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be more. every day.

February 2014

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Marico FMCG : Snapshot

- **Beauty & Wellness Solutions**
  - Hair Care, Health Care, Skin Care, Male Grooming

- **A leading Indian MNC Group**

	INR	USD
Market Capitalization*	14,000 Cr +	2.3 Billion
Turnover FY 13	4,260 Cr	710 Million
Profit FY 13	402 Cr	67 Million
Turnover from overseas	24%	

- **Sustained Profitable Growth**
  - Turnover 18% Profits 20% **(4 yr CAGR)**

$1 = Rs.60

* Market Capitalization will continue to include Kaya till its listing
Kaya business has been demerged into a separate company outside Marico Group, effective April 1, 2013

Portfolio : Beauty & Wellness

- **Hair Care**
  - Hair Oils : Pre/Post Wash
  - Hair Colour

- **Healthcare**
  - Healthy refined edible oils
  - Functional Foods

- **Male grooming/ styling**
  - Deodorants
  - Hair Creams/Gels/Wax

- **Skincare**
  - Body Lotion
  - Cosmetics

Market Leadership: Key to Category Choice

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Brand	Category	Indicative Market Share (%) #	Rank	Penetration Level
Parachute/Nihar	Coconut Oil (India)	~ 56%	1	High
Parachute	Coconut Oil (Bangladesh)	~ 82%	1	High
Saffola	Super Premium Refined Edible Oils	~ 57%	1	Low
Saffola	Oats	~ 13%	2	Low
Parachute Jasmine, Nihar Shanti Amla, Hair & Care, Nihar Naturals	Hair Oils	~ 28%	1	High
X-Men	Male Shampoo (Vietnam)	~ 41%	1	Low
Fiancée / Hair Code	Hair Styling (Egypt)	~ 51%	1	Medium
Set Wet / Parachute Advansed	Hair Gels & Creams (India)	~ 44%	1	Low
Livon / Silk & Shine	Post Wash Conditioner	~81%	1	Low
Set Wet / Zatak	Deodorants	5%	5	Low

Dec'13 rolling 12 month market share data sourced from AC Nielsen/Company Estimates

Leaders across Categories & Geographies

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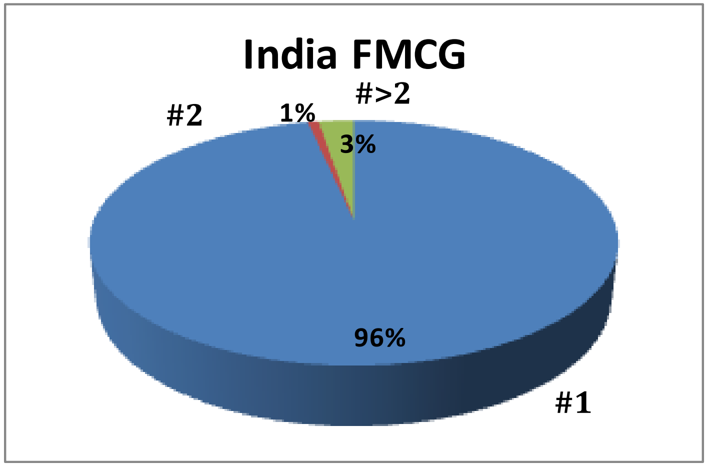
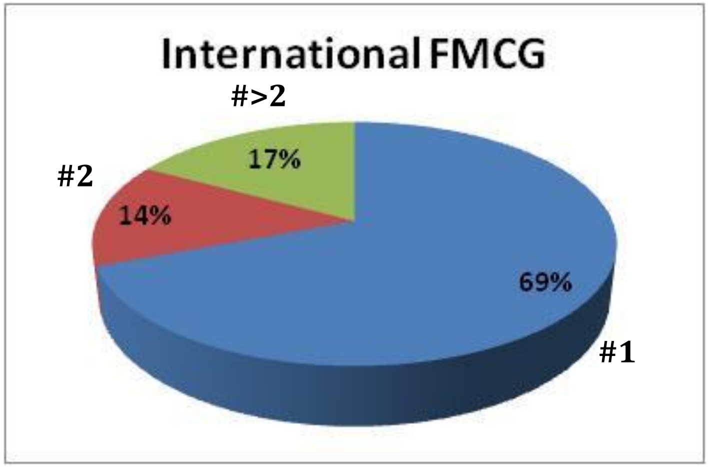
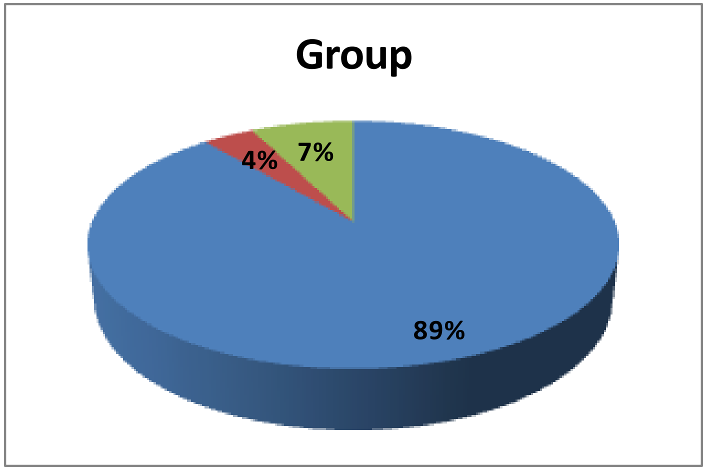






