



# **JBF Industries Limited**

Quarterly Results (Q3 – FY 2011)

---

---

# Disclaimer

---



*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.*

*This overview has been prepared exclusively for the benefit and internal use of the recipient to evaluate various opportunities which could be of strategic interest to the recipient. This overview does not constitute or form any part of any offer or invitation to acquire, subscribe, underwrite any of the businesses of the company under analysis nor does it imply any current transaction thereof.*

*This overview does not carry any right of publication or disclosure to any other party and neither this overview nor any of its contents may be used for any other purpose without the prior written consent of JBF Industries Limited.*

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

# Key Highlights

---



- ❑ JBF Industries has bought back 33% stake in JBF Global Pte. Ltd, a company incorporated in Singapore, from CVCiGP. JBF Global Pte. Ltd. holds 100% stake in JBF RAK, LLC ,UAE. The consideration paid for the stake was USD 104.41mn
- ❑ JBF India is working on 85% utilization while JBF RAK is working on 100 % utilization levels
- ❑ Company has reported its highest ever Quarterly profit at Rs. 1,856.1mn translating in to an EPS of Rs. 25.9 per equity share

# Financial Highlights - Consolidated



(Rs. In million)

Particulars	Quarter Ended	
	Dec 31,2010 Unaudited	Dec 31, 2009 Unaudited
<b>Revenue</b>	<b>17,117.7</b>	<b>11,898.0</b>
<b>EBITDA</b>	<b>3,033.4</b>	<b>1,038.6</b>
<b>EBITDA Margin</b>	17.7%	8.7%
<b>EBIT</b>	2,367	766.60
<b>EBIT Margin</b>	<b>13.8%</b>	<b>6.4%</b>
<b>PBT</b>	2,014.0	430.3
<b>PAT</b>	<b>1,856.1</b>	<b>292.70</b>
<b>PAT Margin</b>	<b>10.8%</b>	<b>2.5%</b>
<b>EPS</b>	<b>25.9</b>	<b>4.70</b>

Highlight of the quarter is exceptional performance in FILMS and POY businesses

**Revenue Growth**  
44%

**EBITDA Growth**  
192%

**PAT Growth**  
534%

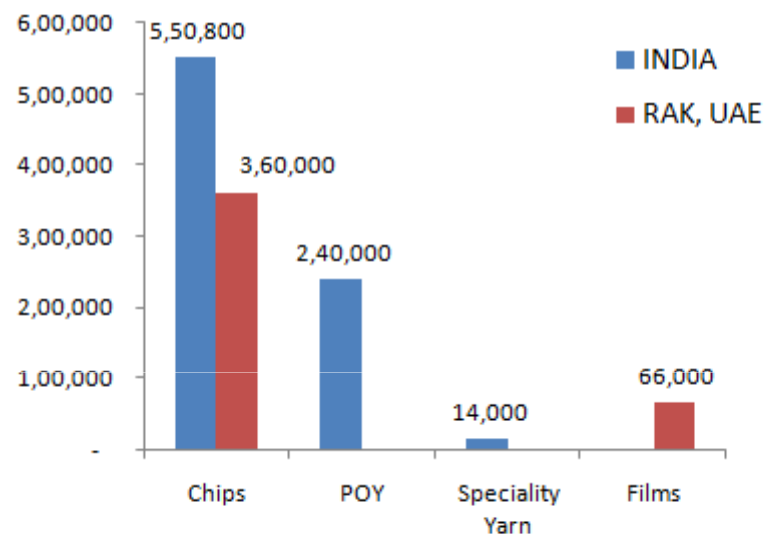
**EPS Growth**  
451%

*JBF Industries Ltd now holds a 100% stake in JBF Global Pte. Ltd, a company which holds 100% stake in JBF RAK. Financial results are therefore, consolidated to the extent of 100%*

# Capacities \*



Capacities (MT)	
<b>INDIA</b>	
Chips	5,50,800
POY	2,40,000
Speciality Yarn	14,000
<b>Total</b>	<b>8,04,800</b>
<b>RAK, UAE</b>	
Chips	3,60,000
Films	66,000
<b>Total</b>	<b>4,26,000</b>



Company is adding capacities in the Chips segment in INDIA and RAK.  
 CHIPS capacity in INDIA should increase to 6,26,000 MT by March – April 11 and in RAK should increase to 4,30,000 MT during the same period

\* Capacity information is as on 31<sup>st</sup> December 2010.

