

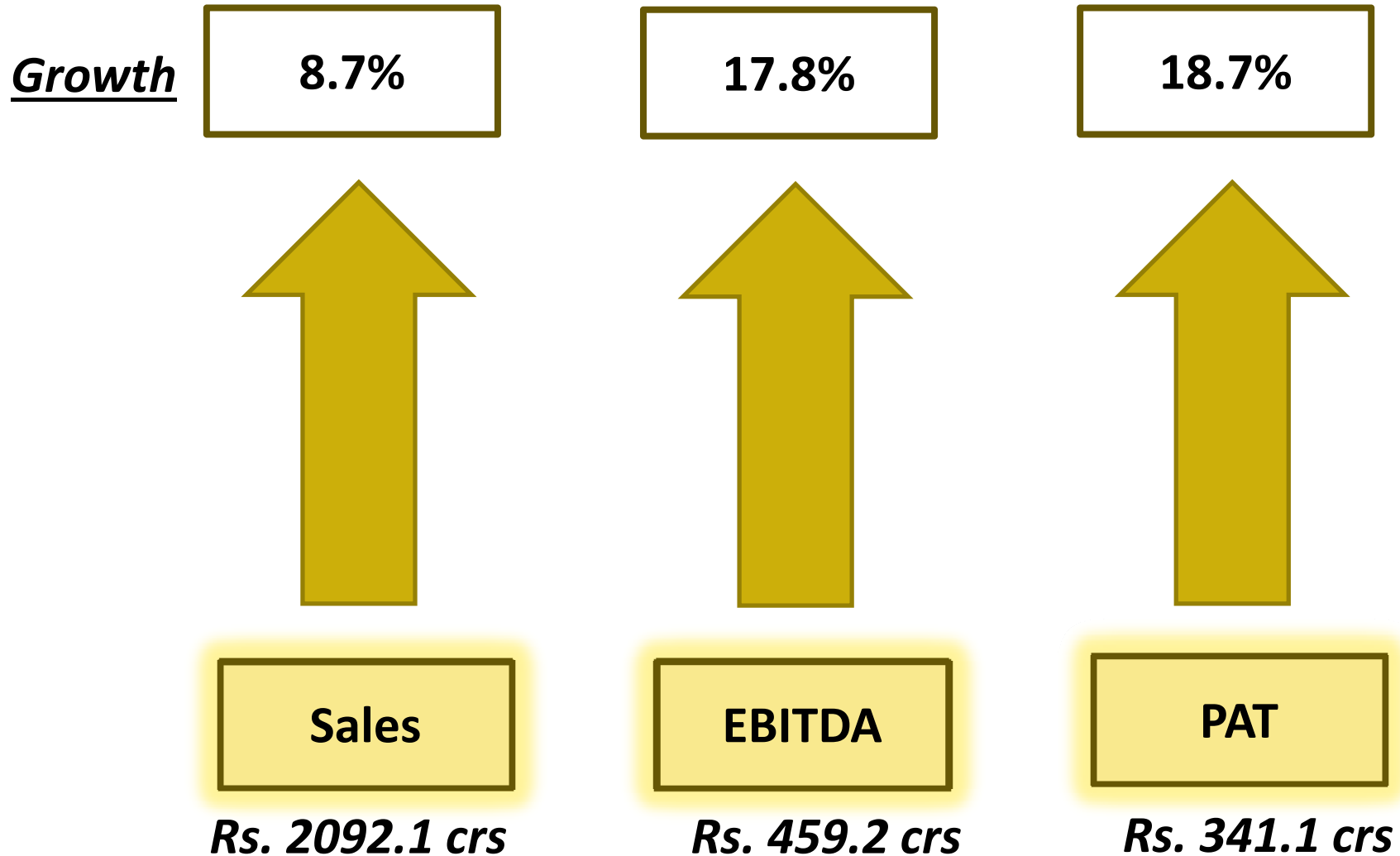
# Investor Communication

***Quarter ended 30<sup>th</sup> September, 2015***

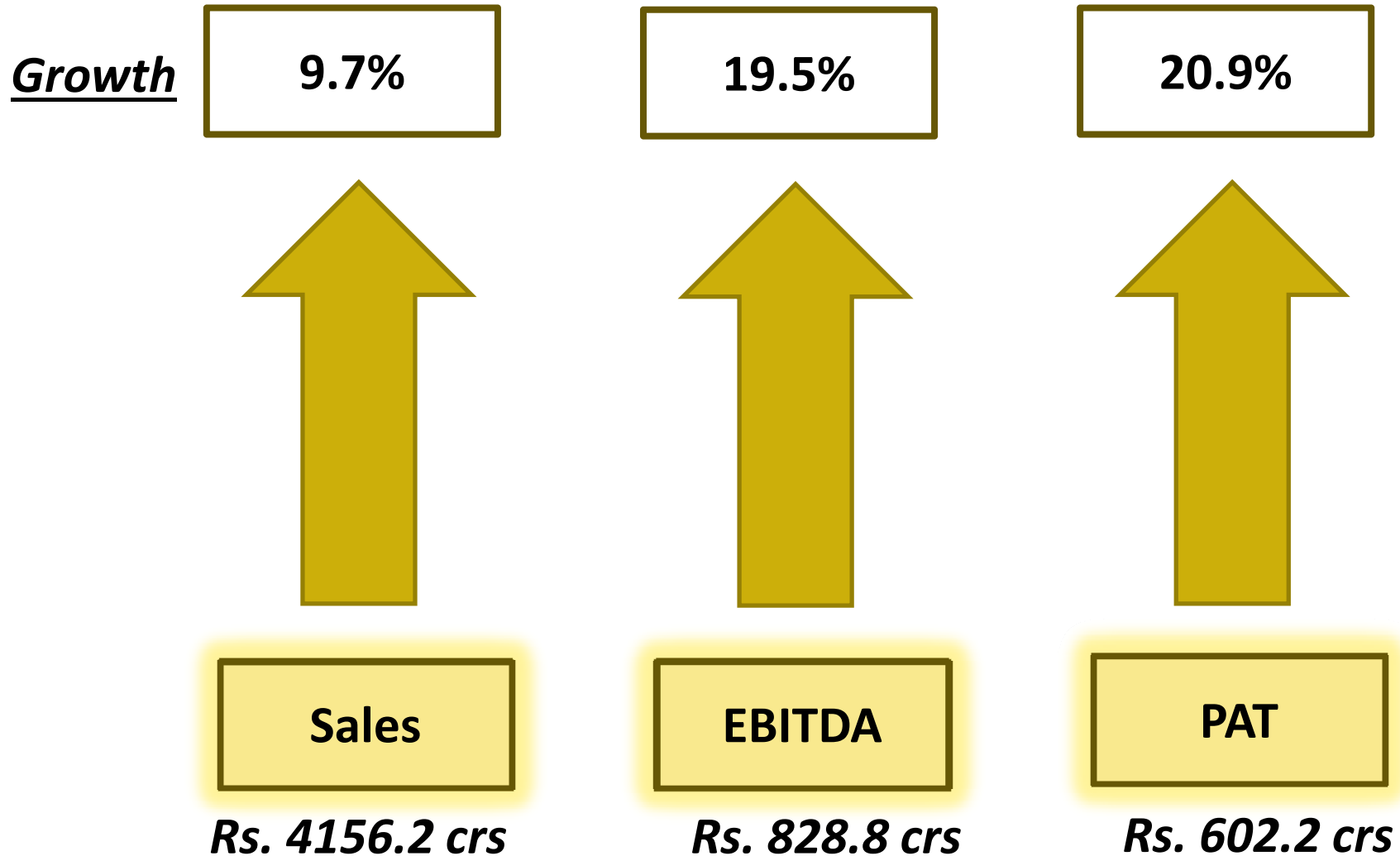


28<sup>th</sup> October, 2015

