

**FY22 Consolidated Sales cross ₹ 28500 crores and Standalone Sales cross ₹ 25000 crores
backed by strong volume growth**

Consolidated results:

- ❖ 12M sales increase by 34.6%
- ❖ Q4 sales increase by 20.6%
- ❖ 12M profit before exceptional items and tax remains flat; impacted by steep inflation in raw material prices
- ❖ However, Q4 profit before exceptional items and tax increases by 12.8%
- ❖ Improvement in gross margins on a sequential basis, increase by 450 basis points in Q4 compared to Q2

Standalone results:

- ❖ 12M sales increase by 36.8% with decorative business volume growth of 31%
- ❖ Q4 sales increase by 21.5% with decorative business volume growth of 8%
- ❖ 12M profit before exceptional item and tax increases by 3.9%
- ❖ Q4 profit before exceptional item and tax increases by 13.9%
- ❖ Improvement in gross margins on a sequential basis, increase by 470 basis points in Q4 compared to Q2
- ❖ Final dividend of ₹ 15.50 per equity share; total dividend of ₹ 19.15 per equity share for FY'22

Mumbai, May 10, 2022: Asian Paints today announced their financial results for the quarter and year ended March 31, 2022.

“It was yet another quarter of solid and strong double digit value growth across all businesses, despite the prevailing uncertainty around Covid, macro-economic challenges and heightened geo-political tensions. The domestic Decorative business grew strongly, registering 8% volume growth and 20% plus revenue growth on a high base. The International Business managed to deliver a double-digit revenue growth for the quarter despite severe challenges in key markets. The Industrial Coatings business closed the quarter with another round of robust double digit revenue growth with continued momentum in the Protective Coatings segment. The scale-up in the Home Décor business continued unhindered, making further inroads through network expansion and introduction of unique value propositions for its customers. We continued to improve our operating margins on a sequential basis which was a result of some calibrated price increases, driving the premium and luxury product growths, coupled with some strong work on driving operational efficiencies across businesses. As an organization, we continue to work diligently on expanding our capabilities to beautify, preserve, transform all spaces and objects and in that course deliver sustained value to all our stakeholders”, said Amit Syngle, Managing Director & CEO, Asian Paints Limited.

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Key Financial Highlights for the Quarter and Year Ended 31st March 2022:

1. Asian Paints Consolidated Results, Q4-FY'22:

- Consolidated sales increase by 20.6% to ₹ 7,889.94 crores from ₹ 6,541.94 crores.
- PBDIT [Profit before depreciation, interest, tax, other income, and exceptional items] (before share in profit of associates) increases by 9.5% to ₹ 1,443.29 crores from ₹ 1,318.26 crores.
- PBDIT % to sales improve from 12.9% in Q2 to 18.3% in Q4.
- Profit before exceptional items and tax increases by 12.8% to ₹ 1,304.88 crores from ₹ 1,156.31 crores.

2. Asian Paints Consolidated Results, 12M-FY'22:

- Consolidated sales increase by 34.6% to ₹ 28,923.48 crores from ₹ 21,485.20 crores.
- PBDIT (before share in profit of associates) decreases by 1.1% to ₹ 4,803.61 crores from ₹ 4,855.60 crores due to lower profits in international operations on account of higher inflationary conditions, despite a value growth of 16.3% in international operations.
- Profit before exceptional items and tax marginally decreases to ₹ 4,303.42 crores from ₹ 4,304.35 crores.

3. Asian Paints Standalone Results, Q4-FY'22:

- Sales increase by 21.5% to ₹ 6,754.64 crores from ₹ 5,558.63 crores.
- PBDIT for the quarter increases by 11.5% to ₹ 1,362.74 crores from ₹ 1,222.31 crores.
- PBDIT % to sales improve from 14.4% in Q2 to 20.2% in Q4.
- Profit before exceptional item and tax increases by 13.9% to ₹ 1,256.27 crores from ₹ 1,103.31 crores.

4. Asian Paints Standalone Results, 12M-FY'22:

- Sales increase by 36.8% to ₹ 25,002.09 crores from ₹ 18,280.06 crores.
- PBDIT for the period increases by 2.1% to ₹ 4,587.79 crores from ₹ 4,492.78 crores.
- Profit before exceptional item and tax increases by 3.9% to ₹ 4,247.87 crores from ₹ 4,089.67 crores.

5. The Company has re-assessed expected timing of receipt of cashflow towards subsidy receivable from the State Governments and has accordingly provided for time value of money in the standalone and consolidated financial results for the quarter and year ended 31st March 2022. Consequently:

- An amount of ₹ 53.73 crores computed under 'expected credit loss' method is recognized as an exceptional item towards subsidy receivable for earlier years.
- Subsidy income under 'other operating revenue' is lower by ₹ 31.10 crores.

This has resulted in reduction of profit for the quarter and year ended 31st March 2022 to that extent. The Company is confident about the ultimate realisation of the dues from the State Governments.

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6. The current economic crisis in Sri Lanka has led to currency devaluation. This has resulted in recognition of exceptional item of ₹ 48.50 crores towards exchange loss arising on foreign currency obligations of Causeway Paints Lanka (Pvt.) Limited ("Causeway Paints") in the consolidated financial results for the quarter and year ended 31st March 2022.

Consequent to the currency devaluation, foreign currency translation loss of ₹ 139.87 crores is recognized in the 'Other Comprehensive Income' in consolidated financial results for the quarter and year ended 31st March 2022.

7. The Group has made an assessment of the fair value of investment made in Causeway Paints taking into account the past business performance, prevailing business conditions and revised expectations of the future performance considering ongoing economic crisis in Sri Lanka. Accordingly, the Group has recognized an impairment loss of ₹ 13.47 crores on the 'Goodwill on Consolidation', recognized on acquisition of Causeway Paints. This impairment loss is disclosed as an exceptional item in the consolidated financial results for the quarter and year ended 31st March 2022.

8. Dividend:

The Board of Directors have recommended a final dividend of ₹ 15.50 per equity share (1550%). The Company distributed first interim dividend of ₹ 3.65 per equity share (365%) in October 2021 for FY 2021-22. Total dividend of ₹ 19.15 per equity share (1915%) was distributed for FY 2021-22. The dividend payout ratio was 58.6% for FY 2021-22.

About Asian Paints Limited:

Asian Paints is India's leading paint company and ranked among the top ten Decorative coatings companies in the world with a consolidated turnover of ₹ 28,923.48 crores (₹ 289 billion). Asian Paints along with its subsidiaries have operations in 15 countries across the world with 26 paint manufacturing facilities, servicing consumers in over 60 countries through Asian Paints, Apco Coatings, Asian Paints Berger, Asian Paints Causeway, SCIB Paints, Taubmans and Kadisco Asian Paints. Asian Paints is also present in the Home Improvement and Décor space in India.