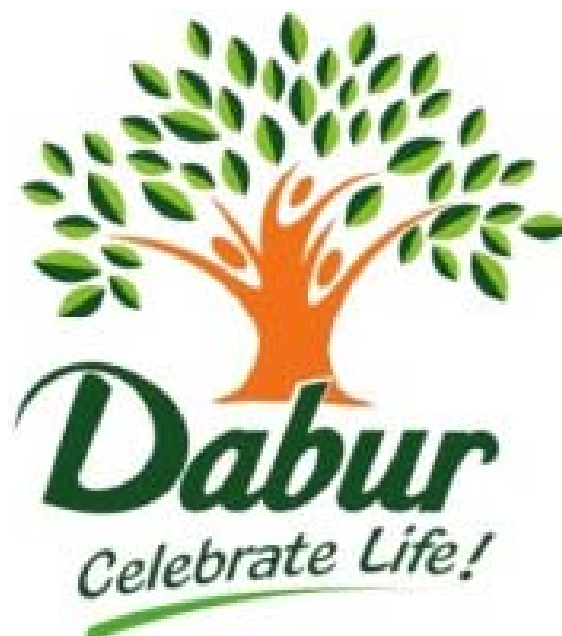


# Dabur India Limited

## Investor Communication

Quarter and Year ended March 31, 2014



*April 29, 2014*

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## Performance Overview: FY2013-14



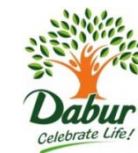
- Consolidated Net Sales crossed the Rs. 7,000 crore mark and were at Rs. 7,073.2 crores, growing by 15.1%
- Consolidated EBITDA increased by 17.4% to Rs. 1,287.9 crores
- EBITDA margins improved to 18.2% for FY14 as compared to 17.8% in FY13
- Consolidated PAT reported an increase of 19.7% to Rs. 913.9 crores
- Final Dividend proposed at Re.1 per share taking the total dividend for the year to Rs.1.75 per share.

## Performance Overview : Q4FY2013-14

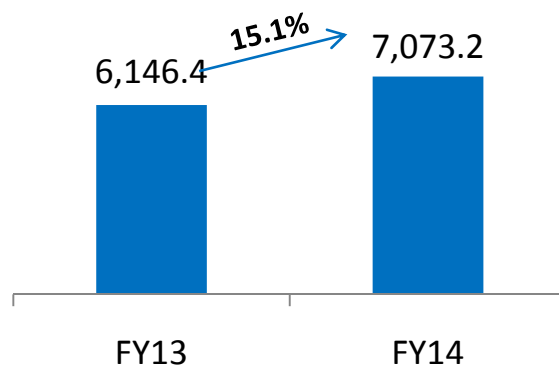


- Consolidated Sales grew by 15.5% to Rs. 1,769 crores.
- Consolidated EBITDA increased by 15.7% to Rs. 333.8 crores
- EBITDA margins improved to 18.9% for Q4FY14 as compared to 18.8% in Q4FY13
- Consolidated PAT reported an increase of 17.3% to Rs. 235.3 crores

# Financial Performance: FY 2013-14

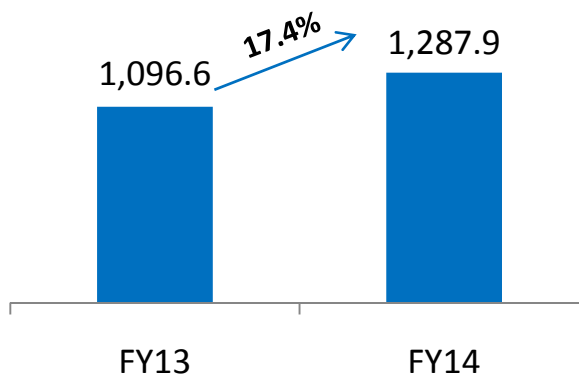


Revenue  
(in Rs. Cr.)



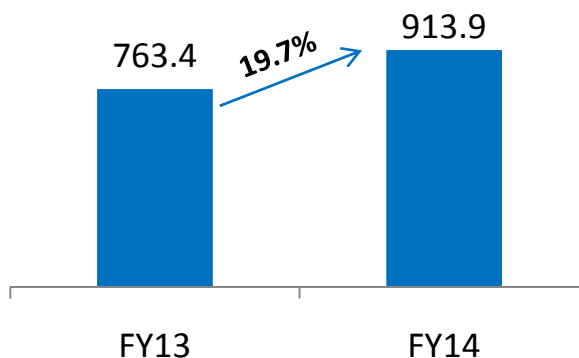
- Consolidated sales grew by 15.1% with volume growth of 10.5%

EBITDA  
(in Rs. Cr.)



