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# Greenlam Industries Ltd

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Transforming Spaces, Enriching Lives.

Results Presentation – Q3 & 9M FY16

January 2016

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# About Greenlam Industries



## Product offerings

- Laminate & Allied: Decorative Laminates, Compact Laminates & Melamine Faced Chipboards
- Decorative Veneer & Allied: Decorative Veneer, Engineered Wood Flooring & Engineered Doors (Launched in Q2FY16)

**3<sup>rd</sup> Largest Laminate producer in the World and Largest in Asia in terms of Production capacity of 12.02mn sheets**

**Presence in over 100 countries globally with 11 international offices**

**Decorative Veneer installed capacity 4.2mn sq mtr – largest in India**

**India's 1<sup>st</sup> and only manufacturer or Engineered Wooden Flooring and Engineered Doors**

**Manufacturing facilities based in Behror (Rajasthan) & Nalagarh (Himachal Pradesh)**

**18.5% Market Share in Laminates & 12.5% Market Share in Decorative Veneer**

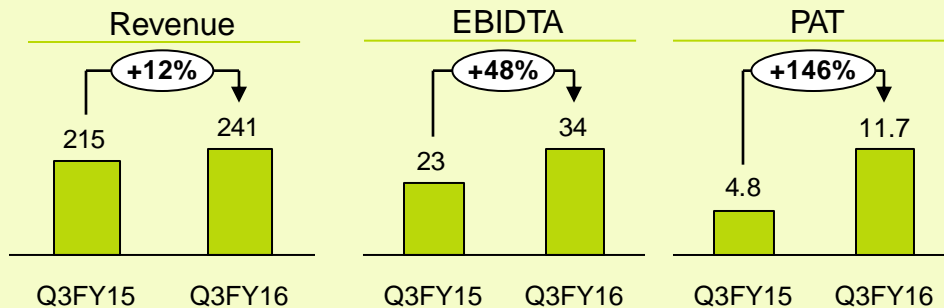
**India's Powerhouse Brand in Laminates & Veneers Segment**

# Best performance since listing in Q3 FY16

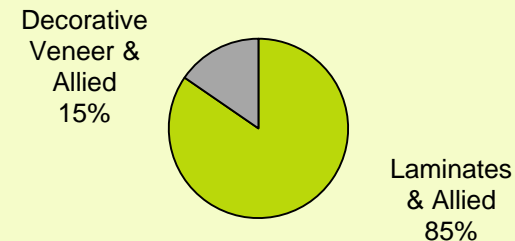
- ★ 12% Revenue growth led by good performance in
  - Domestic Sales with growth of 21%
  - Decorative veneers with growth of 63% backed by new launches
- ★ 48% Operating Profit growth
- ★ 14% Operating margin
- ★ 146% PAT growth
- ★ 4.8% PAT Margin
- ★ 106% Laminate capacity utilisation on enhanced capacity of 12.02 mn sheets
- ★ 38% Veneer capacity utilisation led by launch of Teak & Engineered variant
- ★ 4.67 Revenue from Engineered wooden flooring at Rs. 4.67 cr
- ★ 1<sup>st</sup> Export Consignment of Engineered Doors in November, 2015

