

JBF INDUSTRIES LTD

Q2 - FY14 Earnings Presentation

Statements in this Presentation describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes economic developments within India, UAE, Oman and the countries in which the Company conducts business and other incidental factors.

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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



❑ Un-audited Q2-FY14 (consolidated) performance:

- a. Total Income: INR 22,530 mn
- b. EBITDA: INR 2,141 mn; EBITDA Margin 9.50%
- c. Net Loss: INR 39 mn
- d. Diluted EPS: INR (0.66) / equity share

❑ Un-audited H1-FY14 (consolidated) performance:

- a. Total Income: INR 43,527 mn
- b. EBITDA: INR 3,778 mn; EBITDA Margin 8.68%
- c. Net Loss: INR 449 mn
- d. Diluted EPS: INR (6.44) / equity share

Projects

- **Polyester Film Plant Project At Bahrain** - the first line of Polyester Film project has commenced production, financial impact of the same will be reflected in 3rd quarter ending 31st December, 2013. The plant will totally have 3 lines having total capacity of 90,000 Tonne per annum. The remaining two lines are likely to be commissioned by June 2014.
- **PET Plant project in Belgium** - the 390,000 Tonnes per annum PET project executed is continuing on schedule. Construction at site is in full swing and the plant is expected to be commissioned by March 2014.
- **PTA Plant Project at Mangalore** – the 1.25 Million Tonnes per annum PTA project is progressing satisfactorily. Construction activities have commenced. The project is expected to be completed by the first half of 2015.

Quarterly Financial Highlights - Consolidated



Income Statement	Q2-FY14	Q2-FY13	H1-FY14	H1-FY13
Income *	22,530	18,119	43,527	36,107
Total Expenses	20,389	16,388	39,749	32,476
EBITDA	2,141	1,731	3,778	3,631
<i>EBITDA Margin</i>	9.50%	9.55%	8.68%	10.05%
Exchange Difference & Derivative Loss	714	120	1,667	711
Depreciation	587	498	1,127	968
Interest	859	515	1,502	968
PBT	(19)	598	(518)	984
Tax	20	104	(69)	153
Profit After Tax	(39)	494	(449)	831
<i>PAT Margin</i>	-	2.73%	-	2.30%
Diluted EPS	(0.66)	6.71	(6.44)	11.27

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

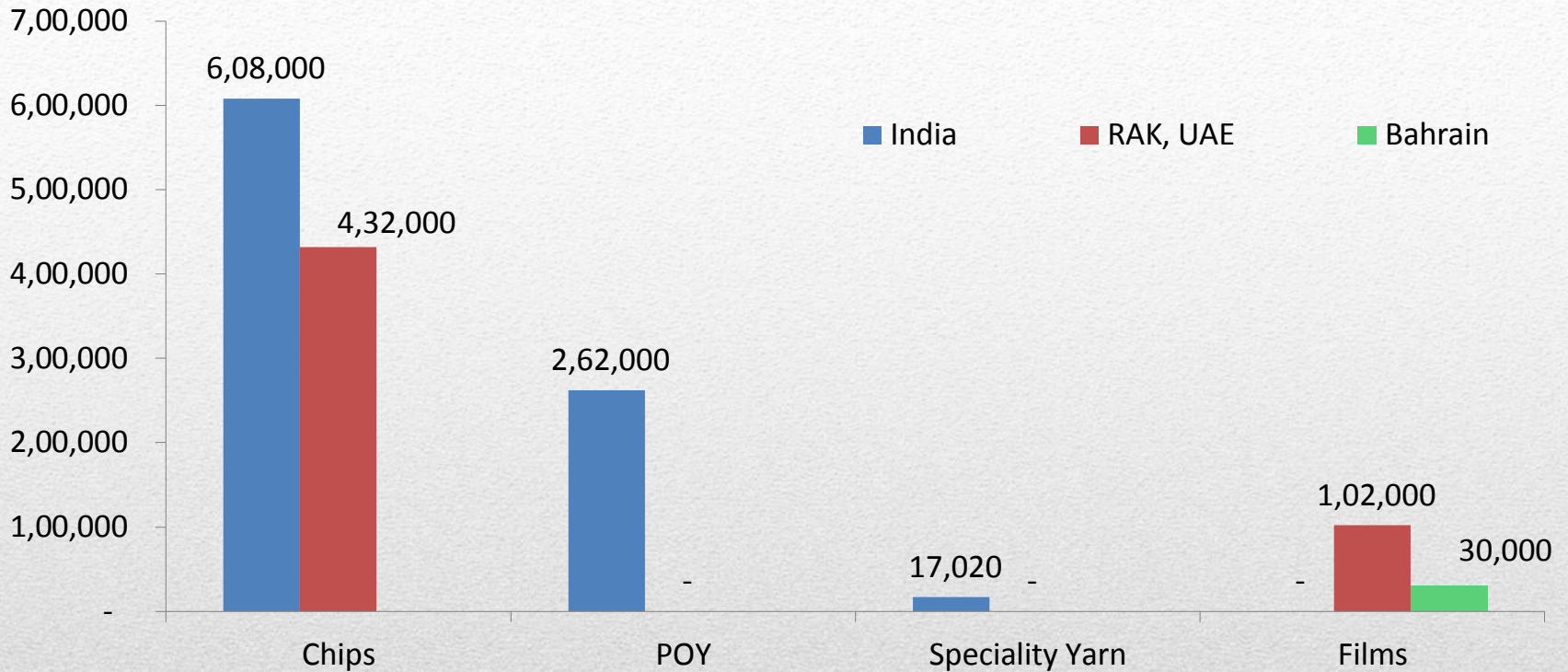
Quarterly Financial Highlights – Standalone



