

HeidelbergCement India Ltd. (HCIL)

Investors' Presentation

Q1 FY 2017-18



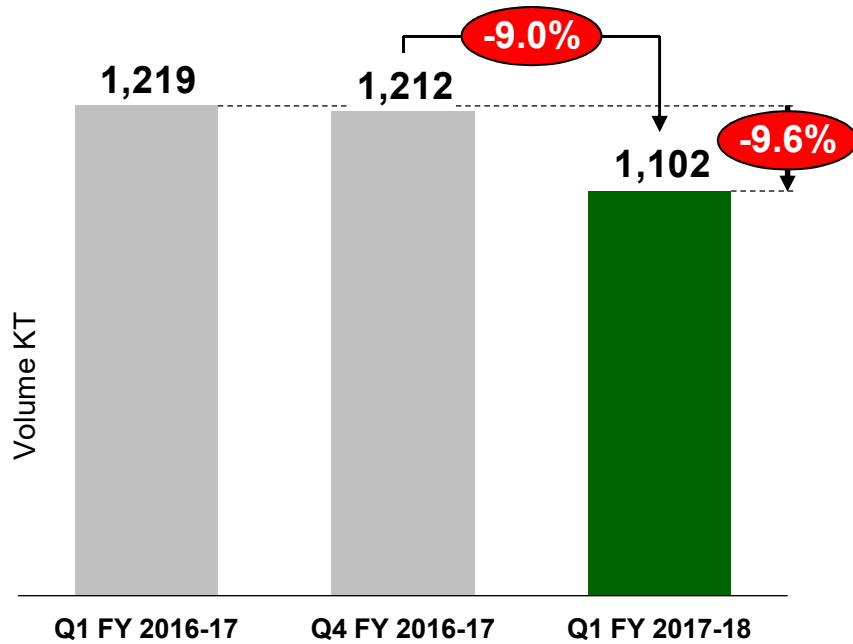
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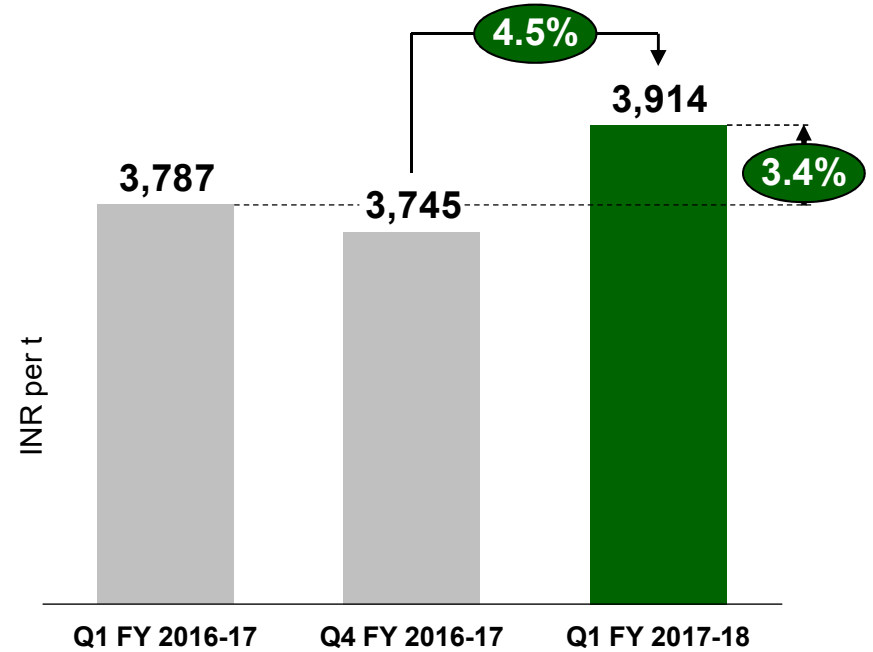
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Volumes and Price Development



