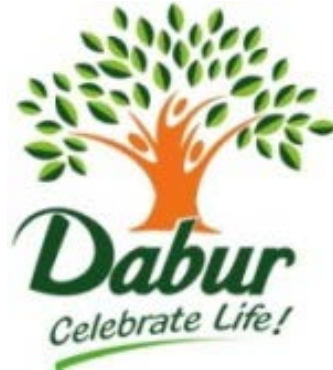


# INVESTOR COMMUNICATION

*For Quarter ended 30<sup>th</sup> June, 2015*

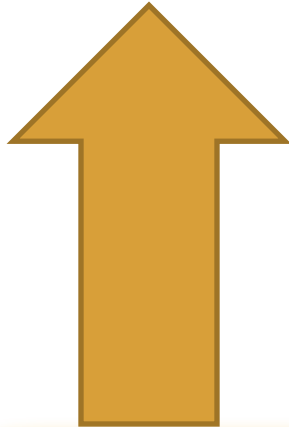


29<sup>th</sup> July, 2015

## Financial Highlights Q1FY16

Growth

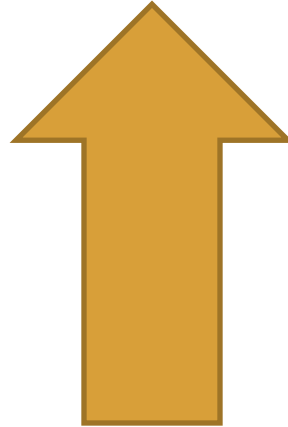
**10.7%**



**Sales**

***Rs. 2064.1 crs***

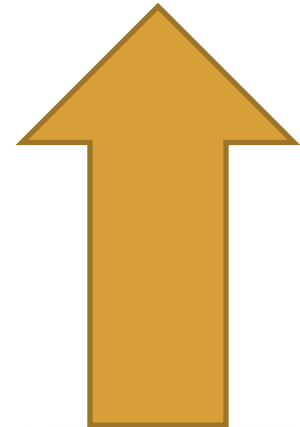
**21.6%**



**EBITDA**

***Rs. 369.6 crs***

**23.9%**



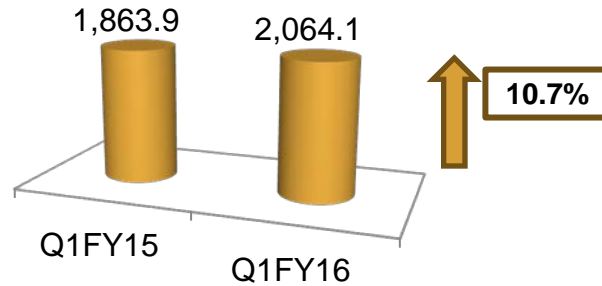
**\*PAT**

***Rs. 261.1 crs***

*\*After minority interest*

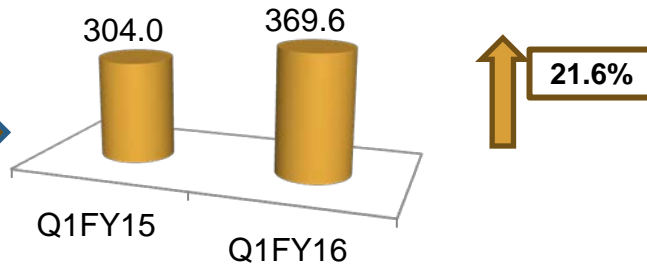
## Financial Highlights Q1FY16

**Revenue**  
(In Rs.Crs)



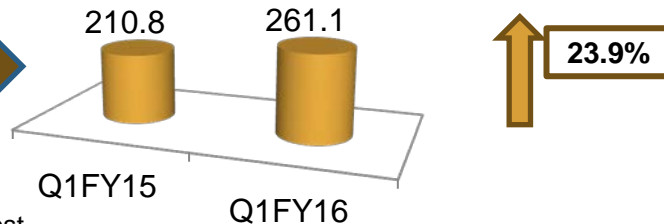
- Consolidated sales grew by 10.7%
- Domestic FMCG Business reported growth of 11.6% driven by volume growth of 8.1%