# Operating Performance (Volume)



Operating performance - India						
Production (MT)	Dec 31st 2010	Dec 31st 2009	Increase YoY	9 months ended 31st Dec 2010	9 months ended 31st Dec 2009	Increase YoY
Chips	1,11,976	91,819	22%	3,61,617	3,16,230	14%
POY & Speciality Yarn	58,165	39,767	46%	1,59,188	1,16,036	37%
<b>Total</b>	<b>1,70,141</b>	<b>1,31,586</b>	<b>29%</b>	<b>5,20,805</b>	<b>4,32,266</b>	<b>20%</b>
Sales (MT)						
Chips	56,264	60,020	-6%	2,19,758	2,15,376	2%
POY & Speciality Yarn	57,046	39,120	46%	1,53,576	1,10,050	40%
<b>Total</b>	<b>1,13,310</b>	<b>99,140</b>	<b>14%</b>	<b>3,73,334</b>	<b>3,25,426</b>	<b>15%</b>

India Production has increased by 20 % for the period ended 9 months on a YoY basis, key contributor being POY production which has grown 37% YoY

India Sales have increased by 15% for the period ended 9 months on a YoY basis

Operating performance - RAK, UAE						
Production (MT)	Quarter ended Dec 31st 2010	Quarter ended Dec 31st 2009	Increase YoY	9 months ended 31st Dec 2010	9 months ended 31st Dec 2009	Increase YoY
Chips	96,637	84,272	15%	2,57,193	2,77,276	-7%
Films	18,296	14,650	25%	55,402	35,960	54%
<b>Total</b>	<b>1,14,933</b>	<b>98,922</b>	<b>16%</b>	<b>3,12,595</b>	<b>3,13,236</b>	<b>0%</b>
Sales (MT)						
Chips	91,366	83,841	9%	2,08,615	2,57,636	-19%
Films	17,791	12,074	47%	55,568	35,251	58%
<b>Total</b>	<b>1,09,157</b>	<b>95,915</b>	<b>14%</b>	<b>2,64,183</b>	<b>2,92,887</b>	<b>-10%</b>

