



MARICO LIMITED

CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2007

Quarter ended September 30 (Unaudited)		Particulars	Half year ended September 30, (Audited)		Year ended March 31, 2007 (Audited)	(Rs. Crore)			SEGMENT - WISE		(Rs. Crore)	
			2007	2006		Year ended March 31, 2007 (Audited)	Year ended March 31, 2007 (Audited)	Quarter ended September 30 (Unaudited)		Particulars	Half year ended September 30, (Audited)	
								2007	2006		2007	2006
463.79	377.98	1. Net Income from sales and services	932.92	750.76	1,556.92							
0.52	0.06	2. Other Income	1.22	1.13	10.16	1,473.84	446.56	359.03	Consumer Products	882.54	713.58	
464.31	378.04	3. Total Revenue (1 + 2)	934.14	751.89	1,567.08	83.08	17.23	18.95	Others	50.38	37.18	
(15.13)	(18.44)	4. Total Expenditure				1,556.92	463.79	377.98	Sub - total	932.92	750.76	
209.52	158.41	(Increase) / Decrease in stock-in-trade and work in progress	(9.35)	(40.19)	(45.98)	-	-	-	Less: Inter Segment revenue	-	-	
6.09	12.43	Consumption of raw materials	408.40	305.49	650.91							
38.82	34.78	Purchase for resale	8.66	49.64	63.46	1,556.92	463.79	377.98	Net Sales / Income from operations	932.92	750.76	
239.30	187.18	Packing Material Consumed	76.07	63.33	135.40							
25.58	25.72	Sub-Total	483.78	378.27	803.79							
60.34	48.18	Employee cost	59.73	51.18	91.05							
6.41	12.65	Advertisement & sales promotion	111.51	96.58	212.35							
0.03	0.04	Depreciation, amortisation and impairment	12.15	23.78	52.06							
73.82	61.06	Amortisation of Miscellaneous Expenditure	0.06	0.07	0.13							
405.48	334.83	Other expenditure	147.14	117.06	251.04	181.48	53.77	51.76	2. Segment Result (Note 3)			
6.49	5.71	Total Expenditure	814.37	666.94	1,410.42	(10.79)	5.06	(3.85)	(Profit after exceptional items before Interest and Tax)			
52.34	37.50	Interest (net)	13.57	10.52	20.61	170.69	58.83	47.91	Consumer Products	122.19	100.43	
-	(4.70)	6. Profit from ordinary activities before Exceptional Items (3-4-5)	106.20	74.43	136.05				Others	(2.42)	(6.35)	
52.34	42.20	Exceptional items (note 7)	-	(9.13)	(14.03)	20.61	6.49	5.71	Sub - total	119.77	94.08	
0.01	-	8. Profit before Tax & Minority Interest (6-7)	106.20	83.56	150.08				Less: Interest	13.57	10.52	
52.33	42.20	Minority Interest in Profit Before Tax	0.05	-	-				Less: Other un-allocable expenditure (net of un-allocable income)			
5.70	6.32	10. Profit Before Tax (8-9)	106.15	83.56	150.08	-	0.01	-	Less: Minority Interest	0.05	-	
6.65	2.00	Provision for Current Tax	12.09	12.03	18.80	150.08	52.33	42.20	Total Profit Before Tax	106.15	83.56	
0.69	0.88	MAT Credit (available) / availed (Note 8)	3.75	4.68	(6.90)							
(2.95)	2.39	Provision for Fringe Benefits Tax	1.75	1.50	3.29							
-	4.50	Provision for Deferred Tax - Debit/(Credit)	6.14	4.47	15.81							
42.24	26.11	Short Income Tax provision of earlier years	-	4.50	6.19				3. Capital Employed			
0.69	0.45	16. Profit after Tax for the period (10-11-12-13-14-15)	82.42	56.38	112.89	114.38	180.08	351.57	(Segment Assets - Segment Liabilities)	180.08	351.57	
0.69	0.45	Basic Earnings Per Share (EPS) Not Annualised	1.35	0.97	1.88	57.57	76.92	(22.58)	Consumer Products			
		Diluted Earnings Per Share (EPS) Not Annualised	1.35	0.97	1.88	20.42	8.70	(14.90)	Others	76.92	(22.58)	
									Add: Unallocated Capital Employed	8.70	(14.90)	
						192.37	265.70	314.09		265.70	314.09	

Notes :

