

GODREJ CONSUMER PRODUCTS LIMITED

PERFORMANCE UPDATE

Q3 FY13

January 31, 2013



PERFORMANCE UPDATE

EXECUTIVE SUMMARY : MAJOR HIGHLIGHTS

PERFORMANCE HIGHLIGHTS : CONSOLIDATED

BUSINESS OVERVIEW : INDIAN SUB-CONTINENT

BUSINESS OVERVIEW : INTERNATIONAL

STRONG BUSINESS MOMENTUM CONTINUES

Consolidated net sales grows 26%

- Consolidated organic business grows 19%
- Indian sub-continent business grows 20% with strong growth across the categories
- International organic business grows 16%

Several key launches, backed by strong marketing investments

- Consolidated advertising and publicity expenses up by 61%
- Impact on EBITDA margin (-) 240 bps

Consolidated EBITDA grows 6%; net profit grows 3%

- Consolidated EBITDA plus A&P up by 22%

PERFORMANCE UPDATE

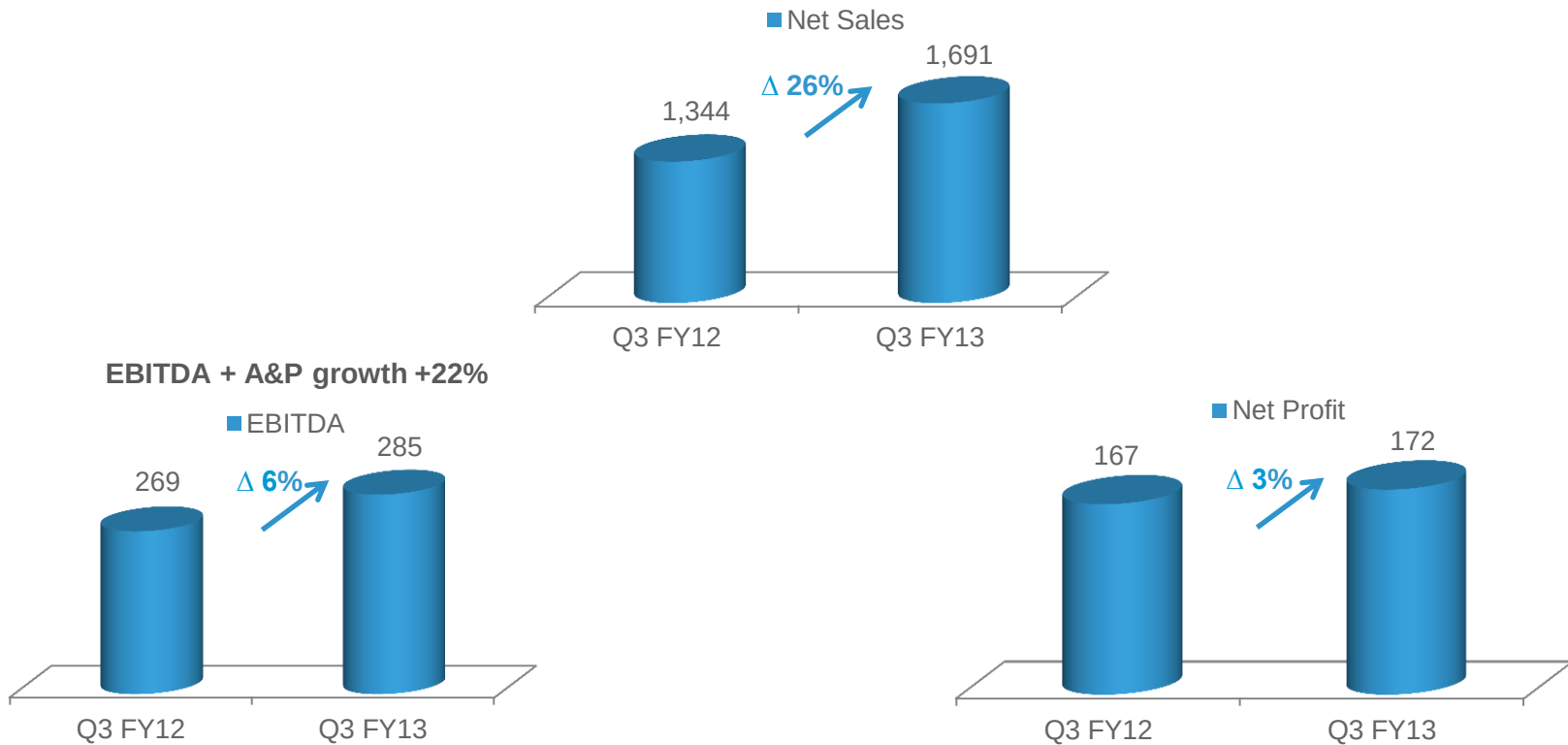
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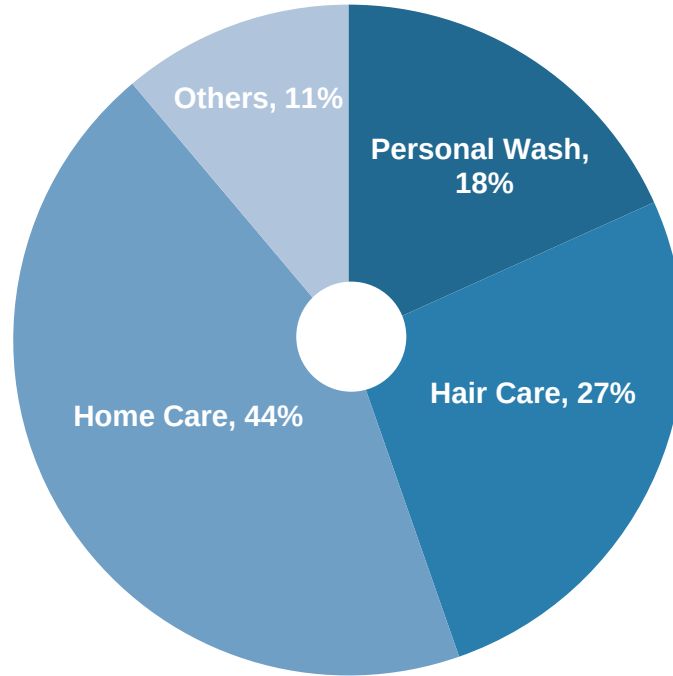
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DRIVING STRONG SALES GROWTH



