



Quarterly Update: Q3 FY19

This update seeks to provide an overall summary of the operating performance and demand trends witnessed in the quarter ended 31st December 2018. This will be followed by a detailed Information Update once the Board approves the financial results for Q3 FY19.

Positive consumer sentiment was visible during the quarter, led by the festive season and expectations of stimulus from Government initiatives. Steady offtake growth was witnessed in our categories, as the Company continued an upward trajectory in market shares across key portfolios.

Demand conditions in rural continued to trend favourably, while the Modern Trade and E-Commerce channels led the growth in urban. After a decline in the last quarter, CSD sales recovered.

Parachute Rigids grew healthily during the quarter, ahead of the medium term guidance. Value Added Hair Oils, however, fell slightly short of the mark. The growth in Saffola Edible Oils was subdued, as the recovery is taking longer than expected. The newer portfolios of Premium Hair Nourishment, Male Grooming and Healthy Foods grew in line with expectations. Overall, the volume growth in the domestic business was lower than the medium term aspiration.

The International business stayed on track on the back of portfolio diversification in Bangladesh and enhanced GTM initiatives in Vietnam. The MENA business also grew reasonably on a comparable base.

Easing of input costs and operating leverage benefits are expected to aid margins in this quarter.

The Company launched **Hair & Care Dry Fruit Oil**, a light hair oil enriched with the goodness of almond and walnut oils. The product has been introduced at a price of INR 55 (100 ml) in select markets of North and West India.

The Company also rolled out a range of healthy food and beverage products under the aegis of a new sub-brand, '**Saffola FITTIFY Gourmet**'. The portfolio includes moringa green tea, green coffee instant beverage mix, hi-protein breakfast cereals, hi-protein meal soups and hi-protein slim meal shakes. The brand will be focused entirely on the Modern Trade and E-Commerce channels.

The Company will continue to drive sustained profitable volume-led growth over the medium term, through its focus on strengthening the franchise in the core categories and driving the new engines of growth towards gaining critical mass.

About Marico:

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 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, Hair & Care, Nihar Naturals, Livon, Set Wet, True Roots, Mediker and Revive. The International business 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, Sedure and Isoplus.

Marico's focus on delivering sustainable business and earnings growth has so far resulted in a healthy shareholder return of 26% CAGR since listing in 1996.

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