Production volumes have increased in Films segment on a YoY basis by 54%

Sales in Films segment have increased by 58%

# Price Realizations and Revenue Mix



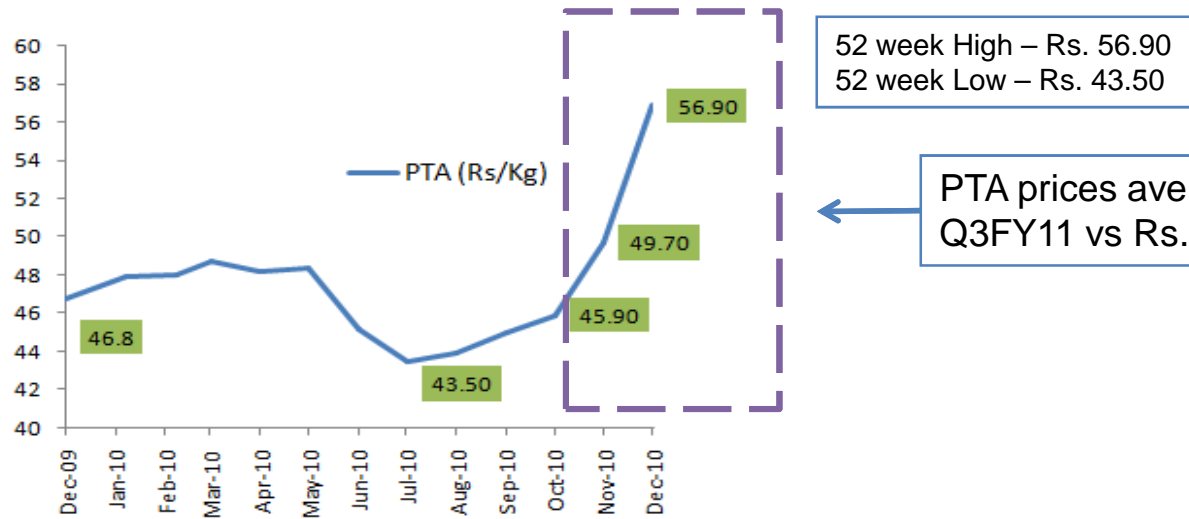
Price Realisations			
Period	Chips	POY & Speciality Yarn	Films
Dec-10	62.85	81.51	182.12
Dec-09	54.35	67.96	89.61
<b>Increase YoY</b>	<b>16%</b>	<b>20%</b>	<b>103%</b>
9 months ended Dec-10	61.59	75.79	138.15
9 months ended Dec-09	53.92	69.28	88.40
<b>Increase YoY</b>	<b>14%</b>	<b>9%</b>	<b>56%</b>

Moving up the value chain through POY and FILMS improves pricing and thereby overall profitability

Revenue Mix (Rs mn)	Dec-10	Dec-09	9 months ended Dec-10	9 months ended Dec-09
CHIPS	54%	66%	58%	70%
POY & Speciality Yarn	27%	22%	25%	21%
FILMS	19%	11%	17%	9%

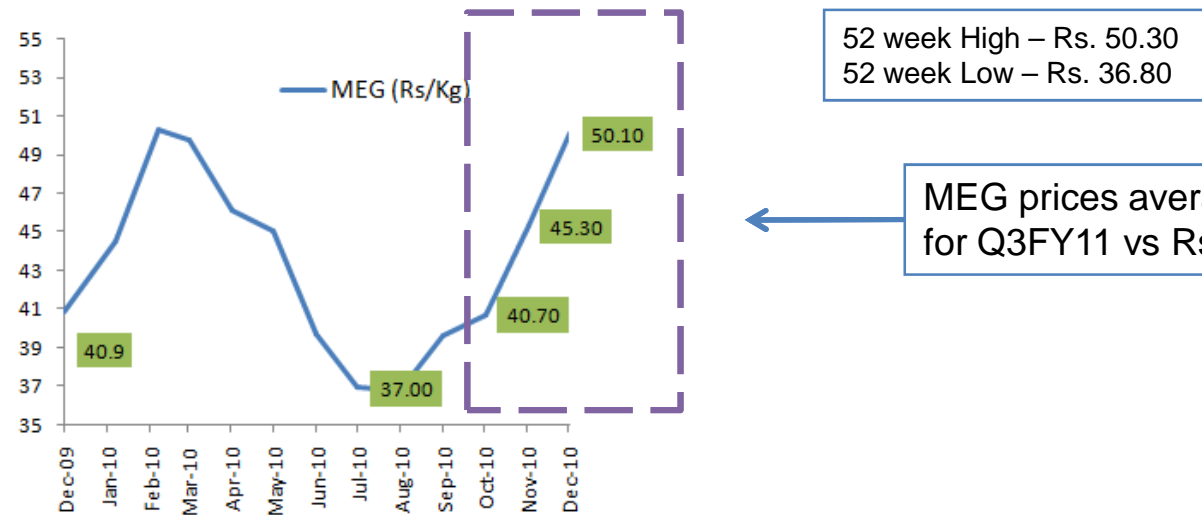
Films segment is increasing its contribution to the overall revenue of the business