- EBITDA margin expanded to 18.2% in FY14 v/s 17.8% in FY13 supported by lower material costs and other expenses

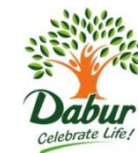
PAT\*  
(in Rs. Cr.)



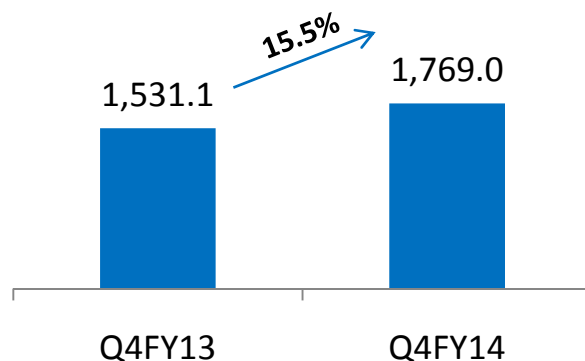
- Consolidated PAT reported growth of 19.7% and PAT margins improved to 12.9% from 12.4% in FY13

\*After minority interest

# Financial Performance: Q4 FY14

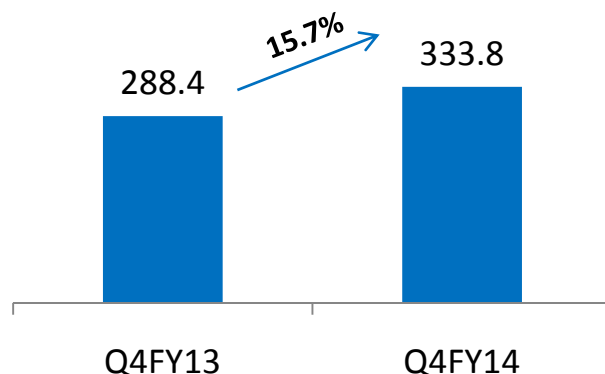


**Revenue**  
(in Rs. Cr.)



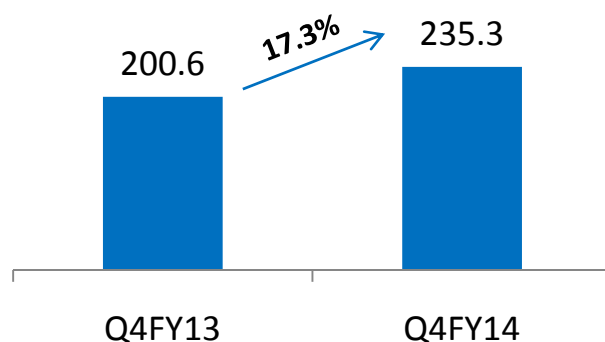
➤ Consolidated sales grew by 15.5% driven by volume growth of 9.4%

**EBITDA**  
(in Rs. Cr.)



➤ EBITDA margin was stable at 18.9% v/s 18.8% in Q4FY13, inspite of higher material costs and Advertisement expenditure as % of sales

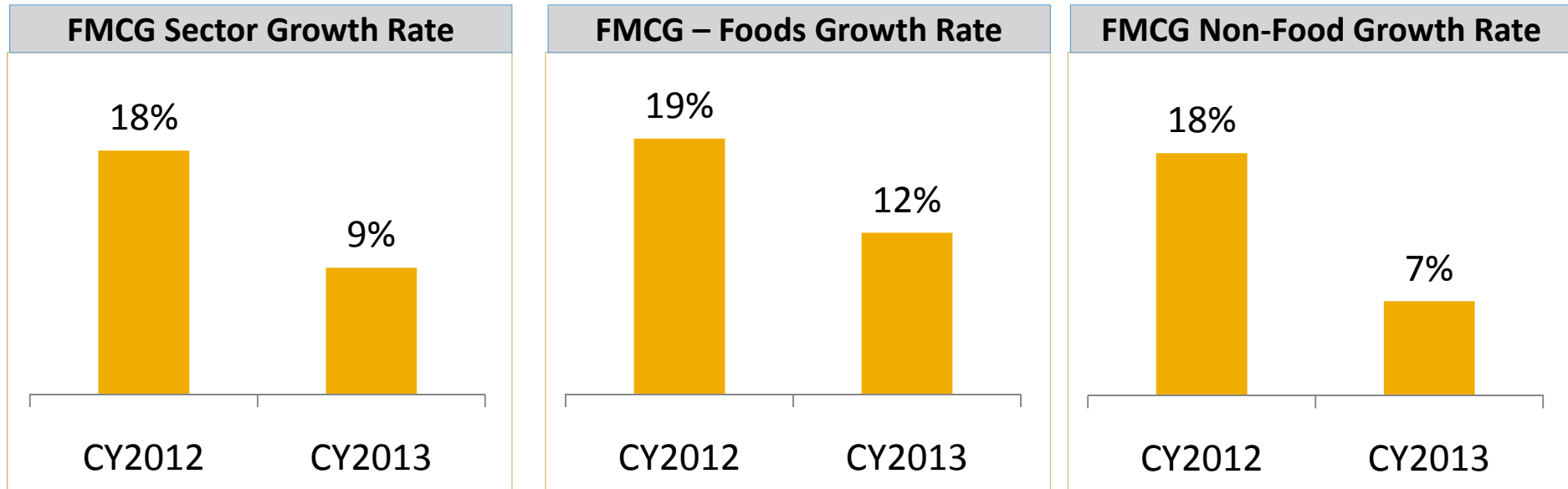
**PAT\***  
(in Rs. Cr.)