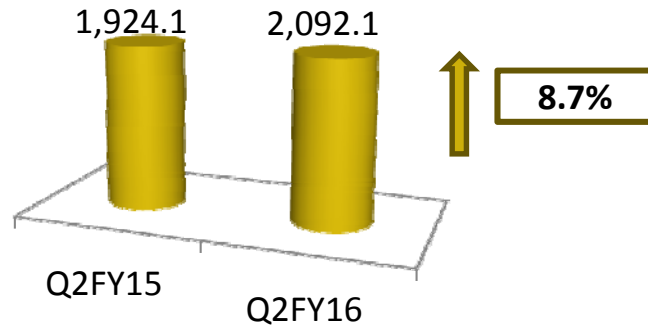
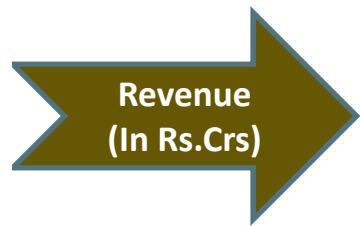
# Financial Highlights Q2FY16



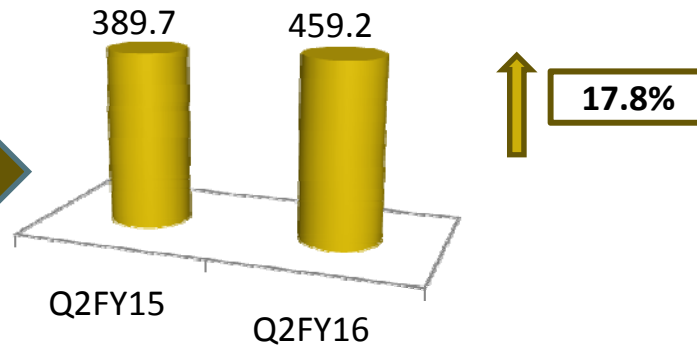
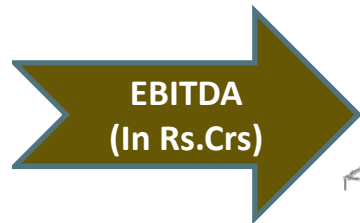
# Financial Highlights H1FY16



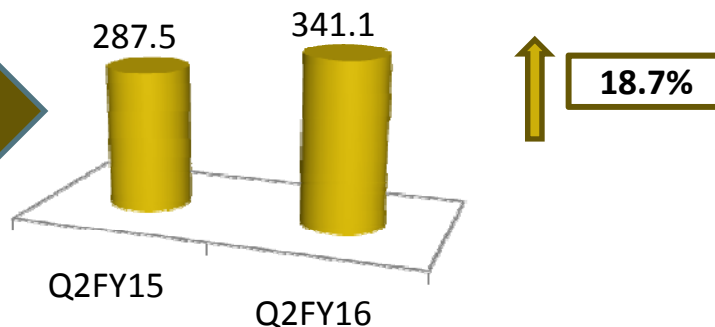
# Financial Highlights Q2FY16



- Consolidated sales grew by 8.7%
- Domestic FMCG Business reported growth of 8.8% driven by volume growth of 5%



