

JBF INDUSTRIES LTD

Q1- FY15 Earnings Presentation

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The information in this overview reflects prevailing conditions and our views as of this date, all of which are accordingly subject to change.

Key Financial Highlights



- ❑ **Q1-FY15 (Consolidated) performance:**
 - a. Total Income*: INR 20,897 mn
 - b. EBITDA: INR 2,086 mn
 - c. EBITDA Margin: 9.98%
 - d. PAT: INR 279 mn
 - e. Diluted EPS: INR 4.13/ equity share

- ❑ **Q1-FY15 (Standalone) performance:**
 - a. Total Income*: INR 11,723 mn
 - b. EBITDA: INR 1,166 mn
 - c. EBITDA Margin: 9.95 %
 - d. PAT: INR 440 mn
 - e. Diluted EPS: INR 6.59 / equity share

** Total Income includes other income component*

- ❑ During the quarter, the company has revised depreciation rate on fixed assets based on the useful life specified in Schedule II of the Companies Act, 2013. Depreciation of Rs. 312 Lacs on accounts of an asset whose useful life is already exhausted on 1st April 2014 and deferred tax of Rs. 106 Lacs thereon have been adjusted to General Reserve.

Key Operational Highlights



Projects:

- **Polyester Film Plant Project At Bahrain** - At Bahrain, two lines of polyester film plant executed through JBF Bahrain SPC are in operation. The third line will be commissioned by mid September 2014.
- **PET Plant project in Belgium** - At Geel, Belgium, PET plant executed through JBF Global Europe BVBA, has commenced production and is getting stabilized. Commercial deliveries of PET have started with effect from first week of July 2014.
- **PTA Plant Project at Mangalore** – At Mangalore, there has been satisfactory progress in the implementation of the 1.25 Million Tonnes per annum PTA project being executed through JBF Petrochemicals Ltd. The project is expected to be completed by mid 2015.
- **Total Loan related to New Projects** : Approximately INR 33 Bn

Financial Highlights - Consolidated



Income Statement	Q1-FY15	Q4-FY14	QoQ%	Q1-FY14	YoY %
Income *	20,897	20,906	(0.04)%	20,997	(0.48)%
Total Expenses	18,811	18,970	(0.84)%	19,361	(2.84)%
EBITDA	2,086	1,936	7.70%	1,637	27.37%
<i>EBITDA Margin</i>	<i>9.98%</i>	<i>9.26%</i>	<i>72 bps</i>	<i>7.80%</i>	<i>218 bps</i>
Exchange Difference & Derivative (Gain)/ Loss	49	(129)	NA	953	(94.86)%
Depreciation	649	678	(4.28)%	540	20.19%
Interest	898	921	(2.50)%	643	39.66%
PBT	490	466	5.15%	(499)	NA
Tax	211	182	15.93%	(89)	NA
Profit After Tax	279	284	(1.76)%	(411)	NA
<i>PAT Margin</i>	<i>1.34%</i>	<i>1.36%</i>	<i>(2) bps</i>	-	NA
Exceptional Item	-	188	NA	-	NA
PAT After Exceptional Item	279	472	(40.89)%	-	NA
<i>PAT Margin After Exceptional Item</i>	<i>1.34%</i>	<i>2.26%</i>	<i>(93) Bps</i>	NA	NA
Diluted EPS	4.13	7.09	(41.75)%	(5.76)	NA

