



KAJARIA CERAMICS LIMITED

Investor Update – Q1 FY15

AUG 1, 2014

Kajaria
TRANSFORM YOUR WORLD

Certain Statements in this document may be forward-looking within the meaning of applicable laws and regulations. And actual results might differ substantially from those expressed or implied. Such statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, technological risks, and many other factors could cause our actual results to differ. Kajaria Ceramics Limited will not be in any way responsible for any action taken based on such statements.

- Chairman's Message
- Financial Performance - Q1 FY15
- Balance sheet perspective
- Joint Venture / Subsidiaries
- Income Statement
- Shareholding Pattern

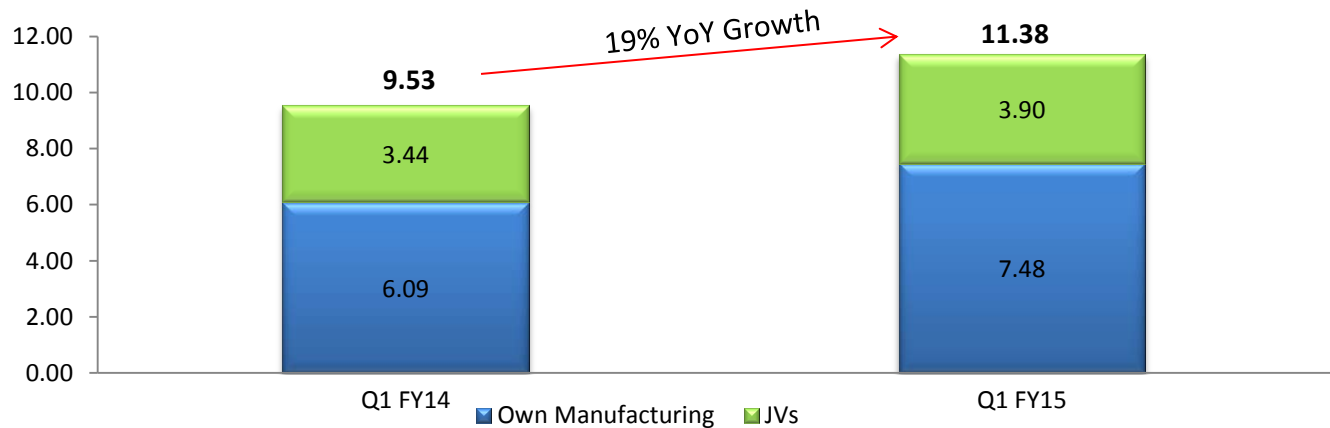
In Q1/2014-15, it was business as usual. But with a small difference. We did our jobs better than earlier.

Here's how: our topline increased 19% over the corresponding period in the previous year driven by an interesting volume-value thrust. The EBIDTA and Profit for the period grew by 25 % and 50 % respectively over the same period. These results only strengthened our resolve to push further up the efficiency ladder.

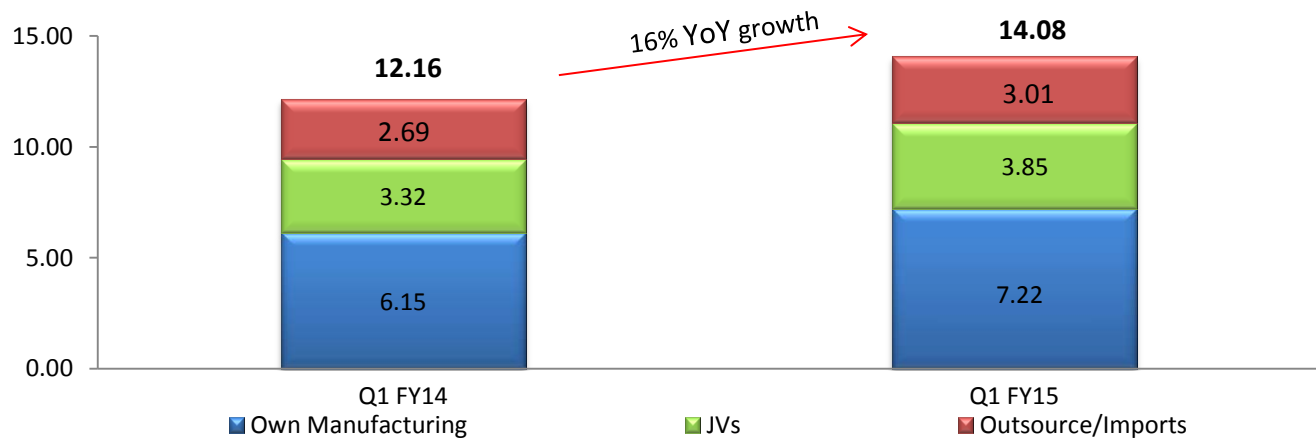
Our new 3.40 million square meter (MSM) glazed vitrified tile capacity at Sikandrabad (UP) which commenced operations in March 2014, is nearing optimum utilisation. Other capacity augmentation and diversification projects progress is on schedule. Further, the Board has approved a 3 MSM ceramic wall tile capacity addition at our existing Bhiwadi (Rajasthan) facility.