**EBITDA**  
(In Rs.Crs)



- EBITDA margin increased to 17.9% v/s 16.3% in Q1FY15
- Material Costs were lower at 46.3% of sales in Q1FY16 vs 49.5% in Q1FY15
- Increase in Adpro expenses to 16% of sales from 15.4% in same quarter previous year

**\*PAT**  
(In Rs.Crs)

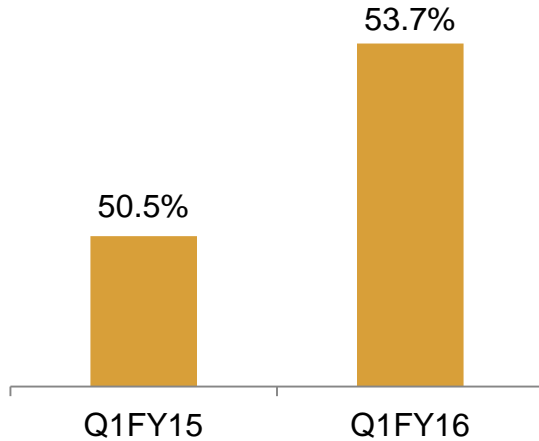


- Consolidated PAT grew by 23.9%
- PAT Margins increased from 11.3% in Q1FY15 to 12.6% in Q1FY16

