

July 20, 2020

**National Stock Exchange
of India Limited**

Exchange Plaza, 5th Floor
Plot No.C/1, G Block,
Bandra Kurla Complex,
Bandra (East), Mumbai 400 051
Tel.: 2659 8235/36 8458

Scrip Code: ACC

BSE Limited

Corporate Relations
Department

P.J. Towers, Dalal Street
Mumbai 400 001

Tel.: 2272 8013/15/58/8307

Scrip Code: 500410

ACC Limited
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Dear Sirs,

Sub: Media Release-Outcome of the Board Meeting for the quarter and six months ended June 30, 2020 - SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is in continuation to our earlier letter today dated July 20, 2020 wherein Unaudited Standalone Financial Statements of the Company for the quarter and six months ended June 30, 2020 and the Consolidated Financial Statements of the Company for the quarter and six months ended June 30, 2020 have been filed with the exchanges.

In this regard, please find attached herewith the Media Release on the captioned subject.

The said media release will be simultaneously posted on the Company's website at www.acclimited.com.

You are requested to take note of the same.

Yours Sincerely
For **ACC Limited**

Rajiv Choubey
Chief Legal Officer & Company Secretary
ACS-13063

Encl.: as above

Media Release

Consolidated Financial Results for Second Quarter (April - June) 2020

ACC results demonstrate its agility and resilience

- Expansion in Operating EBITDA margin during the quarter by 156 basis points compared to the same quarter of previous year supported by strong cost management and efficiency actions
- Strong recovery in volumes in May and June 2020
- Significant improvement in cash conversion supported by actions on working capital

		Quarter Apr-Jun 2020	Quarter Apr-Jun 2019	Half Year Jan-Jun 2020	Half Year Jan-Jun 2019
Sales Volume – Cement	Million Tonnes	4.76	7.23	11.32	14.69
Sales Volume –Ready Mix Concrete	Million Cubic metres	0.15	0.85	1.07	1.79
Net Sales	₹Crore	2520	4059	5953	7909
Operating EBITDA	₹Crore	525	783	1112	1315
Operating EBITDA Margin	%	20.8	19.3	18.7	16.6
Profit before Tax	₹Crore	403	673	879	1196
Profit after Tax	₹Crore	271	456	594	802

“The COVID-19 situation and consequential lockdown restrictions have adversely impacted our performance for this quarter. The month of April 2020 was almost a total closure impacting revenue & EBITDA for the quarter with strong recovery in May & June. I am proud of the way team ACC has executed a strong business continuity plan focused on Health, Cost and Cash. We have resumed most of our operations with strict health and safety protocols. During this period we have significantly leveraged our Master Supply Agreement with Ambuja Cements. With our strong focus on supply chain efficiencies and cost optimization, I am confident that the company will emerge stronger from this situation.” said **Sridhar Balakrishnan, Managing Director & CEO**.

COVID-19 – update on actions

The Business Resilience Team at ACC is focused on ensuring that our employees and communities remain safe. This team monitors and assesses the impact of the COVID-19 situation on our employees, stakeholders and operations, ensures preparedness and implements remedial action.

The Company resumed operations in a phased manner post April 20, 2020 after assessing the local situation while giving utmost consideration to the health and safety of its people.

The Company has partnered with three reputed NGOs to support migrants of Mumbai and Delhi with food packets and provisions. It has also donated much needed ventilators to government-run hospitals. Since the beginning of the lockdown, ACC TRUST has worked extensively with local communities, supporting them with food and provisions, providing face-masks to front-line workers, sanitizing villages and spreading awareness on COVID-19 preventive measures.

Media Release

Performance

The Company witnessed significant volume impact during the second quarter of 2020 as a result of COVID-19 situation and lockdowns. Cement sales volumes declined by 34% during this quarter as compared to the same period of previous year. However there was a sharp rebound in volumes in May and June.

As major cities of India continued to be under different phases of lockdown for most of this quarter, our Ready Mix operations experienced a more significant drop in volume. The operational performance of this business continues to remain healthy.

Net Sales during the quarter declined by 38% to ₹2520 Crore compared to ₹4059 Crore for the same quarter last year. Operating EBITDA for the quarter registered a decline of 33% to ₹525 Crore as compared to the same quarter of the previous year.

The Company's cost management and operational efficiency programs have maintained their strong momentum. During the quarter, enhanced focus on supply chain management, contract negotiations, third party spends and fuel efficiencies have helped in partially addressing the impact of lower volumes and improving Operating EBITDA margin on a year-on-year basis.

Fixed cost and Selling, General & Administrative expenses were significantly lower during this quarter on a year-on-year basis.

Free Cash Flow during H1 2020 improved by 82% as compared to the same period of previous year. Cash conversion recorded a significant improvement supported by actions on working capital.

Outlook

Despite the uncertainty surrounding COVID-19 and lockdown restrictions, the Company believes that our country with its strong record of growth and sound economic policies will rebound on its growth trajectory. The recent initiatives by the Government will help resurgence of rural demand including affordable housing. This coupled with the Government impetus on infrastructure will play a strong role in driving cement demand.

Sridhar Balakrishnan
Managing Director & CEO

July 20, 2020

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 ~6500 employees, 17 cement manufacturing sites, 89 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