

INEOS STYROLUTION INDIA LIMITED

INVESTOR PRESENTATION

Q1 2018-19 (Apr-Jun)

INEOS
STYROLUTION

Driving Success. Together.

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Notes

- Revenue from operations for periods up to June 30, 2017 include excise duty, which is discontinued effective from July 01, 2017 upon implementation of Goods and Services Tax in India. In accordance with Ind AS 18, Revenue, GST is not included in revenue from operations. In view of the aforesaid restructuring of indirect taxes, revenue from operations for the quarter ended Jun 30, 2018 are not comparable with the quarter ended Jun 30, 2017.
- Segment Information :
Segment reporting in financial results: Based on the "management approach" as defined in Ind AS 108 - 'Operating Segments', the Chief Operating Decision Maker (CODM), as represented by Chairman, Managing Director and CFO, evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. The accounting principles used in the preparation of these financial results are consistently applied to record revenue and expenditure in individual segment.

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Executive summary

Apr - Jun 18 Performance summary

- Profit Before Tax (PBT) is 266 Mio INR in Apr - Jun 18 as compared to 504 Mio INR in Jan – Mar 18
- Profit Before Tax (PBT) in Apr - Jun 18 is 266 Mio INR as compared to 43 Mio INR in Apr - Jun 17

Apr - Jun 18 Market update

- Market has shown growth in this quarter resulting in overall increase in industrial production
- Observed growth momentum and positive sentiments in our core industries namely Automotive, Household & Electronics, Distribution