➤ PAT grew by 17.3% and PAT margins improved to 13.3% as compared to 13.1% in Q4FY13

\*After minority interest

# Indian FMCG Sector Growth Slows



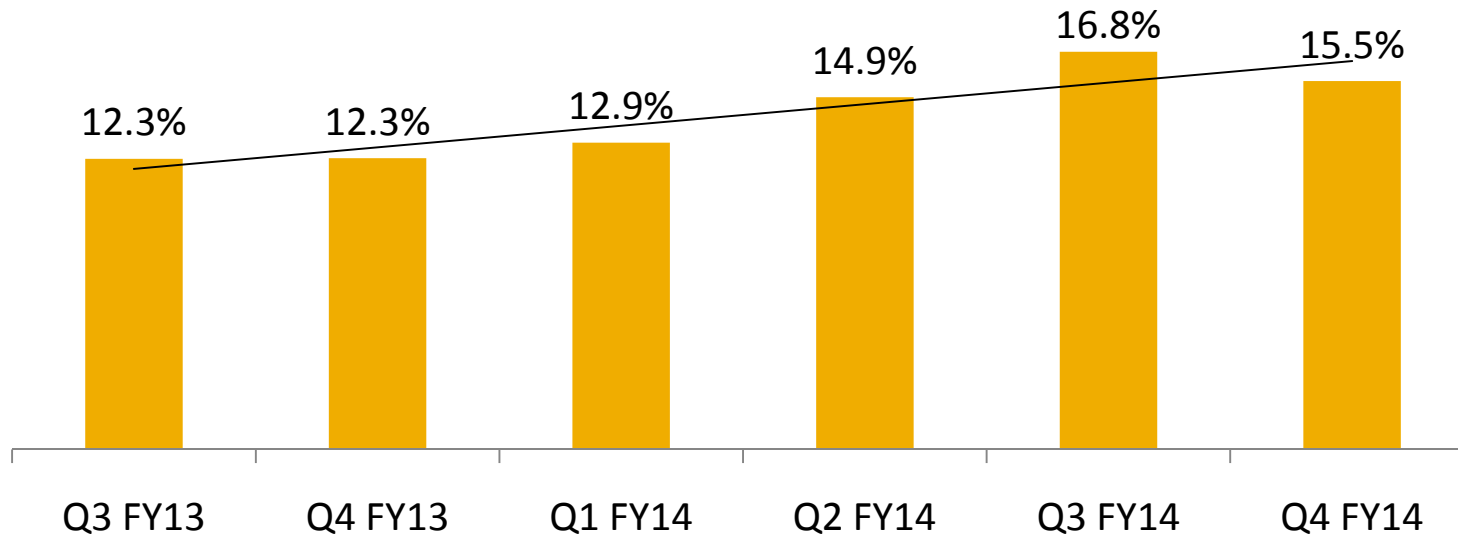
Source: Nielsen, Economic Times

***“Indian FMCG sector has witnessed significant deceleration in growth rates with CY2013 growth being nearly half of CY 2012”***

