

## ESSEL PROPACK LIMITED

Regd. Office : P.O. Vasind, Taluka Shahapur, Dist. Thane, Maharashtra - 421 604.

### Q3 FY13 RESULTS ESSEL PROPACK POSTS ANOTHER STRONG QUARTER

#### Results Q3 December– Snapshot Consolidated

₹ in Million

	Quarter ended Dec 2012	Quarter ended Dec 2011
<b>Sales</b>	<b>4479</b>	4148
<b>Operating Profit</b>	<b>479</b>	401
<b>Net Profit</b>	<b>221</b>	136

EsseL Propack Global operations posted a net profit of ₹ 221 Mn. for Q3 FY-13 up by 62.5% over last year, backed by strong performance in AMESA and robust recovery in Americas. The Sales grew by 8.0% and operating profit by 19.5% helped by 110 bps improvement in operating margin compared to last year. Sequentially the Company has retained the traction of Q2, considering the holiday season in Europe and USA towards the year end.

India Standalone Operations: Sales for the quarter grew by 13.0% over last year and Net Profit at ₹ 115 Mn. represents 12.1% growth over last year.

#### The highlights of this quarter are (Global Consolidated):

- Sales grew across all regions, AMESA (7.6%), EAP (6.2%), Americas (4.7%) and Europe (22.8%) as compared to same period last year
- EBITDA margin sustained over 18% in line with previous quarter, and higher by 150 bps over last year, helped by improved material cost efficiencies and operation cost control
- The consolidated YTD (9 months) Net Profit at ₹ 54 crores has already surpassed the full year FY-12 Net Profit of ₹ 51.4 crores
- The Company's strategy for accelerated growth in high value non-oral care categories i.e. cosmetics, pharma, hair care, foods continues on course in December quarter, with share of non-oral care category improving by 4.8% to 39.9% in value terms over last year
- The strategy of making Poland plant as a hub of tube supply in Europe region has started yielding results. In Europe the Company has entered into a long term contract with a FMCG major for supply of tubes from its Poland facility. This will further accelerate the turnaround of the Polish unit by leveraging existing infrastructure

- The Company is implementing a project in the EAP region for supply of cosmetic tubes under a long term supply agreement
- Interest cost during the quarter has reduced by 25 basis point due to recomposition of global debt portfolio
- The Company continues to pursue working capital productivity as a means to improve cash flows
- New customers acquisition and improved operating efficiency has helped the US plastic tube unit to breakeven in EBITDA terms
- Measures to improve organizational effectiveness continued to be implemented through appropriate changes in the structure and leadership team
- The Company continues to actively engage customers through relevant and innovative offerings and as a stable long-term supplier. In this quarter ,the Company was awarded the preferred supplier status by a large customer and Company's new products won India Star Award of the Indian Institute of Packaging

Although the economic environment globally, more so in Europe is under cloud of lower growth, it is throwing up a number of opportunities because competitors are under financial stress. The Company believes by improving internal processes and efficiencies and with thrust on innovation, it could aspire to create value for all its stakeholders.