\*After minority interest

## Margin Profile : Q1FY16

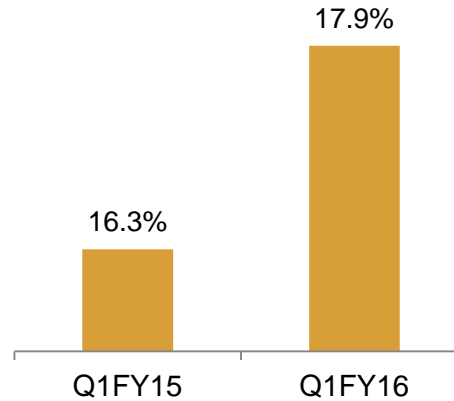
### Gross Margin\*



**320bps**

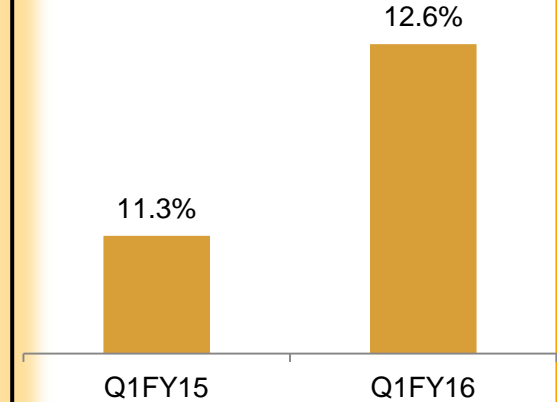
\* Sales less Material Cost

### EBITDA Margin



**160bps**

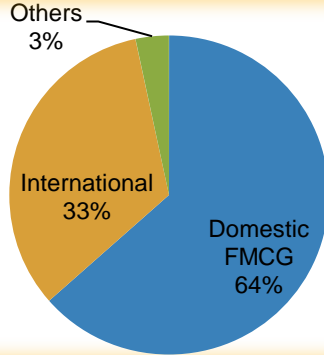
### PAT Margin



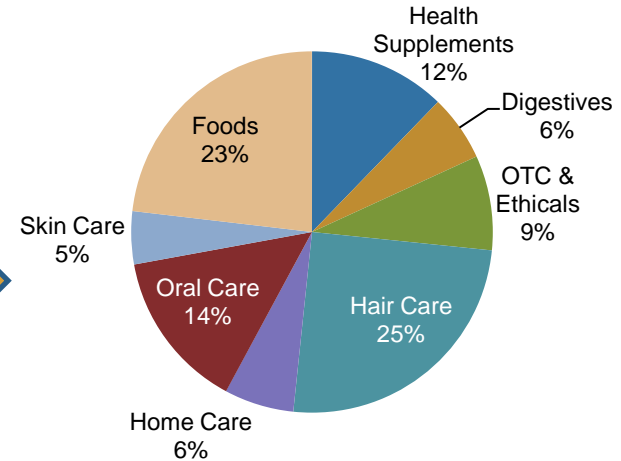
**134bps**

## Dabur Business Overview :Q1FY16

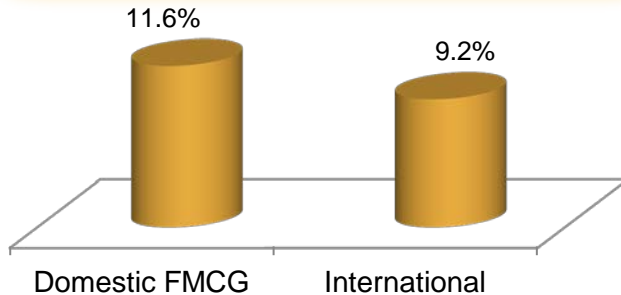
### Sales Contribution\*



### Domestic FMCG- Category Breakup



### Domestic and International Sales Growth Rates



Note: International growth includes Namaste & Hobby

- Domestic FMCG business reported growth of 11.6% with volume growth of 8.1%
- International Business grew by 9.2%
- International Business contributed to 33% of consolidated sales

\* Others includes Retail

# **CATEGORY HIGHLIGHTS**

Hair Care Growth  12.7%

### Hair Oils



- Hair Oils revived this quarter posting growth of 13% with both Dabur Amla and Dabur Almond Hair oil recording double digit growth
- Sharper positioning in the new communications as well as focused marketing initiatives helped drive growth
- Innovations and variant extensions in the pipeline

### Shampoo



- The shampoo portfolio registered 11.5% growth in Q1FY16
- The Modern Trade channel performed well in the Shampoo category
- Vatika Brave & Beautiful campaign continues to gain traction- received 8 million views till date

Oral Care Growth  17.5%

### Toothpaste portfolio grew @ 23.8%



- Posted robust volume led growth
- Strong product efficacy along with a new communication to influence brand switch is working well for the brand



On ground awareness and sampling



- Continued on a strong growth trajectory with double digit growth
- Meswak dental kits introduced in hotels
- Sampling initiatives, better in-store visibility and consumer activations have helped the brand record good growth



- Babool remained flattish during the quarter
- Focus on imagery building to drive the saliency of large packs going forward in order to get a more profitable mix
- On ground awareness and visibility drive conducted in key markets



## Home Care

Home Care Growth  12%



- Odonil clocked high teens growth this quarter
- Digital media was leveraged for Odonil Gel. The ad received 5 lacs views in just two weeks
- Communication targeted at 'Social Status' has been well received



- Odomos posted healthy double digit growth
- Brand communication strategy of protection from dengue helping the brand
- Activations in schools and doctor endorsements to help increase awareness



- Sanifresh posted muted growth for the quarter
- Heightened competitive activity during the quarter impacted growth
- Over 400 toilets constructed in villages as a part of the '700 se 7 Kadam' initiative

Skin care Growth  5.2%



- Gulabari Rose water has been restaged with a contemporary packaging which led to pipeline rationalization in Q1FY16
- The new communication for Gulabari Rose Water aimed at teenagers has been well received



- Gold Bleach was the fastest growing variant in the Fem Bleach category
- Focused strategy on tapping various occasions/festivals
- New communications for 'Fem' brand' and in-parlour demos to drive growth



- Parlour presence to be strengthened under the brand 'Oxy'
- Salon Education Program launched



