



KAJARIA CERAMICS LIMITED

Investor Update – Q2 FY13 /H1 FY13

Oct. 16, 2012

Kajaria
TRANSFORM YOUR WORLD

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- Chairman's Message
- Financial Performance - Q2 FY13 / H1 FY13
- Balance sheet perspective
- Income Statement
- Shareholding Pattern

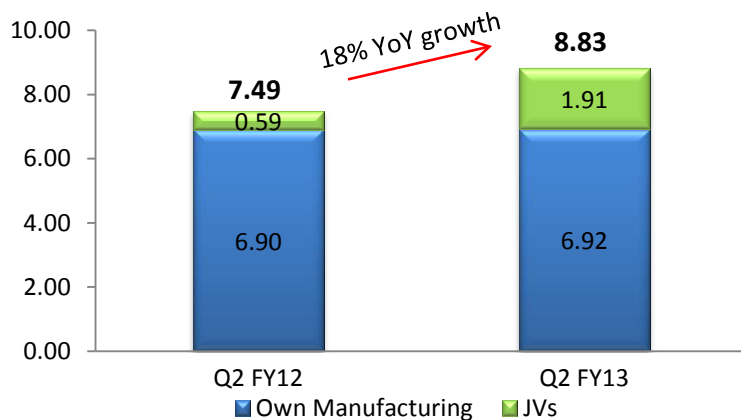
An increasing number of Indians have the **Affordability** and **Aspiration** to upgrade to their lifestyles, than ever before, especially when it comes to do their homes. We only ensured the **Availability** that we are there at the *right* time at the *right* place, with the *right* product – pan India – to satiate their appetite.

This simple philosophy resulted in a 28%* topline growth complimented by a 34%* growth in the bottomline during the H1 FY13 as compared to the corresponding period of the previous year. This gives us the confidence of achieving our initial guidance of 20-25% topline growth in FY 13.

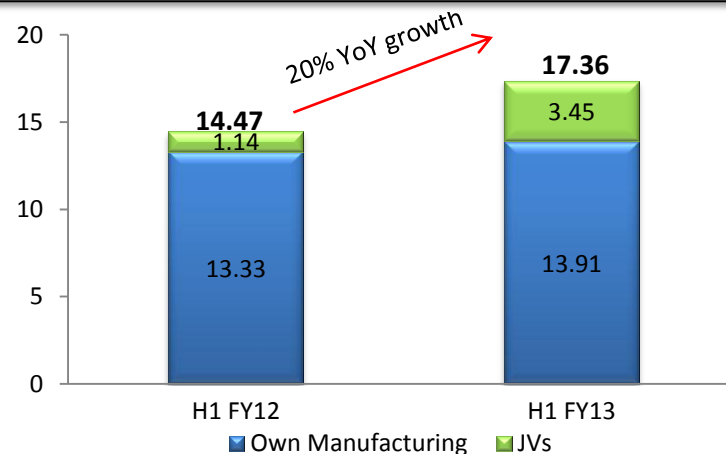
The start of production of high end digital ceramic wall tiles at Vennar Ceramics, Vijaywada and our recent acquisition of a fourth unit – a newly set up 2.70 MSM of vitrified tile facility at Morbi, Gujarat should help in achieving the targeted growth.