Going ahead, we remain optimistic of our growth on the back of an improving business environment and growing consumer spends as the year progresses. We continue to analyse new organic and inorganic growth initiatives which will facilitate in capitalising on emerging opportunities.

Production Growth (MSM)

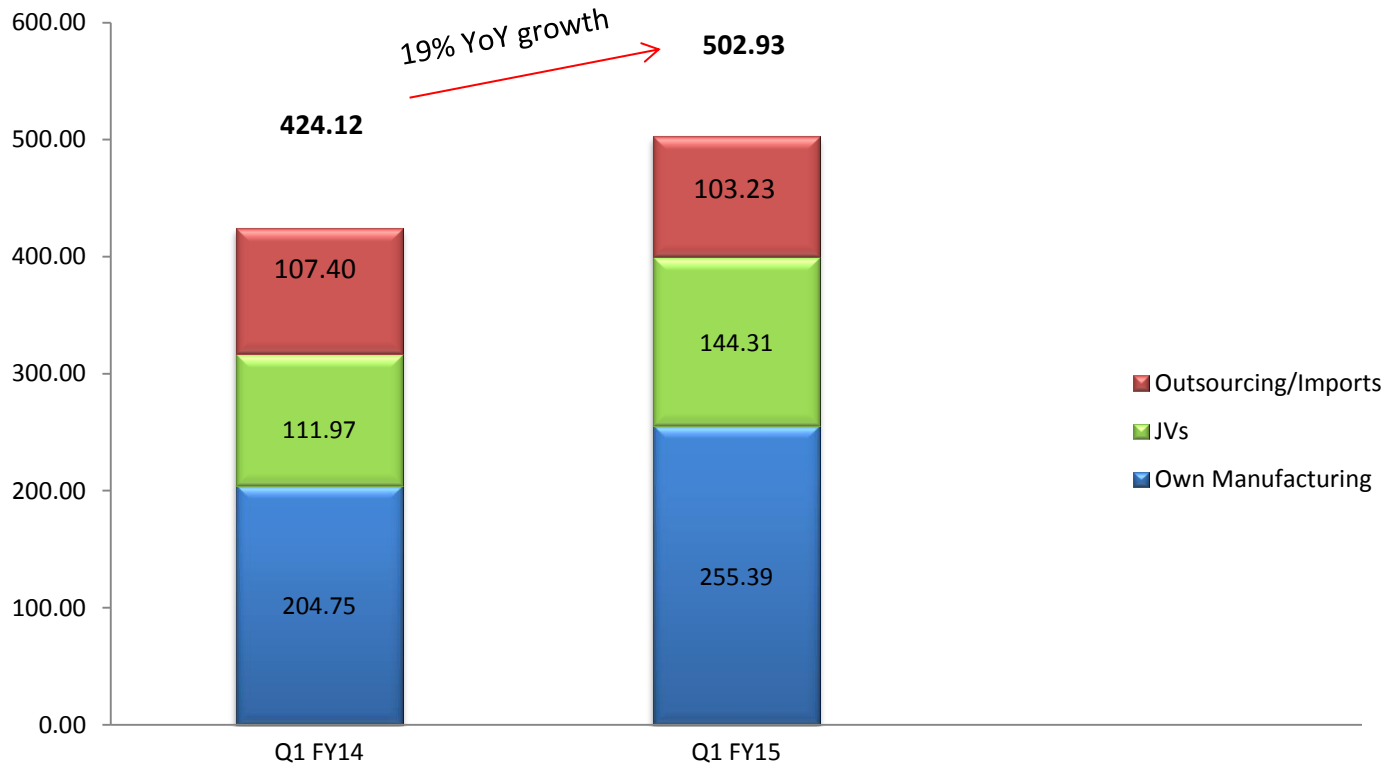


Sales Growth (MSM)