Income Statement	Q2-FY14	Q2-FY13	H1-FY14	H1-FY13
Income *	12,656	10,648	24,590	22,739
Total Expenses	11,214	9,575	22,118	20,537
EBITDA	1,442	1,073	2,472	2,202
<i>EBITDA Margin</i>	11.39%	10.08%	10.05%	9.68%
Exchange Difference & Derivative Loss	643	178	1,591	750
Depreciation	277	246	547	474
Interest	439	265	766	506
PBT	83	384	(432)	472
Tax	28	104	(76)	153
Profit After Tax	55	280	(356)	319
<i>PAT Margin</i>	0.43%	2.63%	-	1.40%
Diluted EPS	0.65	3.76	(5.15)	4.23

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

Production Capacities



Total polymerization capacity stands at 1,040,000 MT while downstream capacity stands at 411,020 MT

CHIPS – 1,040,000 MT

POY & Specialty yarn – 279,020 MT

Films – 132,000 MT

** Capacity information is as on 30th September, 2013*

Operating Performance



India Sales (MT)	Q2-FY14	Q2-FY13	% Increase	H1FY14	H1FY13	% Increase
CHIPS (Textile + Bottle grade)	69,850	64,462	8.4%	1,35,973	1,44,306	-5.8%
POY & Specialty Yarn	52,190	53,813	-3.0%	1,14,203	1,07,975	5.8%
Total	1,22,040	1,18,275	3.2%	2,50,176	2,52,281	-0.8%

RAK, UAE Sales (MT)	Q2-FY14	Q2-FY13	% Increase	H1FY14	H1FY13	% Increase
CHIPS (Bottle grade)	82,954	66,329	25.1%	1,67,199	1,09,764	52.3%
Films	17,119	18,173	-5.8%	34,328	38,424	-10.7%
Total	1,00,073	84,502	18.4%	2,01,527	1,48,188	36.0%

Pricing Trends & Revenue Mix



Price trends*

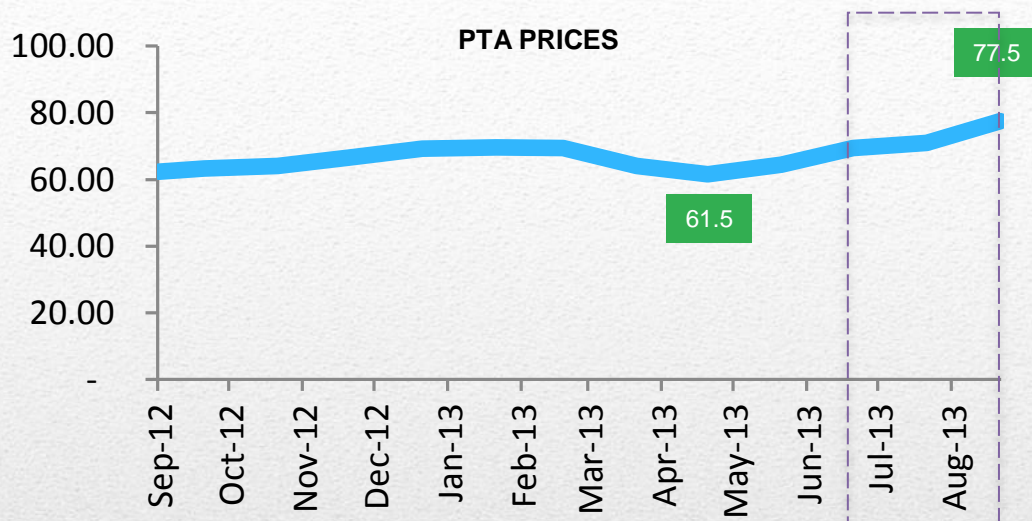
Category	Q2-FY14	Q2-FY13	% Change	H1FY14	H1FY13	% Change
CHIPS (INDIA)(INR/Kg)	94	80	18%	88	82	8%
POY & Specialty Yarn (INR/Kg)	106	93	14%	100	93	8%
CHIPS (RAK) (USD/MT)	1,500	1,300	15%	1,450	1,300	12%
FILMS (USD/MT)	2,400	2,300	4%	2,300	2,100	10%

