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# Greenlam Industries Ltd

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Transforming Spaces, Enriching Lives.

Results Presentation – Q4 & FY16

May 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 of Engineered Wooden Flooring and Engineered Doors**

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

**19% Market Share in Laminates & 6% Market Share in Decorative Veneer**

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

# Strong Performance Continues – Q4FY16

Revenue at INR 247 Crores, growth led by...

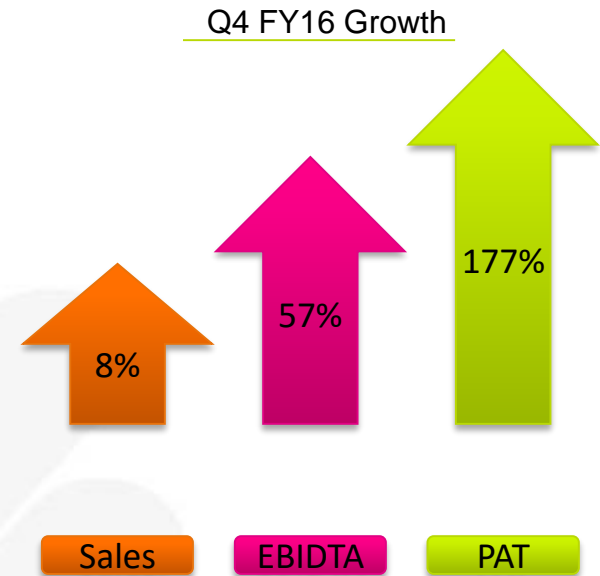
- Domestic Sales with a growth of 18.6%
- Decorative Veneers & Allied segment grew by 29% backed by new launches

Gross Margin at 46.4% up by 630 bps in Q4FY16 from 40.1% in Q4FY15

EBIDTA stood at INR 36 crores in comparison to INR 23 crores in the Q4 FY15

EBIDTA margin at 14.4%, improvement of 450 bps led by favorable Raw Material Costs & better Product Mix

PAT growth of 177% at INR 13.1 Crores in comparison to INR 4.7 Crores in Q4FY15



# Strong Performance Continues – FY16

Revenue at INR 937 Crores, growth led by good performance in

- Domestic Sales with a growth 16.4%
- Decorative veneer & Allied segment grew by 40% backed by new launches

Gross Margin at 44.7% up by 530 bps in FY16 from 39.4% in FY15

EBIDTA stood at INR 124 crores in comparison to INR 93 crores in FY 15

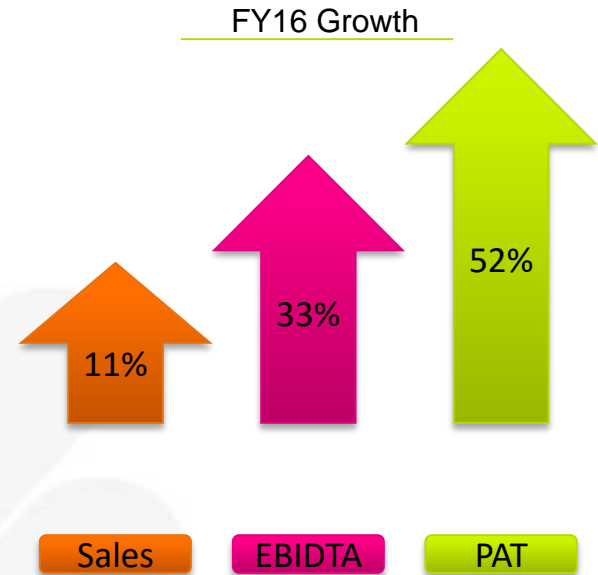
EBIDTA margin at 13.2%, improvement of 220 bps led by favorable Raw Material Costs & better Product Mix