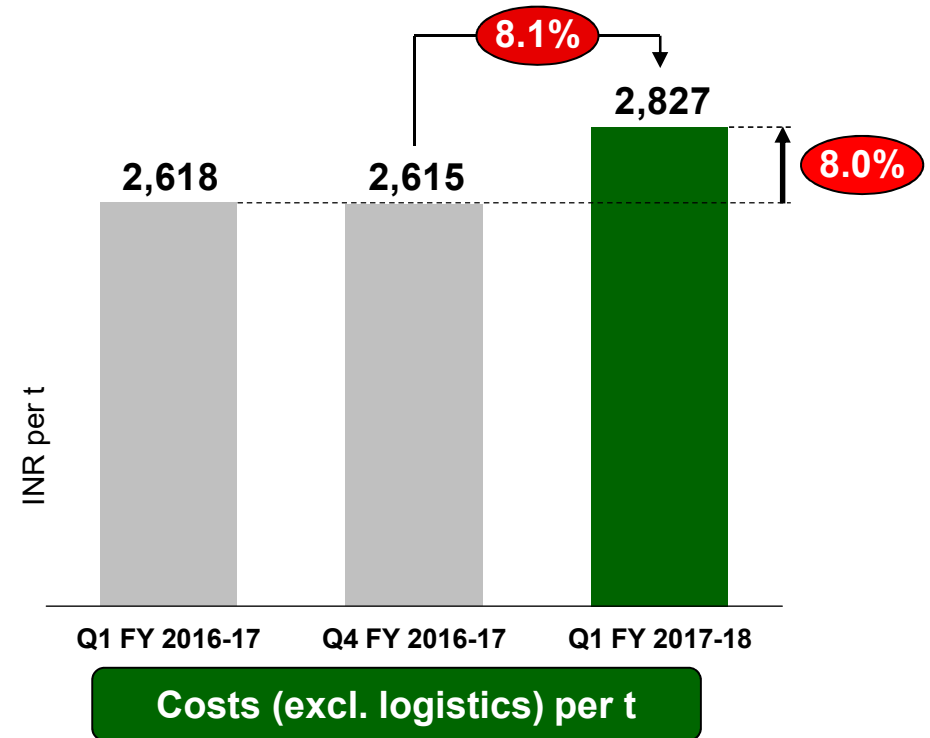
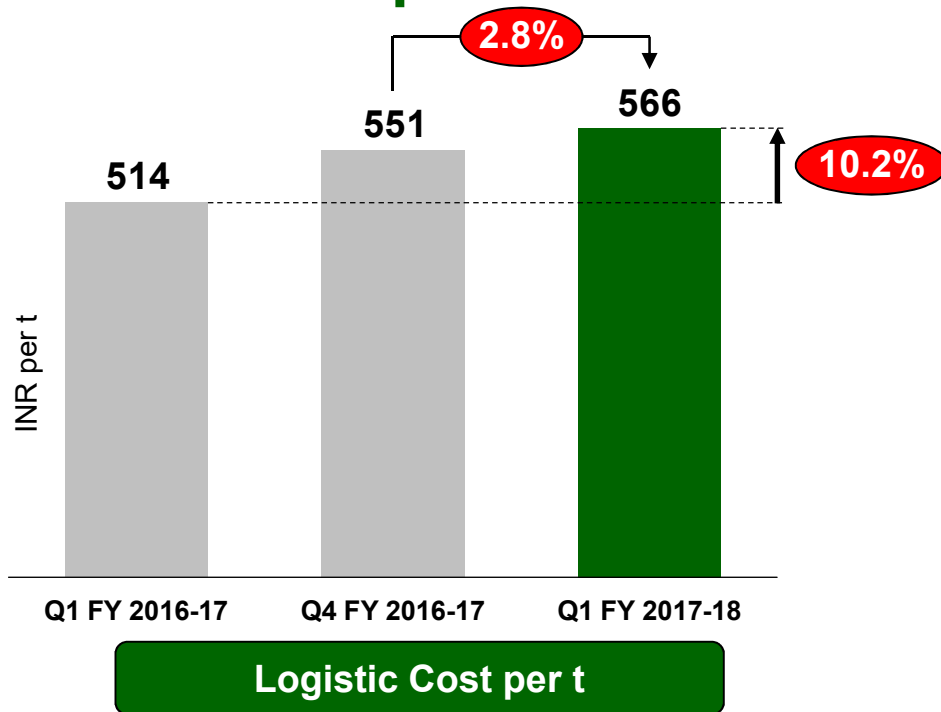
Volume Development



