

Year 2017-18

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Net Profit INR 814 crs

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Marico India ranked 32nd in India's Best Companies to Work For in 2018 in a study conducted by Great Place to Work Institute and The Economic Times.

Marico is recognized for Excellence in Corporate Governance by 15th ICSI National Awards

Marico wins in the Globetrotters category at the Pitch Top 50 Brands 2018

Saffolalife wins 4 awards at EFFIE India 2019 for its 2018 World Heart Day campaign

Marico wins 7 awards at The International Business Awards 2018 in the Communications & PR Category

Marico South Africa brand Caivil wins 2 awards at The African Hair Awards 2018

Marico was also recognized as one of the 'Most Honored Companies' among Small and Mid - cap companies in India in the All-Asia (ex-Japan) Executive Team Rankings 2018 by Institutional Investor

Marico Bangladesh receives Silver Award for Excellence in Corporate Governance from ICSB

Saugata Gupta, MD & CEO, was ranked #4 in FMCG & #47 Pan-India in the Business Today-PWC list of India's Top 100 CEOs

Saugata Gupta, MD & CEO, was recognised as one of India's Most Valuable CEOs in the large companies category by Business World

Marico CQA team received a Special Recognition at the 6th CII National Excellence Practice Competition 2018 in the Services & Manufacturing Category

Marico Jalgaon was awarded Champion of the Champions 2018 by CII for consistent improvement initiatives

Marico NER 1 Guwahati Factory was awarded as 'Best Labour Law Compliant Establishment' by the Labour Welfare Society Assam

Marico's India Business has achieved a 'Level 4-TCM Enabled Company' rating by CII

Marico has won Best in Class Supply Chain Strategy & Design Award 2017" in 11th edition of Express Logistics & Supply Chain (ELSC) Leadership Awards

Marico's Baddi unit was declared as First Runners-Up for its 'Quality Analytics - IOT for Process Improvement' project at the 30th QualTech Prize 2018

Marico won 12 awards at the INDIASTAR Packaging Awards 2017, a premier event promoting packaging design, innovation and excellence



Marico Limited – Q3FY19 Results

Healthy Growth in Revenue and Operating Profit Exciting Launches in Hair Care, Healthy Foods and Male Grooming Robust Performance in International Business

In Q3FY19, **Revenue from Operations grew by 15% YoY to INR 1,861 crore** (USD 258 million), with an **underlying domestic volume growth of 5%** and **constant currency growth of 11% in the International business**. EBITDA grew by a healthy **16%**, while **PAT** growth came in at **12%** due to higher tax expense.

With copra prices having relatively eased during the quarter, **gross margin expanded by 230 bps sequentially** and was **marginally down YoY**.

Rural led the growth in the traditional channel, while the new-age channels of **Modern Trade and E-commerce** continued to surge ahead. **CSD grew by 12%**.

The innovation engine kept up its pace as the Company introduced: a) **Hair & Care Dry Fruit Oil**, a light hair oil with the combined goodness of almond and walnut oils; b) **Saffola FITTIFY Gourmet range of foods and beverages** offering superfood nutrition - includes moringa green tea, green coffee instant beverage mixes, hi-protein meal soups and hi-protein slim meal-shakes; c) **Set Wet Global Edition range of perfume sprays** in two fresh fragrances – **Las Vegas Live and Bali Bliss**.

The initial response to **Parachute Advansed Coconut Crème Oil**, which re-invents hair oiling promising 100% nourishment in just 30 minutes, and **True Roots Botanical Hair Tonic**, which tackles the common consumer problem of premature hair greying, has been positive.

Advertising & Sales Promotion spends was up 12% on a YoY basis. Investment towards brand building will be further ramped up to support market growth initiatives in core categories, expansion into adjacent categories and a visibly strong innovation pipeline for the next 2-3 years.

For FY19 and beyond, the Company retains the target of **8-10% volume growth and healthy market share gains in the India business**. The Company aims to build **Healthy Foods, Premium Hair Nourishment and Male Grooming** into growth engines of the future and expects to deliver value growth at 20% plus CAGR over the medium term in these portfolios.

In the **International business**, the Company expect to clock organic broad-based double-digit constant currency growth in the medium term.

At its meeting held on February 5, 2019, the Board of Directors of the Company declared a second interim dividend of 275% (INR 2.75 per share) on its paid up equity share capital of INR 129.09 crores.

Other Updates:

- Marico won **7 'Stevies' in the Communications and PR Campaign of the Year** category at the International Business Awards 2018.
- Marico featured among the **Top 5 Companies in the S&P BSE 100 Index in Corporate Governance** as per the **Corporate Governance Scorecard 2018**, developed jointly by International Finance Corporation, BSE Limited and Institutional Investor Advisory Services.