# Performance - Q3 & 9MFY16

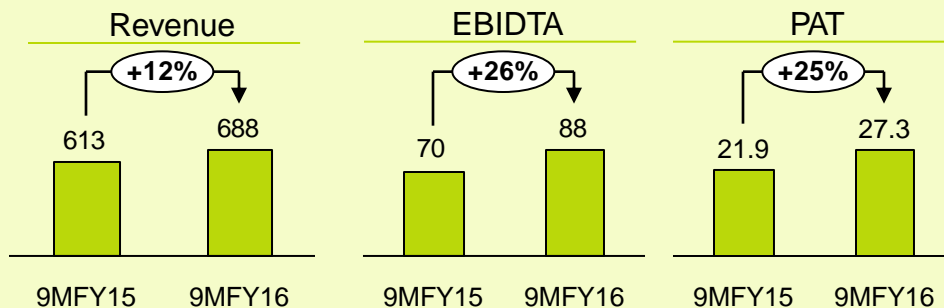
Q3FY16



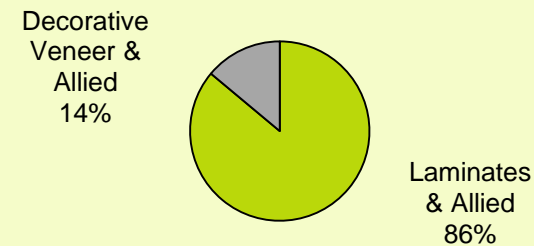
## Segmental Revenue



9M FY16



## Segmental Revenue



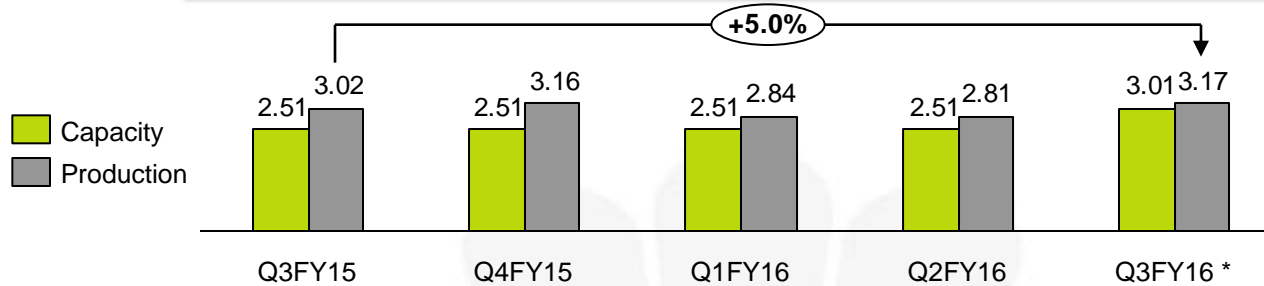
# Laminates & Allied Products

Rs. Crores	Q3FY16	Q3FY15	YoY%	Q2FY16	QoQ%	9MFY16	9MFY15	YoY%	FY15
Net Sales of Laminates & Allied Products	203.8	192.9	5.6%	199.7	2.1%	592.2	547.7	8.1%	745.2
<i>EBIDTA Margin %</i>	<b>15.9%</b>	10.9%	503 bps	13.0%	286 bps	13.6%	10.5%	305 bps	10.1%
Capital Employed	313.3	355.3		322.0		313.3	355.3		331.8

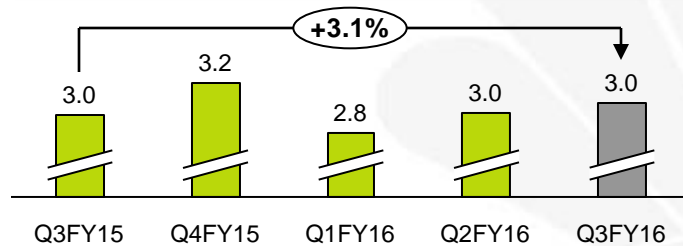
Note: The segments were formed post demerger, hence data for the previous period not available

# Laminates & Allied Products

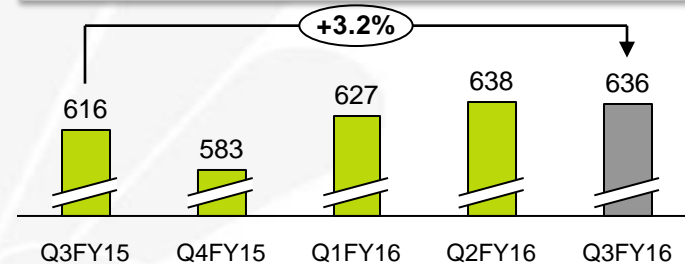
## Production and Capacity (Quarterly) in Mn Sheets



## Sales in Mn Sheets



## Average Realisation (Rs/Sheet)



\* New capacity of 2 mn sheets p.a. introduced at the end of Q2 FY16  
Current Annual Capacity of 12.02 mn sheets

# Decorative Veneers & Allied Products

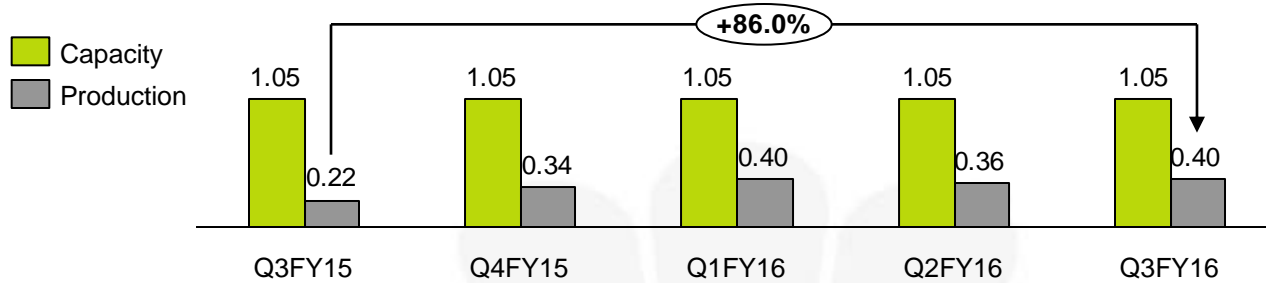
Rs. Crores	Q3FY16	Q3FY15	YoY	Q2FY16	QoQ	9MFY16	9MFY15	YoY	FY15
Net Sales of Decorative Veneers & Allied Products	37.1	21.9	70.0%	30.4	22.2%	95.8	65.7	45.9%	99.4
EBIDTA Margin %	3.9%*	8.6%	-472 bps	10.9%*	-699 bps	7.9%	18.7%	-1,089 bps	17.5%
Capital Employed	187.1	130.0		174.6		187.1	130.0		142.4

