

JBF INDUSTRIES LTD

Q1 - FY16 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.

- ❑ **Q1-FY16 (Standalone) performance:**
 - a. Total Income*: INR 9,056mn
 - b. EBITDA: INR 1,061mn
 - c. EBITDA Margin: 11.72%
 - d. PAT: INR 201mn
 - e. Diluted EPS: INR 2.94/ equity share

- ❑ **Q1-FY16 (Consolidated) performance:**
 - a. Total Income*: INR 22,742mn
 - b. EBITDA: INR 2,419mn
 - c. EBITDA Margin: 10.64%
 - d. PAT: INR 230mn
 - e. Diluted EPS: INR 3.39/ equity share

** Total Income includes other income component*

Key Highlights

- JBF Industries has signed a definitive agreement with global investment firm KKR under which KKR will invest US\$150 million into JBF Group, an entity that includes JBF's international subsidiaries, subject to board approval. A portion of the proceeds will be used by KKR to acquire a 20% stake in JBF Industries of face value INR 10 per share at a premium of INR 290 per share. The remaining proceeds will be invested into zero-coupon convertible preference shares with 14.5% voting rights in JBF Global Pte. Limited, Singapore, an unlisted subsidiary.

Key Operational Highlights



Projects:

- **Polyester Film Plant Project At Bahrain** - At Bahrain, all 3 lines of polyester film plant executed with total capacity of 90,000 MT per annum, operating under subsidiary JBF Bahrain SPC have been fully commissioned. Product deliveries have started and product has been well accepted.
- **PET Plant project in Belgium** - At Geel, Belgium, PET plant executed through JBF Global Europe BVBA, has been fully commissioned. Commercial deliveries of PET have started and product has been well accepted.
- **PTA Plant Project at Mangalore** – Implementation of the 1.25 Million Tonnes per annum green field PTA project at Mangalore, being executed through Step down subsidiary JBF Petrochemicals Ltd is proceeding satisfactorily. The project is expected to be completed by the end of current financial year.

Quarterly Financial Highlights – Standalone



Income Statement	Q1-FY16	Q4-FY15	QoQ%	Q1-FY15	YoY%
Income *	9,056	8,191	11%	11,723	(23)%
Total Expenses	7,995	7,144	12%	10,557	(24)%
EBITDA	1,061	1,047	1%	1,166	(9)%
<i>EBITDA Margin</i>	<i>11.72%</i>	<i>12.78%</i>	<i>(106) bps</i>	<i>9.95%</i>	<i>177 bps</i>
Exchange Difference & Derivative (Gain)/ Loss	68	(93)	(173)%	(22)	(409)%
Depreciation	251	252	0%	229	10%
Interest	432	439	(2)%	307	41%
PBT	310	449	(31)%	652	(52)%
Tax	109	166	(34)%	212	(49)%
Profit After Tax	201	283	(29)%	440	(54)%
<i>PAT Margin</i>	<i>2.22%</i>	<i>3.46%</i>	<i>(124) bps</i>	<i>3.75%</i>	<i>(153) bps</i>
Diluted EPS	2.94	4.18	(30)%	6.59	(55)%