BALANCED CATEGORY MIX



PERFORMANCE UPDATE

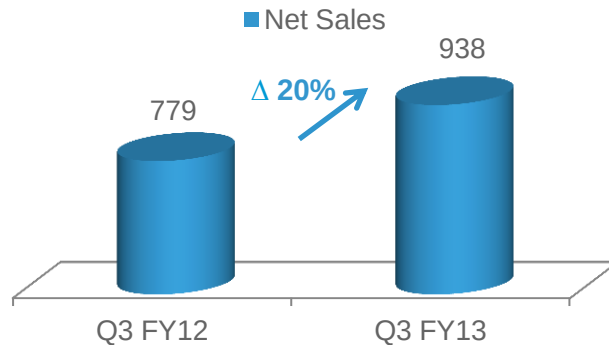
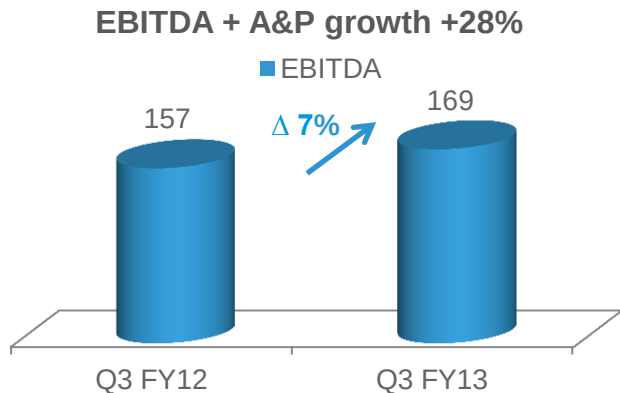
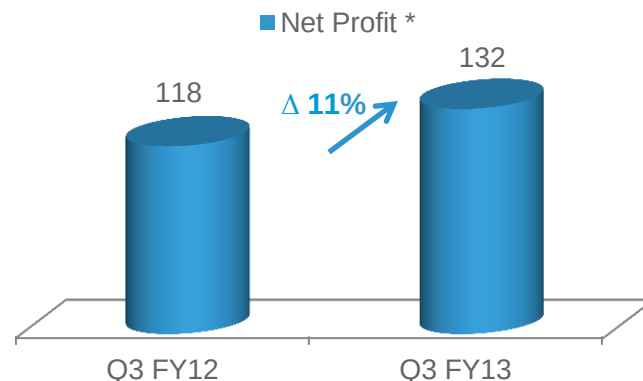
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INTENSIFIED MARKETING FOCUS DRIVING STRONG GROWTH