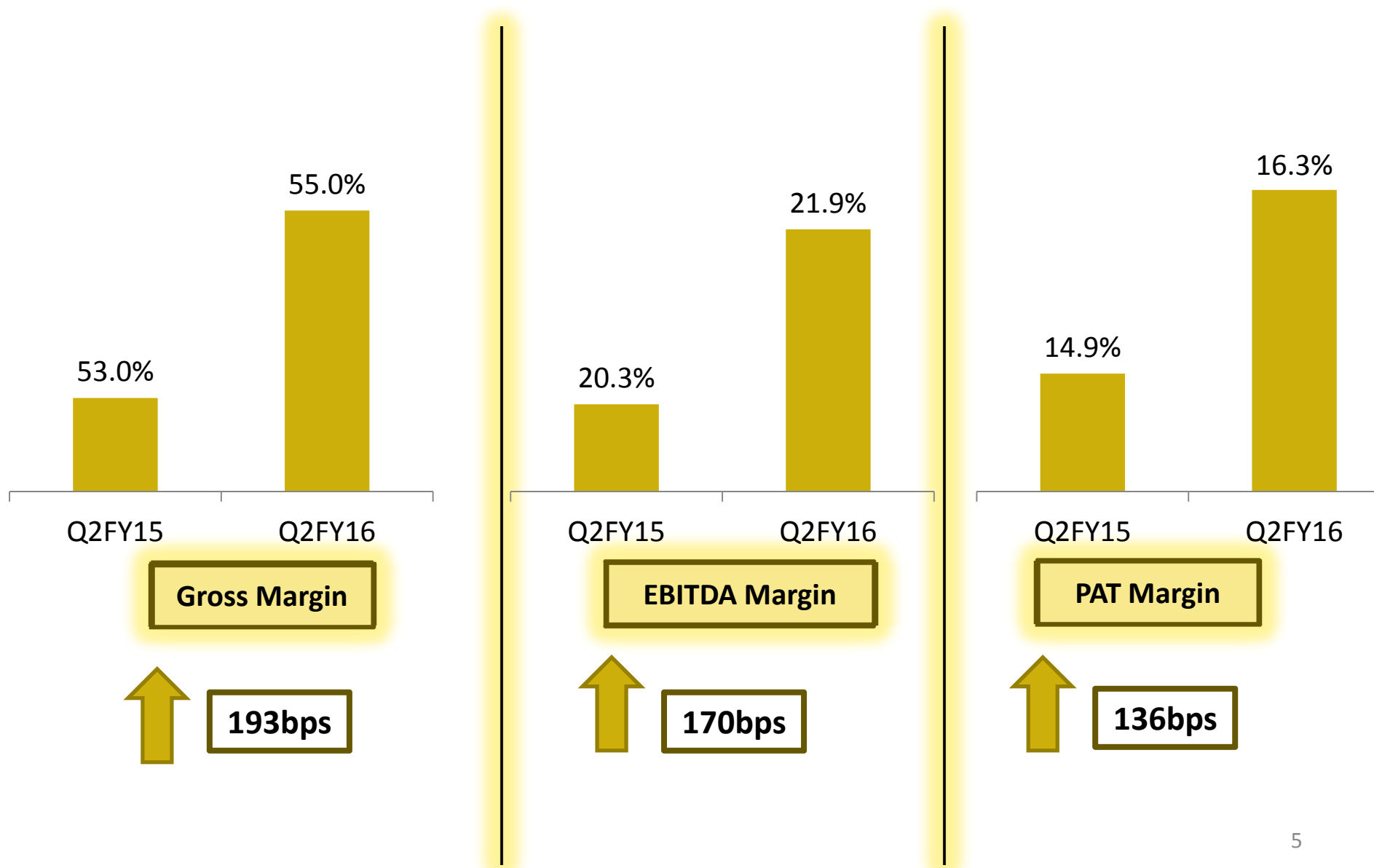
- EBITDA margin increased to 21.9% v/s 20.3% in Q2FY15
- Material Costs were lower at 45% of sales in Q2FY16 vs 47% in Q2FY15
- Adpro maintained at 13.3% vs 13.2% in Q2FY15



- Consolidated PAT grew by 18.7%
- PAT Margins increased from 14.9% in Q2FY15 to 16.3% in Q2FY16

