



JBF Industries Ltd

EARNINGS PRESENTATION
Q2/H1-FY17 STANDALONE

| | |
|--|---|
| Overview | <ul style="list-style-type: none"> ▪ JBF Industries is a global company engaged in the production of polyester value chain ▪ Current polymerisation capacity of 1.43 MMT p.a. and downstream capacity of 544 KMT p.a. ▪ Operates out of 3 domestic facilities, 1 in Gujarat and 2 in Silvassa, and 3 overseas facility in Ras Al-Khaimah, UAE, Belgium and Bahrain. ▪ Promoted by Mr. Bhagirath C. Arya, a technocrat entrepreneur ▪ Listed on the BSE and NSE; market cap of INR 18,262 mn (as on September 30, 2016) |
| Products & Business Mix | <ul style="list-style-type: none"> ▪ Product Mix can be divided into three broad categories:- <ol style="list-style-type: none"> I. Polyethylene Terephthalate (PET) Chips: Textile Grade and Bottle Grade II. Polyester Yarn: Partially Oriented Yarn, Full Drawn Yarn etc. III. Biaxially-Oriented Polyethylene Terephthalate (BOPET) Films: Thin, Thick, Metallized FY 16 Sales Mix (By Value) :- Chips – 66%, Polyester Yarn – 19%, BOPET Films – 15% |
| Markets | <ul style="list-style-type: none"> ▪ Indian facilities cater to the Indian and exports markets: <ul style="list-style-type: none"> ➢ 2nd largest domestic supplier of textile grade chips with a capacity share of ~20% ➢ 3rd largest domestic supplier of bottle grade chips with a capacity share of ~20% ➢ 3rd largest domestic supplier of Polyester Yarn with a capacity share of ~15% ▪ RAK facility (Bottle grade chips and Films) caters to European, MEAF and North American markets <ul style="list-style-type: none"> ➢ Market share of 70 % in the UAE and 45% in GCC region in the Bottle grade chips segment |
| Financial Performance Highlights | <ul style="list-style-type: none"> ▪ Income has grown from INR 64,836 mn in FY 11 to 88,965 mn in FY 16 – 5 year CAGR of 6.5% ▪ FY 16 Performance: Income – INR 88,965 mn, EBITDA – INR 7,298 mn, Net Profit – INR (1,815) mn ▪ JBF announced Dividend of INR 1/share in FY16 |
| Integrated Polyester Player of Global scale | <ul style="list-style-type: none"> ▪ JBF is amongst the Top 5 producers of PET chips and of BOPET Films globally ▪ JBF is setting up a 1.25 MMT Purified Terephthalic Acid (PTA) plant at Mangalore SEZ thereby will become an integrated petrochemical company. ▪ JBF has also set up a 390 KT p.a. PET plant in Belgium and a 90KT p.a. BoPET Film plant in Bahrain. |