Gross Realisation per t

- Shortage of sand and aggregates in Uttar Pradesh impacted construction leading to lower cement sales in Q1 FY 2017-18
- Prices however firmed up driven by cost increases on power & fuel
- Capacity Utilization for Q1 FY 2017-18 >80%
- Trade : Non Trade Mix ~ 80:20 for Central India

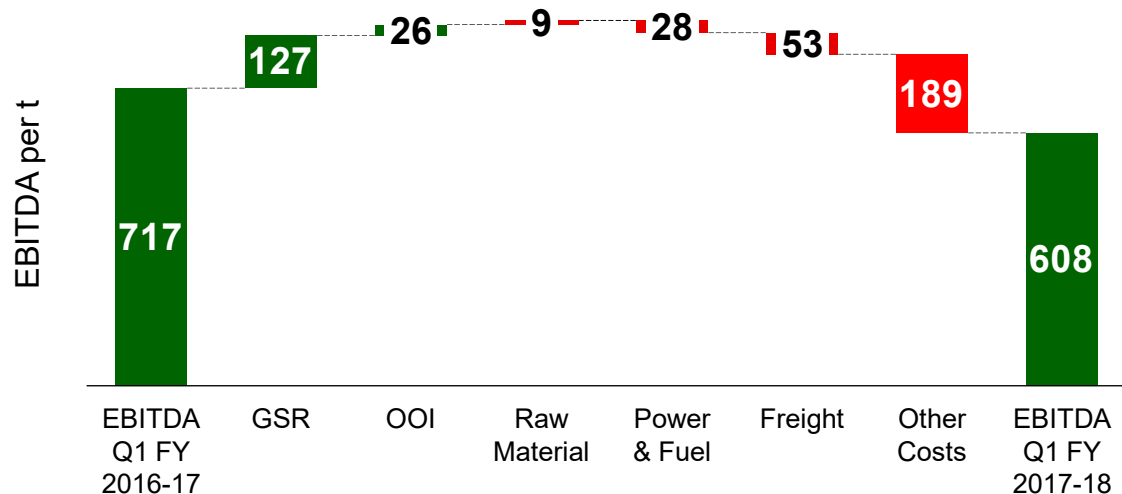
Costs Development



- Costs firmed up during the quarter led by hardening of petcoke prices, petcoke usage maintained ~70%
- Other expenses were also higher due to planned shutdown of line-3
- Withdrawal of busy season surcharge for May & June 2016 by railways on cement freight resulted in a lower base last year
- Power tariff increased in MP by 6% effective mid April 2017
- Rail : Road Mix ~ 50:50, Avg. Lead Distance < 400 Kms

Financial Performance and EBITDA per t Bridge Q1 FY 2017-18

Caption	MINR		YoY
	June Qtr -17	June Qtr -16	Change%
Volumes (KT)	1,102	1,219	-9.6%
Sales (net of excise)	4,314	4,618	-6.6%
Other operating income	96	75	28.3%
Total income	4,410	4,693	-6.0%
Total Expenses	3,740	3,819	-2.1%
EBITDA	671	874	-23.3%
Other income	25	22	12.2%
Depreciation	250	247	1.2%
EBIT	446	650	-31.4%
Finance costs	198	246	-19.7%
EBT	248	403	-38.5%
Tax	88	141	-37.7%
PAT	160	263	-38.9%
<i>EBITDA% of net sales</i>	<i>15.5%</i>	<i>18.9%</i>	<i>-3.4%</i>



- Increase in price could not compensate the impact of the higher costs leading to lower margins.
- Lower volumes also impacted overall profitability during Q1 FY 2017-18

■ Thank You

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