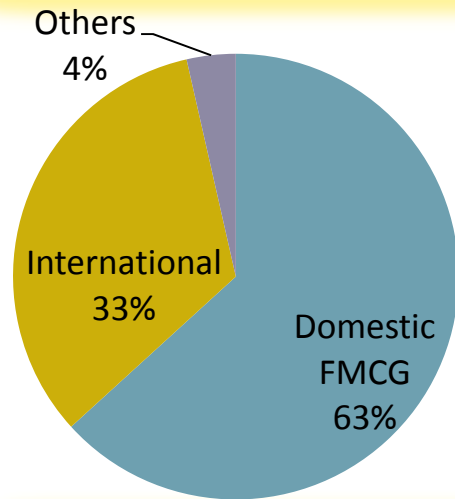
\*After minority interest

# Margin Profile Q2FY16

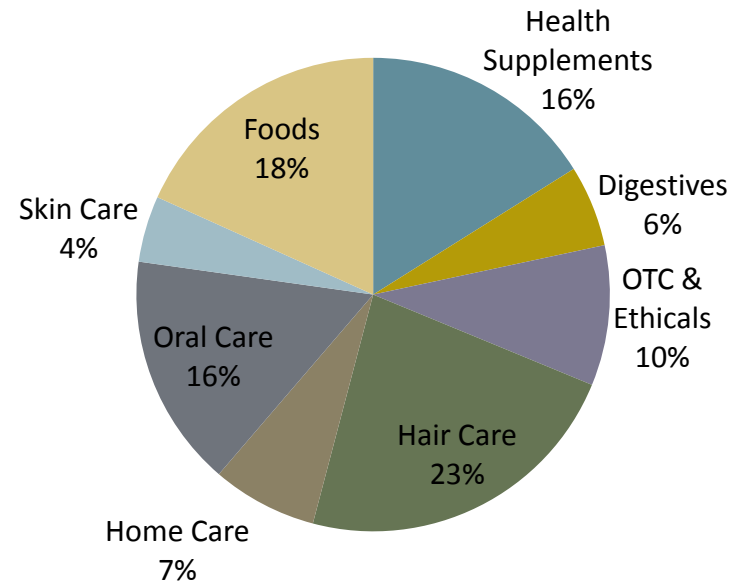


# Dabur Business Overview Q2FY16

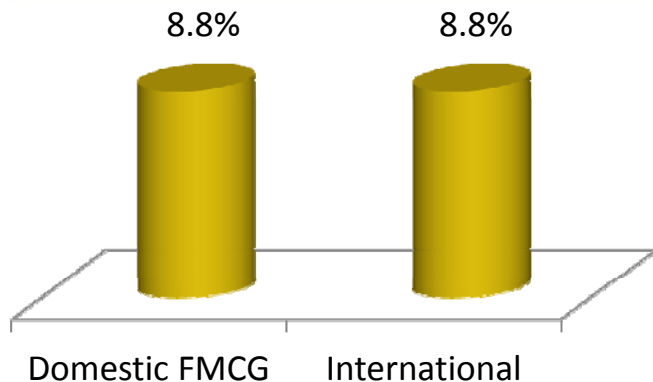
## Sales Contribution\*



## Domestic FMCG- Category Breakup



## Domestic and International Sales Growth Rates



- Domestic FMCG Business reported growth of 8.8% driven by volume growth of 5%
- Volume growth for the Domestic FMCG business excluding beverages was 7%
- International Business grew by 8.8%
- International Business contributed to 33% of consolidated sales

# Category Highlights

# Hair Care

Hair Care Growth  9.4%

## Hair Oils



- Hair Oils recorded strong double-digit volume led growth with both Perfumed and Coconut Hair Oil performing well
- The Light Coco Hair Oil segment has been gaining traction and we recently launched the Vatika Jasmine Hair Oil in this segment
- Regional focus and initiatives to drive visibility are helping us clock growth ahead of the industry

## Shampoo



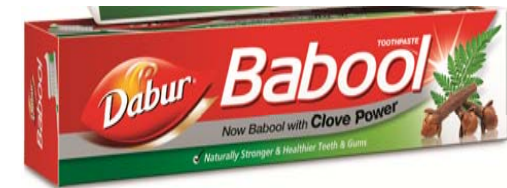
- The shampoo portfolio posted a slowdown this quarter due to heightened competitive intensity
- Dabur Almond Shampoo – an alpha ingredient shampoo was launched this quarter along with a new communication
- Continued focus on innovation and consumer engagement to strengthen the brand appeal