PAT Growth of 52% at INR 40.3 Crores in comparison to INR 26.6 Crores in FY15

Laminate capacity utilisation at 107% on enhanced capacity of 12.02 mn sheets

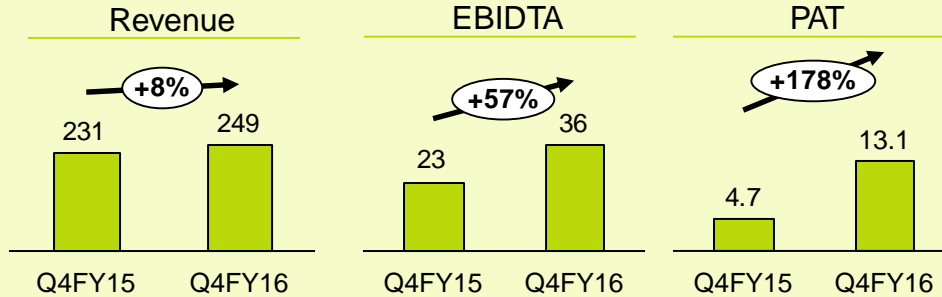
Veneer capacity utilisation at 38% led by launch of Teak & Engineered variant

Revenue from Engineered Wood flooring at INR 16.26 crores

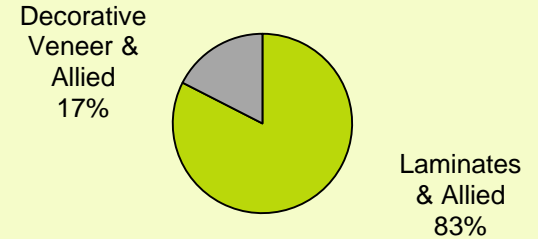


# Performance - Q4 & FY16

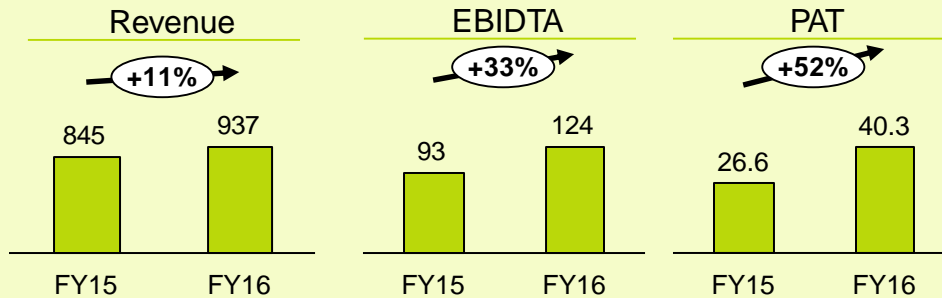
Q4FY16



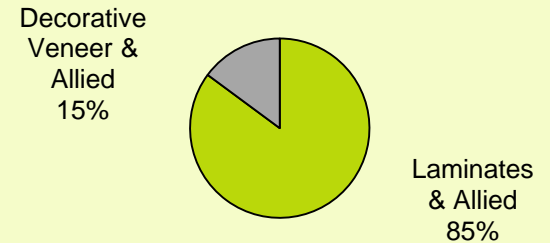
## Segmental Revenue



FY16



## Segmental Revenue

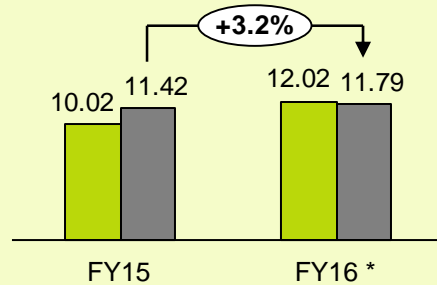
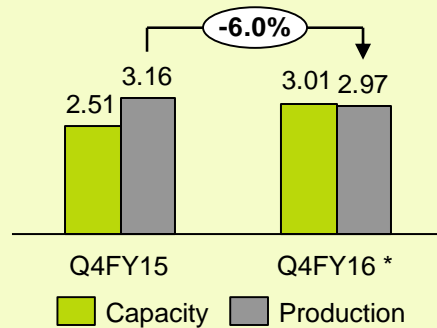