# Raw materials



52 week High – Rs. 56.90  
52 week Low – Rs. 43.50

PTA prices averaged at Rs. 50.83/kg for Q3FY11 vs Rs. 44.20/kg for Q3FY10



52 week High – Rs. 50.30  
52 week Low – Rs. 36.80

MEG prices averaged at Rs. 45.37/kg for Q3FY11 vs Rs. 37.87/kg for Q3FY10



# Discussion & Analysis

---



## Operations:

- Income (Cons) increased by 44% from Rs. 11,898mn in Q3FY10 to Rs. 17,118mn in Q3FY11
- EBITDA (Cons) jumped by 192% from Rs. 1,039mn in Q3FY10 to Rs. 3,033mn in Q3FY11
- PAT (Cons) shot up 534% from Rs. 293mn to Q3FY10 to Rs. 1,856mn in Q3FY11
- EPS for the quarter stood at Rs. 25.93

## Expansion:

- Capex at RAK to expand chips capacity at RAK unit by 200 TPD by March – April 2011
- Adding 1 line of Films capacity which will increase capacity by 24,000 MT by Dec 2011
- Undertaking a de-bottlenecking exercise in the India in the chips segment, which will increase capacity

## Raw Material Outlook:

- India and China expected to add 9mn tonne of Poly capacity in 2011. However, PTA capacity to be increased by 3.5mn tonne, all in China
- PTA plants in India have been facing operational problems
- Operational Issues with Indian Raw material suppliers resulting in overall production rate remaining low.

# Standalone Results – Profit and Loss A/c



(Rs. In million)

Particulars	Quarter Ended		9 month ended	
	Dec 31, 2010 Unaudited	Dec 31, 2009 Unaudited	9 month-FY11 Unaudited	9 month-FY10 Unaudited
<b>Total Income</b>	<b>8,454</b>	<b>5,996</b>	<b>25,584</b>	<b>19,633</b>
Raw Material	6,370	4,736	19,662	15,504
Other Manufacturing Expenses	948	604	2,843	2,068
<b>Total Expenses</b>	<b>7,318</b>	<b>5,339</b>	<b>22,505</b>	<b>17,571</b>
<b>EBITDA</b>	<b>1,135</b>	<b>657</b>	<b>3,079</b>	<b>2,062</b>
Interest	167	139	540	439
Depreciation & Amortisation	188	163	545	467
Forex (Gain)/Loss	343	-31	569	-34
Other Income	18	7	99	225
<b>Profit Before Tax</b>	<b>456</b>	<b>393</b>	<b>1,524</b>	<b>1,413</b>
Tax	158	138	488	395
<b>Net Profit for the period</b>	<b>298</b>	<b>255</b>	<b>1,036</b>	<b>1,018</b>
EPS	4.16	4.10	14.47	16.36