\* Margins were impacted due to losses from new products which are going through a period of stabilisation

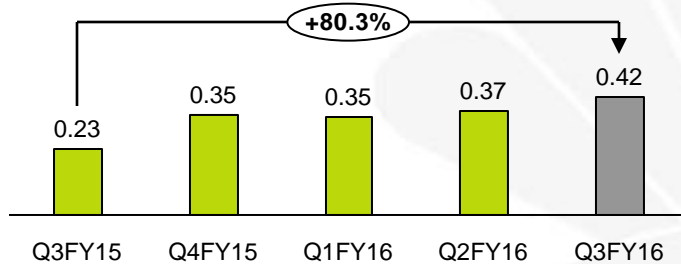


# Decorative Veneers

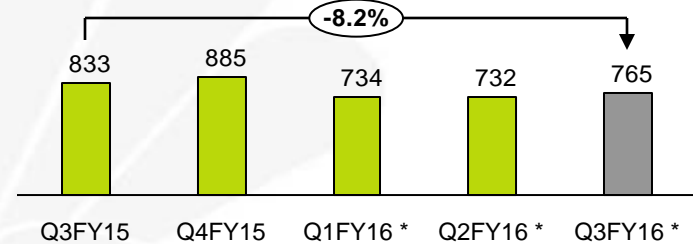
Production and Capacity (Quarterly) in Mn Sqmt



Sales in Mn Sqmt



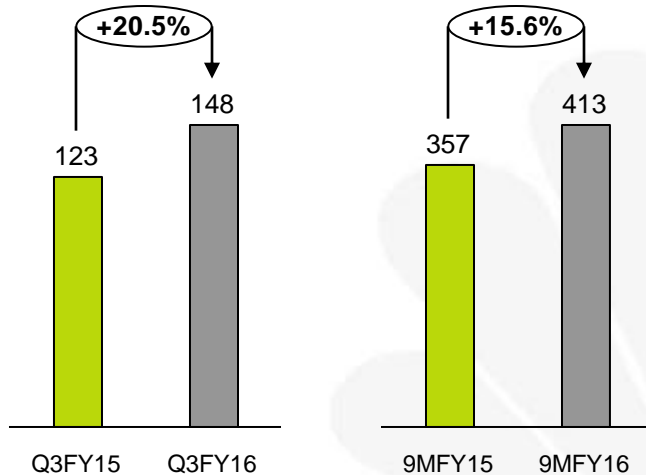
Average Realisation (Rs / Sqmt)



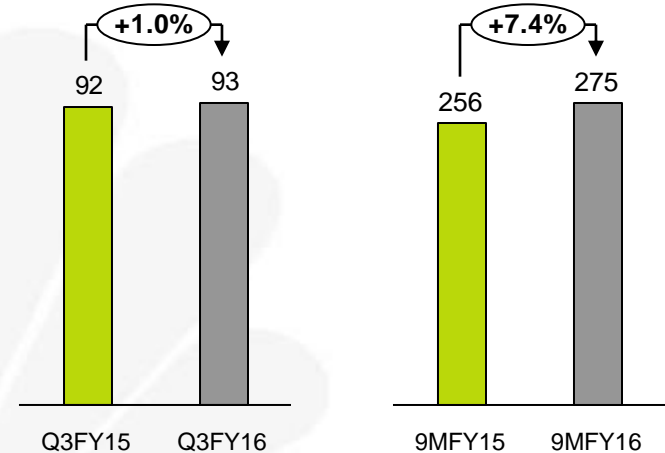
\* Launch of new variants at competitive price points

