

GODREJ CONSUMER PRODUCTS LIMITED PERFORMANCE UPDATE

Q3, FY 2010-11

January 22, 2011



AGENDA

- Executive Summary: Major Highlights
- Performance Highlights: Consolidated
- Business Review: Domestic
- Business Review: International Operations

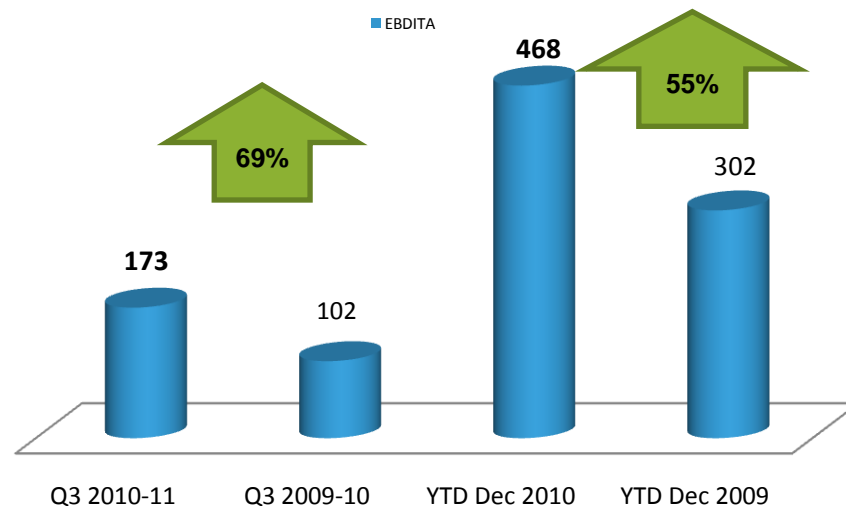
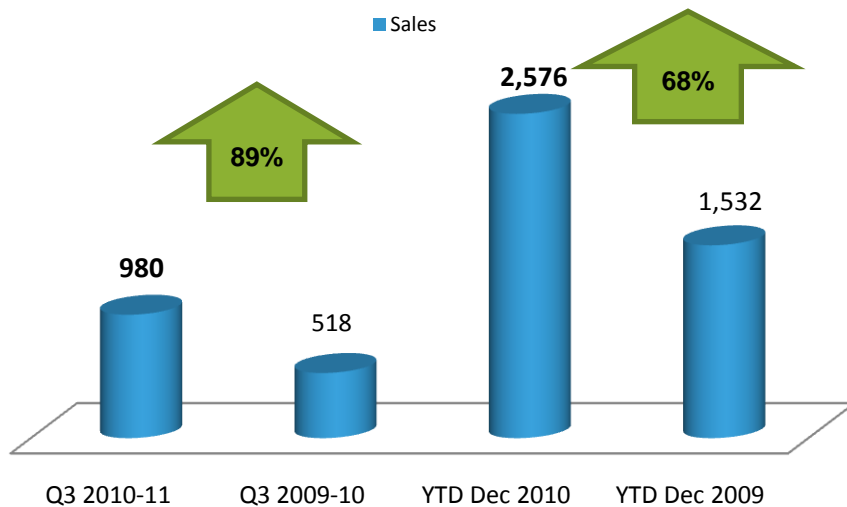
Executive Summary: Major Highlights