All numbers in INR Mn other than EPS
*Includes Other Income

Quarterly Financial Highlights – Consolidated

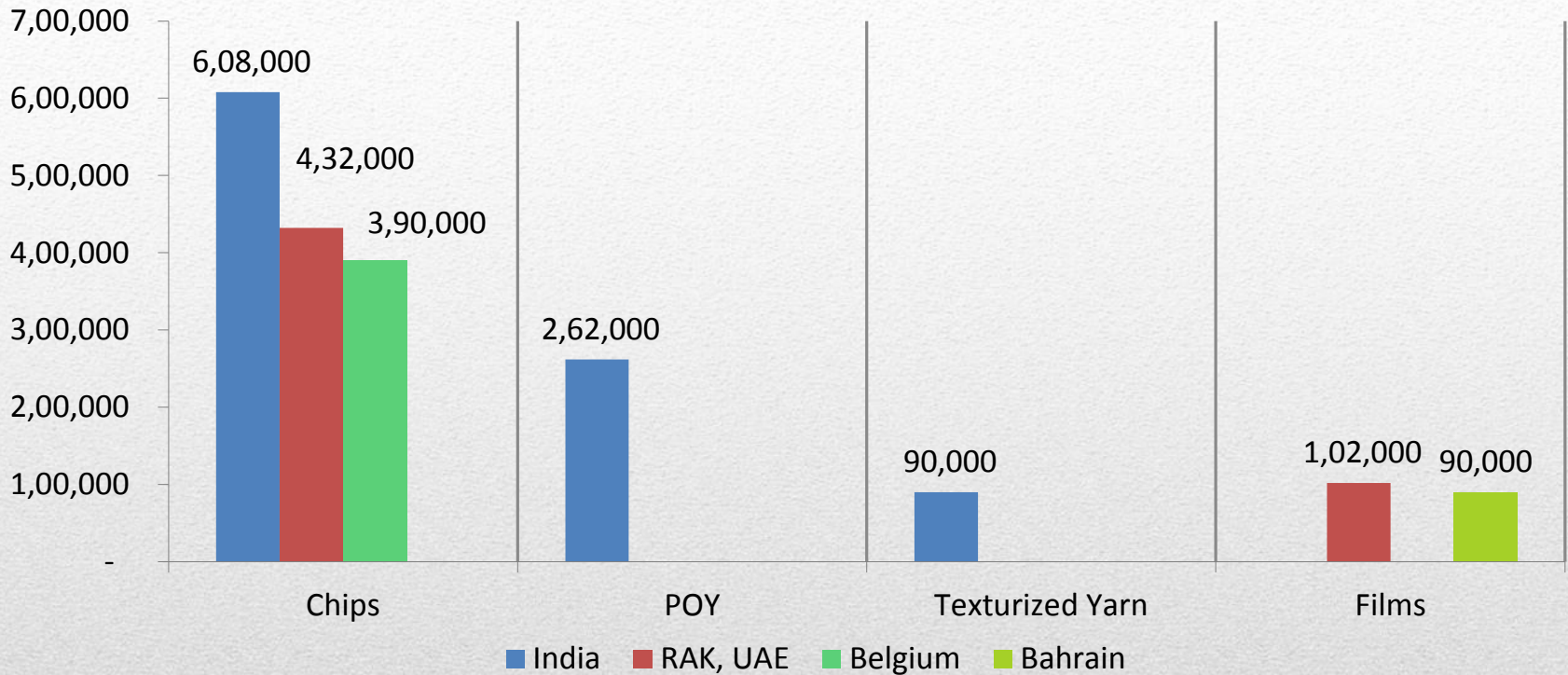


Income Statement	Q1-FY16	Q4-FY15	QoQ%	Q1-FY15	YoY%
Income *	22,742	21,445	6%	20,897	9%
Total Expenses	20,323	19,113	6%	18,811	8%
EBITDA	2,419	2,332	4%	2,086	16%
<i>EBITDA Margin</i>	<i>10.64%</i>	<i>10.87%</i>	<i>(23) Bps</i>	<i>9.98%</i>	<i>66 bps</i>
Exchange Difference & Derivative (Gain)/ Loss	(8)	652	NA	49	NA
Depreciation	872	796	10%	649	34%
Interest	1,218	1,261	(3)%	898	36%
PBT	337	(377)	NA	490	(31)%
Tax	107	164	(35)%	211	(49)%
Profit After Tax	230	(541)	NA	279	(18)%
<i>PAT Margin</i>	<i>1.01%</i>	<i>(2.52)%</i>	<i>353 bps</i>	<i>1.34%</i>	<i>(33) bps</i>
Diluted EPS	3.39	(8.39)	NA	4.13	(18)%

All numbers in INR Mn other than EPS

*Includes Other Income

Production Capacities



Total polymerization capacity stands at 1,430,000 MT while downstream capacity stands at 544,000 MT