Note: Above data is as per Calendar Year

## Dabur: Quarterly Sales Growth Trend

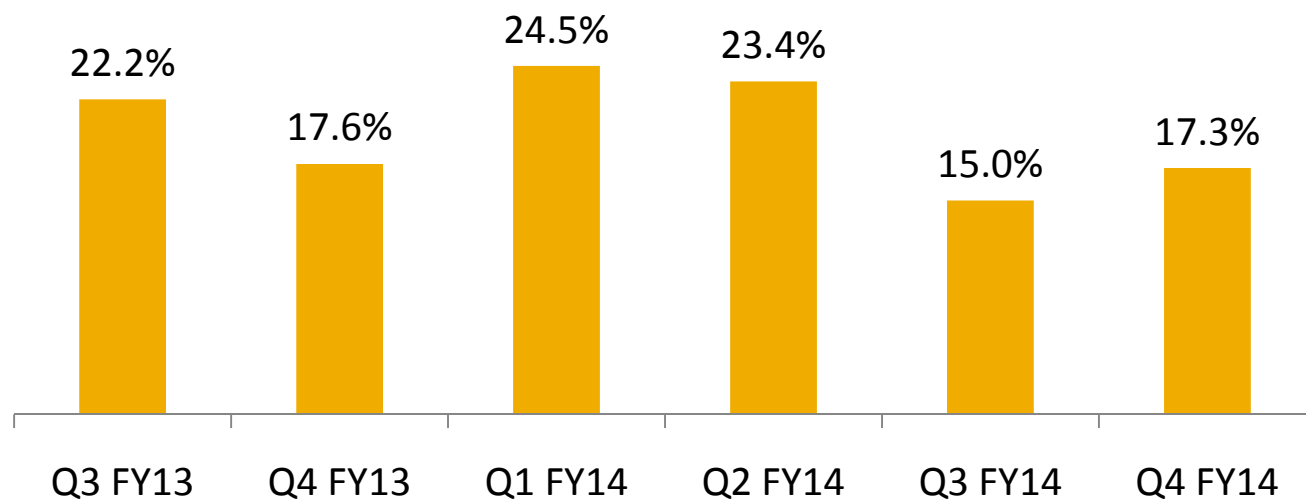
Dabur Consolidated Sales Growth %



***Steady growth trend in Dabur' sales over last 6 quarters...***

## Dabur: Quarterly PAT Growth Trend

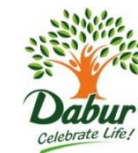
### Dabur Consolidated Profit After Tax Growth %



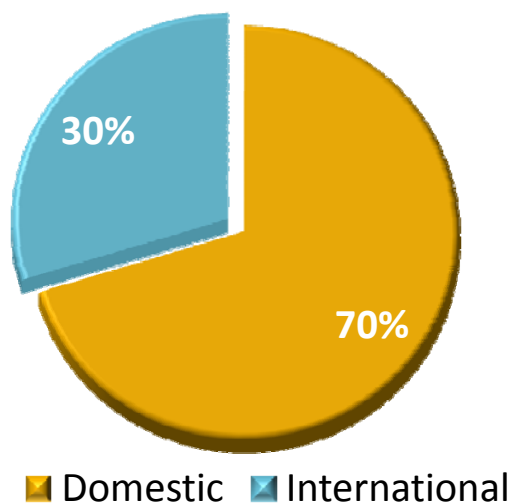
***... with even stronger growth in PAT***



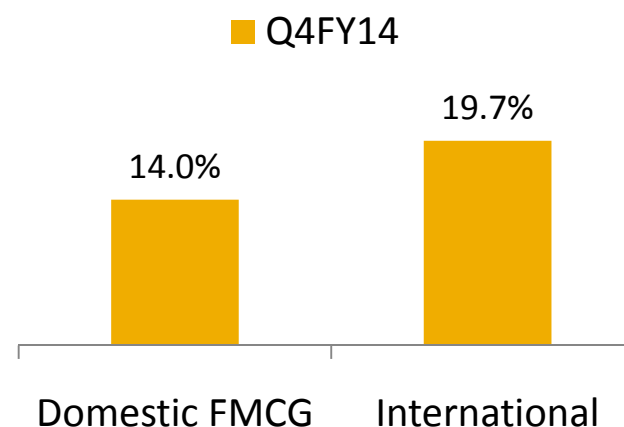
# Business Overview – Q4 FY14



Sales Contribution (Q4 FY14)\*



Domestic and International Sales Growth Rates



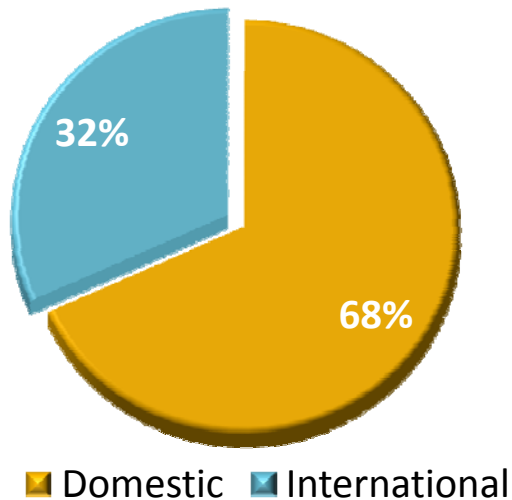
Note: International includes Namaste and Hobi