# Oral Care

Oral Care Growth  18.7%

The Toothpaste portfolio grew @ 28.1%



- Red Toothpaste posted robust double-digit volume led growth

- Dental camps, sampling through schools and effective communication has helped the brand clock good growth

- Increasing visibility in Modern Trade for the brand

- Meswak Toothpaste continued the strong momentum with double digit growth this quarter

- Focus has been on expanding footprint to help the brand achieve good scale

- Leveraging the digital media to drive visibility is helping the brand gain traction

- Babool posted growth this quarter reversing the declining trend

- The imagery building campaign “Mazboot Daant Mazboot Iraade” has worked well for the brand

- Continued focus on increasing the saliency of large packs to improve the sales mix

# Skin Care

Skin Care Growth  2.2%



# OXYLIFE

- Gulabari clocked moderate growth this quarter although Gulabari rose water performed well

- The Winter Range including cold creams and lotions has been re-launched in a more contemporary format to enhance the brand appeal

- Fem Bleaches recorded single growth in Q2FY16; growth impacted by delayed festive season

- Premium variants like *Gold* are driving the category growth

- The Fem “Get Set Glow” campaign lined up for the festive season

- Oxy Life posted a weak performance on account of supply constraints

- Prowhite Pure Oxygen Facial kits were launched under the OxyLife Professional range for the salon channel

- Salon pack of Crème + Crème Bleach has been launched – an innovative new concept in bleaches

# Home Care

Home Care Growth  12.4%



- Odonil continued to register good growth
- The new communication has been well received
- Consumer Engagement, Point of purchase trials and impactful visibility have helped drive growth

- Odomos performed well this quarter
- Targeting schools to generate trials and doctor endorsements
- Extensive use of Digital media to spread awareness about Dengue is helping the brand

- Sanifresh posted softer sales this quarter
- High competitive intensity in the category leading to increasing consumer promotions
- Variant extensions and innovations planned going forward

# Health Supplements

Health Supplements Growth  9%



- Honey continued on the strong growth trajectory, clocking double digit growth this quarter
- The concept of *Honey Recipes* is being used to promote more consumption of Honey on a daily basis
- The *Dabur Honey* website with 1.1 lac visits in just two months has helped drive customer engagement



- Chyawanprash posted muted growth this quarter mainly due to lower institutional sales; However the Chyawanprash range is all set to tap the winter season sales
- National rollout of *Chocolate Chyawanprash* planned
- Consumer Activation- *Dabur Chyawanprash India Immune School Challenge* has been working well for the brand



# Digestives

Digestives Growth  1.6%



- The Hajmola Franchise recorded flattish growth in Q2FY16
- Recently launched Hajmola Yoodley and Hajmola Chatpat have got an encouraging response from consumers
- Increasing rural penetration and leveraging Modern Trade shall accelerate growth

- The Pudina Hara franchise posted good growth this quarter
- New communication and chemist channel focus driving growth
- Focus on increasing visibility and awareness of *Pudina Hara Fizz* variant

# OTC and Ethicals

OTC & Ethicals Growth  10.8%



- Lal Tail posted good growth this quarter
- Reaching consumers through multiple touch points & Influencing KOLs through Doctor Advocacy has been beneficial for the brand
- Dabur Baby Massage Oil has been well-received and a strong NPD pipeline is planned in the Baby care segment



- Honitus franchise performed well in Q2FY16
- 'Effective relief with non-drowsiness' proposition has helped in product differentiation
- Project LEAD to help improve the brand equity for Honitus among doctors



- Ethicals portfolio posted moderate growth in Q2FY16
- Women's tonics in the OTC segment posted double digit growth.
- The Medical Marketing initiative is expected to ramp up sales of this segment

# Foods

Foods Growth  2.4%



- REAL Fruit Juices posted single digit growth in Q2FY16 on account of shifting of the festive season to Q3 in FY16 vs Q2 in FY15 and supply disruptions from Nepal due to political disturbances
- Brand activations & focus on E-commerce and Modern Trade channels to drive growth
- Real Wellnezz range to be extended to other variants

