



EARNINGS PRESENTATION – Q3 / 9M-FY17



Overview

- Established in 1931, Sintex is a diversified group with businesses across 2 principal business segments – Plastics (incl Infrastructure) and Textiles.
- The group has 38 manufacturing facilities and a global footprint span across 9 countries and 4 continents.
- Listed on both exchanges with a current market capitalization of around INR 46,800 Mn approx. (As on Jan 19, 2017)

Business Mix

- **Plastics / Infrastructure Business:** Custom moulding solutions, monolithic structures, prefabricated structures and other diversified products and solutions.
- **Textiles Business:** Fabrics like structured dyed yarn fabrics, corduroy and high end jacquard fabrics and various other specialty fabrics, and also recently forayed into Compact Cotton yarn.

Markets

- **Plastics / Infrastructure:** Custom Mouldings for Automobiles, Aerospace, Defence, Electrical, Mass Transit, Off Road Vehicles, Medical instruments, Retail etc. Infrastructure products catering to Healthcare, Education, Sanitation, Housing, Environmental sectors.
- **Textiles:** fabrics to domestic brands like Arrow, Van Heusen, Marks & Spencer, and global fashion labels like Armani, Hugo Boss, Diesel, Burberry, and Tommy Hilfiger

FY16 Financial Snapshot

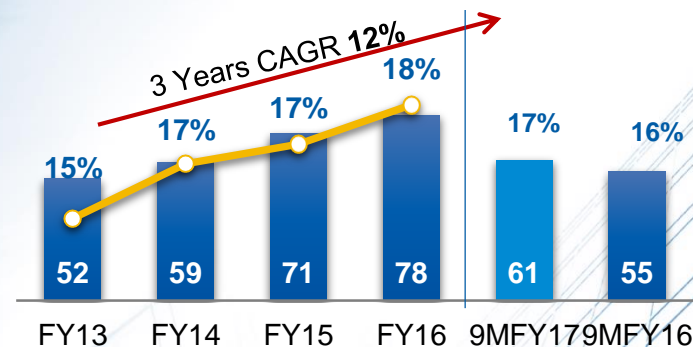
- **Revenue:** INR 77,335 Mn (3Yr CAGR 10%)
- **EBITDA:** INR 13,577 Mn (3 Yr CAGR 12%)
- **EBITDA Margin:** 18.0%
- **PAT:** INR 6,284 Mn(3 Yr CAGR 20%)
- **PAT Margin:** 7.5%



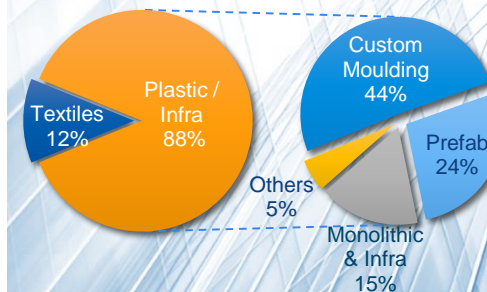
COMPANY SNAPSHOT

- Established in 1931, Sintex Industries Limited (Sintex), headquartered in Kalol, Gujarat is a globally respected conglomerate with interests across building products, custom moulding and textiles.
- Led by highly experienced promoters and management team, the Sintex group adopts an innovation driven approach which makes the company successful in all segments it operates in.
- The company enjoys global presence with 38 manufacturing facilities spread across India, Europe, North Africa & USA.
- Sintex has a diversified business mix which can mainly be categorized into the following:
 - **Plastics and Infrastructure:** Sintex is among Top 20 globally in custom moulding products and solutions for plastics and composite materials. The company manufactures a large range of custom moulding products for the automotive, defence, aerospace, electrical sectors among others and also offers customised solutions for OEMs. A pioneer in India for prefabricated and monolithic structures and also a wide range of other retail products like water storage tanks, electrical parts etc.
 - **Textiles:** Sintex has a composite fibre – to – fabric facility at Kalol, Gujarat and a recently commercialised state of art global scale compact cotton yarn spinning facility at Pipavav.

