

19th September, 2018

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


Sub: Investor Presentation

Dear Sir,

Please find attached the Investor Presentation.

Thanking You,

Yours faithfully,
For Pidilite Industries Limited


Savithri Parekh
Secretary

Encl: a/a

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Pidilite Industries Limited

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Investor Presentation



Presentation Structure



- Company Overview
- Business Overview
- Macro Indicators
- Strategic Direction
- Key Consideration

Company Overview

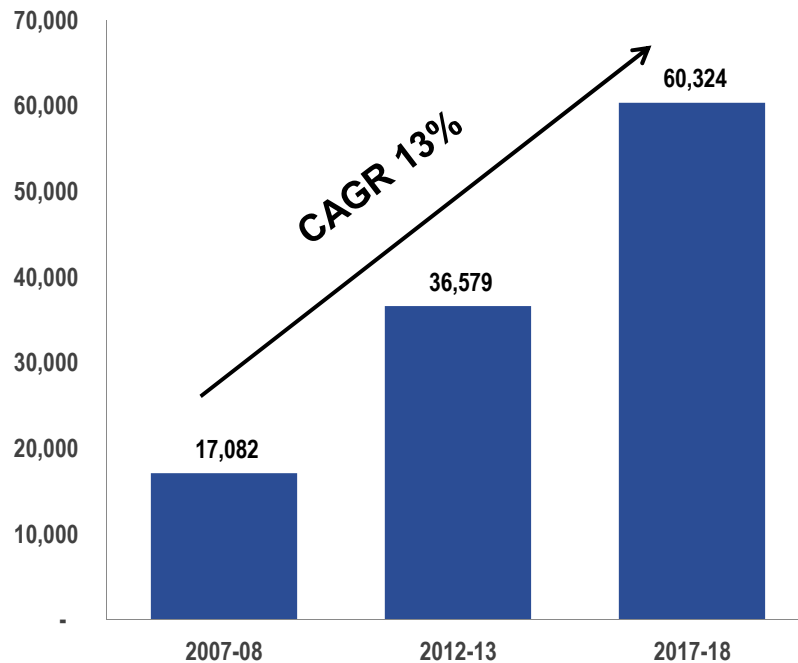


- Brand established in 1959
- Pioneer in Consumer & Specialty Chemicals in India
- Over 2/3rd of sales from products and segments pioneered in India
- High market share and strong position in most products and segments
- Consistent growth in sales, profits and dividend payout.
- Consolidated Gross Sales of Rs 61,727 mn in FY 17-18
- Wide geographic presence – Domestic & International
- Well established R&D set-up – Most products developed through in-house R&D
- Strong leadership team

Sustainable strong growth ...