## E- Commerce Brand Activation



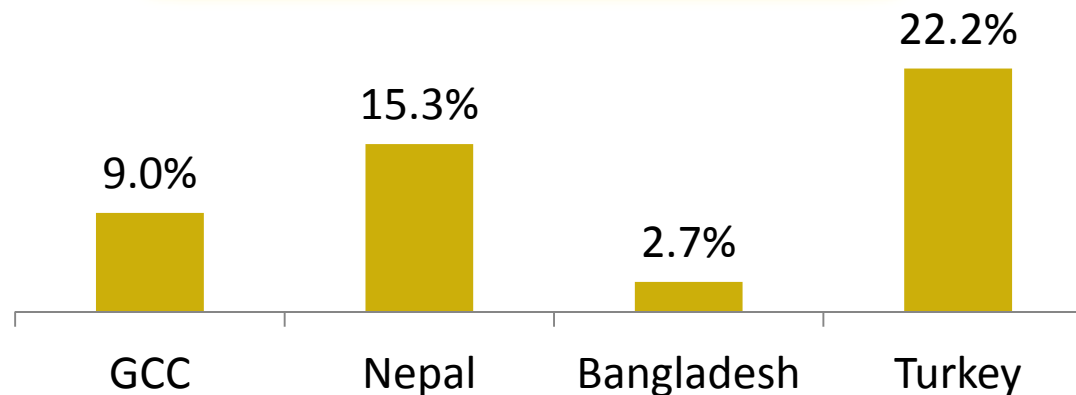
## Chef Conclave- 2015



# International Business

- International Business registered growth of 8.8% with constant currency growth of 6.4% in Q2FY16
- Organic International Business grew by 9.5%, impacted by political disturbances in MENA region and currency devaluation in Nigeria and Egypt
- Namaste posted double-digit growth in Q2FY16
- Continued innovation in the International markets-
  - ✓ The Dermovia Range has been extended to Sun Protection Lotions, face was, scrubs etc.
  - ✓ Vatika Cactus & Coconut Hair mask has been introduced

## \*Key Growth Markets Q2FY16





# Recently Launched

India



**Dabur Almond Shampoo**



**Oxy Prowhite Facial Kits**



**Oxy Crème+Crème Bleach- Salon Pack**



**Vatika Jasmine Hair Oil**

International



**Dermoviva Face Care Range- Facewash & Scrub**



**Vatika Cactus & Coconut Hair Mask**



**Dermoviva Sun Lotion**

# Interim Dividend

Interim Dividend H1FY16	
Dividend Per share (Rs.)	1.25
Dividend %	125%
Total dividend(Rs.crs)*	264.65