* Income includes other income component
All numbers in INR Mn other than EPS

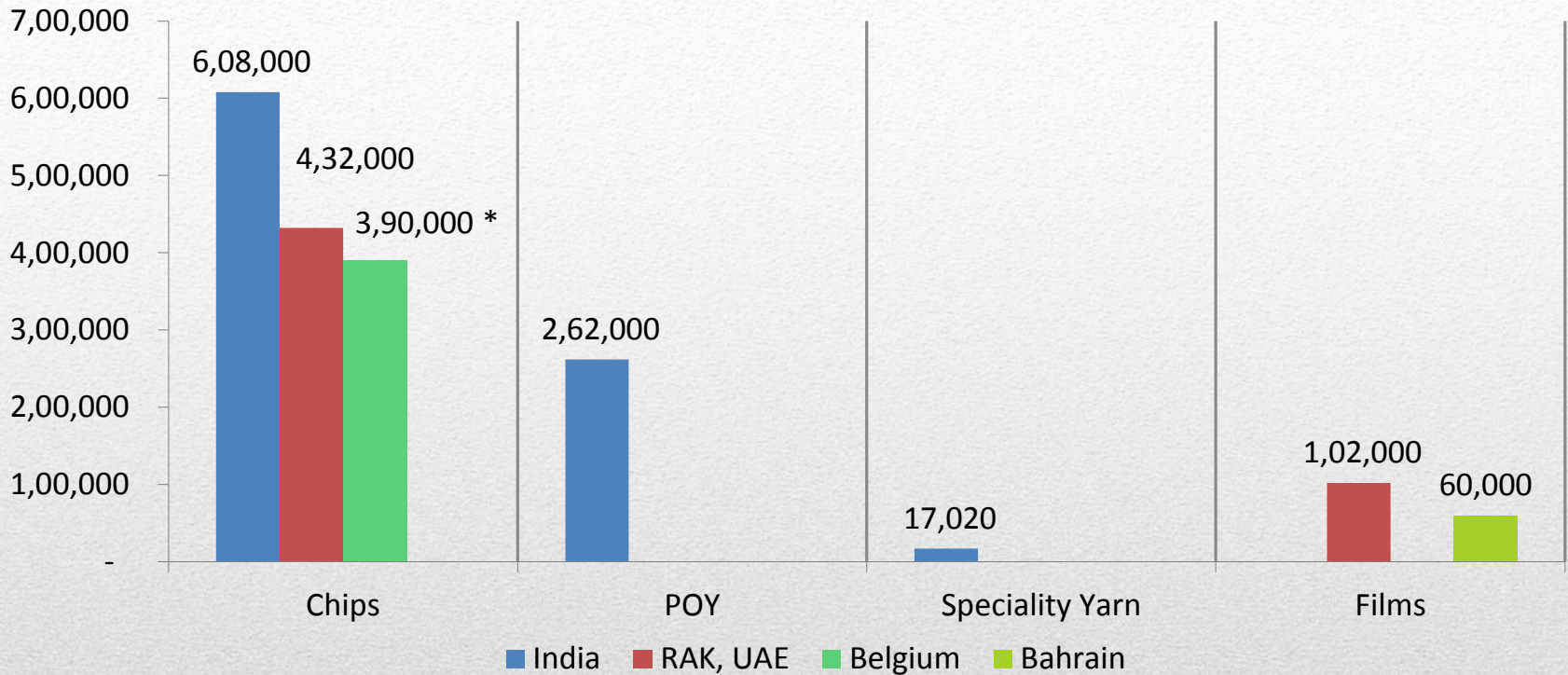
Financial Highlights – Standalone



Income Statement	Q1-FY15	Q4-FY14	QoQ%	Q1-FY14	YoY %
Income *	11,723	12,207	(3.96)%	11,933	(1.76)%
Total Expenses	10,557	11,179	(5.56)%	10,904	(3.18)%
EBITDA	1,166	1,028	13.42%	1,029	13.31%
<i>EBITDA Margin</i>	<i>9.95%</i>	<i>8.42%</i>	<i>152 bps</i>	<i>8.62%</i>	<i>131 bps</i>
Exchange Difference & Derivative (Gain)/ Loss	(22)	(166)	NA	947	NA
Depreciation	229	289	(20.76)%	270	(15.19)%
Interest	307	345	(11.01)%	327	(6.12)%
PBT	652	560	16.43%	(515)	NA
Tax	212	191	10.99%	(104)	NA
Profit After Tax	440	369	19.24%	(411)	NA
<i>PAT Margin</i>	<i>3.75%</i>	<i>3.02%</i>	<i>73 bps</i>	<i>NA</i>	<i>NA</i>
Diluted EPS	6.59	5.52	19.38%	(5.77)	NA

* Income includes other income component
All numbers in INR Mn other than EPS

Production Capacities



Total polymerization capacity stands at 1,430,000 MT while downstream capacity stands at 441,020 MT

CHIPS – 1,430,000 MT

POY & Specialty yarn – 279,020 MT

Films – 162,000 MT

Capacity information is as on 30th June, 2014

** Belgium, PET plant commissioned in the first week of July 2014*

Operating Performance



Indian Operation Sales (MT)	Q1-FY15	Q1-FY14	% Increase	FY14	FY13	% Increase
CHIPS (Textile + Bottle grade)	70,502	66,123	6.62%	2,66,550	2,74,095	(2.75)%
POY & Specialty Yarn	53,382	62,013	(13.92)%	2,25,040	2,16,911	3.75%
Total	1,23,884	1,28,136	(3.32)%	4,91,590	4,91,006	0.12%

Overseas Operation Sales (MT)	Q1-FY15	Q1-FY14	% Increase	FY14	FY13	% Increase
CHIPS (Bottle grade)	88,540	78,788	12.38%	3,38,463	2,48,625	36.13%
Films	24,319	17,209	41.32%	72,417	77,010	(5.96)%
Total	1,12,859	95,997	17.57%	4,10,880	3,25,635	26.18%

