Marico Limited

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2011

(Rs. Lacs)

Particulars	Quarter Ended December 31	Quarter Ended September 30	Quarter Ended December 31	Nine months ended December 31		Year ended March 31, 2011
	2011	2011	2010	2011	2010	(audited)
1. Net Sales / Income from Operations (Note 7)	**105,781.55**	**97,445.28**	**81,773.87**	**308,088.58**	**238,096.24**	**312,831.04**
2. Expenditure (Note 10)						
a. (Increase) / decrease in stock in trade and work in progress	2,681.84	(4,555.05)	483.40	3,684.41	1,730.00	(10,952.63)
b. Consumption of raw materials	44,113.80	48,934.10	34,250.78	138,106.65	98,823.80	144,034.33
c. Consumption of Packing Materials	7,433.58	8,650.05	7,862.35	24,527.53	20,594.25	27,054.11
d. Purchase of traded goods	283.45	263.50	474.39	956.34	1,049.71	1,657.48
e. Employees cost	8,080.81	7,251.07	5,564.57	22,396.17	16,799.04	23,036.98
f. Advertisement & Sales Promotion	13,392.34	9,414.93	9,010.98	33,040.02	27,878.52	34,597.83
g. Depreciation, amortisation and impairment (Note 8)	1,884.83	1,771.63	1,462.80	5,346.22	4,062.57	7,079.86
h. Other expenditure (Notes 6)	17,621.63	15,820.41	14,158.26	49,024.92	40,778.69	52,424.09
i. Total	**95,492.28**	**87,550.64**	**73,267.53**	**277,082.26**	**211,716.58**	**278,932.05**
3 Profit from Operations, before Interest & Exceptional Items (1-2)	**10,289.27**	**9,894.64**	**8,506.34**	**31,006.32**	**26,379.66**	**33,898.99**
4 Other Income	924.47	1,064.13	690.73	2,885.66	1,848.95	2,787.59
5 Profit before Interest & Exceptional Items (3+4)	**11,213.74**	**10,958.77**	**9,197.07**	**33,891.98**	**28,228.61**	**36,686.58**
6 Interest	821.52	910.62	764.61	2,697.32	2,111.65	3,933.43
7 Profit after Interest but before Exceptional Items (5-6)	**10,392.22**	**10,048.15**	**8,432.46**	**31,194.66**	**26,116.96**	**32,753.15**
8 Exceptional items (Note 11)	-	-	-	-	-	4,890.51
9 Profit before Tax (7+8) (Note 6 to 8 and 10)	**10,392.22**	**10,048.15**	**8,432.46**	**31,194.66**	**26,116.96**	**37,643.66**
10 Tax expense (net of MAT credit entitlement) (Note 9)	1,781.14	2,052.37	1,334.98	5,936.79	4,215.48	8,498.85
11 Net Profit from Ordinary Activities after Tax (9-10)	**8,611.08**	**7,995.78**	**7,097.48**	**25,257.87**	**21,901.48**	**29,144.81**
12 Extraordinary item (net of tax)	-	-	-	-	-	-
13 Net Profit for the period before Minority Interest (11-12)	**8,611.08**	**7,995.78**	**7,097.48**	**25,257.87**	**21,901.48**	**29,144.81**
14 Minority Interest	199.40	166.24	144.71	516.46	419.19	500.94
15 Net Profit for the period (13-14)	**8,411.68**	**7,829.54**	**6,952.77**	**24,741.41**	**21,482.29**	**28,643.87**
16 Paid-up Equity Share Capital	6,148.50	6,148.31	6,142.96	6,148.50	6,142.96	6,144.00
(Face Value Re.1 per share)						
17 Reserves excluding Revaluation Reserves (as per Balance Sheet)	-	-	-	-	-	85,403.03
18 Earnings Per Share (EPS)						
EPS before Extraordinary items for the period / year						
(a) Basic	1.37	1.27	1.16	4.02	3.58	4.68
(b) Diluted	1.37	1.27	1.15	4.02	3.56	4.65
EPS after Extraordinary items for the period / year						
(a) Basic	1.37	1.27	1.16	4.02	3.58	4.68
(b) Diluted	1.37	1.27	1.15	4.02	3.56	4.65
19 Public shareholding						
- Number of shares	228,861,267	228,722,317	227,519,630	228,861,267	227,519,630	228,023,030
- Percentage of shareholding	37.22	37.20	37.03	37.22	37.03	37.11
20 Promoters & Promoter Group Shareholding						
(a) Pledged / Encumbered						
- Number of Shares	-	400,000	400,000	-	400,000	400,000
- Percentage of Shares (as a % of total shareholding of promoters and promoter group)	-	0.10	0.10	-	0.10	0.10
- Percentage of Shares (as a % of total share capital of the company)	-	0.07	0.07	-	0.07	0.07
(b) Non-encumbered						
- Number of Shares	385,988,520	385,708,520	386,376,520	385,988,520	386,376,520	385,976,520
- Percentage of Shares (as a % of total shareholding of promoters and promoter group)	100.00	99.90	99.90	100.00	99.90	99.90
- Percentage of Shares (as a % of total share capital of the company)	62.78	62.73	62.90	62.78	62.90	62.82