* Consolidated

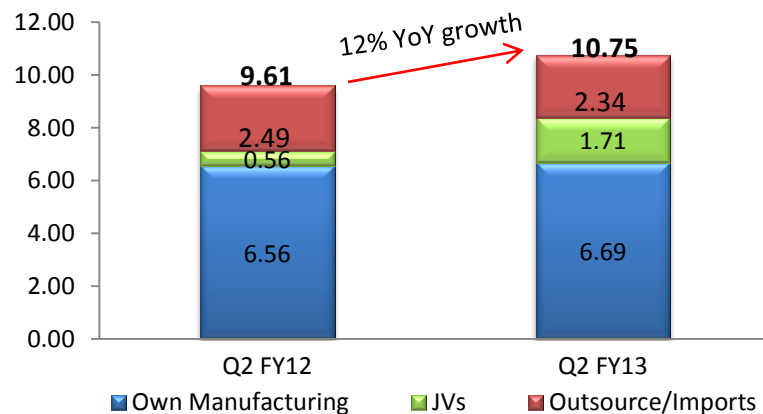
Production Growth – Q2FY13



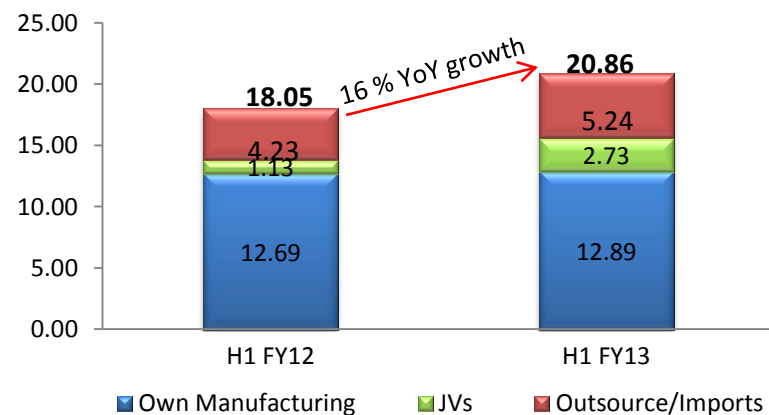
Production Growth – H1 FY13



Sales Volume– Q2 FY13

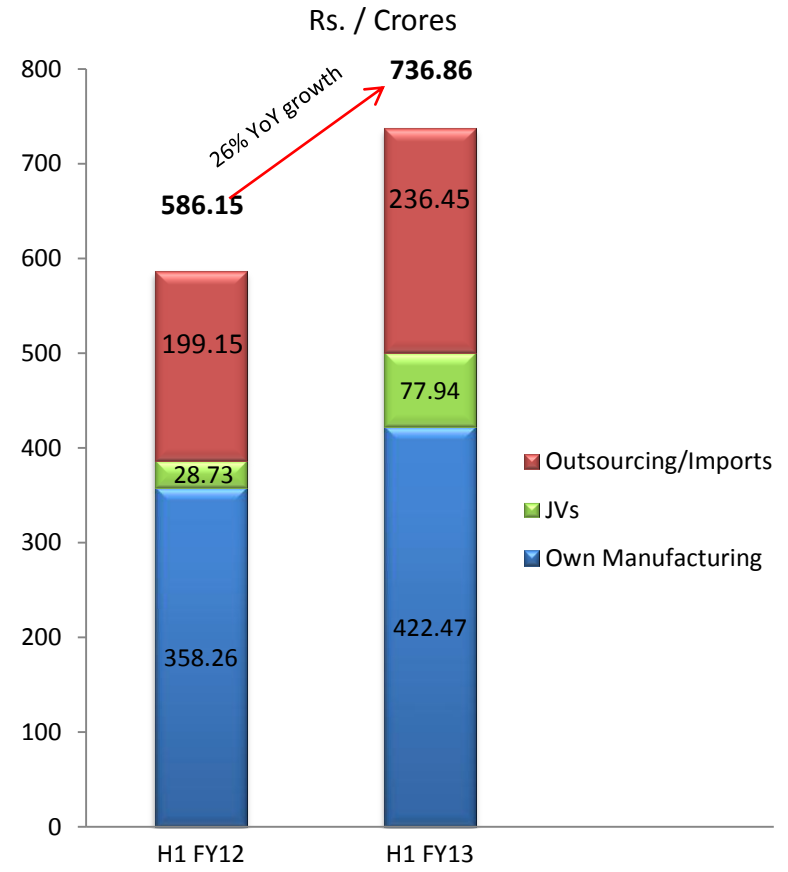
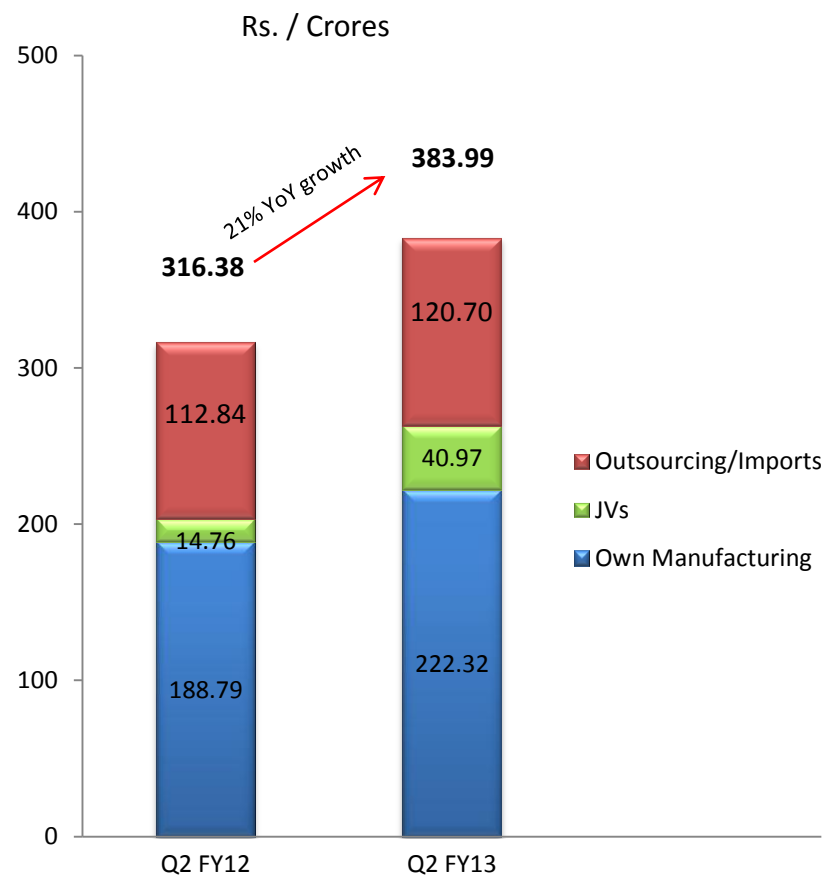