* Before dividend income from subsidiaries
All values ₹ cr

FOCUS ON INNOVATION - STRATEGIC GROWTH DRIVER

Accelerated pace of innovation

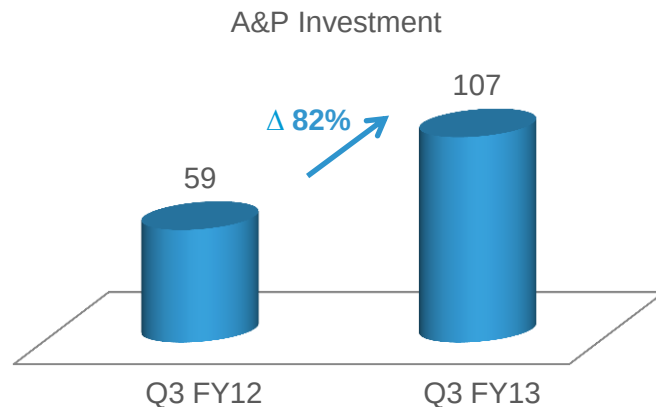
Meaningful differentiation through brand platforms

- Cinthol refresh
- Godrej expert rich crème hair colour

Harness opportunities to cross-pollinate portfolio across markets

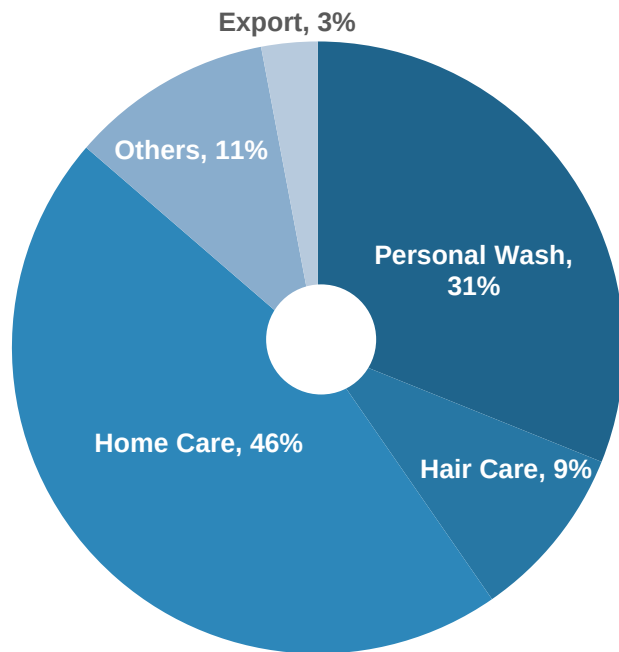
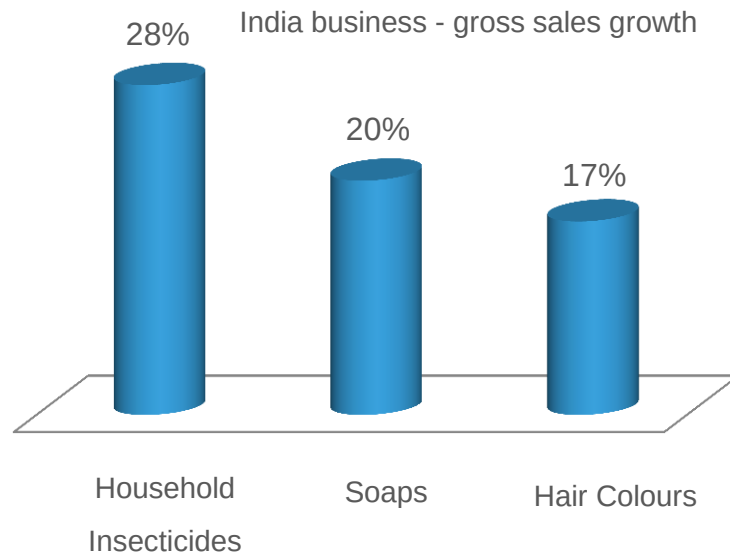
- AER