\*Note: Includes dividend tax

# Consolidated P&L

<b>DIL (Consolidated) P&amp;L - in Rs. crores</b>	<b>Q2FY16</b>	<b>Q2FY15</b>	<b>YoY (%)</b>	<b>H1 FY16</b>	<b>H1 FY15</b>	<b>YoY (%)</b>
<b>Net Sales</b>	<b>2,092.1</b>	<b>1,924.1</b>	<b>8.7%</b>	<b>4,156.2</b>	<b>3,788.0</b>	<b>9.7%</b>
Less:Excise Duty						
<b>Net Sales</b>	<b>2,092.1</b>	<b>1,924.1</b>	<b>8.7%</b>	<b>4,156.2</b>	<b>3,788.0</b>	<b>9.7%</b>
Other Operating Income	4.1	5.5	-24.6%	9.5	10.4	-9.0%
Material Cost	941.8	903.4	4.3%	1897.6	1826.0	3.9%
<i>% of Sales</i>	45.0%	47.0%		45.7%	48.2%	
Employee Expense	200.8	182.5	10.0%	390.0	339.4	14.9%
<i>% of Sales</i>	9.6%	9.5%		9.4%	9.0%	
Advertising & Publicity	278.4	253.3	9.9%	609.0	539.6	12.9%
<i>% of Sales</i>	13.3%	13.2%		14.7%	14.2%	
Other Expenses	270.7	239.5	13.0%	542.9	474.5	14.4%
<i>% of Sales</i>	12.9%	12.4%		13.1%	12.5%	
Other Non Operating Income	54.7	38.9	40.7%	102.5	74.8	37.1%
<b>EBITDA</b>	<b>459.2</b>	<b>389.7</b>	<b>17.8%</b>	<b>828.8</b>	<b>693.7</b>	<b>19.5%</b>
<i>% of Sales</i>	21.9%	20.3%		19.9%	18.3%	
Finance Costs	12.4	10.2	21.4%	24.1	20.3	18.6%
Depreciation & Amortization	32.9	29.2	12.6%	65.5	55.9	17.1%
<b>Profit Before Tax (PBT)</b>	<b>414.0</b>	<b>350.3</b>	<b>18.2%</b>	<b>739.2</b>	<b>617.5</b>	<b>19.7%</b>
Exceptional Item	0.0	0.0		0.0	0.0	
Tax Expenses	72.8	61.6	18.2%	136.0	117.6	15.6%
<b>PAT(Before extraordinary item)</b>	<b>341.2</b>	<b>288.8</b>	<b>18.2%</b>	<b>603.2</b>	<b>499.9</b>	<b>20.7%</b>
<i>% of Sales</i>	16.3%	15.0%		14.5%	13.2%	
Extraordinary Item	0.0	0.0		0.0	0.0	
<b>PAT(After extraordinary Items)</b>	<b>341.2</b>	<b>288.8</b>	<b>18.2%</b>	<b>603.2</b>	<b>499.9</b>	<b>20.7%</b>
Minority Interest - Profit/(Loss)	0.0	1.3		1.0	1.6	
<b>PAT (After Extra ordinary item &amp; Minority Int)</b>	<b>341.1</b>	<b>287.5</b>	<b>18.7%</b>	<b>602.2</b>	<b>498.3</b>	<b>20.9%</b>

# Statement of Assets and Liabilities

Particulars	As at 30/09/2015 (Audited)	As at 31/03/2015 (Audited)
<b>A EQUITY AND LIABILITIES</b>		
<b>1 Shareholders' funds</b>		
(a) Share capital	175.91	175.65
(b) Reserves and surplus	3542.54	3178.49
<b>Sub-total - Shareholders' funds</b>	3718.45	3354.14
<b>2. Minority interest</b>	19.88	18.16
<b>3. Non-current liabilities</b>		
(a) Long-term borrowings	180.79	210.57
(b) Deferred tax liabilities (net)	70.27	58.71
(c) Long-term provisions	48.86	46.21
<b>Sub-total - Non-current liabilities</b>	299.92	315.49
<b>4. Current liabilities</b>		
(a) Short-term borrowings	580.02	522.99
(b) Trade payables	1260.94	1095.84
(c )Other current liabilities	464.72	543.64
(d) Short-term provisions	450.04	256.02
<b>Sub-total - Current liabilities</b>	2755.72	2418.49
<b>TOTAL - EQUITY AND LIABILITIES</b>	6793.97	6106.28
<b>B ASSETS</b>		
<b>1. Non-current assets</b>		
(a) Fixed assets	1342.19	1306.03
(b) Goodwill on consolidation	621.40	621.40
(c) Non-current investments	1755.29	1407.40
(d) Long-term loans and advances	21.47	20.75
(e) Other non-current assets	20.13	20.13
<b>Sub-total - Non-current assets</b>	3760.48	3375.71
<b>2 Current assets</b>		
(a) Current investments	458.67	405.97
(b) Inventories	1033.22	973.27
(c) Trade receivables	748.17	710.84
(d) Cash and bank balances	285.61	276.04
(e) Short-term loans and advances	378.51	278.87
(f) Other current assets	129.31	85.58
<b>Sub-total - Current assets</b>	3033.49	2730.57
<b>TOTAL - ASSETS</b>	6793.97	6106.28

Thank You