Sales Volume– H1 FY13



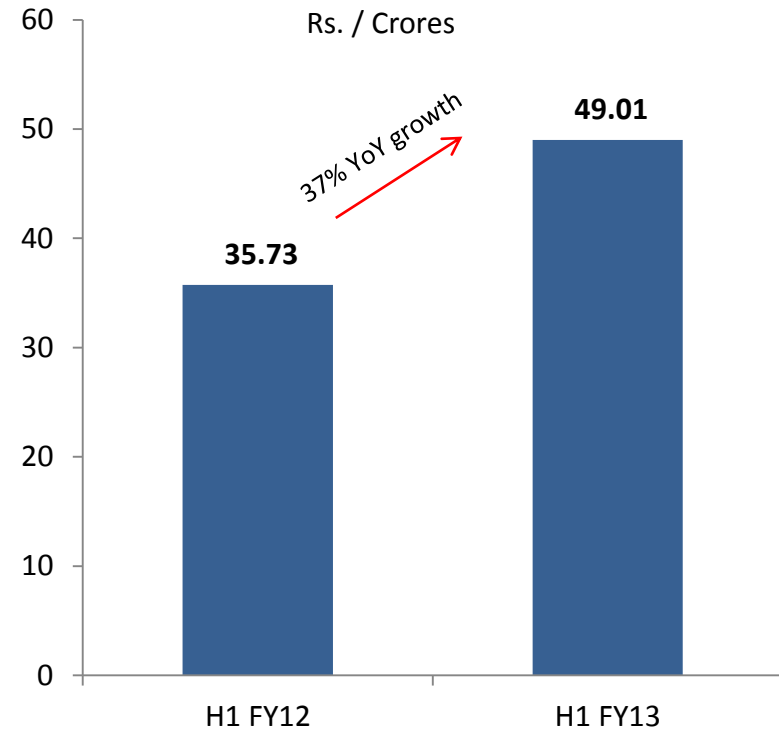
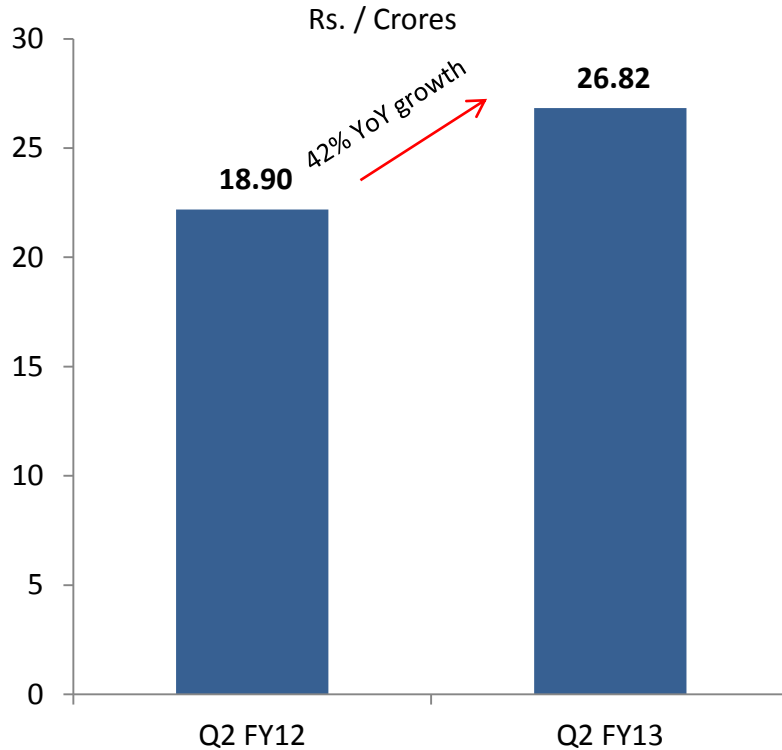
* All figures are on standalone basis and are in million sq. mtr. of tiles, unless mentioned

