Executive Summary – FY13 Consolidated Results

Q4FY13 and FY13 Performance Highlights

Particulars	Q4FY13	Growth	FY13	Growth
Revenue from Operations (Rs/Cr)	999	9%	4596	15%
Profit After Tax (Rs/Cr)	84	20%	396	25%
Volume Growth		8%		12%

During the quarter Marico posted Revenue from Operations of INR 999 crore (USD 185 million) a growth of about 9% over Q4FY12. The top line growth during the quarter was predominantly volume led –about 8%. Domestic FMCG business recorded a volume growth of 14% during the quarter. The Company continues to focus on new consumer acquisition across its portfolios as against maximizing margins in the short term. The Company believes that this is a sounder way of operating in developing and emerging markets that would lead to reaping dividends in the long run.

The Board of Directors of Marico Limited at its meeting held on April 30, 2013 declared a second interim dividend of 50% on its equity share capital of ~INR 64.5 Crore (USD 11.9 million). The total dividend for the full year FY13 is 100% (as compared to 70% during FY12), resulting in a payout ratio of about 19% (as compared to about 16% during FY12).

The financials of Q4FY13 and FY13 have some one time accounting adjustments that are not comparable with the previous period. A snap shot of the results before considering those adjustments is given below:

Particulars	Q4FY13	Growth	FY13	Growth
Revenue from Operations (Rs/Cr)	999	9%	4596	15%
Profit After Tax (Rs/Cr)	72	1%	384	18%

The item wise details of the accounting adjustments are given on page 12 of this Information Update.

For better appreciation of the performance, the results of the Marico Group are bifurcated into FMCG business and Kaya business.

Particulars : Q4FY13	FMCG	Growth	Kaya	Growth
Revenue from Operations (Rs/Cr)	914	9%	85	15%
Profit After Tax (Rs/Cr)	80	3%	(8)	
Particulars : FY13	**FMCG**	**Growth**	**Kaya**	**Growth**
Revenue from Operations (Rs/Cr)	4260	15%	336	21%
Profit After Tax (Rs/Cr)	402	13%	(18)	

The FMCG business has continued to grow even though the profit growth is lower than expectations. The profit growth of overall FMCG business during the quarter was impacted by the performance in certain pockets of International FMCG business falling below expectations.

The region/market wise performance is explained in the following pages.

Note: All numbers mentioned in INR in this note are converted to USD basis INR/USD of 54.

Summary of value growth during Q4FY13/FY13 across Businesses

Categories/Businesses	Q4FY13	FY13	Share of Group's Turnover basis FY13 results
Group	9%	15%	
FMCG Business (India)*	12%	18%	71%
FMCG Business (International)	-1%	8%	22%
Kaya	15%	21%	7%

* Including revenue from the acquired Youth personal care brands Set Wet, Zatak and Livon.

Market Shares (Volume) in Key Categories - Basis 12 month Moving Average Total (MAT)

Brand & Territory	MS%	Rank	Brand & Territory	MS%	Rank
Coconut Oils (India) (Parachute and Nihar)	58%	1st	Parachute Coconut Oil (Bangladesh)	82%	1st
Saffola (Refined Oils) – Super Premium Refined Oils in Consumer Packs (India)	58%	1st	Post wash Leave –On Serums (India) (Livon and Silk & Shine)	82%	1st
Hair Oils (India) (Parachute Advansed, Nihar, Hair & Care)	27%	1st	*X-Men Men's Shampoo (Vietnam)	42%	1st
Kaya Skincare solutions (India)	+35%	1st	*Hair Code & Fiancée Hair Gels/Cream (Egypt)	53%	1st
Deodorants (India) (Set Wet and Zatak)	5%	4th	*Hair Creams/Gels (India) (Set Wet and Parachute After shower)	41%	1st

Market Leadership

***Value market shares**

FMCG Business in India:

The FMCG Business in India achieved a turnover of INR 698 crore (USD 129 million) during the quarter, a growth of about 12% over Q4FY12. The turnover of acquired Youth brands (including Set Wet, Zatak and Livon) amounted to INR 139 crore (USD 25.7 million) during the year. The growth before considering the turnover of these brands was 6%. (More details on the performance of the acquired Youth brands are provided in a separate section later in this note)

The organic volume growth in India was about 8% for the quarter and 11% for the full year in an environment where demand has shown signs of being soft, reflecting strong equity of the Company's brands. There has been some deceleration in the growth during the past few months. The rate of new customer acquisition was slower owing to an expansion in the premium charged by the Company on its products and a slow down in certain discretionary segments. The Company has taken corrective actions in the form of price reduction in select packs. These however became effective in the market place mid-quarter of Q4FY13. They are expected to increase the rate of new customer acquisition going forward and there are initial signs supporting this trend.

The business recorded market share gains across the portfolio.

The operating margin of the India FMCG business during Q4FY13 and for the full year was in the range of 19% to 20%. The Company believes that the operating margins in the range of 17% to 18% are sustainable in the medium term.

The table below summarizes volume and value growths reported across segments during Q4FY13/FY13.

Categories	Value Growth Q4FY13	Volume Growth Q4FY13	Value Growth FY13	Volume Growth FY13	% of Group's Turnover basis FY13 results
FMCG Business (India)	12%	14%	18%	16%	71%
FMCG Business – India (Organic)	6%	8%	13%	11%	
Parachute Coconut Oil (Rigid packs)	2%	5%	11%	10%	23%
Value Added Hair Oils portfolio	25%	24%	29%	24%	16%
Saffola (Refined Edible Oil)	5%	5%	12%	7%	15%

Parachute and Nihar:

Marico participates in the INR 2800 crore (USD 518 million) branded coconut oil market through Parachute and Nihar. It is estimated that of the total coconut oil market about 60% to 65% in volume terms is in branded form and the balance is loose. This loose component provides headroom for growth to branded players. The Company's brand Parachute, being the market leader, is well placed to capture disproportionate share of this growth potential on a sustainable basis.

The rigid part (packs in blue bottles) of the portfolio of Parachute, Marico's flagship brand, recorded a volume growth of about 10% during the year. The Company has been focusing on the rigid packs over the past few years as they enjoy a higher margin as compared to pouch packs. The proportion of pouch packs has now reduced to about less than 15% of the total Parachute sales in value terms. During the 12 month period ended March 2013, Parachute along with Nihar improved its market share by about 240 bps over the same period last year to 57.6%

Market Share up by 240 bps over FY12.

The volume growth in Parachute rigid packs for the year as whole has been better than expectations. The growth over the past two quarters has been around 5%. The relatively lower growth is mainly on account of expansion in the premium charged by Parachute over loose oil and local and regional players leading to a deceleration in new customer acquisition. The Company has already initiated action to bring the premium back to sustainable levels by making adjustments to the pricing in select packs. The average price correction was about 2% on portfolio as a whole. The initial response is positive and the full impact of the correction is expected during Q1FY14.

Pricing action initiated.

Marico has continued to drive conversion from loose oil usage to branded oil - a source of growth in the medium term. This is expected to be complemented by share gain in rural areas. Its share in the rural markets, in the range of 35% to 40%, is lower than in the urban markets, thus providing potential headroom for growth.

Saffola: Super premium refined edible oils and breakfast cereals

The Saffola refined edible oils franchise grew by about 7% in volume terms during FY13 compared to FY12. The growth during the year was lower than expectations. The deceleration in the growth can be attributed to two reasons: a softer demand environment in premium packaged foods that are discretionary in nature and the inflation in the safflower oil and rice bran oil being significantly higher than the inflation in sunflower oil. This had led to expansion in premium of Saffola vis-à-vis the other refined edible oils. Though the Company doesn't believe that Saffola's existing consumers are down trading there is a deceleration in the rate at which new consumers are upgrading into the Saffola brand, leading to a lower growth rate.