- International Business contributed to 30% of consolidated sales
- Domestic FMCG business comprising Consumer Care and Foods reported growth of 14%
- International Business grew by 19.7%
- Others consisting of commodity exports remained flattish

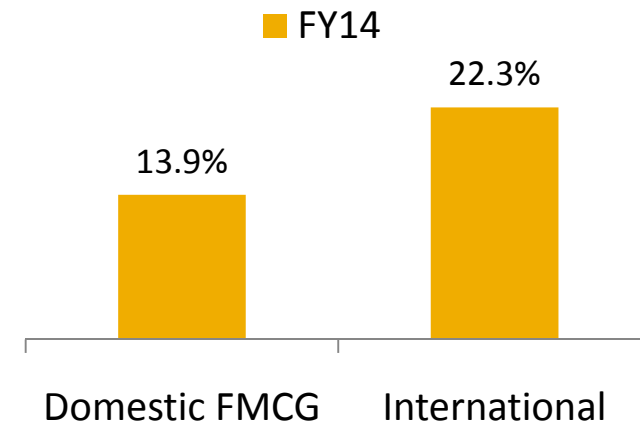
# Business Overview – FY2013-14



Sales Contribution (FY14)\*



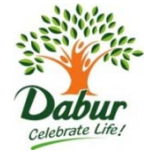
Domestic and International Sales Growth Rates



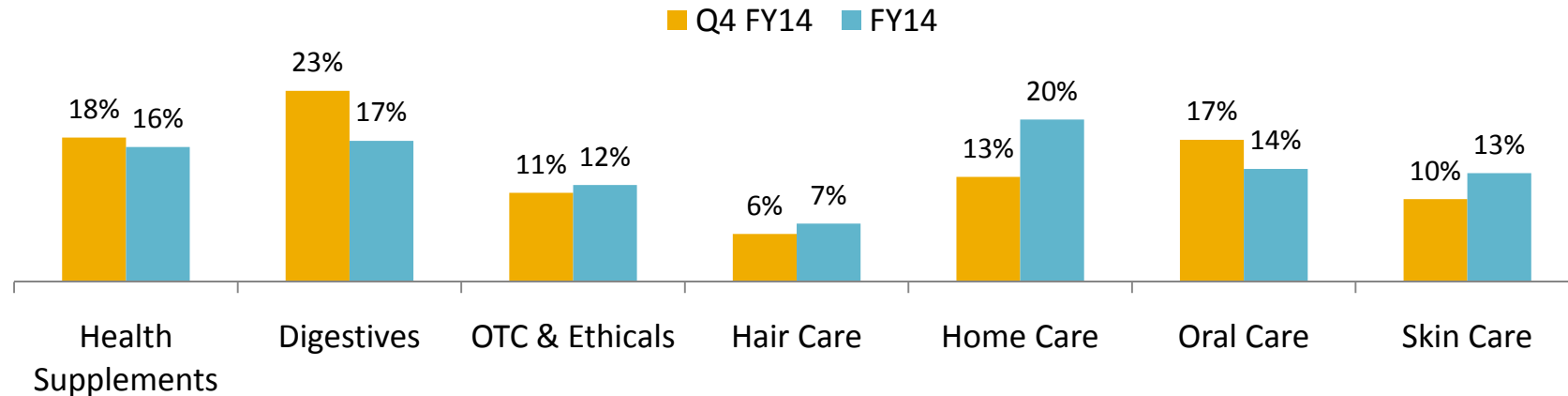
Note: International includes Namaste and Hobi

- International contributed to 32% of consolidated sales
- Domestic FMCG business reported growth of 13.9%
- International Business grew by 22.3% in FY14
- Others consisting of commodity exports registered decline