EXECUTIVE SUMMARY

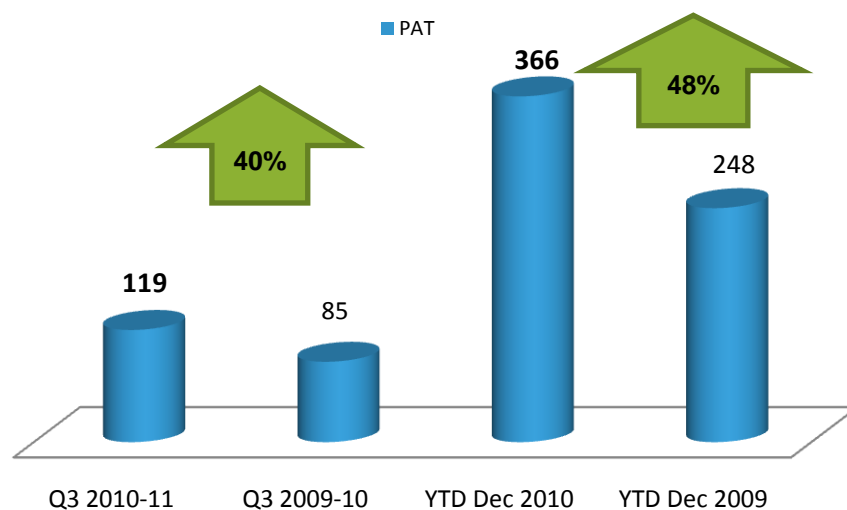
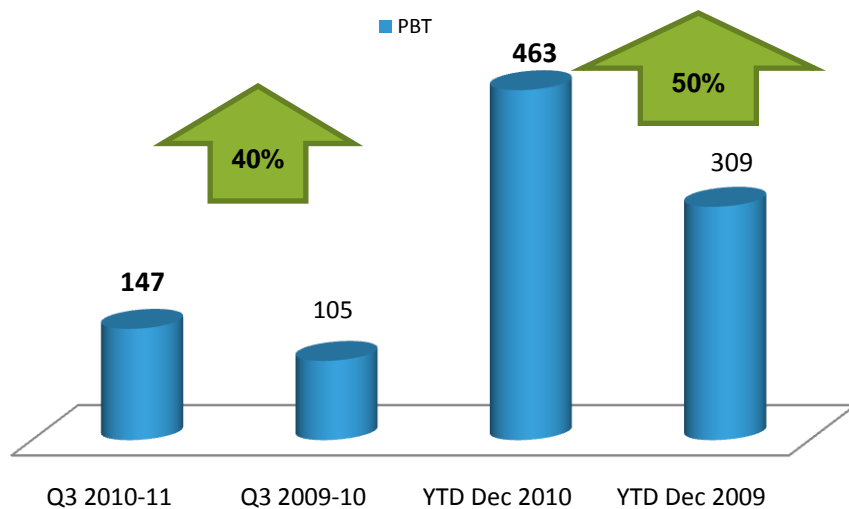
- Net sales grew by 89% to ₹ 980 crore and PAT grew by 40% to ₹ 119 crore
- Domestic business registered stellar performance with Godrej Household Products Limited (GHPL) having a gross sales growth of 24% after considering the base at 100% for last year. *(49% of GHPL results for the period Oct'09 to Dec'09 was consolidated in Q32009-10)*
- EPS increases significantly to ₹ 3.67 from ₹ 2.76, strengthened by positive EPS accretion of new acquisitions and excellent domestic business performance across all three categories of household insecticides, hair colour and soaps
- Continues to enjoy market leadership position in *household insecticides and *hair colour markets in India and the second largest player in *toilet soaps in India and the household insecticides markets in Indonesia
- International business is 34% of total consolidated business, on revenues

