SOMANY CERAMICS LIMITED

Q3/9M'FY16 - Investor Update

25th January, 2016

www.somanyceramics.com

Key Message

Business momentum continues; reported Net Sales growth of 10.7% in Q3'FY16 and 12.3% in 9m'FY16 on YoY basis. PBT margins at 5.2% for Q3'FY16

Raised Rs. 120 crores via QIP to strengthen Balance Sheet; Interest of Marquee Investors in QIP reinforces confidence

Investigation for Anti Dumping Duty on China commenced. Recent revision in Long Term Gas Prices positive

Implementation of Government Policies remains the single largest catalyst to Boost Sentiment and Demand across categories of buyers.

Investing in branding activities to create a stronger brand recall amongst buyers.

Increasing Brand Recall

Increased Branding activities to create a powerful connect with Consumers



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Financial overview

Operational Performance

- Q3'FY16 tiles sales volume at 11.04 msm vs 10.18 msm for Q3'FY15, a growth of 8.4% YoY while for 9m'FY16 volume growth was 9.3% to 32.53 msm
- Sales mix in Q3'FY16 - Own manufacturing (35%), JV (45%) and Others (20%) while for 9m'FY16 sales mix - Own manufacturing (36%), JV (42%) and Others (22%)

Financial Performance

- Net Sales increased by 10.7% YoY to Rs. 413.08 cr in Q3'FY16 and 12.3% to Rs. 1207.87 cr for 9m'FY16
- Q3'FY16 PBT grew by 25.3% to Rs. 21.32 cr with margin of 5.2%
  9m'FY16 PBT before exceptional item grew by 26.6% to Rs. 57.68 cr with a margin of 4.8%
- Q3'FY16 PAT grew by 25.8% to Rs. 13.86 cr and 18.3% to Rs. 35.00 cr for 9m'FY16

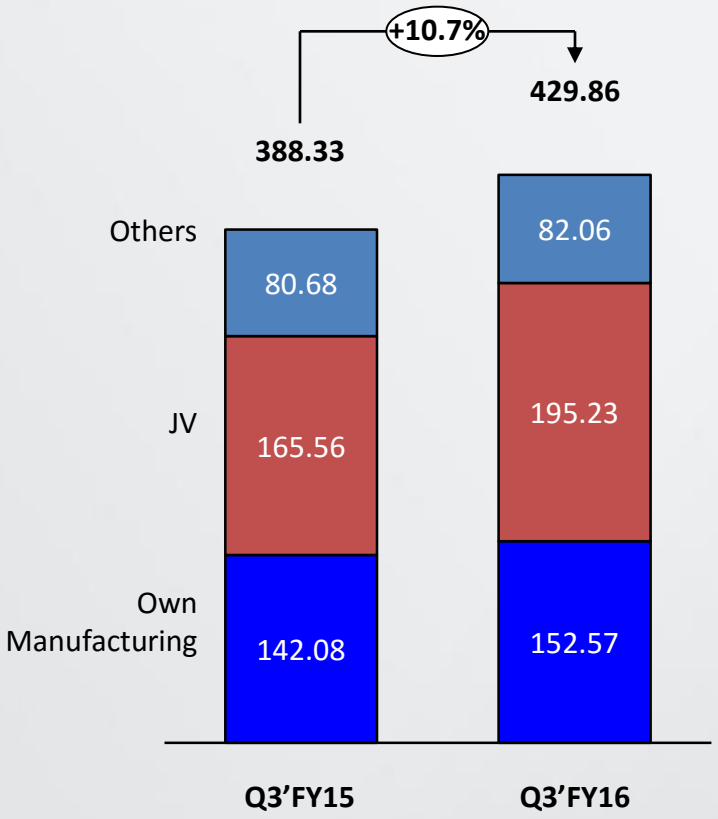
Capacities

- Current Access to capacity at ~56 msm p.a.; to increase to ~60 msm p.a. by Q1'FY17
- Capacity Expansion for 4.0 msm p.a. of Glazed Vitrified Tiles at Kassar Plant at Haryana is on course for completion by Q1'FY17

