



KAJARIA CERAMICS LIMITED

Investor Update – Q3 FY14 / 9M FY14

January 20, 2014

Kajaria
TRANSFORM YOUR WORLD

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- Chairman's Message
- Financial Performance - Q3 FY14 / 9M FY14
- Balance sheet perspective
- Income Statement
- Shareholding Pattern

When an important supply line gets choked for a significant period of time, words like these get thrown around... Reduced numbers. Dropped margins. Defensive statements. Subdued optimism.

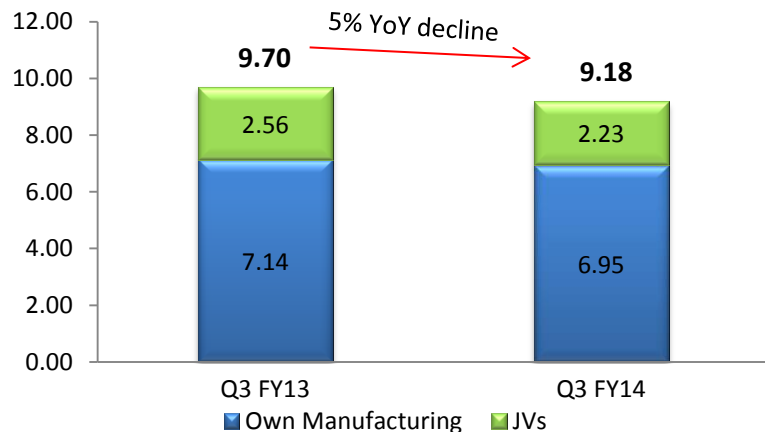
This axiom did not apply to us this time around.

Morbi (Gujarat) , an important tile source (location of our 13 MSM JV facility plus outsourcing source from other producers) did not generate a single tile for close to a month due to production shutdown by the Gujarat tile manufactures in the month of December.

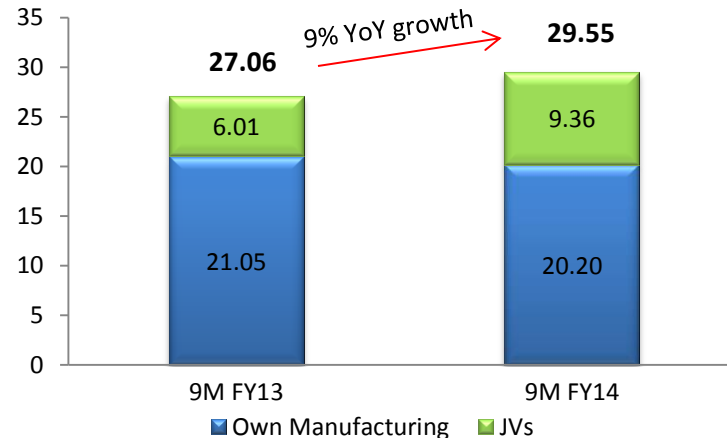
Yet, our Q3/2013-14 revenues grew by 5%, EBIDTA margin improved by 86 bps and net profit grew by 18% over the corresponding period during the previous year.

As we venture towards executing multiple expansion projects that will strengthen our ability to effectively cater to pan India demand and a new business vertical - sanitaryware, I am optimistic of the company's sustained growth and ability to strengthen shareholder value.