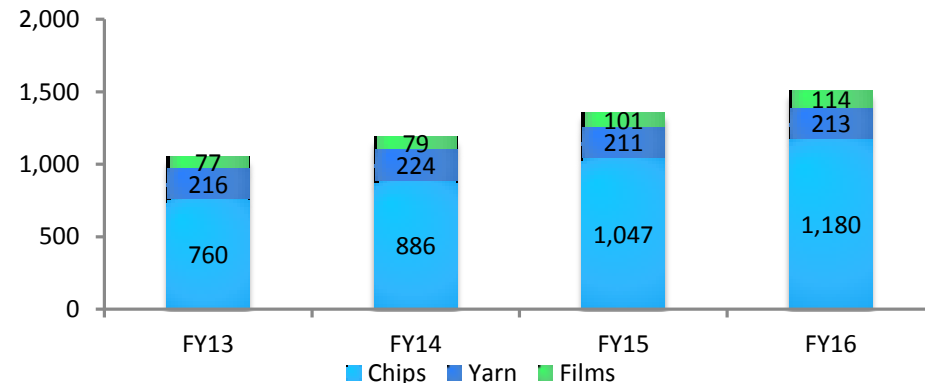
Company Overview

- Established in **1982**, JBF Industries was founded by **Mr. Bhagirath Arya** as a Yarn Texturising company, the company has since backward integrated into the polyester value chain.
- Company is currently engaged in the production of products in the Polyester value chain such as: **Polyethylene Terephthalate (PET) chips** which are of Bottle grade, Textile grade and Film grade; **Polyester Yarn**, such as Partially Oriented Yarn (POY), Polyester Filament Yarn (PFY), Full Drawn Yarn (FDY) and Other Specialized Yarn; and **PET Films**, which are of Thin grade, Thick grade and Metallized grade.
- It commenced its international operations in 2006 by foraying into the PET chips and PET Film business by setting up plant at Ras-Al-Khaimah (RAK) UAE. Currently, JBF has 3 plants internationally in RAK, Bahrain and Belgium.
- JBF declared a **Dividend of INR 1/share** for FY16.

Financial Highlights

| INR Mn | FY13 | FY14 | FY15 | FY16 |
|--------------------------|--------|--------|--------|---------|
| Total Income | 74,592 | 85,803 | 88,978 | 88,965 |
| EBIDTA | 6,903 | 7,245 | 9,408 | 7,298 |
| <i>EBIDTA Margin</i> | 9.30% | 8.30% | 10.60% | 8.20% |
| Net Profit | 1,135 | 57 | 311 | (1,815) |
| <i>Net Profit Margin</i> | 1.52% | 0.07% | 0.35% | NA |
| <i>Diluted EPS (INR)</i> | 15.24 | 0.35 | 4.22 | (26.52) |

Production Highlights ('000 tons)



❑ Q2-FY17 (Standalone) performance:

- Total Income*: INR 10,419 mn
- EBITDA: INR 801 mn
- EBITDA Margin: 7.7%
- PAT: INR 111 mn
- PAT Margin: 1.1%

❑ H1-FY17 (Standalone) performance:

- Total Income*: INR 20,714 mn
- EBITDA: INR 1,568 mn
- EBITDA Margin: 7.6%
- PAT: INR 210 mn
- PAT Margin: 1.0%

**Total Income includes other income component*

- The Company adopted the Indian Accounting Standard ("Ind AS") and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 - "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013. These financial results have been prepared in accordance with the Companies (Indian Accounting Standard) Rules 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013. The date of transition to Ind AS is 1st April, 2015. The Figures for the quarter and half year ended 30th September 2015 are also Ind AS Compliant. They have not been subject to limited Review or audit. However, the management has exercised the necessary due diligence to ensure that the financial results provide a true and fair view of the Company's affairs. The Company will provide a reconciliation of its equity for the previous year ended 31st March, 2016 at the time of submitting the audited financial statements for the year ended 31st March, 2017. These results have been prepared in accordance with regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) regulation, 2015 read with SEBI circular dated 5th July, 2016.

Projects:

- Implementation of the 1.25 MTPA greenfield 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.