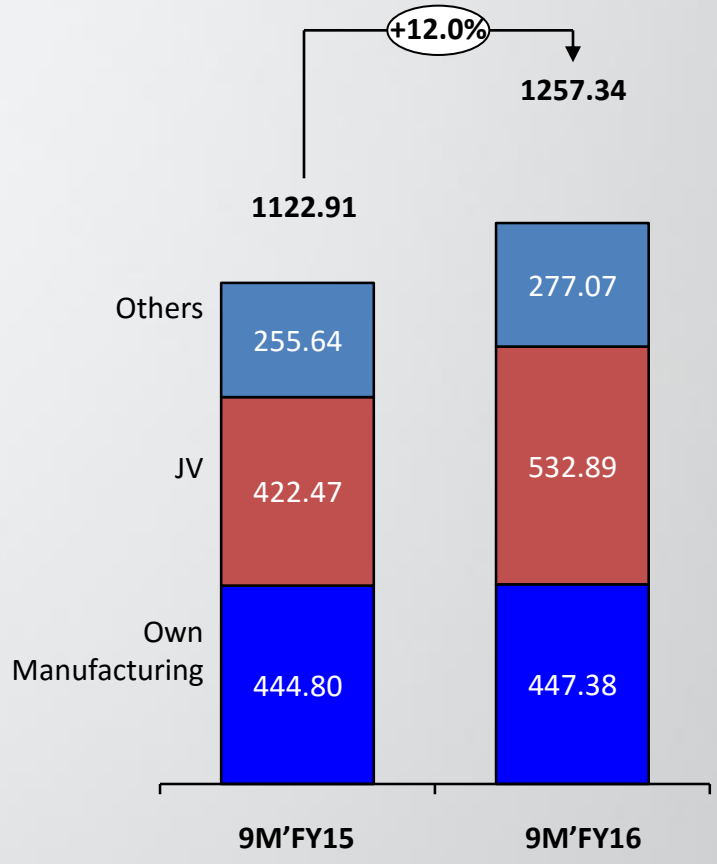
Msm - mn sq mtr

Sales Performance (Gross)