Pricing Trends & Revenue Mix



Price trends*

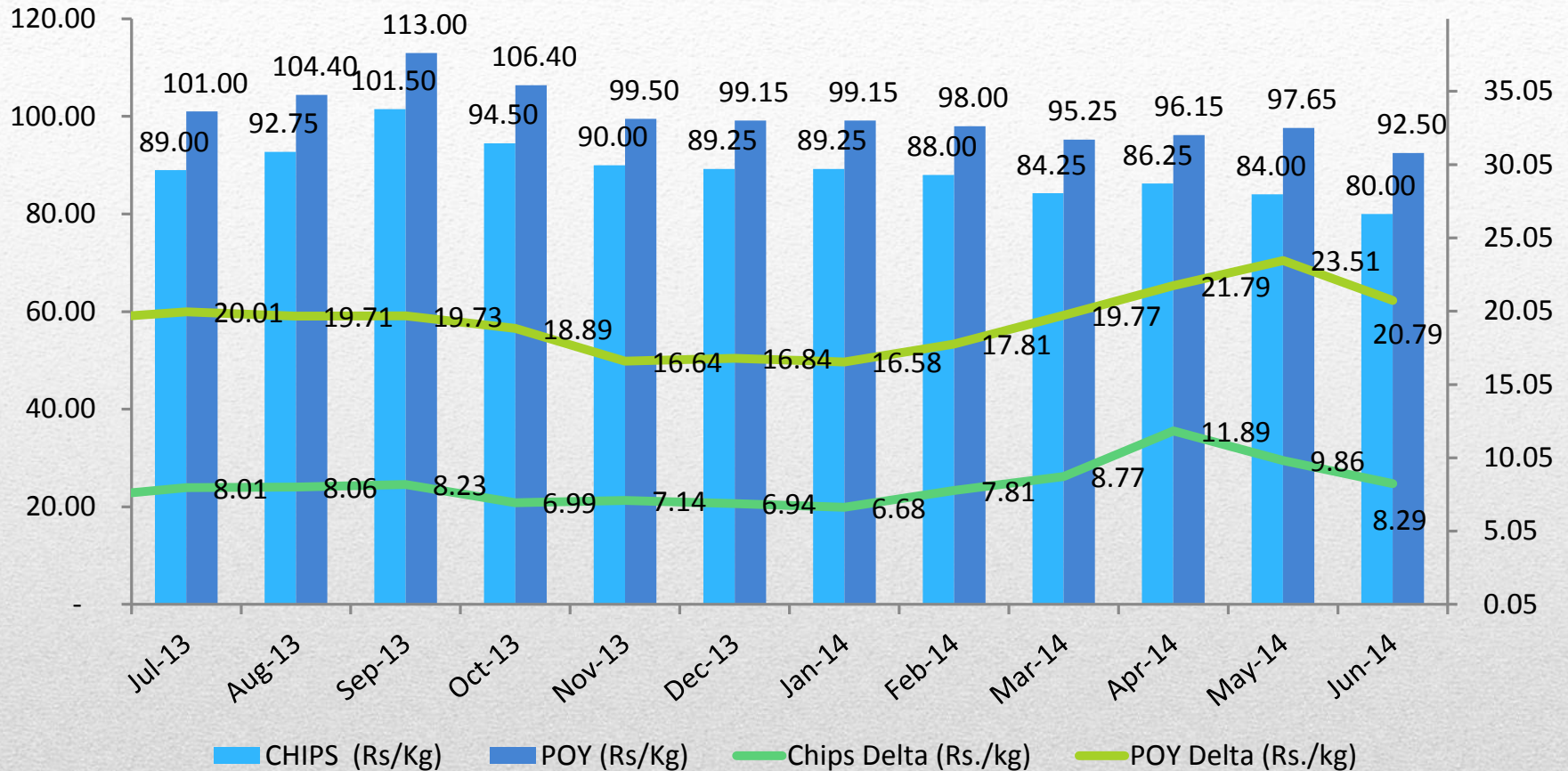
Category	Q1-FY15	Q1-FY14	% Change	FY14	FY13	% Change
CHIPS (India)(INR/Kg)	87	85	2.35%	90	84	7.14%
POY & Specialty Yarn (INR/Kg)	106	102	3.92%	109	106	2.83%
CHIPS (Overseas) (USD/MT)	1,300	1,600	(18.75)%	1,400	1,500	(6.67)%
FILMS (Overseas) (USD/MT)	2,100	2,300	(8.70)%	2,200	2,300	(4.35)%

*Prices mentioned above are the average prices for standard products in the industry, It could differ from the sale price achieved by the company