CHIPS – 1,430,000 MT

POY & Texturized yarn – 352,000 MT

Films – 192,000 MT

Capacity information is as on 30th June , 2015

Operating Performance



Indian Operation Sales (MT)	Q1-FY16	Q1-FY15	% Increase	FY15	FY14	% Increase
CHIPS (Textile + Bottle grade)	61,234	70,502	(13.1)%	2,55,631	2,66,550	(4.1)%
POY & Specialty Yarn	50,591	53,382	(5.2)%	2,07,835	2,25,040	(7.6)%
Total	1,11,825	1,23,884	(9.7)%	4,63,466	4,91,590	(5.7)%

Overseas Operation Sales (MT)	Q1-FY16	Q1-FY15	% Increase	FY15	FY14	% Increase
CHIPS (Bottle grade)	1,63,942	88,540	85.2%	5,24,339	3,38,912	54.7%
Films	30,300	24,319	24.6%	1,04,023	69,788	49.1%
Total	1,94,242	1,12,859	72.1%	6,28,362	4,08,700	53.7%

Pricing Trends & Revenue Mix



Price trends*						
Category	Q1-FY16	Q1-FY15	% Change	FY15	FY14	% Change
CHIPS – India (INR/Kg)	73	83	(12.0)%	78	89	(12.4)%
POY & Specialty Yarn-India (INR/Kg)	84	95	(11.6)%	90	100	(10.0)%
CHIPS - International (USD/MT)	1,088	1,301	(16.4)%	1,200	1,400	(14.3)%
FILMS - International (USD/MT)	1,981	2,197	(9.8)%	2,100	2,200	(4.5)%

*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-FY16	Q1-FY15	% Change	FY15	FY14	% Change
CHIPS -India	18%	29%	(1100) bps	22%	28%	(600) bps
POY & Specialty Yarn - India	19%	26%	(700) bps	22%	27%	(500) bps
CHIPS – International *	47%	31%	1600 bps	41%	33%	900 bps
FILMS – International *	16%	14%	200 bps	14%	12%	200 bps

* Calculated based on Average exchange rate USD/INR of Q1-FY16 : 63.69

Historical Standalone Income Statement



Income Statement	FY 11	FY12	FY13	FY14	FY15
Total Income	35,829	45,125	45,762	48,163	41,545
Total Expenses	31,466	39,817	41,675	43,820	36,995
EBITDA	4,139	4,017	3,366	4,343	4,550
<i>EBITDA Margin</i>	<i>11.55%</i>	<i>8.90%</i>	<i>7.36%</i>	<i>9.02%</i>	<i>10.95%</i>
Exchange Difference & Derivative Loss	841	2,951	652	1,185	125
Depreciation	734	839	1,007	1,122	968
Interest	872	1,236	1,558	1,376	1,452
Exceptional Item	-	-	-	367	-
PBT	1,916	283	871	293	2,005
Tax	602	-205	356	143	611
Profit After Tax	1,314	487	515	150	1,394
<i>PAT Margin</i>	<i>3.67%</i>	<i>1.08%</i>	<i>1.13%</i>	<i>0.31%</i>	<i>3.36%</i>
EPS	18.81	6.61	6.72	1.70	20.78

Historical Consolidated Income Statement



Income Statement	FY 11	FY12	FY13	FY14	FY15
Total Income*	64,933	72,617	74,592	85,803	88,977
Total Expenses	55,149	64,666	67,656	78,558	79,570
EBITDA	9,563	7,127	6,903	7,245	9,407
<i>EBITDA Margin</i>	<i>14.73%</i>	<i>9.81%</i>	<i>9.25%</i>	<i>8.40%</i>	<i>10.60%</i>
Exchange Difference & Derivative Loss	874	2,939	1,329	1,254	1,209
Depreciation	1,314	1,525	2,002	2,450	3,068
Interest	1,534	1,462	2100	3162	4237
Exceptional Item	-	-	-	367	-
PBT	6,063	2,025	1,505	12	894
Tax	602	-205	371	143	583
Profit After Tax	5,461	2,230	1,135	-131	311
Extraordinary Item	-	-	-	188	-
Net Profit	5,461	2,230	1,135	57	311
<i>PAT Margin</i>	<i>8.41%</i>	<i>3.07%</i>	<i>1.52%</i>	<i>0.07%</i>	<i>0.35%</i>
EPS	75.80	31.00	15.24	0.35	4.22