Marico (BSE: 531642, NSE: "MARICO") is one of India's leading Consumer Products Group, in the global beauty and wellness space. During 2017-18, Marico recorded a turnover of about INR 63 billion (USD 982 Million) through its products sold in India and chosen markets in Asia and Africa.

Marico touches the lives of 1 out of every 3 Indians, through its portfolio of brands such as Parachute, Parachute Advansed, Saffola, Saffola FITTIFY Gourmet, Hair & Care, Nihar Naturals, Livon, Set Wet, True Roots, Mediker and Revive. The international consumer products portfolio contributes to about 22% of the Group's revenue, with brands like Parachute, Parachute Advansed, HairCode, Fiancée, Caivil, Hercules, Black Chic, Code 10, Ingwe, X-Men, Sedure, Thuan Phat and Isoplus.

Business Unit-wise details have been given on the next page. More details are available in the Information Update issued today and posted on the Company's website www.marico.com

Media Release

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Marico's India Business recorded a turnover of **INR 1,449 crores** (USD 201 million), a growth of **13%** over the same period last year. The operating margin was at 21.0% before corporate allocations.

Parachute Rigids (packs in blue bottles) posted robust volume growth of 9%, despite a high base. Further strengthening of the brand equity and healthy traction in non-core markets contributed to the accelerated growth. The portfolio grew 19% in value terms owing to the price hike taken at the beginning of the calendar year. The Coconut Oil franchise (includes Nihar Naturals and Oil of Malabar) held its volume market share at **59%** (Dec 2018 MAT).

Saffola refined edible oils grew 2% in volume terms during the quarter. The franchise appears to be responding to the focused efforts taken to revitalize the super-premium segment of edible oils. The rising salience in Modern Trade and E-Commerce bodes well for the medium term potential of the franchise. The brand strengthened its leadership position in the super premium refined edible oils segment to **~72%** volume market share (Dec 2018 MAT).

Healthy Foods grew by 23% in value terms. Saffola Masala Oats consolidated its value market share at **~70%** in the flavoured oats category (Dec 2018 MAT), as the brand registered a significant increase in overall penetration, especially in metro cities of Mumbai and New Delhi.

Value Added Hair Oils registered a volume growth of 7%. With offtake growth in line with the category, the Company consolidated its market leadership with a **volume share of ~34%** and **value share of ~26%** (Dec 2018 MAT).

Nihar Naturals Shanti Amla Badam strengthened its volume market leadership in the Amla Hair Oil category, and in the process, further cemented its position as **"India's No. 1 Hair Oil"**. **Nihar Naturals Sarson Kesh Tel** more than doubled in volumes in Q3 on a YoY basis. **Parachute Advanced Aloe Vera Enriched Coconut Hair Oil** was scaled up to a pan-India level during the quarter and has garnered sizeable market share in its key markets. The Company rolled out a fresh campaign for **Parachute Advanced Ayurvedic Hair Oil**, featuring consumer testimonials with their photographs in the centre of the product packaging. **Nihar Naturals Extra Care Hair Fall Control Oil** has been received well.

Premium Hair Nourishment grew 38% in value terms. **Livon Serums** registered strong growth during the quarter. With the launch of new variants in the last quarter - **Livon Colour Protect Serum, Livon Serum for Dry & Unruly Hair and Livon Shake & Spray Serum**, the brand is tapping into a new pool of consumers by addressing credible hair needs and truly owning 'salon finish' as a benefit.

Male Grooming grew 13% in value terms. **Set Wet Hair Gels** continued to lead the growth in the Hair Gels category, registering record offtakes on the back of its 56% value market share. We introduced an affordable price point pack (INR 30) of **Set Wet Hair Waxes** in November 2018. The Company's first exclusively digital brand, **Set Wet Studio X**, has shown positive results within 8 months of launch and has been witnessing considerable online engagement. **Parachute Advanced Men Hair Creams** was seen gaining traction in the E-Commerce channel. **Set Wet Deodorants** posted healthy growth in Q3FY19, led by **Set Wet Go pocket perfume sprays** (priced at INR 49).

Marico's International business grew by 11% in constant currency terms in Q3FY19. The operating margin was at 20.0% before corporate allocations. A&P spends was stepped up during the quarter.

Bangladesh grew by 16% in constant currency (cc) terms, led by robust growth in the non-Coconut oil portfolio in line with the stated diversification strategy. **Vietnam** grew by 15% (in cc terms) as both male shampoos and male deodorants performed well. **Middle East and North Africa** posted a growth of 8% (in cc terms). **South Africa** had a muted quarter.

Commenting on the performance, Saugata Gupta, MD & CEO said, "In Q3, we have delivered a reasonably good performance. We have further consolidated the core portfolio in India and have now stabilized the international businesses. Having reinvigorated the new product development and go-to-market processes, I am looking forward to an exciting journey ahead. We will continue to invest in brands, talent and capability and results will follow. Our CSR and sustainability agendas have a mandate of building a business with Purpose and we will intensify our efforts in that direction."