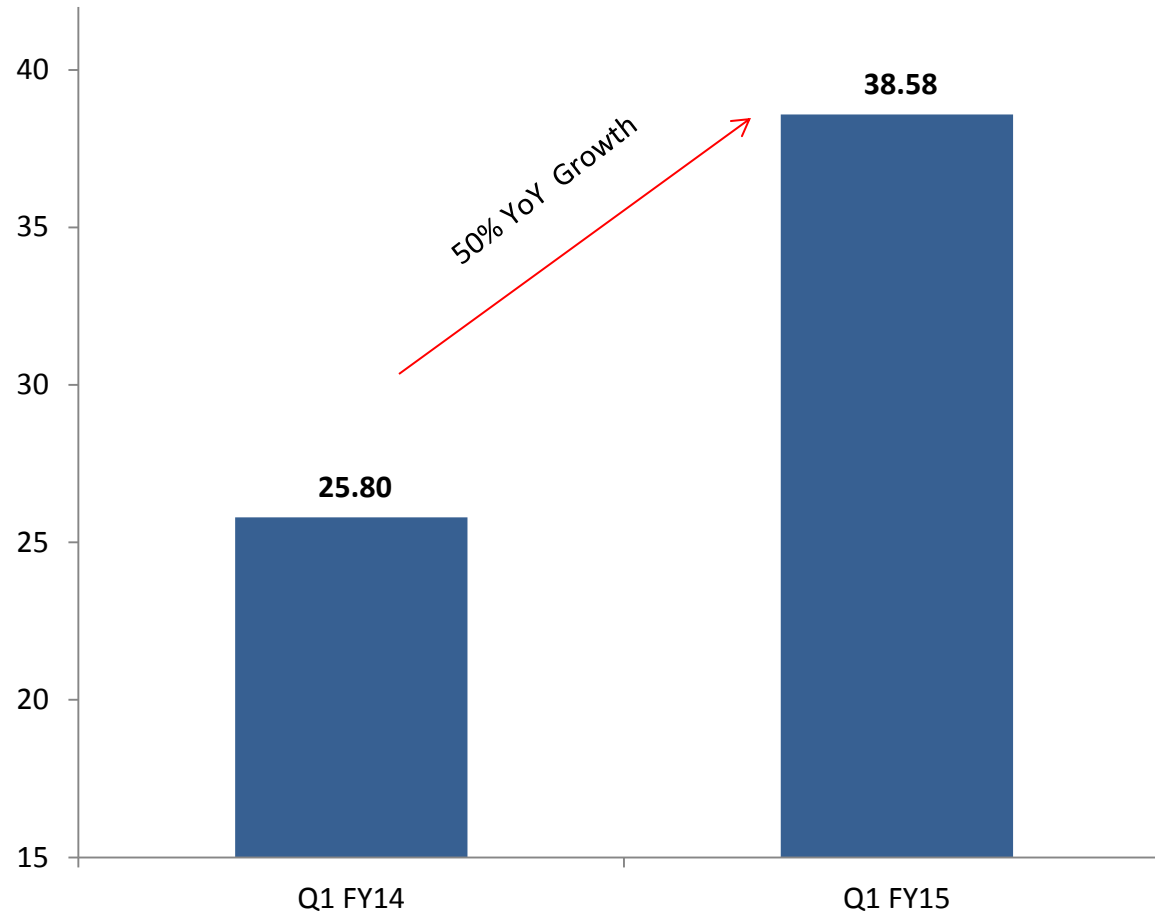
Revenue Growth - Consolidated

Rs. / Crores



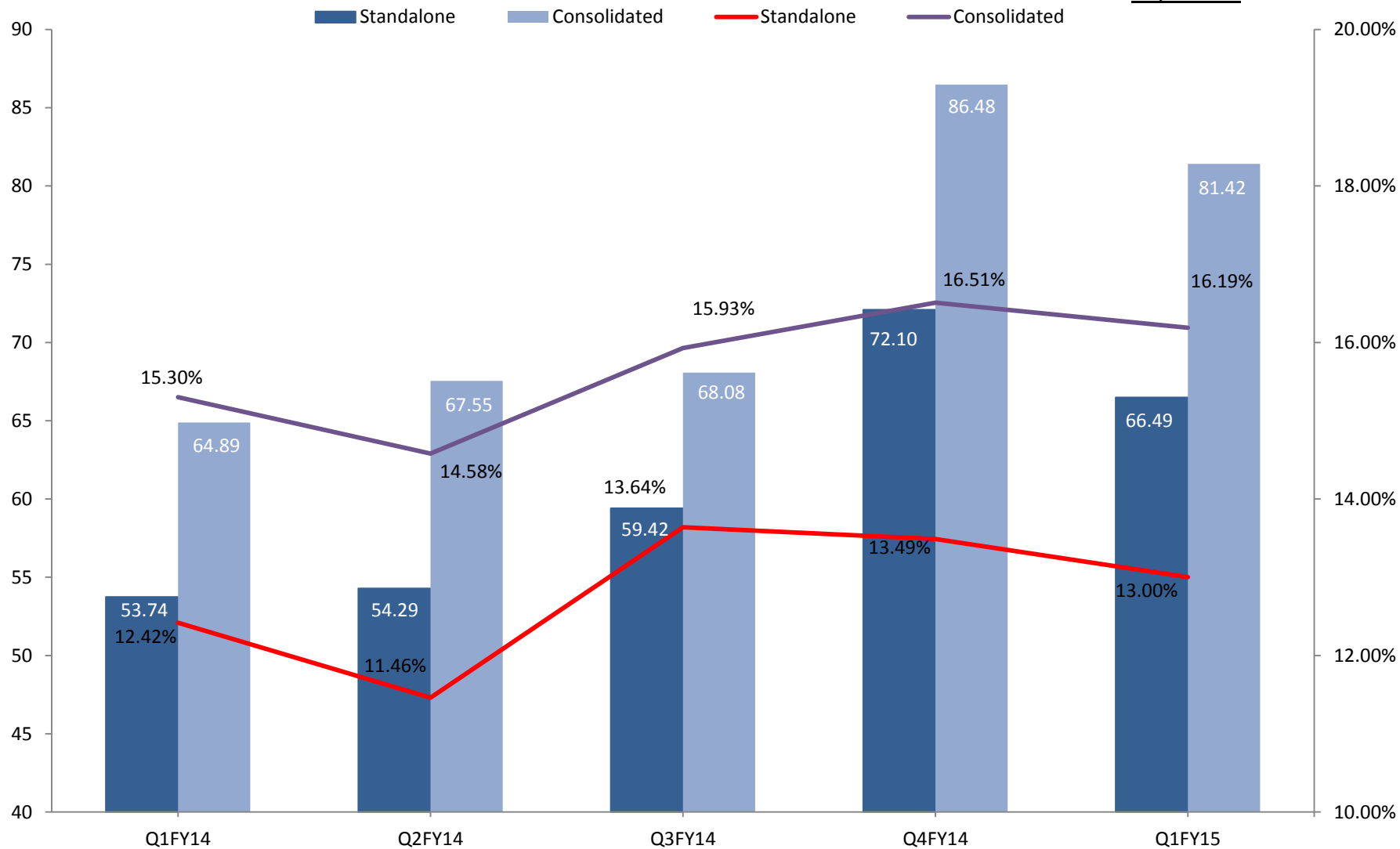