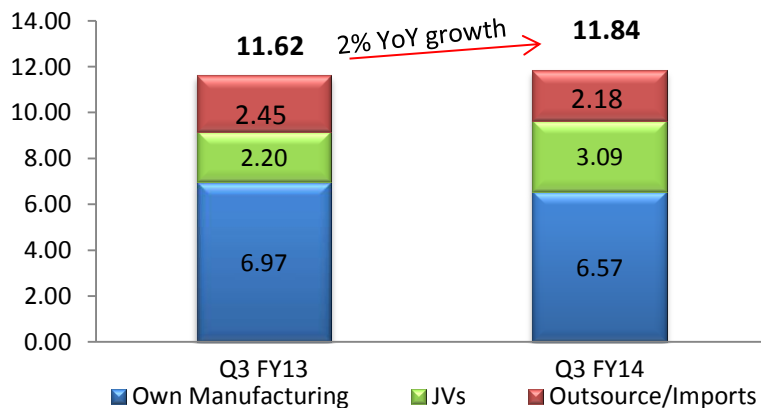
Production Growth – Q3FY14



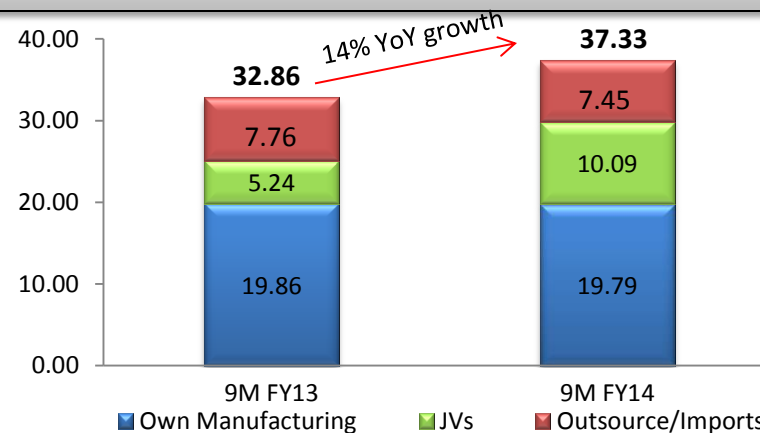
Production Growth – 9M FY14



Sales Growth– Q3 FY14

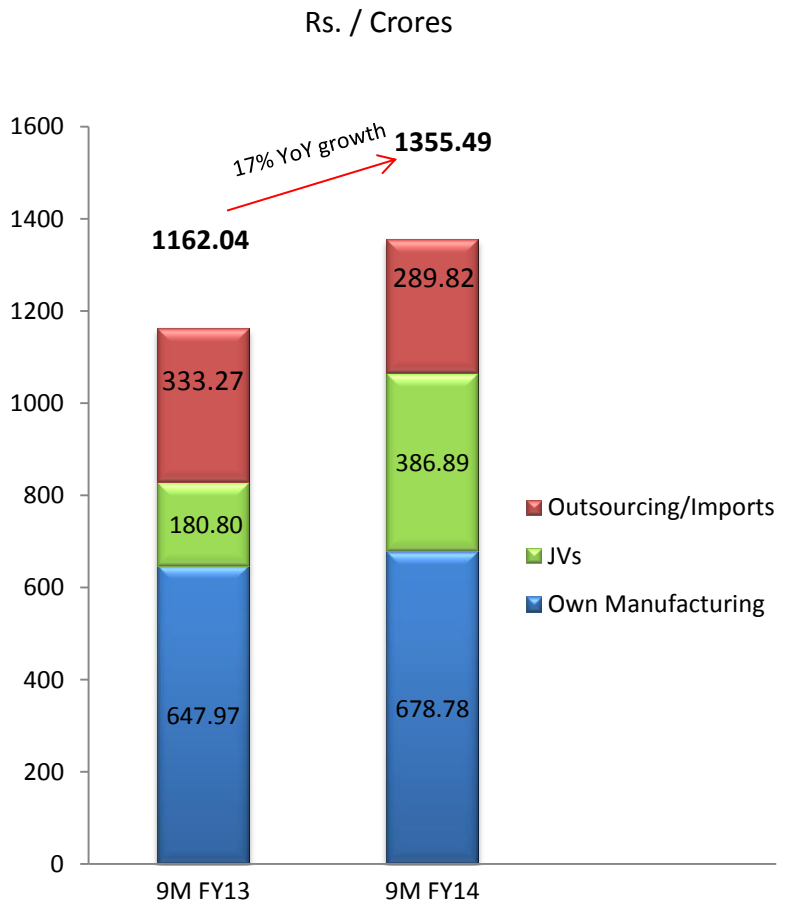
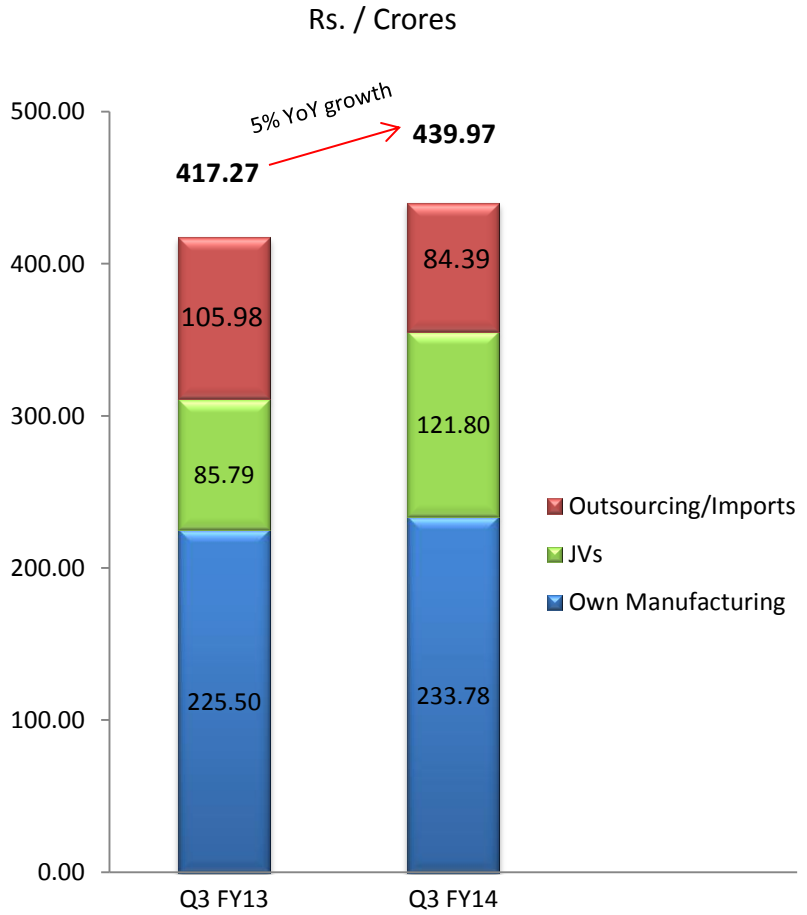