**Valuation Comparison with Global Peers (Updated on 1st Feb 2013)**

	<b>Company Name</b>	<b>Business Description</b>	<b>Share Price (\$)</b>	<b>EPS (LTM) (\$)</b>	<b>P/E (LTM)</b>	<b>Book Value (LTM) (\$)</b>	<b>P/BV (LTM)</b>	<b>EBITDA Margin (%) (LTM)</b>	<b>EV/ EBITDA</b>
1	Bemis	Manufacturer of flexible packaging materials and pressure sensitive label materials throughout USA, Canada, South America, Europe, and Asia.	36.34	1.66	21.89	15.66	2.32	10.60	10.25
2	Sealed Air Corporation	Manufacturer of a range of flexible packaging material, shrink films and packaging equipment that serve food, industrial, medical and consumer applications across USA, South America, Europe, and Asia.	19.08	0.8	23.85	8.74	2.18	11.60	16.6
3	Sonoco Products Company	Manufacturer of rigid papers & closures, flexible packaging materials, pallets, containers etc. for industrial and consumer use in USA, Canada, South America, Europe, and Asia.	31.39	2.13	14.74	15.10	2.08	11.90	10.31
4	Ball Corporation	Manufacturer of metal cans and plastic blow moulded containers for beverage, food and household use in USA, Canada, South America, Europe, and Asia.	45.49	2.55	17.84	8.44	5.39	12.70	11.1
5	Crown Holdings Inc	Manufacturer of metal cans, closures for food, beverage, household and consumer applications in US, Europe and other regions.	39.18	3.75	10.45	0.00	NA	12.50	12.45
6	Silgan Holdings, Inc.	Manufacturer of metal and plastic containers and closures for consumer applications in USA, South America, Europe, and Asia.	43.64	2.17	20.11	10.64	4.10	14.20	10.28
7	AptarGroup, Inc.	Manufacturer of caps & closures, spray pumps, valves etc. primarily for the cosmetic, and personal care, pharmaceutical, household, food and beverage markets across USA, South America, Europe, and Asia.	52.23	2.65	19.71	20.74	2.52	17.30	9.4
8	MeadWestvaco Corporation	Manufactures coated covers, pumps, dispensers, cartons, paperboards for healthcare, personal and beauty care, food, beverage, tobacco, home and garden industries across USA, South America, Europe, and Asia.	31.58	1.16	27.2	18.92	1.67	14.30	23.18
9	EsseL Propack	EsseL Propack is leading specialty packaging company for personal care & hygiene, cosmetic, pharmaceutical, household and food having presence in USA, South America, Europe, and Asia.	35.95 (INR)	4.88 (INR)	7.37	56.43 (INR)	0.64	17.03	5.34

Source: www.in.advfn.com & Company fillings  
LTM- Last Twelve Months

**GLOBAL OPERATIONS**  
**UNAUDITED CONSOLIDATED FINANCIAL RESULTS**  
**FOR QUARTER AND NINE MONTHS ENDED 31st DECEMBER, 2012**

₹ in Lacs

Particulars	Quarter ended			Nine Months ended		Year ended
	31st December 2012	30th September 2012	31st December 2011	31st December 2012	31st December 2011	31st March 2012
	Unaudited					Audited
<b>1 Income from operations</b>						
a. Net Sales / Income from Operations (Net of Excise Duty)	44433	47256	41171	134356	116236	156968
b. Other Operating Income	360	405	305	1168	873	1403
