

Press Release

Mumbai, May 4, 2013

Kansai Nerolac Paints Ltd Announces Q4 Results FY 2012-2013

PBT up by 178.9%

Mumbai, May 4, 2013 Kansai Nerolac Paints Limited (**KNPL**), one of the leading Paint companies in India, today at the Board meeting announced its Audited results for the fourth quarter of financial year 2012-13. For the quarter, the company declared net sales of Rs. 684.2 crores, marking a growth of 2.6 % over the same quarter of the previous year. PBDIT was at Rs. 75.7 crores reflecting a growth of 3.7 % over the same quarter of the previous year. PBT however was at Rs 181.0 crores up by 178.9 %, due to one-time effect of depreciation write back of Rs. 114.9 crores due to the change in Depreciation Method to Straight Line Method.

For the year the net sale was at Rs 2856.6 crores up by 9.8 % over the previous year. PBDIT was marginally lower to last year at Rs 336.1 cr. PBT however, was at Rs 420.2 crores, up by 37.7 % over the previous year, which includes the one time depreciation write back on account of change in depreciation method.

Directors have recommended a dividend of 110 %

On a consolidated basis, for the year Net Sales stood at Rs. 2867 crores and PDBIT stood at Rs.337.7 crores and PBT was at Rs. 421.9 crores.

Commenting on the announcement, **Mr. H. M. Bharuka, Managing Director, Kansai Nerolac Paints Ltd** said, "There is definitely a slow-down in demand across and more so in the Automotive and Industrial sector. While there has been some reduction in interest rates, the industry is yet to see this translate into better demand. Raw material inflation continued along with exchange rate volatility. The working capital cycle also continues to be under stress. The short term out-look therefore continues to be cautious. Going forward, however we feel that with the reduction in commodity prices there will be a positive impact for the Industry. Overall the picture of paint demand remains very positive over the long term."

Outlook of Indian Paint Industry:

The size of domestic paint industry is estimated at Rs 26,000 crores as of Mar 2012. The good growth in infrastructure, core sector as well as automobile and real estate is likely to have a positive effect on the overall demand of paint for the industry.

About Kansai Nerolac Paints Ltd:

Kansai Nerolac Paints has been at the forefront of paint manufacturing for more than 90 years pioneering a wide spectrum of quality paints. Kansai Nerolac is the second largest paint company in India and is the leader in Industrial segment, having a turnover of Rs 3020 crores. The company has five strategically located manufacturing units all over India and a strong dealer network across the

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country. The company manufactures a diversified range of products ranging from decorative paints coatings for homes, offices, hospitals and hotels to sophisticated industrial coatings for most of the industries. Please visit www.nerolac.com

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