Marico brands have a no 1 position in their respective segments over around 90% of its turnover

Coconut Oil

The only Company with a national presence in INR 28 bn (~USD 518 mio) branded CNO market

Volume Market Share

Parachute	45%
Nihar	9%
Oil of Malabar	2%
Total	**56%**

Market Size

Branded ~ INR 28 bn (~USD 518 mio)
Loose ~ INR 8 bn (~USD 145 mio)

30-35% market (by volume) estimated to be in loose form

5 yr volume CAGR in rigid packs ~10%

Headroom for growth

- ✓Conversion from loose to branded
- ✓ Market share gain in rural

Likely medium term volume growth : 7-8%

6

Hair Oils

Value Added Hair Oils
Market : INR 45 bn (~USD 818 mio)

Light Hair Oils	Amla Oils	Cooling Oils	Value Added Coconut Oils	Anti-Hair Fall	Others
24%	23%	18%	18%	10%	7%



Category Play : Significant participation in most key sub-segments

- **Marico's Volume Market Share in Hair Oil Market ~ 28%, up from 17-18% about 5-6 years ago**

Likely Medium term Volume Growth ~ 15-17%

- Specific Benefits – creating more occasions of use
- Promotes Dual Usage
- Expanding rural reach

Saffola

Evolution from an edible oil brand to a leading healthy lifestyle brand

Riding a health care tailwind in India : **5 yr volume CAGR ~12%**

Leadership position in **super premium refined edible oil** segment (58% Volume Market Share)

Entry into **breakfast cereals market** in 2010 (Saffola oats, savory oats and muesli)

22 million addressable households : Out of which Saffola reaches 3 million

Aim to expand the **non-oil portfolio to 25%** of Saffola Masterbrand in 3 years

Likely medium term volume growth: **~13-15%**

- Increasing trend of cardiovascular diseases, diabetes & hypertension in India
- Rising incomes and higher level of heart health awareness
- Increase in the number of nuclear families and working women

Male Grooming : Competitive Advantage

- Marico acquired Youth Brands (SetWet, Zatak, Livon) in May 2012
- Tail wind categories with low penetration
- Synergies with existing business
  - Leverage widespread Distribution network
    - Gain access to cosmetic/chemist outlets
  - Buying synergies (hair gels & post wash conditioners)
    - Raw Material, Packaging Material & Media

Hair Gels/Creams
Rs.175 Cr Market
Growing at 20-25%

- Deo market expected to consolidate in the next 4-5 years
- Access to global portfolio providing a ready innovation pipeline
- Modern Trade Channel : Future opportunity

Deodorants
Rs.1500 Cr Market
Growing at 30-35%

Recent Launches

Body Lotion

- Market Size : INR 550 cr
- Market Growth Rate : ~15%
- Marico Market Share : ~7%
- No. 3 position