Q3'FY16 v/s Q3'FY15



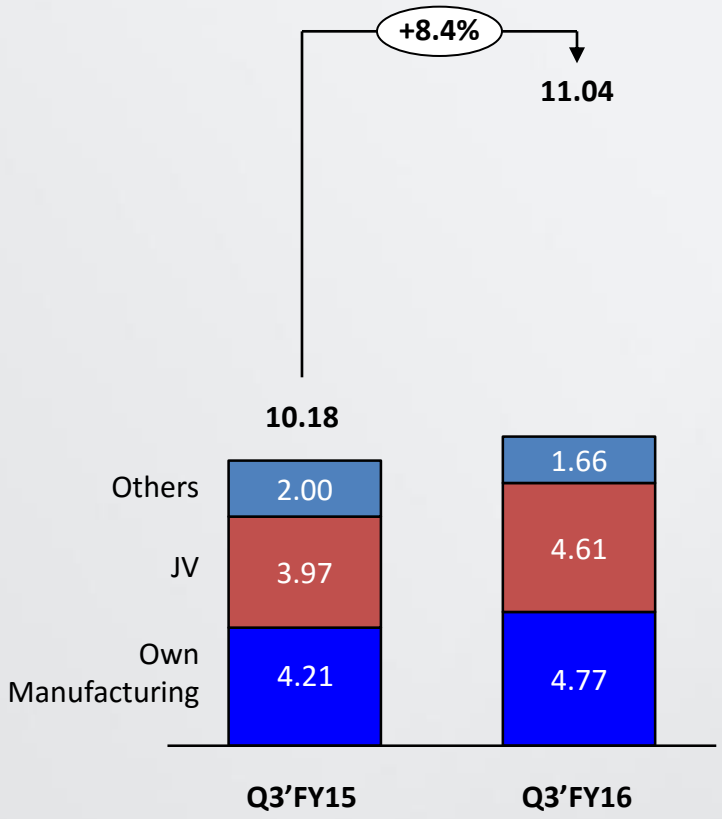
9M'FY16 v/s 9M'FY15



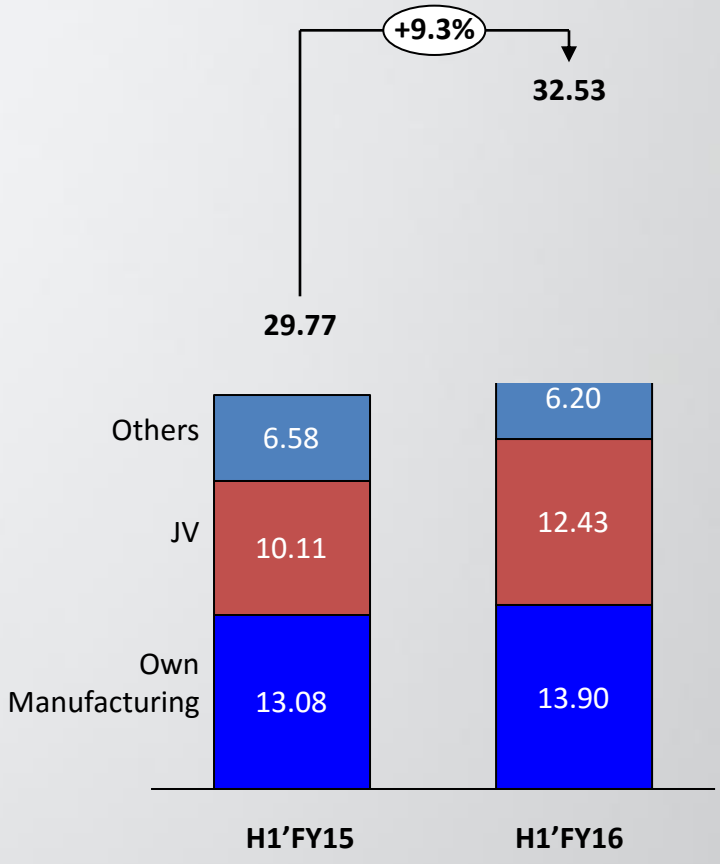
Figures in Rs.cr

Volume Performance (Ties)

Q3'FY16 v/s Q3'FY15



9M'FY16 v/s 9M'FY15



Figures in million square meter

Access to Capacity at ~**56** msm p.a.

Own Plants (Tiles)	Location	Original Capacity (MSM p.a.)	Current Capacity (MSM p.a.)	Capacity Utilization in 9M'FY16
Kassar	Haryana	0.52	13.13	96%
Kadi	Gujarat	0.58	8.42	83%

Owned capacity of 21.55 MSM p.a.

Associates/ Subsidiary Plants (Tiles)	Equity Stake	Original Capacity (MSM p.a.)	Current Capacity (MSM p.a.)	Capacity Utilization in 9M'FY16
Vintage Tiles Pvt. Ltd.	26%	2.55	2.99	93%
Commander Vitrified Pvt. Ltd.	26%	2.04	4.76	90%
Vicon Ceramic Pvt. Ltd.	26%	3.98	3.98	95%
Amora Tiles Pvt. Ltd.	51%	2.14	4.58	73%
Acer Granito Pvt. Ltd.	26%	2.04	5.10	79%
Somany Fine Vitrified Pvt. Ltd.	51%	4.29	4.29	87%

Associates'/ Subsidiary's plants current capacity at 25.70 MSM p.a.

Outsourced capacity with no equity stake - 9.00 MSM

Outsourced capacity of 9.00 MSM p.a.

Subsidiary Plant (Sanitary ware)	Equity Stake	Original Capacity (pcs p.a.)	Current Capacity (pcs p.a.)	Capacity Utilization in 9M'FY16
Somany Sanitary Ware Pvt. Ltd.	51%	303000	303000	84%

Current capacity of 303000 pcs p.a.

