GODREJ CONSUMER PRODUCTS LIMITED

Q3 FY 2014 – PERFORMANCE UPDATE

February 1, 2014

PERFORMANCE UPDATE

EXECUTIVE SUMMARY : MAJOR HIGHLIGHTS

BUSINESS OVERVIEW : INDIA

BUSINESS OVERVIEW : INTERNATIONAL

OVERALL REPORTED PERFORMANCE

Q3 FY 2014			
Growth (%)	**Consolidated**	**India**	**International**
Net Sales	17%	13%	22%
Organic Constant Currency Sales	12%	13%	11%
EBITDA	9%	15%	1%
Net Profit	14%	12%*	19%

9M FY 2014			
Growth (%)	**Consolidated**	**India**	**International**
Net Sales	21%	15%	28%
Organic Constant Currency Sales	15%	15%	15%
EBITDA	14%	17%	9%
Net Profit	13%	14%*	13%

** Adjusted for INR 10 cr dividend income from subsidiary in the base*

HEALTHY OPERATING PERFORMANCE IN A CHALLENGING ENVIRONMENT

Q3 FY 2014			
Growth (%)	**Consolidated**	**India**	**International**
Net Sales	*18%	#14%	*25%
Organic Constant Currency Sales	*13%	#14%	*13%
EBITDA	*12%	15%	*7%
Net Profit	*16%	@12%	*32%

9M FY 2014			
Growth (%)	**Consolidated**	**India**	**International**
Net Sales	*22%	#17%	*30%
Organic Constant Currency Sales	*15%	#17%	*16%
EBITDA	*16%	17%	*15%
Net Profit	*17%	@13%	*33%

** denotes ex Indonesia's food distribution and INR 8 cr tax reversal in Darling in 9M FY 2013*
 # denotes ex contract manufacturing business
@ adjusted for INR 10 cr dividend income from subsidiary in the base

ADVERSE FOREX IMPACT DUE TO DEVALUATION OF CURRENCIES

India

- As on Dec 31, 2013 the net receivables stood at US$ 2.9 mn. Net forex loss for the quarter is INR 0.4 cr

Consolidated

- GCPL has adopted the notification issued by the ministry of corporate affairs on December 29, 2011 on amortization of forex impacts

- The total net forex loss for the quarter, including mark to market impact at consolidated level aggregates to INR 3.0 cr

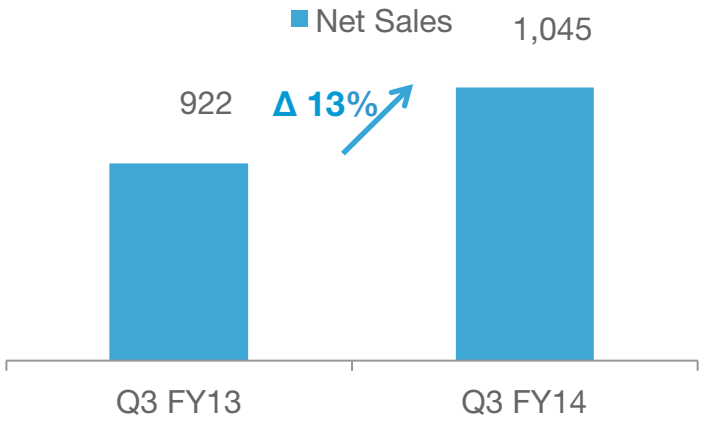
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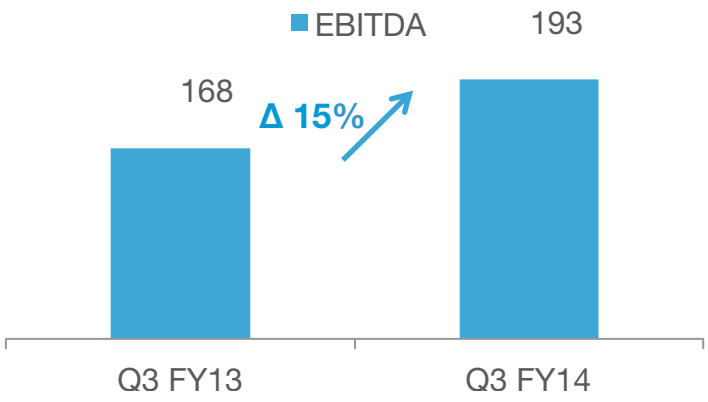
BUSINESS OVERVIEW : INDIA