Revenue Mix

Category	Q1-FY15	Q1-FY14	% Change	FY14	FY13	% Change
CHIPS (India)	29%	27%	200 bps	28%	31%	(300) bps
POY & Specialty Yarn (India)	26%	29%	(300) bps	27%	29%	(200) bps
CHIPS (Overseas)	31%	33%	(200) bps	33%	27%	600 bps
FILMS (Overseas)	14%	11%	300 bps	12%	13%	(100) bps

Delta Prices over the Last 1 year



	PTA (Rs/Kg)	MEG (Rs/Kg)	CHIPS (Rs/Kg)	POY (Rs/Kg)	Chips Delta (Rs./kg)	POY Delta (Rs./kg)
Max	77.50	78.30	101.50	113.00	11.89	23.51
Min	59.70	59.90	80.00	92.50	6.68	16.58
Avg	67.26	67.64	89.06	100.18	8.22	19.34

Films Delta (blended thick & thin)– USD 800/Ton

Historical Consolidated Results – Profit and Loss A/c



Income Statement	FY 10	FY 11	FY 12	FY 13	FY 14
Total Operating Income	49,444	64,711	71,793	74,558	85,677
Total Expenses	44,740	55,149	64,666	67,656	85,803
EBITDA	4,704	9,563	7,127	6,903	7,119
EBITDA Margin	9.5%	14.8%	9.9%	9.3%	8.3%
Other Income	262	222	1,260	34	126
Exchange Difference & Derivative (Gain)/ Loss	149	874	2,939	1,329	1,254
Depreciation	1,173	1,314	1,525	2,002	2,450
Interest	1,275	1,534	1,898	2,100	3,162
Exceptional Item					(179)
PBT	2,668	6,063	2,025	1,505	200
Tax	540	602	(205)	371	143
Profit After Tax	2,128	5,461	2,230	1,135	57
Minority Interest	224	-	-	-	-
Profit After Minority Interest	1,904	5,461	2,230	1,135	57
Diluted EPS	26.4	75.8	31.0	15.24	0.35

All numbers in INR Mn other than EPS

Consolidated Results – Balance Sheet



	Particulars	FY14	FY 13		Particulars	FY14	FY 13
A	EQUITIES & LIABILITIES			B	ASSETS		
Part -1	Shareholder Funds			Part -1	Non Current Assets		
	(A) Share Capital	802	1,830		(A) Fixed Assets	62,372	38,830
	(C) Reserves & Surplus	18,045	16,873		(B) Goodwill on Consolidation	1,048	951
	Total - Shareholder Funds	18,847	18,703		(C) Non-Current Investments	26	30
Part 2	Non Current Liabilities				(D) Long Term Loans & Advances	6,624	4,704
	(A) Long Term Borrowings	45,587	23,174		(E) Other Non-Current Assets	6	-
	(B) Deferred Tax Liabilities (Net)	1,705	1,581		Total - Non – Current Assets	70,076	44,515
	(C) Other Long Term liabilities	352	-	Part 2	Current Assets		
	(D) Long Term provisions	403	271		(A) Current Investments	6	486
	Total - Non – Current Liabilities	48,047	25,026		(B) Inventories	10,440	9,231
Part 3	Current Liabilities				(C) Trade Receivables	11,507	10,348
	(A) Short term Borrowings	13,923	13,216		(D) Cash and Bank Balances	4,870	5,968
	(B) Deferred Tax Liabilities	68	-		(E) Short-term loans and advances	4,768	5,841
	(B) Trade Payables	11,841	11,230		(F) Other current assets	160	264
	(C) Other Current Liabilities	8,375	7,940		Total – Current Assets	31,751	32,138
	(D) Short-term provisions	726	538		GRAND TOTAL – ASSETS	1,01,827	76,653
	Total – Current Liabilities	34,933	32,924				
A	GRAND TOTAL - EQUITIES & LIABILITES	1,01,827	76,653	B			

All numbers in INR Mn

Historical Consolidated Results – Balance Sheet



Particulars	FY 09	FY 10	FY 11	FY12
Share Capital	622	622	717	720
Cumulative Redeemable Preference Shares (CRPS)	-	-	266	884
Reserves	6,709	8,117	13,555	15,395
Net worth	7,331	8,740	14,538	16,999
Minority Interest	3,997	3,633	-	-
Loan Funds	12,414	13,644	17,836	24,247
TOTAL LIABILITES	23,743	26,016	32,374	41,246
Net Fixed Assets (Incl Capital WIP)	20,837	21,165	24,705	33,136
Investments	361	1,310	1,280	629
Net Current Assets (Excluding Cash)	2,873	3,880	5,469	4,720
Cash & Bank	899	999	2,350	3,987
Deferred Tax Liability (Net)	-1,226	-1,337	-1,430	-1,223
TOTAL ASSETS	23,743	26,016	32,374	41,246

All numbers in INR Mn

Thank You

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