# Consolidated Results – Profit and Loss A/c



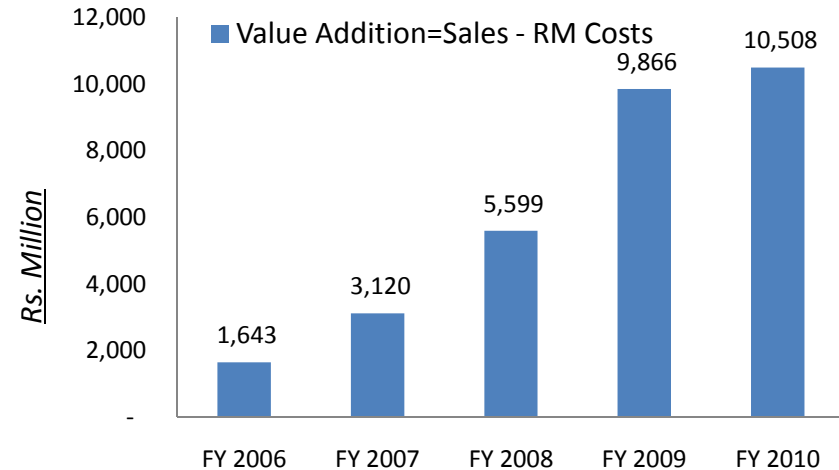
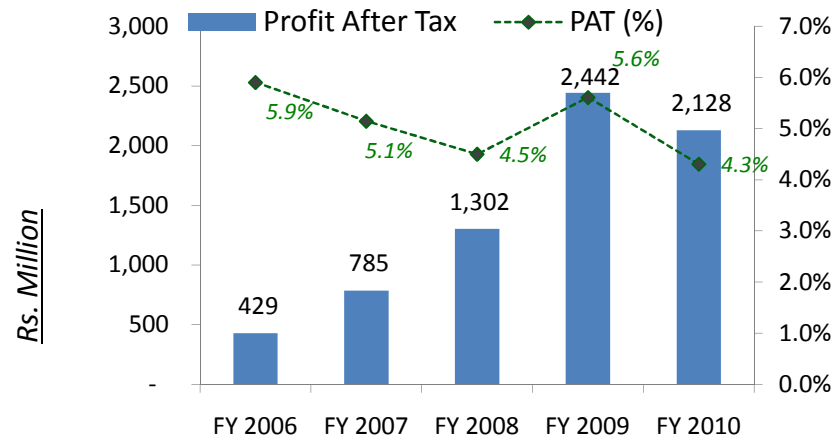
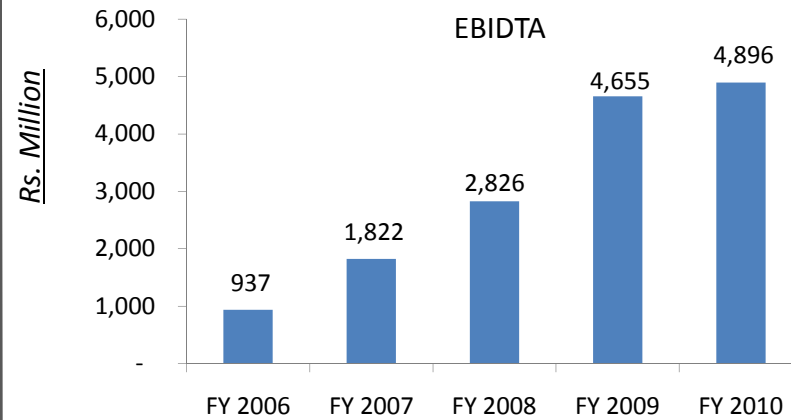
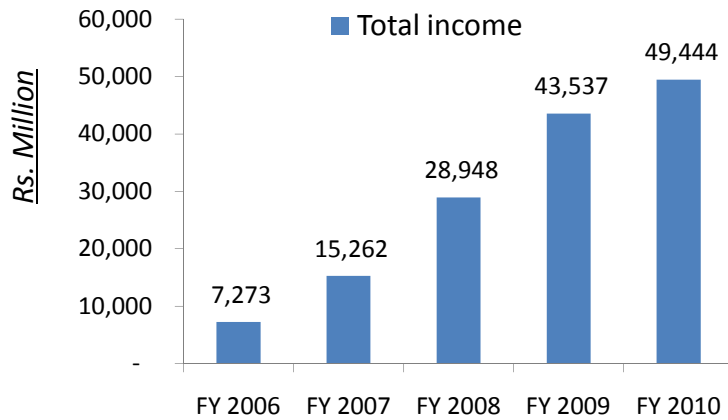
(Rs. In million)