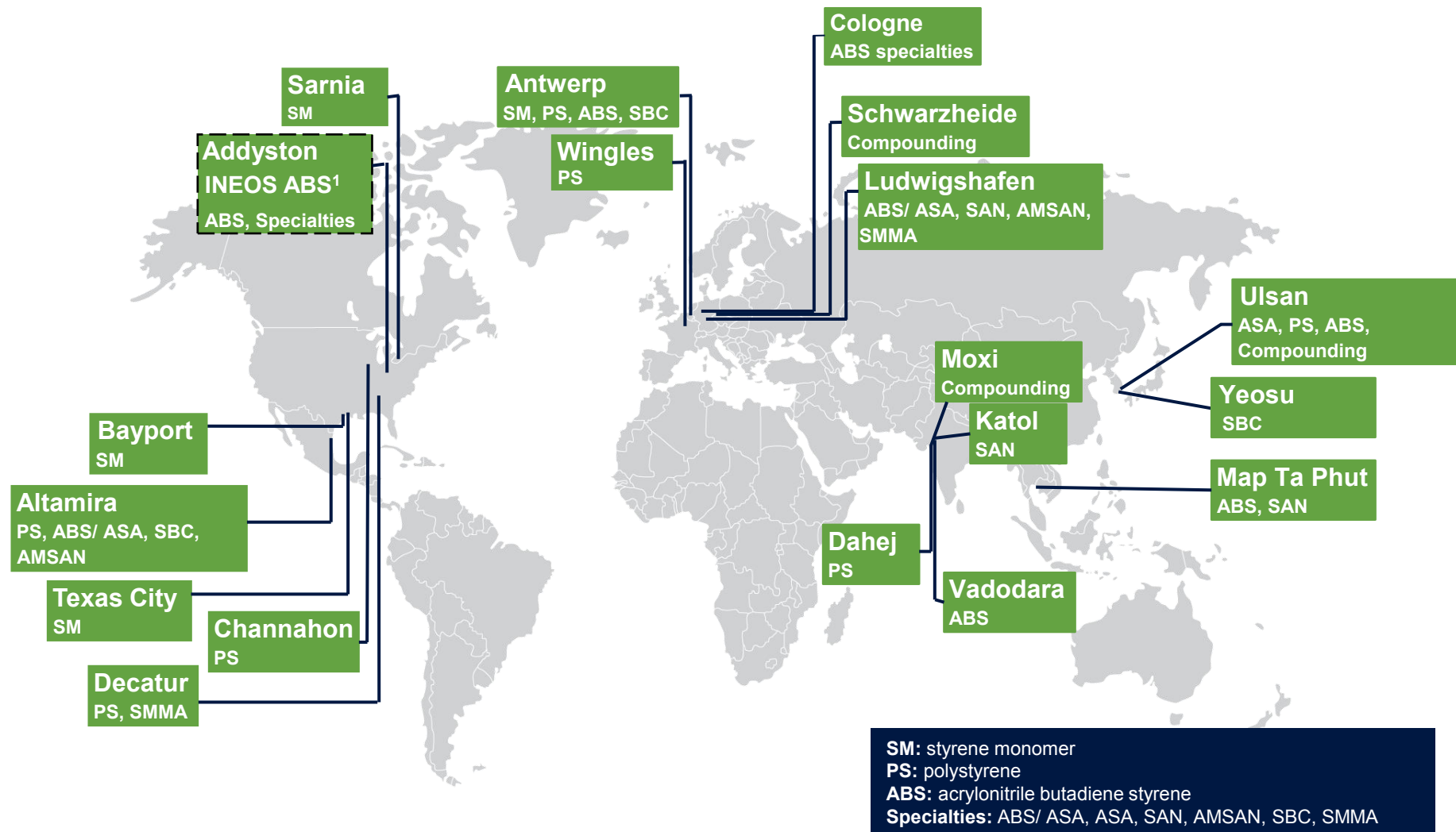
Apr - Jun 18 Business update

- Good growth across all segments in line with the market
- The implementation of the distribution strategy has resulted in consistent performance and good control in market place

INEOS Styrolution at a glance



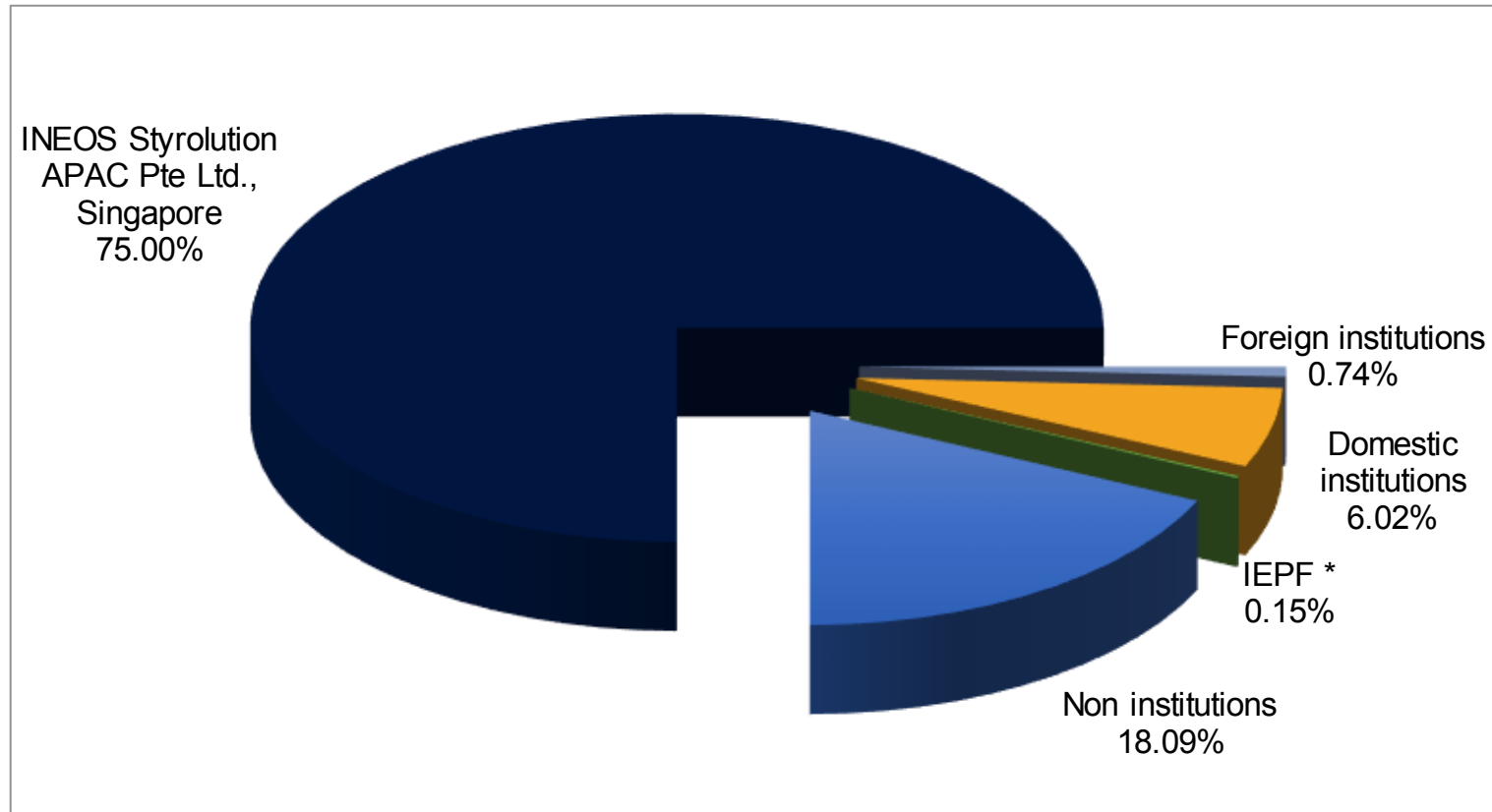
Global reach and proximity to customer markets



(1) INEOS Styrolution acts as exclusive distributor for the INEOS ABS plant in Addyston, Ohio.

