



MARICO LIMITED

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2008

(Rs. Lacs)

GROUP HIGHLIGHTS

Quarter ended December 31		Particulars	Nine Months ended December 31		Previous accounting year ended March 31, 2008
Reviewed	Reviewed		Reviewed	Reviewed	Audited
2008	2007		2008	2007	
50,044.98	41,444.45	<b>1. Net Income from sales and services</b>			
216.26	296.40	<b>(a) Net Sales/Income from Operations</b>	148,658.83	119,443.22	156,473.53
		<b>(b) Other Operating Income</b>	574.14	861.88	1,124.36
<b>50,261.24</b>	<b>41,740.85</b>		<b>149,232.97</b>	<b>120,305.10</b>	<b>157,597.89</b>
		<b>2. Expenditure</b>			
5,237.27	1,572.80	a. (Increase) / decrease in stock in trade and work in progress	(1,335.32)	154.03	(2,523.87)
20,100.74	18,401.08	b. Consumption of raw materials	74,472.81	55,707.77	75,579.86
4,186.26	3,525.84	c. Consumption of Packing Materials	13,031.42	10,688.33	14,125.99
1,387.02	314.76	d. Purchase of traded goods	3,807.01	804.41	1,099.86
2,041.27	1,989.30	e. Employees cost	6,153.40	5,932.91	7,718.47
4,046.40	4,754.62	f. Advertisement & Sales Promotion	13,484.99	13,099.83	18,109.97
463.47	792.11	g. Depreciation (Note 4)	1,237.11	1,501.07	1,892.84
5,934.03	5,651.57	h. Other expenditure	19,908.05	17,198.98	23,149.94
<b>43,396.46</b>	<b>37,002.08</b>	i. <b>Total</b>	<b>130,759.47</b>	<b>105,087.33</b>	<b>139,153.06</b>
<b>6,864.78</b>	<b>4,738.77</b>	<b>3 Profit from Operations before Other Income, Interest &amp; Exceptional Items (1-2)</b>	<b>18,473.50</b>	<b>15,217.77</b>	<b>18,444.83</b>
72.93	161.95	<b>4 Other Income</b>	240.93	262.62	287.51
<b>6,937.71</b>	<b>4,900.72</b>	<b>5 Profit before Interest &amp; Exceptional Items (3+4)</b>	<b>18,714.43</b>	<b>15,480.39</b>	<b>18,732.34</b>
559.42	289.28	<b>6 Interest (net)</b>	1,995.99	875.27	1,529.04
<b>6,378.29</b>	<b>4,611.44</b>	<b>7 Profit after Interest but before Exceptional Items (5-6)</b>	<b>16,718.44</b>	<b>14,605.12</b>	<b>17,203.30</b>
-	-	<b>8 Exceptional Items (Note 5)</b>	-	-	123.81
<b>6,378.29</b>	<b>4,611.44</b>	<b>9 Profit from Ordinary Activities before tax (7+8)</b>	<b>16,718.44</b>	<b>14,605.12</b>	<b>17,327.11</b>
1,206.59	587.81	<b>10 Tax expense</b>	3,165.26	2,813.84	2,985.77
<b>5,171.70</b>	<b>4,023.63</b>	<b>11 Net Profit for the period (9-10)</b>	<b>13,553.18</b>	<b>11,791.28</b>	<b>14,341.34</b>
6,090.00	6,090.00	<b>12 Paid-up Equity Share Capital (Face value Re.1 per share)</b>	6,090.00	6,090.00	6,090.00
		<b>13 Reserves excluding Revaluation Reserves (as per balance sheet) of previous accounting year</b>			21,934.21
		<b>14 Earnings Per Share (EPS) Not Annualised</b>			
0.85	0.66	(a) Basic	2.23	1.94	2.35
0.85	0.66	(b) Diluted	2.23	1.94	2.35
		<b>15 Public Shareholding</b>			
222,593,480	222,593,480	- Number of Shares	222,593,480	222,593,480	222,593,480
36.55	36.55	- Percentage of Shareholding	36.55	36.55	36.55