Financial Highlights – Standalone



| Income Statement | Q2-FY17 ("Ind AS") | Q2-FY16 ("Ind AS") | YoY% | Q1-FY17 ("Ind AS") | QoQ% |
|--|-----------------------|-----------------------|-----------------|-----------------------|----------------|
| Income from operations | 10,326 | 9,011 | 14.59% | 10,201 | 1.23% |
| Other Income | 93 | 79 | 17.72% | 95 | (2.11)% |
| Total Income | 10,419 | 9,090 | 14.62% | 10,296 | 1.19% |
| Total Expenses | 9,618 | 8,072 | 19.15% | 9,530 | 0.92% |
| EBITDA | 801 | 1,018 | (21.32)% | 766 | 4.57% |
| EBITDA Margin (%) | 7.69% | 11.20% | (351)bps | 7.44% | 25bps |
| Exchange Difference & Derivative (Gain)/ Loss | (29) | 175 | NA | 30 | NA |
| Depreciation | 244 | 252 | (3.17)% | 245 | (0.41)% |
| Interest | 355 | 530 | (33.02)% | 408 | (12.99)% |
| PBT | 231 | 61 | 278.69% | 83 | 178.31% |
| Tax | 120 | 29 | 313.79% | (15) | NA |
| Profit After Tax | 111 | 32 | 246.88% | 98 | 13.27% |
| PAT Margin (%) | 1.07% | 0.35% | 72bps | 0.95% | 12bps |
| Other Comprehensive Income | (3) | (1) | NA | (3) | NA |
| Total Comprehensive Income (After Tax) | 108 | 31 | 248.39% | 95 | 13.68% |
| Diluted EPS (Before Other Comprehensive Income) | 1.36 | 0.49 | 177.55% | 1.20 | 13.33% |

All numbers in INR Mn other than EPS

Financial Highlights – Standalone



| Income Statement | H1-FY17 ("Ind AS") | H1-FY16 ("Ind AS") | YoY% |
|--|-----------------------|-----------------------|-----------------|
| Income from operations | 20,527 | 18,885 | 8.69% |
| Other Income | 187 | 156 | 20.51% |
| Total Income | 20,714 | 19,041 | 8.79% |
| Total Expenses | 19,146 | 16,948 | 12.97% |
| EBITDA | 1,568 | 2,093 | (25.08)% |
| EBITDA Margin (%) | 7.57% | 10.99% | (342)bps |
| Exchange Difference & Derivative (Gain)/ Loss | 1 | 257 | (99.61)% |
| Depreciation | 490 | 502 | (2.39)% |
| Interest | 763 | 985 | (22.54)% |
| PBT | 314 | 349 | (10.03)% |
| Tax | 104 | 122 | (14.75)% |
| Profit After Tax | 210 | 227 | (7.49)% |
| PAT Margin (%) | 1.01% | 1.19% | (18)bps |
| Other Comprehensive Income | (6) | (4) | NA |
| Total Comprehensive Income (After Tax) | 204 | 223 | (8.93)% |
| Diluted EPS (Before Other Comprehensive Income) | 2.56 | 3.47 | (26.22)% |

All numbers in INR Mn other than EPS

Standalone Income Statement



JBF Industries Ltd

| Income Statement (INR Mn) | FY12 | FY13 | FY14 | FY15 | FY16 |
|---------------------------------------|---------------|---------------|---------------|---------------|---------------|
| Income | 43,833 | 45,041 | 47,847 | 41,269 | 36,206 |
| Other Income | 833 | 223 | 316 | 276 | 295 |
| Total Income | 44,666 | 45,264 | 48,163 | 41,545 | 36,501 |
| Total Expenses | 39,817 | 40,940 | 44,187 | 36,995 | 32,530 |
| EBITDA | 4,849 | 4,324 | 3,976 | 4,550 | 3,971 |
| EBITDA Margin | 10.86% | 9.55% | 8.26% | 10.95% | 10.88% |
| Exchange Difference & Derivative Loss | 2,951 | 1,386 | 1,185 | 126 | 216 |
| Depreciation | 839 | 1,007 | 1,122 | 967 | 1,005 |
| Interest | 776 | 1,060 | 1,376 | 1,452 | 1,730 |
| PBT | 283 | 871 | 293 | 2,005 | 1,020 |
| Tax | (205) | 356 | 143 | 611 | 365 |
| Profit After Tax | 488 | 515 | 150 | 1,394 | 655 |
| PAT Margin | 1.09% | 1.14% | 0.31% | 3.36% | 1.79% |
| EPS | 6.61 | 6.72 | 1.70 | 20.78 | 8.90 |