Sales Growth– 9M FY14



* All figures are on consolidated basis and are in million sq. mtr. of tiles, unless mentioned

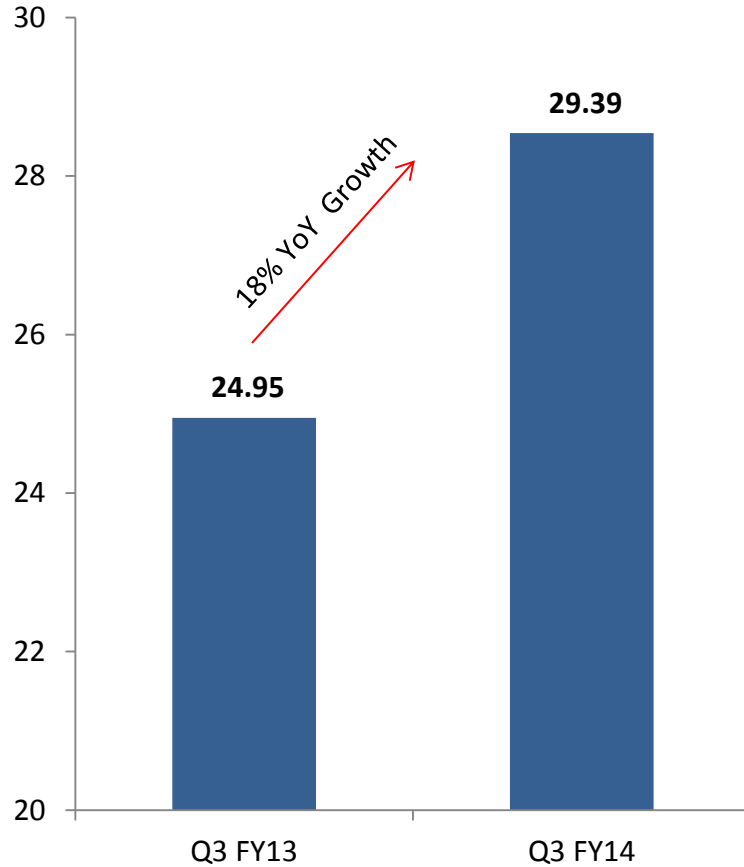
Revenue Growth



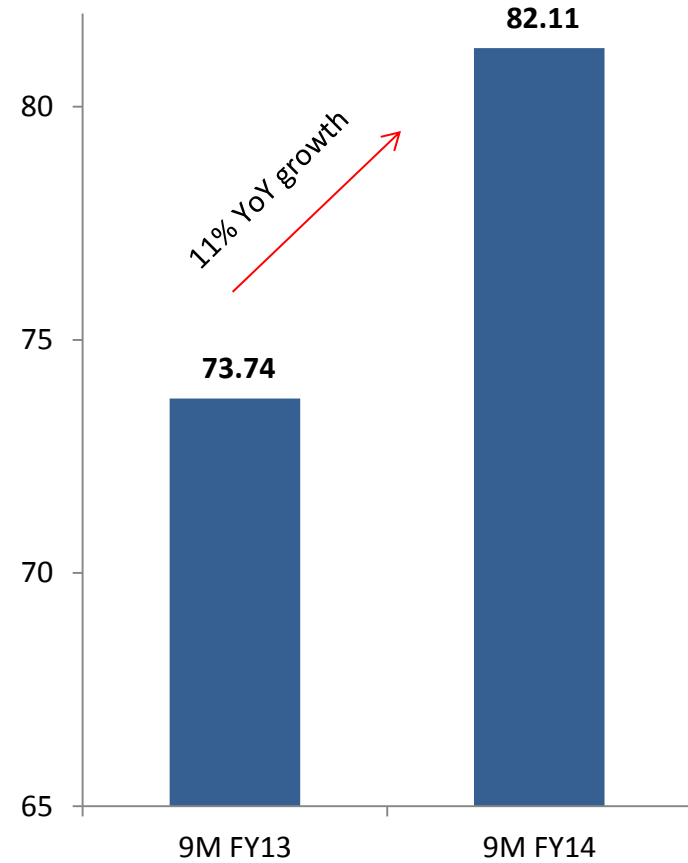
All figures are on consolidated basis and are in Rs. crores, unless mentioned.