<b>Total Income from operations (net)</b>	<b>44793</b>	<b>47661</b>	41476	<b>135524</b>	117109	<b>158371</b>
<b>2 Expenses</b>						
a. Cost of materials consumed	21127	22521	19546	64077	54726	75806
b. Purchase of stock-in-trade	-	-	-	-	-	-
c. Changes in inventories of finished goods, work-in-progress and stock in trade	198	896	784	1332	2452	386
d. Employee benefits expense	7099	7079	6201	21258	17703	24052
e. Depreciation and amortisation expense	3320	3258	2893	9733	8328	11700
f. Other expenses	8264	8445	8046	25104	22995	31455
<b>Total expenses</b>	<b>40008</b>	<b>42199</b>	37470	<b>121504</b>	106204	<b>143399</b>
<b>3 Profit from Operations before other income, finance costs and exceptional items (1-2)</b>	<b>4785</b>	<b>5462</b>	4006	<b>14020</b>	10905	<b>14972</b>
<b>4 Other income</b>	<b>488</b>	<b>446</b>	423	<b>1321</b>	1286	<b>1904</b>
<b>5 Profit from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>5273</b>	<b>5908</b>	4429	<b>15341</b>	12191	<b>16876</b>
<b>6 Gain/(Loss) on Foreign Exchange Fluctuations (Net)</b>	<b>14</b>	<b>25</b>	(52)	<b>209</b>	(431)	<b>65</b>
<b>7 Finance costs</b>	<b>2103</b>	<b>2384</b>	2138	<b>7001</b>	6011	<b>8413</b>
<b>8 Profit from ordinary activities after finance costs but before exceptional items (5+6-7)</b>	<b>3184</b>	<b>3549</b>	2239	<b>8549</b>	5749	<b>8528</b>
<b>9 Exceptional (income) / expense</b>	-	-	-	-	-	<b>132</b>
<b>10 Profit from ordinary activities before tax (8-9)</b>	<b>3184</b>	<b>3549</b>	2239	<b>8549</b>	5749	<b>8396</b>
<b>11 Tax expense (Current tax, Deferred tax, MAT credit entitlement etc.) / (excess provisions)</b>	<b>957</b>	<b>1245</b>	868	<b>3143</b>	2540	<b>2234</b>
<b>12 Net Profit from ordinary activities after tax (10-11)</b>	<b>2227</b>	<b>2304</b>	1371	<b>5406</b>	3209	<b>6162</b>
<b>13 Extraordinary Item</b>	-	-	-	-	-	-
<b>14 Net Profit for the period (12-13)</b>	<b>2227</b>	<b>2304</b>	1371	<b>5406</b>	3209	<b>6162</b>
<b>15 Add : Share of Profit of associates</b>	<b>50</b>	<b>71</b>	44	<b>193</b>	159	<b>244</b>
<b>16 Less : Minority interest</b>	<b>(71)</b>	<b>(51)</b>	(56)	<b>(193)</b>	(158)	<b>(251)</b>
<b>17 Net Profit after taxes, minority interest and share of profit / (loss) of associates from Continuing Operations (14+15+16)</b>	<b>2206</b>	<b>2324</b>	1359	<b>5406</b>	3210	<b>6155</b>
<b>18 Loss from discontinuing operations (after tax)</b>	-	-	-	-	-	<b>1019</b>
<b>19 Net Profit for the period (17 - 18)</b>	<b>2206</b>	<b>2324</b>	1359	<b>5406</b>	3210	<b>5136</b>
<b>20 Paid-up Equity Share Capital (Face Value ₹ 2/-each )</b>	<b>3141</b>	<b>3141</b>	3131	<b>3141</b>	3131	<b>3141</b>
<b>21 Reserve excluding Revaluation Reserves as per Balance Sheet of previous accounting year</b>						<b>84889</b>
<b>22 Earnings per Share (EPS)</b>						
Basic & Diluted EPS (not annualised) computed on the basis of Profit from Continuing Operations	1.40	1.48	0.87	3.45	2.05	3.92
Basic & Diluted EPS (not annualised) computed on the basis of total Profit	1.40	1.48	0.87	3.45	2.05	3.27