All numbers in INR Mn other than EPS

Standalone Results – Balance Sheet



| | Particulars | FY14 | FY15 | FY16 | H1FY17* |
|----------------|---|---------------|---------------|---------------|---------------|
| A | EQUITIES & LIABILITIES | | | | |
| Part -1 | Shareholder Funds | | | | |
| | (A) Share Capital | 802 | 804 | 968 | 819 |
| | (B) Reserves & Surplus | 9,153 | 10,218 | 15,315 | 14,856 |
| | Total - Shareholder Funds | 9,955 | 11,022 | 16,283 | 15,675 |
| Part 2 | Non Current Liabilities | | | | |
| | (A) Long Term Borrowings | 6,696 | 8,250 | 5,940 | 5,560 |
| | (B) Deferred Tax Liabilities (Net) | 1,705 | 2,242 | 2,279 | 2,262 |
| | (C) Long Term provisions | 236 | 125 | 98 | 90 |
| | (D) Other Financial Liabilities | - | - | - | 961 |
| | Total - Non – Current Liabilities | 8,637 | 10,617 | 8,317 | 8,873 |
| Part 3 | Current Liabilities | | | | |
| | (A) Short term Borrowings | 5,341 | 7,047 | 7,632 | 7,145 |
| | (B) Trade Payables | 6,149 | 3,088 | 4,801 | 6,354 |
| | (C) Other Current Liabilities | 3,226 | 3,033 | 3,940 | 995 |
| | (D) Short-term provisions | 511 | 609 | 391 | 269 |
| | (E) Current Tax Liabilities (net) | - | - | - | 36 |
| | (F) Other Current Liabilities | - | - | - | 3,054 |
| | Total – Current Liabilities | 15,227 | 13,777 | 16,764 | 17,853 |
| A | GRAND TOTAL - EQUITIES & LIABILITIES | 33,819 | 35,416 | 41,364 | 42,401 |

| | Particulars | FY14 | FY15 | FY16 | H1FY17* |
|----------------|-------------------------------------|---------------|---------------|---------------|---------------|
| B | ASSETS | | | | |
| Part -1 | Non Current Assets | | | | |
| | (A) Property, Plant & Equipment | - | - | - | 15,084 |
| | (B) Fixed Assets | 15,470 | 16,264 | 15,515 | - |
| | (C) Non-Current Investments | 4,238 | 4,235 | 3,983 | 4,166 |
| | (D) Long Term Loans & Advances | 1,046 | 1,132 | 1,062 | - |
| | (E) Other Non - Current Assets | - | 463 | 711 | 672 |
| | (F) Investment Property | - | - | - | 2 |
| | (G) Capital work in progress | - | - | - | 393 |
| | (H) Other Intangible Assets | - | - | - | 19 |
| | (I) Financial Assets – Others | - | - | - | 769 |
| | Total - Non – Current Assets | 20,754 | 22,094 | 21,271 | 21,105 |
| Part 2 | Current Assets | | | | |
| | (A) Current Investments | 7 | 2 | 2 | 2 |
| | (B) Inventories | 4,405 | 3,353 | 3,633 | 3,692 |
| | (C) Trade Receivables | 6,123 | 5,647 | 7,680 | 7,591 |
| | (D) Cash and Bank Balances | 425 | 2,147 | 3,270 | 3,304 |
| | (E) Short-term loans and advances | 1,591 | 2,061 | 5,389 | 5,151 |
| | (F) Other current assets | 514 | 112 | 119 | 400 |
| | (G) Other Financial Assets | - | - | - | 789 |
| | (H) Current Tax Assets | - | - | - | 367 |
| | Total – Current Assets | 13,065 | 13,322 | 20,093 | 21,296 |
| B | GRAND TOTAL – ASSETS | 33,819 | 35,416 | 41,364 | 42,401 |

*The H1FY17 balance sheet is prepared in accordance with the Indian Accounting Standards (IndAS)