The Company has initiated some price reduction in select packs in order to bring the premium back to sustainable levels. The average price correction was 2% to 3%. The Company believes that nothing fundamental has changed and that it would record normal growth rates in the medium term. The initial response to this pricing adjustment (taken in mid-quarter Q4FY13) has been positive and the full impact is expected to be seen in Q1FY14. The Company expects to return to double digit volume growth rates from FY14 onwards.

Saffola premium brought to normal level.

The income levels in India have seen an increase over the past few years. It has reached about USD 1400 from about USD 400 a decade back. As a result of this growing affluence, consumers are proactively moving on to healthy lifestyles. Moreover, awareness about health and particularly heart health has been increasing in India. Saffola too has made a significant contribution towards increasing this awareness (www.saffolalife.com). Adopting Saffola is one of the shifts that consumers continue to make. The Saffola range of blended refined oils (available in four variants) operates in the super premium niche of the refined edible oils market. Saffola is estimated to reach about 3 million households of the 22 million SEC A/B households in India. With rising awareness about heart health in the country, this provides significant headroom for growth. The brand maintained its leadership position in the super premium refined edible oils segment with a market share of about 58% during the 12 months ended March 2013. (MAT 12 months ended March 2012: 58%).

Significant tailwind (lifestyle), headroom for growth.

In the long term, Saffola expects to establish itself as a leading healthy lifestyle brand that offers healthy food options during all meals of the day. The rise in the number of nuclear households and that of working women provides an opportunity for convenient and healthy breakfast food options. The Company has prioritized the breakfast space in the near term. The intent of the company is to come up with value added offerings. Saffola oats are now available in six flavors in the savory oats category. Saffola has an exit market share of about 13% to 14% by volume in the oats category and has emerged as the number two player in the category showing fast paced growth of over 30% per annum. Besides offering oats, Saffola strengthened its position in the breakfast category by introducing Muesli on a national basis. The product is available in three variants. The market size of Muesli is estimated to be around INR 80 crore to INR 100 crore (USD 14.8 million to USD 18.5 million) growing rapidly in excess of 40%. Saffola Muesli has already become a number 3 player with an exit market share of about 9%.

Oats tracking well. Exit market share > 13%. No.2 position

The Company discontinued Saffola Rice during the quarter as the product did not receive expected results. Moreover, the Company has decided to shift focus to breakfast cereals in the near term. The company will continue to innovate in the health based packaged food space and prototype new products in the near future.

Value Added Hair Oils (Parachute Advansed, Nihar and Hair & Care)

Marico's hair oil brands (Parachute Advansed, Nihar and Hair & Care) have performed well over the past few years. The brands continued to record very healthy growths and market share gains during FY13. The volume growth rate was 24% for Q4FY13 and for FY13. Marico's basket of hair oil brands achieved market leadership position in the Value Added Hair Oils space and now has about 27% share (for 12 months ended March 31, 2013) in the INR 4500 crore (USD 834 million) market. This compares to a share of about 17%-18% about 5-6 years ago.

There has been a positive shift in market share of around 280 basis points in FY13 compared to FY12. The shift during the quarter was also the same. These market share gains have been achieved through providing consumers with specific solutions, product innovation, packaging restaging, participation in more sub-segments of the value added hair oils category, continued media support in some of the brands and penetrative pricing action in others and expansion of Marico's direct retail reach in the rural markets.

Volume growth 24%, Market Share 27%

Nihar Shanti Amla continues to gain market share and achieved a volume market share of over 25% for the 12 months ended March 2013 in the Amla hair oils category (MAT FY12: 18.6%).

Hair oiling remains a deeply ingrained habit for leave-in hair conditioning and nourishment on the Indian sub-continent. The Company has carried out scientific research and conducted successful clinical trials to establish the benefits that hair oiling provides to consumers. The study has proved that hair oiling improves the strength, thickness, length and softness of hair. Moreover, hair oiling leaves the hair less damaged. With rising incomes in India there exist increasing opportunities to serve consumers looking for value added options to their hair oiling needs. The Company believes that educating the consumer by putting science behind the habit of hair oiling will build credibility and create a loyal franchise. (www.parachuteadvansed.com)

Hair oiling entrenched habit in South Asia – expected to stay relevant

During Q4 of the year the Company launched another product under the Parachute Advansed brand called "Parachute Advansed Tender Coconut Oil". The new product is an innovation that offers its nourishing goodness in a modern, sensorially pleasing avatar. This initiative has been launched nationally and supported by an aggressive multi-media launch plan across TV, Print, Outdoor and Digital media.

Parachute Advansed has also taken some initiatives in the digital space by launching the Hairfall E- Clinic during the year. The first of its kind, virtual clinic guides hairfall sufferers through individual consultations, and regimen advice from our dermatological expert. Since its inception, the E clinic has witnessed a promising start and has garnered over 60,000 registrations.

Marico has a "category play" in the segment whereby it offers its consumers a basket of value added hair oils for their pre-wash and post wash leave-in hair conditioning, nourishment and grooming needs in the approximately INR 4500 crore (USD 833 million) branded hair oils market. The Company's aim is to participate in all the sub-segments and have a wider portfolio to drive growth. Nihar, Parachute Advansed and Hair & Care have each established significant franchises. This is being built upon further through the introduction of new products such as Parachute Advansed Ayurvedic Hot Oil, Parachute Advansed Ayurvedic cooling oil, Parachute Advansed Ayurvedic Hair Oil and Parachute Advansed Tender Coconut hair oil. All these have grown the overall hair oils franchise by bringing specificity and creating more occasions for use.

Marico participates across sub-segments of value added hair oils.

The Company is now focusing on scaling up its presence in all the sub segments of Value Added Hair Oils so that it can get advantages of operating leverage in fixed costs and advertisement spends leading to expansion in operating margins.

Mass Skin Care: Parachute Advansed Body Lotion

Parachute Advansed Body Lotion has continued to record robust growth rates. It has achieved a market share of over 7% (moving 12 months basis) within a short period of time and has become the number 3 participant in the market. The brand gained about 320 bps in market share during the current season as compared to the last season. (www.facebook.com/ParachuteAdvansedBodyLotion)

Parachute Advanced Body Lotion Market Share 7%, ranked no.3

The Company believes that even though the category is relatively more competitive than the other categories it is present in, there is a lot of head room for growth and there is place for a differentiated product. The penetration levels are still below 20% resulting in category growth rates of over 25%. The total skin care segment is estimated to be around INR 5000 Cr (USD 926 mil) out of which the body lotion segment is around INR 550 Crore (USD 102 mil). The Company plans to increase its participation in the skin care segment in the longer term.

Youth brands (Set Wet, Zatak, Livon):

The acquired portfolio of youth brands has completed its first financial year in Marico's hands (even though this year comprised 9 months as the transaction was completed at the end of May 2012). The overall performance thus far is tracking above the company's acquisition assumptions.

Having stabilized the distribution integration, the company has taken a number of new initiatives in the youth portfolio. During the year a new campaign "Buri Nazar Waale Tera Muh Kaala" was launched for Set Wet hair gels (www.youtube.com/watch?v=RAXfc7wRIrk). It has met with a favorable response. Leveraging its portfolio under Code 10 in Malaysia, new formats of hair gels and waxes were launched under Set Wet in India. Set Wet and Zatak deodorants have also undergone a packaging restage to enhance their youth appeal. New fragrances were also introduced.

