

Press Release

Mumbai, Feb3, 2023

Kansai Nerolac Paints Ltd Announces Q3 Results FY 2022-2023

Mumbai, February3, 2023:Kansai Nerolac Paints Limited(KNPL), one of the leading Paint companies in India, today at the Board meeting announced its unaudited results for the third quarter of financial year 2022-23.

For the quarter, the company earned Net revenue from operations of Rs. 1717.1 Crores, a growth of 1.4 % over the corresponding quarter of the previous year.EBIDTA was at Rs. 188.5 Crores, a de-growth of 10.2 % over Q3 of 2021-22. PAT was at Rs. 112.3 Crore, a de-growth of 15.2 % over Q3 of 2021-22.

Other operating income of previous year's Q3 included exceptional income of Rs 44.8 cr. Excluding this, Net revenue is up by 4.1 %, EBITDA is up by 14.1% and PAT is up by 13.5 %.

For the nine months period, the company earned Net Revenue from operations of Rs. 5475.9 Crores a growth of20.7 % over the corresponding period of the previous year. For the nine months period EBITDA was at Rs. 641.4 Crores, a growth of13.7 % over the same period of 2021-22. PAT for the nine months period was Rs 392.4 Crores, a growth of12.2 %over the same period of 2021-22.

Commenting on the results, **Mr. Anuj Jain, Managing Director, Kansai Nerolac Paints Ltd said**, "The quarter witnessed good demand in Automotive coatings. Demand in Decorative was impacted on account of early Diwali, extended monsoons and higher than normal channel stocking due to price increases during Oct 21& Nov21.

Raw material prices showed a decline during the quarter. The quarter continued to witness high exchange volatility with the rupee sharply depreciating further.

The company was able to conclude the price increases with all its key OEMs during the quarter which will help partly offset the high inflation witnessed over the last two years.

The company initiated various measures to increase growth in decorative. The measures include increase in feet on street, digital interventions, network expansion, new product launches and brand strengthening.

Judicious management of costs and overheads continued.

Looking forward it is expected that demand would remain healthy in the short to medium term".

Outlook of Indian Paint Industry:

The size of domestic paint industry is estimated at around Rs. 60000 crores as of March 2022. The good growth in infrastructure, core sector as well as automobile and real estate is likely to have a positive effect on the overall demand of paint for the industry in the long run.

About Kansai Nerolac Paints Ltd:

KansaiNerolac Paints now in its 103rd year has been at the forefront of paint manufacturing pioneering a wide spectrum of quality paints. Kansai Nerolac is one of the leading paint companies in India and is the leader in Industrial paints having a net turnover of Rs. 5948.9Crores (FY2021 -2022). The company has eight strategically located manufacturing units all over India and a strong dealer network across the country. The company manufactures a diversified range of products ranging from decorative paints coatings for

homes, offices, hospitals, and hotels to sophisticated industrial coatings for most of the industries. Please visit www.nerolac.com .

