GCPL FY 2012 THIRD QUARTER

STRONG GROWTH IN OPERATING PROFITS, ONE OF THE BEST QUARTERS

Third Quarter Highlights

- Indian subcontinent business, clocking healthy quarterly sales growth of 20% led by strong growth in soaps and household insecticide
- International business also grew strongly with 30% organic growth led by strong growths across the geographies
- Consolidated EBITDA strengthens to 20.2%, an increase of 290 bps on yoy basis and sequential expansion of 210 bps, on the back of favourable category sales mix, integration led cost saving initiatives, efficient commodities sourcing and competitive and efficient advertisement spends

Consolidated Net Sales	₹ 1,344 cr., up by 36%
Consolidated EBITDA	₹ 272 cr., up by 59%
Consolidated Net Profit after minority interest	₹ 167 cr., up by 41%
Third Interim Dividend	100% (₹ 1/- per share)

Chairman's Comments

"Our performance is a reflection of our rigorous effort in driving six strategic pillars of growth, viz, leading in the core categories, growing our international business systematically in line with our 3 by 3 strategy, driving innovation, building a best in class supply chain, creating a future ready sales organisation and fostering an agile and professional entrepreneurial culture.

On all operating parameters, the business has done extremely well. While the macroeconomic environment continues to be challenging, I believe our strong performance is a reflection of the robustness of our business model, a great team and our ability to efficiently manage risks and challenges. I continue to be very confident of the opportunities for GCPL both in India and overseas. We will continue to pursue a prudent but aggressive growth strategy through a blend of organic and inorganic initiatives"

- Adi Godrej

BUSINESS REVIEW - CATEGORY (INDIAN SUB-CONTINENT)

Net Sales	₹ 779 cr., up by 20%
EBITDA	₹ 159 cr., up by 17%
Net Profit	₹ 118 cr. up by 12%

Business review – India

Home care - Household insecticide

Household insecticides registered strong sales growth of 30%, growing far ahead of the category growth. This will be the seventh consecutive quarter of 25%+ growth rates. We continue to gain and enjoy market leadership position across all three formats of coils, aerosols and electrics. Higher growths are on the back of innovative products, continuous brand building and capitalizing on the distribution gain resulting from GCPL-GHPL merger

Personal Wash - Soaps

Soaps delivered strong sales growth of 31% way ahead of the category growth rate of around 7%. GCPL continues with healthy advertisement spends on the recent new launches. This quarter has also seen sequential expansion of gross margins led by full impact of price increase and efficient commodities buying

Hair Care – Hair colours

Hair colours grew by 9%, led by strong performance of Godrej Expert powder hair colour and Nupur natural mehandi. During the quarter, special value-kit was introduced with Godrej Expert powder hair colours, conditioner, gloves & cape in modern trade channel. The newly launched Expert Care and Advance powder is beginning to garner good market response

BUSINESS REVIEW - INTERNATIONAL

Asia (ex Indian Sub-continent)

Megasari in Indonesia registered strong sales growth of 35%, on the back of distribution expansion and healthy performance of new product launches. EBITDA margin of 20.6% (before payment of technical & business support fee) expands sequentially by more than 120 bps and yoy 190 bps, led by favorable category sales mix change, new products performance and prudent cost management. HIT extra power electric mosquito repellant was successfully launched during the quarter.

Africa

Business comprising Rapidol, Kinky, Tura and the newly acquired Darling group. Sales stood at ₹ 186 crore and EBITDA margin at around 31%. EBITDA margin expansion on the back of favorable format mix sales within hair extension category and good festive season sales. Integration of Darling group of companies is on track.

Latin America

Strong sales growth of 29% led by distribution expansion and new product launches. EBITDA margin of 9% expands sequentially by around 160 bps, behind stronger summer season sales and cost savings initiatives. Initial response to the newly launched products of last few quarters has been very positive. These continue to be backed by strong marketing investments.

The figures for the current quarter are not comparable with those of the corresponding quarter of the previous year because of the acquisitions made since then

OTHER DEVELOPMENTS

PREFERENTIAL ALLOTMENT OF EQUITY SHARES TO TEMASEK

Godrej Consumer Products Limited (GCPL) today announced that it has accepted a binding offer from Baytree Investments (Mauritius) Pte Ltd, to subscribe to 1,67,07,317 equity shares of face value ₹ 1 at a premium of ₹ 409 per equity share, for an aggregate issue size of ₹ 685 crore on preferential allotment basis pursuant to Chapter VII of SEBI ICDR Regulations

Baytree is an indirect wholly-owned subsidiary of Temasek, an Asia investment company incorporated in 1974. Temasek is headquartered in Singapore and supported by 12 offices in Asia and Latin America

The investment is subject to customary conditions including signing of a share subscription agreement, shareholders' approval etc

Mr. Adi Godrej, Chairman of GCPL said " We welcome Temasek as a significant investor. Temasek is a leading investor globally. Apart from being one of the earliest investors in India, Temasek's focus geographies match very well with our global 3 X 3 strategy. We are confident that this relationship will be rewarding for both parties. We remain very focused on implementing our robust strategy through operational excellence and financial discipline. This investment will ensure that we continue to have a strong balance sheet "

Mr. Rohit Sipahimalani, Head of Temasek's India offices said, "GCPL is a direct beneficiary of the rapid growth in middle income populations in emerging markets, which is a key investment theme for Temasek. We are pleased with the opportunity to participate in GCPL's further growth".

About Godrej Consumer Products Limited

Godrej Consumer Products (GCPL) is a leader among India's Fast Moving Consumer Goods (FMCG) companies, with leading Household and Personal Care Products. Our brands, which include Good knight, Cinthol, Godrej No. 1, Expert, Hit, Jet, Fairglow, Ezee, Protekt and Snuggy, among others, are household names across the country. We are one of the largest marketers of toilet soaps in the country and are also leaders in hair colours and household insecticides. Three of our brands have been placed in 100 most trusted brands in the country.

We are driven by our mission to continuously enhance the quality of life of consumers in high-growth markets with superior-quality and affordable home care, personal care and hygiene products.

We also have a strong emerging presence in markets outside India. As part of increasing our global footprint, we recently acquired 51% rights in the Darling group in Africa. With acquisitions of Tura, a leading medicated brand in West Africa, Megasari Group, a leading household care company in Indonesia and Issue Group and Argencos, two leading hair colorant companies in Argentina, Keyline Brands in the United Kingdom, Rapidol and Kinky Group, South Africa and Godrej Global Mideast FZE, we own international brands and trademarks in Asia (ex. India), Latam, Africa, Europe, Australia, Canada and the Middle East.

For Details:

P Ganesh / Sameer Shah
Godrej Consumer Products Ltd
Tel.: +91 22 2519 4467
Fax: +91 22 2518 8040
e-mail: p.ganesh@godrejcp.com /
sa.shah@godrejcp.com

Gavin Desa / Ankit Hirawat
Citigate Dewe Rogerson
Tel.: +91 22 6645 1237
Fax: +91 22 6645 1213
e-mail: gavin@cdr-india.com /
ankith@cdr-india.com

Disclaimer:
"Some of the statements in this communication may be „forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ substantially from those expressed or implied. Important developments that could affect the Company's operations include changes in the industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, litigation and labour relations."