Particulars	Quarter Ended		9 month ended	
	Dec 31, 2010 Unaudited	Dec 31, 2009 Unaudited	9 month-FY11 Unaudited	9 month-FY10 Unaudited
<b>Total Income</b>	<b>17,118</b>	<b>11,898</b>	<b>45,379</b>	<b>36,434</b>
Raw Material	11,997	9,417	32,747	28,814
Other Manufacturing Expenses	2,087	1,442	5,779	4,524
<b>Total Expenses</b>	<b>14,084</b>	<b>10,859</b>	<b>38,526</b>	<b>33,338</b>
<b>EBITDA</b>	<b>3,033</b>	<b>1,039</b>	<b>6,853</b>	<b>3,096</b>
Interest	353	336	1,063	936
Depreciation & Amortisation	337	311	978	880
Forex (Gain)/Loss	346	-30	597	-93
Other Income	16	8	99	228
<b>Profit Before Tax</b>	<b>2,014</b>	<b>430</b>	<b>4,313</b>	<b>1,601</b>
Tax	158	138	488	395
<b>Net Profit for the period</b>	<b>1,856</b>	<b>293</b>	<b>3,825</b>	<b>1,206</b>
EPS	25.93	4.70	53.44	19.37

---

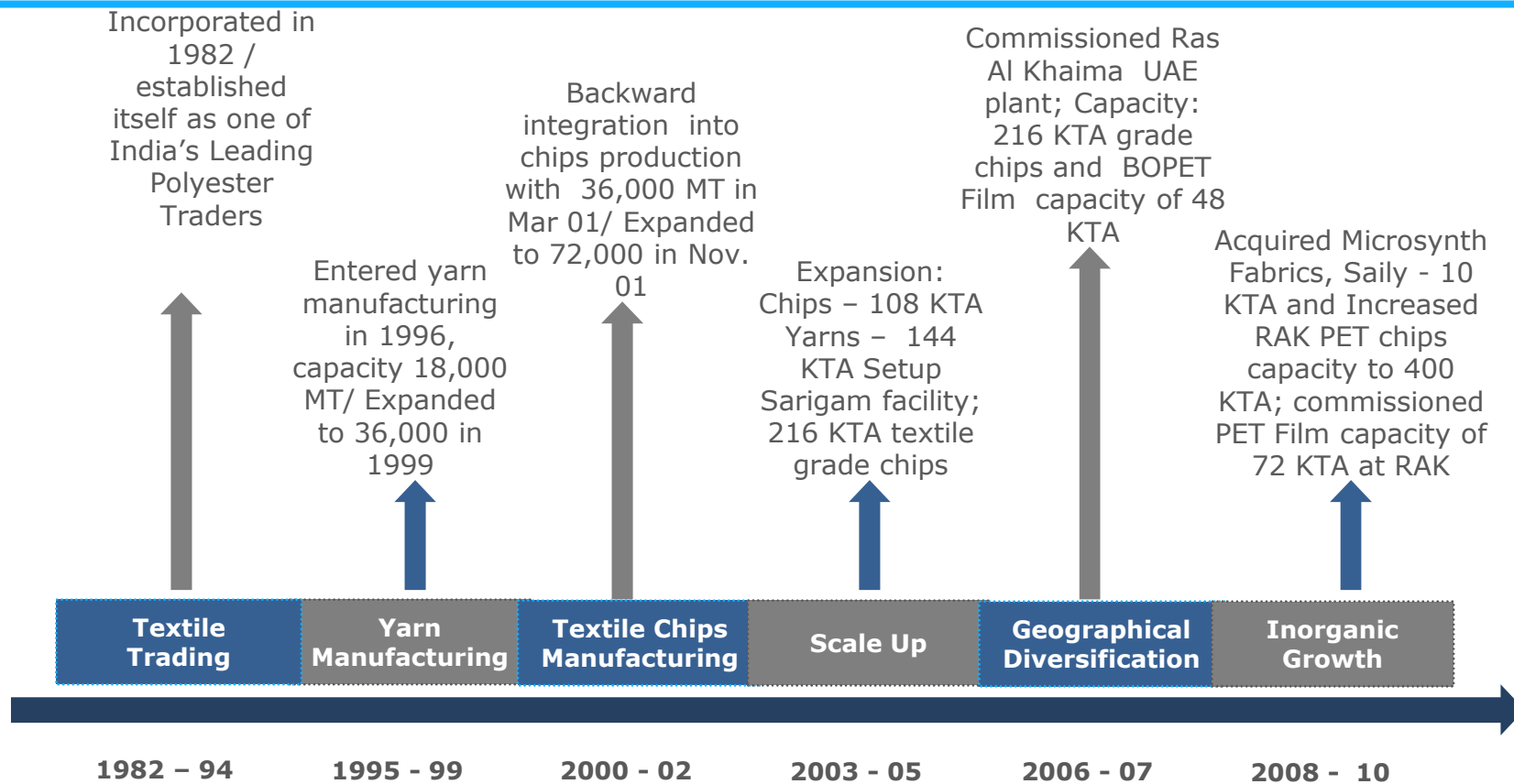
# JBF FY10 – Key Highlights

# Performance - Consolidated



**Note:** 30,000 tonnes of missed production in FY 2010 due to unavailability of raw material resulting in a decline in EBITDA margin

# Key Milestones



## Ability to grow continuously through integration and scale

- ✓ History of starting and scaling up through backward integration successfully
- ✓ Track record of successfully executing complex and large scale projects year after year
- ✓ Achieve industry leadership through scale, operational efficiencies and management foresight

# Profit & Loss Statement (Consolidated)



*(Rs. In million)*

Particulars	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
	March 31, 2006	March 31, 2007	March 31, 2008	March 31, 2009	March 31, 2010