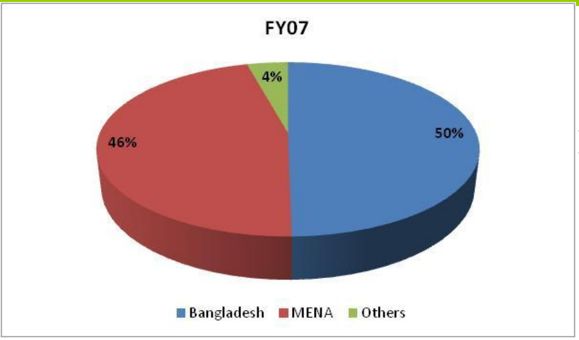
Breakfast Cereals

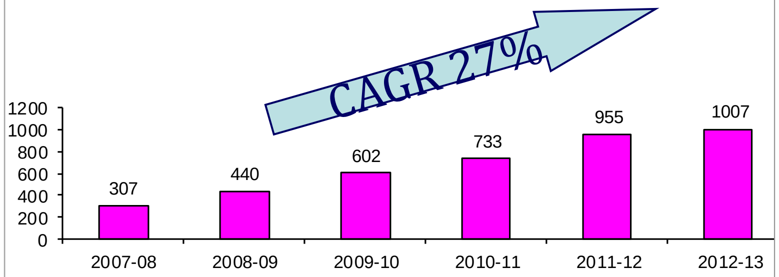
- Market Size : INR 600 cr
- Market Growth Rate : ~25%
- Marico Market Share : ~13% in Oats and 9% in Muesli
- No. 2 player in Oats and No.3 in Muesli

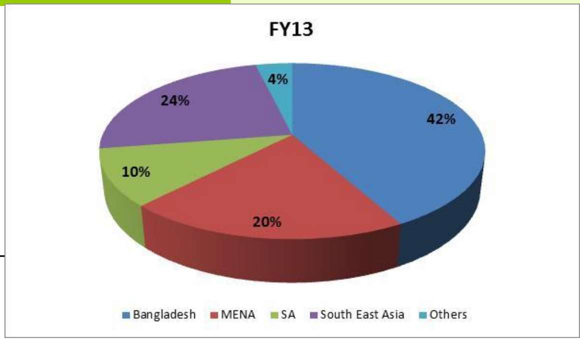
Livon Conditioning Cream Colour

- Market Size : INR 2500 cr
- Creams form 25% of the market, growing at the fastest pace
- Packed with features that no other brand of hair colour offers

International Business Group







- **Focus on emerging markets of Asia & Africa**
- **Operates in Geographic hubs leading to supply chain and media synergies**
- **Opportunities for expanding footprint**
  - **Current: Bangladesh, Malaysia, Vietnam**
    - **Expansion: Rest of South East Asia**
  - **Current: GCC, Egypt**
    - **Expansion: Levant, NA Rim**
  - **Current: South Africa**
    - **Expansion: Sub Saharan Africa**
- **Brands with regional identity & expression**
  - **Customization based on local market insights**
- **Likely medium term organic growth : ~20%**
  - **Improve Operating Margin from ~11% to ~13%**