## Health Supplements

Health Supplements Growth  1.2%



- Honey continued to report strong double digit growth
- Advocacy to build Honey as a part of daily diet has helped the brand perform well
- Initiatives such as Advertorials, Recipes, Articles, Blogs etc have helped in generating sales



- Chyawanprash posted flattish growth. However, Q1 is not an important quarter for this brand
- National rollout of Chocolate flavour planned in the winter season
- Building advocacy for the brand through Doctors



- Glucose D witnessed some pressure due to unseasonal rains and a short summer
- Innovations and variant extensions planned to help the brand gain scale and enhance the portfolio

## Digestives

Digestives Growth  1.7%



- Focus on improving Modern Trade saliency to help strengthen the brand imagery
- The *Hajmola Chatpat* variant is doing well driven by new advertising campaign
- Dabur marks its entry into the *Ready To Drink* market by launching six flavours of **Hajmola Yoodley** thereby strengthening the Hajmola brand equity of “Chatpata”



## OTC & Ethicals

OTC & Ethicals Growth  16.7%



- Lal tail performed well this quarter with strong double digit growth
- Doctor endorsement through medical marketing to build advocacy
- Sampling at maternity hospitals to capitalize on the first opportunity to tap the consumer



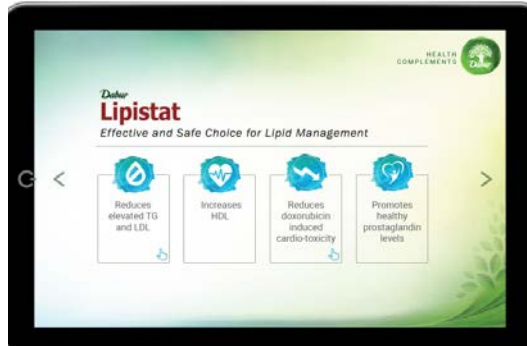
- Honitus franchise clocked high teens growth in Q1FY16
- Continue to drive 'Effective relief with non-drowsiness' proposition
- Distribution expansion planned in regions where brand is underleveraged to expand consumer base



- Ethicals portfolio recorded good growth in Q1FY16
- Women's tonics posted strong double digit growth
- Educating consumers to encourage self medication
- Health camps, doctor meets, digital detailing and in-clinic communications have aided growth



### Leveraging Through Empowered Anchoring & Detailing



**Doctor Detailing for Dabur Products  
using hand held devices**

- Front end teams to be separated for Healthcare (OTC & Ethicals) and the rest of the Domestic FMCG business to have focused attention on both segments of the business
- *Demand generation from doctors shall be the key focus:*
  - ✓ **Advocacy platform being built**
  - ✓ **Both Ayurvedic and Allopathic doctor reach to be ramped up**
  - ✓ **Building the detailing team- Around 170 Medical representatives hired; Number will increase to 275 by end of the fiscal**
  - ✓ **Head of business inducted for Medical detailing and marketing**
  - ✓ **IT Platform and hand held devices for seamless information flow for the detailing team**

Foods Growth  15.5%



**Dabur**  
**HOMMADE®**  
Cooking Pastes & Purees

- Real recorded healthy double digit growth in Q1FY16 in spite of a weak summer
  - Recently launched the **Real Wellnezz** range of juices with the Jamun flavour.
  - Activ 100% Mixed Fruit variant was launched under the Activ brand umbrella
  - *Lucky Sip Contest* along with packs featuring the new character 'RJ' for Real Juices helped the brand gain popularity
- 
- Hommade grew in double digits this quarter
  - Cross promotion to generate trials for the whole range
  - Presence at relevant digital touch points eg. Cookery sites to strengthen the brand equity