# Laminates & Allied Products

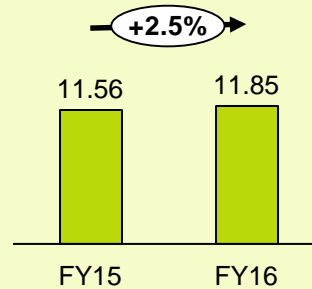
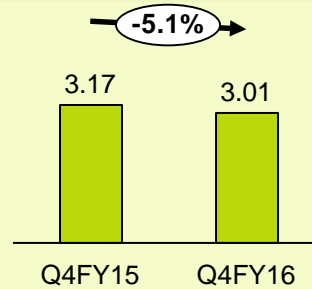
INR Crores	Q4FY16	Q4FY15	YoY%	Q3FY16	QoQ%	FY16	FY15	YoY%
Net Sales of Laminates & Allied Products	205.2	197.5	3.9%	203.8	0.7%	797.4	745.2	7.0%
EBIDTA	33.3	17.7	87.8%	32.4	2.7%	113.8	75.5	50.8%
<i>EBIDTA Margin %</i>	16.2%	9.0%		15.9%		14.3%	10.1%	
Capital Employed	314.1	331.8		313.3		314.1	331.8	

# Laminates & Allied Products

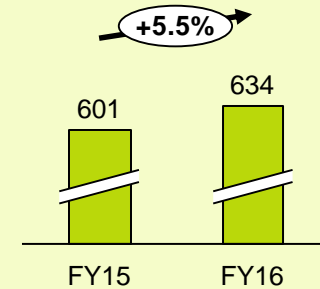
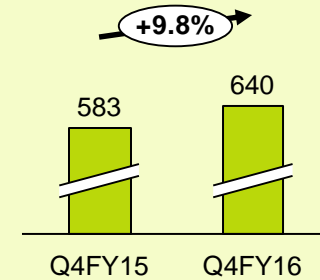
Production and Capacity  
(Quarterly) in Mn Sheets



Sales in Mn Sheets



Average Realisation (INR / Sheet)



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



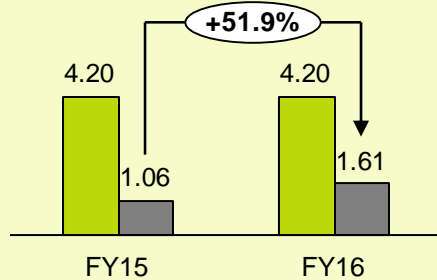
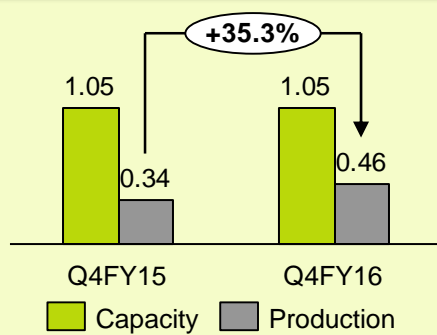
# Decorative Veneers & Allied Products

INR Crores	Q4FY16	Q4FY15	YoY%	Q3FY16	QoQ%	FY16	FY15	YoY%
Net Sales of Decorative Veneers & Allied Products	43.5	33.8	28.9%	37.1	17.1%	139.3	99.4	40.1%
EBIDTA	2.6 *	5.1	-49.4%	1.46 *	78.1%	10.13	17.45	-41.9%
EBIDTA Margin %	6.0% *	15.2%		3.9%*		7.3%	17.5%	
Capital Employed	176.5	142.4		187.1		176.5	142.4	

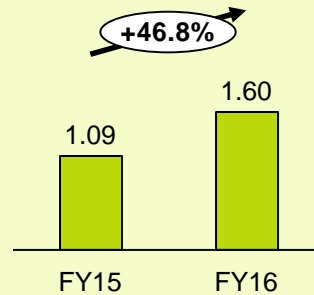
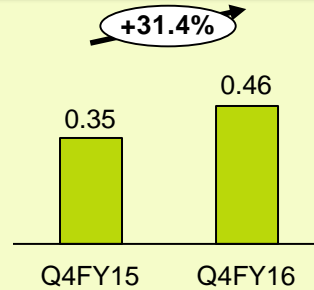
\* EBIDTA and Margins were impacted due to losses from new products which are going through a period of stabilisation