PAT Growth - Consolidated

Rs. / Crores



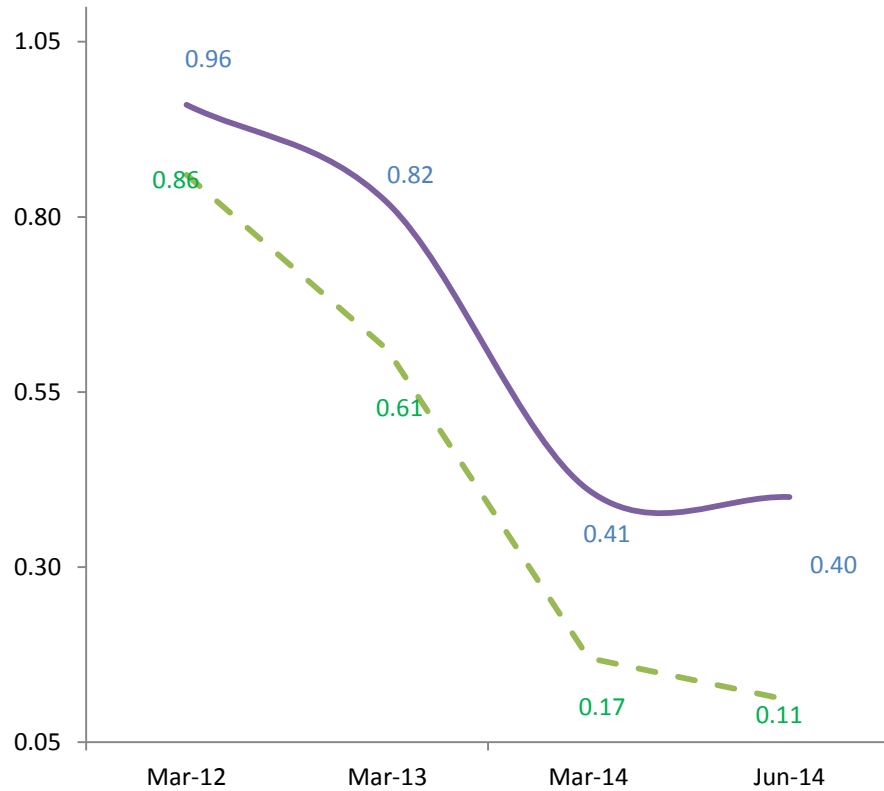
EBIDTA / EBIDTA Margin – quarterly progression