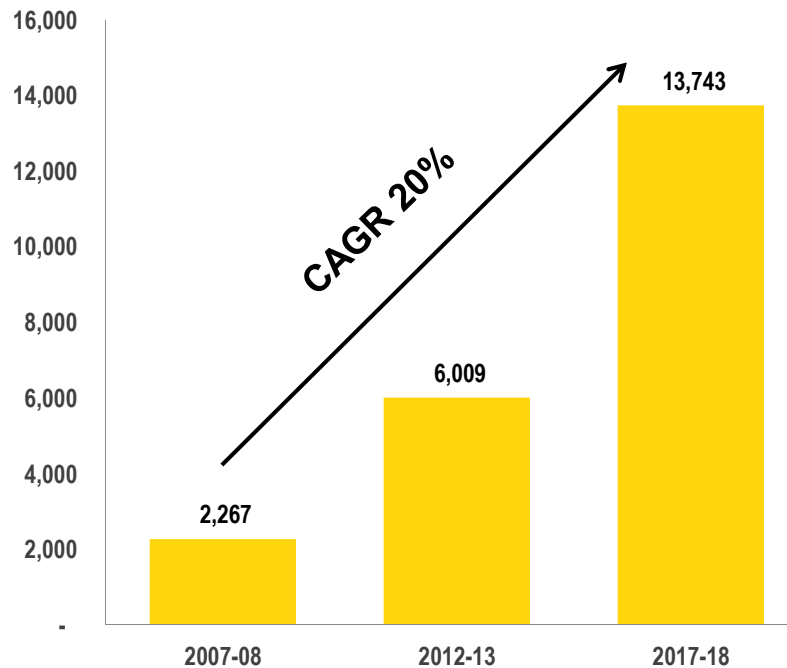


In Rs Millions



■ Consolidated Net Sales (Rs Millions)**

**Sales net of excise duty



■ Consolidated PBIT (Rs Millions)*

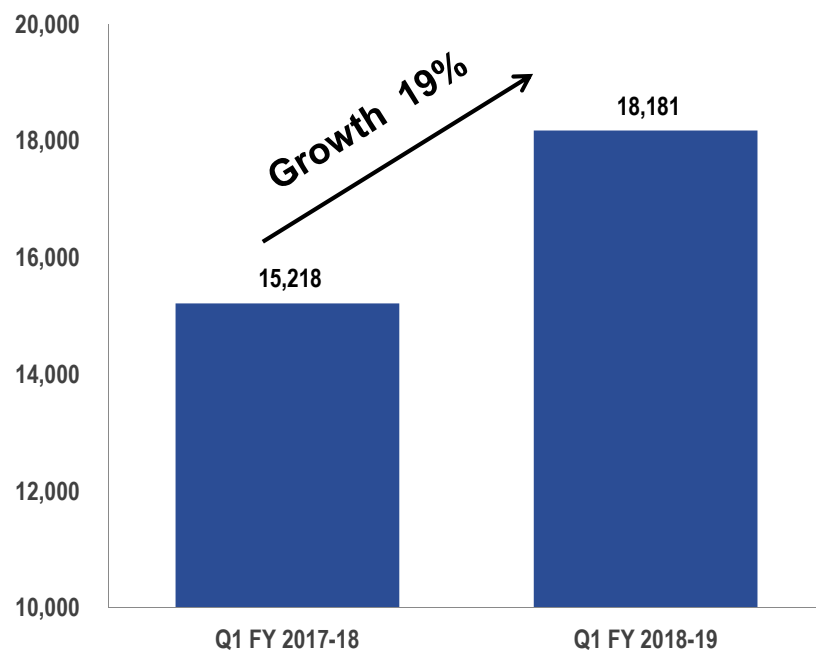
*PBIT is Profit before exceptional item, tax, and interest