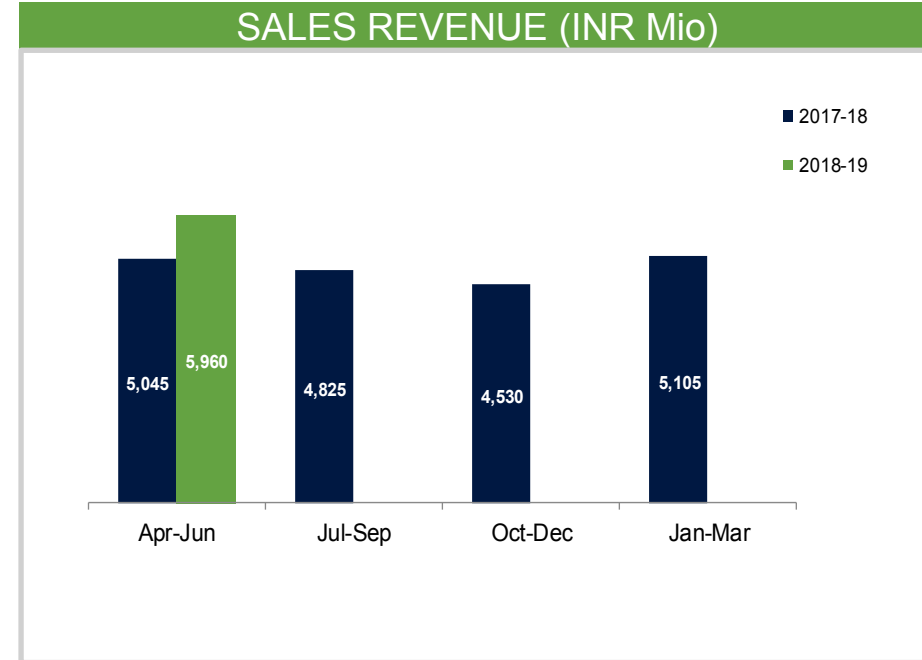
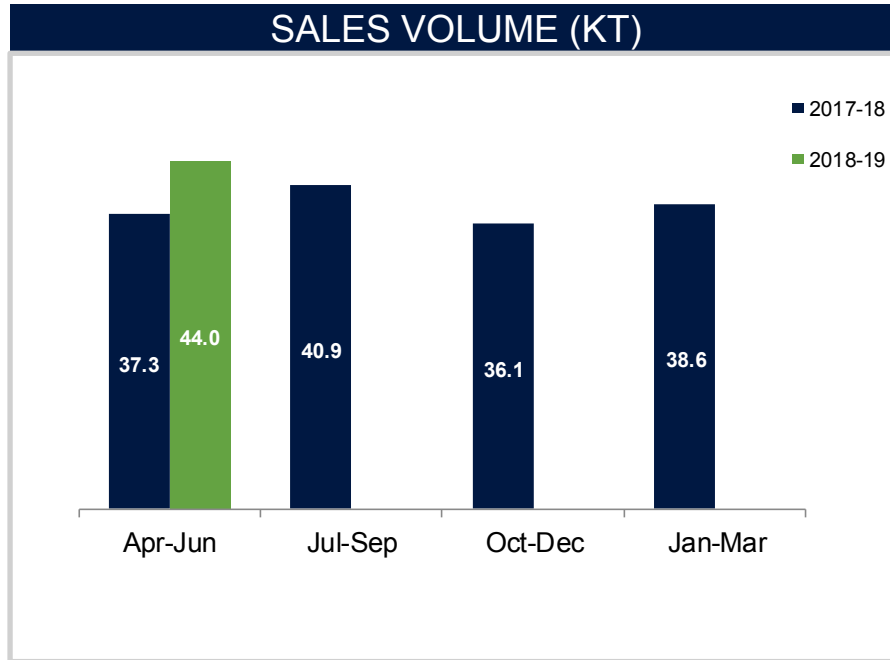
Shareholding pattern

as at Jun 30, 2018



* IEPF : Investor Education and Protection Fund [Government Organization]

Sales performance



- Sales revenue – refer note below.

