

## Media Release

Year 2011-12

Turnover Tk. 603 cr.  
PBT Tk. 70 cr.

1 out of every 2  
Bangladeshi is a  
Marico consumer

Super Brands  
voted Parachute a  
Super Brand in  
Bangladesh

Parachute brand  
voted the "Best  
Brand" award for  
FY'11-12 across all  
categories by  
Nielsen Bangladesh  
& Bangladesh  
Brand Forum

The Gazipur factory  
is ISO9001, ISO  
14001 & 18001  
certified

Marico distribution  
network covers  
over 7 Lac outlets

## Marico Bangladesh Limited; Q2FY13 Update



### Business Performance

The 2<sup>nd</sup> quarter ended September 2012, has shown a positive movement in the company's financials with an overall turnover growth of 1% over the previous quarter (Q1FY13), thereby reversing the negative trend, which the company had experienced last year and in the first quarter of this financial year. Marico Bangladesh operations has clocked a Turnover of Taka 181.5 cr. for Q2FY13; in terms of volume growth over Q1FY13, the flagship brand Parachute Coconut Oil grew by 4% whereas its Value Added Hair Oils continued its momentum with a growth of 15%. The overall business experienced a positive volume growth of 5% over Q1FY13.

Profit before Tax (PBT) for Q2FY13 was Taka 29.1 cr., a growth of about 4% over the previous quarter. In terms of Gross Margins percentages, there has been a further improvement of +5% over Q1FY13.

In line with its overall long term growth strategy and efforts to widen its consumer offering in the market, over the last couple of years, the company had increased its focus in the Value Added Hair Oils category. Marico's portfolio of brands in this segment has been performing extremely well with volume growth of 60% on a Year to Date level over the previous year. This Growth momentum is likely to continue with its key brand "Parachute Beliphool" taking the lead. The launch of its new brand "Nihar" has further complimented this journey and the company is already amongst the top 3 players in this category. Parachute Coconut Oil, the mother brand continues to maintain its dominance in the coconut oil segment and should end the year on a positive note in terms of volume growths.. The Hair Dye business is also trending well ending H1FY13 on a positive volume growth of 7% over H1FY12.

The company's key supply chain initiative viz. setting up of a new factory in Shirirchala, Gazipur is on track. The plant started its trial production and we expect it to be fully operational in Q3FY13.

During the last quarter, the company decided to exit Kaya clinic prototype from Bangladesh effective 1<sup>st</sup> December' 2012. While the consumer response has been encouraging, an initiative of this nature in Bangladesh is felt to be still in its nascent stage and would take some time before it can be converted into a valuable business proposition. Contribution of Kaya to the overall business of Marico in Bangladesh is less than 0.5%, hence overall impact on Marico's Bangladesh operations is expected to be negligible.

### Outlook

Given the overall healthy performance during Q2FY13 and with the planned initiatives in the coming quarter(s), the medium term business outlook looks positive despite the continuing uncertainty in the current business environment.