Year-on-Year growth in revenue & profit over last 10 years

Q1 FY 18-19 Revenue & Profit

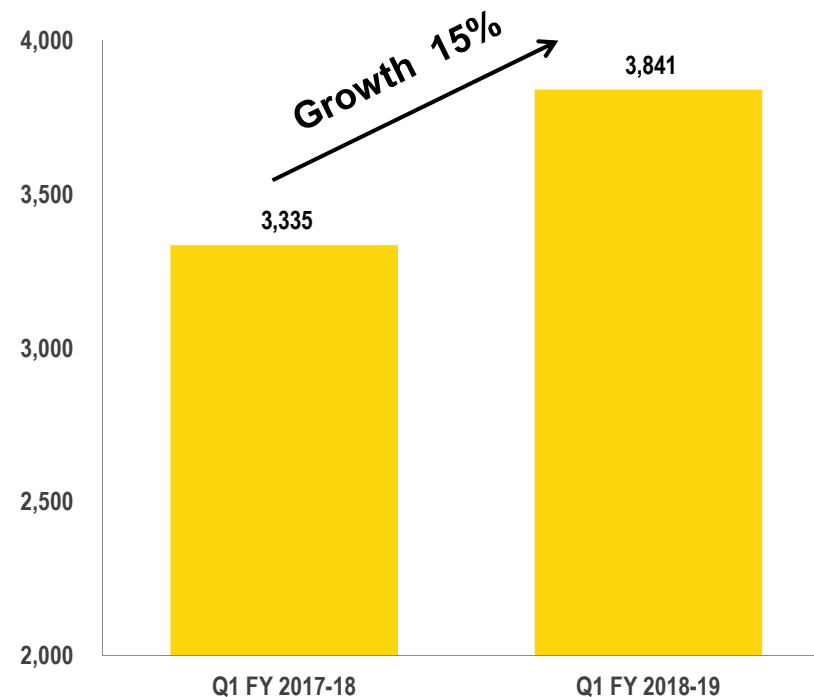


In Rs Millions



■ Consolidated Net Sales (Rs Millions)**

**Sales net of excise duty

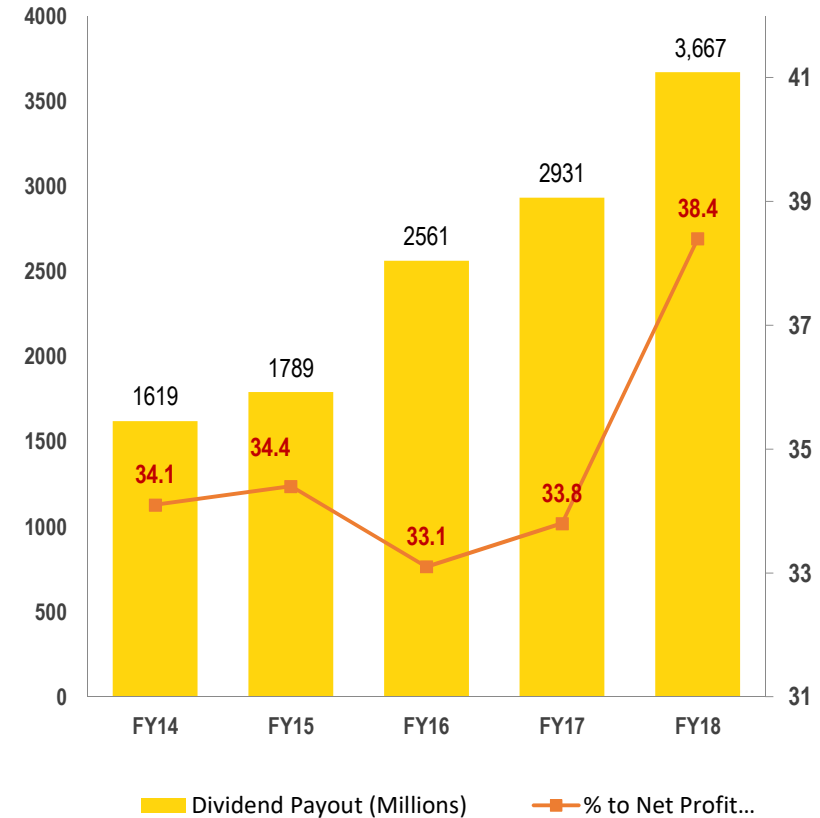
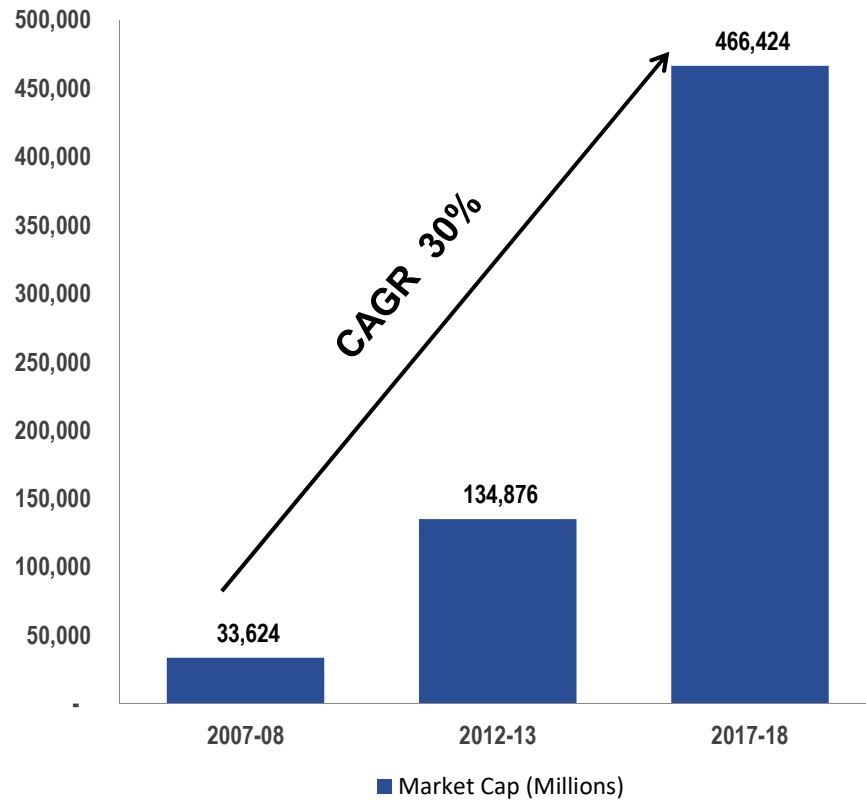


■ Consolidated PBIT (Rs Millions)*

*PBIT is Profit before exceptional item, tax, and interest

- On a comparable basis after reflecting accounting impact of GST, net sales grew by 23.0% (excluding sales of Cyclo division which was sold by Pidilite USA Inc. in June, 2017).

