

Year 2017-18

Turnover INR 6,333 crs
Net Profit INR 814 crs



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Marico has been ranked as #8th Best Workplace in Manufacturing in India by Great Place to Work Institute, 2018.

Marico was recognized as one of the "Most Honored Companies" across sectors in a poll conducted by Institutional Investor Magazine for all Companies in Asia (ex-Japan).

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

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

Set Wet Personalized Deo features in Mintel's Top 10 Innovations List.

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

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

Marico Treasury Team was awarded "The Best Treasury Team in Asia" by Corporate Treasurer

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 wins IMC Ramkrishna Bajaj National Quality award and gets CII GreenCo Gold certification

Marico's Baddi Unit wins World Class Award by International Asia Pacific Quality Organisation

Marico wins 2 awards at Big Data & Analytics Awards- Best Practises in Data Warehousing and Excellence in Business Intelligence

Marico won 2 awards at World Quality Congress-Best End to End Consumer Solutions and 50 Most Impactful Quality Professionals

Set Wet in Nepal wins Silver at Flame Awards Asia 2017

Teach Little Minds' recognized as the Best CSR Practice at World Quality Congress

Advertising Club Emvies 2017 - Saffolalife won Gold (Best On-going Campaign) and Bronze (Best Integrated Campaign Services and Best Media Innovation Digital Search). Nihar Shanti won Gold (Best Media Innovation Radio) and Silver (Best Media Innovation Branded Content)

Saffola Masala Oats wins 2 Silvers and Livon and Saffola win 1 Bronze each at the EFFIE Awards 2018.

Marico Limited – Q4FY18 Results
Soft Quarter for India due to short term headwinds; Rural continues to outgrow Urban;
Strong performance in International Business;
Broad-based growth likely in FY19

During the quarter ended March 31, 2018, Revenue from Operations was at INR 1,480 crores, a growth of 12% YoY. The underlying volume growth was 2%. The India business volumes grew by a modest 1%, while the International business posted a very healthy constant currency growth of 16% (volume growth of 5%). Value growth in the India business was led by price hikes in the Coconut Oil portfolio.

During the year ended March 31, 2018, Revenue from Operations was at INR 6,333 crores, a growth of 7% YoY. The underlying volume growth was 1.3%. EBITDA was at INR 1,138 crores, down 2% YoY and PAT at INR 814 crores, up 2% YoY.

Sustained offtake growth led to market share gains in 90% of the portfolio on a MAT basis. A&P spends was up 14% during the quarter on a comparable basis. In the medium term, ASP will be stepped up to 10-11% of Sales to support forthcoming innovations.

Persistent inflation in copra prices continued to dent margins, which was partially offset by the price increases in Parachute Rigids and tighter cost management. **EBITDA margin was at 17.0%**, in line with the medium term guidance. EBITDA was at INR 252 crores, down 2% YoY and PAT was at INR 181 crores, up 7% YoY.

Rural growth continued to outpace urban growth. There have been early signs of a revival in rural, as it outpaced urban growth in the last three quarters of FY18. We expect the government's spending plans to bolster rural development and raising of minimum support prices of crops to help regain the momentum in rural demand in the medium term. Normal monsoons, as recently forecasted, would be critical for a pickup in overall sentiment and demand growth in rural areas.

For FY19 and beyond, **the Company retains the target of 8-10% volume growth and healthy market share gains** on the back of increased investment in the core portfolio, aggressive new product launches, distribution expansion, judicious pricing and tighter cost management.

Other Updates:

- Marico was ranked **among the Top 10 companies in Corporate Governance among all constituent companies of the S&P BSE 100 Index**, as per a study jointly developed by IFC, IAS and BSE, with the financial support of the Government of Japan.
- Marico won the **Walmart Best Supplier Award 2017** in the non-foods category.
- Marico was listed in **Jombay's Top 50 People Capital Index (PCI)** companies.
- On April 13, 2018, **the Company announced a strategic investment in Revolutionary Fitness Private Limited** by agreeing to acquire upto 22.5% equity stake, through primary and secondary infusions. **Revolutionary Fitness Private Limited owns Revofit (<https://revofit.com>)** - an integrated fitness and holistic wellness solutions app (available on Android and iOS), which provides a 360-degree approach to a healthy lifestyle.