**Turnover Up - 23%**

**Consumer Products Business - India Up - 16%**

**International FMCG Business Up - 44%**

**Kaya Business Up - 59%**

**Q3FY09 : - consecutive quarter of Y-o-Y**

**Growth in Turnover - 33**

**Growth in Profits - 37**

**Notes :**

1. The standalone unaudited financial statements for the nine months ended and quarter ended December 31, 2008 were reviewed by the audit committee at its meeting held on January 22, 2009 and approved by the Board of Directors of Marico Limited ("the Company") at its meeting held on January 22, 2009. The financial results of the Company for the nine months ended and quarter ended December 31, 2008 have been subjected to limited review by the statutory auditors of the Company.
2. Pursuant to the Institute of Chartered Accountants of India's (ICAI) Announcement "Accounting for Derivatives" encouraging the early adoption of Accounting Standard (AS) 30 "Financial Instruments: Recognition and Measurement", the Company has decided on early adoption of AS30 to the extent it does not conflict with existing mandatory accounting standards and other authoritative pronouncements, companies law and other regulatory requirements. In accordance with the said standard, during the current quarter, in respect of derivative instruments and foreign currency loans which qualify for hedge accounting, the net unrealized loss aggregating Rs. 512.58 lacs has been accounted for as a hedging reserve to be recognized in the profit and loss account when the underlying transaction or forecast revenue arises, as against the earlier practice of recognizing the same in the profit and loss account.
3. The Company had in February 2003, acquired the spa products business under the brand "Sundari" through the acquisition of the controlling interest in Sundari LLC, a company domiciled in the United States. As on date, Sundari LLC is a wholly owned subsidiary of the Company. The Company has been working upon making improvements in the business model and the business had shown some positive signs of recovery. Unfortunately, the economic ambience has turned for the worse across the globe, more so in the USA, creating uncertainties about the current business model. The Company is therefore exploring various alternatives of maximizing possible value from the Sundari business including restructuring of Company's stake in the subsidiary. As on December 31, 2008, the Company's total exposure in Sundari is at Rs.4,930.45 lacs, of which Rs.936.72 lacs were provided in the books during 2007-08. Financial impact, if any, consequent to such restructuring shall be given effect to in the financial statements upon final decision in the matter.
4. During the Q3 FY08, the Company changed its method of accounting depreciation on factory building from Straight Line basis to Written Down Value basis. As a result of this change, additional depreciation of Rs. 406 lacs in respect of earlier years and Rs. 23 lacs for the nine months ended December 31, 2007 was charged to the profit and loss account & included under "Depreciation, amortisation and impairment" of the Q3 FY08 and nine months ended December 31, 2007. Consequently, the figures for current quarter and nine months ended December 31, 2008 are not comparable with the corresponding previous period figures.
5. Exceptional items for FY08 Comprise of:
  - a. Profit of Rs. 1,060.53 Lacs on sale of Sil business on slump sale basis, including manufacturing unit at Saswad.
  - b. provision of Rs.936.72 Lacs towards diminution in the value of Marico's Investment / advances in its wholly owned subsidiary (WOS) Sundari LLC (Sundari).
6. The Company has only one reportable segment in terms of Accounting Standard 17 "Segment Reporting" mandated by Rule 3 of the Companies (Accounting Standards) Rules, 2006, which is manufacturing and sale of consumer products.
7. The Corporate Governance Committee of the Board of Directors of the Company, has granted Stock Options to certain eligible employees pursuant to the "Marico Employees Stock Options Scheme 2007". In all, 9,682,900 options have been granted upto December 31, 2008. The grant of stock options to employees does not result in any material employee compensation costs under the 'intrinsic value' method determined in terms of SEBI guidelines.
8. During the quarter ended December 31, 2008, 1 investor complaint was pending at the beginning of the quarter and has been resolved during the quarter. 36 investor complaints were received during the quarter and 32 were resolved before the completion of the quarter. 4 investor complaints were received towards the end of the quarter and have since been resolved.
9. Previous period / year figures have been regrouped / restated wherever necessary.
10. These Financial Results and other related useful information are available on Marico's website - <http://www.marico.com>

**Place : Mumbai**  
**Date : January 22, 2009**

**Harsh C. Mariwala**  
**Chairman & Managing Director**

Marico is a leading Indian Group in Consumer Products & Services in the Global Beauty and Wellness space. Marico's Products and Services in Hair care, Skin Care and Healthy Foods generated a Turnover of about Rs. 19.1 billion (about USD 455 Million) during 2007-08. Marico markets well-known brands such as Parachute, Saffola, Sweekar, Hair & Care, Nihar, Shanti, Mediker, Revive, Manjal, Kaya, Sundari, Aromatic, Fiancee, HairCode, Calvil and Black Chic. Marico's brands and their extensions occupy leadership positions with significant market shares in most categories- Coconut Oil, Hair Oils, Post wash hair care, Anti-lice Treatment, Premium Refined Edible Oils, niche Fabric Care etc. Marico is present in the Skin Care Solutions segment through Kaya Skin Clinics (84 in India and The Middle East), the Sundari range of Spa skin care products (in the USA & other countries) and its soap franchise (in India and Bangladesh).

Marico's branded products are present in Bangladesh, other SAARC countries, the Middle East, Egypt and South Africa. The Overseas Sales franchise of Marico's Consumer Products (whether as exports from India or as local operations in a foreign country) is one of the largest amongst Indian Companies and is entirely in branded products and services. Marico was selected as one of the eight Indian companies in S & P's list of Challenger Companies from various nations, compiled globally by Standard & Poor's in June 2007.