Particulars	Quarter Ended December 31	Quarter Ended September 30	Quarter Ended December 31	Nine months ended December 31		Year ended March 31, 2011
	2011	2011	2010	2011	2010	(audited)
1. Segment Revenue (Note 4)						
(a) Consumer Products	98,283.60	90,825.42	75,574.69	287,706.80	220,674.96	292,038.29
(b) Skin Care (Note 7 and 10)	7,497.95	6,619.86	6,199.18	20,381.78	17,421.28	20,792.75
Sub - total	**105,781.55**	**97,445.28**	**81,773.87**	**308,088.58**	**238,096.24**	**312,831.04**
Less: Inter Segment revenue	-	-	-	-	-	-
Net Sales / Income from Operations	**105,781.55**	**97,445.28**	**81,773.87**	**308,088.58**	**238,096.24**	**312,831.04**
2. Segment Result (Note 4)						
(Profit before Interest and Tax and exceptional items)						
(a) Consumer Products	11,824.82	10,876.67	8,160.22	34,277.44	26,547.05	38,069.97
(b) Skin Care (Note 7 and 10)	(1,443.02)	(525.82)	565.79	(2,526.90)	451.59	(3,249.00)
Sub - total	**10,381.80**	**10,350.85**	**8,726.01**	**31,750.54**	**26,998.64**	**34,820.97**
Less: Interest (net)	330.41	498.10	309.24	1,350.33	955.86	2,312.43
Add: Un-allocable income (net of other un-allocable expense)	340.83	195.40	15.69	794.45	74.18	244.61
Total Profit before Tax and Exceptional Items	**10,392.22**	**10,048.15**	**8,432.46**	**31,194.66**	**26,116.96**	**32,753.15**
3. Capital Employed (Segment Assets - Segment Liabilities) (Note 4)						
(a) Consumer Products	120,199.23	118,556.51	61,594.41	120,199.23	61,594.41	115,165.04
(b) Skin Care	20,504.98	22,149.15	27,484.63	20,504.98	27,484.63	22,795.05
Add: Unallocated Capital Employed	(31,348.93)	(36,804.15)	(1,637.33)	(31,348.93)	(1,637.33)	(46,411.25)
	109,355.28	**103,901.51**	**87,441.71**	**109,355.28**	**87,441.71**	**91,548.84**

Notes to Consolidated financial results:

1. The above results were reviewed by the audit committee on January 31, 2012 and approved by the Board of Directors of Marico Limited ("the Company") at its meeting held on February 2, 2012. These consolidated financial results of the Company have been subjected to limited review by the statutory auditors of the Company. The consolidated financial results for the quarter and nine months ended December 31, 2010 were not subjected to limited review by the statutory auditors.

2. The Company has opted to publish consolidated financial results, pursuant to option made available as per clause 41 of the Listing Agreement. The Standalone financial results, which were subjected to the Limited Review by the statutory auditors, are available on the Company's website - http://www.marico.com and on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).