International Geographies

Bangladesh

Categories : Coconut Oil, Value Added Hair Oils, Powdered Hair Dyes

Brands : Parachute, Parachute Advansed, Hair Code

Middle East

Categories : Hair Oils, Hair Creams/Gels

Brands: Parachute Secrets, Parachute Gold

Egypt

Categories : Hair Creams/Gels

Brands: Hair Code & Fiancee

Vietnam

Categories: Male Grooming, Skin Care & Foods

Brands : X-Men, L'Ovite, Thuan Phat

South Africa

Categories : Ethnic Hair Care, Kids Hair Care, Foods

Brands : Caivil, Black Chic, Just for Kids, Hercules

Synergies of One FMCG Business

Strategic Unity

Shared Vision & Common Choice Making Framework

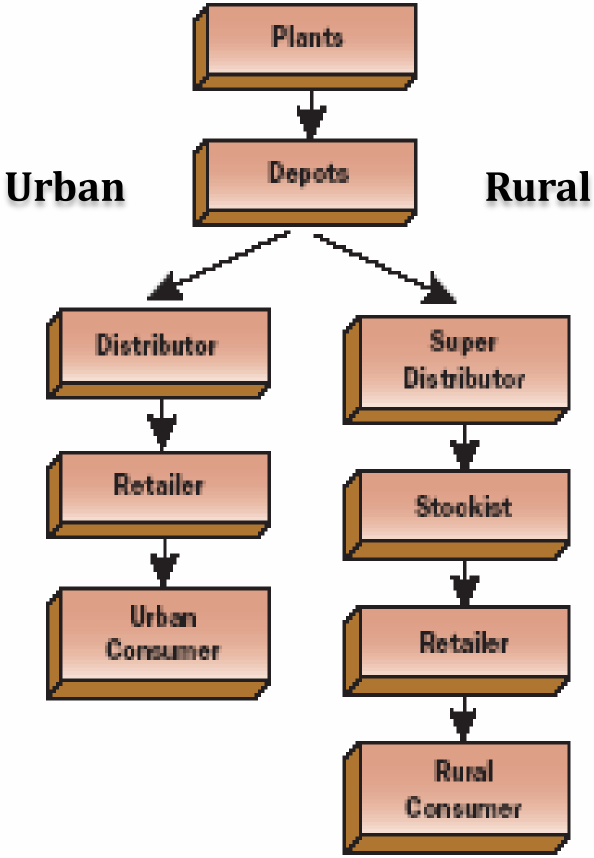
Common approach in Glocal Portfolio Management

Fungible International Talent Pool

Standardisation of Processes & Systems

Synergies in Cost Structure

Strong Distribution Network (India)



- Direct Reach: **Over 900,000 outlets**
- Indirect Reach: **~ 4 million outlets**

Leveraged **Modern Trade** Channel to drive urban growth

- 7% of India sales comes from modern trade

GTM Transformation initiatives planned

Leveraged **technology** to drive impact

Enhancing quality of **rural reach**

Access to **chemist and cosmetic outlets** through Youth brand acquisition & Distribution of Bio Oil

Focus on each General Trade Channel (Chemist/Cosmetics/Mom&Pop/Key)

- Targeted sales force through bifurcation of portfolio

Future Growth Strategy

- **Expand Markets where we have significant leadership**
  - Parachute coconut oil in India and Bangladesh
  - Saffola – Premium healthy refined edible oil
  - Hair Code/Fiancee – hair gels/creams in Egypt
  - Post Wash Conditioners in India

- **Increase Share in other categories**
  - Hair Oils in India & Bangladesh
  - Hair creams & gels in the Middle East
  - Male Deodorants in India & Vietnam
  - Male Shampoo in Vietnam

- **Introduce new products – larger size than in the past**
  - Saffola Oats and Parachute Advansed Body Lotion (for example)
  - Broader play of our product platforms across key markets

- **Geographic Expansion**
  - South East Asia, Sub-Saharan Africa

- **Inorganic Growth**

Category Choice Making Framework

- **Enter Categories/Segments with 'Right to Win'**
  - Strong Brand, shared channel, shared consumer and shared supply chain
- **Underpenetrated categories with potential to grow**
  - Changing consumer habits or affluence
- **Increase share of higher value added categories**
- **Will not enter categories having hyper competition**

Focus on Growth

- **Prioritize volume growth (consumer franchise expansion) over short term profit**
  - Emerging markets with low/moderate penetration
  - Maintain unit gross margin within a band

- **Re-invest profits to reinforce established brands and build new growth engines for the future**
  - Prototyping : maintain innovation pipeline
  - Strategic Funding (% of profits each year)
  - ASP range of 10% to 12%

- **Inorganic Growth to supplement Organic Growth**

Inorganic Growth

- **Focused on hair care, skin care and health care in India**
  - International : primarily hair care, skin care and male grooming
- **Internationally focused on developing markets in Asia and Africa**
- **Establish potential to become No.1 or No.2**
- **Establish potential to add value in branding and distribution**
- **Enhance depth of category knowledge in hair care / skin care**
  - Leverage across all Marico geographies
- **Keep track of ROCE benchmark over the medium term**

