
Greenlam Industries Ltd

Transforming Spaces, Enriching Lives.

March-2015



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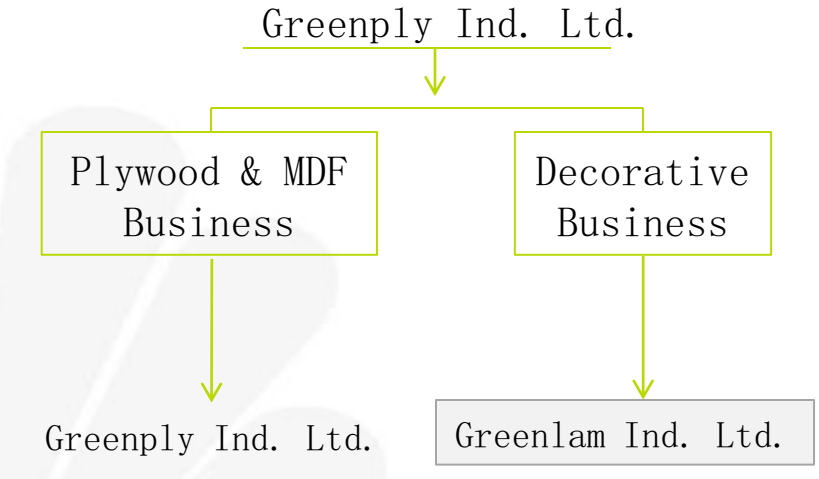
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Demerger to unlock value

- ✓ Streamline businesses
 - Greenlam – Decorative surfacing products (Laminates and Decorative Veneers)
 - Greenply – Wood based products (Plywood and MDF)
- ✓ Dedicated focus on each segment
- ✓ Encourage newer Product Developments
- ✓ Added focus on Global Markets
- ✓ Better Resource Allocation
- ✓ Optimising Market Valuation



Welcome to the new Us

Our Business

“We are into the business of Transformation.
Transformation of living spaces”

“We offer Surfacing & Lifestyle Solutions for both Interior
and Exteriors spaces”

Who are we?

Millions of Pleased Customer

Unlimited Choices

Thousands of Décor & Surface solutions

Global Presence of Greenlam
Brand in over 100 countries


State of the art Manufacturing Facilities

Top of the line Certifications

2,500+ Employees

Largest Network with over 12,000+ Distributor,
Dealer & Retailer Network

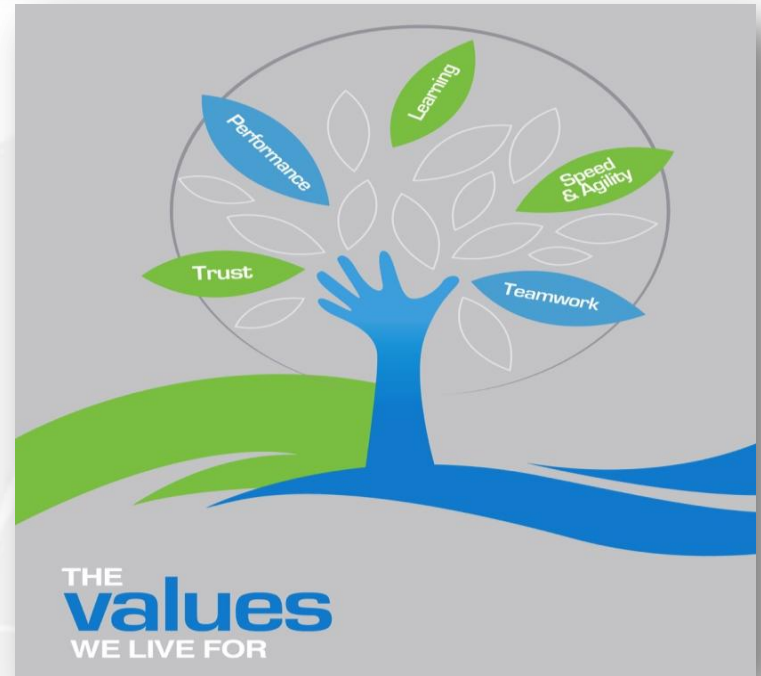
20 years experience of exceptional
Artistry, unsurpassed Quality Standards and
undying Passion

A large, faint, light-gray watermark of a peacock tail is centered on the page, serving as a background for the text.

Today we are
The Largest laminate Company in Asia
&
3rd Largest Globally

The Values that Identify Us

- ✓ **Trust** – We trust people to be reliable and responsible and earn their trust similarly
- ✓ **Speed and Agility** – We are quick to decide, respond and execute
- ✓ **Performance** – We value performance across products, people and processes
- ✓ **Team Work** – We achieve more by collaboration with all stakeholders – internal and external
- ✓ **Learning** – We encourage learning; creating and nurturing talent



Board Members



Mr. Shiv Prakash Mittal
Chairman



Mr. Saurabh Mittal
Managing Director & CEO



Ms. Parul Mittal
Director Marketing & Design



Mr. Vijay Kumar Chopra
Independent Director



Ms. Urvashi Saxena
Independent Director



Ms. Sonali Bhagwati Dalal
Independent Director

Management Team



Saurabh Mittal

Managing Director &
CEO



Parul Mittal

Director Design &
Marketing



B L Sharma

President- Plant
Operations



Alex Joseph

Vice President -
Marketing



Anil Tyagi

Country Head Sales -
Flooring Vertical



Ashok Sharma

CFO



Alok Tibrewal

Country Head Sales -
Decorative Vertical



Deepak Aadhar

Vice President -
HR, CSR, IT & Admin



Lokesh Dutt

Vice President -
International Exports

Product Offerings

Laminate & Allied

Laminate



Compacts



MFC



Decorative Veneer & Allied

Decorative
Veneers



Engineered Wood
flooring



Engineered
Doors



Transformation...