Performance Highlights: Consolidated

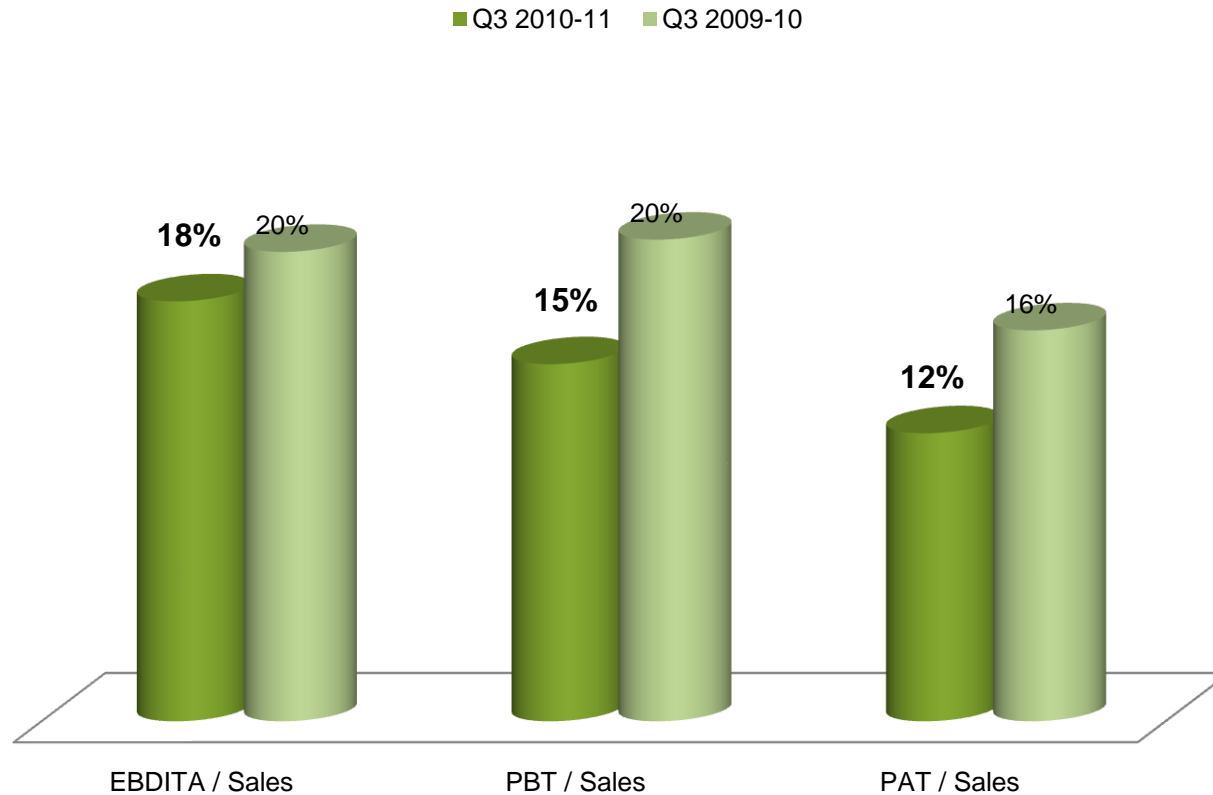
PERFORMANCE HIGHLIGHTS – FINANCIALS (CONSOLIDATED)



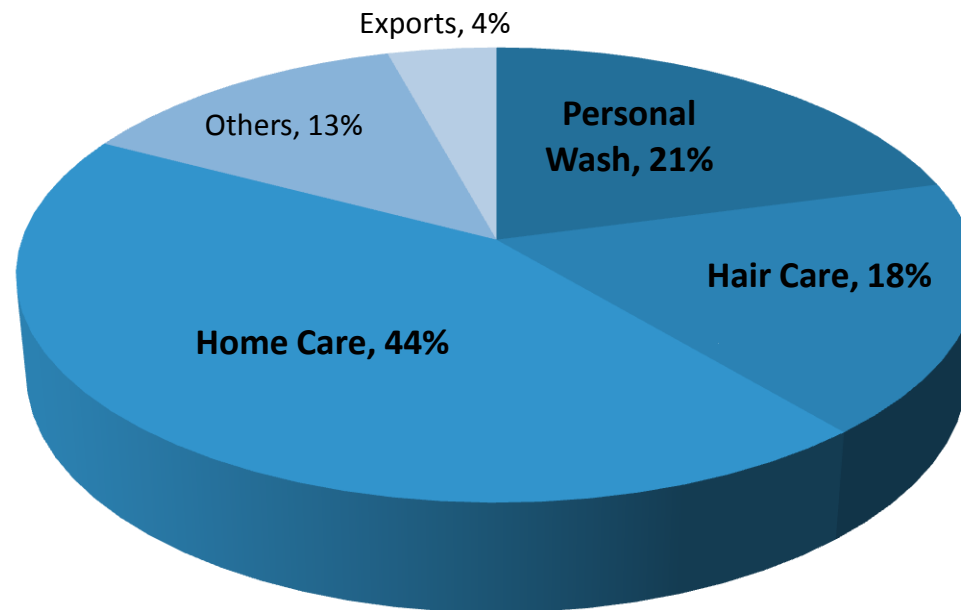
PERFORMANCE HIGHLIGHTS – FINANCIALS (CONSOLIDATED)



