon implementation of GST. In accordance with Ind AS 18, GST is not included in revenue from operations in Jul-Sep 17.

Segment assets & liabilities

Q2 2017-18 (Jul-Sep) results highlights

(Unit : INR Mio)

Particulars	Jul-Sep 17	Apr-Jun 17	Jul-Sep 16	% vs Apr-Jun 17	% vs Jul-Sep 16
Segment assets					
(a) Specialties	6,875	6,979	6,187	(1.5)	11.1
(b) Polystyrene	2,602	2,633	2,646	(1.2)	(1.7)
(c) Unallocated	534	295	584	81.4	(8.5)
Total segment assets	10,012	9,907	9,417	1.1	6.3
Segment liabilities					
(a) Specialties	1,468	1,609	1,055	(8.8)	39.1
(b) Polystyrene	129	409	751	(68.5)	(82.8)
(c) Unallocated	2,435	1,992	2,091	22.2	16.5
Total segment liabilities	4,031	4,010	3,897	0.5	3.4

Segment revenue & results

H1 2017-18 (Apr-Sep) results highlights

(Unit : INR Mio)

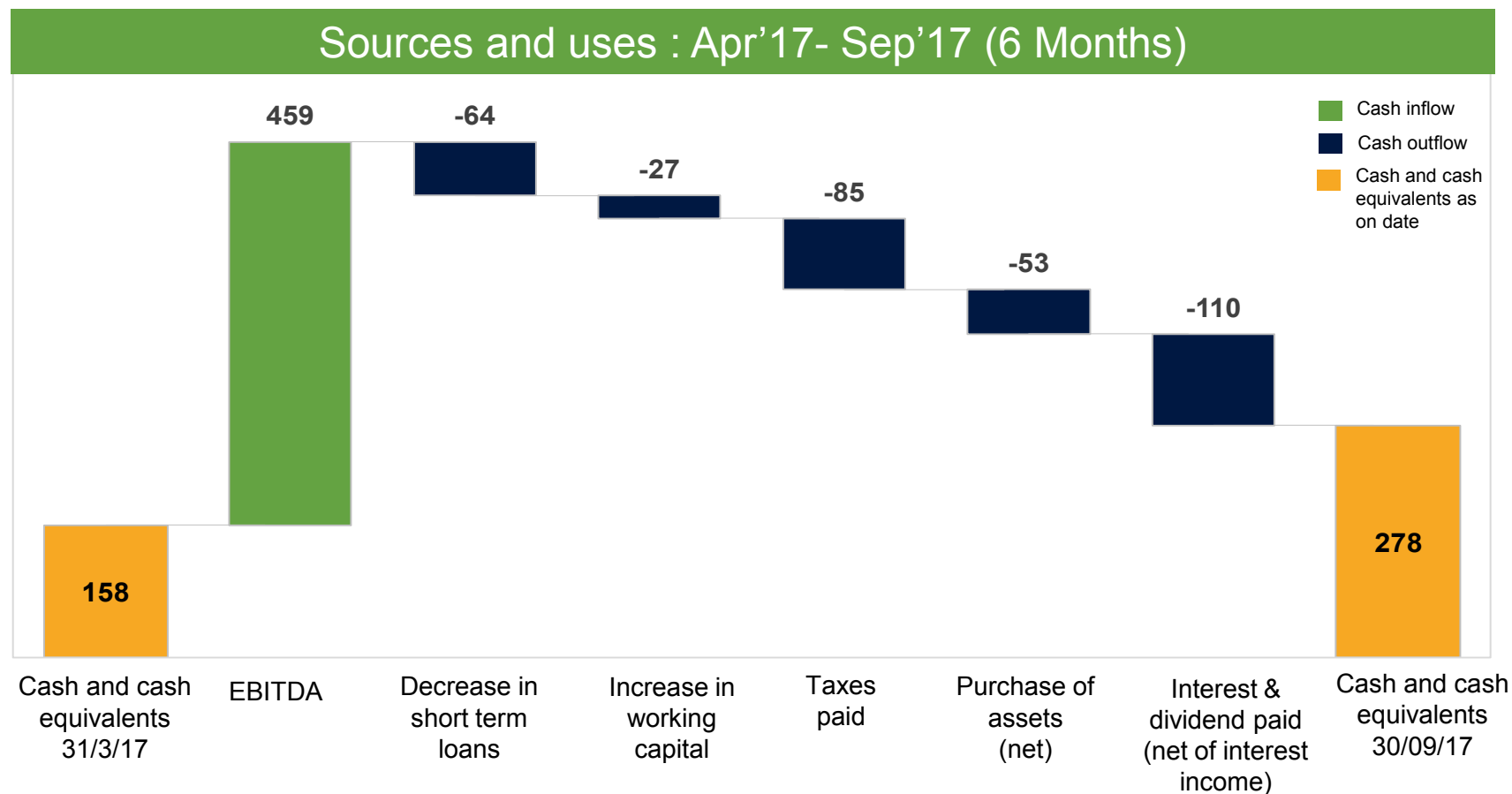
Particulars	Apr-Sep 17	Apr-Sep 16	% vs Apr-Sep 16
1. Segment revenue			
(Revenue from operations)			
(a) Specialties	6,849	5,784	18.4
(b) Polystyrene	3,019	2,607	15.8
(c) Others	3	276	(99.0)
Total	9,871	8,667	13.9
2. Segment results			
(Segment profit before interest and tax)			
(a) Specialties	412	590	(30.1)
(b) Polystyrene	(29)	31	(192.4)
(c) Others	3	11	(72.8)
Total segment profit before interest and tax	387	631	(38.8)
(i) Interest expense	(45)	(27)	67.8
(ii) Interest income	20	10	104.8
(iii) Other unallocable expenditure (Net of income)	(63)	(92)	(31.7)
Profit before tax	299	522	(42.8)

Revenue is not comparable as Apr-Sep 16 is inclusive of excise duty, while Apr-Sep 17 includes only 3 months excise duty which is discontinued effective from July 1, 2017 upon implementation of GST. In accordance with Ind AS 18, GST is not included in revenue from operations.

Financial profile

Sources and uses of cash and cash equivalents for the period Apr'17 to Sep'17

(UNIT: INR MIO)



- Above cash flow is as per local reporting

Outlook 2017

Assumptions for 2017

- We expect a positive buying behavior by the consumers post GST implementation.
- We do not expect any major impact from implementation of GST.
- We do not expect abnormal movement in currency rates and raw material prices.

Target 2017

- Continue to strengthen our position in Specialties, drive product mix to maximize margins and add new grades to our product portfolio.
- Continue to optimize distribution network through third party logistics.
- Ensure stable operations.

THANK YOU