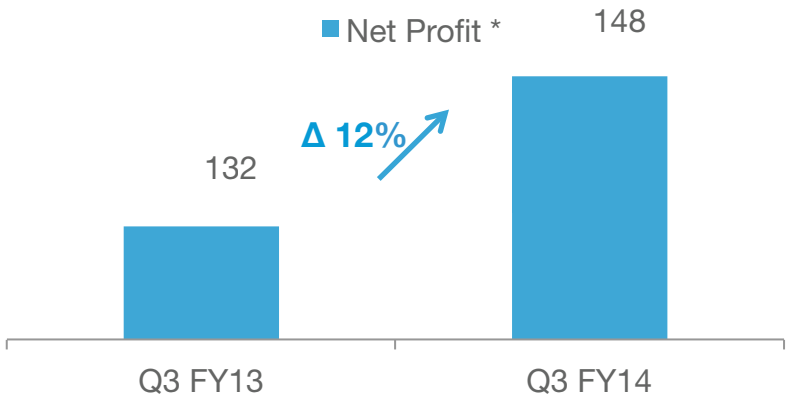
BUSINESS OVERVIEW : INTERNATIONAL

CONTINUE TO OUTPERFORM THE MARKET GROWTH



***India sales ex contract manufacturing growth at 14%**, after taking into account discontinuation of third party contract manufacturing sales, which is in the base*