- Foundation stone of First laminate Unit at Behror, Rajasthan

- Started Commercial Production of Decorative Veneer

- 2nd Laminate unit at Nalagarh starts commercial production

- **Sep:** Decorative Division demerger approved by Board of Directors

1992

1993

2002

2005-08

2009

2010-11

2013

2014

- Commercial Production and Exports of Laminates started

- **2005** - 1st Overseas Subsidiary in Singapore
- **2008** - 2nd Overseas Subsidiary in US

- Highest exporter of Laminate
- India's Largest Laminates Company
- World's 3rd Largest Laminate Brand

- Commercial Production of Engineered Wooden flooring and Melamine Faced Chipboards started at Behror
- **Oct:** Demerger Approved by Hon'ble High Court of Gauhati
- **Nov:** Demerger became effective after filing in ROC

...blending Technology with Aesthetics and Designs with Functionality

Our Flagship Brands

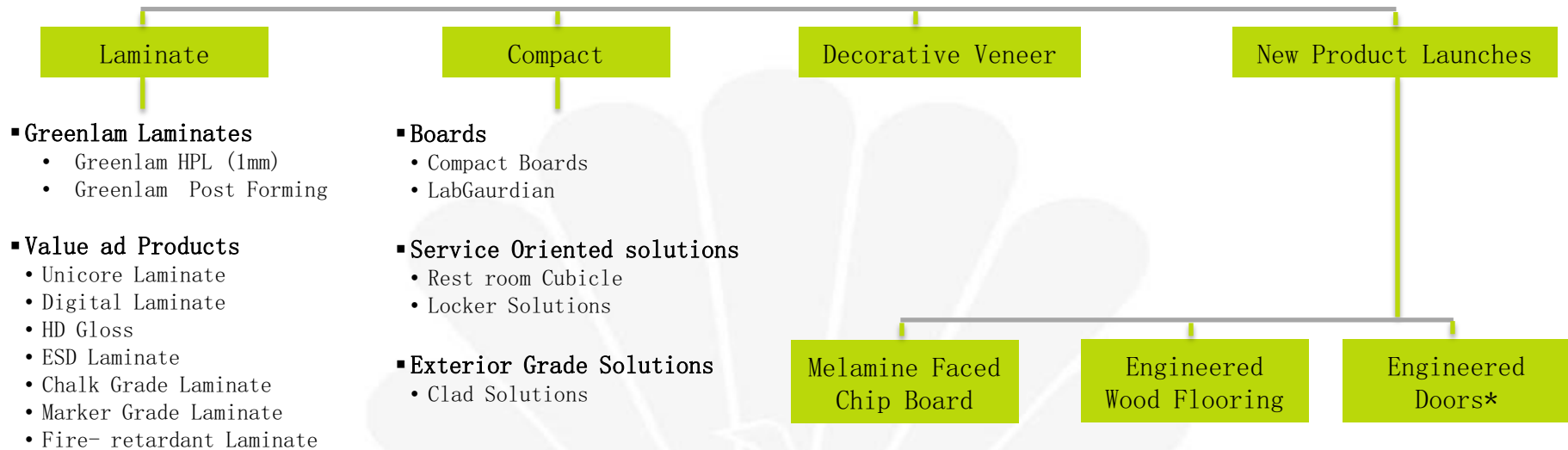


Greenlam
LAMINATES



DECOWOOD
Natural Veneers 

Robust Product variants & offerings



* To be launched by Q1 -FY16

Laminates & Allied Products

Our Product Range

Laminates

- ✓ Laminates are decorative surface material, used on top of a substrate like plywood, MDF or a particle board as a surface cover
- ✓ Greenlam laminate is the flag ship brand of Greenlam Industries Limited
- ✓ Market Leader in Laminates with a wide range of over 2500+ decors in over 50 textures
- ✓ Greenlam offers
 - Both standard and specialized laminate
 - Dimensions offered : 3' X7', 4' x8', 4' x10', 4.25' x10', 5' x12'
 - Thickness: 0.5mm - 1.5mm



Compact Laminates

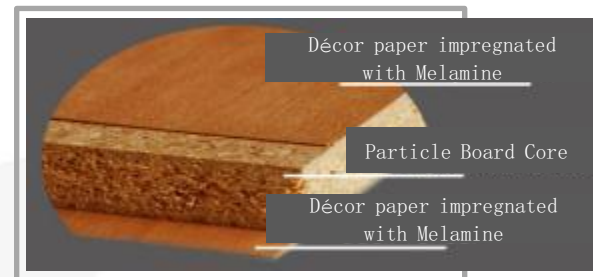
- ✓ Self Sustainable boards panels made with decorative surface papers with décor finish on both sides
- ✓ Our business is divided into three solutions
 - **BOARD || REST ROOM CUBICLE || CLADING** (façade laminate)
- ✓ Greenlam Offers
 - Greenlam Anti-Bacterial Compact Laminates are "Green Guard - Children and School" certified
 - Lab Guardian - First to launch chemical resistant compact board in the country
 - Dimensions offered : 4' x8', 4' x10', 4.25' x10', 5' x12'
 - Thickness: 4mm - 25mm