All numbers in INR Mn

Consolidated Income Statement



JBF Industries Ltd

| Income Statement | FY12 | FY13 | FY14 | FY15 | FY16 |
|---|---------------|---------------|---------------|---------------|----------------|
| Income | 71,793 | 74,558 | 85,677 | 88,795 | 88,816 |
| Other Income | 824 | 34 | 126 | 183 | 149 |
| Total Income | 72,617 | 74,592 | 85,803 | 88,978 | 88,965 |
| Total Expenses | 64,666 | 67,656 | 78,558 | 79,570 | 81,667 |
| EBITDA | 7,951 | 6,936 | 7,245 | 9,408 | 7,298 |
| EBITDA Margin | 10.95% | 9.30% | 8.44% | 10.57% | 8.20% |
| Exchange Difference & Derivative Loss | 2,939 | 1,329 | 1,254 | 1,209 | 110 |
| Depreciation | 1,525 | 2,002 | 2,450 | 3,068 | 3,572 |
| Interest | 1,462 | 2,100 | 3,162 | 4,237 | 5,253 |
| Exceptional Item | - | - | 367 | - | - |
| PBT | 2,025 | 1,505 | 12 | 894 | (1,637) |
| Tax | -205 | 371 | 143 | 583 | 546 |
| Profit After Tax | 2,230 | 1,134 | -131 | 311 | (2,183) |
| Extraordinary Item | - | - | 188 | - | - |
| Profit After Tax and Extraordinary Items | 2,230 | 1,134 | 57 | 311 | (2,183) |
| Minority Interest | - | - | - | - | 368 |
| Net Profit | 2,230 | 1,134 | 57 | 311 | (1,815) |
| PAT Margin | 3.10% | 1.52% | 0.07% | 0.35% | NA |
| Diluted EPS | 30.7 | 15.24 | 0.35 | 4.22 | (26.52) |

