

JBF INDUSTRIES LTD

Q2- FY15 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



❑ Q2-FY15 (Consolidated) performance:

- a. Total Income*: INR 22,557 mn
- b. EBITDA: INR 2,257 mn
- c. EBITDA Margin: 10.0%
- d. PAT: INR 355mn
- e. Diluted EPS: INR 5.30/ equity share

❑ Q2-FY15 (Standalone) performance:

- a. Total Income*: INR 11,543 mn
- b. EBITDA: INR 1,228 mn
- c. EBITDA Margin: 10.6%
- d. PAT: INR 387 mn
- e. Diluted EPS: INR 5.78/ equity share

❑ H1FY15 (Consolidated) performance:

- a. Total Income*: INR 43,454 mn
- b. EBITDA: INR 4,342 mn
- c. EBITDA Margin: 10.0%
- d. PAT: INR 634 mn
- e. Diluted EPS: INR 9.43/ equity share

❑ H1FY15 (Standalone) performance:

- a. Total Income*: INR 23,266 mn
- b. EBITDA: INR 2,394 mn
- c. EBITDA Margin: 10.3%
- d. PAT: INR 826 mn
- e. Diluted EPS: INR 12.37/ equity share

* Total Income includes other income component

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** – 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 2nd Half of CY2015.

Financial Highlights - Consolidated



Income Statement	Q2-FY15	Q1-FY15	QoQ%	Q2-FY14	YoY %
Income *	22,557	20,897	7.9%	22,530	0.1%
Total Expenses	20,300	18,812	7.9%	20,389	(0.4)%
EBITDA	2,257	2,085	8.2%	2,141	5.4%
<i>EBITDA Margin</i>	10.0%	10.0%	-	9.5%	50 bps
Exchange Difference & Derivative (Gain)/ Loss	100	48	108.3%	714	(86.0)%
Depreciation	745	649	14.8%	586	27.1%
Interest	938	898	4.5%	860	9.1%
PBT	474	490	(3.3)%	(19)	-
Tax	119	211	(43.6)%	20	495.0%
Profit After Tax	355	279	27.2%	(39)	-
<i>PAT Margin</i>	1.6%	1.3%	30 bps	-	
Diluted EPS	5.30	4.13	28.3%	(0.66)	-

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

Financial Highlights - Consolidated



Income Statement	H1-FY15	H1-FY14	YoY %
Income *	43,454	43,527	(0.2)%
Total Expenses	39,112	39,749	(1.6)%
EBITDA	4,342	3,778	14.9%
<i>EBITDA Margin</i>	10.0%	8.7%	130 bps
Exchange Difference & Derivative (Gain)/ Loss	148	1,667	(91.1)%
Depreciation	1,394	1,127	23.7%
Interest	1,836	1,502	22.2%
PBT	964	(518)	-
Tax	330	(69)	-
Profit After Tax	634	(449)	-
<i>PAT Margin</i>	1.5%	-	-
Diluted EPS	9.43	(6.44)	-

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

Consolidated Results – Balance Sheet



	Particulars	H1FY15	FY14	FY 13		Particulars	H1FY15	FY14	FY 13
A	EQUITIES & LIABILITIES				B	ASSETS			
Part -1	Shareholder Funds				Part -1	Non Current Assets			
	(A) Share Capital	804	802	1,830		(A) Fixed Assets	73,085	62,372	38,830
	(C) Reserves & Surplus	19,102	18,045	16,873		(B) Goodwill on Consolidation	1,079	1,048	951
	Total - Shareholder Funds	19,906	18,847	18,703		(C) Non-Current Investments	25	26	30
Part 2	Non Current Liabilities					(D) Long Term Loans & Advances	6,868	6,624	4,704
	(A) Long Term Borrowings	55,380	45,587	23,174		(E) Other Non-Current Assets	6	6	-
	(B) Deferred Tax Liabilities (Net)	2,047	1,705	1,581		Total - Non – Current Assets	81,063	70,076	44,515
	(C) Other Long Term liabilities	440	352	-	Part 2	Current Assets			
	(D) Long Term provisions	334	403	271		(A) Current Investments	3	6	486
	Total - Non – Current Liabilities	58,201	48,047	25,026		(B) Inventories	14,059	10,440	9,231
Part 3	Current Liabilities					(C) Trade Receivables	13,231	11,507	10,348
	(A) Short term Borrowings	20,778	13,923	13,216		(D) Cash and Bank Balances	4,985	4,870	5,968
	(B) Deferred Tax Liabilities	46	68	-		(E) Short-term loans and advances	6,796	4,768	5,841
	(B) Trade Payables	13,627	11,841	11,230		(F) Other current assets	170	160	264
	(C) Other Current Liabilities	7,289	8,375	7,940		Total – Current Assets	39,245	31,751	32,138
	(D) Short-term provisions	460	726	538		GRAND TOTAL – ASSETS	1,20,307	1,01,827	76,653
	Total – Current Liabilities	42,200	34,933	32,924					
A	GRAND TOTAL - EQUITIES & LIABILITIES	1,20,307	1,01,827	76,653	B				