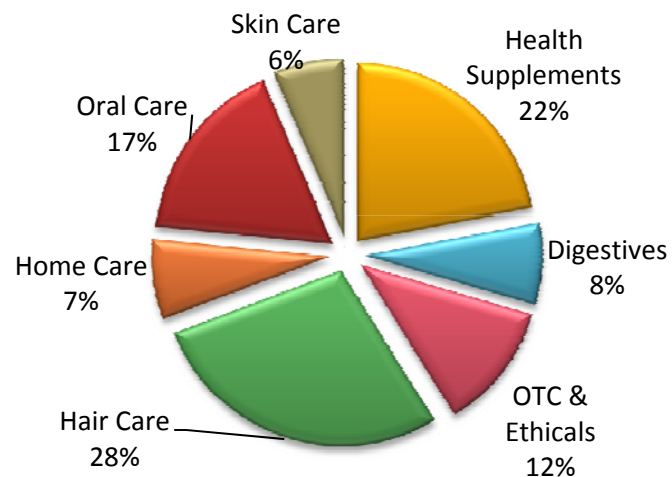
# Consumer Care Business



## Consumer Care Category Growth Rates (%)



## Category Contribution (FY14)



## Highlights

- Health Supplements grew at a robust 18% in Q4FY14 driven by Chyawanprash and Honey
- Digestives reported growth of 23% in Q4FY14
- Toothpastes and Shampoos posted strong growth in Q4FY14

## Health Supplements

- Health Supplements grew strongly at 18% in Q4FY14 and 16.4% in FY14
- Dabur Chyawanprash performed well driven by new communication and variants
- Dabur Honey continued to perform well across regions and channels

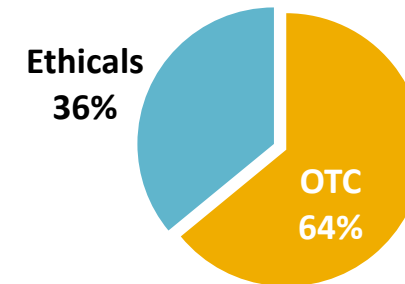
## Digestives

- Digestives category grew well at 23.3% in Q4FY14 and 17.2% in FY14
- Hajmola franchise grew in strong double digits in Q4FY14 with the Hajmola Anardana variant continuing to perform well
- Pudín Hara performed well in Q4FY14 driven by the main product and new lemon fizz variant

# OTC & Ethicals

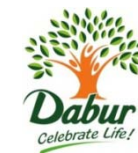
- OTC & Ethicals portfolio grew by 11% in Q4FY14 and by 12% in FY14 driven by strong growth in the Ethicals Portfolio
- On the ground and digital initiatives driving growth of Ethicals portfolio

OTC v/s Ethicals Sales Split (FY14)



**Ethicals: Visibility enhancement initiatives**

# Hair Care



- Hair Care portfolio reported growth of 6% in Q4FY14 and 7% in FY14
- Shampoo portfolio continued to perform well and grew by 19% in Q4FY14 and similar in the full year
- Newly launched Vatika Enriched Coconut Oil with Hibiscus and Vatika Olive Enriched Hair Oil received good response
- New products along with refurbished marketing mix expected to drive growth going ahead



Amla: Media activations



Vatika Olive Enriched Hair Oil

## Home Care

- Home Care category posted 13% growth in Q4FY14 and 20% in FY14.
- The biggest brand - Odonil performed well growing in double digits in Q4FY14 driven by restage and other marketing initiatives
- The mosquito repellent brand – Odomos saw relatively low offtakes during the quarter mainly due to lower institutional sales

## Skin Care

- Skin Care reported growth of 10.1% in Q4FY14 and 13.2% in FY14
- Gulabari and Fem bleaches witnessed double digit growth during Q4FY14 while the HRC and hand wash variants of Fem reported slightly lower growth

# Oral Care



- Oral Care grew by 17.3% in Q4FY14 and by 14% in FY14
- Toothpastes performed well growing by 21% in Q4FY14, with Dabur Red Toothpaste leading the growth driven by media activities and activations
- Meswak toothpaste posted good double digit growth in Q4FY14
- Red Toothpowder grew in high single digits in Q4FY14 and full year



Red Toothpaste: Trial generation initiative



# Foods



- Foods grew well at 21% in Q4FY14 and 20% in FY14 with strong growth across channels and regions
- Real continued to perform well with strong double digit growth. During FY14, Real crossed the \$100 million dollar mark in sales
- Culinary portfolio performed well during the quarter