All numbers in INR Mn other than EPS

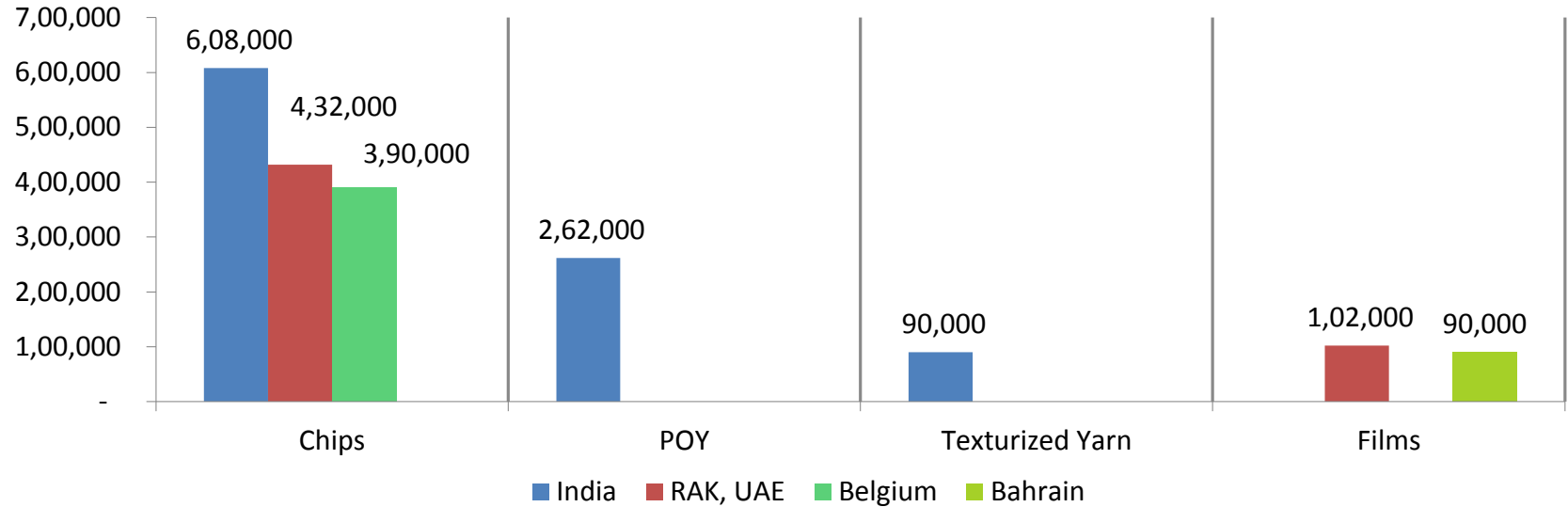
Consolidated Results – Balance Sheet



| | Particulars | FY14 | FY15 | FY16 |
|----------------|---|-----------------|-----------------|-----------------|
| A | EQUITIES & LIABILITIES | | | |
| Part -1 | Shareholder Funds | | | |
| | (A) Share Capital | 802 | 804 | 968 |
| | (B) Reserves & Surplus | 18,045 | 17,551 | 23,992 |
| | Total - Shareholder Funds | 18,847 | 18,355 | 24,960 |
| | Minority Interest | - | - | 2,217 |
| Part 2 | Non Current Liabilities | | | |
| | (A) Long Term Borrowings | 45,587 | 61,672 | 71,844 |
| | (B) Deferred Tax Liabilities (Net) | 1,705 | 2,242 | 2,279 |
| | (C) Other Long Term liabilities | 352 | 255 | 252 |
| | (D) Long Term provisions | 403 | 342 | 385 |
| | Total - Non – Current Liabilities | 48,047 | 64,511 | 74,760 |
| Part 3 | Current Liabilities | | | |
| | (A) Short term Borrowings | 13,923 | 20,645 | 29,560 |
| | (B) Deferred Tax Liabilities | 68 | 36 | 28 |
| | (C) Trade Payables | 11,841 | 18,233 | 17,672 |
| | (D) Other Current Liabilities | 8,372 | 8,643 | 11,718 |
| | (E) Short-term provisions | 727 | 997 | 991 |
| | Total – Current Liabilities | 34,931 | 48,554 | 59,969 |
| A | GRAND TOTAL - EQUITIES & LIABILITIES | 1,01,825 | 1,31,420 | 1,61,906 |

All numbers in INR Mn

| | Particulars | FY14 | FY15 | FY16 |
|----------------|-------------------------------------|-----------------|-----------------|-----------------|
| B | ASSETS | | | |
| Part -1 | Non Current Assets | | | |
| | (A) Fixed Assets | 62,372 | 84,651 | 1,02,822 |
| | (B) Goodwill on Consolidation | 1,048 | 1,092 | 1,180 |
| | (C) Non-Current Investments | 26 | 24 | 21 |
| | (D) Long Term Loans & Advances | 6,624 | 2,236 | 1,191 |
| | (E) Other Non-Current Assets | 6 | 6 | 7 |
| | Total - Non – Current Assets | 70,076 | 88,009 | 1,05,221 |
| Part 2 | Current Assets | | | |
| | (A) Current Investments | 7 | 2 | 2 |
| | (B) Inventories | 10,440 | 10,550 | 10,894 |
| | (C) Trade Receivables | 11,504 | 14,508 | 17,908 |
| | (D) Cash and Bank Balances | 4,870 | 4,735 | 12,212 |
| | (E) Short-term loans and advances | 4,768 | 13,503 | 15,548 |
| | (F) Other current assets | 160 | 113 | 119 |
| | (G) Deferred Tax Assets | - | - | 2 |
| | Total – Current Assets | 31,749 | 43,411 | 56,685 |
| B | GRAND TOTAL – ASSETS | 1,01,825 | 1,31,420 | 1,61,906 |