Melamine Faced Chip Board

- ✓ MFC – Melamine Faced Chip Board is an engineered particle wood product
- ✓ Greenlam offers
 - Laminated MFC for the use in organised carpentry primarily by OEM's like modular furniture manufacturers, kitchen manufactures & like, supportig the laminate business
 - Vast World of coordinated colours patterns with matching edge bands
 - High Quality & Resolution with European and Japanese Decor Prints
 - Better Screw Holding Capacity
 - Smooth Surface Finish with precisely calibrated thickness
 - Dimension : 4' x8', 6' x8'

Structure of MFC – Pre Laminated



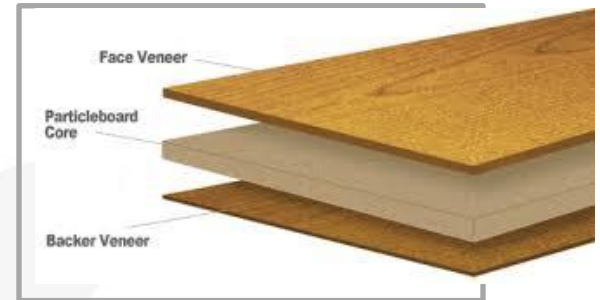
Decorative Veneer & Allied Products

Our Product Range

Decorative Veneers

- ✓ Largest manufacturer of Natural Wood Veneer in India with the largest manufacturing capacity
- ✓ Offers over 200+ exotic & imported natural veneer wood species
- ✓ Veneer designs are Natural, obtained from sliced decorative wood species
- ✓ Greenlam Offers
 - Many variants as compared to competition for various applications needs (Ply, MDF, Laminated Veneer & Fleece back)
 - We use high density hardwood plywood which provides durability and high product quality
 - Apart from the standard size of 4'x8', Greenlam offers specialised Demension like 4x10; 3x7 for door and panelling applications

Structure of a Veneer



Engineered Wood Flooring

- ✓ 1st Indian manufacturer of Engineered Wood Floors
- ✓ State of art manufacturing facility with European technology
- ✓ Plant Integrated with decorative veneer facility driving better synergy in sourcing and manufacturing
- ✓ Highest range offering: 111 sku's
- ✓ All Raw Material & Hardwood imported from the best sources globally
- ✓ Durability : Product comes with upto 30 year warranty
- ✓ Unique and proven glue less mechanism makes the installation of floors Durable & Convenient



PlankLOC™
Patented Lock mechanism

Engineered Door Solutions (Door + Frame)*



- ✓ First organised company to launch engineered, factory finished, door solutions in the country
- ✓ Capacity : 120,000 Doors units / annum
- ✓ Investment : Rs 27 Crores
- ✓ Integrated with existing decorative veneer and engineered wood flooring, driving better synergy
- ✓ Facility in Behror, Rajasthan

* To be launched by Q1 FY16

We have what it takes to be No. 1

Key Differentiators

- ✓ 3rd Largest Laminate producer in the World
- ✓ Market leader in the domestic market
- ✓ Largest & Widest distribution Network
- ✓ Largest network internationally
- ✓ Only producer in the country with integrated surface product lines
- ✓ Young team of professional driving the business
- ✓ Fastest growing laminate brand 18% CAGR for 5 years
- ✓ Decorative Veneer installed capacity 4.2mn – largest in the country
- ✓ Top of the line product and manufacturing Certifications

Strong Brand Equity

- ✓ Strong brand presences across the globe
- ✓ On awareness parameters, Greenlam enjoys the highest brand recall among specifier & homeowners*
- ✓ Trusted brand by designers & architects, trade & consumers for innovation in design trend, quality, availability & transparency
- ✓ Highest & sustained investment in brand building & promotion activities (Highest in the industry)



* Brand health study

Our Strengths- Manufacturing

Largest capacity
in Asia -
10.02mn Sheets

Laminate & Compacts *

- Behror Plant -
5.34Mn Sheets
- Nalagarh Plant-
4.68 Mn Sheets

Decorative Veneers

- Behror Plant
- 4.2 Mn Sqm

MFC

- Behror plant
- 2 Mn Sqm

Engineered Wood flooring

- Behror Plant
- 1 Mn Sqm

Engineered Doors **

- Behror Plant
0.12 Mn Doors

* 20% capacity expansion (2mn sheets) by Q3- FY16

** to be launched by Q1 FY16

State of the Art Manufacturing Facilities



Laminates (Behror, Nalagarh)