New launches supported by 360° marketing campaign



Δ + 390 bps (yoy) to 11.4% to net sales

STRONG GROWTH ACROSS CORE CATEGORIES WITH A BALANCED CATEGORY MIX



HOUSEHOLD INSECTICIDES CONTINUES TO OUT PERFORM THE CATEGORY GROWTH

Value growth > 1.3x of the category growth

Newly launched 'Goodknight Advanced colour play' strongly supported by media investments to drive penetration

Continue leveraging distribution synergies

Continue to gain and enjoy market leadership position across all three formats

Category also benefited by high incidence of dengue and malaria



HIT
EK BHI
MACHCHAR NAHI
BACHEGA



SUSTAINED GROWTH IN SOAPS

Value growth at 0.8x of the category growth

Underlying volume growth of 2% versus reported category growth of around 8%

Improvement in yoy and sequential gross margins

Strongly supported Cinthol 'ALIVE IS AWESOME' marketing campaign and Godrej No.1 rosewater and almonds variant media campaign. Cinthol refresh response very positive



THE CONUNDRUM OF REPORTED GROWTH

CATEGORY

Reported Volume Growth (%)	
2 Year CAGR	1%
Q3 FY12	(6%)
Q3 FY13	8%



Base effect of inexplicable decline in category growth of 6% in Q3 FY12

GCPL

Reported Volume Growth (%)	
Q3 FY13 Reported	12%
Actual	2%



Significant overstating of category growth is reflected even in GCPL's reported volume growth of around 12%+ for Q3FY13 against actual volume growth of around 2%+

HAIR COLOURS BACK TO STRONG GROWTHS

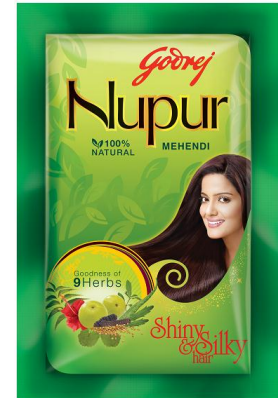
YOY Growth %	Q1	Q2	Q3
Reported Category	21%	23%	21%
GCPL	5%	10%	17%