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 31st March, 2016

Operating Performance



| Indian Operation Sales (MT) | Q2-FY17 | Q2-FY16 | % Increase | H1FY17 | H1FY16 | % Increase |
|--------------------------------|-----------------|-----------------|---------------|-----------------|-----------------|---------------|
| CHIPS (Textile + Bottle grade) | 76,226 | 61,018 | 24.92% | 1,55,976 | 1,22,252 | 27.59% |
| POY & Specialty Yarn | 57,686 | 49,143 | 17.38% | 1,09,544 | 99,734 | 9.84% |
| Total | 1,33,912 | 1,10,161 | 21.56% | 2,65,520 | 2,21,986 | 19.61% |

Price Trends*

| Category | Q2-FY17 | Q2-FY16 | % Change | H1FY17 | H1FY16 | % Change |
|--------------------------------------|---------|---------|----------|--------|--------|----------|
| CHIPS – India (INR/Kg) | 62 | 67 | (7.46)% | 63 | 69 | (8.70)% |
| POY & Specialty Yarn- India (INR/Kg) | 83 | 86 | (3.49)% | 83 | 88 | (5.68)% |

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

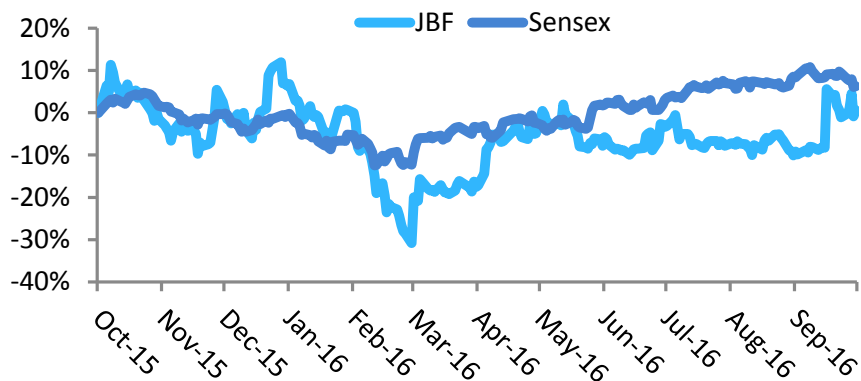
Revenue Mix

| Category | Q2-FY17 | Q2-FY16 | % Change | H1FY17 | H1FY16 | % Change |
|------------------------------|---------|---------|----------|--------|--------|----------|
| CHIPS -India | 50 | 49 | 2.04% | 52 | 49 | 6.12% |
| POY & Specialty Yarn - India | 50 | 51 | (1.96)% | 48 | 51 | (5.88)% |

Price Data (As on September 30th, 2016)

| | |
|-----------------------------------|-------------|
| Face Value (INR) | 10 |
| Market Price (INR) | 223.05 |
| 52 week H/L (INR) | 255.0/150.1 |
| Market Cap (INR Mn) | 18,262 |
| Equity Shares Outstanding (Mn) | 81.9 |
| Free Float (Mn) | 10,382 |
| 1 Year Avg. Trading Volume ('000) | 196.8 |

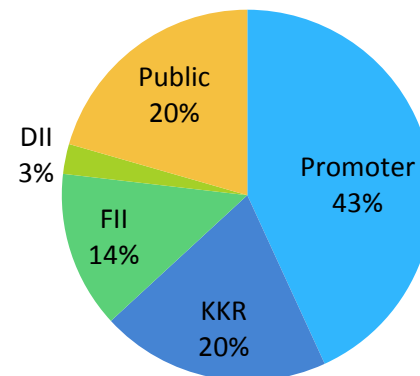
Share Price Performance



Marquee Investors

| Marquee Investors | % Holding |
|-------------------------------------|---------------|
| KKR | 20.00% |
| Copthall Mauritius Investment Ltd | 3.94% |
| Life Insurance Corporation of India | 2.59% |
| Jupiter India Fund | 2.33% |
| Cresta Fund Ltd | 2.07% |
| Eriska Investment Fund | 1.55% |
| TOTAL | 32.48% |

Shareholding Pattern (As on September 30th, 2016)



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