Dividend Distribution & Cash Deployment

- Focus on maximization of shareholder value
- Marico has followed a conservation dividend policy over past few years
  - Deployed internal accruals to fuel organic & inorganic growth
- With higher cash generation, increased dividend in FY14 to 175% (Rs.1.75 per share)
- Could increase payout further if there are no M&A opportunities

Talent Management & Succession Planning

- Professionally managed organization
- Believes **‘Culture drives business’**
- Fosters entrepreneurial spirit and sense of ownership in all members

- **Strategic Business Planning (SBP)** articulates Marico’s future imperatives and capability needs
  - Translated to individual actions through Management By Results (MBR)
- Short term incentive plan is linked to MBR
- **Personal Development Planning(PDP)** to assess and nurture a members Potential and is distinct from Performance

- Long term incentive plan, **ESOPs** drives long term performance behavior.

Financial Highlights

Particulars (INR Crores)	FY09	FY10	FY11	FY12	FY13	CAGR %
Revenue from Operations	2388	2661	3128	3980	4596	19%
Profit Before Tax	230	298	376	400	552	22%
Profit After Tax	189	232	286	317	396	19%
EPS: Annualized (INR)	3.1	3.8	4.7	5.2	6.1	17%
Book Value per Share (INR)	7.40	10.70	14.90	18.59	30.77	
Capital Employed	829	1112	1712	1953	2889	34%
Net Worth	453	654	915	1143	1982	42%
EBITDA %	12.7%	14.1%	13.3%	12.1%	13.6%	
ROCE %	35	34	27	26	24	