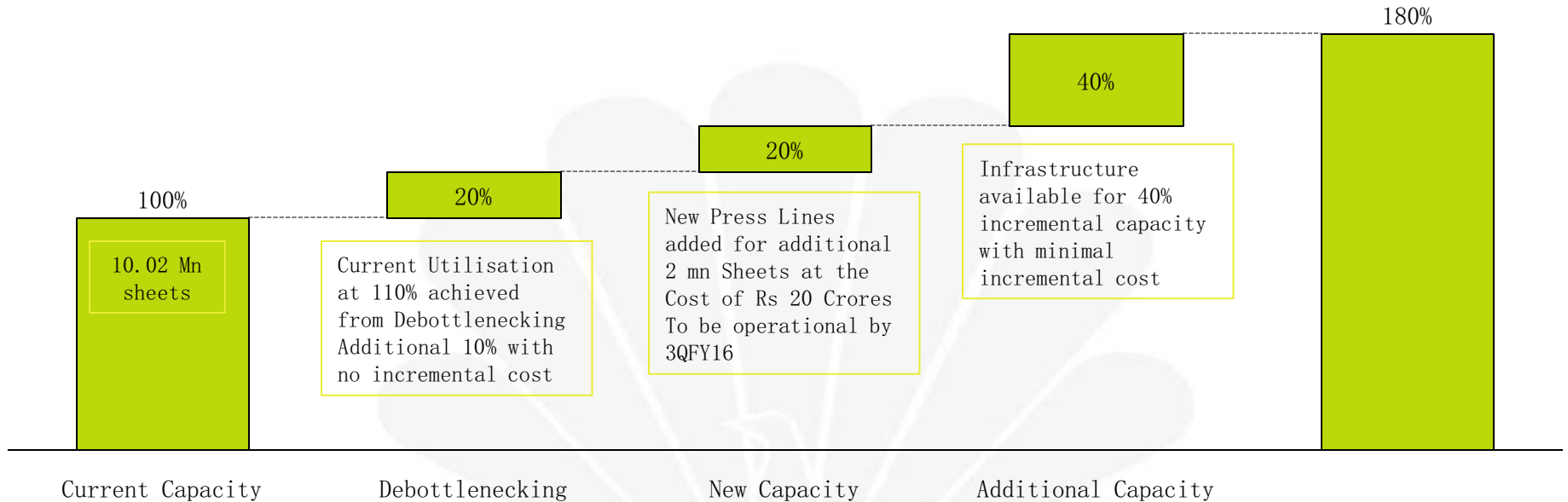
Decorative Veneers (Behror)

Engineered Wood Flooring
(Behror)

Engineered Doors* (Behror)

* To be launched by Q1 -FY16

Growth in Laminates...



...Without any significant capex in coming years

India Network Presence – The Core strength

Greenlam has the widest & largest sales and distribution network in India

Pan India Presence

With **9** Company owned large Regional Distribution Centers

29 Branch offices

Over **500** sales staff

12000+ distributors, dealers & retailers – Largest in the country

Global Network Presence

10 International offices
including 3 subsidiaries

Over *100+* overseas employee

5 Company operated warehouses

100+
Countries

Greenlam is the only company from India to have the largest sales and distribution network **Globally**

Awards & Recognitions

Power Brands

Master Brand

100 Most valuable brand

Largest exporter award

1st Non American brand to get Green Guard Certification

1st Company in the country to trade in FSC[®] product



Green Credentials...



... can help Green Building Project developers take up to 10 LEED credit points

Presence across: B2B & B2C

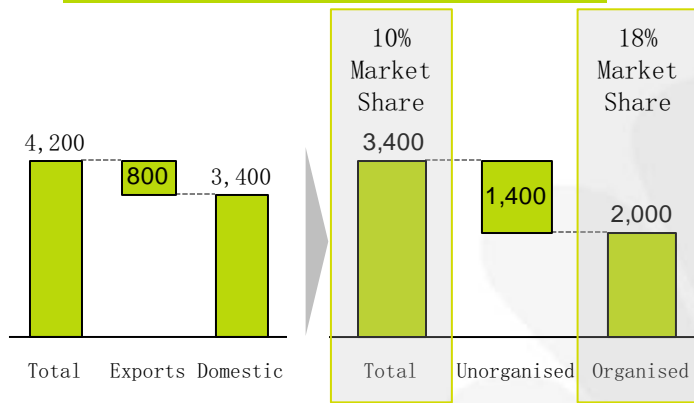


What Lies Ahead...

An Ocean Of Opportunities

India Opportunities – Laminates & Allied

Laminates Market Size in Rs Crores



110% Utilization from existing capacity of 10.02 Mn sheets p.a.



Further demand to be met by additional capacity

Decorative Laminates

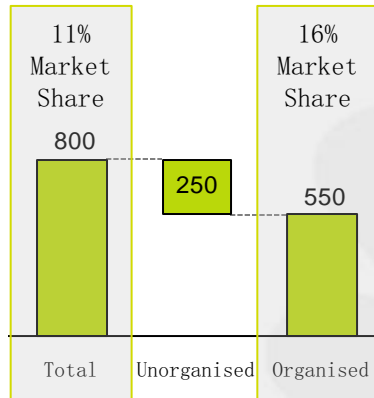
- ✓ New product launches will help in increasing the volume and value mix
- ✓ 20% Capacity expansion will help us gain more market share
- ✓ There is a visible shift from unorganised to organised segment
- ✓ Consumers are becoming from brand conscious

Compact Laminates

- ✓ Market expansion & growth in compact laminate segment
- ✓ **Façade** laminate is relatively a new product and is witnessing growth. Internationally façade laminate is a Big market and there are only few organised manufacturer in India
- ✓ Contemporary **Rest Room Cubicle** is also witnessing higher growth due to its vast acceptance and 'Swachh Bharat Mission'

Opportunities – Decorative Veneers & Allied India Focused

Decorative Veneer Market Size in Rs Crores



Decorative Veneers

- ✓ Expansion into newer product lines
- ✓ Largest capacity in the country
- ✓ Brand enjoys, high equity among specifier segment
- ✓ Recognised as a trend setter and innovator in the industry
- ✓ Limited manufacturers, hence opportunity to grow is high
- ✓ Only manufacturer to offer various product variants in multiple dimensions
- ✓ Diversifying into Designer Doors with full solution (Door + frame set)

Opportunities – Decorative Veneers & Allied India Focused



Engineered Wood Floors

- ✓ We are the first and only manufacturer of Engineered Wood Floors in the country
- ✓ The Market is estimated at 2Mn. sqm
- ✓ Mikasa's Installed capacity is 1Mn. Sqm
- ✓ Category is witnessing a 20-25% growth
- ✓ No organised player
- ✓ Majority demand met through regional import

