



emami* limited

October 27, 2016

To,
The Secretary
The National Stock Exchange of India Ltd.
Exchange Plaza, Plot No. C/1, G. Block
Bandra Kurla Complex, Bandra (E)
Mumbai: 400051

The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai: 400001

The Secretary
The Calcutta Stock Exchange Limited
7, Lyons Range
Kolkata: 700001

Dear Sir,

Sub: Press release

Pursuant to Regulation 30 of the SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015, we are enclosing herewith Press Release related to Unaudited Financial Results of the company for the Second quarter and half year ended 30th September, 2016.

The above information is also available on the website of the Company viz. www.emamilttd.in.

Thanking you,

Yours faithfully,

For Emami Limited,

Ashok Purohit
Assistant Company Secretary

(Encl.: As above)

Year: 2015-16

Turnover: ₹ 2,398 cr

Cash Profit: ₹ 617 cr

One of the fastest home-grown FMCG Company in India with a 15% CAGR in topline for past 5 years

Power Brands- Boroplus Antiseptic cream, Navratna Oil, Zandu Balm, Fair and Handsome and Kesh King are market leaders in India in their respective categories

Brand Ambassadors- Amitabh Bachchan, Shah Rukh Khan, Hrithik Roshan, Madhuri Dixit, Kareena Kapoor, Yami Gautam, Kangana Ranaut, Shilpa Shetty, Sonakshi Sinha, Shruti Haasan, Juhi Chawla, Sachin Tendulkar, Pt Birju Maharaj, Surya, Jr. NTR, Sania Mirza among others

Covers more than 40 lac retail outlets across India through 2,900 distributors

Forbes India , ranked Mr. R.S. Agarwal and Mr. R.S. Goenka – founders of Emami Group as 84th Richest Persons in India

Listed among the Fortune 500 India's largest corporations by profitability

Listed among the SUPER 50 by Forbes India in 2015 & 2016

Among Asia's 'Best Under A Billion' 2011 companies by Forbes Magazine

Rated (by CARE & CRISIL) A1+ (highest rating) for short-term borrowings, signifying highest safety; and AA+ for long-term borrowings

Q2FY17 DOMESTIC REVENUE GROWS BY 14% PROFIT BEFORE TAX GROWS BY 20%

HIGHLIGHTS (CONSOLIDATED)

- ❖ **10% growth in Net Sales at ₹ 585 cr in Q2FY17.** Growth of 15% in H1FY17 with sales at ₹ 1,229 cr.
- ❖ **Domestic Sales at ₹ 511 cr grew by 14% in Q2FY17.** Growth of 17% in H1FY17 with sales at ₹ 1,078 cr
- ❖ **EBIDTA at ₹ 175 cr grew by 15% in Q2FY17.** Growth of 29% in H1FY17 with an EBIDTA of ₹ 323 cr.
- ❖ **Cash Profit* at ₹ 145 cr grew by 10% in Q2FY17.** Growth of 14% in H1FY17 with a Cash Profit of ₹ 273 cr.
- ❖ **Q2FY17 PBT and PAT grew by 20% and 9% respectively.**
- ❖ The company was awarded the prestigious **“Golden Peacock Innovation Management Award”** for the year 2016 in the FMCG Sector.

**Cash Profit = PAT+ Depreciation & Amortization.*

Kolkata, October 27th, 2016: The Board of Directors of Emami Limited met on Thursday, October 27, 2016 to consider the unaudited financial results of the company for the second quarter and half year ended September 30, 2016.

Turnover of the company at ₹ 585 cr grew by 10% in the second quarter with volume growth at 10%. In H1FY17, Turnover at ₹ 1,229 cr grew by 15% with volume growth at 13%.

Despite a challenging business environment, the company reported steady growth in its domestic business during the quarter delivering a strong topline growth of 14% with volume growth at 11%. In H1FY17, the domestic business grew by 17% with volume growth at 15%.

New launches such as Fair & Handsome Face Wash, 7 Oils in One and HE Deodorants performed well. The company continued to spend aggressively on advertisement and brand building during the quarter to strengthen its marketing efforts.

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Most of our power brands like BoroPlus and Balms (Zandu and Mentho Plus) continued to maintain their leadership in with volume market shares of 73.1% and 54.3% respectively in Q2, whereas Navratna Cool Oil, Fair and Handsome, Kesh King and Navratna Cool Talc further increased their market share to 62.8%, 64.8%, 32.3% and 27.8% respectively.