**NOTES:**

- The above Consolidated results were reviewed by the Audit Committee and approved by the Board of Directors of the Company in its meeting held on 5th February, 2013.
- RAS Propack Lampack Limited and RAS Extrusion Limited have merged with the Company from appointed date 1st April 2011, pursuant to Scheme of merger sanctioned by the Hon'ble BIFR on 10th May 2012. While the audited results for the year ended 31st March 2012 include results of merged companies, the results for the quarter and nine months ended 31st December 2011 do not include the same, to that extent current period results are not comparable with corresponding previous periods.
- The Company is engaged in the business of Plastic Packaging Material. Geographical segment has been identified as primary segment and reported as per AS-17 below: Geographical Segmentation are:
  - AMESA : Africa, Middle East and South Asia include operations in India and Egypt.
  - EAP : East Asia Pacific includes operations in China and Philippines.
  - AMERICAS : includes operations in United States of America, Mexico and Colombia
  - EUROPE : includes operations in Germany, United Kingdom, Poland and Russia.

**GLOBAL OPERATIONS**  
**UNAUDITED CONSOLIDATED FINANCIAL RESULTS**  
**FOR QUARTER AND NINE MONTHS ENDED 31st DECEMBER, 2012**

₹ in Lacs

Particulars	Quarter ended			Nine Months ended		Year Ended
	31st December 2012	30th September 2012	31st December 2011	31st December 2012	31st December 2011	31st March 2012
	Unaudited					Audited
<b>Segment Revenue</b>						
A AMESA	21496	22020	19980	64332	56642	77941
B EAP	10627	11362	10007	31390	28217	36903
C AMERICAS	9607	11160	9182	30308	26297	37050
D EUROPE	5322	5976	4333	17310	11884	17755
E Unallocated	-	-	-	-	-	24
Inter Segmental elimination	(2259)	(2857)	(2026)	(7816)	(5931)	(11302)
<b>Net Sales / Income from operations</b>	<b>44793</b>	<b>47661</b>	<b>41476</b>	<b>135524</b>	<b>117109</b>	<b>158371</b>
<b>Segment Result</b>						
<b>Profit / (Loss) before interest and tax from each Segment</b>						
A AMESA	2913	3051	2526	8423	7092	9642
B EAP	2204	2185	2070	5750	5447	7123
C AMERICAS	411	790	(7)	1579	378	1483
D EUROPE	(631)	(469)	(559)	(1464)	(1704)	(2528)
E Unallocated	(112)	(95)	(59)	(268)	(246)	(330)
Inter Segmental elimination	-	-	35	-	(62)	(418)
<b>Total</b>	<b>4,785</b>	<b>5,462</b>	<b>4,006</b>	<b>14,020</b>	<b>10,905</b>	<b>14,972</b>
Add: Other income	488	446	423	1,321	1,286	1,904
Add: Gain/(Loss) on Foreign Exchange Fluctuations (Net)	14	25	(52)	209	(431)	65
<b>Segment Result</b>	<b>5287</b>	<b>5933</b>	<b>4377</b>	<b>15550</b>	<b>11760</b>	<b>16941</b>
Less: Financial expenses	2103	2384	2138	7001	6011	8413
Exceptional (income)/ expense	-	-	-	-	-	132
<b>Profit from ordinary activities before tax</b>	<b>3184</b>	<b>3549</b>	<b>2239</b>	<b>8549</b>	<b>5749</b>	<b>8396</b>
<b>Capital Employed</b>						
(Segment Assets - Segment Liabilities)						
A AMESA	44764	43038	40020	44764	40020	40158
B EAP	39175	37447	31447	39175	31447	34854
C AMERICAS	19400	19319	16498	19400	16498	19062
D EUROPE	10010	10708	9351	10010	9351	11819
E Unallocated	(17465)	(16853)	(11785)	(17465)	(11785)	(15414)
Inter Segmental elimination	(2304)	(2285)	(532)	(2304)	(532)	(2305)
<b>Total</b>	<b>93580</b>	<b>91374</b>	<b>84999</b>	<b>93580</b>	<b>84999</b>	<b>88174</b>

4 Revenue of the above segments is the gross revenue including inter-company revenue sold to units in other segments. Elimination of inter-company revenue and the net external revenue has been disclosed separately. Previous period figures have also been regrouped in line with current classification.