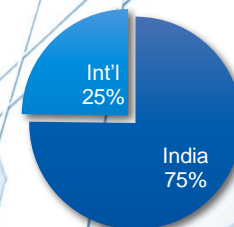
Revenue (INR Bn) and EBITDA Margin (%)



FY16 Business Mix



Geographical Mix



Commenting on key developments, **Amit Patel, Group MD**, said *“Its been a quarter of milestone achievements, we just celebrated our 85th year and also announced our Composite scheme of arrangement. I am very thankful for the support of all our stakeholders. Looking forward, SPTL our demerged entity will see significant deleveraging and we intend to bring Net debt to EBITDA below 3 times in next two years, generate free cash. Our surplus capacity in plastics, will see better utilisation with a sharp decline in capex going forward. We are also evolving on a comprehensive retail model on asset light franchise basis, already tested and running profitably. For the yarn business, Phase I is on full utilisation and we are progressing on Phase II of yarn capacity expansion as per schedule.”*

“The quarter under review was challenging as demonetisation disrupted our portfolio of businesses. However, I believe we have steered successfully and are now moving smoothly. Our Textiles division and Custom moulding overseas saw good traction. We will see volumes rebound across our businesses in coming quarters.”

FINANCIAL HIGHLIGHTS

Consolidated Sales Break-up

(Rs mn)

	Q3FY17	Q3FY16	9M FY17	9M FY16
Custom Molding	8,520	8,890	26,030	25,110
Building Material	6,380	9,330	21,670	23,380
Textiles & Yarn	5,850	2,550	12,610	6,580

Q3FY17& 9M FY17 Consolidated

(Rs mn)

	Q3FY17	Q3FY16	9MFY17	9MFY16
Total Revenue	20,905	20,828	60,787	55,281
EBITDA	3,478	3,451	10,507	8,969
EBITDA Margin	17%	17%	17%	16%
PAT	1,109	1,808	3,512	3,954

Custom molding

- ❑ Overseas EBITDA margin expands over 100 bps
- ❑ Domestic automotive and Chennai Cyclone impacted Q3FY17 performance
- ❑ Significant traction in orders for Mass Transit in India and key world markets on tie-up with a Global OEM
- ❑ BAPL Rototech commences pilot supplies for Bharat VI standards in the CV segment.
- ❑ Long term focus on signing contracts across continents with Fortune 500 OEM's to capture the scale across geographies.
- ❑ Leveraging technology and customer relationships to further open new markets.

Building Materials

- ❑ Sales impacted on the B2C and Prefabs segment with demonetisation. Government execution remained slow in the quarter. However, Private demand for Prefabs is gradually looking up, signs of a healthy traction for retail prefabs is inevitable in coming quarters.
- ❑ Strong vibes from the government to provide impetus for housing for economically weaker section (EWS) and incentivising through lower interest rates is expected to see higher growth for labour colonies and a range of retail products.
- ❑ A formal policy is on the anvil for giving a significant thrust to EWS housing, promising a substantial uptick for our monolithic business in the near future.

Textiles

- ❑ Fabric sales continue strong growth, exploring possibilities in emerging segments of printed fabric etc.
- ❑ Phase I running at full capacity.
- ❑ Yarn exports spread across 21 countries to key markets ranging from Germany, Switzerland, Italy in Europe, Brazil in South America and China, South Korea and Malaysia in Asia among others.
- ❑ Exports contribute 60-65 percent of topline and balance from domestic.
- ❑ Yarn division goes live on SAP.
- ❑ Phase II expansion as per schedule, to go onstream by August 2017.

Court Convened Meetings Proceeding

- ❑ Pursuant to the Order dt.8th December, 2016 passed by the Hon'ble High Court of Gujarat, the court convened meetings of the Equity Shareholders, Secured Creditors (Including Debenture holders) and Unsecured creditors of the company were held on 17th January 2017 for considering and approving the Composite Scheme of Arrangement and the same were approved by them with the requisite majority in the respective meeting.

9M FY17 CONSOLIDATED INCOME STATEMENT

Particulars (INR Mn)	9M FY17	9M FY16
Total Income	60,787	55,281
Total Expenses	50,280	46,312
EBITDA	10,507	8,969
EBITDA Margin (%)	17%	16 %
Depreciation	2,880	2,223
Finance Cost	2,533	1,916
PBT	5,391	5,242
Tax	1,878	1288
Profit After Tax	3,507	3,944
Share of Profit from Associates	-	10.1
Minority Interest	4.7	0
PAT after Minority Interest	3,512	3,954
PAT Margin (%)	6%	7%
EPS (Rs)	7.42	8.97

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For further details, please feel free to contact our Investor Relations Representatives:



Mr. Rajiv Naidu
Sintex Industries Limited
Tel: +91-22-28270810
Email: rajiv.naidu@sintex.co.in



Mr. Anuj Sonpal
Valorem Advisors
Tel: +91-22-3006-7521 / 22 / 23 / 24
Email: sintex@valoremadvisors.com

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