All values in INR crore

** Adjusted for INR 10cr of dividend income from subsidiary in the base*

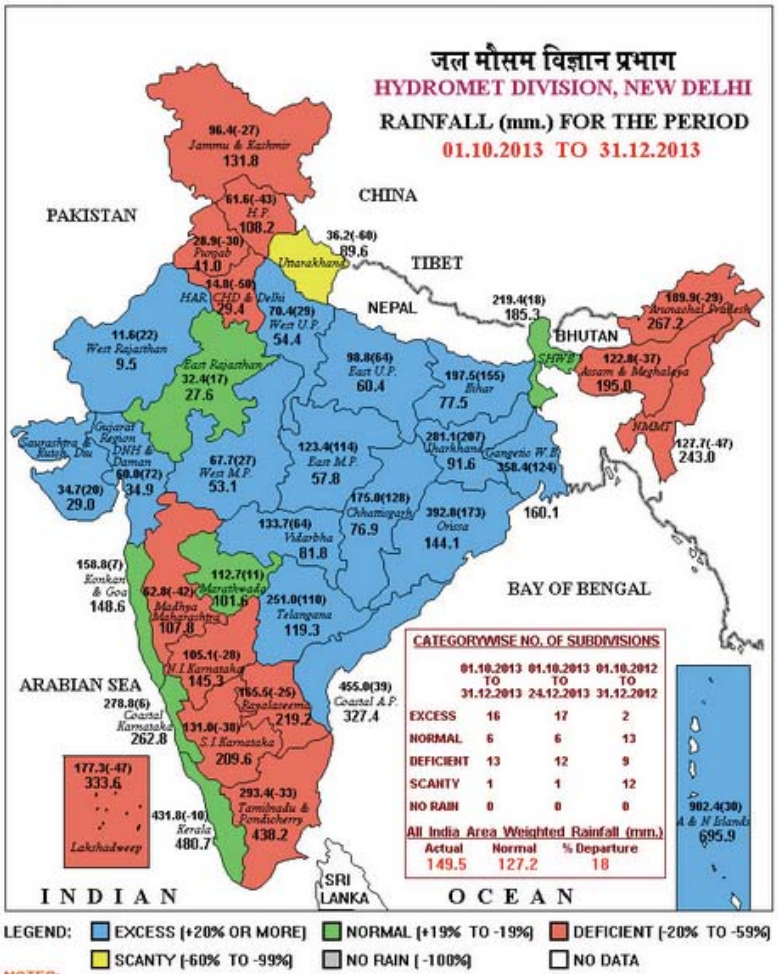
HOUSEHOLD INSECTICIDES CONTINUE TO SIGNIFICANTLY OUTPERFORM THE CATEGORY

- Value growth at 8%, well ahead of the category growth; GCPL continues to drive market share gains
- Category growth rates impacted due to weaker monsoon season in South and East India
- Newly launched Good knight Fast Card performing well ahead of the expectations





WEAKER OFFTAKE IN SOUTH AND EAST IMPACTED CATEGORY GROWTH RATES



- Southern and eastern states which account for significant portion of HI sales received deficient retreating monsoons this quarter.
- With aggressive market actions, GCPL has added market share in these states

SOAPS CATEGORY CONTINUES TO DRIVE RELATIVE OUTPERFORMANCE

- Value and volume growth at 6%; category de-grew both in value and volume terms
- Category witnessing pressure with slowdown at the mass premium end of the category
- Price hikes taken to pass on recent increase in palm oil prices





HAIR COLOURS CONTINUES EXCELLENT MOMENTUM

- Strong 37% value growth led by Godrej Expert Rich Hair Crème.
- Growth rates significantly ahead of category growth rates despite anniversarisation of Crème launch
- New packaging for Nupur henna launched
- Continued initiatives such as salon engagement programs, festival linked promotions, etc. to drive higher consumption and penetration of the category





LIQUID DETERGENTS HAD A GOOD SEASON

- Liquid detergents grows 36%
- Brand continues to do well strongly supported by new TVC campaign for Ezee
- Ezee had a successful marketing campaign in tie-up with Dunkin Donuts and Godrej Nature's basket



AER CONTINUES TO DRIVE CHANGE IN AIR



Change the air Radio campaign across 4 cities

Change the air Cinema theatre campaign across 6 metros with launch of Krrish 3

Change the air on ground activation

1) *Standalones*
2) *Corporate*
3) *Airlines*

Change the air digital campaign

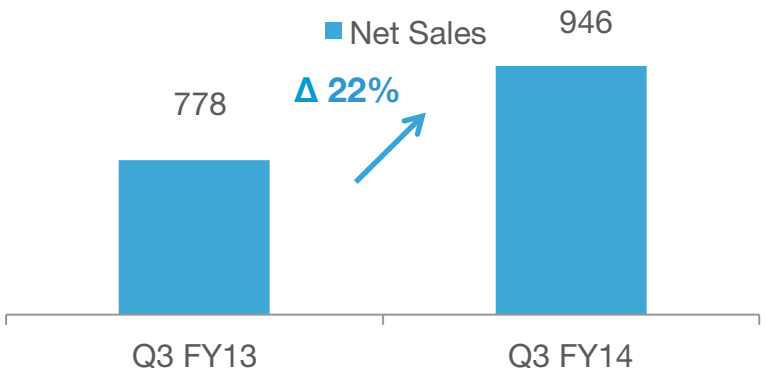
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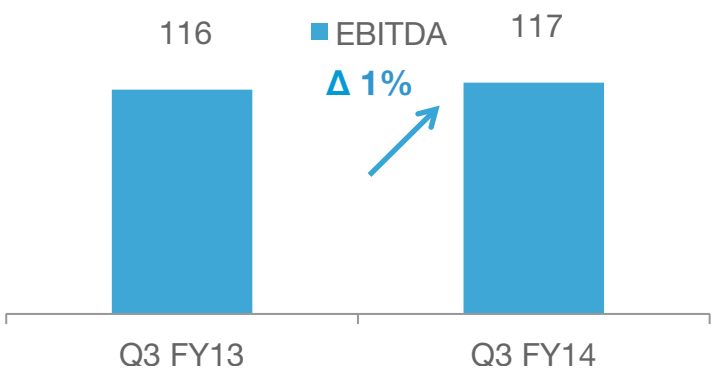
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STRONG SALES GROWTH MOMENTUM CONTINUES