Set Wet and Zatak had earlier seen some decline in market shares in the deodorant segment given that there was some lack of focus in the hands of the erstwhile owners. This decline has now been arrested and the company expects to reverse the trend and begin gaining share.

The turnover achieved from the Youth brands during the year was INR 139 crore (USD 25.7 million), a growth of 18% over the corresponding period in FY12. (During FY12 the business was being run by Reckitt Benckiser). The operating margin expectation is in line with assumptions. Over the next few years, the growth rates are likely to average around 25% supported by new advertisement communication and product launches.

This acquisition gives the Company an access to youth brands such as Set Wet, Zatak and Livon. Brands in the portfolio occupy leading positions in the hair gel, male deodorant and leave-on hair serum categories. Set Wet and Zatak provide Marico an opportunity to participate in the rapidly growing deodorant and male grooming categories in India. The portfolio addresses the grooming needs of the youth and is supported by India's demographic profile. Marico will also leverage its distribution strength in India to provide a fillip to the growth of the brands. The acquisition of this business is expected to further reduce Marico's dependence on edible oils and hair oils.

Brands have provided Marico access to tail wind youth portfolio.

The Company has a significant presence in the male styling/grooming categories in its overseas markets. Its brand X-Men is a leading player in male grooming in Vietnam. Hair Code and Fiancée provide leadership in hair creams and gels in Egypt. Code 10 participates in the male grooming market in Malaysia. This is expected to result in synergies through knowledge on the latest trends, formulations and an available new product pipeline.

Input Costs and Pricing

Copra prices started to show a downward trend at the beginning of the year but the market prices are holding on in a band now. Average copra prices in Q4FY13 were about 2% lower than Q4FY12. On an annual basis the copra prices were 26% lower than FY12. The company had decided to pass on part of the benefit in costs through some downward pricing action in select packs.

The market prices of the other key input, Safflower Oil, were up 26% during Q4FY13 as compared to Q4FY12.

On account of a correction in the overall edible oil table, Rice bran oil witnessed a downward correction and therefore the market prices were 5% lower during Q4FY13 as compared to Q4FY12. This may further help in reducing the premium of Saffola compared to other refined edible oils.

The Company derives comfort and confidence from the pricing power that its brands enjoy. The Company is confident that during an inflationary environment it can pass on the cost push to its consumers. Conversely, in a deflationary environment the Company is willing to pass on part of the benefit to the consumer especially in the lower price point (recruiter) packs in order to ensure regular upgrades from the unorganized market in case of the coconut oil category and from non Saffola users in the super premium refined edible oils category. This would ensure that we continue to expand our volume base – critical for an emerging market like India. The company would continue to exercise a bias for franchise expansion as long as margins remain within a band and do not fall below a threshold at the overall business level.

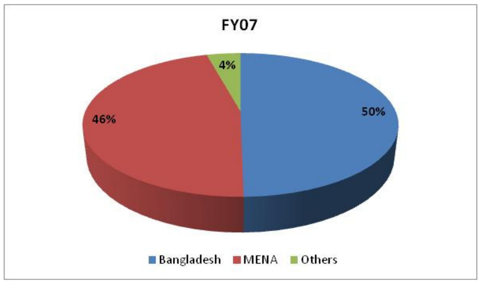
Update on Markets/Distribution Channels:

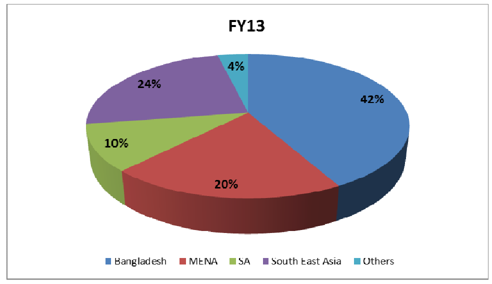
Marico's rural sales continue to clock a faster pace of growth than its urban sales even though the higher pace in rural is not significant. The continued focus on distribution expansion in rural markets has pushed the exit share of rural sales to circa 32% of total Indian FMCG sales. The Company continues to make investments for the long term behind strengthening the direct distribution in rural areas

The Company is also investing behind strengthening other channels such as modern trade, chemist/cosmetic stores to increase the saliency of its existing portfolio and that of the recently acquired youth portfolio. The Company has increased its reach in chemist outlets by over 20% consequent to the acquisition of the Youth brands Set Wet, Zatak and Livon. It now reaches about 75,000 chemist outlets out of the universe estimated to be around 500,000 outlets.

Sales in Modern Trade continued its good run and grew by 36% in Q4FY13.

FMCG Business (International)





The year FY13 has been a mixed year one for the international FMCG business. There were some pockets of the business that performed well whereas others faced challenges. The overall business environment in international business remained challenging throughout the year.

The performance during the quarter and the full year FY13 is summarized in the table below

Particulars	Q4FY13	FY13
Turnover (Rs/Cr)	216	1007
Reported Growth %	-1%	8%
Volume/Value growth	-8%	-1%
Exchange Rate impact	7%	9%

The overall reported growth was impacted by below par performance in the GCC region. If one excludes the adverse impact of the GCC region the growth in international business is in the mid teens to late teens range.

While the overall top line performance was subdued during the year mainly on account of de-growth in Middle East (GCC) region, the Company expects to bring the overall international business growth back on track from Q1FY14. The Operating margin for the year as a whole was about 8%. The Company is confident of improving this margin to double digits during the next fiscal.

The following sections explain the performance in each of the key geographies during the quarter.

Bangladesh

The overall business environment in Bangladesh remains challenging. The last few months have also seen loss of business days due to "strikes" in Bangladesh. For example during the month of March 2013 there were only 10 working days available. These have had a direct adverse impact on the business. The macro economic indicators though still weak have begun witnessing an improvement. The positive sign is that the inflation in now in single digits and the Bangladeshi Taka has stabilized in the range of 80 to a USD. GDP growth estimates are at about 6%.

Tough macro conditions impact growth. Some recovery during Q4, next fiscal expected to be better

Amidst the political and macro economic uncertainties the Bangladesh business was able to record a growth of 21% in turnover during Q4FY13. Parachute returned to the growth path during the quarter and recorded a 7% growth in its volumes. It also improved its market share to about 82% in the branded coconut oil market suggesting strong brand fundamentals.

The annual growth was marginally positive at 1%. The profit growth however was healthy with Profits After Tax increasing by 62% as compared to FY12 mainly on account of lower input price led gross margin expansion.

In view of the long term potential that Bangladesh offers, the Company continues to make investments behind existing and new products such a Value Added Hair Oils (VAHO) and Hair Dye. These products continue to gain traction and are expected to help create a portfolio of the future in Bangladesh.

 For further information / clarification, contact Marico on Tel (91-22) 6648 0480, E-mail: investor@maricoindia.net

Hair Code hair dye maintained its leadership position with a market share of about 26% in the powdered hair dye market. The launch of Hair Code ACTIVE, a faster-acting variant of Hair Code is expected to add share points to the brand.

New categories including value added hair oils & hair dye to drive further growth.

The Company enjoys a number 3 position in the VAHO (Value Added Hair Oils) market, estimated to be about INR 250 crore (USD 46 million) with about 19% share in a short period since its entry in this segment.

The Company now offers a bouquet of products such as Parachute Beliphool, a light hair oil with a floral fragrance, Parachute Advansed Cooling Oil and Nihar. The portfolio posted a growth of about 23% during the quarter and 39% during the year FY13 as compared to FY12.