Opportunities – Decorative Veneers & Allied India Focused



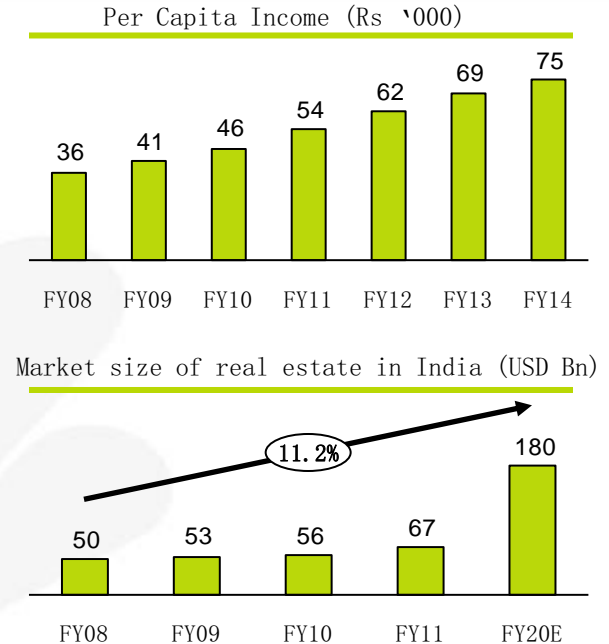
Engineered Doors (Door + Frame)

- ✓ Door (including flush door) market is estimated at 24mn annually
- ✓ Engineered Finished Door category is witnessing a 20-25% growth
- ✓ Greenlam is offering for the first time in India, ready to fit factory made, customised Door Solutions
- ✓ The solutions includes Aperture measurement, Door leaf, matching frame & hardware
- ✓ Greenlam's capacity at 120,000 units
- ✓ No organised players providing complete solution
- ✓ Greenlam will revolutionise the category by its complete offering

Triggers – Domestic Environment

- ✓ 60% of Indian population below 30 years of age *
- ✓ Expanding retail penetration along with increasing aspirational value in rural demand
- ✓ Growth in Real Estate led by lower interest rates to provide additional delta
- ✓ Higher emphasis on design and quality has seen an increase in share of branded organised market
 - The organised players have been growing at 15 -20% over the past 5 years
 - Commercial establishments such as: office, retail, hospitality and healthcare increasing demand for branded products
 - GST will prove further detrimental to the future of the unorganised segment

* Source: Censusindia.gov.in



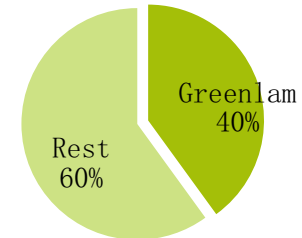
Source: MOSPI, IBEF – BMI, CBRE, Aranca Research

International Opportunities – Laminates & Allied

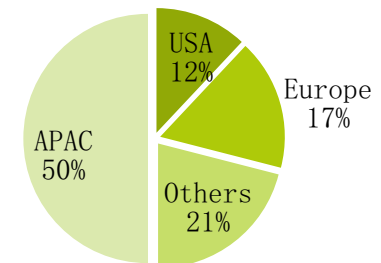
- ✓ Laminates industry globally is at \$7 Bn growing by 2% p. a.
- ✓ According to a study done by *Freedonia Group* the industry is expected to grow by 5.6% per year till 2018 reasons being
 - Increasing manufacturing of cabinets and ready-to-assemble (RTA) furniture made from engineered wood and laminates; Furniture and cabinets form 70% of the market as per usage
 - Cost and performance benefits Vs Wood Veneer and Paint
 - Increased market penetration
- ✓ Greenlam Exports grew at a CAGR of 33% over the past 5 years,
 - Premiumisation to unlock additional value
 - Value Proposition for the market – Top of the class, Superior quality, Top line international certifications & efficient manufacturing
 - Capitalise on existing network

Source: Freedonia Group

Indian laminate exports Rs 800 Crs



Greenlam Exports FY14



Asia – Pacific (Excluding India)



- Asia Pacific market covers 15 countries
- Market Size – \$1.5 Billion
- This market is growing by 5%
- Greenlam has 7 offices in the region
- Major resources deployed in Asia PAC with higher scope for growth

Other Markets

European market

- Europe market covers 16 countries
- Market growth is stagnant
- Office in UK

North & South America markets

- Covers 11 countries
- This market is growing by 2%
- 2 Offices in United States

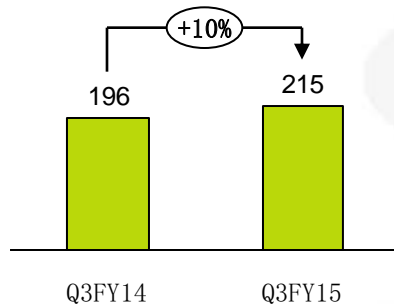


Financials

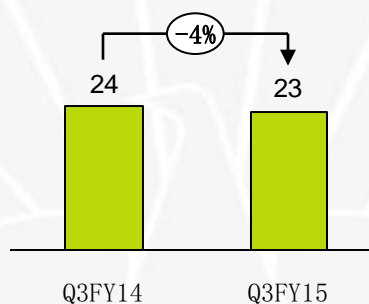
Highlights: Q3FY15

- ✓ Revenue grew by 9.7 % to Rs 215 Crores
- ✓ EBIDTA margin were at 10.6% against 12.1% in Q3FY14
- ✓ PAT margin contracted to 2.2% from 4.5% in Q3FY14