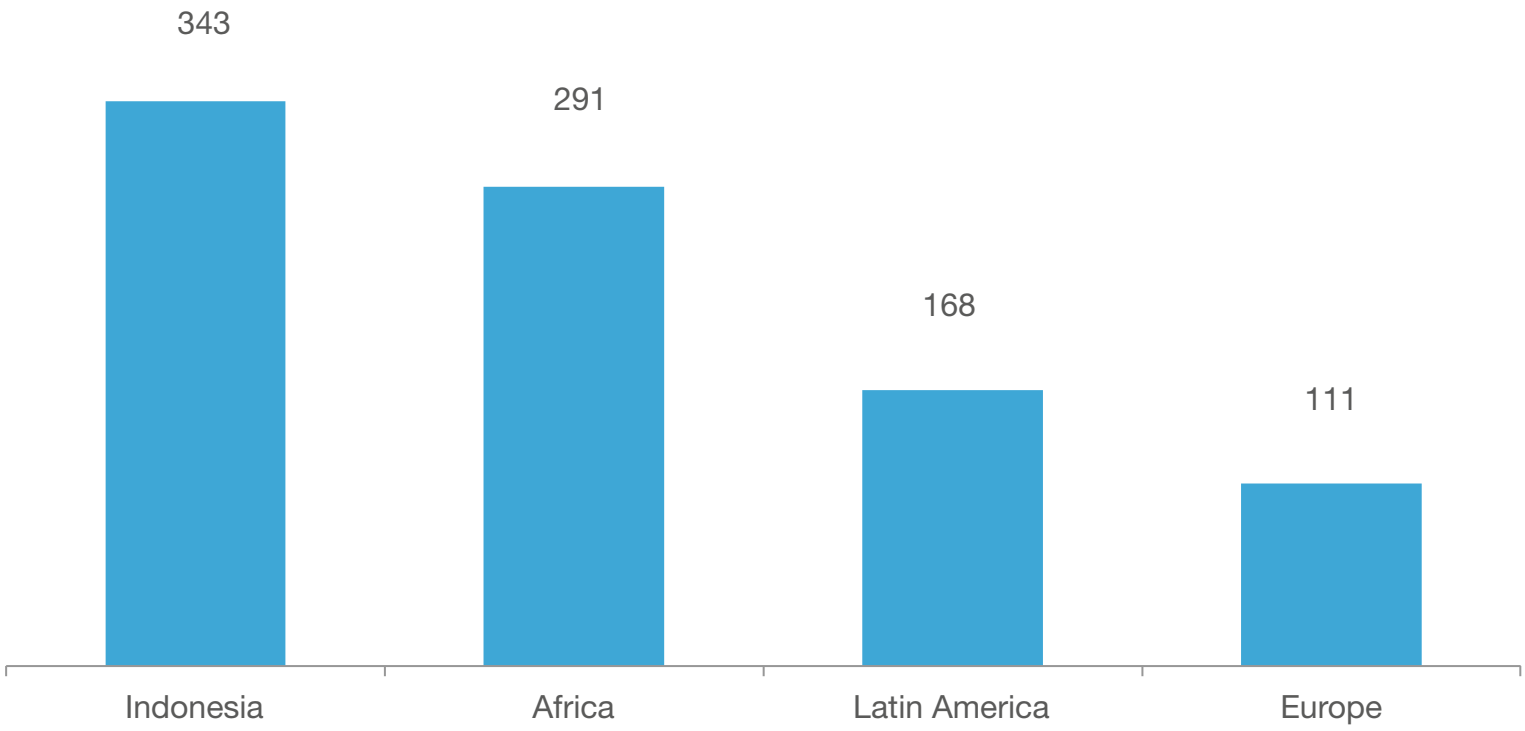


- 13% organic constant currency sales growth and 7% EBITDA growth (ex Indonesia's food distribution business)