Marico has also won various other Awards, such as the following:

- Silver (2008) and Bronze (2007) award at the Asia Pacific Effie Awards for Saffola's World Heart Day campaign
- Silver (2008) and Bronze (2007) Effies in the Consumer Products category for Saffola's advertising campaign
- Kaya Ltd won the coveted "Star Retailer Award 08" for Best Customer Service.
- NDTV Profit – Business Leadership Award, FMCG Personal Hygiene category (July 2007)
- Business Week's Asia's Hot Growth Companies list of 100 (2007)
- India's Employer of Choice (CNBC TV 18)
- The Smart Workplace 2008 Award in the FMCG Category
- Winner of the SP Jain Marketing Impact Awards (2008)
- INDY's award for the Best Corporate Commercial on television (Jan 2008)
- Gold Effie in Corporate Advertising (2007)
- Bronze Effies for consumer products advertising campaigns for Nihar Naturals perfumed oil (2007).
- The Gulf Marketing Review Award in the Middle East 2006 & 2007

\*Every month, over 70 Million consumer packs from Marico reach approximately 130 Million consumers in about 23 Million households, through a widespread distribution network of more than 2.5 Million outlets in India and overseas.

Marico's focus on sustainable profitable growth is manifest through its consistent financial performance – a CAGR of 21% in Turnover and 30% in Profits over the past 5 years- while setting a record of several consecutive quarters of year on year growth- 37 for Profits and 33 for Sales.

The Marico scrip is listed on the Bombay Stock Exchange (BSE) (Code 531642) & on the National Stock Exchange (NSE) (Code "MARICO").

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Websites: [www.marico.com](http://www.marico.com), [www.saffolalife.com](http://www.saffolalife.com), [www.kayaclinic.com](http://www.kayaclinic.com), [www.sundari.com](http://www.sundari.com), [www.parachuteadvansed.com](http://www.parachuteadvansed.com), and [www.maricoinnovationfoundation.org](http://www.maricoinnovationfoundation.org)