All numbers in INR Mn

Financial Highlights – Standalone



Income Statement	Q2-FY15	Q1-FY15	QoQ%	Q2-FY14	YoY %
Income *	11,543	11,723	(1.5)%	12,656	(8.8)%
Total Expenses	10,315	10,557	(2.3)%	11,214	(8.0)%
EBITDA	1,228	1,166	5.3%	1,442	(14.8)%
<i>EBITDA Margin</i>	10.6%	9.9%	70 bps	11.4%	(80) bps
Exchange Difference & Derivative (Gain)/ Loss	131	(22)	-	643	(79.6)%
Depreciation	238	229	3.9%	277	(14.1)%
Interest	332	307	8.1%	439	(24.4)%
PBT	527	652	(19.2)%	83	534.9%
Tax	140	212	(34.0)%	28	400.0%
Profit After Tax	387	440	(12.0)%	55	603.6%
<i>PAT Margin</i>	3.4%	3.8%	(40) bps	0.4%	300 bps
Diluted EPS	5.78	6.59	(12.3)%	0.65	789.2%

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

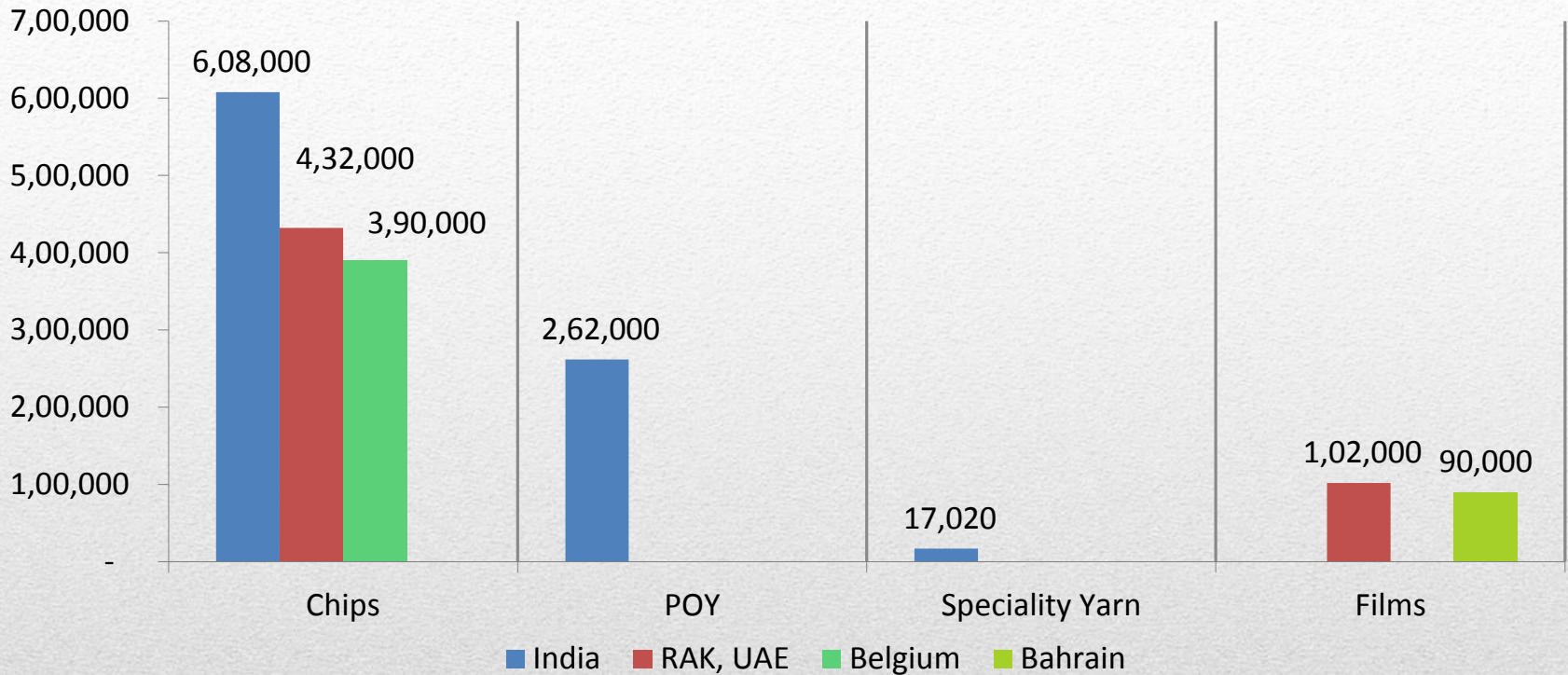
Financial Highlights – Standalone



Income Statement	H1-FY15	H1-FY14	YoY %
Income *	23,266	24,590	(5.4)%
Total Expenses	20,872	22,118	(5.6)%
EBITDA	2,394	2,472	(3.2)%
<i>EBITDA Margin</i>	10.3%	10.1%	20 bps