3. The Consolidated financial results comprise results of Marico Limited and its subsidiaries and step down subsidiaries in India, Bangladesh, UAE, Egypt, South Africa, Malaysia, Singapore and Vietnam. All the aforesaid entities are collectively called 'Marico'.

4. The primary reporting of Marico is based on two business segments namely Consumer Products and Skin Care.

5. a. During the quarter ended March 31, 2011, the Company acquired 85% stake in International Consumer Products Corporation (ICP), a company incorporated in Vietnam and its step down subsidiaries. The effective date of this acquisition was February 18, 2011. ICP increased its shareholding in its subsidiary Thuan Phat Food Stuff Joints Stock Company from 87 % at the time of acquisition to 96.2% by end of the quarter ended December 31, 2011.

   b. During the quarter ended June 30, 2010, Derma-Rx International Aesthetics Pte. Ltd. was incorporated as a wholly owned subsidiary of Kaya Limited (a wholly owned subsidiary of the Company) for the acquisition of skin care business of Derma Rx. The effective date of this acquisition was May 25, 2010.

   Accordingly, the consolidated financial results for the quarter ended September 30, 2011 and the quarter and nine months ended December 31, 2011 include the financial results of the above-mentioned subsidiaries and the step down subsidiaries. However, the consolidated financial results for the quarter and nine months ended December 31, 2010 included the financial results of Derma-Rx International Aesthetics Pte. Ltd and its subsidiaries from May 25, 2010 to December 31, 2010.

6. During the year ended March 31, 2010 and three quarters till December 31, 2010, the Company had made provisions towards 75% of possible excise duty obligations in respect of the coconut oil packs up to 200 ml, which is being contested by the Company. Based on facts of the case and the legal opinion obtained, the Company had made an assessment that the probability of success in the matter is more likely than not and the liability was in the nature of contingent liability. As the said provisioning of contingent liability was not in accordance with the requirement of Accounting Standard (AS) 29 “Provisions, Contingent Liability and Contingent Assets” , the Company reviewed the matter and reversed the entire provision made up to December 31, 2010 (including Rs. 2,934.59 Lacs for the year ended March 31, 2010) during the quarter/year ended March 31, 2011. Consequently, the financial results for the quarter ended September 30, 2011 and quarter and nine months ended December 31, 2011 do not contain any provision towards the aforementioned possible excise obligations. However, the financial results of

the quarter ended September 30, 2010 and quarter and nine months ended December 31, 2010 included provision of Rs. 820.35 Lacs, Rs. 957.19 Lacs and Rs. 2,660.82 Lacs (under the head “Other expenditure”), respectively, on account of this matter.

The Company will continue to review this matter during the coming accounting periods based on the developments on the outcomes in the pending cases and the legal advice that it may receive from time to time.

7. During the quarter and the year ended March 31, 2011, two of the Company’s subsidiaries, Kaya Limited and Kaya Middle East FZE had refined the revenue recognition policy for package services so as to better align the recognition of revenue with the services rendered. Had these companies not made the said refinement, the consolidated “Sales and services” and “profit before tax" for the quarter ended September 30, 2011 and quarter and nine months ended December 31, 2011 would have been higher by Rs. 854.47 Lacs and Rs. 267.15 Lacs and Rs. 1,646.23 Lacs, respectively.

8. During the quarter and the year ended March 31, 2011, the Company reviewed its policy of not amortizing the intangible assets in some of its overseas subsidiaries and consequently decided to amortize these intangible assets over a period of 10 years so as to align the policy with the Indian Accounting Standards. The consolidated financials for the quarter ended September 30, 2011 and quarter and nine months ended December 31, 2011 have been prepared after factoring the impact of amortization. Had the Company continued with earlier practice, the consolidated “Depreciation, Amortization and Impairment” would have been lower and profit before tax for the quarter ended September 30, 2011 and quarter and nine months ended December 31, 2011 would have been higher by Rs. 255.86 Lacs and Rs. 265.57 Lacs and Rs. 773.45 Lacs, respectively.

9. Tax expenses for the quarter and nine months ended December 31, 2011 are net of write back of excess provision of Rs. 556.29 Lacs relating to previous year.

