

PRESS RELEASE

ASIAN PAINTS CONSOLIDATED REVENUE FROM OPERATIONS FOR THE QUARTER INCREASES BY 9.4%

Highlights: Q2 & H1-FY'2020

- ❖ Consolidated Revenue from operations for the Quarter increases by 9.4%
- ❖ Consolidated Profit Before Tax (from continuing operations) for the Quarter increases by 13.9%
- ❖ H1 Consolidated Revenue from operations increases by 12.9%
- ❖ H1 Consolidated Profit Before Tax (from continuing operations) increases by 17.7%
- ❖ Standalone Revenue from operations for the quarter increases by 9.3%
- ❖ Standalone Profit Before Tax for the Quarter increases by 12 %
- ❖ H1 Standalone Revenue from operations increases by 13.6 %
- ❖ H1 Standalone Profit Before Tax increases by 17.3 %
- ❖ Announces Interim Dividend of 335%

Mumbai, October 22, 2019: Asian Paints today announced their financial results for the quarter and six months ended September 30, 2019.

"The decorative business segment in India registered a high double digit volume growth, though lower than that witnessed in the first quarter. Automotive coatings JV (PPG-AP) business continued to be impacted by the slowdown in the automobile industry and even the Industrial Coatings JV (AP-PPG) business was impacted by demand slowdown. The entire coatings business, however, benefited from the benign raw material price environment.

*International operations performed better than the previous quarter with improvement in the key units of Nepal and Egypt. Both the segments in the Home Improvement category viz. the Kitchen (Sleek) and Bath (Ess Ess) business, were impacted by the slowdown in the real estate construction space."***said K.B.S. Anand, Managing Director & CEO, Asian Paints Limited.**

Asian Paints Consolidated Results, Q2-FY'20:

For the quarter ended September 30, 2019, on consolidation of accounts of the subsidiaries and associate of Asian Paints - Revenue from operations has risen by 9.4% to ₹ 5,050.66 crores from ₹ 4615.49 crores. Profit before depreciation, interest, tax and other income (PBDIT) for the group increased by 13.0 % to ₹ 954.82 crores from ₹ 844.70 crores. Profit Before Tax (PBT) increased by 13.9% to ₹ 852.25 crores from ₹ 748.19 crores. Net Profit after Non-controlling Interest (from continuing operations) increased by 67.5% to ₹ 823.41 crores as compared to ₹ 491.58 crores in the previous corresponding period.

The Group has implemented new Indian Accounting Standard 116 ('Ind AS 116'), Leases, with effect from 1st April, 2019. The Group has implemented the standard by adopting the full retrospective approach. Accordingly, the Consolidated Financial results for the quarter ended 30th September 2019 and all the presented comparative periods are in compliance with Ind AS 116. Consequently, lease rental paid are no longer recognized as Other Expenses / Employee Cost. Instead, depreciation on the right of use assets and finance costs on lease liability are recognized in the financial statements. This has no impact on the gross margins earned by the Group.

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Key impact of IND AS 116 on the Consolidated Financials for Q2-FY'20 are as under:

Particulars	Quarter Ended			Year Ended
	30.09.2019	30.06.2019	30.09.2018	31.03.2019
Increase in PBDIT (before other income)	63.83	61.65	59.75	248.02
Increase in PDBIT % to Revenue from Operations	1.3%	1.2%	1.3%	1.3%
Decrease in PBT from Continuing Operations	5.84	4.41	1.74	5.98

Asian Paints Consolidated Results, H1-FY'20:

For the six months ended September 30, 2019, Asian Paints Group Revenue from operations has increased by 12.9% to ₹ 10,155.38 crores from ₹ 8,999.31 crores. Profit before depreciation interest and tax (PBDIT) for the group has increased by 19.0% to ₹ 2,112.76 crores from ₹ 1,774.71 crores. Profit Before Tax (PBT) increased by 17.7% to ₹ 1,877.49 crores from ₹ 1,595.54 crores. Net Profit after Non-controlling Interest (from continuing operations) increased by 41.1% to ₹ 1,478.85 crores as compared to ₹ 1,048.44 crores in the previous corresponding period.

Key impact of IND AS 116 on the Consolidated Financials for H1-FY'20 are as under:

Particulars	Six Months Ended		Year Ended
	30.09.2019	30.09.2018	31.03.2019
Increase in PBDIT (before other income)	125.48	114.76	248.02
Increase in PDBIT % to Revenue from Operations	1.2%	1.3%	1.3%
Decrease in PBT from Continuing Operations	10.24	3.87	5.98

Asian Paints Standalone Results, Q2-FY'20:

For the quarter ended September 30, 2019, Revenue from operations increased by 9.3 % to ₹ 4,278.04 crores from ₹ 3,914.17 crores. PBDIT for the quarter increased by 12.4 % to ₹ 873.44 crores from ₹ 777.30 crores. Profit Before Tax increased by 12 % to ₹ 793.04 crores as compared to ₹ 708.25 crores in the previous corresponding period.

Key impact of IND AS 116 on the Standalone Financials for Q2-FY' 20 are as under:

(₹ in crores)

Particulars	Quarter Ended			Year Ended
	30.09.2019	30.06.2019	30.09.2018	31.03.2019
Increase in PBDIT (before other income)	53.01	50.83	49.99	196.86
Increase in PBDIT % to Revenue from operations	1.2%	1.2%	1.3%	1.2%
Decrease in PBT	5.14	3.75	1.31	4.32

Further, the net assets and net liabilities as at 31st March, 2019 have increased by ₹ 530.52 crores and ₹ 575.12 crores respectively due to the implementation of IND AS 116.

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Asian Paints Standalone Results, H1-FY'20:

For the six months ended September 30, 2019, Revenue from operations increased by 13.6 % to ₹ 8,658.20 crores from ₹ 7,620.41 crores. PBDIT for the period increased by 19.1 % to ₹ 1,963.30 crores from ₹ 1,647.89 crores. Profit Before Tax on a standalone basis increased by 17.3 % to ₹ 1,779.35 crores as compared to ₹ 1,516.37 crores in the previous corresponding period.

Key impact of IND AS 116 on the Standalone Financials for H1-FY' 20 are as under:

(₹ in crores)

Particulars	Six Months Ended		Year Ended
	30.09.2019	30.09.2018	31.03.2019
Increase in PBDIT (before other income)	103.84	95.77	196.86
Increase in PBDIT % to Revenue from operations	1.2%	1.3%	1.2%
Decrease in PBT	8.89	3.16	4.32

Further, the net assets and net liabilities as at 31st March, 2019 have increased by ₹ 530.52 crores and ₹ 575.12 crores respectively due to the implementation of IND AS 116.

Dividend:

The Board of Directors approved the payment of an interim dividend of ₹ 3.35 per share (335%). The company distributed an interim dividend of ₹ 2.85 per share (285%) for FY 2018-19. Total dividend of ₹ 10.50 per share (1050%) was distributed for FY 2018-19. The dividend payout ratio was 56.8% for FY 2018-19.

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 ₹ 19,248.45 crores (₹ 192.48 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 Berger, SCIB Paints – Egypt, Apco Coatings, Taubmans, Kadisco and Causeway. Asian Paints is also present in the Home Improvement and Décor space in India through Sleek (Kitchens) and Ess Ess (Bath Fittings).