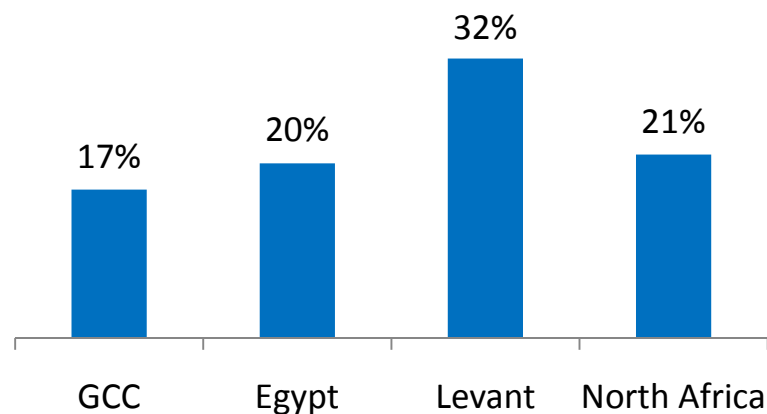


Coconut Water: Print campaign

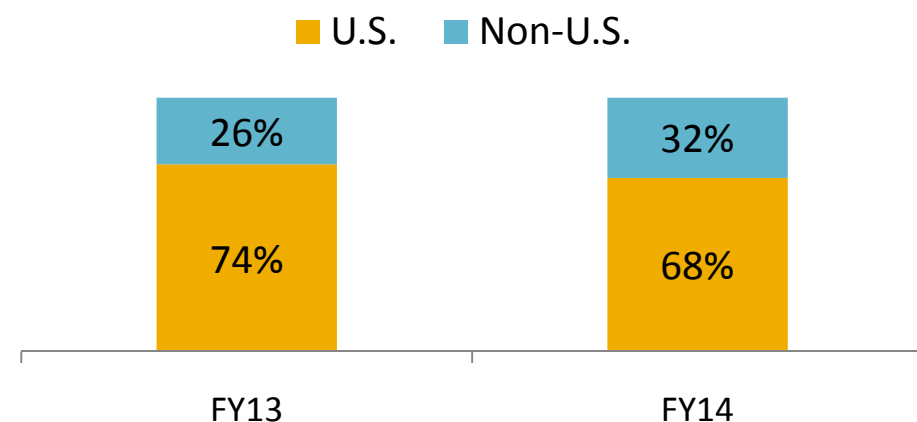
# International Business

- International Business registered growth of 20% in Q4FY14 with double digit constant currency growth. For FY14, the business grew by 22% with constant currency growth in double digits.
- Key growth markets for the year were GCC, Egypt, Levant markets and Africa
- Namaste's non-U.S. markets performed well in line with our strategy to increase Namaste's presence in Africa

**Key Growth Markets – FY14(%)**

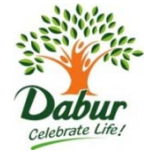


**Namaste U.S. and Non-U.S. Sales Breakdown**



Note: Above growths are in constant currency terms

# International Business – New Launches



Amla Leave-On Oils

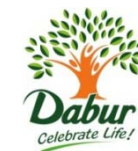


Vatika Hammam Zaith – Volume & Thickness (New Variant)