PAT Growth - Consolidated

Rs. / Crores



Rs. / Crores

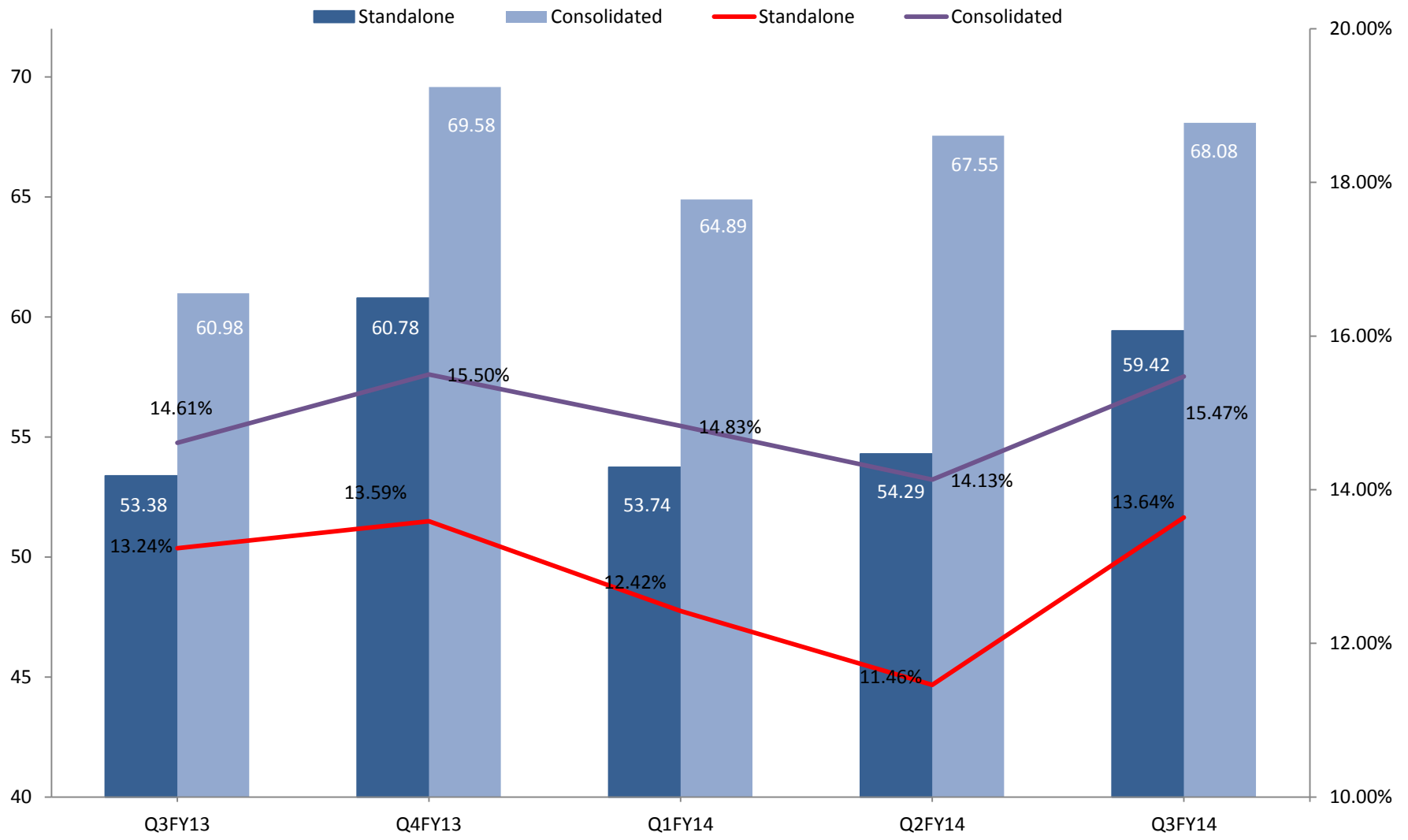


All figures are on consolidated basis and are in Rs. crores, unless mentioned.