Strong growth registered across all the formats

Strongly supported Godrej expert rich crème hair colour

‘OHH MY GOD’ marketing campaign

‘Renew’ and ‘Coloursoft’ refreshed

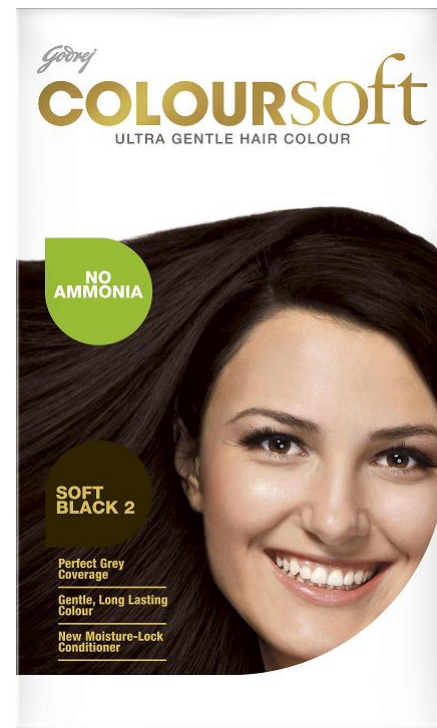




Godrej expert rich crème hair colour launch response very positive



RENEW AND COLOURSOFT - REFRESHED



AER SUCCESSFULLY CHANGING THE AIR

AER contributing around 1% to domestic sales growth

Heavily supported AER media campaign

Launch response very positive



Hello, we are here to
change the air.

The way it smells, and the way it spells.



FOUR OF OUR BRANDS FEATURED IN THE TOP 100 LIST OF BRAND EQUITY

4 of our brands ranked in 100 Most Trusted Brands 2012 by Brand Equity

- Goodknight
- Cinthol
- Godrej No.1
- Godrej Expert Powder Hair Colour

PERSONAL CARE

Cinthol Ranked 11th

Godrej No. 1 Ranked 12th

Godrej Powder Hair Colour Ranked 21st



HOUSEHOLD CARE

Goodknight Ranked 1st

HIT Ranked 8th

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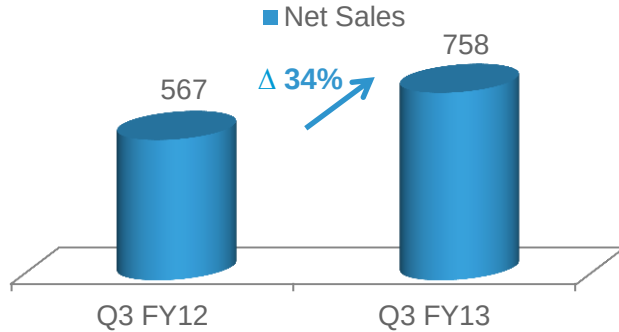
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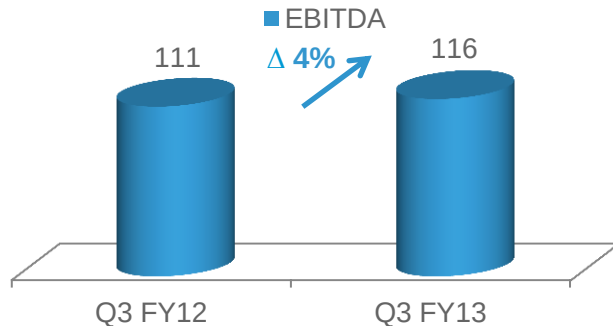
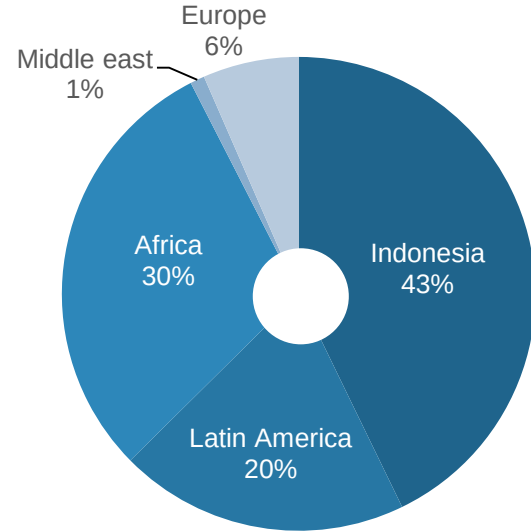
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STRONG GROWTH MOMENTUM MAINTAINED