...Creating value for shareholders



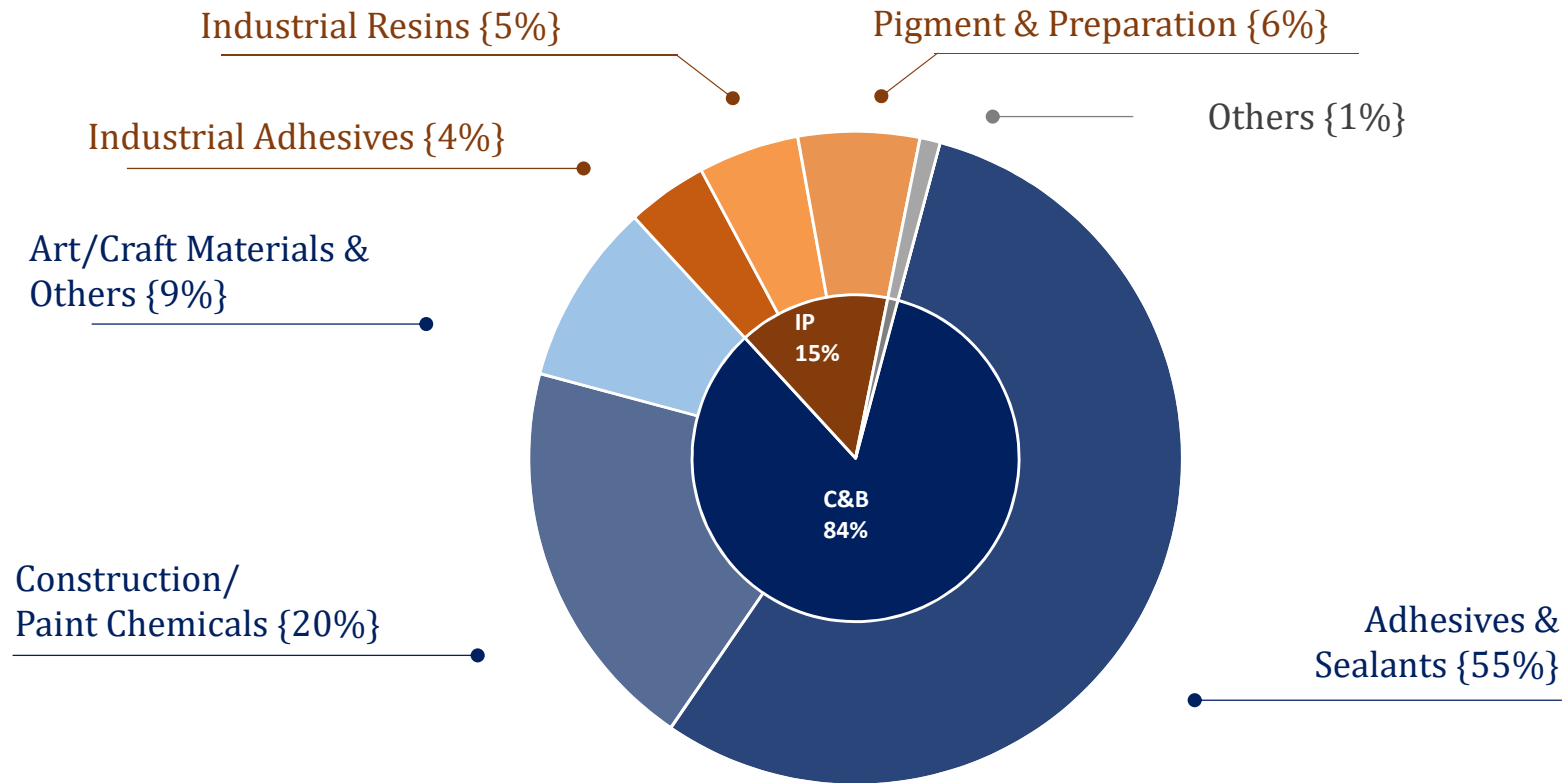
Market Cap growing @ 30% CAGR / Steady dividend payout