EBIDTA / EBIDTA Margin (consolidated) – quarterly progression

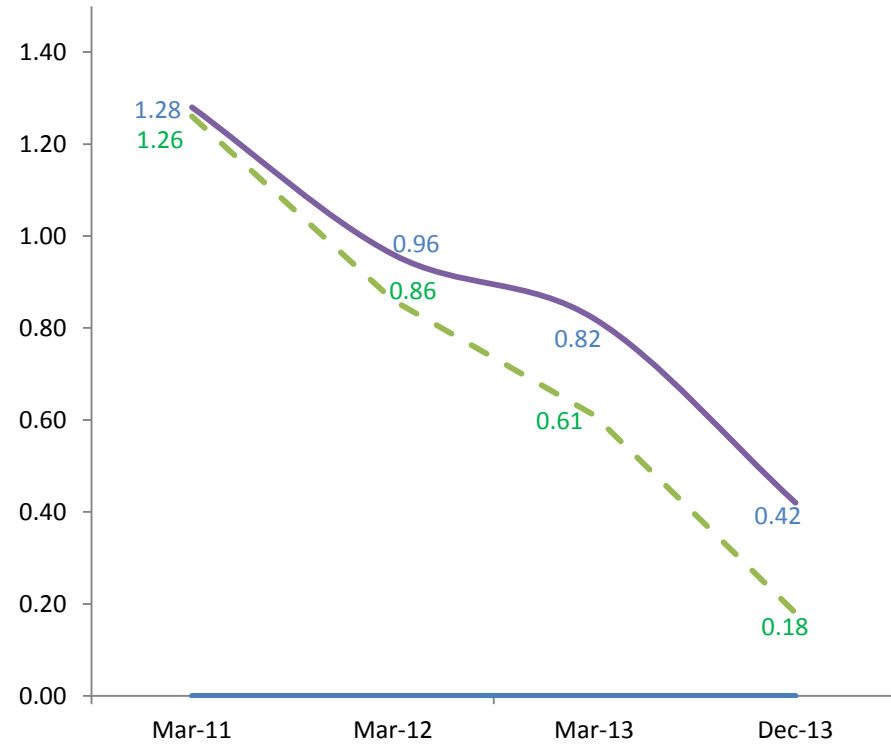


Rs./Crores