The share of VAHO and Hair Dye in the overall top line continues to increase thereby de-risking the Company from Parachute coconut oil.

The new manufacturing facility was completed and commissioned in August 2012.

MENA (Middle East and North Africa)

The overall environment in Egypt remains somewhat unpredictable. There are increased levels of uncertainty due to the impending elections. The Company experienced some business disruption during the quarter due to "strikes" in the ports leading to an adverse impact on the supply chain and logistics. Notwithstanding this, the Egypt business grew by about 12% during the year in volume terms and the leading brands HairCode and Fiancée maintained their combined market share of about 53%.

The company continues to play out a dual brand strategy leading with Hair Code while Fiancée plays the VFM flanker role.

The Company had taken a financial hit on account on impairment of the Brand Fiancée and goodwill during Q4FY11 amounting to INR 23 cr (USD 4.3 million). The business is tracking well now thus resulting in a partial reversal of the impairment amounting to INR 9.1 Cr (USD 1.7 million).

Middle East restructuring & packaging transition led to de-growth. Turnaround expected in Q3FY14

The Company's performance in the Middle East region has been facing challenges during the past few quarters. It recorded de-growth in turnover during the year FY13 as compared to the previous year. This also resulted in a loss on account of fixed overheads and stepped up advertisement expenditure. The Company had carried out a packaging change in the Parachute Hair Cream portfolio across the region in the Gulf. This initiative met with some execution challenges wherein the transition in packaging did not yield the desired results with a particular section of consumers. The Company has stepped up its advertisement expenditure since then to communicate this change which has resulted in a marginal improvement in the secondary sales over the past few months.

The Company is confident that the performance will come back on track over the next few quarters. The Company expects to grow the business in the region by above 25% during FY14, from its lowered base.

South Africa

The business performed well notwithstanding the challenging economic conditions. The latest market statistics for the ethnic hair care category reported a de-growth with all major players de growing. Whilst the Hair Care Market is on decline, Marico South Africa gained Market share in the category and business grew by 6% during the year FY13 as compared to FY12. The value market share in ethnic hair care category expanded by 70 bps from 6.1% to 6.8%.

South East Asia

The business in Vietnam is tracking as per expectations and grew by 28% in FY13 over FY12 in constant currency terms. X-Men maintained its leadership in male shampoos and the number two position in male deodorants. The Company continues to scale up its presence in neighboring countries like Malaysia, Myanmar, Nepal and Bhutan.

Kaya Skin Care Solutions

Kaya offers skin care solutions - its technology led cosmetic dermatological services and products through 105 clinics: 83 in India across 26 cities and 18 in the Middle East in addition to the 4 DRx clinics and medispas in Singapore and Malaysia.

During the year FY13, Kaya achieved a turnover of INR 336 crore (USD 62.2 million) registering a growth of about 21% over FY12. The Kaya business in India and in the Middle East achieved same store sales growth of about 12% during FY13 as compared to FY12. In an environment where the discretionary spends are witnessing a deceleration in growth rates, Kaya business has continued to report growth. Kaya has now recorded a top line growth trend for the past 10 quarters on a same store basis.

Kaya India + Middle East SSG 12% for the year

During FY13, Kaya recorded a loss of about INR 18.5 crore (USD 3.4 million) at the PBIT level. This compares with a loss of INR 30.8 crore (USD 5.7 million) at the PBIT level for FY12. The losses for the year FY13 also include a financial hit amounting to INR 17.5 crore (USD 3.2 million) on account of impairment of certain clinics in India and Middle East which are not performing as per expectation. The Company will monitor the performance of these clinics closely.

The products from Derma-Rx introduced in India continue to gain good traction. The Company had started introducing these products in the Middle East from Q1FY13. About 22% to 25% of the revenues from Indian operations now come from the sale of products. The share of products in the Middle East has now increased to 11% from about 7% to 8% earlier. The company will continue to focus on expansion and growth of its product portfolio. It improves the stickiness of the brand as some customers may continue to use the products even after completing their package of service sessions. Taking the objective of increasing the product sales further, Kaya has commenced prototyping a new concept in the month of December 2012 called "Kaya Skin Bar". This concept has the following salient features

Products constitute ~25% of revenue. KSB prototype to boost further.

- The store format is smaller than a normal Kaya clinic.
- The store will focus on sale of products and select skincare services. Therefore, it will require lower capital investment in machines and lower cost of rent and payroll
- The store is expected to generate product sales to the tune of 70% to 80% over a period of time.
- This format will not incur the cost of a dermatologist however it will use a world class skin diagnostic tool.

The Company now has three such stores in Delhi and Bangalore. The Company plans to prototype this concept with 4 or 5 stores and depending upon the response decide the future course of action.

Kaya business will now be demerged into a separate Company outside of the Marico Group. This will allow the business to operate in a more entrepreneurial manner and create value for all the stake holders.

Status Update: Announcement dated January 7, 2013: Restructuring of businesses, corporate entities and organization, effective April 1, 2013

The Board of Directors of Marico Limited, at its meeting held on 7th January 2013, passed a resolution approving restructuring of Marico's businesses, corporate entities and organization, effective April 1, 2013.

The company's India and International FMCG business will now form a unified FMCG business under one leadership. Kaya business will be demerged into a separate company outside the Marico Group.

Marico Limited is currently the apex corporate entity, which effectively owns all businesses in the group. The Company proposes to create two separate companies through partitioning of the current Marico Limited

 For further information / clarification, contact Marico on Tel (91-22) 6648 0480, E-mail: investor@maricoindia.net

1. Marico Limited will house the domestic and international consumer products business.
2. Marico Kaya Enterprises Limited (MaKE), a new company, will house the Kaya business by way of a demerger process. Kaya business which is a part of Marico Limited will be demerged into MaKE.

It is proposed to slice the Marico balance sheet vertically such that all the assets and liabilities belonging to the skin care solutions undertaking of Kaya remain with the Kaya entity. The shareholding of Marico Limited will be mirrored in MaKE such that each shareholder in Marico Limited holds the same proportion of shares in MaKE which is proposed to be listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

Kaya to be listed with mirror shareholding

The Company is awaiting necessary regulatory approvals. The company expects to obtain the stock exchanges' approvals and sanction of the Bombay High Court by October 2013. The effective date of the demerger as per the scheme will be April 1, 2013. Shares of MaKE can be expected to be listed on the BSE and NSE in Q3 FY14. Pending the regulatory approvals, Marico will keep reporting consolidated numbers inclusive of Kaya.

The Kaya undertaking's consolidated balance sheet (Kaya Limited, Kaya Middle East and Derma entities) as on March 31, 2013 is as under:

Application	Rs. Crore	Sources	Rs. Crore
Fixed Assets	79.46	Equity by Marico in Kaya Limited	181.84
Goodwill	141.26	Loan by Marico in Kaya Limited	117.15
Net working capital	(27.56)	External Loan – Derma	70.68
Accumulated losses net off accumulated profits	183.18	Deferred tax Liability	6.67
Total	376.34	Total	376.34

In addition to the above, the assets of Kaya undertaking in Marico Limited aggregate to Rs. 3.17 Crore and the liabilities aggregate to Rs. 1.02 Crore.

