

## Media Release

### Consolidated Financial Results for Q4 and Year Ended December 31, 2017

		Quarter Oct-Dec 2017	Quarter Oct-Dec 2016	Year Jan-Dec 2017	Year Jan-Dec 2016
<b>Sales Volume – Cement</b>	Million Tonnes	<b>6.92</b>	<b>5.45</b>	<b>26.21</b>	<b>22.99</b>
<b>Sales Volume –Ready mix Concrete</b>	Million Cubic metres	<b>0.80</b>	<b>0.67</b>	<b>2.88</b>	<b>2.59</b>
<b>Net Sales</b>	₹Crore	<b>3,417</b>	<b>2,625</b>	<b>12,909</b>	<b>10,772</b>
<b>Operating EBITDA</b>	₹Crore	<b>443</b>	<b>287</b>	<b>1,912</b>	<b>1,478</b>
<b>Profit before Tax</b>	₹Crore	<b>301</b>	<b>96</b>	<b>1,310</b>	<b>885</b>
<b>Profit after Tax</b>	₹Crore	<b>206</b>	<b>91</b>	<b>925</b>	<b>658</b>

#### Highlights Q4, 2017

- Profit before tax up by 214%
- Operating EBITDA jumped by 54%
- Cement sales volume - robust growth @27%
- Ready mix business upheld double-digit volume growth trend @19%

#### Highlights 2017

- Profit before tax rose by 48%
- Operating EBITDA surged by 29%
- Cement Sales volume increased by 14%
- Ready mix concrete volume up by 11%

"ACC registered robust revenue growth across categories and geographies, with an increased focus on premium products and a targeted approach to customers and markets, delivering strong top-line growth. ACC's strategy remains focused on fundamental value drivers which reflects our priorities to support our customers and deliver attractive returns for our shareholders. Our performance over the last four quarters demonstrates our ability to remain ahead of the market challenges that have partially impacted both costs and the development of our markets. We will continue to focus on cost improvements, profitable revenue growth and innovations that create new value." said **Neeraj Akhoury, Managing Director & CEO**.

#### **Financials**

Net Sales during the quarter surged 30% to ₹3,417 crore compared to ₹2,625 crore for the same quarter last year. Operating EBITDA for the quarter registered a growth of 54% to ₹443 crore as against ₹287 crore during the previous year's quarter despite sharp cost headwinds. Operating EBITDA for the full year 2017 was ₹1,912 crore as compared to ₹1,478 crore in the previous year, an increase of 29%.

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### Cement Business

The cement business grew volumes by 27% during the quarter on YoY basis, as a result of a stronger focus on premium products and improved customer service levels, despite challenges such as sand availability constraints and subdued urban housing trends due to RERA compliance.

The quarter was impacted by an increase in cost of imported coal and petcoke, slag prices, limited availability of linkage domestic coal forcing a shift to costlier fuel sources, and the ban on petcoke usage in NCR States. Despite this, our determination to optimise costs and improve productivity, enabled operating costs to remain at par with the previous year.

Fixed costs and Selling General & Administrative Expenses (SG&A) were maintained at the same level, while SG&A as a percentage of net sales was lower on a YoY basis

### Ready Mix Concrete


The company's ready mixed concrete sales volumes grew substantially by 19% during the quarter as a result of focusing on the infrastructure, commercial and realty segments. Volumes also grew thanks to a higher share of customized concrete solutions and increased sales of value-added special products.

### Dividend

The Board of Directors has recommended payment of final dividend at ₹15/- per share of ₹10/- aggregating to ₹339.02/-crore (including tax on dividend). The total dividend for the year 2017(including the interim dividend of ₹11/- per share), adds up to ₹26/- per share aggregating to ₹587.64/- crore (including tax on dividend).

### Outlook

The announcements in Budget 2018 indicate the government's thrust on infrastructure development and increased rural spending through measures aimed at reviving the rural economy. The significant increase in the budgetary outlay for infrastructure development which includes railways, roads, highways and irrigation projects, the investment in smart cities and a sharper focus on the affordable housing segment is expected to drive growth during 2018. As India continues on a sustained growth trajectory, cement as a core sector will benefit from the country's growth.

  
Neeraj Akhoury  
Managing Director & CEO  
February 8, 2018

### About ACC

*ACC Limited, a member of the LafargeHolcim Group, is one of India's leading producers of cement and ready mixed concrete. It has over 7800 employees, 17 cement manufacturing sites, 57 concrete plants and a nationwide network of over 50,000 retail outlets to serve its customers. With a world-class R&D centre in Mumbai, the quality of ACC's products and services, as well as its commitment to technological development, make it a preferred brand in building materials. Established in 1936, ACC is counted among the country's 'Most Sustainable Companies' and it is recognized for its best practices in environment management and corporate citizenship.*