Revenue Growth - Standalone



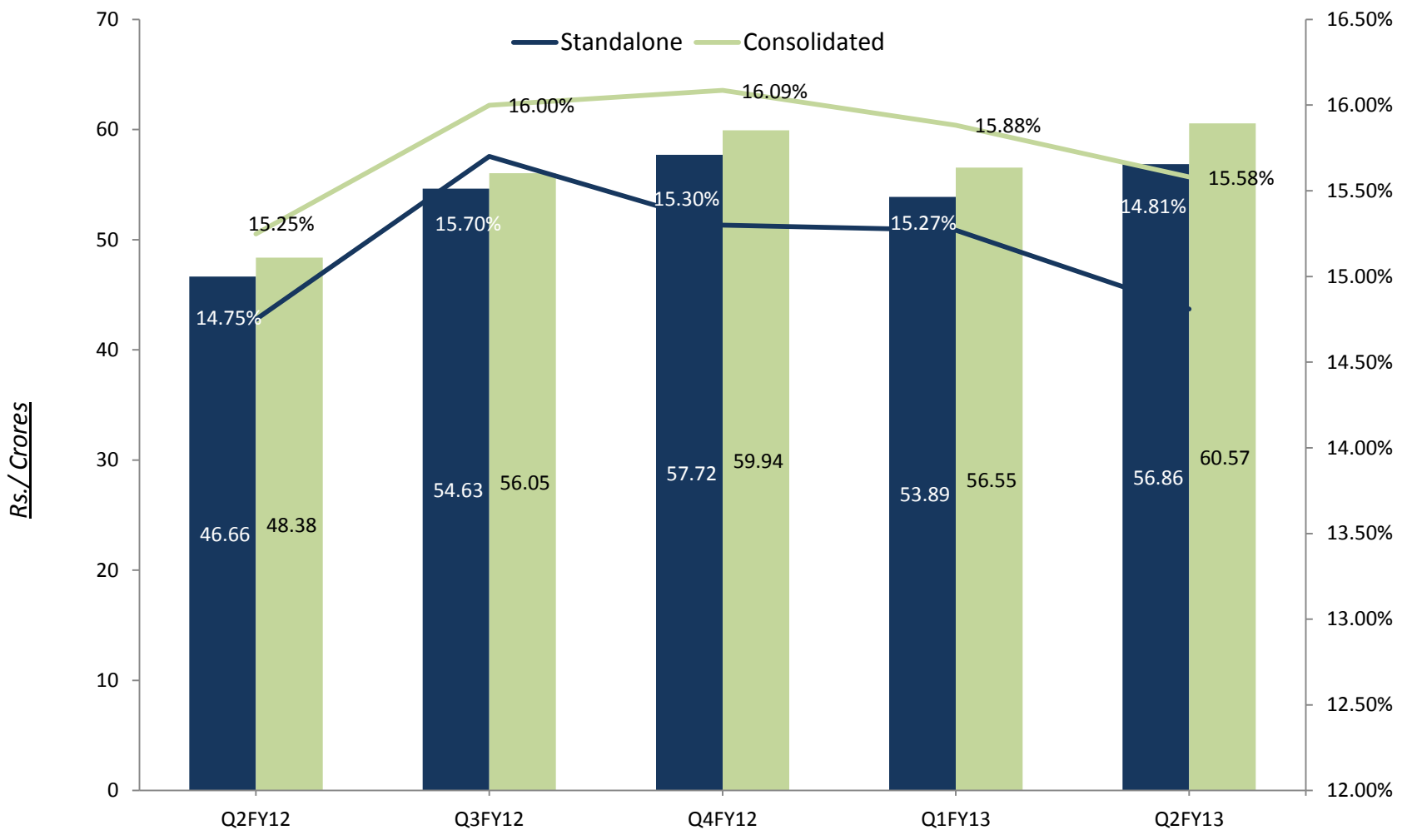
Consolidated Revenue (net sales) is up by 23% at Rs 388.74 crore in Q2FY13 as compared to Rs 317.28 crore in Q2FY12 and up 27% at Rs 744.78 crore in H1FY13 as compared to Rs 588.59 crore in H1FY12.