A Detailed Information update, Media release and conference call transcript is available on our website www.marico.com

OPERATING MARGIN STRUCTURE FOR MARICO GROUP

% to Sales & Services (net of excise)	Q4FY13	Q4FY12	FY13	FY12
Material Cost (Raw + Packaging)	44.2	46.9	48.1	53.0
Advertising & Sales Promotion (ASP)	12.6	12.4	13.0	10.7
Personnel Costs	9.9	9.2	8.3	7.7
Other Expenses	21.3	19.2	17.0	16.4
PBDIT margins	12.3	12.3	13.7	12.5
Gross Margins (PBDIT before ASP)	24.9	24.7	26.7	23.2

(a) The above ratios are calculated before considering the effect of exceptional and non comparable items to enable like to like comparison. Please refer to the table on page 13 of this note

(b) The average market prices of copra, being the largest component of input costs, was 2% down in Q4FY13 as compared to Q4FY12 and 26% down during FY13 as a whole as compared to FY12. This led to improvement in the gross margins even though there was an inflationary trend in other input costs. Gross margins improved by 270 bps during the quarter and 490 bps for the year.

(c) A part of the gross margin expansion has been re-invested in business in the form of Advertisement & Sales Promotion as is evident from the increase in overall ASP by 230 bps for year as a whole. The Company continues to make investments behind existing products and new products such as Saffola Oats, Saffola Muesli, Parachute Advansed Body Lotion in India and Value Added hair Oils in Bangladesh. Moreover, ASP investments made behind the acquired Youth brands (Set Wet, Zatak and Livon) also resulted in an overall higher ASP to Sales.

(d) The other expenses include certain items which are variable in nature (almost 2/3rd of other expenses) and accordingly they have increased per the volume growth and inflation. The fixed part of other expenses has increased on account of normal inflation and certain expenses such as rent have increased due to higher inventory positions.

1. The detailed Financial Results and other related useful information are available on Marico's website – http://www.marico.com/investor_relations/latest_updates.html

The table below explains the growth numbers excluding the impact of non-comparable items

Particulars	Q4FY13	Q4FY12	FY13	FY12
Reported Profit after Tax	84	70	396	317
Reported Growth%	20%		25%	
Normalized Profits After Tax before considering exceptional and non comparable items	72	71	384	326
Normalized Growth%	1%		18%	

Summary of exceptional and non comparable items during FY13

Rs/Cr Particulars	Q4FY13 PBT	Q4FY13 PAT	FY13 PBT	FY13 PAT
Impacting Marico Limited and Group	**49.3**	**27.8**	**49.3**	**27.8**
Brand Amortization expenses in Marico Consumer Care Limited	(6.1)	(6.1)	(6.1)	(6.1)
Write back of surplus Depreciation due to change in method	40.4	23.4	40.4	23.4
Reversal of impairment loss on "Fiancee" trademark	9.1	6.1	9.1	6.1
Profit on distribution of assets by Halite to MCCL on voluntary liquidation	5.9	4.4	5.9	4.4
Impacting Kaya and Group	**(19.1)**	**(18.8)**	**(19.1)**	**(18.8)**
Impairment in Kaya clinics: India and Middle East	(17.5)	(17.5)	(17.5)	(17.5)
Incremental provision towards contingent consideration relating to DRx entity- Singapore	(1.6)	(1.3)	(1.6)	(1.3)
Impacting International Business and Group	**3.5**	**2.6**	**3.5**	**2.6**
Profit on sale of Soap Plant in Marico Bangladesh Limited	3.5	2.6	3.5	2.6
Total	**33.7**	**11.6**	**33.7**	**11.6**

Summary of exceptional and non comparable items during FY12

Rs/Cr Particulars	Q4FY12 PBT	Q4FY12 PAT	FY12 PBT	FY12 PAT
Impacting Marico Limited and Group	**-**	**-**	**-**	**5.6**
Write back of prior year income tax provision				5.6
Kaya	**(1.7)**	**(1.7)**	**(14.7)**	**(14.7)**
Prior period items in Kaya Middle East			(13.0)	(13.0)
Impairment in Kaya : India and Middle East	(1.7)	(1.7)	(1.7)	(1.7)
Total	**(1.7)**	**(1.7)**	**(14.7)**	**(9.1)**

Capital Expenditure and Depreciation

The estimated capital expenditure in each of the years FY14 and FY15 is likely to be around INR 75 cr (USD 14 million).

Depreciation during Q4FY13 is INR 25.3 crore (USD 4.7 million) compared to INR 19 Crore (USD 3.5 million) in Q4FY12. The variation is mainly on account of INR 6.1 crore (USD 1.1 million) of brand depreciation. Refer to the table above.

Till December 31, 2012 factory building and plant and machinery were depreciated using written down value method of depreciation. During Q4 FY12-13 the company through industry benchmarking has revisited its policy of depreciation.
Thus, with effect from January 01, 2013, the company has, with retrospective effect, changed its method of providing depreciation from the 'Written Down Value' method to the 'Straight Line' method, at the rates prescribed in Schedule XIV to the Companies Act, 1956.

The change is considered preferable since the assets under consideration are expected to provide equal amount of benefit throughput their useful life and maintenance costs are not expected to rise significantly in the future years due to the superior quality. The Management therefore believes that this change will result in more appropriate presentation and will give a systematic basis of depreciation charge, representative of the time pattern in which the economic benefits will be derived from the use of these assets. Also it will provide greater consistency with the depreciation methods used by other companies in the industry. The net gain on account of this change in method of depreciation is about INR 40.4 crore (USD 7.5 million) as also mentioned in the table above.

Direct Taxation:
The reported effective tax rate (as % of PBT) after considering MAT credit and deferred tax is shown in the table below:

Reported and Normalised Effective Tax Rate

Particulars	Q4FY13	Q4FY12	FY13	FY12
Reported Profit Before Tax	127	88	552	400
Growth	44%		38%	
Reported PAT	84	70	396	317
Reported Effective Tax Rate (ETR)	**32.7%**	**21.2%**	**26.9%**	**19.8%**
Normalised Profit Before Tax	93	90	518	415
Growth	4%		25%	
Normalised PAT	72	71	384	326
Normalised ETR	**20.4%**	**20.8%**	**24.4%**	**20.4%**

The increase in the ETR is primarily due to higher taxable profits during the quarter/year in India as a result of growth in the coconut oil franchise and reduced profits in international geographies which are otherwise exempt from tax. International business performance is impacted by a de-growth in the Middle East region due some temporary challenges caused due to the packaging transition. The situation is expected to start returning to normal in the coming quarters. Consequently, the proportions of profits from businesses that do not enjoy a reduced tax rate have been higher and those from businesses that enjoy a tax holiday have been lower than expected.

Likely ETR of ~ 24% in FY14.

The Company expects its effective tax rate to be around 24% to 25% in FY14 and FY15. The expectation of lower tax rates in FY14 is based on the assumption that the growths in Saffola will start getting back to normal and the tax exempt regions in the international business will also come back on track.

Foreign Exchange
Marico Limited hedges its foreign currency denominated liabilities and assets using plain vanilla Forwards and plain vanilla Call & Put Options. The company also judiciously executes Interest Rate SWAPs in respect of its interest commitment on External Commercial Borrowings.

The exchange rate for INR/USD remained volatile during the quarter. Similar fluctuations were observed in other local currencies also. While a depreciating exchange rate of INR /USD is better in terms of reported consolidation of business results, a similar depreciation in local currencies added to the input cost pressure in the International geographies.