Revenue from operations for periods up to June 30, 2017 include excise duty, which is discontinued effective from July 01, 2017 upon implementation of Goods and Services Tax (GST) in India. In accordance with Ind AS 18, Revenue, GST is not included in revenue from operations. In view of the aforesaid restructuring of indirect taxes, revenue from operations for the quarter Apr – Jun 18 is not comparable with quarter Apr – Jun 17.

Financial review

Q1 2018-19 (Apr-Jun) results highlights

(Unit : INR Mn except volumes & EPS)

Particulars	Apr-Jun 18	Jan-Mar 18	Apr-Jun 17	% vs Jan-Mar 18	% vs Apr-Jun 17
Volumes (kt)	44.0	38.6	37.3	13.9	18.0
Sales revenue	5,944	5,104	5,044	16.5	17.8
Other income	17	27	27	(38.2)	(38.0)
Cost of goods sold	4,784	3,855	4,200	24.1	13.9
Depreciation & amortization	62	63	62	(0.9)	0.2
Other expenses	848	709	765	19.6	10.8
Profit before tax	266	504	43	(47.2)	513.1
Profit after tax	169	322	27	(47.6)	516.1
Other comprehensive income	(1)	(8)	(1)	(91.4)	(35.4)
Total comprehensive income	168	314	26	(46.4)	539.5
EPS (Rs.)	9.60	18.31	1.56	(47.6)	516.1

Revenue from operations for periods up to June 30, 2017 include excise duty, which is discontinued effective from July 01, 2017 upon implementation of Goods and Services Tax (GST) in India. In accordance with Ind AS 18, Revenue, GST is not included in revenue from operations. In view of the aforesaid restructuring of indirect taxes, revenue from operations for the quarter Apr – Jun 18 is not comparable with quarter Apr – Jun 17.

Segment revenue & results

Q1 2018-19 (Apr-Jun) results highlights

(Unit : INR Mio)

Particulars	Apr-Jun 18	Jan-Mar 18	Apr-Jun 17	% vs Jan-Mar 18	% vs Apr-Jun 17
1. Segment revenue					
(Revenue from operations)					
(a) Specialties	4,353	3,809	3,371	14.3	29.1
(b) Polystyrene	1,590	1,295	1,673	22.8	(4.9)
(c) Others	8	1	1	433.3	477.5
Total	5,951	5,105	5,045	16.6	18.0
2. Segment results					
(Segment profit before interest and tax)					
(a) Specialties	335	459	143	(26.9)	133.8
(b) Polystyrene	(6)	64	(70)	(109.3)	(91.5)
(c) Others	8	1	1	433.3	477.5
Total segment profit before interest and tax	337	525	75	(35.8)	348.4
(i) Interest expense	(19)	(18)	(54)	2.7	(65.2)
(ii) Interest income	4	17	20.2	(79.3)	(82.5)
(iii) Other unallocable expenditure (Net of income)	(56)	(19)	2	187.8	(3576.1)
Profit before tax	266	504	43	(47.2)	513.1

- Revenue is not comparable as Apr - Jun 17 sales is inclusive of excise duty which is discontinued effective from July 1, 2017 upon implementation of GST. In accordance with Ind AS 18, GST is not included in revenue from operations in Jan – Mar 18 & Apr – Jun 18

Segment assets & liabilities

Q1 2018-19 (Apr-Jun) results highlights

(Unit : INR Mn)

Particulars	Apr-Jun 18	Jan-Mar 18	Apr-Jun 17	% vs Jan-Mar 18	% vs Apr-Jun 17
Segment assets					
(a) Specialties	7,849	7,591	6,979	3.4	12.5
(b) Polystyrene	2,321	2,593	2,633	(10.5)	(11.8)
(c) Unallocated	412	351	295	17.6	40.0
Total segment assets	10,582	10,534	9,907	0.5	6.8
Segment liabilities					
(a) Specialties	2,406	2,311	1,609	4.1	49.5
(b) Polystyrene	983	739	409	32.9	140.3
(c) Unallocated	581	1,039	1,992	(44.1)	(70.9)
Total segment liabilities	3,969	4,089	4,010	(2.9)	(1.0)

Outlook 2018

Assumptions for 2018

- We expect various budgetary schemes continue to drive demand growth
- We expect currency rates and raw material prices to stabilize

Target 2018

- Continue to strengthen our position in Specialties, drive product mix to maximize margins and add new grades to our product portfolio
- Continue to optimize distribution network through third party logistics
- Ensure stable operations

THANK YOU
