



**Berger Paints India Limited
Earnings Update Call Q1 FY20
August 7th, 2019**

Q1 FY20 Performance

GROWTH (%) - Standalone Q1 FY20



Financial Results – Standalone Q1 FY20

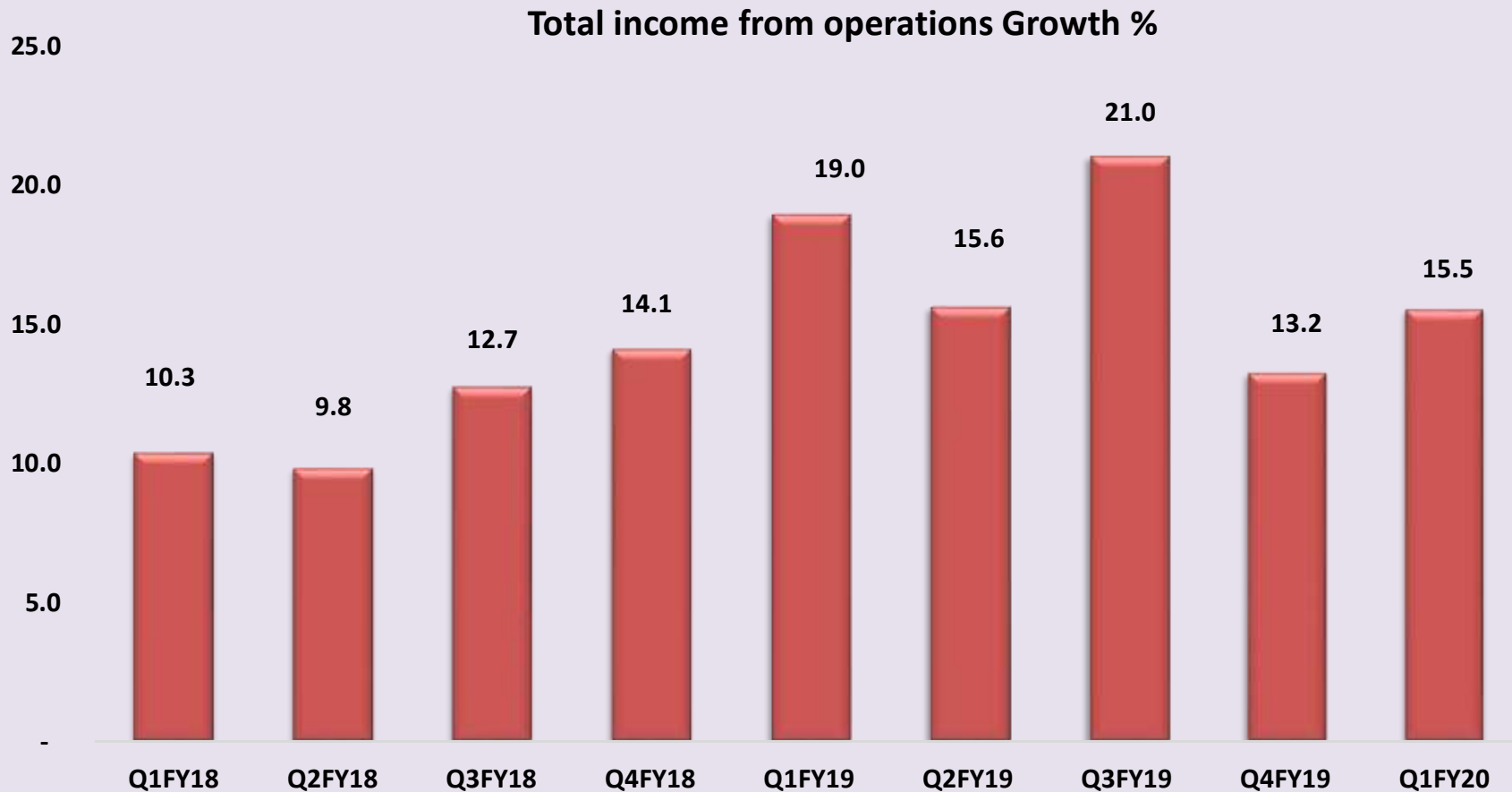
- Decorative business had another strong all-round quarterly performance backed by price increases in FY 19
- General Industrial / Automotive business delivered muted performance for the quarter on account of continued weakness in automotive sector
- Protective coatings business delivered another quarter of robust top line growth
- Material cost as a percentage to sales was lower on account of price increases in FY 19 and declining raw material trends. There was a marginal price decrease in some solvent based paints to reflect lower crude based raw material prices
- The Company has implemented IND AS 116 to the erstwhile long term operating leases. The net impact of adopting this Standard on the net profit for Q1FY20 and the corresponding quarter is insignificant. The consequent accounting impact has resulted in an increase of depreciation and finance cost with corresponding decrease in rental expenses