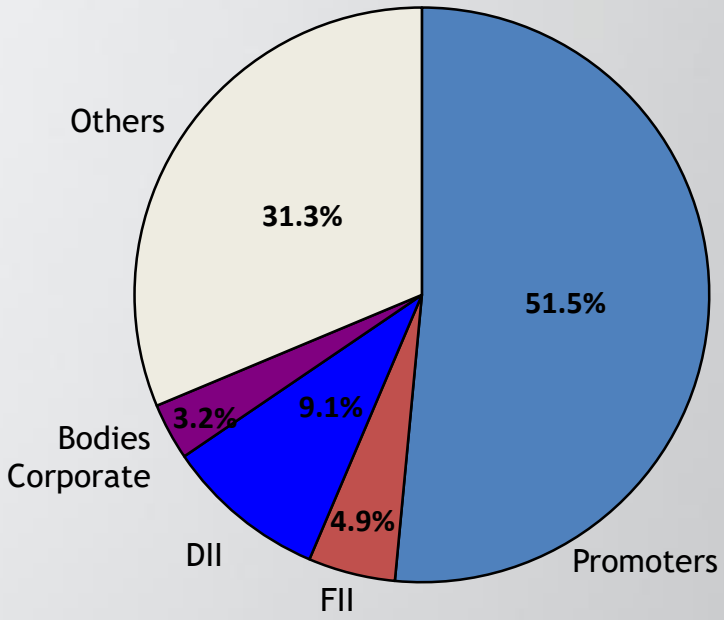
Q3/9m'FY16 Profit & Loss

Particulars	Q3'FY16	Q3'FY15	Growth	9m'FY16	9m'FY15	Growth
Net Sales	413.08	373.26	10.7%	1257.34	1122.91	12.0%
EBIDTA	31.10	26.77	16.2%	85.98	73.41	17.1%
Depreciation	5.24	5.64	-7.1%	14.88	16.29	-8.7%
Finance cost	4.54	4.12	10.2%	13.42	11.55	16.2%
Profit before tax before Exceptional Item	21.32	17.01	25.3%	57.68	45.57	26.6%
Exceptional Item	0	0	-	3.83	0	-
Profit before Tax	21.32	17.01	25.3%	53.85	45.57	18.2%
Tax expenses	7.46	5.99	24.5%	18.85	15.98	18.0%
Profit after tax	13.86	11.02	25.8%	35.00	29.59	18.3%
EPS (Rs.)	3.53	2.84	24.3%	8.98	7.62	17.8%

Standalone figures in Rs.cr

Shareholding as on 31st December 2015

Particulars	31st Dec'2015	30th Sep'2015
Promoters	51.5%	56.2%
FII	4.9%	5.1%
DII	9.1%	3.9%
Bodies Corporate	3.2%	2.9%
Others	31.3%	31.9%
Equity Shares	42,379,426	38,844,826



5 Year Profit & Loss - Standalone

Particulars	FY'11	FY'12	FY'13	FY'14	FY'15
Net Sales	708	870	1046	1256	1531
EBIDTA	68	75	87	84	104
Depreciation	17	18	20	22	22
Finance cost	17	21	20	18	16
Profit before tax	34	36	47	44	66
Tax expenses	11	11	15	16	22
Profit after tax	23	25	32	28	44
Cash profits	43	43	53	51	67
EPS (Rs.)	6.79	7.17	9.16	8.01	11.43

Figures in Rs.cr

5 Year Balance Sheet - Standalone

Particulars	Mar'11	Mar'12	Mar'13	Mar'14	Mar'15
Equity Share Capital	7	7	7	8	8
Reserves & Surplus	96	117	144	213	246
Net Worth	102	124	151	221	254
Total Debt	191	181	176	170	188
Net Block	176	194	209	219	237
Investments	2	6	9	22	24
Net Current Assets	137	128	133	165	188

Figures in Rs.cr

5 Year Profit & Loss - Consolidated

Particulars	FY'11	FY'12	FY'13	FY'14	FY'15
Net Sales	716	876	1,050	1,261	1,535
EBIDTA	70	75	88	84	115
Depreciation	18	18	20	21	26
Finance cost	18	21	20	19	21
Profit before tax	34	36	48	44	68
Tax expenses	10	11	16	15	22
Profit after tax	24	25	32	29	46
Cash Profit	44	43	53	53	74
EPS (Rs.)	6.92	7.28	9.28	8.25	11.94

Figures in Rs.cr

5 Year Balance Sheet - Consolidated

Particulars	Mar'11	Mar'12	Mar'13	Mar'14	Mar'15
Equity Share Capital	7	7	7	8	8
Reserves & Surplus	97	121	146	215	250
Net Worth	104	126	153	223	258
Total Debt	194	181	177	189	210
Net Block	177	194	209	243	265
Investments	1	5	9	18	20
Net Current Assets	146	130	136	171	201

Figures in Rs.cr

Disclaimer

The information contained herein has been prepared to assist prospective investors in making their own evaluation of the Company and does not purport to be all-inclusive or to contain all of the information a prospective or existing investor may desire.

This Information may include certain statements and estimates provided by the Company with respect to the projected future performance of the Company. Such statements, estimates and projections reflect various assumptions by management concerning possible anticipated results, which assumptions may or may not be correct.

Prospective investors will be expected to have conducted their own due diligence investigation regarding these and all other matters pertinent to investment in the Company.

This presentation may contain statements that are “forward looking statements.” The company’s actual future results may differ materially from those suggested by such statements, depending on various factors for which the company and its management does not take any responsibility.

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