Capital Utilization

Given below is a snapshot of various capital efficiency ratios for Marico:

Ratio	FY13	FY12
Return on Capital Employed - Marico Group	24%	24.9%
Return on Net Worth – (Group)	25%	31%
Working Capital Ratios (Group) - Debtors Turnover (Days) - Inventory Turnover (Days) - Net Working Capital (Days)	 15 63 63	 17 60 60
Debt: Equity (Group)	0.53	0.71
Finance Costs to Turnover (%) (Group)	1.3%	1.1%

* Turnover Ratios calculated on the basis of average balances

1. There has been no material variation between the ratios in two periods under comparison.
2. ROCE and RONW have declined mainly on account of the recent acquisition of Youth brands (Set Wet, Zatak and Livon). The Company will endeavor to maintain the ROCE in the range of 20% to 25% in the near term and to improve it going forward.
3. The Debt: Equity ratio has improved mainly due to addition to the Equity. The Company raised INR 500 Cr during Q1FY13 to part fund the acquisition of Youth brands.
4. The Net Debt position of the Marico Group as of March 31, 2013 is as below-

Particulars	**Amount (INR/Cr)**
Gross Debt	872
Cash/Cash Equivalents and Investments	389
Net Debt	**483**
Foreign Currency Denominated out of the total gross debt	584
Foreign Currency Denominated : Payable in One Year	252
Foreign Currency Debt as a % age of Gross Debt	67%
Rupee Debt out of the total gross debt	287
Rupee Debt : Payable in One Year	187
Total Debt Payable with in One year	439
Average Cost of Debt (%) : Pre tax	5.7%

The company may roll over some of the loans when they fall due during the year or redeem investments for repayment. Marico has adequate cash flows to maintain healthy debt service coverage.

5. The Debt denominated in foreign currency is either hedged or enjoys a natural hedge against future probable exports Hence the MTM differences are routed through the balance sheet (Hedge Reserve) rather than the income statement.
6. The Company periodically reviews and hedges the variable interest liability for long term loans using Interest Rate Swaps.
7. Pursuant to the Announcement of the Institute of Chartered Accountants of India's ("ICAI") "Accounting for Derivatives" on encouraging the early adoption of Accounting Standard 30 ("AS 30"), "Financial Instruments: Recognition and Measurement", the Company had, commencing from the year ended March 31, 2009, decided on early adoption of AS 30 to the extent it does not conflict

with existing mandatory accounting standards and other authoritative pronouncements, Company Law and other regulatory requirements. Accordingly, the net unrealised gain/ (loss) of Rs.(5,249.45) lacs as at March 31, 2013, Rs. (5,830.37) lacs as at December 31, 2012 [Rs. (3,392.52) lacs as at March 31, 2012 and Rs. (4,949.97) lacs as at December 31, 2011 in respect of outstanding derivative instruments and foreign currency loans at the respective period end which qualify for hedge accounting, stands in the 'Hedge Reserve', which would be recognised in the Statement of Profit and Loss on occurrence of the underlying transactions or forecast revenue.

Short / Medium Term Outlook

Marico has positioned itself, strategically, in the Developing and Emerging (D & E) markets of Asia and Africa. Most of these markets have large populations with growing GDP's where affluence is expected to continue to rise and segments where Marico participates – hair care, body care, skin care and health foods are under-penetrated. We believe that in D & E markets, focus on the long term is crucial. Long term success can be ensured only through stronger brands that enjoy loyal consumer franchises. We have therefore chosen to prioritize expansion of consumer franchise over expansion of margins.

Beauty & Wellness categories in domestic & emerging markets underpenetrated.

The unified India and International FMCG business will aim at leveraging the synergies in portfolio unlocking, efficiencies in supply chain and talent mobilization in the medium term.

Here is a broad outline of Marico's strategies and the expected outcome for its various businesses:

FMCG Business in India:

- In Parachute, the company will aim to grow by leading market expansion through its recruiter low unit size packs. In rural areas where the market share is relatively low as compared to its overall market share the Company aims to gain market share. The Company expects to achieve volume growth of 7% to 8% per annum in the medium to long term. However the growth rates in the near term may be slightly higher.
- In Nihar, Parachute Advansed and Hair & Care, Marico will focus on share gain through a wider participation thereby providing specificity of benefit to consumers accompanied by effective and insightful communication. Successful execution of this strategy is expected to result in annual volume growth of 15% to 17% in the value added hair oils portfolio over the next 2-3 years.
- The Company's efforts in expanding rural reach is also expected to contribute towards franchise expansion in coconut oils and hair oils.
- Saffola is riding a trend in healthy living being adopted by the Indian consumer. Its premium refined edible oil franchise expects to grow at a healthy pace in the medium term. The growth rates in Saffola refined edible oils are expected to return to double digits in FY14. In addition the Company plans to build a sizeable business in the healthy foods space by leveraging Saffola's equity. It aims to derive about 25% revenues of Saffola from healthy foods over a period of 3 to 4 years.
- The company has integrated the newly acquired brands, Set Wet, Zatak and Livon into its sales and distribution network. Being in tail wind categories this portfolio is expected to have a rate of growth higher than Marico's existing portfolio, viz. in the region of 25% and operating margins in the region of 17% to 18%, higher than the Group average.

FMCG Business in International geographies:

- Marico will focus on growing the categories where it has significant market share - such as male grooming in MENA and Vietnam.
- The Company will focus on complementing growth of Parachute Coconut Oil in Bangladesh by establishing other products already/ yet to be introduced in the market. The pressure on growth experienced during FY13 is expected to be restored to normal from FY14.
- In South Africa it would work on increasing share in key categories and over the medium term in expanding its footprint to other parts of sub-Saharan Africa. It will also continue to scout for bolt-on acquisitions to increase the scale of business in South Africa.
- In MENA, the company will focus on driving penetration. The Company is confident that it will get over the challenges it faced in the region over the next few quarters.
- Both the X-Men business in Vietnam and Code 10 in Malaysia are expected to continue to show healthy growths.

- The company will also explore other countries in the D&E markets of Asia and Africa for expansion in the long term
- The EBITDA margin is expected to move up to around 13% over the next 2 to 3 years

The unification of the FMCG business under one leadership is expected to result in swifter movement of portfolio, best practices and talent across geographies. There will also be synergies across the value chain that will unfold over a period of time.

Kaya Skincare Solutions: (business to be demerged with effect from April 1,2013)

- The near term focus is on same store sales growth to improve capacity utilization and clinic profitability.
- Kaya will remain cautious on its expansion plans until it gets a higher level of confidence over the business model.
- It will endeavour to maximize the potential from sale of products. Kaya Skin Bar is another step in that direction. It will prototype the concept with 4-5 stores during FY14
- In the Middle East the business is focused on same store growth by increasing footfalls and retaining existing customers through innovation in its range of services. The addition the Derma-Rx range of products will accelerate top line growth
- The Company believes that Kaya has distinct potential to create value as an independent business. The proposed demerger into a separate entity will allow it to be run in an entrepreneurial manner, much needed for a business of its size.

Overall:

- The medium to longer term outlook on both the FMCG Business and the Kaya business remains positive.
- In the medium term, the Company will focus on strengthening the building blocks for future value creation - strong equities for its existing brands amongst its consumers, volume growths, robust new product pipelines and operational effectiveness.

