



emami* limited

Date: 27th May, 2019

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

The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001

The Secretary
The Calcutta Stock Exchange Limited
7, Lyons Range
Kolkata - 700 001

Dear Sir,

Sub: Press release

Enclosed please find the Press Release issued in relation to Audited Financial Results of the Company for the Fourth Quarter and Year Ended 31st March 2019.

This is for your information and record.

Thanking you,

Yours faithfully,

For Emami Limited

A. K. Joshi

Company Secretary & VP- Legal

(Encl. : As above)

Year: 2018-19

Turnover: ₹ 2,693 cr
Cash Profit: ₹ 629 cr

One of the fastest growing FMCG companies in India with a 14% CAGR in topline for the past 10 years

Power Brands- BoroPlus, Navratna, Zandu Balm, Fair and Handsome and Kesh King are market leaders in India in their respective categories

Brand Ambassadors over the years – Amitabh Bachchan, Pt Birju Maharaj, Shah Rukh Khan, Hrithik Roshan, Shahid Kapoor, Madhuri Dixit, Kareena Kapoor Khan, Yami Gautam, Kangana Ranaut, Shilpa Shetty, Sonakshi Sinha, Shruti Haasan, Juhi Chawla, Vidyut Jamwal, Kartik Aryaan, Varun Dhawan, Milkha Singh, Sachin Tendulkar, Surya, Jr. NTR, Sania Mirza, Saina Nehwal, Bipasha Basu among others

Covers more than 9.4 lac direct retail outlets across India through ~3,200 distributors

Listed among the “Most Valuable Companies” by BT 500

Listed among the SUPER 50 by Forbes India in 2015 & 2016

“Received MODI-Making of Developed India” Award for “Excellence in Global Reach - Company of the Year” category in 2018.

Rated (by CARE & CRISIL) A1+ (highest rating) for short-term borrowings, signifying highest safety.

EMAMI REGISTERS 7% TOPLINE GROWTH IN FY19

HIGHLIGHTS

- ❖ Net Sales grew by 5% in Q4FY19 and by 7% in FY19*
- ❖ Revenue from Operations grew by 4% in Q4FY19 and by 7% in FY19*
- ❖ Higher material costs impacted EBIDTA margins
- ❖ Dividend at 400%, i.e., ₹ 4/- per share announced by the Board, a dividend payout of 35% including dividend tax (on Cash Profits).
- ❖ Acquired Creme 21, a German brand during the quarter.

*FY19 Net sales/ revenue is Like to like growth

Kolkata, May 27th 2019: The Board of Directors of Emami Limited met on Monday, 27th May 2019 to consider the audited financial results of the company for the quarter and year ended 31st March 2019.

During the quarter, the Domestic business was impacted due to a prolonged winter affecting the sales of summer products like cool oils, talcs and deodorants. Weak rural sentiment and adverse liquidity conditions also impacted demand during the quarter. Despite these challenges, the company closed the quarter with Net sales of ₹ 635 cr which grew by 5%. In FY19, however Net Sales at ₹ 2,659 cr grew by 7%.

Domestic business grew by 3% during the quarter due to muted growth of summer brands. However, non-summer brands like Kesh King, BoroPlus, 7 Oils in One and Healthcare range grew in double digits. Market share gains continued for key brands like Navratna, Zandu & Mentho Plus balms, Kesh King etc.

During the quarter, the company launched HE Magic Duo, a unique deodorant that packs two fragrances in one bottle. The company also roped in Bollywood actor, Varun Dhawan to endorse Navratna Cool and Smart cool.

International Business Net Sales grew by 19% during the quarter led by a strong performance in SAARC and MENAP regions.



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During the quarter, Gross margin at 60.8% and EBIDTA margin at 24.2% declined by 440 bps and 390 bps respectively due to an increase in raw material costs. In FY19, Gross margin at 65.7% declined by 200 bps and EBIDTA margins at 26.9% declined by 140 bps due to increase in raw material costs. Despite this, EBIDTA grew by 1%.

Acquisition of Creme 21

Emami acquired Creme 21, a leading personal care brand of Germany having major business in Middle East and other focus markets. Skin care and Body care products of Creme 21 fit very well with Emami's International Business portfolio. Emami is realigning its marketing strategy, product formulations and geographic expansion plans and expects good growth from it upon full integration.

Mr Mohan Goenka, Director, Emami Limited said:

"An extended winter pushing back the onset of summer has adversely impacted the performance of our summer portfolio which contributes over 40% to the 4th Quarter topline. The agrarian crisis too moderated the rural growth. While modern trade registered an encouraging growth of 33%, channel liquidity in the domestic market has been another speed breaker this quarter."

Mr Harsha V Agarwal, Director, Emami Limited said:

"Challenging operating environment & general sluggishness in demand across sectors, especially rural over the past few quarters restricted our growth for FY19 to single digit. Despite the challenges, our haircare portfolio with Kesh King and Emami 7 Oils-in-One as well as healthcare brands like Nityam have performed very well during the last quarter and registered a handsome growth. Our outlook for FY20 remains positive based on our continued focus on innovation, strategy of strengthening our core brands along with consistent market development to meet the changing consumer needs."

About Emami Ltd

Emami (NSE: EMAMILTD, BSE: 531162) Emami Ltd, founded in 1974, is one of India's leading FMCG Companies engaged in manufacturing & marketing of personal care & healthcare products. It is the flagship company of the diversified Emami Group.

With over 300 diverse products, Emami's portfolio includes trusted power brands like Navratna, BoroPlus, Fair & Handsome, Zandu Balm & Mentho Plus. In 2015, the Company acquired the business of 'Kesh King' and forayed into the Ayurvedic hair & scalp care segment. Emami products are available in over 4.5 million retail outlets across India through its network of ~3200 distributors and its global footprint spans over 60 countries including GCC, Europe, Africa, CIS countries & the SAARC.





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Emami has maintained a 14% CAGR in topline for the past 10 years through its consistent business performance. Emami is well known for its aggressive marketing powered by celebrity endorsements like Amitabh Bachchan, Pt Birju Maharaj, Shah Rukh Khan, Hrithik Roshan, Shahid Kapoor, Madhuri Dixit, Kareena Kapoor Khan, Yami Gautam, Kangana Ranaut, Shilpa Shetty, Sonakshi Sinha, Shruti Haasan, Juhi Chawla, Vidyut Jamwal, Kartik Aryaan, Varun Dhawan, Milkha Singh, Sachin Tendulkar, Surya, Jr. NTR, Sania Mirza, Saina Nehwal, Bipasha Basu etc over the years.

With a market cap of around Rs. 17,000 cr, Emami Ltd is the flagship Company of the diversified Emami Group.

Please visit www.emamitd.in for further information.

For further information, please contact :

Mahasweta Sen | AVP & Head -Corporate Communications

Email: mahasweta.sen@emamigroup.com | Handphone: +919836292392