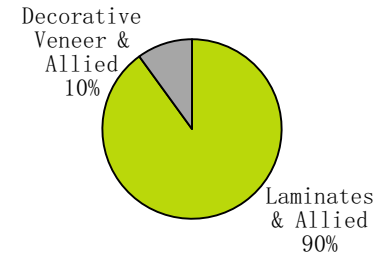
Revenue



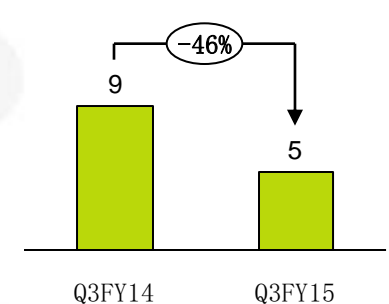
EBIDTA



Segmental



PAT



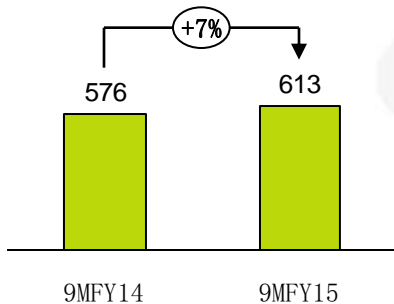
Highlights: Q3FY15

- ✓ Highest ever revenue in this quarter, even after operations were affected for nearly 10 days due to demerger process in November
- ✓ Highest ever production of Laminates in this quarter
- ✓ Highest Domestic & Export Sales in this quarter
- ✓ Stabilized production of Engineered Wood flooring unit in this quarter
- ✓ Commercial production of Melamine Faced Chipboard (MFC) commenced as on 1st October, 2014 at the Behror facility

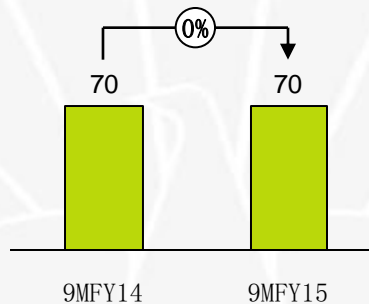
Highlights: 9MFY15

- ✓ Revenue grew by 6.6% to Rs 613 Crores
- ✓ EBIDTA margin were at 11.4% against 12.2% in 9MFY14
- ✓ PAT contracted to 3.6% from 4.0% in 9MFY14

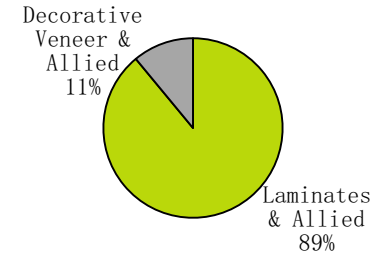
Revenue



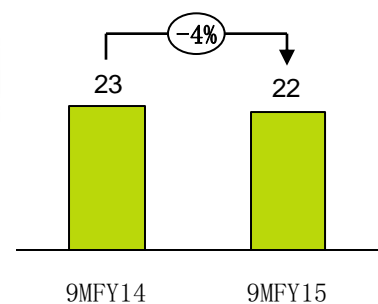
EBIDTA



Segmental



PAT



Laminates & Allied Products

Rs. Crores	Q3 FY15	Q3 FY14	YoY %	9MFY15	9MFY14	YoY%	FY14
Net Sales of Laminates & Allied Products	192.9			547.7			
EBIT Margin %	7.3%			6.9%			
Laminates							
Annual Capacity (Mn. sheets.)	10.02	10.02	-	10.02	10.02	-	10.02
Production (Mn. sheets.)	3.02	2.77	9.0%	8.26	8.06	2.5%	10.76
Sales (Mn. sheets.)	2.95	2.75	7.3%	8.42	8.09	4.1%	10.37
Utilization %	121%	111%		110%	107%		107%
Average Realization (Rs./Sheet.)	616	591	4.2%	612	591	3.5%	588

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

Decorative Veneers & Allied Products

Rs. Crores	Q3 FY15	Q3 FY14	YoY %	9MFY15	9MFY14	YoY%	FY14
Net Sales of Decorative Veneers & Allied Products	21.9			65.7			
EBIT Margin %	0% *			15.0%			
Decorative Veneers							
Annual Capacity (Mn sqmt)	4.20	4.20	-	4.20	4.20	-	4.20
Production (Mn. sqmt)	0.22	0.25	(13.6%)	0.73	0.76	(4.8%)	1.10
Sales (Mn. sqmt)	0.23	0.26	(10.7%)	0.74	0.77	(4.2%)	1.12
Utilization %	20%	24%		23%	24%		26%
Average Realization (Rs. /sq m)	833	813	2.5%	844	776	8.8%	809

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

* Q3 FY15 Margins were impacted due to losses from new products which are going through a period of stabilisation