Financial Results – Standalone Q1 FY20

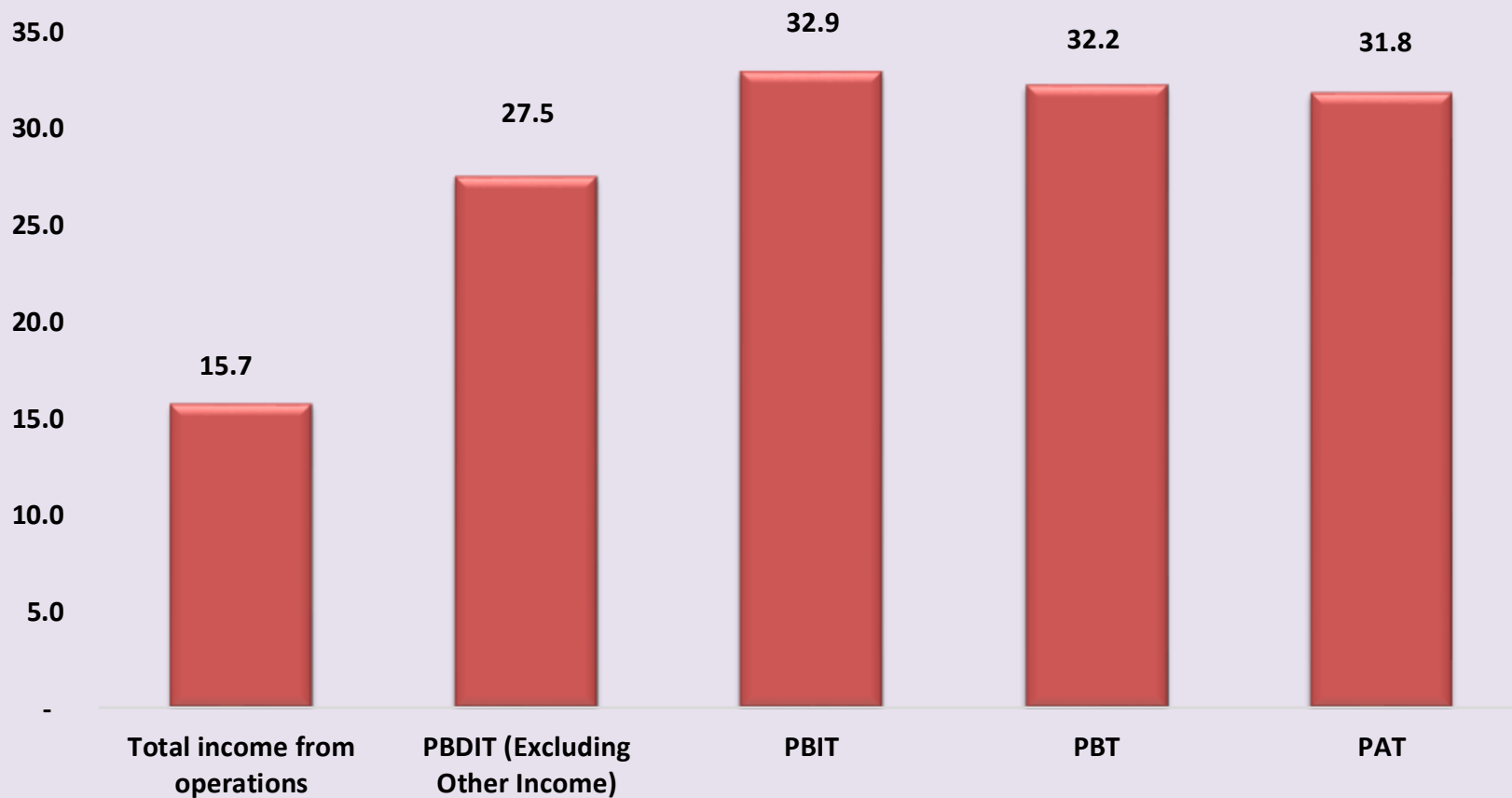
Rs Crores

	Q1 FY 20	% to Total Income	Q1 FY 19	% to Total Income	Growth %
Total income from operations	1,585.20		1,372.23		15.5
Material Cost	948.36	59.8	838.44	61.1	
Employee Cost	87.50	5.5	74.42	5.4	
Other expenses	262.80	16.6	231.28	16.9	
PBDIT (Excluding Other Income)	286.54	18.1	228.09	16.6	25.6
Depreciation	41.80	2.6	40.56	3.0	
Profit from operation before interest	244.74	15.4	187.53	13.67	
Other Income	16.39	1.0	14.53	1.06	
PBIT	261.13	16.5	202.06	14.72	29.2
Finance Cost	7.04	0.4	5.06	0.37	
PBT before share of joint ventures	254.09	16.0	197.00	14.36	29.0
Exceptional Item	-	-	-	-	
PBT	254.09	16.0	197.00	14.4	29.0
Taxes	89.64	5.7	67.94	5.0	
PAT	164.45	10.4	129.06	9.4	27.4
Other comprehensive income, net of income tax	(1.48)	(0.1)	(0.41)	(0.0)	
Total comprehensive income for the period	162.97		128.65		

Income from operations Growth % -Standalone Q1 FY20



Consolidated Q1 FY20- Growth (%)



Financial Results- Consolidated: Q1 FY20

Rs Crores

	Q1 FY 20	% to Total Income	Q1 FY 19	% to Total Income	Growth %
Total income from operations	1,716.53		1,483.01		15.7
Material Cost	1,015.40	59.2	897.39	60.5	
Employee Cost	111.66	6.5	97.77	6.6	
Other expenses	284.29	16.6	248.49	16.8	
PBDIT (Excluding Other Income)	305.18	17.8	239.36	16.1	27.5
Depreciation	46.19	2.7	44.48	3.0	
Profit from operation before interest	258.99	15.1	194.88	13.1	