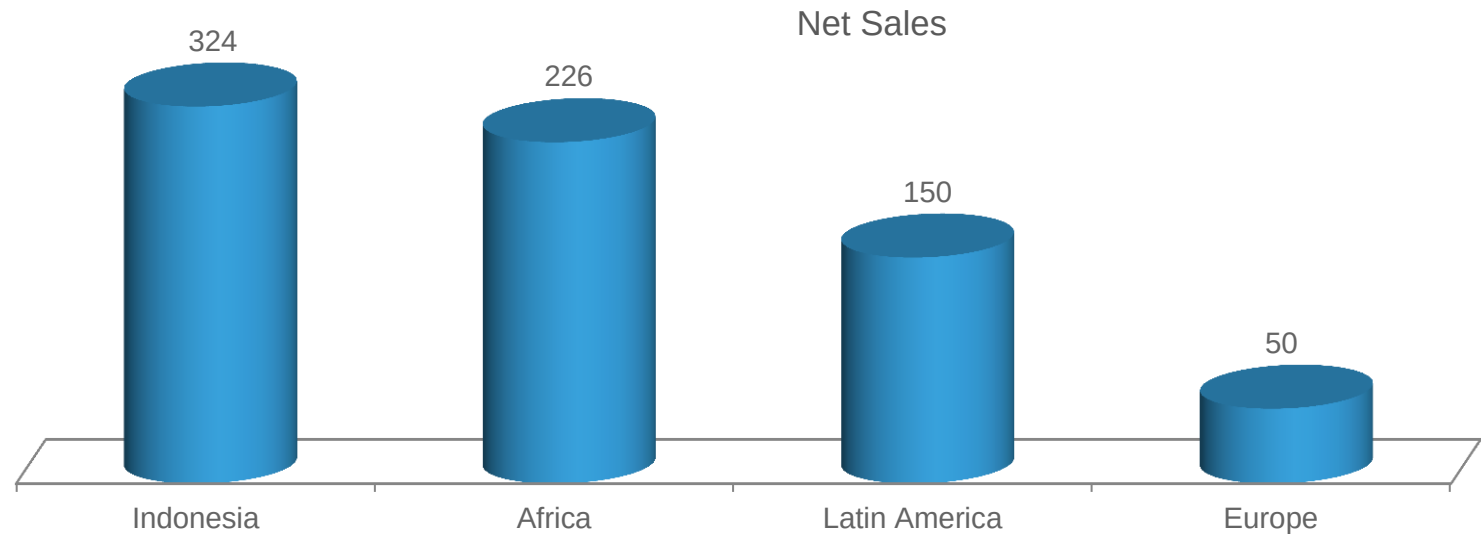


EBITDA + A&P growth +15%



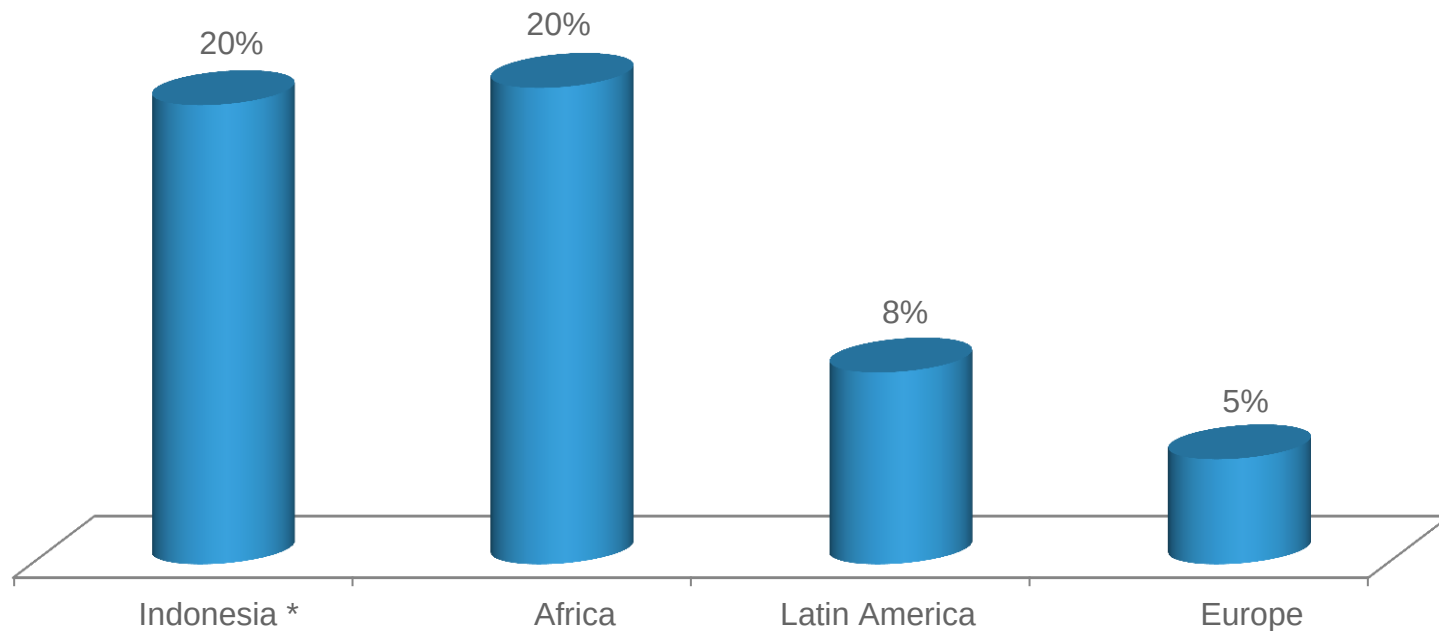
EBITDA + A&P growth lower than sales growth mainly due to base effect in Africa margins. Africa margins in base quarter were above guided margins of 17% - 19% range driven by one time low cost inventory benefit and seasonal format mix in the hair extension category.

STRONG SALES GROWTH ACROSS GEOGRAPHIES



	Indonesia	Africa	Latin America	Europe
Constant currency	+ 31	+ 23	+ 91	+ 9
Exchange	(1)	(2)	(8)	+ 6
YOY Reported	+ 30	+ 21	+ 83	+ 15

HEALTHY EBITDA MARGINS



YoY change

- 40 bps

- 1070 bps

- 70 bps

- 120 bps

INDONESIAN BUSINESS SUSTAINES ITS STRONG MOMENTUM

Sales growth led by

- Continuous marketing investments
- New product launches
- Distribution expansion
- Strong Household Insecticide season

Business continues to gain market share across categories

HIT magic paper continues to perform well



SCALE UP OF AFRICA BUSINESS CONTINUES

Business comprises of Rapidol, Kinky, Tura and Darling group

Darling group companies integration progressing well, phase II geography consolidated from November 2012

Household insecticide launch in Nigeria strongly supported by 360° marketing campaign

Several new product launches got strong marketing support

EBITDA margins drop of around 1070 bps mainly due to base effect. Base quarter were above guided margins of 17% - 19% range driven by one time low cost inventory benefit and seasonal format mix in the hair extension category



PRODUCTS LAUNCHED IN AFRICA



Product cross-pollination from UK
Launched in Nigeria



Blue Black Inecto in South Africa

PRODUCTS LAUNCHED IN AFRICA



Dare to be different
Fabulous
 only from
DARLING
la coiffure des Stars



You never have to worry about damage.
 Change from straight to curly hair and then back again
 without losing the soft texture and bouncy body unlike
 others that easily lose their original touch and curl.