Long Term Outlook

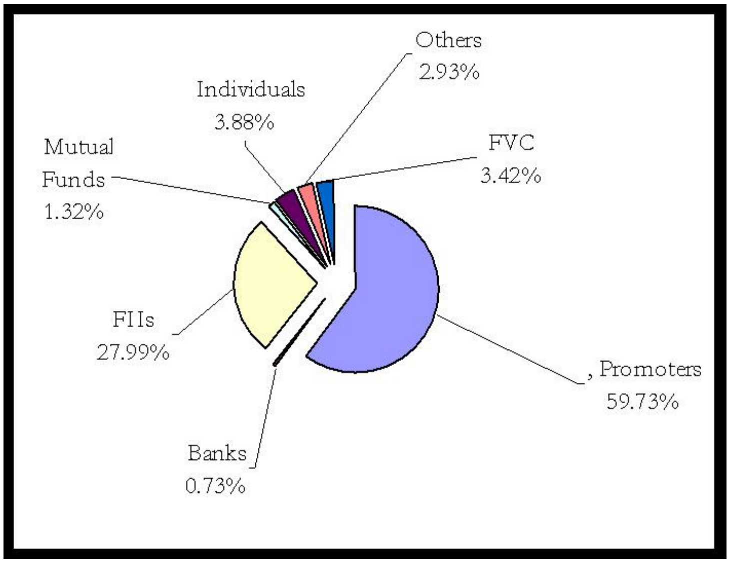
Our belief in the long term potential of our businesses continues to be strong. Our belief stands bolstered by the record of strong volume growths across categories in recent years. This emboldens us to spell out our preference for growing our volume franchise as compared to focusing on profit margins alone.

THANK YOU FOR YOUR PATIENT READING

For further information / clarification, contact Marico on Tel (91-22) 6648 0480, E-mail: investor@maricoindia.net

Annexure 1-A: SHAREHOLDING PATTERN

The Shareholding pattern as on March 31, 2013 is as given in the graph below:

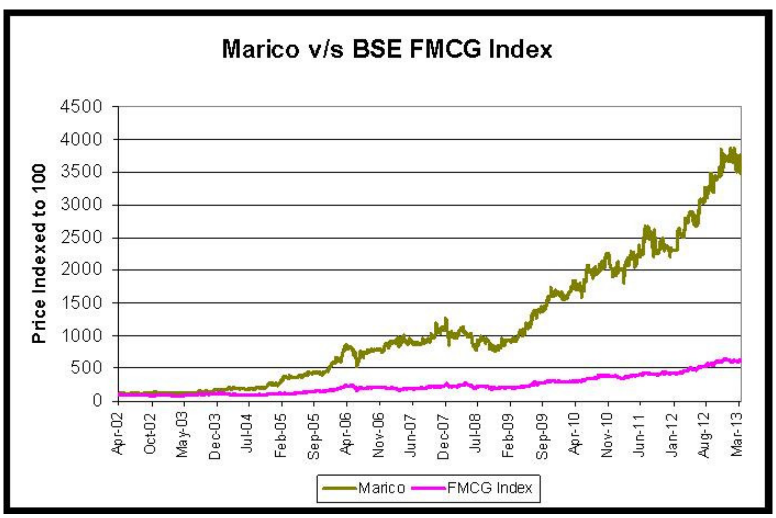


Details of ESOPs as on March 31, 2013: ESOP Plan 2007

Total Options Granted	Options Forfeited	Options Exercised	Options pending to be exercised
11,376,300	4,663,600	63,60,035	3,52,665

*** Options pending to be exercised are less than 0.01% of the issued share capital**

Annexure 1-B: SHARE PERFORMANCE ON STOCK EXCHANGES



- Marico's long term performance on the exchange vis-a-vis its peer group is depicted in the graph alongside.
- Marico's market capitalization stood at Rs. 13684 crore on March 31, 2013. The average daily volume on BSE and NSE during Q1FY14 was about 5,72,569 shares

Annexure 1- C Average Market Prices of Input materials

(These prices are based on simple average of daily market prices and the company's actual procurement prices may be different based on quantities bought on various days.)

Month	COCHIN Coconut OIL	COPRA CALICUT	Sun Flower OIL NOMINAL BOMBAY	KARDI OIL JALNA	RICE BRAN	LIQUID PARAFFIN	HDPE
	Rs/100KG	Rs/100KG	Rs/10KG	Rs/10KG	Rs/10KG	Rs /lt	Rs / kg
Apr-11	9,712	6,639	672	814	478	58	74
May-11	10,148	6,865	676	791	512	57	74
Jun-11	9,904	6,675	684	821	533	61	74
Jul-11	8,958	5,799	700	832	551	64	74
Aug-11	9,683	6,292	702	862	563	67	75
Sep-11	8,726	5,837	708	864	546	68	77
Oct-11	7,936	5,323	713	877	553	67	77
Nov-11	8,154	5,549	685	923	549	67	78
Dec-11	7,942	5,383	702	993	539	68	80
Jan-12	7,414	5,102	684	1,109	548	67	81
Feb-12	6,584	4,534	668	1,103	541	68	80
Mar-12	6,472	4,512	693	1,097	567	65	85
Apr-12	6,489	4,392	721	1,216	610	66	90
May-12	6,064	3,975	720	1,153	608	67	92
Jun-12	6,117	4,052	706	1,181	607	67	92
Jul-12	6,212	4,178	750	1,327	650	66	92
Aug-12	6,102	4,073	765	1,365	645	66	93
Sep-12	6,013	4,027	773	1,365	622	65	94
Oct-12	5,717	3,899	704	1,369	551	65	93
Nov-12	6,004	4,083	747	1,431	548	64	93
Dec-12	6,520	4,458	766	1,443	527	62	93
Jan-13	7,067	4,850	776	1,575	554	61	95
Feb-13	6,683	4,571	761	1,406	528	59	96
Mar-13	6,297	4,457	731	1,181	498	60	98

Q4FY13 Vs Q4FY12	-2%	-2%	11%	26%	-5%	-11%	17%
FY13 Vs FY12	-26%	-26%	8%	44%	7%	-1%	20%

Annexure 1- D Movements in Maximum Retail Prices (MRP) in key SKUs

Month	Parachute Coconut Oil	Parachute Coconut Oil	Parachute Coconut Oil	Parachute Coconut Oil	Parachute Coconut Oil	Saffola-Kardi Oil	Saffola Tasty Blend	Saffola Gold	Saffola Active
	20 ml	50 ml	100 ml	250 ml	500 ml	1 Ltr	1 ltr	1 Ltr	1 ltr
Jan-12	6	12.00 - 45 ml	27	64	119	180	130	145	115
Feb-12	6	12.00 - 45 ml	27	64	120	180	130	145	115
Mar-12	6	12.00 - 45 ml	27	64	120	180	130	145	115
Apr-12	6	12.00 - 45 ml	27	64	120	180	130	145	115
May-12	6	12.00 - 45 ml	27	64	120	180	130	145	115
Jun-12	6	12.00 - 45 ml	27	64	120	180	130	145	115
Jul-12	6	12.00 - 45 ml	27	64	120	180	130	145	115

Aug-12	6	12.00 - 45 ml	27	64	120	180	130	145	115
Sep-12	6	12.00 - 45 ml	27	64	120	180	130	145	115
Oct-12	6	12.00 - 45 ml	27	64	120	180	130	145	115
Nov-12	6	12.00 - 45 ml	27	64	120	180	130	145	115
Dec-12	6	10.00 - 40 ml	27	64	120	180	130	145	115
Jan-13	6	10.00 - 40 ml	27 Rs 2 off	64 Rs 4 off	120	180	130	145 Rs 5 off	115
Feb-13	6	10.00 - 40 ml	27 Rs 2 off	64 Rs 4 off	120	180	130	145 Rs 5 off	115
Mar-13	6	10.00 - 40 ml	25	60	120	180	130	140	115

Product	**Offer type**	**SKU**	**Period**
PCNO R	20% extra qty free	100 ml	January
Saffola Gold	20% extra qty free	5 ltr	March
Saffola	Rs 8 price off	1 ltr	Q4
Saffola	Rs 40 price off	5 ltr	Q4
Hair & Care	20% extra qty free	100 ml	February
Nihar Naturals Jasmine	20% extra qty free	100 ml	February