Exchange Difference & Derivative (Gain)/ Loss	109	1,591	(93.2)%
Depreciation	467	547	(14.6)%
Interest	639	766	(16.6)%
PBT	1,179	(432)	-
Tax	353	(76)	-
Profit After Tax	826	(356)	-
<i>PAT Margin</i>	3.6%	-	-
Diluted EPS	12.37	(5.15)	-

* 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 471,020 MT

CHIPS – 1,430,000 MT

POY & Specialty yarn – 279,020 MT

Films – 192,000 MT

Capacity information is as on 30th September, 2014

Operating Performance



Indian Operation Sales (MT)	Q2-FY15	Q2-FY14	% Increase	H1FY15	H1FY14	% Increase
CHIPS (Textile + Bottle grade)	67,760	69,850	(3.0)%	1,38,262	1,35,973	1.7%
POY & Specialty Yarn	48,035	52,190	(8.0)%	1,01,417	1,14,203	(11.2)%
Total	1,15,795	1,22,040	(5.1)%	2,39,679	2,50,176	(4.2)%

Overseas Operation Sales (MT)	Q2-FY15	Q2-FY14	% Increase	H1FY15	H1FY14	% Increase
CHIPS (Bottle grade)	80,201	83,680	(4.2)%	1,68,741	1,62,468	3.9%
Films	26,552	17,221	54.2%	50,871	34,430	47.8%
Total	1,06,753	1,00,901	5.8%	2,19,612	1,96,898	11.5%