Rs./ Crores



Debt Equity (X)

Standalone Consolidated



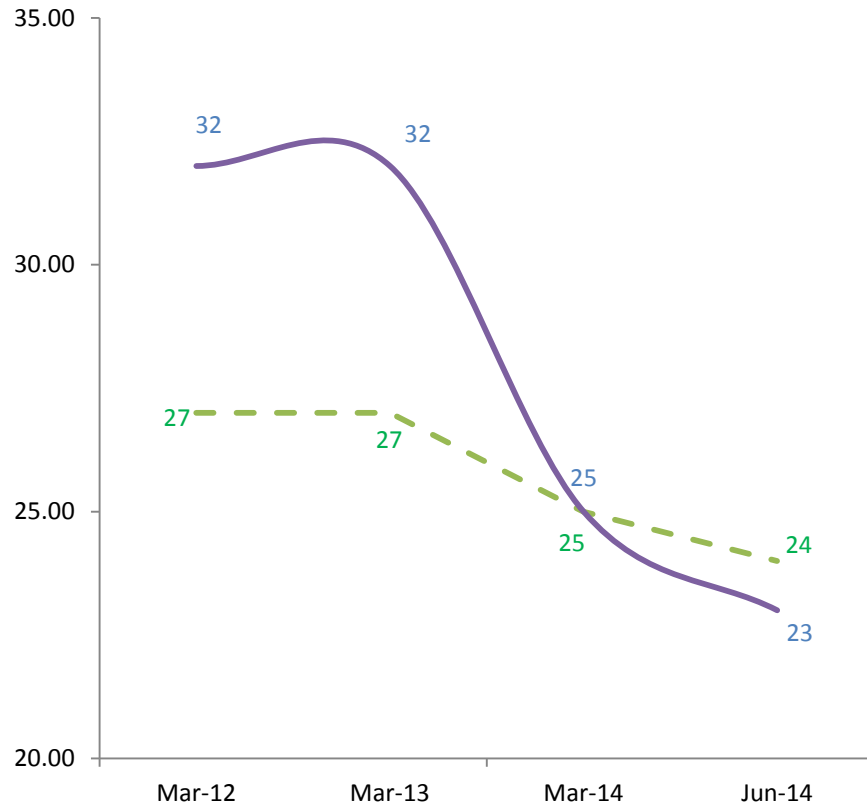
Debt (Rs. Crore)