Annexure 2 - Profile giving Basic / Historical Information

Marico is a leading Indian Group in Consumer Products & Services in the Global Beauty and Wellness space. Marico's Products and Services in Hair care, Skin Care and Healthy Foods generated a Turnover of about INR 46 billion (about USD 850 Million) during 2011-12. Marico markets well-known brands such as Parachute, Saffola, Hair & Care, Nihar, Shanti, Mediker, Revive, Manjal, Setwet, Zatak, Livon, Kaya, Derma Rx, Fiancée, HairCode, Caivil, Black Chic, Code 10, Ingwe, X-Men, L'Ovite and Thuan Phat. Marico's brands and their extensions occupy leadership positions with significant market shares in most categories - Coconut Oil, Hair Oils, Post wash hair care, Hair Gels/Creams, Deodorants, Anti-lice Treatment, Premium Refined Edible Oils, niche Fabric Care, Male grooming etc. Marico is present in the Skin Care Solutions segment through 105 Kaya Skin Clinics and Derma Rx clinics in India, The Middle East, Singapore and Malaysia. Marico's branded products are present in Bangladesh, other SAARC countries, the Middle East, Egypt, South Africa, Singapore, Malaysia and Vietnam.

Marico's own manufacturing facilities in India are located at Goa, Kanjikode, Jalgaon, Pondicherry, Dehradun, Daman, Poanta Sahib and Baddi and are supported by subcontracting units. Marico's subsidiaries, Marico Bangladesh Limited, Egyptian American Investment and Industrial Development Corporation, Marico Egypt Industries Company (erstwhile Pyramid for Modern Industries), Marico South Africa Pty Ltd., and International Consumer Products Corporation have their manufacturing facilities at Mouchak and Shirir Chala, near Gazipur in Bangladesh, 6th October City, Egypt, Salheya City, Egypt, Sadaat City, Egypt, Mobeni in Durban, South Africa and Ho Chin Min City, Vietnam respectively.

Marico was incorporated in 1988 and during 1990 took over the then 40-year old consumer products business of The Bombay Oil Industries Limited. It made its initial public offer for equity shares in March 1996.
Marico has consistently sought to broad base its brand basket. The new products dealt in by the Company during last 5 years have now assumed a critical mass. In the process, Marico's dependence on Parachute has consistently been reducing. From a share in the range of 70% - 75% in early 90's, Parachute coconut oil in India today contributes about 30% to the top line of Marico. Its share in profits too has come down.

Reach

Marico today touches the lives of 1 out of every 3 Indians. Marico sells over 7.5 crore packs every month to around 7.5 crore households through about 40 lacs retail outlets services by its nation wide distribution network comprising 4 Regional Offices, 32 carrying & forwarding agents (CFAs) and about 5000 distributors and stockists. Marico's distribution network covers almost every Indian town with population over 20,000.

The table below provides an indicative summary of Marico's Distribution Network in India

	Urban	Rural
Sales Territories	135	49
Town's covered (000's)	4.1	27.0
Distributor	750	-
Super Distributor	-	145
Stockists	-	4,100

Skin Care Solutions

Marico entered the skin care solutions business through Kaya Skin Clinics offering a range of highly effective and safe services based on cosmetic dermatological procedures and products. Services offered at Kaya use US FDA approved technology and have been specifically customized for Indian skin. In-clinic dermatologists recommend a personalized series of treatments. The chain of Kaya clinics (all company owned) is now 105 strong, spread across 26 cities in India and a presence in the Middle East, Singapore and Malaysia. Its customer base is now more than 700,000.

Financial Highlights

Marico has maintained a steady top line and bottom line growth over the past decade with a consistently healthy Operating Return on Capital Employed (ROCE).

Particulars (INR crores)	FY 09	FY 10	FY11	FY12	FY13	CAGR %
Sales & Services	2,388	2,661	3,128	3,980	4,596	19%
Material Cost	1,278	1,262	1,618	2,132	2,210	
Employee Cost	166	190	230	307	381	
ASP	243	351	346	426	598	
Other Costs	398	483	523	703	869	
Profit Before Tax	230	298	376	400	552	22%
Net Profit (PAT)	189	232	286	317	396	19%
Earnings per Share - Annualized (Rs)*	3.1	3.8	4.7	5.2	6.1	17%
Book Value per Share (Rs)*	7.4	10.7	14.9	18.59	30.77	
Net Worth	453	654	915	1,143	1,802	42%
EBITDA%	12.70%	14.10%	13.30%	12.10%	13.60%	
ROCE %	35	34	27	26	24	

* For a meaningful comparison of EPS and Book Value, the numbers for the previous years have been re-computed taking into account sub-division of equity shares to a face value of Re 1 per share.

Business Model and Organization

Marico's business model is based on focused growth across all its brands and territories driven by continuously improving value propositions to consumers, market expansion and widening of retail reach. Marico aims to be the leader in each of the businesses; by heightened sensitivity to consumer needs, setting new standards in the delivery and quality of products and services through processes of continuous learning and improvement.

Mode of Issue of this update

We have issued this Information Update, first to the Stock Exchanges, posted it on Marico's website and then sent it to the financial community members who are on Marico's regular mailing list.

Marico Investor Relations Team

Anubhav Rastogi	Head – Investor Relations and M&A	(anubhavr@maricoindia.net),
Chaitanya Deshpande	EVP & Head - M&A and Investor Relations	(chaitanyajd@maricoindia.net)
Milind Sarwate	Group CFO	(milinds@maricoindia.net)

Contents of this Update

1. Financial results and other developments during Q4FY13 for the Marico Group – Marico Limited, Kaya Limited, Marico Bangladesh Limited, MBL Industries Limited, Marico Middle East FZE, Kaya Middle East FZE, Marico South Africa Consumer Care (Pty) Limited, Marico South Africa (Pty) Limited, MEL Consumer Care SAE, Egyptian American Investment & Industrial Development Company SAE, Marico Egypt Industries Company SAE (erstwhile Pyramid for Modern Industries), Wind CO, Marico Malaysia Sdn. Bhd., Derma Rx International Aesthetics Pte. Ltd., the DRx Clinic Pte. Ltd., the DRx Medispa Pte. Ltd., DRx Investment Pte. Ltd. , DRx Aesthetics Sdn. Bhd, International Consumer Products Corporation, Beauté Cosmétique Societé Par Actions, Thuan Phat Foodstuff Joint stock Company, Marico Consumer Care Limited, Halite Personal Care India Private Limited.
2. A Profile containing basic/historical information on Marico.

We recommend that readers refer to the Marico Group financials to get a better appreciation of the business performance. A copy of the latest Annual Audited Financial Results of Marico Limited (stand-alone and Consolidated) is available on Marico's website

Disclosure of Information, Communication with Investors / Analysts / Financial Community

Marico issues fresh information updates, like the one you are reading now on the day, it declares its Quarterly Financial Results. Some forward looking statements on projections, estimates, expectations, outlook etc. are included in such updates to help investors / analysts get a better comprehension of the Company's prospects and make informed investment decisions.

Actual results may, however, differ materially from those stated on account of factors such as changes in government regulations, tax regimes, economic developments within India and the countries within which the Company conducts its business, exchange rate and interest rate movements, impact of competing products and their pricing, product demand and supply constraints.

All the aforesaid information is also available on Marico's Website: www.marico.com In view of this, information contained in such updates is made public and thus not therefore constitutes unpublished price sensitive information under the SEBI (Prohibition of Insider Trading) Regulations, 1992.

Marico holds periodic meetings/ conference calls, from time to time, with individual members of the financial community.