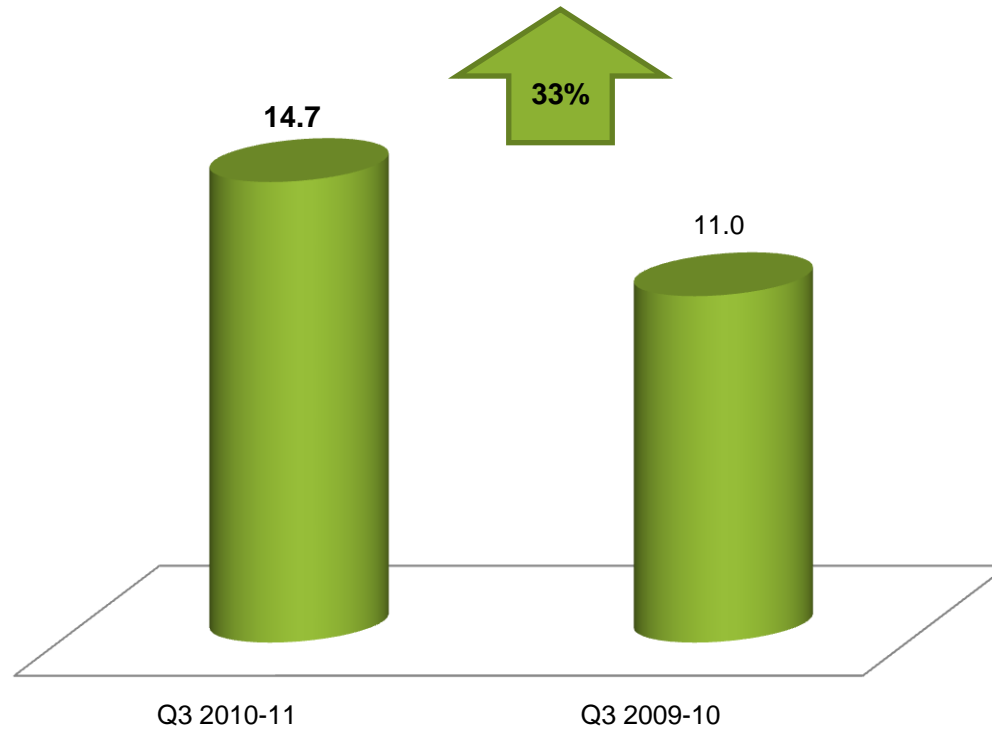
PERFORMANCE HIGHLIGHTS – FINANCIAL RATIOS (CONSOLIDATED)



