

Date: 15th September, 2017

BSE Limited Department of Corporate services Phirojee Jeejeebhoy Towers Dalal Street, Mumbai – 400023	National Stock Exchange of India Limited Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051
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Dear Sir

Subject : Press Release & Investor presentation on financial results for the Quarter ended on 30th June, 2017

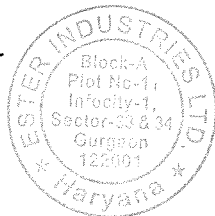
We wish to submit the Press Release and Investor presentation on financial results for the Quarter ended on 30th June, 2017.

Please acknowledge the receipt of the same.

Thanking You

Yours Faithfully
For Ester Industries Limited


Diwaker Dinesh
Company Secretary



Encls: As Above



Ester Industries announces Q1 FY18 results

Q1 FY18 Total Income grows 13% to Rs. 205 crore

EBITDA expands 14% to Rs. 16 crore

New Delhi, 15th September, 2017: Ester Industries Limited, India's leading manufacturer of Polyester Films, Engineering Plastics and Specialty Polymers, announced its financial results for the quarter ended June 30, 2017.

Q1 FY18 performance overview compared with Q1 FY17

- Total Income stood to Rs. 205 crore v/s Rs. 181 crore
 - Steady performance of film and engineering plastics business on the back of improving macro environment
- EBITDA stood at Rs. 16 crore compared to Rs. 14 crore; up by 14%
 - Focus on improving product mix by increasing share of value added products and cost rationalization activities to help preserve margins and profitability in the future
- Loss after tax for Q1 FY18 stood at Rs. 0.13 crore as against loss of Rs. 2 crore reported during Q1 FY17

Commenting on the performance, Mr. Arvind Singhania, Chairman, Ester Industries said:

"We have had a muted start to the year, marked by an improving performance of our Film and Engineering Plastics businesses and a slower pick up in Specialty Polymers.

While we continue to be excited about the prospects of our Specialty Polymer business, the segment has taken more time than anticipated to translate. Longer than expected time taken by clients to evaluate and confirm orders has been one of the key reasons for this. We however continue to focus on leveraging our R&D capabilities in an endeavour to bring forth a newer and wider range of offerings. An example of this is the patent application we have made in the last quarter for a Master batch for easy dyeability of Polyester Yarn & Fibre

As far as our legacy businesses are concerned, performance of polyester films is significantly better on a YOY basis. The uptrend from the sequentially preceding quarter has continued with only the month of June witnessing some constraints on the back of destocking and low pick up by customers in anticipation of GST implementation. Our emphasis on improving the product mix by increasing the share of high margin products should also help us drive the future growth of the business. We are working on similar strategy for our Engineering Plastic business as well wherein focus continues to be on profitable growth.

Going ahead, we remain positive about our business and are confident of overcoming the short term challenges and strongly executing on our capabilities."



Key Developments

- **Performance of Specialty Polymer business remained soft, owing to lower off-take and greater than anticipated time being taken by customers to confirm orders**
 - Filed patent under PCT - Modified polyester masterbatch for textile applications and manufacturing process thereof. Facilitates easy dyeability of Polyester Fibre and provides deep dyeing through cationic as well as disperse dyes
 - Remain optimistic about the business' prospects over the long term on the back of sustained R&D initiatives / investments and exciting product pipeline
- **Film business reported steady performance on the back of stable pricing & demand – supply parity –**
 - Destocking in anticipation of GST implementation lowered offtake in June
 - Efforts towards increasing share of value added products and cost control to drive growth in the future
- **Engineering Plastics business maintained its positive momentum**
 - Improved performance despite uncertain environment surrounding GST implementation
 - Working towards widening and enhancing product mix

About Ester Industries:

Ester Industries Limited is a public limited company incorporated in 1985 promoted by the Singhania family. The company is one of India's leading producers of Polyester Films, Engineering Plastics and Speciality Polymers having a track record of continually developing new and innovative products for customers across the globe. Ester Industries has state of the art manufacturing facilities in khatima in Uttarakhand with the capacity of 67,000 TPA of Polyester Resin, 57,000 TPA of Polyester Film, 30,000 TPA of Specialty Polymers and 16,500 TPA of Engineering Plastics. The company currently exports more than 30% of its production of Polyester Films with sales and distribution network in more than 56 countries across the world resulting in strong customer relationship. Specialty Polymers are manufactured primarily for the European and US markets.