Standalone Results – Balance Sheet



	Particulars (INR Mn)	FY14	FY15
A	EQUITIES & LIABILITIES		
Part -1	Shareholder Funds		
	(A) Share Capital*	802	804
	(C) Reserves & Surplus	9,153	10,219
	Total - Shareholder Funds	9,955	11,023
Part 2	Non Current Liabilities		
	(A) Long Term Borrowings	6,696	8,250
	(B) Deferred Tax Liabilities (Net)	1,705	2,242
	(C) Other Long Term liabilities	-	-
	(D) Long Term provisions	236	124
	Total - Non – Current Liabilities	8,637	10,616
Part 3	Current Liabilities		
	(A) Short term Borrowings	5,341	7,047
	(B) Trade Payables	6,149	3,088
	(C) Other Current Liabilities	3,223	3,034
	(D) Short-term provisions	511	608
	Total – Current Liabilities	15,224	13,777
A	GRAND TOTAL - EQUITIES & LIABILITIES	33,816	35,416

	Particulars (INR Mn)	FY14	FY15
B	ASSETS		
Part -1	Non Current Assets		
	(A) Fixed Assets	15,470	16,264
	(B) Non-Current Investments	4,237	4,235
	(C) Long Term Loans & Advances	1,046	1,132
	Total - Non – Current Assets	20,753	21,631
Part 2	Current Assets		
	(A) Current Investments	7	2
	(B) Inventories	4,405	3,353
	(C) Trade Receivables	6,120	5,647
	(D) Cash and Bank Balances	425	2,147
	(E) Short-term loans and advances	1,591	2,061
	(F) Other current assets	515	575
	Total – Current Assets	13,063	13,785
B	GRAND TOTAL – ASSETS	33,816	35,416

* Paid up Equity Share Capital is 6,54,97,479

Consolidated Results – Balance Sheet



	Particulars	FY14	FY15
A	EQUITIES & LIABILITIES		
Part -1	Shareholder Funds		
	(A) Share Capital	802	804
	(C) Reserves & Surplus	18,045	17,551
	Total - Shareholder Funds	18,847	18,355
Part 2	Non Current Liabilities		
	(A) Long Term Borrowings	45,587	61,672
	(B) Deferred Tax Liabilities (Net)	1,705	2,242
	(C) Other Long Term liabilities	352	255
	(D) Long Term provisions	403	341
	Total - Non – Current Liabilities	48,047	64,510
Part 3	Current Liabilities		
	(A) Short term Borrowings	13,923	20,645
	(B) Deferred Tax Liabilities	68	36
	(B) Trade Payables	11,841	11,133
	(C) Other Current Liabilities	8,372	8,644
	(D) Short-term provisions	727	996
	Total – Current Liabilities	34,931	41,454
A	GRAND TOTAL - EQUITIES & LIABILITIES	1,01,825	1,24,319

	Particulars	FY14	FY15
B	ASSETS		
Part -1	Non Current Assets		
	(A) Fixed Assets	62,372	84,651
	(B) Goodwill on Consolidation	1,048	1,092
	(C) Non-Current Investments	26	24
	(D) Long Term Loans & Advances	6,624	2,235
	(E) Other Non-Current Assets	6	6
	Total - Non – Current Assets	70,076	88,008
Part 2	Current Assets		
	(A) Current Investments	7	2
	(B) Inventories	10,440	10,550
	(C) Trade Receivables	11,504	14,508
	(D) Cash and Bank Balances	4,870	4,735
	(E) Short-term loans and advances	4,768	6,403
	(F) Other current assets	160	113
	Total – Current Assets	31,749	36,311
B	GRAND TOTAL – ASSETS	1,01,825	1,24,319

* Paid up Equity Share Capital is 6,54,97,479

Thank You

For further details please contact our Investor Relations Representatives :

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