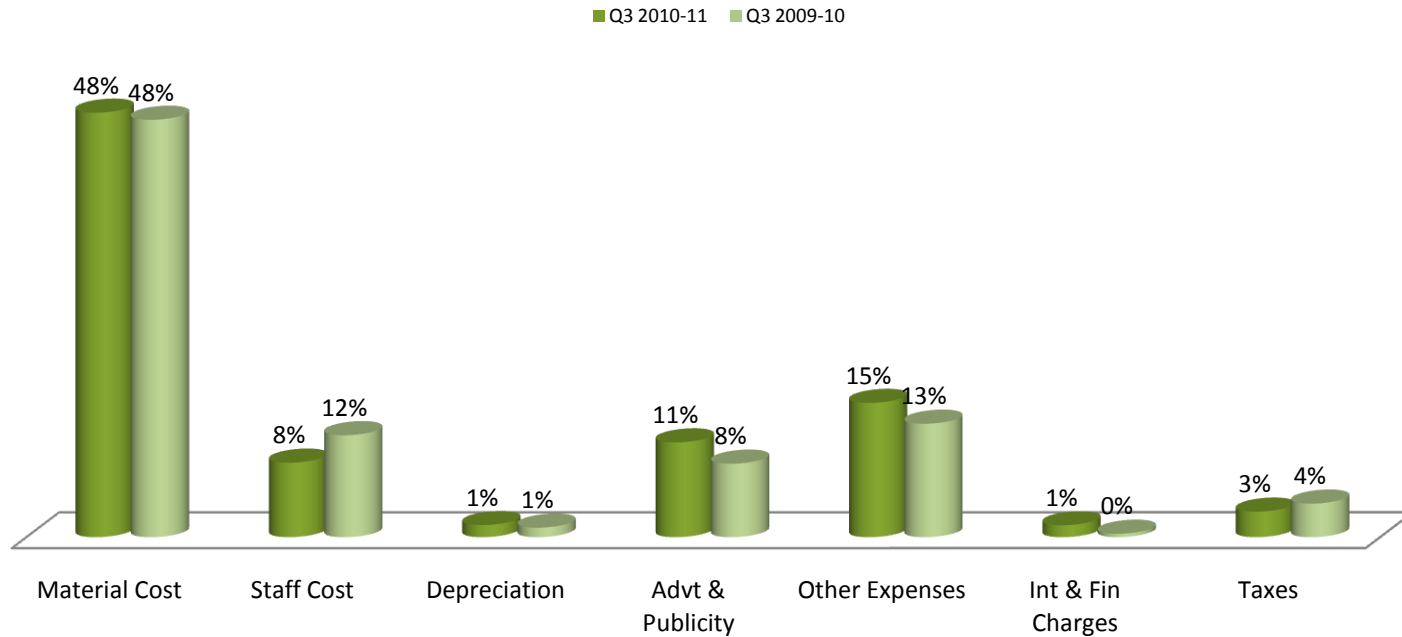
PERFORMANCE HIGHLIGHTS – CATEGORY SALIENCE (CONSOLIDATED)



PERFORMANCE HIGHLIGHTS – EPS ANNUALISED (CONSOLIDATED)



PERFORMANCE HIGHLIGHTS – COST STRUCTURE (CONSOLIDATED)



- *Other Expenses higher due to increase in sales promotion expenses*
- *Staff cost lower due to lower provision for variable remuneration*

Business Review : Domestic

Q3 FY 2010-11 DOMESTIC FMCG SECTOR SCENARIO

- FMCG sector expected to report healthy top line growth due to the strong consumption demand
- Growth driven by mix of volume as well as value
- Rising raw material prices and higher ad spend to put pressure on margins