*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	Q2-FY14	Q2-FY13	Change	H1FY14	H1FY13	% Change
CHIPS (INDIA)	30%	29%	54 bps	28%	33%	(450) bps
POY & Specialty Yarn	26%	30%	(443) bps	27%	30%	(258) bps
CHIPS (RAK)	34%	28%	589 bps	34%	24%	1002 bps
FILMS	11%	13%	(199) bps	11%	14%	(293) bps

Raw Materials & Deltas



52 week High – INR 77.50
 52 week Low – INR 61.50
 SEPT 2013 – INR 77.50

PTA prices averaged at INR 72.67/kg in Q2-FY14 vs INR 60.27/kg for Q2-FY13



52 week High – INR 78.30
 52 week Low – INR 58.70
 SEPT 2013 – INR 78.30

MEG prices averaged at INR 70.07/kg for Q2-FY14 vs INR 57.77/kg for Q2-FY13

Industry level Deltas for Q2-FY14 (Delta = Sale price – Raw Material cost)

a. Chips – INR 8.10/kg

b. POY – INR 19.82/kg

c. Films (blended thick & thin) – USD 850/Ton

Buy Back Information



Date of opening of Buyback	04 th September 2013
Date of Buyback Closure	27 th September 2013
Maximum funds that could be used for the buyback	Rs 73.50 crore
Maximum price at which the Company could buy back the shares	Rs 105
No. of Shares bought back to date	75,00,000
Funds used for buyback	Rs 73.23 crore
Average Purchase Price	Rs 97.64
Promoters' shareholding prior to buyback	50.20%
Promoters' shareholding at present	55.91%

Historical Consolidated Results – Profit and Loss A/c



Income Statement	FY 09	FY 10	FY 11	FY 12	FY 13
Total Operating Income	43,143	49,444	64,711	71,793	74,558
Total Expenses	37,914	44,740	55,149	64,666	67,656
EBITDA	5,229	4,704	9,563	7,127	6,903
EBITDA Margin	12.1%	9.5%	14.8%	9.9%	9.3%
Other Income	116	262	222	1,260	34
Exchange Difference & Derivative Gain/ (Loss)	(690)	(149)	(874)	(2,939)	(1,329)
Depreciation	779	1,173	1,314	1,525	2,002
Interest	975	1,275	1,534	1,898	2,100
PBT	2,900	2,668	6,063	2,025	1,505
Tax	459	540	602	(205)	371
Profit After Tax	2,442	2,128	5,461	2,230	1,135
Minority Interest	553	224	-	-	-
Profit After Minority Interest	1,889	1,904	5,461	2,230	1,135
Diluted EPS	26.2	26.4	75.8	31.0	15.24

^ - Interest amount for FY09 includes amount by way of Forex (Gain)/Loss

All numbers in INR Mn other than EPS

Consolidated Results – Balance Sheet



	Particulars	H1FY14	FY 13	FY12		Particulars	H1FY14	FY 13	FY12
A	EQUITIES & LIABILITIES				B	ASSETS			
Part -1	Shareholder Funds				Part -1	Non Current Assets			
	(A) Equity Share Capital	1,793	1,830	1,604		(A) Fixed Assets	52,668	38,830	29,333
	(C) Reserves & Surplus	17,165	16,873	15,340		(B) Goodwill on Consolidation	1,098	951	891
	Total - Shareholder Funds	18,958	18,703	16,944		(C) Non-Current Investments	28	30	37
Part 2	Non Current Liabilities					(D) Long Term Loans & Advances	7,886	4,704	2,913
	(A) Long Term Borrowings	39,188	23,173	13,768		(E) Other Non-Current Assets	6		
	(B) Deferred Tax Liabilities (Net)	1,508	1,581	1,223		Total - Non – Current Assets	61,686	44,515	33,174
	(C) Long Term provisions	464	271	114	Part 2	Current Assets			
	Total - Non – Current Liabilities	41,160	25,026	15,105		(A) Current Investments	380	486	629
Part 3	Current Liabilities					(B) Inventories	12,158	9,231	7,918
	(A) Short term Borrowings	15,906	13,216	11,451		(C) Trade Receivables	11,510	10,348	7,149
	(B) Trade Payables	13,528	11,230	8,322		(D) Cash and Bank Balances	5,672	5,968	3,987
	(C) Other Current Liabilities	7,919	7,940	4,640		(E) Short-term loans and advances	6,666	5,841	4,399
	(D) Short-term provisions	836	538	910		(F) Other current assets	235	264	116
	Total – Current Liabilities	38,189	32,924	25,323		Total – Current Assets	36,621	32,138	24,198
A	GRAND TOTAL - EQUITIES & LIABILITIES	98,307	76,653	57,372	B	GRAND TOTAL – ASSETS	98,307	76,653	57,372

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

Thank You

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