Pricing Trends & Revenue Mix

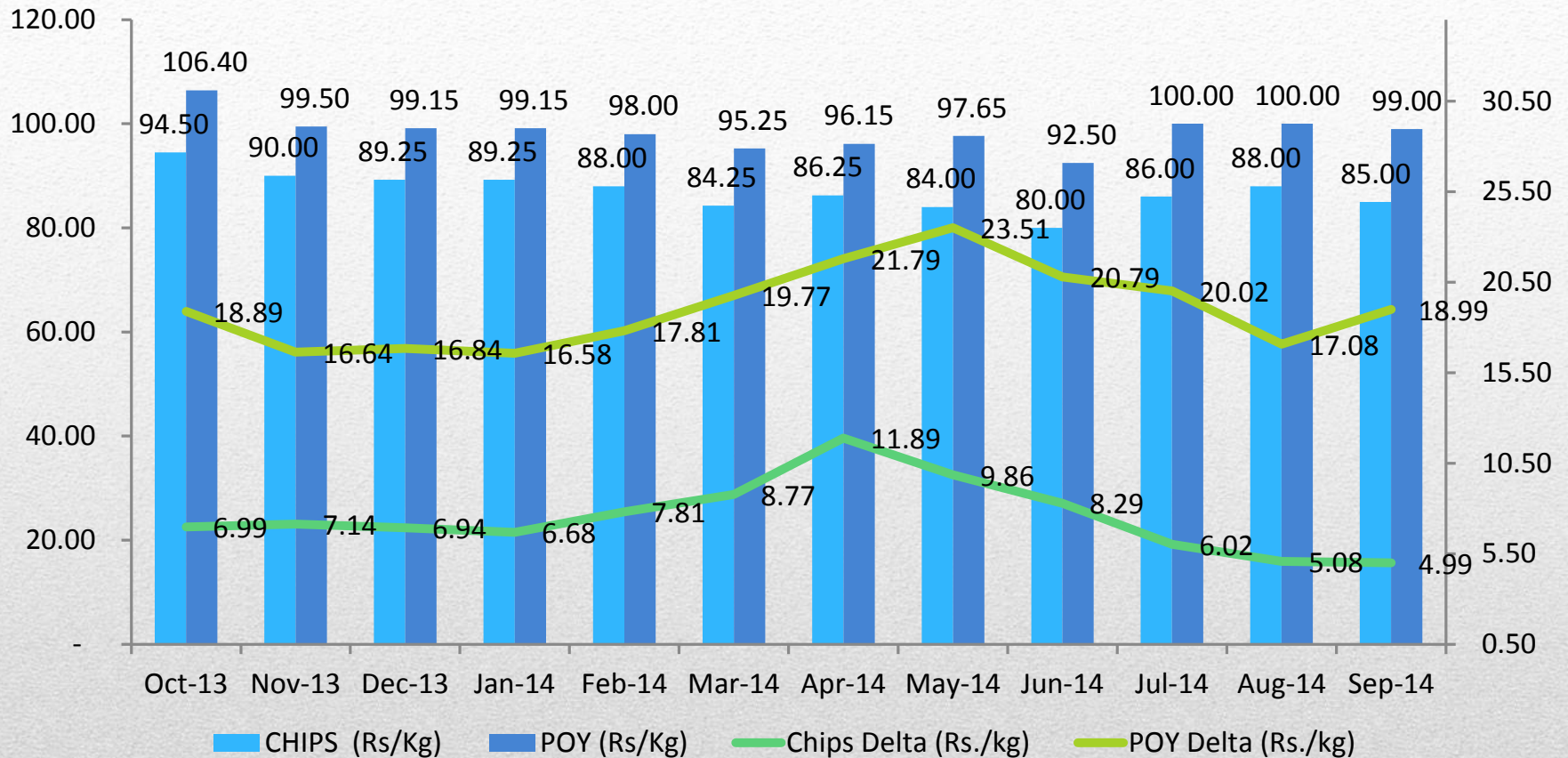


Price trends*						
Category	Q2-FY15	Q2-FY14	% Change	H1FY15	H1FY14	% Change
CHIPS – India (INR/Kg)	90	96	(6.3)%	89	90	(1.1)%
POY & Specialty Yarn-India (INR/Kg)	115	116	(0.9)%	110	109	0.9%
CHIPS - International (USD/MT)	1,358	1,476	(8.0)%	1,329	1,549	(14.2)%
FILMS - International (USD/MT)	2,125	2,310	(8.0)%	2,162	2,317	(6.7)%

*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-FY15	Q2-FY14	Change	H1FY15	H1FY14	% Change
CHIPS -India	29%	30%	(100) bps	28%	28%	-
POY & Specialty Yarn - India	25%	26%	(100) bps	25%	27%	(200)bps
CHIPS - International	31%	33%	(200) bps	31%	34%	(300) bps
FILMS – International	16%	11%	500 bps	15%	11%	400 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	72.90	73.00	94.50	106.40	11.89	23.51
Min	59.70	59.90	80.00	92.50	4.99	16.58
Avg	65.98	66.96	87.04	98.56	7.54	19.06

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

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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