# Decorative Veneers & Allied Products

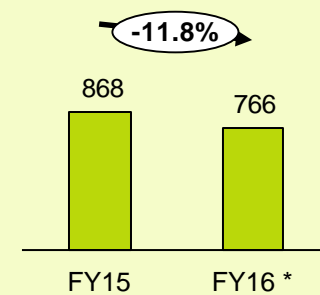
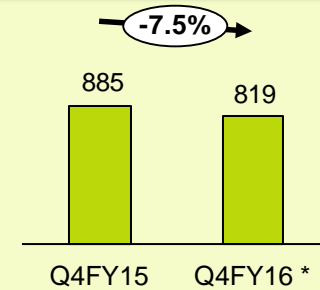
Production and Capacity  
(Quarterly) in Mn Sqmt



Sales in Mn Sqmt



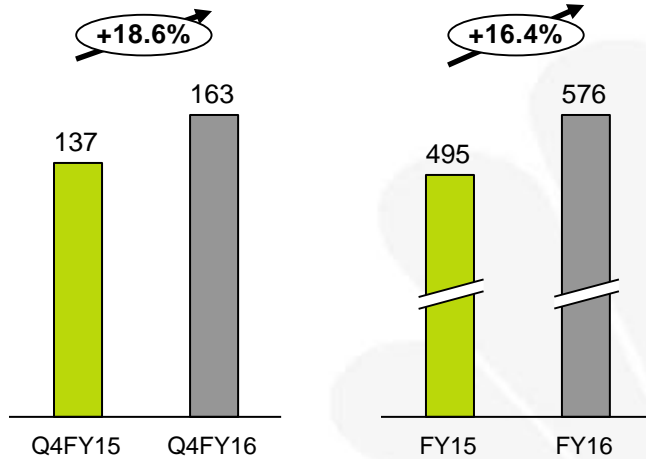
Average Realisation (INR / Sqmt)



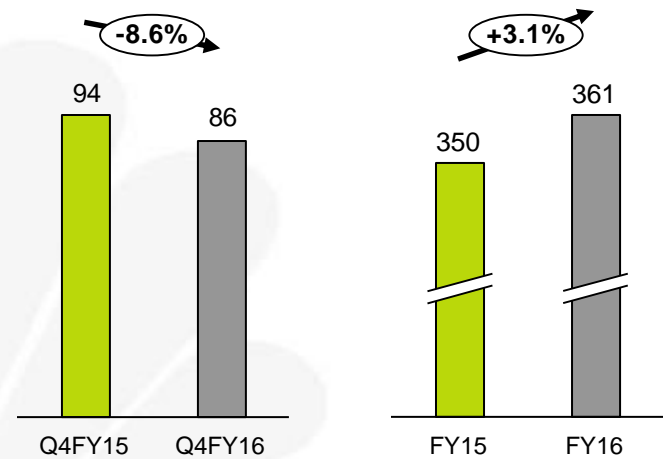
\* Launch of new variants at competitive price points