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Q1 FY18 Results Presentation

September 14, 2017

ESTER
INDUSTRIES LTD.

Disclaimer

Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local political or economic developments, technological risks, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward looking statements. Ester Industries Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

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Result Highlights

Particular (Rs cr)	Q1 FY18	Q1 FY17	Y-o-Y (%)
Total Income	205	181	13.3
EBITDA	16	14	14.3
Margins %	7.8	7.7	+10 bps
PAT	(0.13)	(2)	-

Steady performance of film and engineering plastics business on the back of improving macro environment

Focus on value addition and efficiencies in Film and Engineering Plastics business sees decline in losses

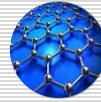
Q1 FY18 - Highlights



Product pipeline for Specialty Polymer continues to strengthen

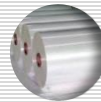
- Patent filed under PCT - Modified polyester masterbatch for textile applications and manufacturing process thereof
 - Facilitates easy dyeability of Polyester Fibre and provides deep dyeing through cationic as well as disperse dyes.
 - Ensures complete dye bath exhaustion which helps in environment protection. This will enable printing of fabric, carpets and PET sheets.

▪ Business outlook



Specialty Polymer business –

- Innovative and exciting product pipeline – some of which are at various stages of approvals and commercialization stage
- Tie up / partnership with renowned global players for developing niche specialty polymer products



Film –

- Business environment improving
 - Demand – Supply mismatch improving
 - No major capacity addition in the Industry
 - Company's focus remains towards improving product mix and controlling costs
 - Working towards increasing share of value added products towards 35% from present level of 15%



Engineering Plastics –

- Business scenario gradually improving
- Working towards widening and improving product mix

Chairman's Comments



Commenting on the results, Mr. Arvind Singhania, Chairman, Ester Industries said

"We have had a muted start to the year, marked by an improving performance of our Film and Engineering Plastics businesses and a slower pick up in Specialty Polymers.

While we continue to be excited about the prospects of our Specialty Polymer business, the segment has taken more time than anticipated to translate. Longer than expected time taken by clients to evaluate and confirm orders has been one of the key reasons for this. We however continue to focus on leveraging our R&D capabilities in an endeavour to bring forth a newer and wider range of offerings. An example of this is the patent application we have made in the last quarter for a Master batch for easy dyeability of Polyester Yarn & Fibre

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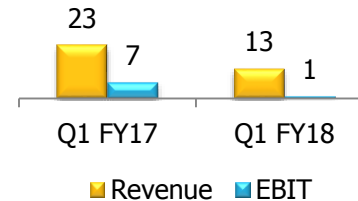
Specialty Polymers



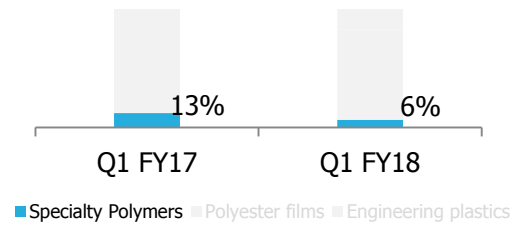
Specialty Polymers

- **Product portfolio** - 18 products at various stages of development of which patents have been filed in respect of **7**
- **High entry barriers** protected by Intellectual Property rights
- **To set up of R&D and Innovation Centre** – In house downstream analytics and pilot scale manufacturing to lower lead time
- **Existing Product Portfolio** –
 - **Product Stain resistant Master Batch** – Positive response from the customers; ramping up sales
 - **Master batch for a Cationic Dyeable Yarn** -- Patent filed under PCT for a Master Batch to produce specialised polyester yarn. Gaining strong potential in China and Taiwan