Note: Previous year financials include Kaya

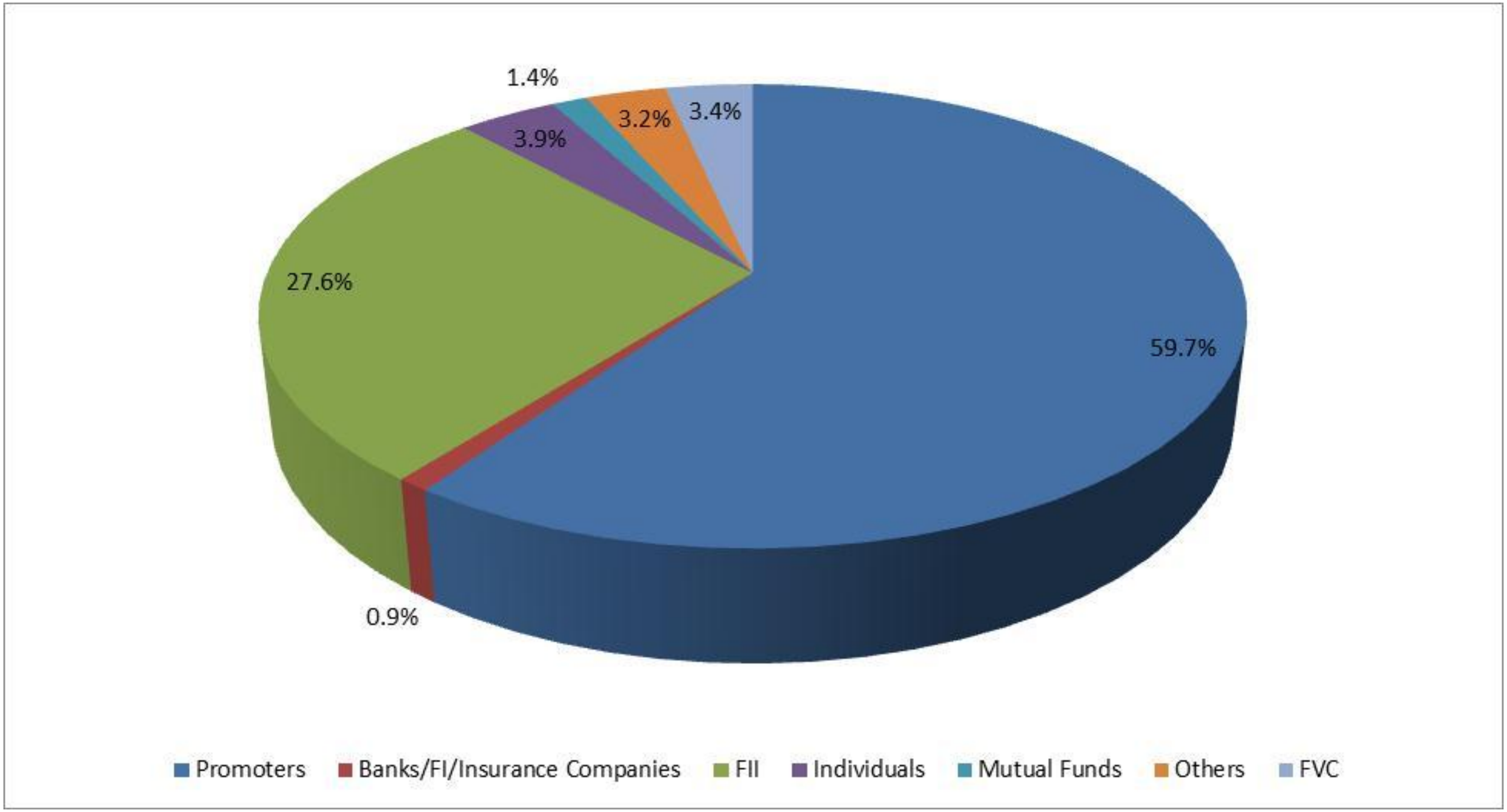
List of Acquisitions

Company/Brand	Year of Acquisition	Country of Acquisition	Key Category
Nihar	2006	India	Coconut Oil
Manjal	2006	India	Soap
Haircode & Fiancee	2006	Egypt	Male Grooming
Enaleni (Consumer Division)	2007	South Africa	Hair Care
Code 10	2010	Malaysia	Male Grooming
Ingwe	2010	South Africa	OTC Health Care
ICP (85%)	2011	Vietnam	Male Grooming
Halite (Paras)	2012	India	Male Grooming

The Most Awarded FMCG

- Featured amongst eight Indian companies in **Standards & Poor's list of Global Challengers**
- Super brands voted **Parachute a Super Brand** in UAE & Bangladesh
- Marico won the **Annual Supplier Award by Bharti Walmart** and **Joint Business Planning – Best Debutant for 2012**
- **Innovator of the year-Supply Chain** for Agro Products" Award by Supply Chain Leadership Council in 2012
- **Gold for Saffola Oats** and a **Silver for Parachute Advansed Ayurvedic** at The APPIES 2012 for innovations in marketing communications across Asia
- **Saffola** won a Gold at the Inaugural **Mobile Marketing Association Awards 2012** in India
- Parachute Coconut Oil declared the **Overall #1 Brand in Bangladesh** by the Bangladesh Brand Forum 2012
- Marico won **the CIO 100 Award** for the fourth time in a row. Entered **the Hall Of Fame of the CIO** 100 winners.
- **Hair Code** in Egypt won an **Effies MENA**
- **Marico Pondicherry** won the **IMC Ramkrishna Bajaj National Quality Award** (RBNQA) 2012 (Certificate of Commendation), in the manufacturing category
- Marico ranked **2nd for Best Investors Relations** in the Consumer Sector across Asia in the 2012 Asia Investor Relations Perception Study
- Marico **ranked No.1** in the **Euro Money Asia's Best Managed Companies ratings 2013** in the Consumer Good category

Shareholding Pattern as on December'13



Investor Relations Communications

- **One on one meetings with the Buy side and Sell side**

- **Marico Website**
  - Annual Report
  - Latest Quarterly Updates
  - AGM Notice
  - Shareholding Pattern
  - http://www.marico.com/html/investor/overview.php

- **Quarterly Results**
  - Information Update
  - Media Release
  - Earnings Call with the management team
  - For all the quarterly documents, visit the website http://www.marico.com/html/investor/latest-quartely-updates.php

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