PAT Growth - Standalone



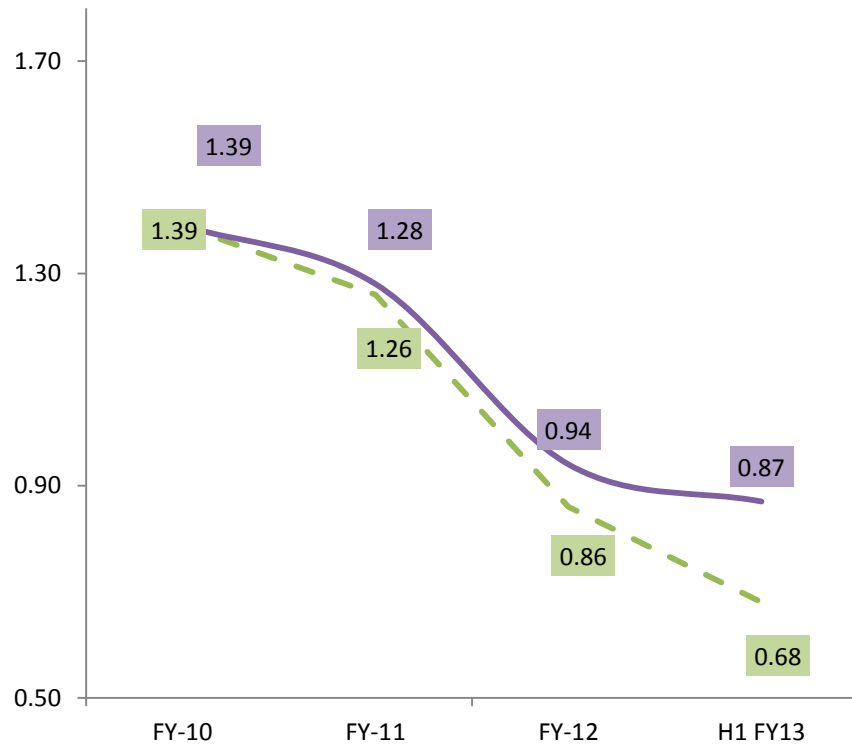
Consolidated net profit up by 38% at Rs 26.54 crore for Q2FY13 as compared to Rs 19.26 crore for Q2FY12 and up by 34% at Rs 48.79 crore for H1FY13 as compared to Rs 36.33 crore for H1FY12.