Standalone Consolidated



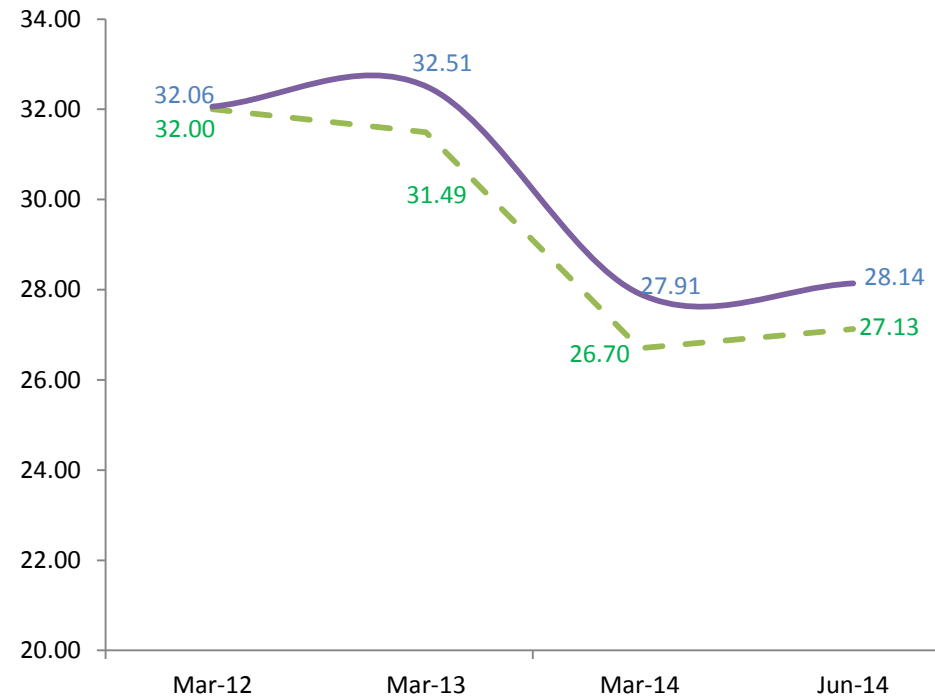
Working Capital Cycle (days)

— Standalone — Consolidated



Return on Equity (Avg.)

— Standalone — Consolidated



Capex creditors not considered in working capital cycle.

* ROE for as on 30th Jun. 14 taken at average net worth as on 31st Mar. 14 and 30th Jun. 14 and Q1 FY15 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 91% in Q1FY15.

B. JAXX VITRIFIED

Acquired 51% stake (now 61%) in Jaxx Vitrified Pvt Ltd, based in Morbi, Gujarat in February 2012, with an annual capacity of 3.10 MSM. Production has commenced in March 2012. Jaxx has acquired another plant with a 2.6 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 full capacity in Q1FY15. Production of brown field expansion of high end polished vitrified tiles for a capacity of 4.50 MSM p.a. is expected to commence in middle of August 2014. Kajaria has increased **it's** stake in Jaxx to 61% in June 2014.

C. 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. Production has commenced on the 1st July, 2012. Vennar has operated at full capacity in Q1FY15.

D. 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 full capacity in Q1FY15. Cosa is in the process of putting 3 MSM p.a. capacity of polished vitrified tiles. The production is expected to commence in August / September 2014.

E. TAURUS TILES

The Company has entered into another JV, Taurus Tiles Pvt. Ltd., Which is putting up an 5 MSM polished vitrified tile capacity at Morbi (Gujarat). Kajaria owns 51% equity in Taurus. The production is expected to commence by December 2014.

F. KAJARIA BATHWARE (P) LTD. (KBL)

a) Sanitaryware: Kajaria Sanitaryware (P) Ltd., in which KBL holds majority shares, has started the production of sanitaryware on 6th April 2014. However the full production will start in August 2014.