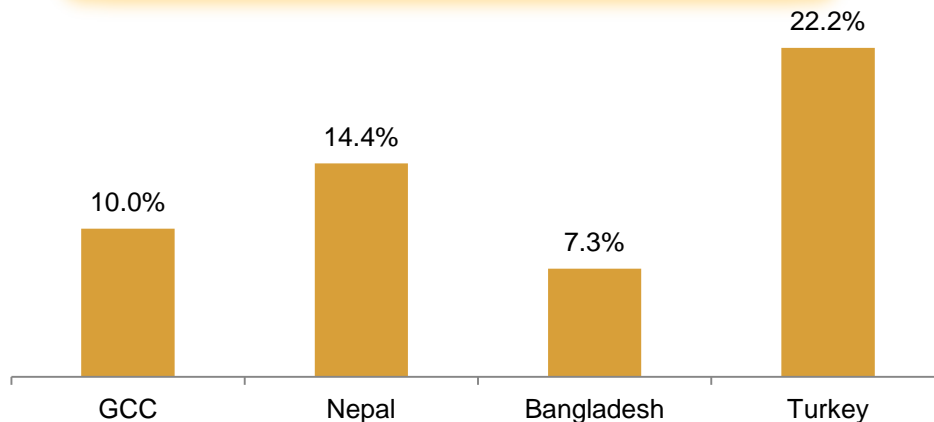


**Real – RJ Packs**

## International Business

- International Business registered growth of 9.2% with Constant currency growth of 7.4% in Q1FY16
- Organic International Business grew by 10.3%, impacted by political disturbances in the MENA region and currency devaluation in Nigeria and Egypt
- Namaste posted a recovery in growth this quarter
- Innovation continues in the International markets in segments like Baby care, Hair Care and Skin care

**\*Key Growth Markets Q1FY16**



\*Growth On Constant currency basis



## Recently launched

India



**Real Wellnezz- Jamun**



**Dabur Baby Massage Oil**



**Hajmola Yoodley- Six flavours**



**Activ 100% Mixed Fruit**

International



**Dermoviva Baby Range- Olive Enriched Powder and Olive Baby Soap**



**Vatika Naturals Damage Repair Leave On Cream**



**Vatika Shampoo- Black Olive**

## Consolidated P&L Q1 FY2015-16

<b>DIL (Consolidated) P&amp;L - in Rs. crores</b>	<b>Q1FY16</b>	<b>Q1FY15</b>	<b>YoY (%)</b>
<b>Net Sales</b>	<b>2,064.1</b>	<b>1,863.9</b>	<b>10.7%</b>
Other Operating Income	5.4	5.0	8.3%
Material Cost	955.7	922.6	3.6%
<i>% of Sales</i>	46.3%	49.5%	
Employee Expense	189.2	156.9	20.6%
<i>% of Sales</i>	9.2%	8.4%	
Advertising & Publicity	330.6	286.3	15.5%
<i>% of Sales</i>	16.0%	15.4%	
Other Expenses	272.2	235.0	15.8%
<i>% of Sales</i>	13.2%	12.6%	
Other Non Operating Income	47.9	35.9	33.2%
<b>EBITDA</b>	<b>369.6</b>	<b>304.0</b>	<b>21.6%</b>
<i>% of Sales</i>	17.9%	16.3%	
Finance Costs	11.7	10.1	15.8%
Depreciation & Amortization	32.6	26.7	22.0%
<b>Profit Before Tax (PBT)</b>	<b>325.3</b>	<b>267.1</b>	<b>21.8%</b>
Exceptional Item	0.0	0.0	
Tax Expenses	63.2	56.0	12.8%
<b>PAT(Before extraordinary item)</b>	<b>262.1</b>	<b>211.1</b>	<b>24.1%</b>
<i>% of Sales</i>	12.7%	11.3%	
<b>PAT(After extraordinary Items)</b>	<b>262.1</b>	<b>211.1</b>	<b>24.1%</b>
<b>Minority Interest - Profit/(Loss)</b>	<b>1.0</b>	<b>0.3</b>	
<b>PAT (After Extra ordinary item &amp; Minority Int)</b>	<b>261.1</b>	<b>210.8</b>	<b>23.9%</b>
<i>% of Sales</i>	12.6%	11.3%	



**THANK YOU**