Profit and Loss

Rs. Crores	Q3 FY15	Q3 FY14	YoY%	9M FY15	9M FY14	YoY%	FY14
Revenue	214.8	195.8	9.7%	613.4	575.5	6.6%	768.8
Raw Material	130.1	114.2	13.9%	373.0	343.5	8.6%	456.9
Employee Cost	20.8	18.0	15.6%	59.1	56.8	4.0%	74.1
Other Expenses	41.0	39.8	2.9%	111.2	105.2	5.8%	144.5
EBITDA	22.9	23.7	(3.6%)	70.1	70.0	0.1%	93.3
<i>EBITDA Margin</i>	<i>10.6% *</i>	<i>12.1%</i>		<i>11.4%</i>	<i>12.2%</i>		<i>12.1%</i>
Other Income	0.3	1.0	(73.2%)	1.1	1.5	(26.5%)	2.8
Interest	7.0	4.9	44.3%	19.9	14.8	34.5%	20.7
Depreciation	8.1	5.5	46.8%	22.2	16.2	37.0%	21.7
Exceptional Item	1.1	0.8	29.6%	1.5	7.0	(78.9%)	8.1
PBT	6.9	13.5	(48.7%)	27.6	33.5	(17.7%)	45.7
Tax	2.2	4.6	(53.4%)	5.7	10.6	(46.5%)	8.5
PAT	4.7	8.8	(46.3%)	21.9	22.9	(4.4%)	37.2
<i>PAT Margin</i>	<i>2.2%</i>	<i>4.5%</i>		<i>3.6%</i>	<i>4.0%</i>		<i>4.8%</i>

* Q3 FY15 Margins were impacted due to losses from new products which are going through a period of stabilisation. Further operations were affected for 10 days due to Demerger.

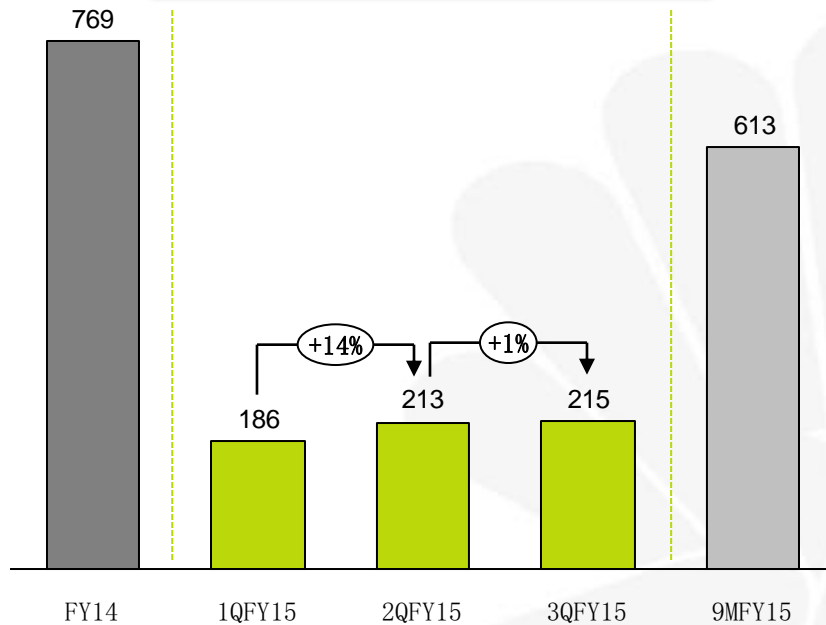
Balance Sheet

Rs. Crores	Dec - 14	Mar - 14
Shareholder's Fund	223.8	202.5
Share capital	12.1	
Reserves & Surplus	211.7	202.5
Non-Current Liabilities	160.0	159.2
Long term borrowings	139.9	147.0
Other Non Current Liabilities	20.1	12.2
Current Liabilities	314.3	302.6
Short Term Borrowings / Buyers Credit	120.4	150.9
Trade Payables	177.0	132.8
Other current liabilities	16.9	18.9
Total Liabilities	698.0	664.3

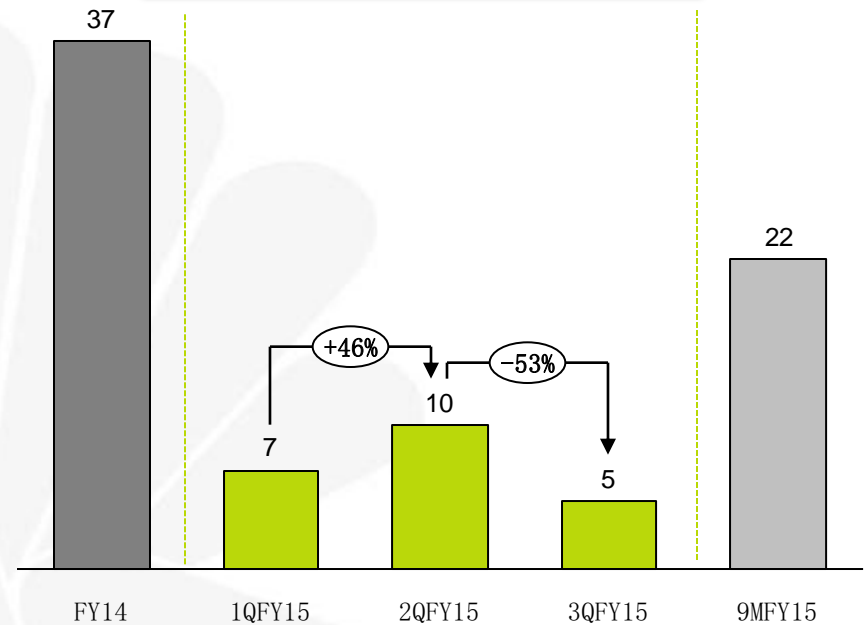
Rs. Crores.	Dec - 14	Mar - 14
Non-Current Assets	331.5	291.8
Fixed assets	304.3	253.0
Non-Current Investments	17.5	17.5
Other Non-Current Assets	9.8	21.4
Current Assets	366.6	372.5
Inventories	186.8	186.8
Trade receivables	121.7	132.0
Cash and Bank Balances	1.9	3.6
Other current assets	56.1	50.1
Total Assets	698.0	664.3