Other Income	21.88	1.3	16.43	1.1	
PBIT	280.87	16.4	211.31	14.2	32.9
Finance Cost	9.94	0.6	7.25	0.5	
PBT before share of joint ventures	270.93	15.8	204.06	13.8	32.8
Share of Profit / (loss) of associates and joint ventures	(0.12)		0.80		
PBT	270.81	15.8	204.86	13.8	32.2
Taxes	94.40	5.5	70.98	4.8	
PAT	176.41	10.3	133.88	9.0	31.8
Other comprehensive income, net of income tax	(8.39)		2.89		
Total comprehensive income for the period	168.02		136.77		

Financial Results- Consolidated: Q1 FY20

- Company's wholly owned subsidiary Bolix S.A showed improved performance both on topline and profitability
- Company's wholly owned subsidiary SBL Specialty Coatings Private Limited (erstwhile Saboo Coatings Limited) had steady topline and profitability growth
- The company's JVs are consolidated under equity method
- The consolidated results include impact of IND AS 116

Industry Outlook

- Decorative paint segment expected to sustain performance subject to monsoon outcome
- Infrastructure and Protective coating segment expected to sustain its growth performance
- Impact of Volatility in crude oil prices, adverse movement in exchange rates, demand conditions in automotive sector continue to remain potential concerns

Disclaimer

This presentation has been prepared by Berger Paints India Limited for information purposes only.

The forward looking statements, if any, involve risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the statements.