Despite sustained investments in brands, the Company's EBIDTA margins at 30.0% rose by 130 bps in Q2FY17 and by 270 bps in H1FY17 at 26.2% mainly on account of gross margin expansion. EBIDTA at ₹ 175 crores grew by 15% in the second quarter and by 29% in H1FY17 at ₹ 323 crores. Cash Profits at ₹ 145 crores grew by 10% in the second quarter and by 14% in H1FY17 at ₹ 273 crores.

INTERNATIONAL BUSINESS

Globally, business environment continued to be volatile and challenging. While Russia and Bangladesh delivered good growth, worsening geopolitical situation in MENAP region and Africa impacted the sales adversely. Emami, however continued to gain market shares across major portfolio. While International Business excluding MENAP region grew by 18% and 17% in Q2 and H1 respectively, overall it degrew by 11% in Q2 with flat growth in H1.

Mr Mohan Goenka, Director, Emami Limited said:

“Though the monsoon has been good, the overall growth of the industry has remained muted for the second quarter. We are however happy to announce that Emami numbers have been satisfactory due to a significant volume growth of our brands mainly led by Kesh King and the pain balms like Zandu Balm and Mentho Plus. All our other brands have also consistently shown growth in both urban and rural markets. Business in international market, especially in the MENAP zone, has been affected due to geopolitical situation which however got balanced with good performance by other markets, especially Bangladesh.”

Mr Harsha V Agarwal, Director, Emami Limited said :

“Despite challenging environment, we have performed well. There has been satisfactory organic growth in all our existing brands. Kesh King, the brand acquired by us in 2015 has also performed well which is as per our expectation. We will continue to invest in our brands to grow them further. The monsoon has overall been good and we are hopeful that the impact of this along with various government initiatives undertaken to grow the rural market, will be witnessed in the next half of the financial year. We have been investing in the rural market

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to increase our direct reach and will continue to undertake other initiatives to support the same.”

NEW MANUFACTURING UNIT

The company is augmenting its manufacturing capacity by setting up a third manufacturing unit in North East under a mega project scheme at Guwahati, Assam. The total planned outlay for the project is ₹ 300 crore out of which the company has already invested ₹ 195 crore. The unit is expected to commence operations by FY17.

MARKETING

Fair And Handsome launched a new Thematic Campaign- **“Sirf Kandha Nahi, Banda Ban”** with Shah Rukh Khan as the Brand Ambassador. The Campaign comprised a complete 360 degree marketing plan with TV, Print, Outdoor, Cinema, Digital and Retail.

The brand also tied up with Super Star Rajnikanth’s blockbuster, *Kabali* as Brand Partner to strengthen affinity in the South markets, supported by a 360 degree campaign, **“For The Mard who is fire”**.

AWARDS

Emami Limited became the proud recipient of the **“Golden Peacock Innovation Management Award”** for the year 2016 in the FMCG Sector. The Golden Peacock awards instituted by the Institute of Directors, India in 1991, are regarded as a benchmark of Corporate Excellence worldwide. The Award applications are assessed at three levels by independent assessors and finally by a Grand Jury.

Mr H V Agarwal, Director was selected as one of the prestigious young business leaders of the country in the **‘40 under Forty’** list of 2016 in the 3rd edition of India’s Top 40 Under 40 list, put together by **The Economic Times** in collaboration with **Spencer Stuart**.

HE Deodorants received the **Best Campaign Award** in the Personal Care category by IndiAA Awards for its **“Hai Respect Toh Spray Respect”** campaign.

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About Emami Ltd

Emami: (NSE: Emami Ltd, 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 Zandu, BoroPlus, Navratna, Fair & Handsome, Mentho Plus, Kesh King, Fast Relief and Sona Chandi Chyawanprash. Emami products are available in over 4 million retail outlets across India through its network of 2900+ distributors and its global footprint spans over 60 countries including GCC, Europe, Africa, CIS countries & the SAARC.

Emami has maintained a CAGR turnover of 15% over the last 5 years through its consistent business performance. Emami focuses on aggressive marketing powered by celebrity endorsements like Amitabh Bachchan, Shah Rukh Khan, Hrithik Roshan, Kareena Kapoor Khan, Kangana Ranaut, Yami Gautam, Juhi Chawla, Shruti Haasan, Shilpa Shetty, Bipasha Basu, Sonakshi Sinha, Mahendra Singh Dhoni, Sourav Ganguly, Mary Kom, Saina Nehwal, Sushil Kumar, Sania Mirza among others.

With a market cap of around Rs. 26,000 cr, Emami Ltd is the flagship Company of the diversified Emami Group.

Please visit www.emamitd.in for further information.

For further information, please contact :

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