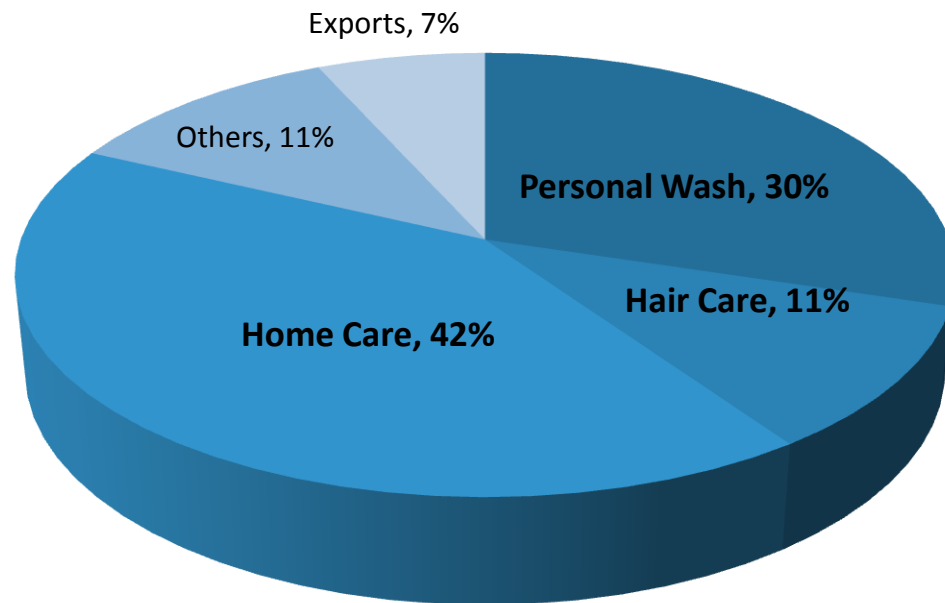
PERFORMANCE HIGHLIGHTS – FINANCIALS

Q3 2010-11

- Sales - ₹ 645 crore (48% growth)
- EBDITA - ₹ 138 crore, 21% of sales (57% growth)
- PBT - ₹ 132 crore (44% growth)
- PAT - ₹ 105 crore (39% growth)

- Growth numbers include 49% stake in GHPL for 3 months from Oct, 2009 to Dec, 2009 in the base versus 100% in current quarter
- Excludes dividend income of ₹ 10.2 crore received by GCPL from GHPL