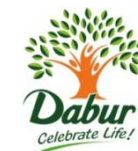
Dabur Herbal – Anti ageing Toothpaste

# Consolidated P&L



<b>DIL (Consolidated) P&amp;L - in Rs. crores</b>	<b>Q4FY14</b>	<b>Q4FY13</b>	<b>YoY (%)</b>	<b>FY14</b>	<b>FY13</b>	<b>YoY (%)</b>
<b>Net Sales</b>	<b>1,769.0</b>	<b>1,531.1</b>	<b>15.5%</b>	<b>7,073.2</b>	<b>6,146.4</b>	<b>15.1%</b>
Other Operating Income	5.4	5.5	-2.8%	21.2	22.7	-6.6%
Material Cost	858.0	739.8	16.0%	3400.0	3019.1	12.6%
<i>% of Sales</i>	48.5%	48.3%		48.1%	49.1%	
Employee Expense	152.9	128.3	19.1%	607.7	498.9	21.8%
<i>% of Sales</i>	8.6%	8.4%		8.6%	8.1%	
Advertising & Publicity	228.4	191.9	19.0%	999.7	837.0	19.4%
<i>% of Sales</i>	12.9%	12.5%		14.1%	13.6%	
Other Expenses	239.7	220.1	8.9%	930.6	826.3	12.6%
<i>% of Sales</i>	13.6%	14.4%		13.2%	13.4%	
Other Non Operating Income	38.3	32.0	19.9%	131.5	108.9	20.8%
<b>EBITDA</b>	<b>333.8</b>	<b>288.4</b>	<b>15.7%</b>	<b>1,287.9</b>	<b>1,096.6</b>	<b>17.4%</b>
<i>% of Sales</i>	18.9%	18.8%		18.2%	17.8%	
Finance Costs	13.7	15.0	-8.6%	54.2	58.9	-8.1%
Depreciation & Amortization	26.3	20.7	27.1%	97.5	84.7	15.1%
<b>Profit Before Tax (PBT)</b>	<b>293.8</b>	<b>252.7</b>	<b>16.2%</b>	<b>1136.2</b>	<b>953.0</b>	<b>19.2%</b>
Exceptional Item	0.0	0.0		0.0	-4.7	
Tax Expenses	58.2	50.7	14.9%	219.1	182.6	20.0%
<b>PAT(Before extraordinary item)</b>	<b>235.5</b>	<b>202.0</b>	<b>16.6%</b>	<b>917.2</b>	<b>765.7</b>	<b>19.8%</b>
<i>% of Sales</i>	13.3%	13.2%		13.0%	12.5%	
<b>Extraordinary Item</b>	<b>0.0</b>	<b>0.0</b>		<b>-0.7</b>	<b>0.1</b>	
<b>PAT(After extraordinary Items)</b>	<b>235.5</b>	<b>202.0</b>	<b>16.6%</b>	<b>916.4</b>	<b>765.8</b>	<b>19.7%</b>
<b>Minority Interest - Profit/(Loss)</b>	<b>0.2</b>	<b>1.5</b>		<b>2.5</b>	<b>2.4</b>	
<b>PAT (After Extra ordinary item &amp; Minority Int)</b>	<b>235.3</b>	<b>200.6</b>	<b>17.3%</b>	<b>913.9</b>	<b>763.4</b>	<b>19.7%</b>
<i>% of Sales</i>	13.3%	13.1%		12.9%	12.4%	

# Consolidated Statement of Assets and Liabilities



Particulars	As at 31/03/2014	As at 31/03/2013
<b>A EQUITY AND LIABILITIES</b>		
<b>1 Shareholders' funds</b>		
(a) Share capital	174.4	174.3
(b) Reserves and surplus	2,481.6	1,920.9
<b>Sub-total - Shareholders' funds</b>	<b>2,656.0</b>	<b>2,095.2</b>
<b>2. Minority interest</b>	<b>15.9</b>	<b>12.1</b>
<b>3. Non-current liabilities</b>		
(a) Long-term borrowings	260.4	539.9
(b) Deferred tax liabilities (net)	44.8	36.2
(c) Other long-term liabilities	0.0	0.1
(d) Long-term provisions	40.9	48.8
<b>Sub-total - Non-current liabilities</b>	<b>346.1</b>	<b>625.1</b>
<b>4. Current liabilities</b>		
(a) Short-term borrowings	447.7	611.4
(b) Trade payables	1,096.5	745.3
(c) Other current liabilities	479.4	432.5
(d) Short-term provisions	270.1	186.9
<b>Sub-total - Current liabilities</b>	<b>2,293.8</b>	<b>1,976.2</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>5,311.8</b>	<b>4,708.5</b>
<b>B ASSETS</b>		
<b>1. Non-current assets</b>		
(a) Fixed assets	1,167.2	1,053.1
(b) Goodwill on consolidation	621.4	621.4
(c) Non-current investments	424.7	153.2
(d) Long-term loans and advances	24.5	43.4
(e) Other non-current assets	18.1	138.5
<b>Sub-total - Non-current assets</b>	<b>2,255.9</b>	<b>2,009.5</b>
<b>2 Current assets</b>		
(a) Current investments	651.7	775.5
(b) Inventories	972.3	844.4
(c) Trade receivables	675.3	484.1
(d) Cash and cash equivalents	519.4	361.8
(e) Short-term loans and advances	132.0	173.9
(f) Other current assets	105.1	59.3
<b>Sub-total - Current assets</b>	<b>3,055.8</b>	<b>2,699.1</b>
<b>Total - Assets</b>	<b>5,311.8</b>	<b>4,708.5</b>

# Disclaimer



Some of the statements made in this presentation contain forward looking information that involve a number of risks and uncertainties. Such statements are based on a number of assumptions, estimates, projections or plans that are inherently subject to significant risks, as well as uncertainties and contingencies that are subject to change. Actual results can differ materially from those anticipated in the Company's forward-looking statements as a result of a variety of factors, including those set forth from time to time in the Company's press releases and reports and those set forth from time to time in the Company's analyst calls and discussions. We do not assume any obligation to update the forward-looking statements contained in this presentation.

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***Thank You***