

Media Release

Consolidated Financial Results for Second Quarter (April-June) 2018

		Quarter Apr-Jun 2018	Quarter Apr-Jun 2017	Change (%)	Half Year Jan -Jun 2018	Half Year Jan -Jun 2017	Change (%)
Sales Volume – Cement	Million Tonnes	7.24	6.74	7	14.35	13.33	8
Sales Volume - Concrete	Million Cubic Metres	0.77	0.63	22	1.56	1.30	20
Net Sales	₹Crore	3768	3329	13	7325	6437	14
Operating EBITDA	₹Crore	625	637	-2	1117	1054	6
Profit before Tax	₹Crore	483	482	-	859	743	16
Net Profit after Tax	₹Crore	329	326	1	579	537	8

Highlights of April-June 2018

- Cement Volume growth at 7%
- RMX volume growth at 22%
- Net Sales up by 13% to ₹3768 Cr
- Operating EBITDA improved by 5% to ₹669 Cr (excluding employee separation cost of ₹44 Cr)

"We have achieved robust scale in Q2 2018, growing both cement and the ready mix concrete business by 7% and 22% respectively, as well as delivering a consolidated EBITDA growth of 5% YoY. On the other hand, cost headwinds continue, driven by the rise in input material and logistics costs. The positive impacts of our step change in cost management are favorably impacting our financial results. We remain optimistic in our capacity to develop new revenue lines as well as strengthen our performance in both the cement and ready mix business", said Neeraj Akhoury, Managing Director & CEO.

Performance

Cement volume grew in a sustained manner at 7%. Net Sales during the quarter went up by 13% to ₹ 3768 Crore compared to ₹ 3329 Crore for the same quarter last year.

The Company continues to focus on enhancing operational efficiencies, reducing costs and improving productivity. Benefits from operational efficiencies and productivity as well as other cost reduction measures have helped to partly neutralize the effect of increases in fuel and slag prices. Fixed cost and Selling, General & Administrative (SG&A) costs were reduced on a comparable basis YoY.

The company increased its Ready Mix Concrete footprint with the installation of new plants to capitalize on the rapid growth in cities across regions.



Media Release

Outlook

The economic upswing in 2018 supported by buoyant consumption, a normal monsoon and uptick in rural demand is expected to benefit the construction sector. We expect cement demand to be positive, driven by the 'Housing for All' programme, sustained infrastructure spends and rural housing. ACC anticipates that cost pressures will remain, largely due to a rise in fuel costs as well other input material costs. ACC will continue to focus on improving efficiencies.

Deejankar

July 23, 2018

Mumbai

About ACC

ACC Limited, a member of the LafargeHolcim Group, is one of India's leading producers of cement and ready mix concrete. It has over 7,400 employees, 17 cement manufacturing sites, 62 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 is recognised for its best practices in environment management and corporate citizenship.