Specialty Polymers



Revenue Share (%)



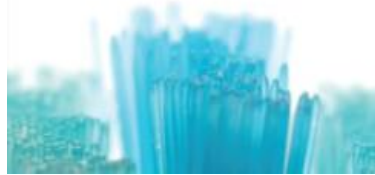
- **Growth Drivers** –

- Strengthening R&D capabilities
- Develop customized polyester resins based on customer's requirement
- Focus on developing products which will help transform latent demand into real demand
- Develop high quality specialty polyesters to ensure competitive advantage for customers

Patent Status

Product Code	Product Description	Status of Patent	Product approval from customer	Application
ESTER HR-03	Hot Fill PET by normal ISBM	Filed in India, Europe, Korea, USA (granted), Mexico, Japan & China, PCT	Approved	Packaging
ESPET MB-03	Masterbatch Sulfonated PET	Filed in India, Europe, Korea & USA (granted) PCT	Approved	Stain Resistance in Nylon Carpet
ESPBN	Clear PBN	India ,PCT, USA & EU	Under Trials	Monolayer and Multilayer Containers
ESPET HR-01 B3	Beer Keg PET	India, PCT, USA & EU	Under Trials	Monolayer containers/Kegs
ESPET MW-01	Microwaveable PET	India ,PCT, USA & Europe	Under Trials	Extrusion and thermoforming
ESPET FR-10	Flame Retardent PET	India , PCT	Approved	Flame retardant master batch for PET Polyester in textile (PFY/PSF) & Film application
ESPET MB-06 R3 & ESPET MB-07 R7	Easy Dyeable & Cationic Masterbatch	India , PCT	MB-06 R3 - Under Trial MB-07 R7 - Approved	Deep and Dark dyeability in Textile

Specialty Polymers – Products & Applications



Products

Polyethylene Terephthalate (PET)

Polybutylene Terephthalate (PBT)

Polyethylene Naphthalate (PEN)

Master Batches

Applications

Rigid Packaging – Hot-fill / Beer Kegs

Textile – Flame Retardant

Carpets – Stain Resistant Master Batches

Heat Sealable

Engineered Plastics / Injection Moulding

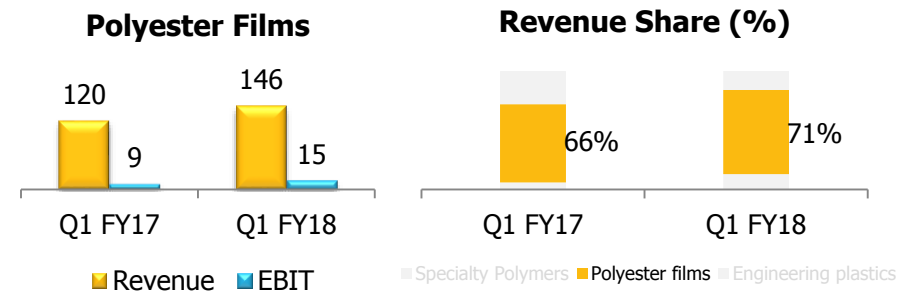
Low Melt Polymers for Textiles

Polyester Films



Polyester Films

- Manufactures and markets polyester films under the brand "UmaPET"
- Manufacturing capacity** - 57,000 MTPA for polyester films & 13,200 MTPA for metalized polyester films
- Integrated player** – Polyethylene Terephthalate (Polyester) chips manufacturing capacity 70,000 MTPA
- Global Footprint:** Formidable reach across more than 85 countries
- Value Added & Specialty products** include transparent barrier film, shrink film etc
 - Transparent high barrier film is being keenly explored by global buyers to replace PVdC coated PET (environmentally hazardous material) and EVOH coextruded films (due to their higher mass).
- Thrust on increasing proportion of value added & specialty products in overall mix by focusing on innovation, development and partnership with customers both in India and overseas which will reduce the effect of inherent cyclical