EBIDTA / EBIDTA Margin – quarterly progression



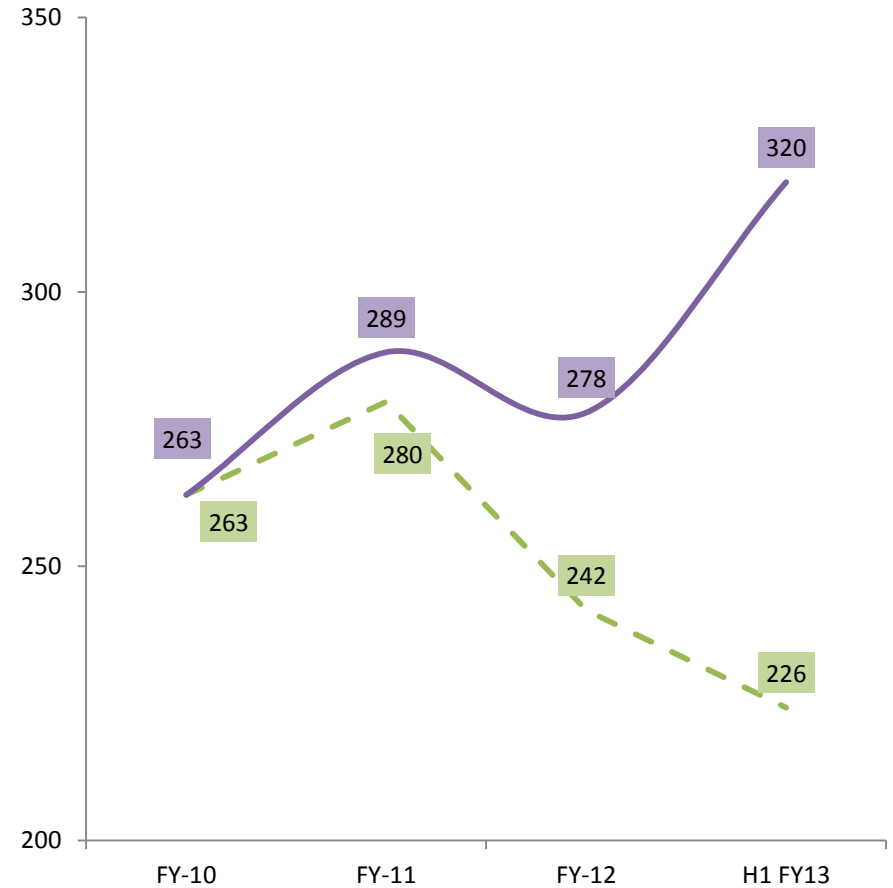
Debt Equity (X)

— Standalone — Consolidated

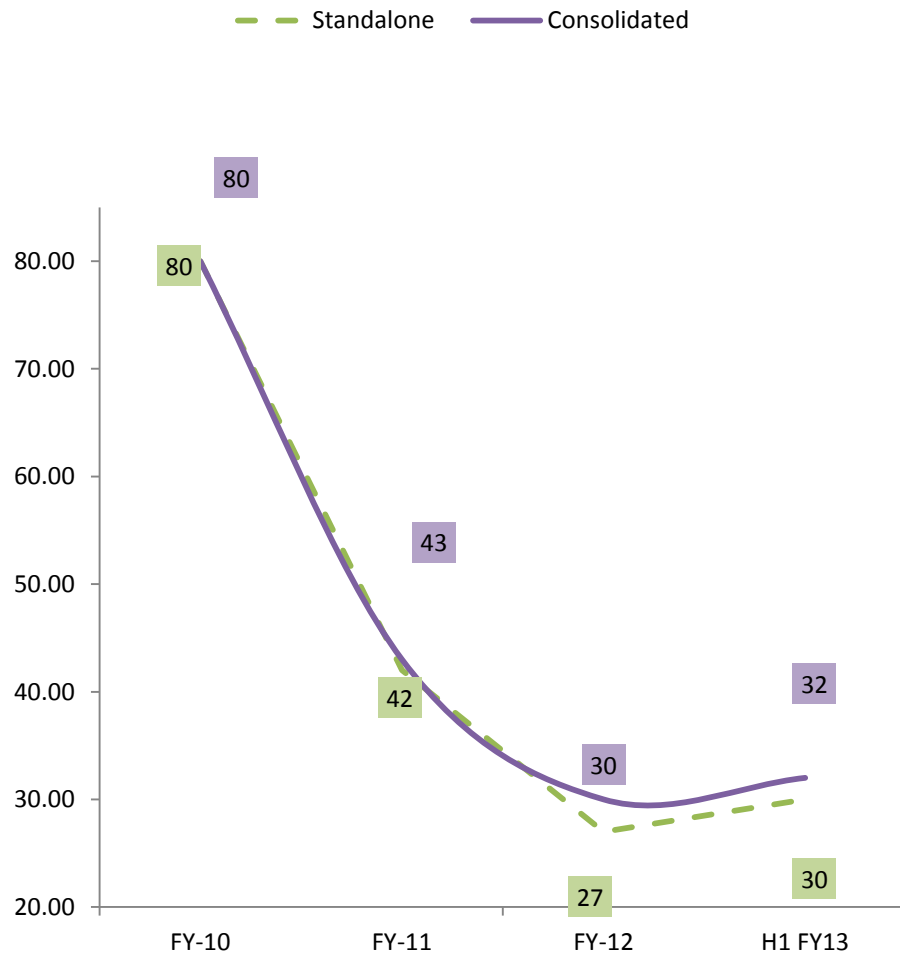


Debt (Rs. Crore)

