

EMAMI PROFIT RISES 16% IN Q2FY20

HIGHLIGHTS (CONSOLIDATED FINANCIALS)

- ❖ Revenue from Operations grew by **5%** in Q2 & H1FY20.
- ❖ PBT grew by **11%** in Q2 and by **22%** in H1FY20.
- ❖ PAT grew by **16%** in Q2 and by **24%** in H1FY20.
- ❖ Board of Directors declare Interim Dividend at 200% i.e. Rs. 2/- per equity share.

Kolkata, November 6th 2019: The Board of Directors of Emami Limited met on Wednesday, 6th November 2019 to consider the unaudited financial results of the company for the quarter and half year ended 30th September 2019.

The quarter posted soft growth due to challenging liquidity and consumption environment in the domestic business. However, International Business posted good growth of 20% during the quarter leading to an overall growth of 5% in Q2FY20 with consolidated revenues of ₹ 660 cr.

In the Domestic Business, BoroPlus, 7 Oils in One posted robust growth, while Pain management range grew satisfactorily. Although, sales growth was lower in some of the key brands, offtakes were ahead of their respective categories, leading to market share gains.

During the quarter, Gross margins at 69.7% grew by 110 bps. PBT at ₹ 118 cr grew by 11% with PBT margins at 17.9% increasing by 90 bps. PAT at ₹ 96 cr grew by 16% and PAT margins at 14.5% increased by 140 bps.

The Board of Directors declared an Interim Dividend at 200% i.e. Rs. 2/- per equity share which will be paid to eligible shareholders as on the record date, i.e. 15th November 2019.

Mr Mohan Goenka, Director, Emami Limited said:

“We are happy to inform you that despite constrained liquidity in trade channels and consumption environment, especially for discretionary products in the domestic business, the company posted good revenue growth with an improvement in profit margins during the quarter. We are happy that our CSD sales growth has bounced back and International performance has also been good with significant contribution by our latest acquired brand Creme 21. We expect the recent economic measures by the Central Government and RBI to add stimulus to market liquidity which is envisaged to boost the demand curve during the



second half of the financial year. Softening of raw material prices and cost control measures are also likely to aid margin improvement. ”

Mr Harsha V Agarwal, Director, Emami Limited said:

“It is credible that the company posted profit led growth of 16% during the quarter, when the industry is facing headwinds with challenging consumer sentiment in rural markets. One of our flagship brands like BoroPlus grew strongly, while our Pain Management portfolio also performed satisfactorily during the quarter. The negative market sentiments however put pressure on the performance of our male grooming segment while one of our younger brands – Emami 7 Oils in One continues to experience a good consumer traction following its recent association with popular Bollywood actor Katrina Kaif. On both mid-term and long –term basis, we stay committed to focus on our brand building initiatives and media marketing strategy in tandem with the consumers’ fast changing product and media consumption patterns.”

About Emami Ltd

Emami: (NSE: EMAMILTD, BSE: 531162) Emami Ltd, founded in 1974, is one of India’s leading FMCG Companies engaged in manufacturing & marketing of personal care & healthcare products.

With over 300 diverse products, Emami’s portfolio includes trusted power brands like Navratna, BoroPlus, Fair & Handsome, Zandu Balm & Mentho Plus. In 2015, the Company acquired the business of ‘Kesh King’ and forayed into the Ayurvedic hair & scalp care segment. Emami products are available in over 4.5 million retail outlets across India through its network of ~3200 distributors and its global footprint spans *over 60 countries including GCC, Europe, Africa, CIS countries & the SAARC.*

Emami has maintained a 14% CAGR in topline for the past 10 years through its consistent business performance. Emami is well known for its aggressive marketing powered by celebrity endorsements like Amitabh Bachchan, Pt Birju Maharaj, Shah Rukh Khan, Hrithik Roshan, Shahid Kapoor, Madhuri Dixit, Kareena Kapoor Khan, Yami Gautam, Kangana Ranaut, Shilpa Shetty, Sonakshi Sinha, Shruti Haasan, Juhi Chawla, Vidyut Jamwal, Kartik Aryaan, Varun Dhawan, Milkha Singh, Sachin Tendulkar, Surya, Jr. NTR, Sania Mirza, Saina Nehwal, Bipasha Basu etc over the years.

With a market cap of around Rs. 14,000 cr, Emami Ltd is the flagship Company of the diversified Emami Group. Please visit www.emamilttd.in for further information.

For further information, please contact:

Mahasweta Sen | AVP & Head -Corporate Communications

Email: mahasweta.sen@emamigroup.com | Handphone: +919836292392