# Geographic Segments

## Domestic (INR Crores)



## Exports (INR Crores)

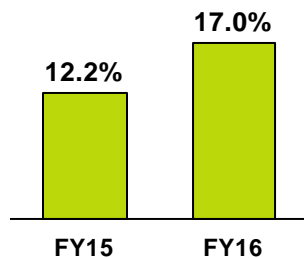


# Profit and Loss Statement

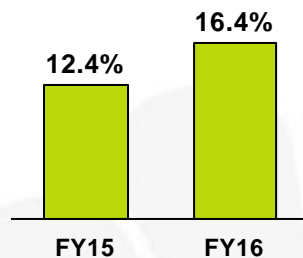
INR Crores	Q4 FY16	Q4 FY15	YoY%	Q3 FY16	QoQ%	FY16	FY15	YoY%
Revenue	248.7	231.2	7.6%	240.9	3.2%	936.7	844.6	10.9%
Raw Material	133.4	138.6		129.9		517.8	511.5	
Employee Cost	26.6	19.7		27.4		104.3	78.9	
Other Expenses	52.8	50.1		49.9		190.6	161.3	
EBITDA	35.9	22.9	57.0%	33.9	6.0%	123.9	92.9	33.4%
<i>EBITDA Margin %</i>	14.4%	9.9%		14.1%		13.2%	11.0%	
Other Income	0.7	0.3		0.2		1.4	1.4	
Interest	6.5	7.0		6.1		27.8	26.8	
Depreciation	8.3	7.9		8.0		31.5	30.2	
Exceptional Item	0.6	0.3		1.1		1.1	1.8	
PBT	21.2	7.9	166.6%	18.9	11.7%	65.0	35.5	82.9%
<i>PBT Margin %</i>	8.5%	3.4%		7.9%		6.9%	4.2%	
Tax	8.12	3.2		7.3		24.7	8.9	
PAT	13.1	4.7	176.5%	11.7	11.7%	40.3	26.6	51.5%
<i>PAT Margin %</i>	5.2%	2.0%		4.8%		4.3%	3.2%	

# Improving Operating Parameters

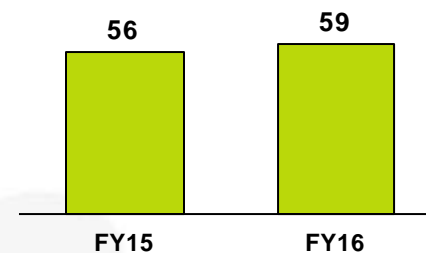
## ROCE



## ROE



## Net Working Capital Days



INR Crores	FY15	FY16
Revenue	844.6	936.7
EBIT	62.4	92.8
PAT	26.6	40.3
Capital Employed	509.5	544.2
<b>Net Worth</b>	<b>227.1</b>	<b>264.5</b>

In Days	FY15	FY16
Inventory	81	81
Debtors	51	49
Creditors	76	71
<b>Net Working Capital</b>	<b>56</b>	<b>59</b>

# Balance Sheet

<b>(INR Crores) Liabilities</b>	<b>Mar – 16</b>	<b>Mar – 15</b>
<b>Shareholder's Fund</b>	<b>264.5</b>	<b>227.1</b>
Share capital	12.1	12.1
Reserves & Surplus	252.4	215.0
<b>Borrowings</b>	<b>254.4</b>	<b>267.5</b>
Long term borrowings *	166.2	174.5
Short Term Borrowings	88.2	93.0
<b>Other Liabilities</b>	<b>248.5</b>	<b>219.2</b>
Trade Payables	182.8	176.5
Other current liabilities	28.8	19.5
Other Non Current Liabilities	36.8	23.3
<b>Total Liabilities</b>	<b>767.4</b>	<b>713.8</b>

<b>(INR Crores) Assets</b>	<b>Mar - 16</b>	<b>Mar - 15</b>
<b>Non-Current Assets</b>	<b>380.7</b>	<b>346.7</b>
Fixed assets	342.3	320.6
Non-Current Investments	24.1	17.5
Other Non-Current Assets	14.3	8.6
<b>Current Assets</b>	<b>386.7</b>	<b>367.1</b>
Inventories	207.4	188.1
Trade receivables	125.9	118.1
Cash and Bank Balances	1.0	2.9
Other current assets	52.4	58.0
<b>Total Assets</b>	<b>767.4</b>	<b>713.8</b>

\* Includes current maturities of long term borrowings

# FY17 Way ahead...

Continue the Growth momentum in Laminate & maximize the utilization of enhanced capacity

Improved sales of value added products, HD Gloss, Compact & Clads, in Laminate segments

Improved sales of Melamine Face Chipboard with better penetration in OEM segment

Continue innovation in the decorative veneer segment with thrust on higher sales for teak and engineered veneer

Improve specifications and reach to interior designers and architects for Engineered Wood Floors and door segment

Continuous improvement in penetration of dealer – distributor network both nationally and internationally

# Thank You

## For further information, please contact:

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