1. The audited consolidated financial results for the half year ended September 30, 2007 (H1 FY08) comprise of the audited financial results of Marico Limited (the Company) and Kaya Skin Care Limited and unaudited financial results of Marico Bangladesh Limited, MBL Industries Limited, Marico Middle East FZE, Kaya Middle East FZE, MEL Consumer Care SAE, Pyramids for Modern Industries, Egyptian American Investment & Industrial Development Company (with effect from July 1, 2007) and Sundari LLC . All the aforesaid entities are collectively called 'Marico'.
2. The financial results were reviewed by the audit committee at its meeting held on October 24, 2007 and approved by the Board of Directors of Marico Limited at its meeting held on October 24, 2007. The financial results of Marico Limited (standalone) for the quarter and half year ended September 30, 2007 and financial results of Marico group for half year ended September 30, 2007 have been subjected to audit by the statutory auditors of the Company. .
3. The primary reporting of the Company is based on business segment. Marico Limited (standalone) has only one reportable segment for the quarter and half year ended September 30, 2007 in terms of Accounting Standard 17 "Segment Reporting" issued by Institute of Chartered Accountants of India which is manufacturing and sale of consumer products. The Company had, during the quarter and half year ended September 30, 2006 and year ended March 31, 2007, other segment comprising skin care services.
4. In Q4 FY 07, carrying value of intangible assets was adjusted against the balance in securities premium account and capital redemption reserve account in terms of a financial restructuring scheme under the provisions of the Companies Act, 1956 and approved by the shareholders on February 8, 2007 and the Hon'ble High Court vide its Order dated March 23, 2007. The depreciation, amortisation and impairment for Q2 and H1 FY08, therefore, is lower as compared to Q2 and H1 FY07.
5. The Corporate Governance Committee of the Board of Directors of the Company at its meeting held on June 30, 2007, has granted Stock Options to certain eligible employees pursuant to the "Marico Employees Stock Options Scheme 2007". In all, 80,56,100 options have been granted. The grant of stock options to employees does not result in any employee compensation costs under the 'intrinsic value' method determined in terms of SEBI guidelines as the grant price is equal to the market price of the share on the grant date. Had the Company considered 'fair value' method then the employee compensation cost would be Rs. 1.9 crores and the PBT would be lower by the same amount.
6. Diluted EPS for the quarter and half year ended September 30, 2007 has been calculated as per Accounting Standard 20 "Earnings per Share" issued by Institute of Chartered Accountants of India. The denominator, being the weighted average number of shares, has been calculated after taking into account 80,56,100 options granted under "Marico Employees Stock Options Scheme 2007". However, the impact on EPS is negligible.
7. Exceptional items for the previous period include/represents a credit for reversal of provision made in earlier year no longer required (quarter ended September 30, 2006-Rs. 4.7 cr, half year ended September 30, 2006-Rs.9.13 cr and year ended March 31, 2007-Rs.14.03 cr.).
8. MAT Credit for the quarter and half year ended September 30, 2007 is net of reversal relating to earlier years Rs.4.28 cr.
9. No investor complaints were pending at the beginning of the quarter. 17 investor complaints were received and 16 were resolved during the quarter. 1 investor complaint was pending as on September 30, 2007. (The complaint has since been resolved on October 01, 2007)
10. At its meeting held on October 24, 2007, the Board of Directors of Marico Limited declared an interim dividend of 15% (Re.0.15 per share of Re. 1 each) on equity capital of Rs. 60.9 crores. The dividend shall be paid to the shareholders whose names appear in the Register of Members as on October 30, 2007.
11. Previous period / year figures have been regrouped / restated wherever necessary.
12. These Financial Results and other related useful information are available on Marico's website - http://www.maricoindia.com/ic_latest.htm

Place : Mumbai**Date : October 24, 2007****Harsh C. Mariwala
Chairman & Managing Director**

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 Rs.15.6 billion (about USD 380 Million) during 2006-07. Marico markets well-known brands such as Parachute, Saffola, Sweekar, Hair & Care, Nihar, Shanti, Mediker, Revive, Manjal, Kaya, Sundari, Aromatic, Fiancee and HairCode. Marico's brands and their extensions occupy leadership positions with significant market shares in most categories- Coconut Oil, Hair Oils, Post wash hair care, Anti-hice Treatment, Premium Refined Edible Oils, niche Fabric Care etc. Marico is present in the Skin Care Solutions segment through Kaya Skin Clinics (51 in India and The Middle East), the Sundari range of Spa skin care products (in the USA & other countries) and its soap franchise (in India and Bangladesh).

Marico's branded products are present in Bangladesh, other SAARC countries, the Middle East and Egypt. The Overseas Sales franchise of Marico's Consumer Products (whether as exports from India or as local operations in a foreign country) is one of the largest amongst Indian Companies and is entirely in branded products and services. Marico was selected as one of the eight Indian companies in S & P's list of Challenger Companies from various nations, compiled globally by Standard & Poor's in June 2007.

Marico has also won various other Awards, such as the following:

- NDTV Profit – Business Leadership Award, FMCG Personal Hygiene category (July 2007)
- One of India's 10 best marketers (Business Today September 2006)
- Brand Leadership Award at the India Brand Summit 2006 (September 2006)
- Kaya – Best Retailer in the Beauty and Fitness category, India retail Forum (September 2007)
- Kaya – Retailer of The Year Award (for the 2nd consecutive Year) at India Retail Summit 2006
- Bronze Effie (2007) for Saffola
- The Gulf Marketing Review Award in the Middle East 2006.

Every month, over 70 Million consumer packs from Marico reach approximately 130 Million consumers in about 23 Million households, through a widespread distribution network of more than 2.5 Million outlets in India and overseas.

Marico's focus on sustainable profitable growth is manifest through its consistent financial performance – a CAGR of 19% in Turnover and 19% in Profits over the past 5 years- while setting a record of several consecutive quarters of year on year growth- 32 for Profits and 28 for Sales.

The Marico scrip is listed on the Bombay Stock Exchange (BSE) (Code 531642) & on the National Stock Exchange (NSE) (Code "MARICO").

**Registered Office : " Rang Sharda", Krishnachandra Marg, Bandra Reclamation, Bandra (West), Mumbai - 400050, India.
Email: milinvrel@maricoindia.net,
Websites: www.maricoindia.com, www.saffolalife.com, www.kayaclinic.com, www.sundari.com, , www.parachuteadvansed.com, and www.innovation4india.com**