# Geographic Segments

## Domestic (Rs Crores)



## Exports (Rs Crores)



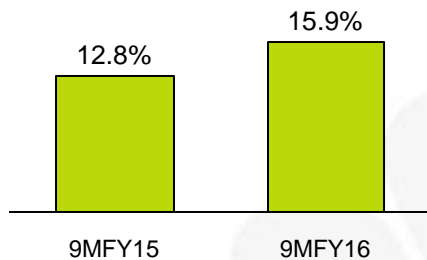
# Profit and Loss Statement

Rs. Crores	Q3 FY16	Q3 FY15	YoY	Q2FY16	QoQ	9M FY16	9M FY15	YoY	FY15
Revenue	<b>240.9</b>	<b>214.8</b>	12.2%	<b>230.1</b>	4.7%	<b>688.0</b>	<b>613.4</b>	12.2%	<b>844.6</b>
Raw Material	129.9	130.1		128.1		384.5	373.0		511.5
Employee Cost	27.4	20.8		25.4		77.7	59.1		78.9
Other Expenses	49.9	41.0		47.2		137.8	111.2		161.3
EBITDA	<b>33.9</b>	<b>22.9</b>	48.2%	<b>29.3</b>	15.4%	<b>88.0</b>	<b>70.1</b>	25.6%	<b>92.9</b>
<i>EBITDA Margin</i>	<b>14.1%</b>	<b>10.6%</b>		<b>12.8%</b>		<b>12.8%</b>	<b>11.4%</b>		<b>11.0%</b>
Other Income	0.2	0.3		0.3		<b>0.7</b>	1.1		1.4
Interest	6.1	7.0		7.5		<b>21.3</b>	19.9		26.8
Depreciation	8.0	8.1		7.5		<b>23.2</b>	22.2		30.2
Exceptional Item	1.1	1.1		-0.2		<b>0.5</b>	1.5		1.8
PBT	<b>18.9</b>	<b>6.9</b>		<b>14.9</b>		<b>43.8</b>	<b>27.6</b>		35.5
Tax	7.7	2.2		5.6		<b>16.5</b>	5.7		8.9
PAT	<b>11.7</b>	<b>4.7</b>	145.9%	<b>9.2</b>	26.7%	<b>27.3</b>	<b>21.9</b>	38.5%	<b>26.6</b>
<i>Cash Accrual</i>	<b>19.7</b>	12.9	53.1%	<b>16.7</b>	17.7%	<b>50.4</b>	41.9	20.3%	56.8
<i>Cash Accrual Margin</i>	8.2%	6.0%		7.3%		7.3%	6.8%		6.7%

\* Margins were impacted due to losses from new products which are going through a period of stabilisation

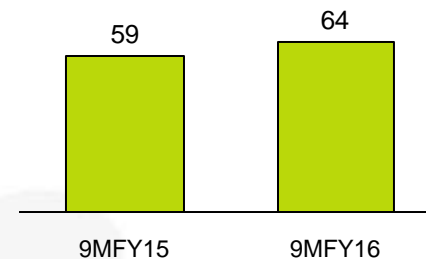
# Performance Ratios

## ROCE



	9MFY15	9MFY16
Revenue	613.4	688.0
EBIT	47.5	65.1
PAT	19.7	27.3
Capital Employed	494.3	546.9

## Net Working Capital Days



	9MFY15	9MFY16
Inventory	84	80
Debtors	55	53
Creditors	79	68
Net Working Capital	59	64

# Balance Sheet

Rs. Crores	Sep – 15	Mar – 15
Shareholder's Fund	242.7	227.1
Share capital	12.1	12.1
Reserves & Surplus	230.6	215.0
Non-Current Liabilities	190.2	197.7
Long term borrowings *	160.7	174.5
Other Non Current Liabilities	29.5	23.2
Current Liabilities	311.7	289.0
Short Term Borrowings	119.0	93.0
Trade Payables	172.5	176.5
Other current liabilities	20.2	19.5
Total Liabilities	744.6	713.8

Rs. Crores.	Sep - 15	Mar - 15
Non-Current Assets	363.2	346.7
Fixed assets	338.0	320.6
Non-Current Investments	17.5	17.5
Other Non-Current Assets	7.7	8.6
Current Assets	381.4	367.1
Inventories	203.2	188.1
Trade receivables	124.4	118.1
Cash and Bank Balances	1.7	2.9
Other current assets	52.1	58.0
Total Assets	744.6	713.8

\* Includes amounts due for repayment with in one year

# Way ahead...

- ✓ Continue the Growth momentum in
  - Laminate & maximize the utilization of existing capacity
  - Expanding the distribution network for newer variants of Veneer.
- ✓ Continue expansion of sales & distribution network
- ✓ Enhance the sales & distribution network for Brand “Mikasa”
  - Engineered Wood Flooring
  - Engineered Wood Doors & Frames

# Thank You



## For further information, please contact:

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