Marico (BSE: 531642, NSE: "MARICO") is one of India's leading Consumer Products Group, in the global beauty and wellness space. During 2016-17, Marico recorded a turnover of about INR 63 billion (USD 982 Million) through its products sold in India and chosen countries 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, Hair & Care, Nihar, Nihar Naturals, Livon, Set Wet, 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, Thuan Phat and Isoplus.

Media Release

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

The FMCG Business in India achieved a turnover of INR 1,157 crores (USD 180 million), a growth of 12% over the same period last year. The operating margin during Q4FY18 was 21.8% before corporate allocations as against 26.0% for the same period last year. **A&P spends in the India business was up 27%** during the quarter on a comparable basis.

In Q4FY18, **Parachute Rigids (packs in blue bottles)** posted a volume decline of 5%, an anomaly caused by a combination of relatively concentrated price increases in H2FY18 (aggregating to ~22%) and 15% spikes in volumes in the post-demonetisation base quarter (Q4FY17) as well as the preceding quarter (Q3FY18). **Volumes grew 5% in H2FY18**, as trade began to stabilize post the GST implementation in Q2FY18. However, on the back of healthy offtake growth, **the Coconut Oil franchise gained 90 bps in volume market share to ~59%**.

Saffola Refined Edible Oils recorded a flattish quarter in volume terms. Headwinds in the super-premium segment of Edible Oils persisted, while the mid and mass market segments witnessed growth. Despite a flat quarter, **the brand maintained its leadership position in the super premium refined edible oils segment with a ~69% volume market share.**

The **Healthy Foods franchise grew by 18%** in value terms. **Saffola Masala Oats (SMO)** maintained its momentum, on the back of focused inputs and a renewed promotional campaign, which led to a consolidation in its **value share to 70% in the flavoured oats category.**

Value-added Hair Oils registered a **volume growth of 11%** during the quarter on the back of broad-based growth in the franchise. Strong offtake growth led to the Company to consolidating its market leadership with a **volume share of ~34%** and **value share of ~26%** (March 2018 MAT). **Nihar Naturals Shanti Amla Badam** consolidated its market leadership in volume terms within the Amla hair oil category at ~41%.

Premium Hair Nourishment (Livon and Hair & Care Silk n shine) grew 11% in value terms on a comparable basis. Being the **market leader with a volume share of ~82%**, the Company will focus on driving category growth through innovation and consumer engagement.

Male Grooming grew 5% in Q4FY18 in value terms on a comparable basis. The **value market share of Set Wet Hair Gels currently stands at 58%**, constituting circa 55-60% of total Male Grooming Portfolio.

Marico's International Business achieved a turnover of INR 323 crores (USD 52 million) in Q4FY18 with an underlying constant currency growth of 16%. The operating margin (before corporate allocations) was at 11.8% in Q4FY18 against 9.8% in Q4FY17.

In Q4FY18, **Bangladesh** continued its good run with a 17% constant currency growth. **Middle East and North Africa** posted a volume led recovery, growing 61% in constant currency terms. **Vietnam** was subdued due to headwinds in the male shampoo category. **Myanmar** grew steadily through the year and recorded a topline of over USD 8 million during the year. **South Africa (including Isoplus)** posted a growth of 23% in Q4FY18 in constant currency terms.

Commenting on the performance, Saugata Gupta, MD & CEO said, *"The year was marked by reform-led disruptions in a challenging input cost environment. We had a mixed year as we faced short-term headwinds in some of the portfolios due to a combination of internal and external factors. In the coming year, we will aggressively drive growth in core and new growth engines by investing behind brands and capability building. We may face some pressure on margins. We believe our pursuit of executional excellence and bias for franchise expansion will enable us to deliver sustainable profitable growth over the medium to long term."*