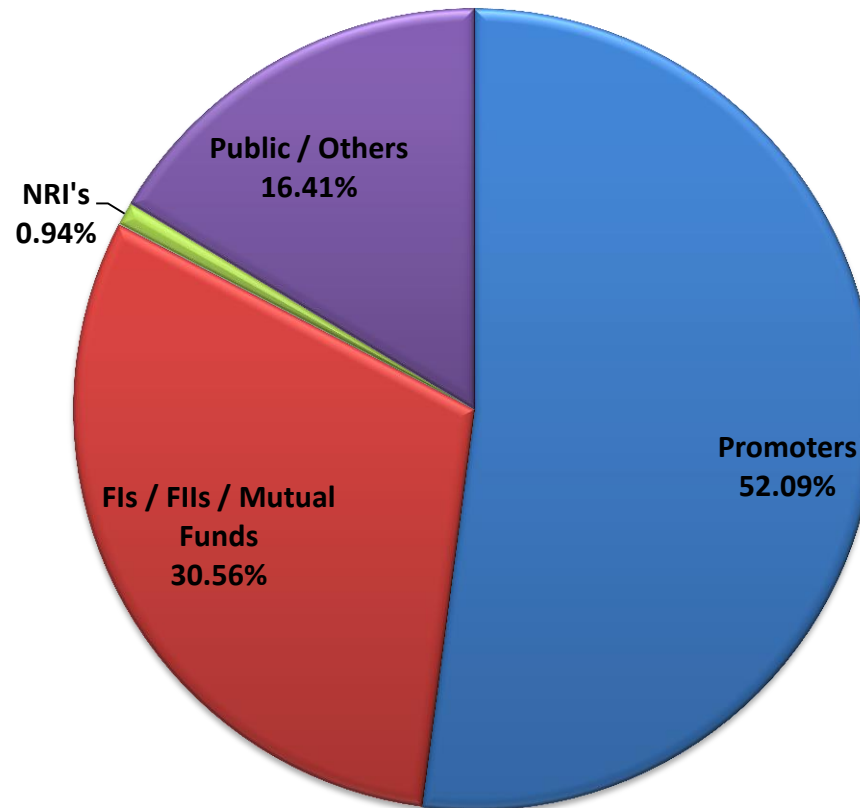
b) Faucet: The Company has initiated putting up a faucet plant of 1.50 million pieces facility at Gailpur (Rajasthan) at a cost of Rs. 50 crore. The civil work is in progress.

Financial highlights

(Rs in Crore)

	Q1FY15		Q1FY14		Growth		FY14		FY13		Growth	
	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
Gross Sales	545.71	554.02	459.46	464.79	19%	19%	2002.17	2024.30	1706.17	1733.58	17%	17%
Net Sales	511.56	502.93	432.63	424.12	18%	19%	1876.61	1838.75	1587.11	1582.18	18%	16%
EBIDTA	66.49	81.42	53.74	64.89	24%	25%	239.55	287.00	224.90	247.68	7%	16%
EBIDTA MARGIN	13.00%	16.19%	12.42%	14.83%			12.77%	15.61%	14.17%	15.65%		
Interest	2.39	7.56	8.41	11.74	-72%	-36%	26.27	40.82	35.48	45.35	-26%	-10%
Depreciation	9.86	12.67	8.98	11.49	10%	10%	36.48	47.00	38.36	44.62	-5%	5%
Exceptional Items	-	-	-	-					3.03			
Profit Before Tax	54.24	61.20	36.35	41.66	49%	47%	176.80	199.18	148.03	157.71	19%	26%
Tax	17.90	20.50	12.36	14.16	45%	45%	60.06	67.83	47.49	49.88	26%	36%
Minority Interest	-	2.12	-	1.70	-	-	-	7.13	-	3.32	-	-
Cash Profit	46.21	51.32	32.97	37.29	40%	38%	153.22	171.22	138.90	149.13	10%	15%
Profit After Tax	36.34	38.58	23.99	25.80	51%	50%	116.74	124.22	100.54	104.51	16%	19%
Equity	15.12	15.12	14.72	14.72			15.12	15.12	14.72	14.72		
EPS (Basic) (Rs)	4.81	5.10	3.26	3.51	47%	46%	15.70	16.71	13.66	14.20	15%	18%

As on 30th June 2014



Equity Shares Outstanding – 75.58 millions

Kajaria Ceramics is the largest manufacturer of ceramic/vitrified tiles in India. It has an annual capacity of 46.60 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 only Indian ceramic tile company awarded with ‘Superbrand’ status for seventh consecutive time.

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

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