PERFORMANCE HIGHLIGHTS – CATEGORY SALIENCE



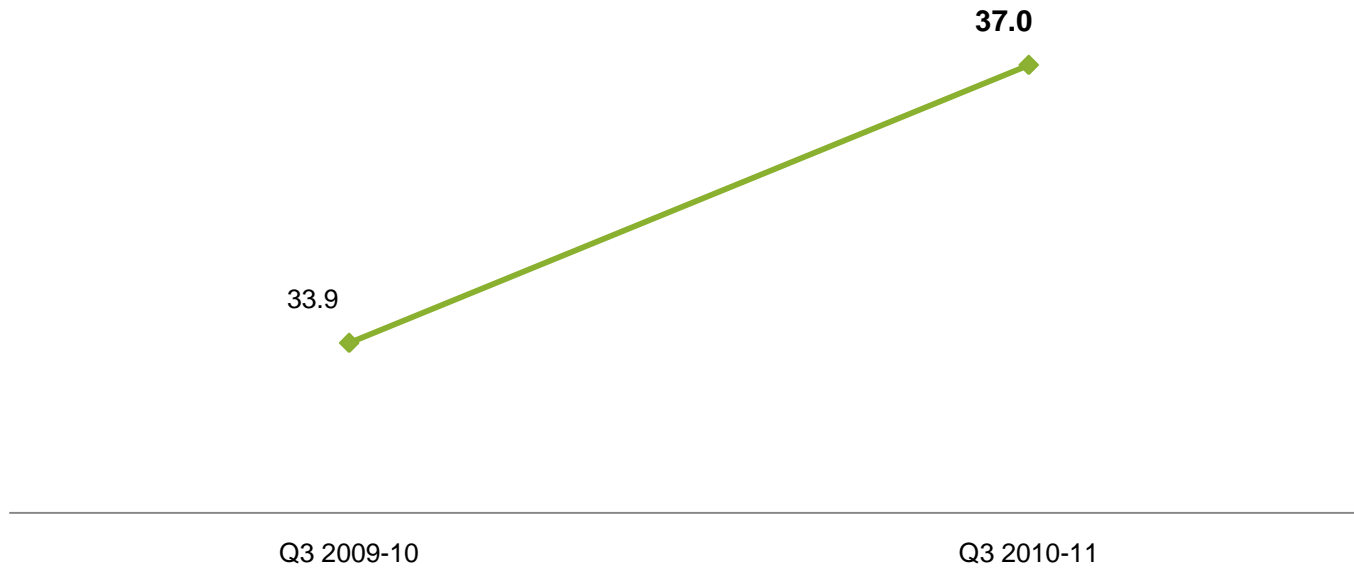
CATEGORY HIGHLIGHTS – HOMECARE

HOUSEHOLD INSECTICIDES

- HIT Aerosols have grown at healthy rates on the back of 360 ° activation drive awareness for 'Kill Malaria' campaign
- Under Goodknight franchise coils, electrics and naturals cream continue to outperform category on the back of innovative products and successful marketing initiatives



MARKET SHARE TREND (VALUE) HOUSEHOLD INSECTICIDES



CATEGORY HIGHLIGHTS – PERSONAL WASH SOAPS

- Sales for quarter grew by 6% over Q3 2010-11, with market share of 10.0% in Q3 2010-11
- Strong media presence on
 - ‘Pen free’ consumer offer on relaunched Godrej No.1
 - ‘Buy 2 Get 1 Free’ consumer offer on Cinthol Lime fresh
- Relaunched Fairglow soap as specialist fairness soap in new shape and packaging



CATEGORY HIGHLIGHTS – HAIR CARE

HAIR COLOURS

- Strong sales growth of 9% over Q3 2010-

11, with market share at 29.4% behind many

successful marketing initiatives

– Strong presence in media and press of Godrej Expert

– Cinema campaign in South India on Godrej Expert



ACQUISITION OF GENTEEL AND SWASTIK

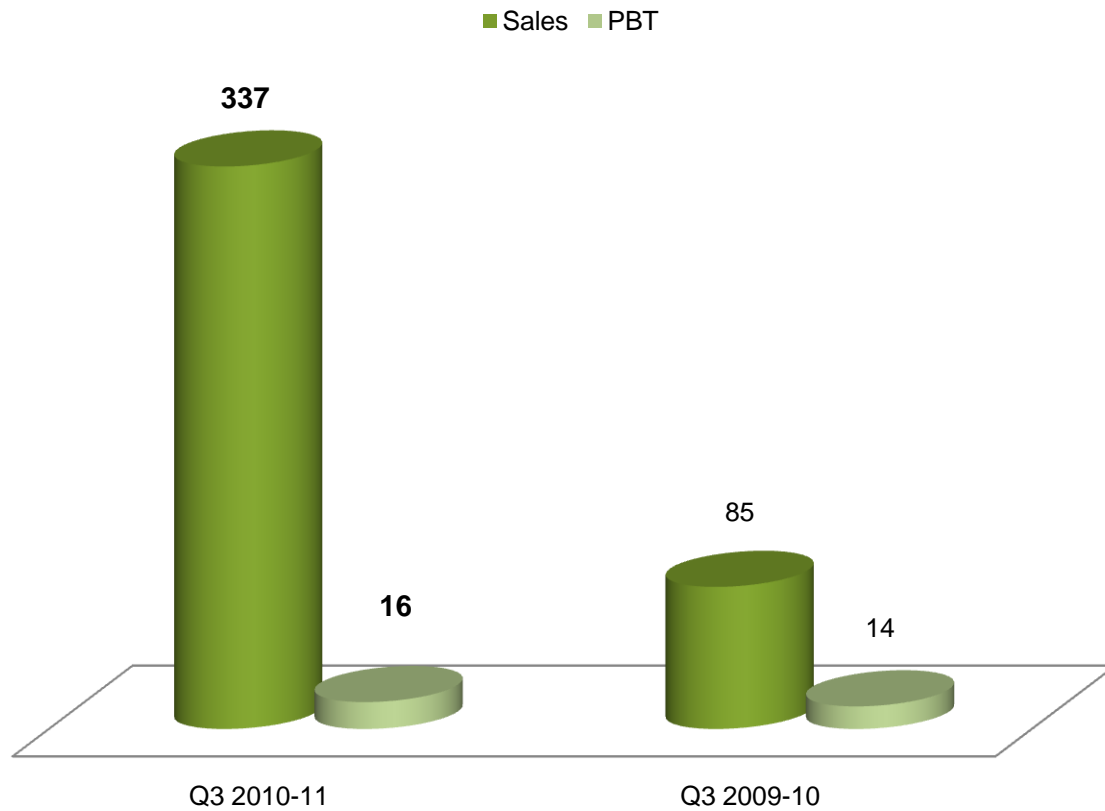
- The acquisition of Genteel extends leadership in the specialty liquid detergents category
- The acquisition of Swastik consolidates our number two position in the personal wash category in India
- Genteel and Swastik are household brands in India with a legacy of over fifty years of serving Indian consumers
- We look forward to capitalizing on the revenues and cost synergies available by adding these heritage brands to our portfolio and helping take these brands to their next phase of growth