10. During the quarter ended December 31, 2011, the management carried out a review of Kaya Middle East FZE, which revealed certain misstatement of expenses pertaining to earlier years. The management has taken appropriate action on this. Consequently, prior year expenses aggregating Rs. 1297.51 Lacs have been accounted during the quarter, which are included in the respective expense heads such as cost of material, advertising and sales promotion, employee costs and other expenses. The management has also initiated necessary steps to strengthen the processes of monitoring and oversight of operations.

11. “Exceptional Items” for the year ended March 31, 2011 comprised the following:

		Rs. Lacs
a.	Profit on divestment of “Sweekar” brand	5,000.00
b.	Reversal of provision of excise duty for the year ended March 31, 2010 (Refer note 6 above)	2,934.59
c.	Provision for impairment of goodwill and intangible assets relating to “Fiancée” trademark.	(2,269.86)
d.	Provision for impairment relating to Kaya Skin Clinics in India	(774.22)
	Total	**4,890.51**

12. Following are the particulars of the Company on a standalone basis:

Rs. Lacs

	Quarter Ended December 31 2011	**Quarter Ended September 30 2011**	**Quarter Ended December 31 2010**	**Nine months ended December 31, 2011**	**Nine months ended December 31, 2010**	**Year ended March 31, 2011 (audited)**
Turnover	76,751.87	71,833.86	61,053.84	229,345.19	173,264.50	235,371.13
Profit before tax	10,054.52	9,310.70	6,291.53	29,142.48	20,386.23	37,455.33
Profit after tax	8,736.71	7,989.23	5,629.27	24,887.59	18,352.68	31,533.26

13. Under the “Marico Employees’ Stock Options Scheme 2007", the Company has granted 11,376,300 stock options to certain eligible employees up to December 31, 2011 of which 4,628,800 options have been forfeited and 5,849,787 options have been exercised. An aggregate of 897,713 options were outstanding as on December 31, 2011. During the quarter and nine months ended December 31, 2011, pursuant to the exercise of stock options, the Company has allotted 18,950 and 4,50,237 equity shares of Re. 1 each, respectively.

14. There were no investor complaints pending at the beginning of the quarter. 9 investor complaints were received and resolved during the quarter. There were no complaints lying unresolved as at December 31, 2011.

15. Previous quarter / period figures have been regrouped / restated wherever necessary.

16. These Financial Results and other related useful information are available on Marico's website - http://www.marico.com.

Place: Lonavala

Date: February 2, 2012

Harsh C. Mariwala

Chairman & Managing Director

About Marico

Marico (BSE: 531642, NSE: "MARICO") is one of India's leading Consumer Products & Services Group, in the global beauty and wellness space. During 2010-11, Marico recorded a turnover of Rs. 31.3 billion (~USD 695 Million) through its products and services sold in India and about 25 other countries in Asia and Africa.

Marico touches the lives of 1 out of every 3 Indians, through its portfolio of brands such as Parachute, Saffola, Hair & Care, Nihar, Mediker, Revive and Manjal. The international consumer products portfolio contributes to about 23% of the Group's revenue, with brands like Parachute, HairCode, Fiancee, Camelia, Aromatic, Caivil, Hercules, Black Chic, Code 10 and Ingwe. In addition, the company acquired a majority stake in one of Vietnam's leading FMCG Companies - International Consumer Products Corporation (ICP) which markets brands such as X-Men, L'Ovite and Thuan Phat. Marico is also present in the Skin Care Solutions segment through Kaya Skin Clinics in India, Middle East and Bangladesh and Derma Rx in Singapore.

Marico's focus on sustainable profitable growth is manifest through its consistent financial performance – a CAGR of 22% in Turnover and 27% in Profits over the past 5 years. Marico has successfully achieved several consecutive quarters of y-o-y growth- 49 for Profits and 45 for Sales.

"As part of Marico's Green Initiative your Company wants to make its contribution to save the environment by sending its shareholders the Annual Report and other communication using the electronic medium. Therefore, we request you to update your email addresses with your respective Depository Participant (DP) where you hold your DEMAT accounts. Alternatively, you can mail us at investor@maricoindia.net with your email address, Name, DP ID and Client ID. We thank you for supporting this Green Initiative."

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