- 12.4% EBITDA margins (down by 250 bps y/y) due to divested foods business (~60bps), inflationary pressures in Indonesia and higher base in Africa

STRONG SALES GROWTH ACROSS KEY GEOGRAPHIES

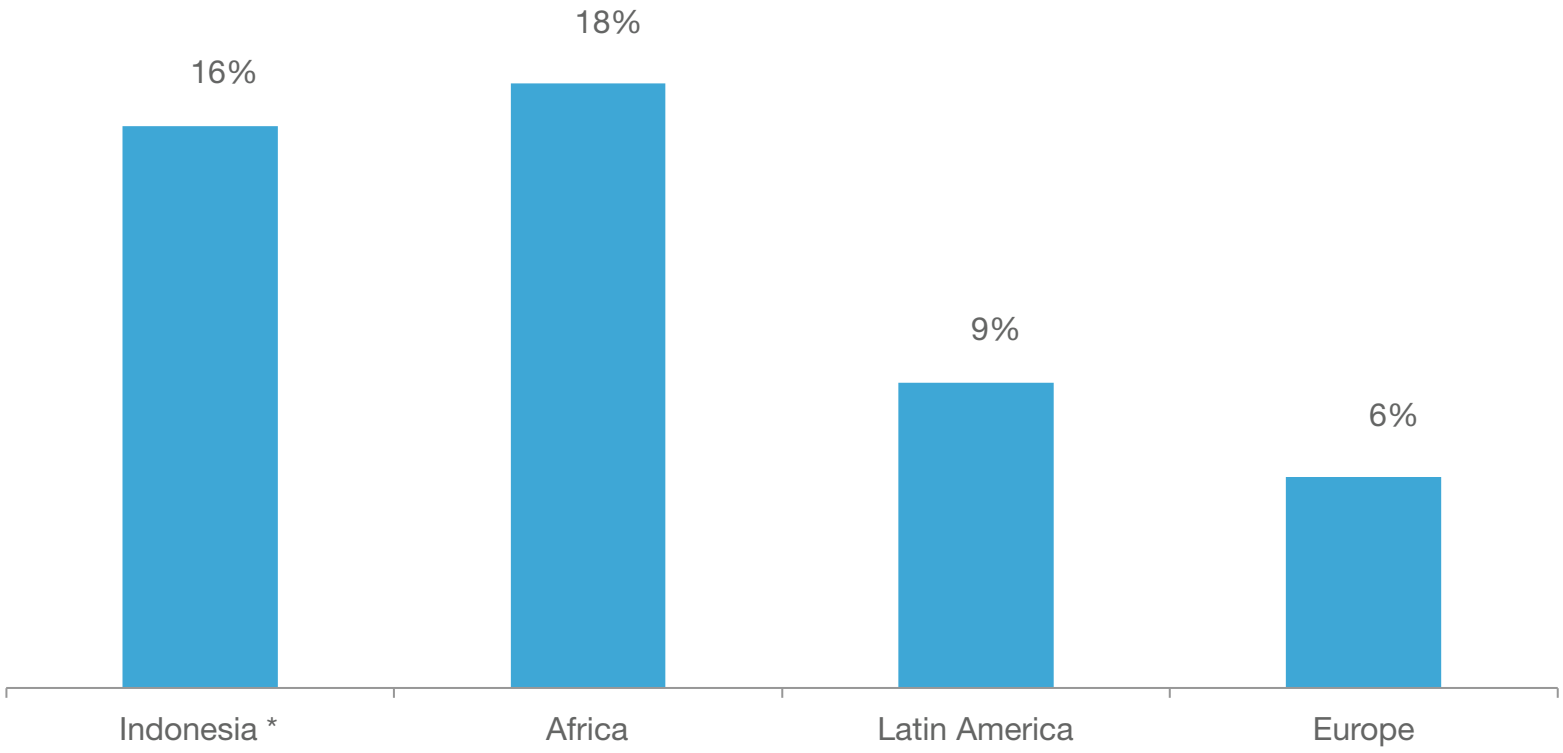
Net Sales



Net Sales Growth (%)				
Constant currency	+ 12	+ 21	+ 15	+ 107
Exchange	(6)	+ 8	(5)	+ 17
YOY Reported	+ 6	+ 29	+10	+ 124

Constant currency includes inorganic growth
All values in INR crore

OVERALL MARGINS HAVE IMPROVED SEQUENTIALLY



YoY change	(260) bps	(280) bps	+ 80 bps	+ 170 bps
Q2 FY14	17%	14%	7%	10%

* *Before payment of technical & business support fee and non food business*

INDONESIAN BUSINESS MAINTAINS STRONG SALES MOMENTUM

- Strong sales growth momentum with ahead of the market growth
    - Constant currency sales growth (ex foods distribution) of 18%
    - INR sales growth (ex foods business) of 12%
- Continue to strengthen market share position in Household Insecticides and Air Fresheners
- Margins stable on a sequential basis. However, y/y margins (ex foods distribution) under pressure due to:
    - Increase in fuel costs (~33%), wage hikes (~60%), and currency depreciation
- Calibrated price hikes planned to offset the impact



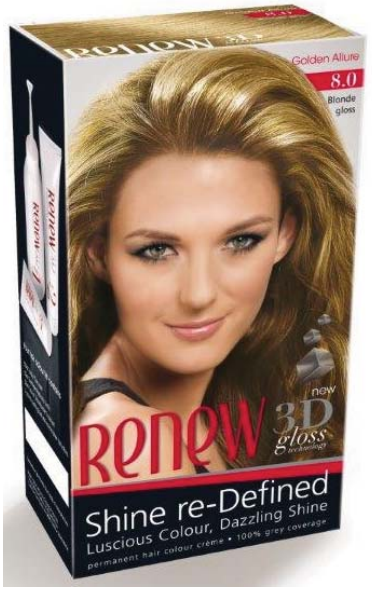
AFRICA BUSINESS DELIVERS A STRONG QUARTER ON SALES GROWTH AND MARGINS

- Business presence in South Africa, Mozambique, Nigeria and Kenya across hair extensions, hair colours, household insecticides and personal wash

- Business momentum continues to be strong in Nigeria and Kenya. However, business momentum was impacted due to lower consumer confidence in South Africa wherein consumer spending continues to remain muted coupled with down-trading

- Recently launched wet hair care products portfolio in Kenya and household insecticides launch in Nigeria progressing well

- Initiated cross pollination of new styles between different Darling geographies





LATAM BUSINESS ON AN UPWARD TREND

- Sales growth led by continued marketing investments and new product launches
- Margins improved on a y/y and q/q basis. Projects underway to further improve margin profile of the business.
- New salon range launched for Issue in Argentina
- In Chile, Illicit becomes value market leader in hair colors category. Overall value and volume share in hair colors at its highest ever level.



EUROPE BUSINESS DELIVERS ONE OF THE STRONGEST ORGANIC GROWTH QUARTER

- Continued strong performance on both organic and Soft & Gentle product portfolio
- Soft & Gentle range revamped with next generation packaging and imagery
- Touch of Silver becomes second fastest growing brand in Top 22 UK shampoo brands