Like us on our facebook page



[DARLING-HAIRSTYLES](#)

BB Pin: 21F6458B

Plot 2A, Ayodele Diyan Street, off Oladipo Ouwote Street, Industrial Estate

www.kamukohhair.com



LORNA
HAIR CARE



STRONG GROWTH IN THE FESTIVE SEASON

Sales growth led by

- Continuous marketing investments
- New product launches
- Festive season
- Chile consolidation

Business continues to maintain / gain market share across categories across geographies

Several new products launches got strong marketing support

- Flagship brand Illicit relaunched in Chile

EBITDA margins drop of around 70 bps, mainly behind higher marketing and sales promotion expenses in Chile to maintaining / marginally gaining market share from competition



Carolina Arregui
para ILICIT

Nuevo

ilicit

AHORA CON
TRATAMIENTO REVITALIZANTE
CON PROTEÍNAS DE SEDA

Cabello fuerte, brillante
y tan suave como la seda



- Color de larga duración
- 100% cobertura de canas.

ilicit, la mejor tintura



*Fuente: Nielsen, participación en uso. UAN: 04/1/2012

UK CONTINUES TO PERFORM STRONGLY IN TOUGH ENVIRONMENT

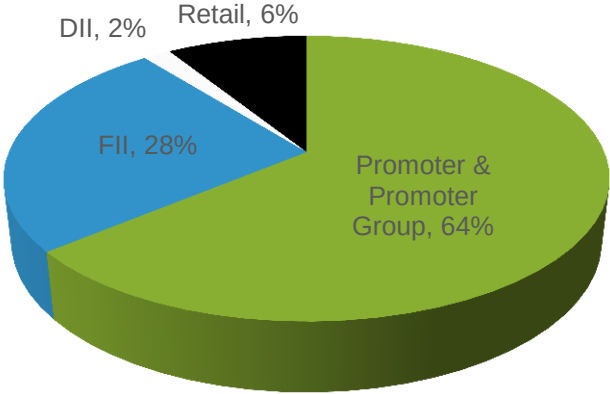
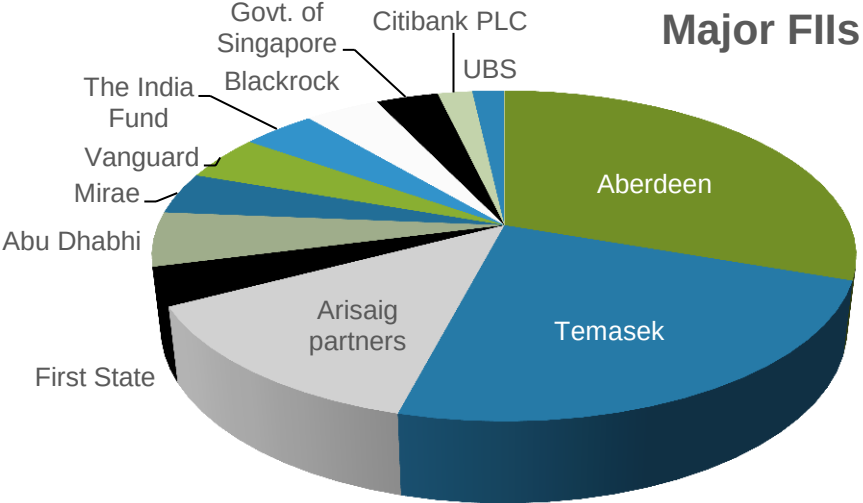
Innovation and brand investments driving healthy growth in tough environment

Several new products launches got strong marketing support

EBITDA drop of around 120 bps purely driven by higher marketing investments on relatively lower sales base, to continue driving strong sales growth momentum



STOCKHOLDING PATTERN



SUMMARY: WE REMAIN LASER FOCUSED ON EXECUTING OUR KEY PRIORITIES

Core category leadership

International growth

Renovation and innovation

Future ready sales system

Best in class supply chain

Agility and professional entrepreneurialism

CONTACT US @

P Ganesh
CFO

p.ganesh@godrejcp.com

D +91 22 2519 4313

Sameer Shah

Associate Vice President - Finance & Investor Relations

sa.shah@godrejcp.com

M +91 98211 40733

D +91 22 2519 4467

for more details please visit :-

<http://www.godrejcp.com>

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