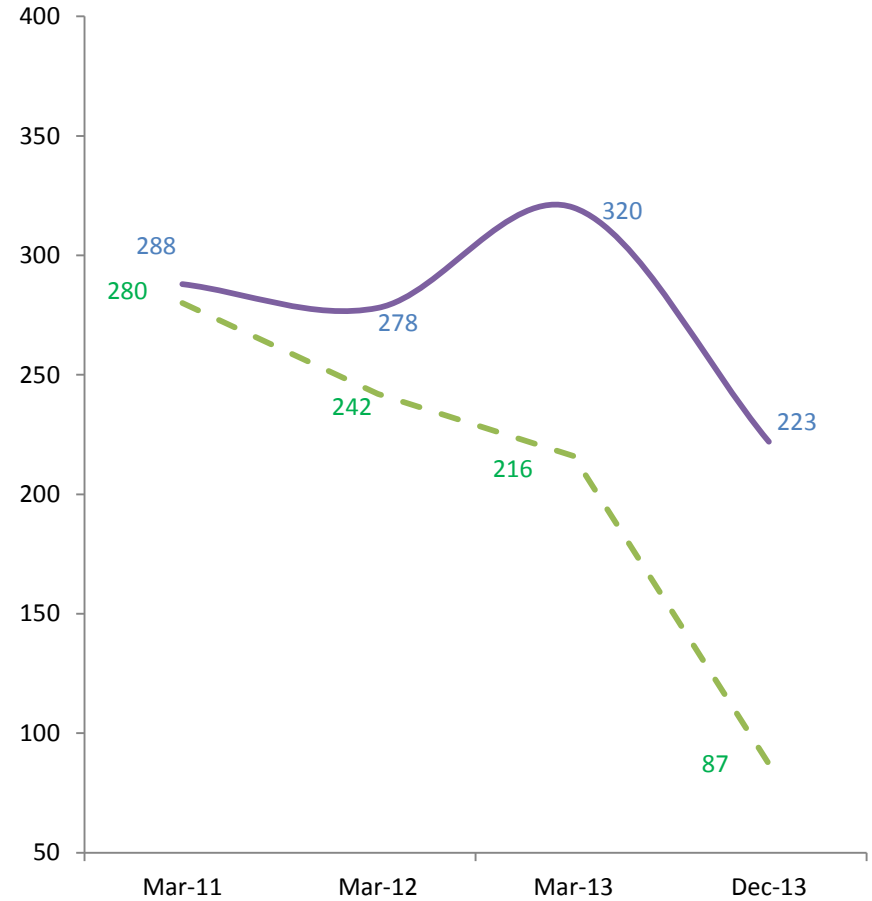
Debt Equity (X)

Standalone Consolidated



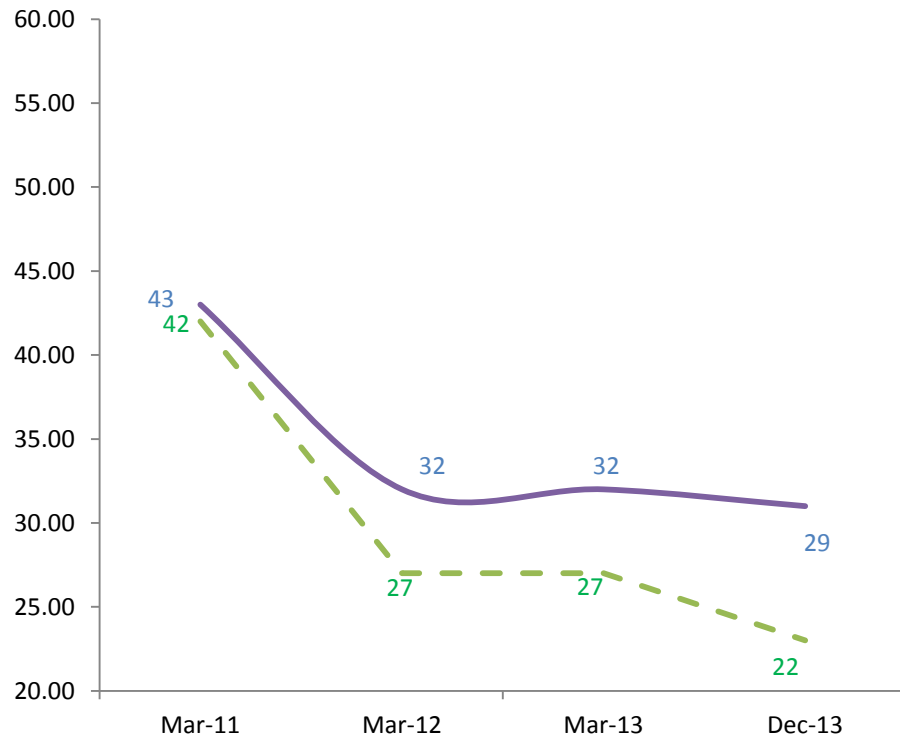
Debt (Rs. Crore)