5 Figures of the previous period have been regrouped wherever considered necessary.

**For EsSEL Propack Limited**

Place : Mumbai  
Date : 5th February, 2013

**Ashok Kumar Goel**  
Vice-Chairman & Managing Director

**INDIA STANDALONE  
UNAUDITED FINANCIAL RESULTS  
FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2012**

₹ in Lacs

Particulars	Quarter ended			Nine months ended		Year
	31-Dec	30-Sep	31-Dec	31 December		ended 31
	2012	2012	2011	2012	2011	March
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>PART I</b>						
<b>1 Income from operations</b>						
a. Net Sales / Income from operations (net of excise duty)	14497	14655	12832	42522	35796	47899
b. Other operating income	367	381	426	1144	1392	1763
<b>Total income from operations (net)</b>	<b>14864</b>	<b>15036</b>	13258	<b>43666</b>	37188	<b>49662</b>
<b>2 Expenses:</b>						
a. Cost of materials consumed	7084	7314	6196	21011	17348	23356
b. Changes in inventories of finished goods and work in progress	(113)	(283)	125	(640)	(86)	30
c. Employee benefits expense	1344	1450	1206	4243	3658	4847
d. Depreciation and amortisation expense	925	851	731	2588	2091	2861
e. Other expenses	3477	3241	3041	10003	9076	12065
<b>Total expenses</b>	<b>12717</b>	<b>12573</b>	11299	<b>37205</b>	<b>32087</b>	<b>43159</b>
<b>3 Profit from operations before other income, finance costs and exceptional items (1-2)</b>	<b>2147</b>	<b>2463</b>	1959	<b>6461</b>	<b>5101</b>	<b>6503</b>
<b>4 Other income</b>	<b>556</b>	<b>694</b>	775	<b>2175</b>	2280	<b>4119</b>
<b>5 Profit from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>2703</b>	<b>3157</b>	2734	<b>8636</b>	<b>7381</b>	<b>10622</b>
<b>6 Gain/(Loss) on foreign exchange difference (net)</b>	<b>24</b>	<b>(100)</b>	168	<b>403</b>	251	<b>407</b>
<b>7 Finance costs</b>	<b>1080</b>	<b>1438</b>	1480	<b>4203</b>	4165	<b>5874</b>
<b>8 Profit after finance cost but before exceptional items (5+6-7)</b>	<b>1647</b>	<b>1619</b>	1422	<b>4836</b>	<b>3467</b>	<b>5155</b>
<b>9 Exceptional Items</b>	<b>0</b>	<b>0</b>	0	<b>0</b>	0	<b>0</b>
<b>10 Profit before Tax for the period (8+9)</b>	<b>1647</b>	<b>1619</b>	1422	<b>4836</b>	<b>3467</b>	<b>5155</b>
<b>11 Tax expense (current tax, deferred tax, mat credit entitlement etc.)</b>	<b>500</b>	<b>286</b>	398	<b>1231</b>	976	<b>248</b>
<b>12 Net Profit after tax for the period (10-11)</b>	<b>1147</b>	<b>1333</b>	1024	<b>3605</b>	<b>2491</b>	<b>4907</b>
<b>13 Paid-up equity share capital (Face Value ₹ 2/- each)</b>	<b>3141</b>	<b>3141</b>	3131	<b>3141</b>	3131	<b>3141</b>
<b>14 Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year</b>						<b>63214</b>
<b>15 Earnings Per Share (EPS)</b>						
Basic and Diluted Earnings Per Share	<b>0.73</b>	<b>0.85</b>	0.65	<b>2.29</b>	1.59	<b>3.12</b>
<b>PART II</b>						
<b>A PARTICULARS OF SHARE HOLDINGS</b>						
<b>1 Public shareholding</b>						
- Number of Shares (Lacs)	645.12	645.12	640.12	645.12	640.12	640.12
- Percentage of Shareholding	41.06%	41.06%	40.88%	41.06%	40.88%	40.88%
<b>2 Promoters and Promoters Group Shareholding</b>						
a. Pledged / Encumbered (Lacs)						
Number of Shares	20.00	20.00	36.16	20.00	36.16	36.16
- Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	2.16%	2.16%	3.91%	2.16%	3.91%	3.91%
- Percentage of shares (as a % of the total Share Capital of the Company)	1.28%	1.28%	2.31%	1.28%	2.31%	2.31%
b. Non-encumbered						
Number of Shares (Lacs)	905.89	905.89	889.73	905.89	889.73	889.13
- Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	97.84%	97.84%	96.09%	97.84%	96.09%	96.09%
- Percentage of shares (as a % of the total Share Capital of the Company)	57.66%	57.66%	56.81%	57.66%	56.81%	56.81%
<b>B INVESTOR COMPLAINTS</b>						
Pending at the beginning of the quarter	0					
Received during the quarter	4					
Disposed of during the quarter	4					
Remaining unresolved at the quarter	0					

**NOTES:**

- The above results were reviewed by the Audit Committee and approved by the Board of Directors of the Company in its meeting held on 5 February 2013.
- The Statutory Auditors have carried out a limited review of the results for the quarter and nine month ended 31 December 2012.
- RAS Propack Lamipack Limited and RAS Extrusion Limited have merged with the Company from appointed date 1 April 2011, pursuant to Scheme of merger sanctioned by the Hon'ble BIFR on 10 May 2012. While the audited results for the year ended 31 March 2012 include results of merged companies, the results for the quarter and nine months ended 31 December 2011 do not include the same, to that extent current period results are not comparable with corresponding previous periods.
- None of the financials of the Subsidiaries / Associates / Joint Ventures have been consolidated in the above results.
- Under AS-17, the Company has only one major identifiable business segment viz. Plastic Packaging Material.
- Figures of the previous period have been regrouped wherever considered necessary.

**For EsseL Propack Limited**

Place : Mumbai  
Date : 5th February, 2013

**Ashok Kumar Goel**  
Vice-Chairman & Managing Director

**GREEN INITIATIVE: (ELECTRONIC SERVICE OF DOCUMENTS)**

The Company had requested members to participate in the Green Initiative of Government of India (Electronic Service of Documents). For supporting this initiative kindly access the website of our Registrar & Share Transfer Agents, M/s. Sharepro Services (I) Pvt. Ltd. at [www.shareproservices.com](http://www.shareproservices.com) or click on the icon  provided on the Company's website, follow the instructions and fill in the requisite details.

We solicit your whole-hearted co-operation and patronage for implementing the Green initiative taken by Government as your contribution towards a better environment.

For Investor related queries / complaints kindly contact :

Registrar & Transfer Agent  
Sharepro Services (India) Private Limited  
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## BOOK POST

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