

Profit After Tax for Q1FY17 at INR 980 mn, up 36% YoY**Strong rise in EBITDA margins by 357bps YoY to 23.7%**

EARNINGS RELEASE

FOR IMMEDIATE RELEASE

Finolex Industries Limited, Pune, India, August 26, 2016:

Finolex Industries Limited (NSE: FINPIPE | BSE:500940), India's leading manufacturer of PVC Pipes & Fittings, at its Board Meeting held today announced unaudited Financial results for First Quarter ended 30th June, 2016

Q1FY17 HIGHLIGHTS

- The sales volumes for Pipes & Fittings was at 66,125 MT in Q1FY17 against 57,938 MT in Q1FY16, a 14% YoY rise on back of strong demand
- Total income from operations was at INR 6,729 mn for Q1FY17 against INR 6,334 mn in Q1FY16, a 6% YoY rise
- EBITDA for the quarter stood at INR 1,592 mn for Q1FY17 against INR 1,273 mn for Q1FY16, a 25% YoY rise
- EBITDA margins improved sharply by 357bps to 23.7%, highest quarterly margins in last three years
- Profit After Tax was at INR 980 mn for Q1FY17 against INR 721 mn for Q1FY16, a 36% YoY rise

MANAGEMENT COMMENTS

Mr. Prakash P. Chhabria
Executive Chairman

“ We are encouraged by our performance in Q1FY17 wherein we saw growth in Pipes and fittings volumes as well as strong improvement in overall margins. We expect pipes & fittings demand to remain strong ”

QUARTERLY CONFERENCE CALL

We will hold an earnings conference call on Monday, August 29, 2016 at 11:30 AM Indian Standard Time to discuss performance for the quarter. Transcript/Audio recording of the management discussions and the question and answer session will be available in the Investor Relations sections of our website www.finolexwater.com

Please dial the numbers at least 5-10 minutes prior to the conference schedule to ensure that you are connected in time.

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PROFIT AND LOSS ACCOUNT SUMMARY

Particulars (INR mn)	Q1FY17	Q1FY16
Net Sales	6,729	6,334
EBIDTA	1,592	1,273
EBIDTA margin (%)	23.7%	20.1%
Depreciation	133	125
EBIT	1,460	1,148
EBIT margins	21.7%	18.1%
Other Income	32	54
Finance costs	50	158
PBT	1,441	1,044
PBT margins	21.4%	16.5%
Tax	461	324
PAT	980	721
PAT margins	14.6%	11.4%

ABOUT FINOLEX INDUSTRIES LIMITED

Finolex Industries Limited (FIL) is India's leading manufacturer of PVC Pipes & Fittings and the only PVC pipes and fittings company with backward integration. FIL is headquartered in Pune and operates through its state of the art manufacturing plants located in Pune & Ratnagiri in Maharashtra and Masar in Gujarat. FIL is the first Indian PVC Pipes manufacturer to be awarded the IS/ISO 9001:2008 certification. With its network of over 17,000 direct and indirect retail outlets spread across India, FIL's Pipes and Fittings are easily accessible throughout the country. Carrying water from the source to the destination, FIL has been helping millions across the country to create wealth. Today, with water being a limited resource, the company's vision is to help every consumer find a more effective way of managing water by creating products across all touch points to manage water better.

CONTACT DETAILS

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FORWARD LOOKING STATEMENT

SAFE HARBOR STATEMENT: Certain part of this release describing estimates, objectives and projections may be a "forward looking statement" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, our ability to obtain regulatory approvals, technological changes, cash flow projections, our exposure to market risks as well as other risks. Finolex Industries Limited does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.