Growth Charts

Revenue (Rs Crores)

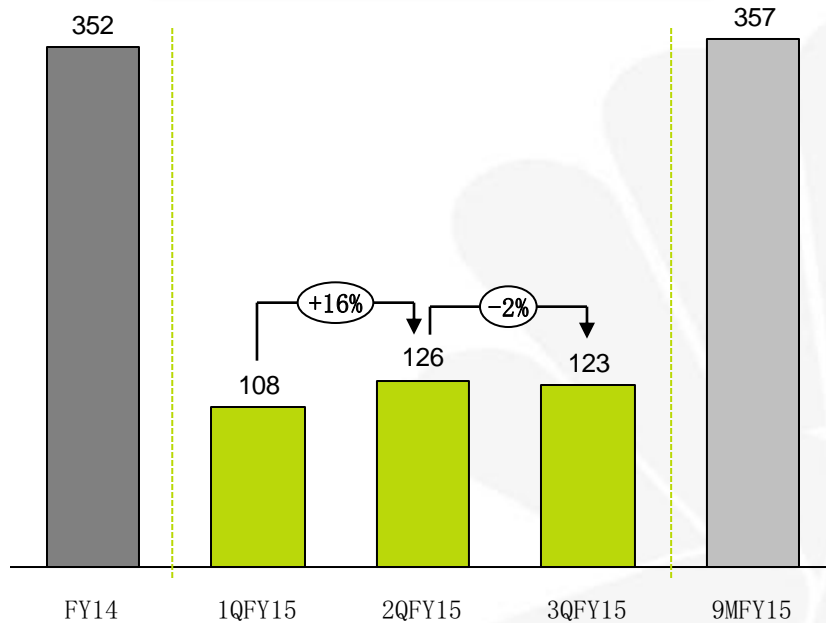


PAT (Rs Crores)

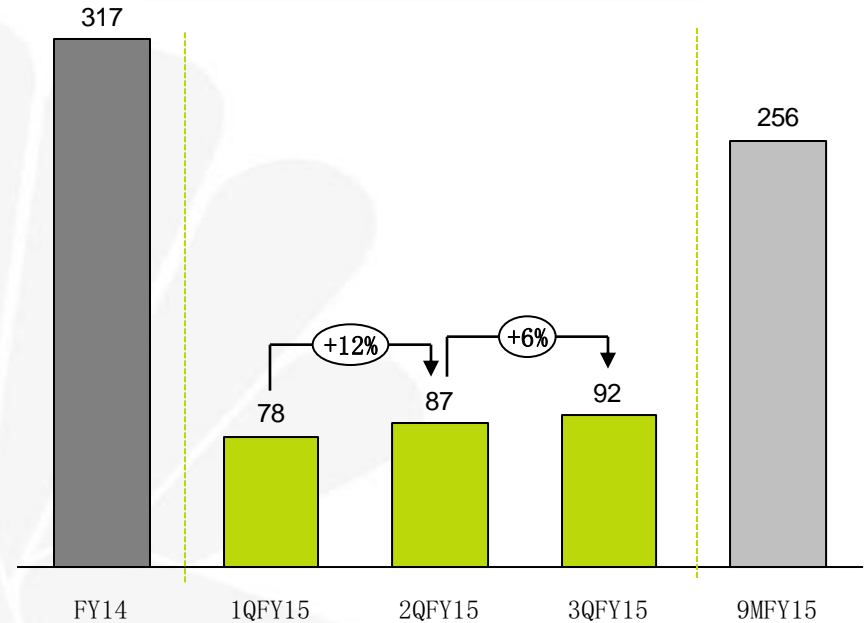


Growth Charts

Domestic (Rs Crores)

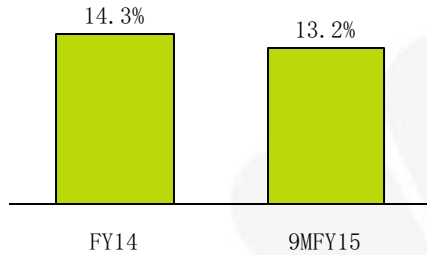


Exports (Rs Crores)



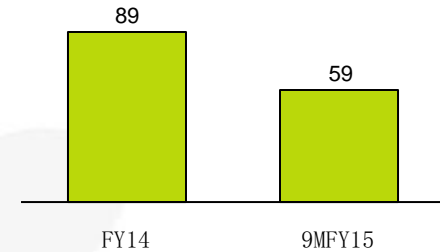
Performance Ratios

ROCE *



	FY14	9MFY15
Revenue	768.8	613.4
EBIT	74.4	48.9
PAT	37.2	21.9
Capital Employed	519.8	494.3

Net Working Capital Days



	FY14	9MFY15
Inventory	89	84
Debtors	63	55
Creditors	63	79
Net Working Capital	89	59

* ROCE calculated on annualised bases

Way ahead....

- ✓ Continue the Growth momentum in Laminate by maximizing the utilization of existing capacity
- ✓ 20% expansion of laminate capacity from 3rd Quarter of FY 2016
- ✓ Continue expansion of sales & distribution network
- ✓ Expand the Decorative veneer category by adding new varieties
- ✓ Enhance the sales & distribution network of Engineered Wood Flooring (Mikasa)
- ✓ Launch the Engineered Doors by 1st Quarter of FY 2016

Thank You

For further information, please contact:

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