	Audited	Audited	Audited	Audited	Audited
<b>Total Income</b>	7273	15262	28948	43537	49444
<b>Raw Material</b>	5630	12142	23349	33671	38936
<b>Other Manufacturing Expenses</b>	706	1298	2774	5211	5612
<b>Total Expenses</b>	6336	13440	26122	38882	44548
<b>EBITDA</b>	<b>937</b>	<b>1822</b>	<b>2826</b>	<b>4655</b>	<b>4896</b>
<b>Interest</b>	110	270	633	975	1055
<b>Depreciation &amp; Amortisation</b>	228	369	596	779	1173
<b>Profit Before Tax</b>	600	1183	1597	2900	2668
<b>Tax</b>	170	398	295	459	540
<b>Net Profit for the period</b>	<b>429</b>	<b>785</b>	<b>1302</b>	<b>2442</b>	<b>2128</b>
<b>EPS</b>	<b>8.48</b>	<b>14.05</b>	<b>20.69</b>	<b>38.38</b>	<b>34.18</b>

*Net Profit for the period is before Minority Interest*

# Balance Sheet ( Consolidated)



(Rs. In million)

Particulars	March 31, 2006	March 31, 2007	March 31, 2008	March 31, 2009	March 31, 2010
	Audited	Audited	Audited	Audited	Audited
<b>Equity</b>	490	544	622	622	622
<b>Reserves</b>	2,484	3,279	5,211	6,709	8,117
<b>Networth</b>	2,974	3,823	5,834	7,331	8,740
<b>Minority Interest</b>	271	621	3161	3997	3633
<b>Total Debt</b>	4,267	6,044	8,366	12,414	13,644
<b>TOTAL LIABILITIES</b>	<b>7,511</b>	<b>10,489</b>	<b>17,360</b>	<b>23,743</b>	<b>26,016</b>
<b>Net Block</b>	3,025	6,408	9,712	17,688	21,165
<b>Capital WIP</b>	2,421	2,755	3,649	3,149	0
<b>Investments</b>	445	277	594	361	1310
<b>Net Current Assets</b>	2,277	1,978	4,486	3,772	4,879
<b>Other Assets</b>	-655	-929	-1081	-1226	-1337
<b>TOTAL ASSETS</b>	<b>7,511</b>	<b>10,489</b>	<b>17,360</b>	<b>23,743</b>	<b>26,016</b>





---

Thank You