Standalone Consolidated



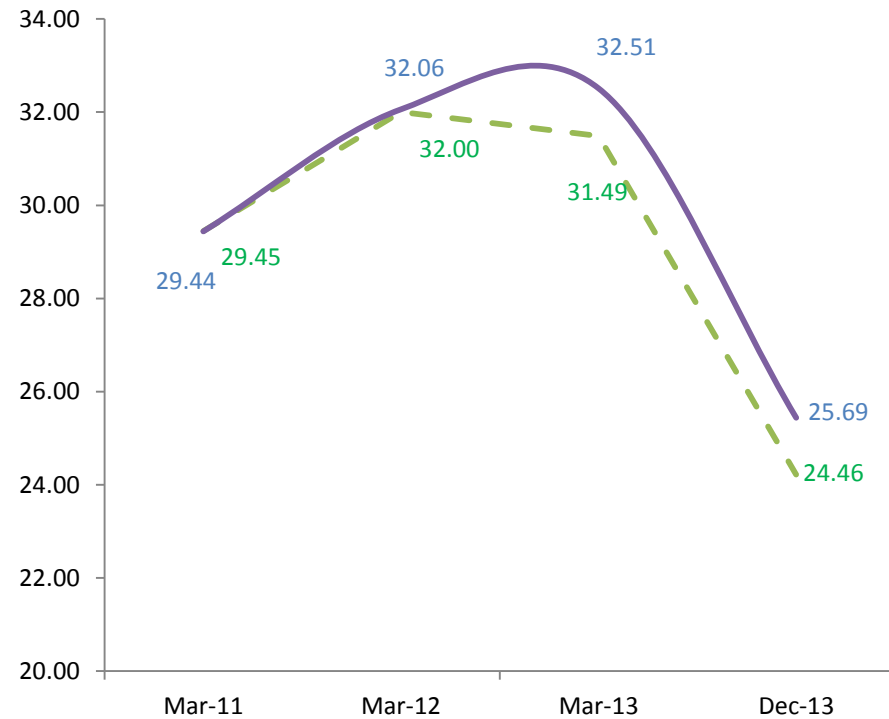
Working Capital Cycle (days)

— Standalone — Consolidated



Return on Equity (Avg.)

— Standalone — Consolidated



Capex creditors not considered in working capital cycle.

* ROE for 9 months taken at average net worth as on 31st Mar. 13 and 31st Dec. 13 and annualised Q3 FY14 PAT.

A. SORISO CERAMICS

Acquired 51% stake in Soriso Ceramic Pvt Ltd, based in Morbi, Gujarat in February 2011 with an annual capacity of 2.30 MSM of ceramic floor tiles. Further expanded the capacity to 4.60 MSM. Production for enhanced capacity started in March 2012. Soriso has operated at 53%* in Q3 FY14.

B. JAXX VITRIFIED

Acquired 51% stake in Jaxx Vitrified Pvt Ltd, based in Morbi, Gujarat in February 2012, with an annual capacity of 3.10 MSM. Jaxx has acquired another plant with a 2.60 MSM annual capacity of polished vitrified tile in April 2013 in Morbi making the total capacity of Jaxx to 5.70 MSM per annum. JAXX has operated at 76%* in Q3 FY14. The civil construction work for expansion of 4.50 MSM of high end polished vitrified tile has begun.

C. COSA CERAMICS

Acquired 51% stake in Cosa Ceramics Pvt. Ltd., based in Morbi, Gujarat – on 16th Oct.'12, with an annual production capacity of 2.70 MSM of polished vitrified tiles. COSA has operated at 83%* in Q3 FY14. The civil construction work for expansion of 3.00 MSM of polished vitrified tile has begun.

D. VENNAR CERAMICS

Acquired 51% stake in Vennar Ceramics Ltd, based in Vijayawada, Andhra Pradesh in April 2012, with an annual capacity of 2.30 MSM of high end ceramic wall tiles. Vennar has operated at 91% in Q3 FY14