MARICO LIMITED

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2008

Quarter ended December 31 (Unaudited)		Particulars	(Rs. Lacs)		SEGMENT - WISE			(Rs. Lacs)			
			Nine Months Ended December 31 (Unaudited)		Previous accounting year ended March 31, 2008 (Audited)	Previous accounting year ended March 31, 2008 (Audited)	Quarter ended December 31 (Unaudited)		Particulars	Nine Months Ended December 31 (Unaudited)	
			2008	2007			2008	2007		2008	2007
62,275.55	50,509.98	1. Net Income from sales and services	182,703.46	143,610.51	190,264.24	179,542.19	57,960.08	47,755.67	1. Segment Revenue (Note 5)	170,381.20	136,009.43
7.73	113.94	(a) Net Sales/Income from Operations	22.42	305.31	404.78	11,126.83	4,323.20	2,868.25	(a) Consumer Products	12,344.68	7,906.39
62,283.28	50,623.92	(b) Other Operating Income	182,725.88	143,915.82	190,669.02	190,669.02	62,283.28	50,623.92	(b) Others	182,725.88	143,915.82
4,699.08	1,095.83	2. Expenditure	(2,149.91)	160.98	(2,589.21)	-	-	-	Sub - total	-	-
24,364.40	21,337.50	a. (Increase) / decrease in stock in trade and work in progress	85,851.53	62,177.77	83,256.42	190,669.02	62,283.28	50,623.92	Less: Inter Segment revenue	182,725.88	143,915.82
4,938.94	3,986.84	b. Consumption of raw materials	15,001.08	11,593.98	15,515.67	-	-	-	Net Sales / Income from Operations	182,725.88	143,915.82
224.61	315.27	c. Consumption of Packing Materials	572.37	1,181.65	1,904.62	-	-	-	2. Segment Result (Note 5)		
4,026.50	3,071.77	d. Purchase of traded goods	12,206.12	9,044.57	12,679.40	23,992.57	7,478.42	6,174.70	(Profit after exceptional items before Interest and Tax)	21,621.34	18,392.60
6,806.08	6,277.50	e. Employees cost	19,359.39	17,428.34	24,545.96	(714.37)	(232.60)	(66.84)	(a) Consumer Products	(759.71)	(309.06)
975.40	1,068.74	f. Advertisement & Sales Promotion	2,538.01	2,284.20	3,074.75	23,278.20	7,245.82	6,107.86	(b) Others	20,861.63	18,083.54
9,309.55	8,116.09	g. Depreciation	29,015.38	22,835.97	30,731.81	2,765.51	678.10	684.45	Sub - total	2,344.15	2,040.10
55,344.56	45,269.54	h. Other expenditure	162,393.97	126,707.46	169,119.42	-	-	-	Less: Interest	-	-
6,938.72	5,354.38	i. Total	20,331.91	17,208.36	21,549.60	10.43	0.99	3.13	Less: Other un-allocable expenditure ( net of un-allocable income )	3.54	8.47
307.09	753.50	3 Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	529.71	875.18	668.07	20,502.26	6,566.73	5,420.28	Less: Minority Interest	18,513.94	16,034.97
7,245.81	6,107.88	4 Other Income	2,344.15	2,040.10	2,765.51	-	-	-	Total Profit Before Tax	18,513.94	16,034.97
678.10	684.45	5 Profit before Interest & Exceptional Items (3+4)	18,517.47	16,043.44	19,452.16	11,287.86	18,614.84	11,060.26	3. Capital Employed (Segment Assets - Segment Liabilities)		
6,567.71	5,423.43	6 Interest	-	-	1,060.53	10,543.92	15,337.42	11,091.13	(a) Consumer Products	18,614.84	11,060.26
-	-	7 Profit after Interest but before Exceptional Items (5-6)	18,517.47	16,043.44	19,452.16	9,629.68	9,278.79	8,380.59	(b) Others	9,278.79	8,380.59
6,567.71	5,423.43	8 Exceptional Items	-	-	1,060.53	10,543.92	15,337.42	11,091.13	Add: Unallocated Capital Employed	15,337.42	11,091.13
1,477.67	833.05	9 Profit from Ordinary Activities before tax (7+8)	18,517.47	16,043.44	20,512.69	31,461.46	43,231.05	30,531.98		43,231.05	30,531.98
5,090.04	4,590.38	10 Tax expense	4,083.05	3,205.59	3,595.15	-	-	-			
0.99	3.13	11 Net Profit from Ordinary Activities after tax (9-10)	14,434.42	12,837.85	16,917.54	-	-	-			
5,089.05	4,587.25	13 Minorities Interest	3.54	8.47	10.43	-	-	-			
6,090.00	6,090.00	14 Net Profit for the period (11-12)	14,430.88	12,829.38	16,907.11	-	-	-			
-	-	15 Paid-up equity share capital (Face Value Re.1 per share)	6,090.00	6,090.00	6,090.00	-	-	-			
0.84	0.76	16 Reserve excluding Revaluation Reserves	-	-	25,371.46	-	-	-			
0.84	0.76	17 Earnings Per Share (EPS)	2.37	2.11	2.78	-	-	-			
222,593,480	222,593,480	(a) Basic	2.37	2.11	2.78	-	-	-			
36.55	36.55	(b) Diluted	2.37	2.11	2.78	-	-	-			
		18 Public shareholding									
		- Number of shares	222,593,480	222,593,480	222,593,480						
		- Percentage of shareholding	36.55	36.55	36.55						

**Notes to unaudited Consolidated financial results:**

1. The Consolidated unaudited financial statements for the quarter and nine months ended December 31, 2008 were reviewed by the audit committee and approved by the Board of Directors of Marico Limited at their meeting held on January 22, 2009.
2. The unaudited Consolidated financial results for the quarter and nine months ended December 31, 2008 comprise of Marico Limited('the Company'), Kaya Limited, Marico Bangladesh Limited, MBL Industries Limited, Marico Middle East FZE, Kaya Middle East FZE, Marico South Africa Consumer Care (Pty) Limited, Marico South Africa (Pty) Limited, CPF International (Pty) Limited, MEL Consumer Care SAE, Egyptian American Investment & Industrial Development Company, Pyramids for Modern Industries, Wind CO and Sundari LLC. All the aforesaid entities are collectively called 'Marico'.
3. The Consolidated Financial statements are prepared in accordance with the principles and procedures for the preparation and presentation of the Consolidated Financial Statement as set out in the Accounting Standard 21 on Consolidated Financial statements mandated by Rule 3 of the Companies (Accounting Standards) Rules, 2006, the Provisions of Companies Act 1956 and guidelines issued by the Securities and Exchange Board of India.
4. With reference to Note 3 under Marico Limited Financials for Q3 FY09, it may be noted that at a consolidated level, Capital employed in Sundari as on December 31, 2008 is at RS.1160.20 lacs.
5. The primary reporting of Marico is based on two business segments namely Consumer Products and Others which comprise of Skin care and Global Ayuvedics.
6. Previous period / year figures have been regrouped / restated wherever necessary.
7. These Financial Results and other related useful information are available on Marico's website - <http://www.marico.com>

**Place : Mumbai**

**Date : January 22, 2009**

**Harsh C. Mariwala**  
**Chairman & Managing Director**