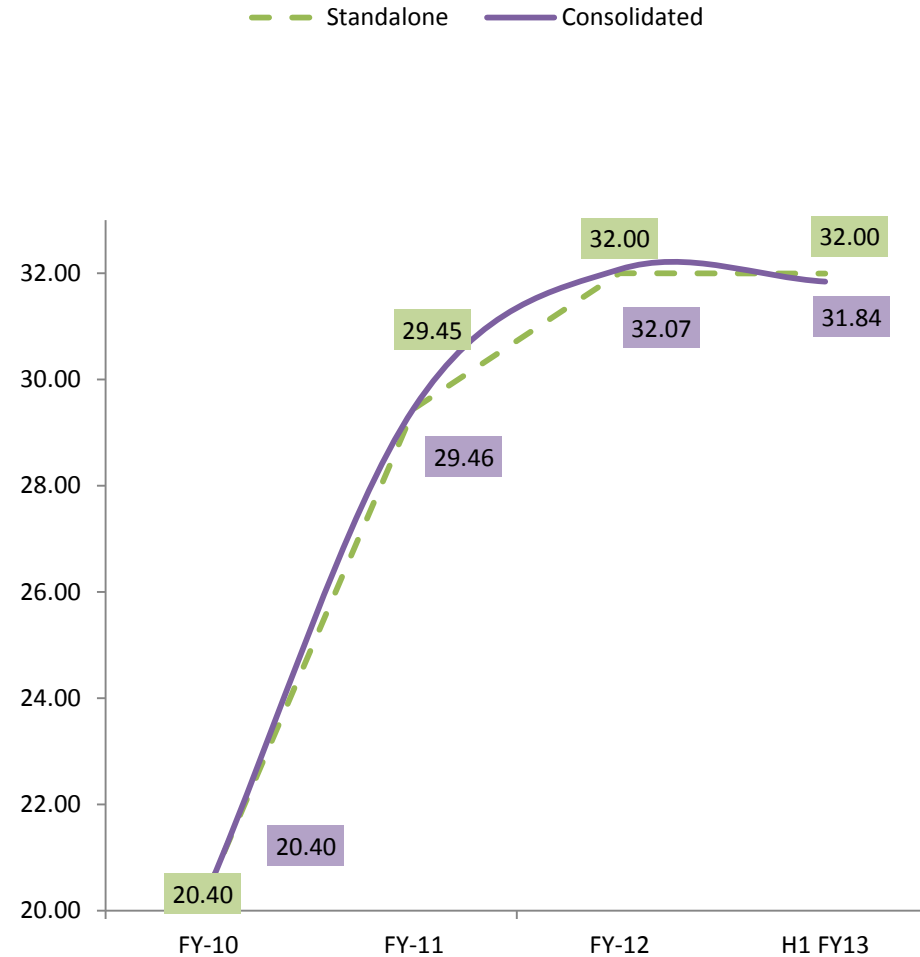
— Standalone — Consolidated



Working Capital Cycle (days)



Return on Equity (Avg.)



Capex creditors not considered in working capital cycle.

* ROE for 6 months taken at average net worth as on 31st Mar. 12 and 30th sep., 12 and annualised H1 FY13 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 72% capacity in H1 FY13 due to maintenance shut down taken in the 1st half year. We expect SORISO to operate at almost full capacity in 2nd half of the year.

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. Production has commenced in March 2012. Jaxx has operated at 84% capacity in H1 FY13. We expect the utilisation to improve in the 2nd half of the year.

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 83% annualised capacity in H1 FY13. We expect VENNAR to operate at almost full capacity in the 2nd half of the year.