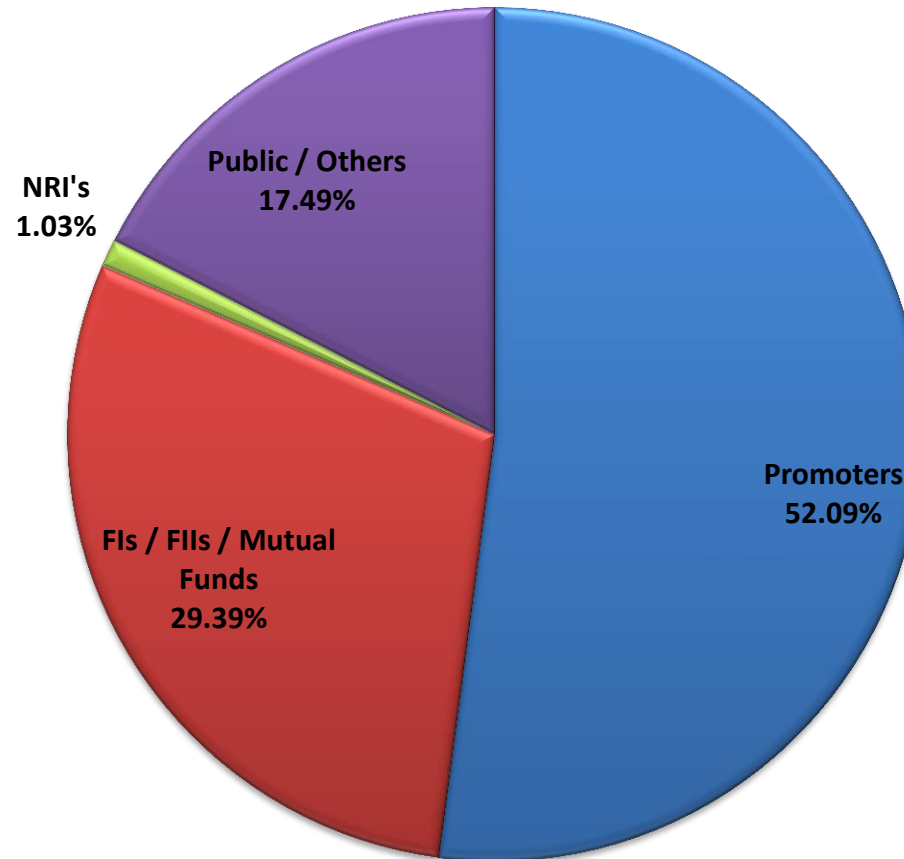
*due to one month production shutdown in Morbi

Financial highlights

(Rs in Crores)

	Q3FY13		Q3FY12		Growth		9M FY13		9M FY12		Growth	
	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
Gross Sales	467.44	472.22	433.80	449.41	8%	5%	1432.09	1446.82	1229.21	1253.78	17%	15%
Net Sales	435.67	439.97	403.23	417.26	8%	5%	1342.23	1355.49	1140.09	1162.04	18%	17%
EBIDTA	59.42	68.08	53.38	60.98	11%	12%	167.45	200.52	164.13	178.10	2%	13%
EBIDTA MARGIN	13.64%	15.47%	13.24%	14.61%			12.48%	14.79%	14.40%	15.33%		
Interest	7.12	10.98	8.43	11.81	-16%	-7%	23.33	34.12	27.78	35.13	-16%	-3%
Depreciation	9.18	11.85	9.08	11.32	1%	5%	27.26	35.08	29.38	34.28	-7%	2%
Profit Before Tax	43.12	45.25	35.87	37.85	20%	20%	116.86	131.32	106.97	108.69	9%	21%
Tax	14.56	15.22	11.30	12.04	29%	26%	39.73	44.63	33.39	34.25	19%	30%
Minority Interest	-	0.64	-	0.86	-	-	-	4.58	-	0.70	-	-
Cash Profit	37.74	41.24	33.65	36.27	12%	14%	104.39	117.19	102.96	108.02	1%	8%
Profit After Tax	28.56	29.39	24.57	24.95	16%	18%	77.13	82.11	73.58	73.74	5%	11%
Equity	15.12	15.12	14.72	14.72			15.12	15.12	14.72	14.72		
EPS (Rs)	3.82	3.93	3.34	3.39	14%	16%	10.43	11.11	10.00	10.02	4%	11%

As on 31st Dec. 2013



Equity Shares Outstanding – 75.58 millions

Kajaria Ceramics is the largest manufacturer of ceramic/vitrified tiles in India. It has an annual capacity of 45.20 mn. sq. meters, distributed across seven plants - one in Sikandrabad (UP), one in Gailpur (Raj.), four in Morbi (Guj.) and one in Vijaywada (AP).

Kajaria is the most certified ceramic tile company and the only Indian ceramic tile company awarded 'Superbrand' status for sixth consecutive time.

For further information, please visit www.kajariaceramics.com or contact:

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