Q3 FY 2014 REPORTED PERFORMANCE SNAPSHOT

	India			Consolidated		
	Q3 FY14	Q3 FY13	Y/Y	Q3 FY14	Q3 FY13	Y/Y
Sales	1,045	922	13%	1,979	1,694	17%
Gross Profit	539	482	12%	1,054	926	14%
Gross Profit Margin (%)	51.6%	52.3%	(73)	53.3%	54.7%	(143)
EBITDA	193	168	15%	311	285	9%
EBITDA Margin (%)	18.5%	18.3%	24	15.7%	16.8%	(113)
Net Profit (Adj)	148	132	12%	196	172	14%
Net Profit Margin (%)	14.2%	14.3%	(16)	9.9%	10.2%	(27)

Y/Y change in margins is in bps

** Adjusted for INR 10cr of dividend income from subsidiary in the base*

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

4 of our brands ranked in 100 Most Trusted Brands 2013 by Brand Equity

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

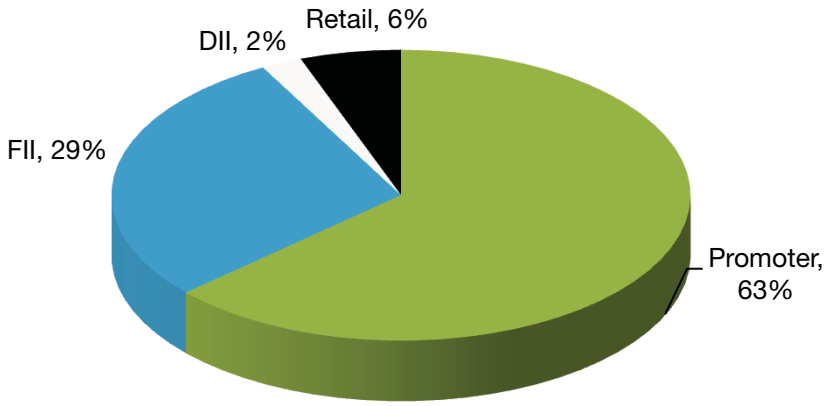


PERSONAL CARE	**Cinthol** Ranked 11th **Godrej No. 1** Ranked 14th **Godrej Expert Powder Hair Colour** Ranked 23rd
HOUSEHOLD CARE	**Goodknight** Ranked 1st **HIT** Ranked 8th

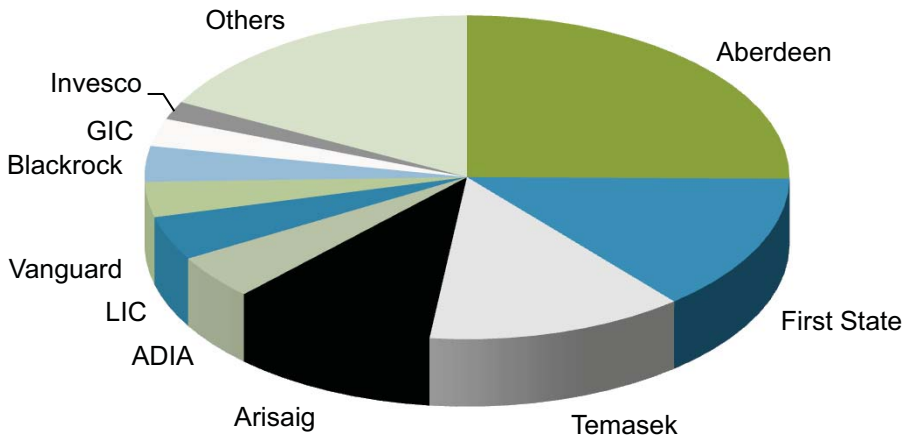
GCPL recognized amongst the 17 Best Employers in India in 2013 by Aon Hewitt.

GCPL one of the only two FMCG companies on the list this year

STOCKHOLDING PATTERN



MAJOR INVESTORS



As on December 31, 2013

WE REMAIN LASER FOCUSED ON EXECUTING OUR KEY PRIORITIES

- Extending leadership in our core categories
- Capitalizing on international growth potential
- Accelerating renovation and innovation
- Building a future ready sales system
- Making our supply chain best in class
- Building an agile and high performance culture

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THANK YOU FOR YOUR TIME AND CONSIDERATION