C. COSA CERAMICS

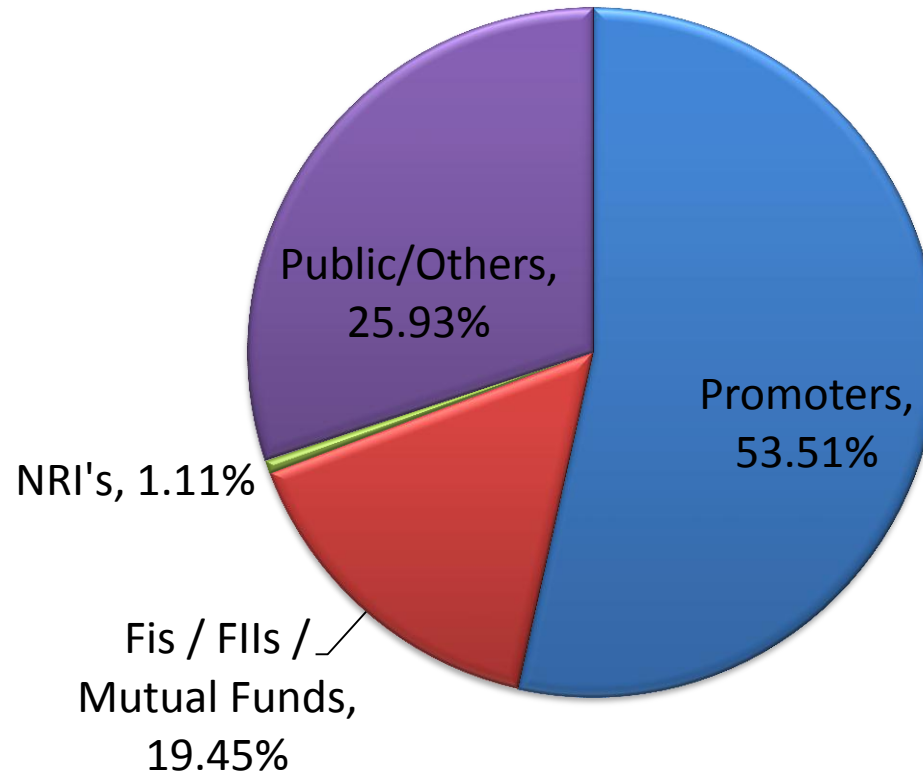
Acquired 51% stake in Cosa Ceramics Pvt. Ltd., based in Morbi, Gujarat – on 16th Oct.'12, with an annual production capacity of 2.70 MSM of polished vitrified tiles.

Financial highlights

(Rs in Crore)

	Q2FY13		Q2FY12		Growth		H1 FY13		H1 FY12		Growth	
	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
Gross Sales	414.27	419.65	337.02	337.99	23%	24%	795.41	804.37	624.29	626.99	27%	28%
Net Sales	383.99	388.74	316.38	317.28	21%	23%	736.86	744.78	586.15	588.59	26%	27%
EBIDTA	56.86	60.57	46.66	48.38	22%	25%	110.75	117.12	88.53	91.68	25%	28%
EBIDTA MARGIN	14.81%	15.58%	14.75%	15.25%			15.03%	15.73%	15.10%	15.58%		
Interest	7.29	9.88	10.47	10.86	-30%	-9%	19.35	23.32	19.22	19.95	1%	17%
Depreciation	10.63	12.27	8.82	9.12	21%	35%	20.30	22.96	17.55	18.15	16%	27%
Profit Before Tax	38.94	38.42	27.37	28.40	42%	35%	71.10	70.84	51.76	53.58	37%	32%
Tax	12.12	12.12	8.47	8.80	43%	38%	22.09	22.21	16.03	16.62	38%	34%
Minority Interest	-	0.24	-	(0.34)	-	-	-	0.16	-	(0.63)	-	-
Cash Profit	37.45	38.81	27.72	28.38	35%	37%	69.31	71.75	53.28	54.48	30%	32%
Profit After Tax	26.82	26.54	18.90	19.26	42%	38%	49.01	48.79	35.73	36.33	37%	34%
Equity	14.72	14.72	14.72	14.72			14.72	14.72	14.72	14.72		
EPS (Rs)	3.65	3.61	2.57	2.62	42%	38%	6.66	6.63	4.86	4.94	37%	34%

As on 30th Sep. 2012



Equity Shares Outstanding – 73.58 millions

Kajaria Ceramics is the largest manufacturer of ceramic/vitrified tiles in India. It has an annual capacity of 41.00 mn. sq. meters, distributed across six plants - one in Sikandrabad (UP), one in Gailpur (Raj.), three in Morbi (Guj.) and one in Vijaywada (AP).

Kajaria is the most certified ceramic tile company in the world 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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