- Improved business environment following demand – supply parity
- Working towards improving share of value added product in the overall mix

- Improving business environment with supply demand equilibrium
- Cost reduction exercise translating to improving profitability, hopeful of improving operational efficiencies even further
- Focus on improving profitability by sprucing up product mix; more focus on developing value added products
 - Value added / specialty products constitutes about 18% of the overall revenue at present – emphasis on expanding this to 30% in 2 years
- Operational efficiencies aligned towards meeting the future goals by optimizing operational cost
- Focused on offering customers unique value proposition by aligning innovation, development and partnership

Polyester Films – Products & Applications



Products	White Opaque	High Clear
	High Barrier	Embossable
	Heat Saleable	Twist Wrap
	Shrink film	Anti - Static
	Metalized High Barrier	Matte

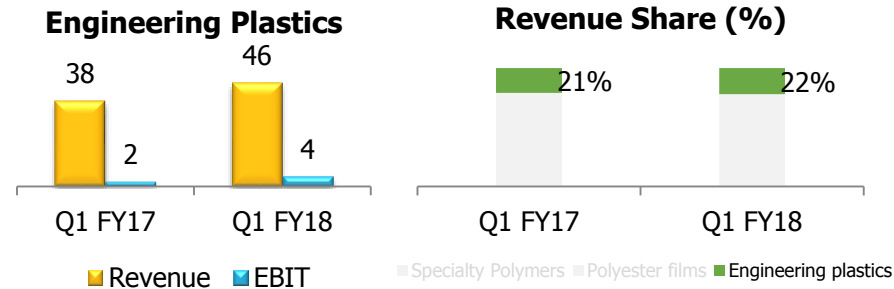
Applications	Flexible Packaging
	Barrier Packaging
	Embossing
	Lidding
	Label & Graphics

Engineering Plastics



Engineering Plastics – Products & Applications

- A well regarded manufacturer of Engineering plastics
- **Diverse Product Portfolio** – 350+ grades products marketed under the brand “ESTOPLAST”
- **Manufacturing capacity - 13,500 MTPA**
- Growing at **better than industry run rate** since the last 3 years
- **Awarded** the prestigious **Plasticon Gold Award** for the “*Fastest Growing Enterprise – Processing (Engineering Polymers)*” at the Plastindia Exhibition in February 2015



- Enhancing relationships with OEMs & Tier-1/2 customers in the automotive/ electrical segments
- Expanding global footprint through aggressive pursuit of Identified Exports opportunities and participation in international exhibitions to enhance brand visibility.
- Building R&D capability (in-house or through strategic alliances) so as to cater to specific needs
- Enhancing Ester’s UL-certified product portfolio

Engineering Plastics – Products & Applications



Products

Thermoplastic Polyester Compounds

Polybutylene Terephthalate (PBT)

Polyethylene Terephthalate (PET)

Polyamide 6 Compounds

Polyamide 6.6 Compounds

Applications

CFL Holders, Adapters & Sockets

MCB Case, Cover & other Parts

Handles

Knobs, Panels

Switches

Optical Fibre Sheathing

Textile Machinery Parts

Connectors

Investor Contacts

About Us: (CIN :- L24111UR1985PLC015063)

Incorporated in 1985, Ester Industries Limited (EIL) is an ISO 9001:2008, ISO 22000:2005, TS16949:2002 certified Company engaged in the manufacture of polyester films, specialty polymers, engineering plastics and polyester chips with manufacturing facilities located in Khatima (Uttarakhand). A globally recognized player Ester manufactures and markets its polyester films under the brand 'UmaPET' and engineering plastics as 'Estoplast'. The Specialty Polymers business is driven by technology and innovation and the Company presently has many patent applications pending for this business. With state-of-the-art manufacturing plant, skillfully managed operations and a committed work force Ester continuously strives to meet commitments towards total customer satisfaction.

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