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Our Business Dimensions



C&B – Consumer & Bazaar, IP – Industrial Products, Others

Standalone Results – % of Total Sales – As of 31 Mar 2018



Our Brands

- Fevicol
- SH
- Marine
- SR998
- Probond
- MR
- Fevikwik
- M-seal
- Dr Fixit
- Fevicryl
- Woodgrip

Consumer and Bazaar Products – 84% of Company's Sales



- Consists of Adhesives & Sealants (55%), Construction & Paint Chemicals (20%) and Art/Craft Materials and others (9%)
- Strong position in all segments of adhesives and sealants, construction chemicals (retail segment) and hobby colours.
- Extensive product range, developed through strong in-house R&D
- Strong brands – (Fevicol, Dr Fixit, Fevikwik, M Seal, Steel Grip)
- Extensive distribution network
- Significant potential to expand consumption in most products / segments

Industrial Resins & Leather chemicals



Industrial & Footwear adhesives



Industrial Bonding solutions



Industrial Products – Business Segments

- Hot melt adhesives for end-of-line packaging, book binding and product assembly
- Resins for Paints, Paper & Textiles
- Adhesives for Footwear
- Adhesives for Leather
- Water based adhesives for paper correcting & lamination
- Epoxy & Cyanoacrylates for Automotive assembly
- Organic & high-performance Pigments sold in India and exported to the leading global Ink, Paints and Coatings, Plastics and Rubber master batch manufacturers
- Pigment dispersions for textile, paper and paint applications

Industrial Products - 15% of company's sales



- Consists of Industrial Adhesives (4%), Industrial Resins (5%), Pigments and Preparations (6%)
- Extensive range of industrial adhesives for various applications.
- Strong position in pigment dispersions for Indian textile segments
- Pioneer in manufacturing Pigment Violet 23 in India
- Specialty polymers and co-polymers for various industries like paints, non-woven and flocked fabrics, construction chemicals and leather

Business Overview – Global Presence



- Exports to more than 80 countries. Major exports to Middle East, Africa, USA & Europe
- Export Turnover of Rs. 5,185 Mn in FY'18
- 17 Overseas subsidiaries – (5 Direct and 12 Step down) and one Joint venture.
- Total Revenue from Overseas subsidiaries of Rs. 4,912 Mn in FY'18.
- International manufacturing activities in USA, Brazil, Thailand, Bangladesh, Egypt, Dubai, Sri Lanka and Singapore.
- New manufacturing facilities planned in Ethiopia. An additional manufacturing facility planned in Bangladesh.

Business Overview : International Subsidiaries



North America

- Sargent Arts is a leading supplier of quality art materials to the educational and retail markets throughout the United States.
- Adult colouring segment has seen slow-down in current Quarter.

South America

- The business manufactures and sells Adhesives, Sealants and Construction Chemicals.
- Sales grew due to increase in sale of key products and launch of new products.
- Focus on new and fast moving products for improving margin.

SAARC / SEA

- Bangladesh: No. 1 player manufacturing adhesives, sealants. Growing & profitable business, and in the process of expanding manufacturing capacity.
- Sri-Lanka: Acquired from CIC Holdings PLC, Chemifix trademark and other brands associated with PVAC adhesives business in 2015.
- SEA : Construction chemical subsidiary in Thailand, achieving consistent growth in sales. EBITDA improved on account of controlled SG&A spends

MEA

- Egypt: Manufactures & sells adhesives, sealants & other products. Sales grew, however margin impacted due to higher material cost and pricing pressure.
- Dubai - Modern purpose built factory at Dubai Investment Park II. The facility manufactures and supports a proven range of construction chemicals.
- Africa has numerous similarities with India - trade (small retail setups), application (No DIY concept). Most of the dealers in Africa are of Indian origin.

We continue to deliver promise through our engaging & humorous advertisements



- Dr. Fixit's new TV advertisement with superstar Amitabh Bachchan as brand ambassador was a multimedia national marketing campaign across TV, digital, radio, retail activations and innovative outdoor. The films featured Mr. Bachchan talking about proactively doing waterproofing of homes with Dr. Fixit
- Fevicol & Fevikwik continued its series of advertisements reinforcing the brands strength & strengthening connect with users.