Business Review : International Business

PERFORMANCE HIGHLIGHTS

- International business stood at ₹ 337 crore, growing at 296%
 - International business accounts for 34% of total consolidated business revenues
 - International business achieved a PBT of ₹ 16 crore. PBT excluding one time expenses stood at ₹ 22 crore
 - The new acquisitions have been EPS accretive

FINANCIAL HIGHLIGHTS



PERFORMANCE HIGHLIGHTS (Q3 2010-11) – ASIA (EXCL INDIA)

- Megasari continues to enjoy its market position in household insecticides markets and leadership positions in air care and wipes markets in Indonesia
- Integration progressing smoothly getting reflected in business results
- Megasari registered strong growths in household insecticides category despite week mosquito season due to continuous rains, on back of distribution expansion and NPDs
- Megasari clocked sales of ₹ 185 crore and EBDITA of ₹ 27 crore
 - *EBDITA of 19% before payment of Technical & business support fee to GCPL*
- Middle East business registered sales of ₹ 4 crore



PERFORMANCE HIGHLIGHTS (Q3 2010-11) – AFRICA

- Africa business comprises of Rapidol, Kinky and Tura
- Rapidol continues to enjoy its market leadership position in the ethnic hair colour market in South Africa
- Sales growths were affected by slowing economy and local competition
- Sales stood at ₹ 53 crore and EBDITA stood at ₹ 5 crore
- EBIDTA includes one time expense on stocks write-off of ₹ 3 crore

PERFORMANCE HIGHLIGHTS (Q3 2010-11) – LATAM

- Issue and Argencos businesses merged operationally, led by CEO of Issue for combined business. Merger will realize significant purchase and distribution synergies; being the largest volume player in Argentina
- Encouraging sales growth of new Roby Glam & Gloss product – the first anti-frizz hair spray in an aerosol format.
- Focusing on investing in growing our presence in Latin American markets in the region to have a significant share of our sales to come from outside Argentina going forward. Argencos CEO is leading our venture to develop international markets in his new role at Godrej Argentina
- Sales of Latam business stood at ₹ 63 crore and EBDITA at ₹ 6 crore

PERFORMANCE HIGHLIGHTS (Q3 2010-11) – UK

- Keyline's revenues stood at ₹ 30 crore and EBDITA at ₹ 1 crore (excluding one time expense on warehouse transition related dilapidation and leasehold write/off of ₹ 3 crore) Warehouse transition is expected to yield savings from FY 2011-12
 - The ₹ growth was deflated by around 4%, due to weak GBP
 - Sales (ex. cuticura, which had a high base effect due to H1N1 last year) recorded positive growth

DIVIDEND – Q3 2010-11

Dividend per Share	₹ 1
Dividend %	100%
Total Dividend	₹ 32.4 crore
Dividend payout % YTD PAT (standalone – excluding Dividend)	55.0%
Dividend % till date for 2010-11	300%

Thank You