

HeidelbergCement India Ltd. (HCIL)

Investors' Presentation

Q1 FY 2016-17



Cautionary Statement

This presentation may contain certain forward-looking statements relating to the Company's future business, developments and economic performance.

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Key Highlights – Q1 FY 2016-17 vs. Q1 FY 2015-16



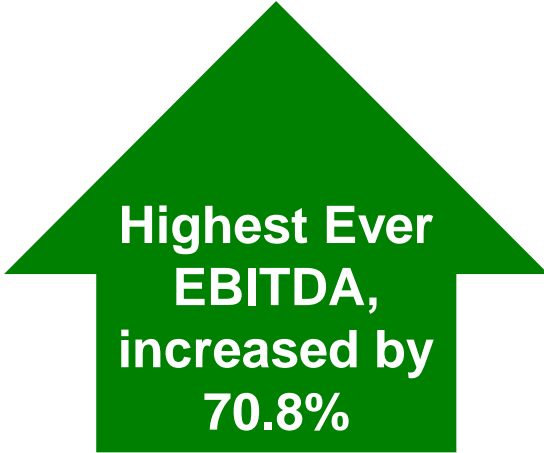
Highest Ever
Sales
Volumes,
up 3.3%



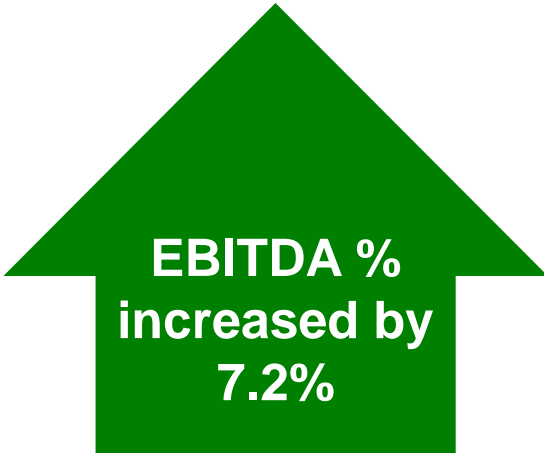
Gross Sales
Realization
per t higher
by 3.5%



Costs
per t lower
by 4.5%



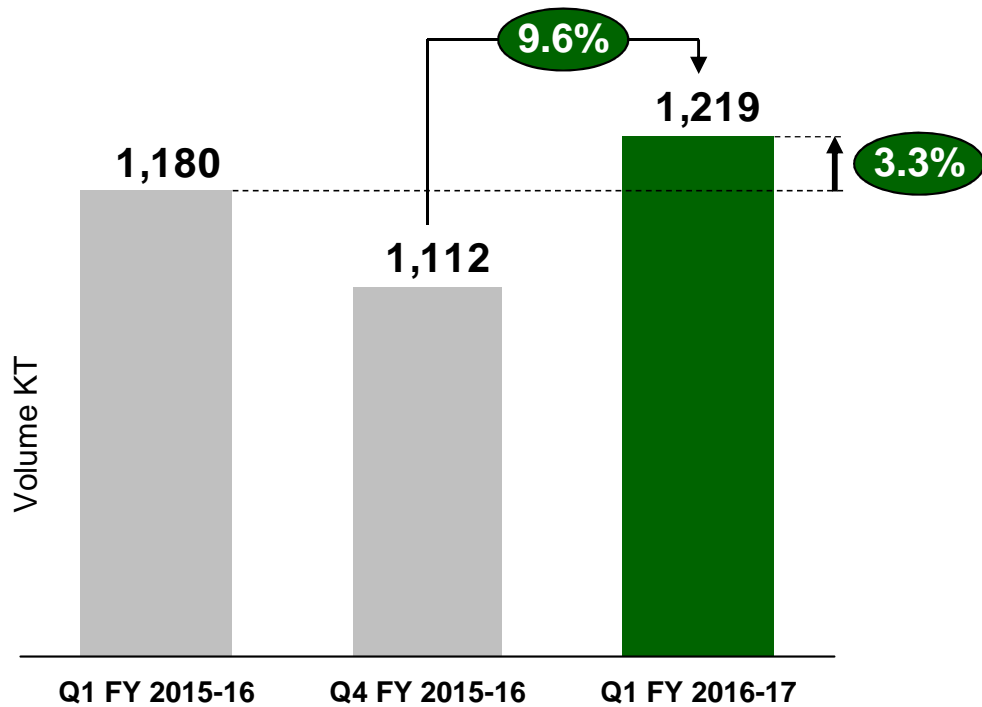
Highest Ever
EBITDA,
increased by
70.8%



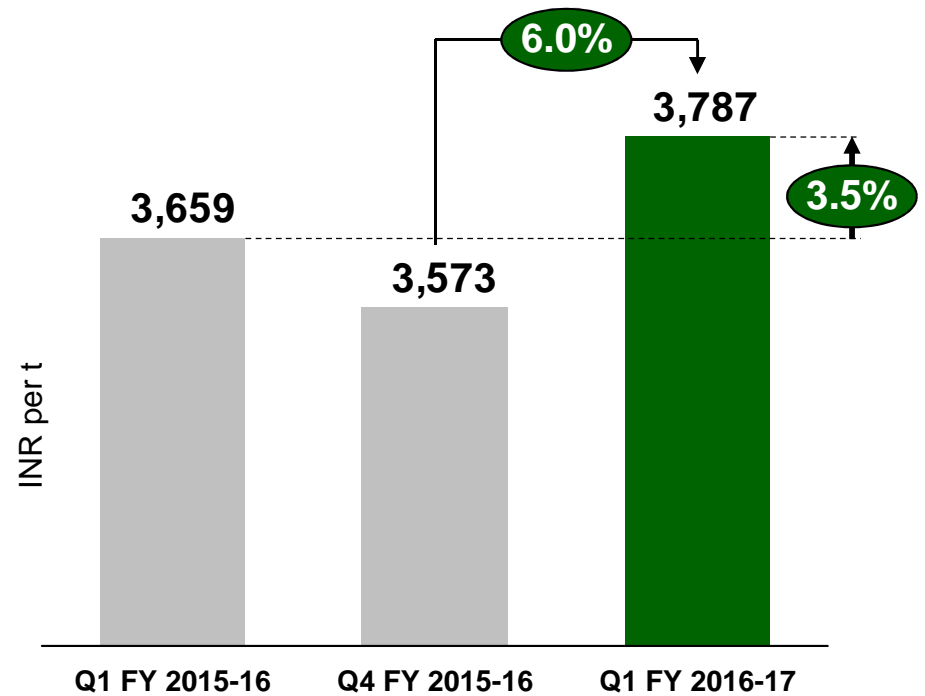
EBITDA %
increased by
7.2%

Results for Q1 FY 2015-16 adjusted to make the figures Ind AS compliant

Volumes and Price Development



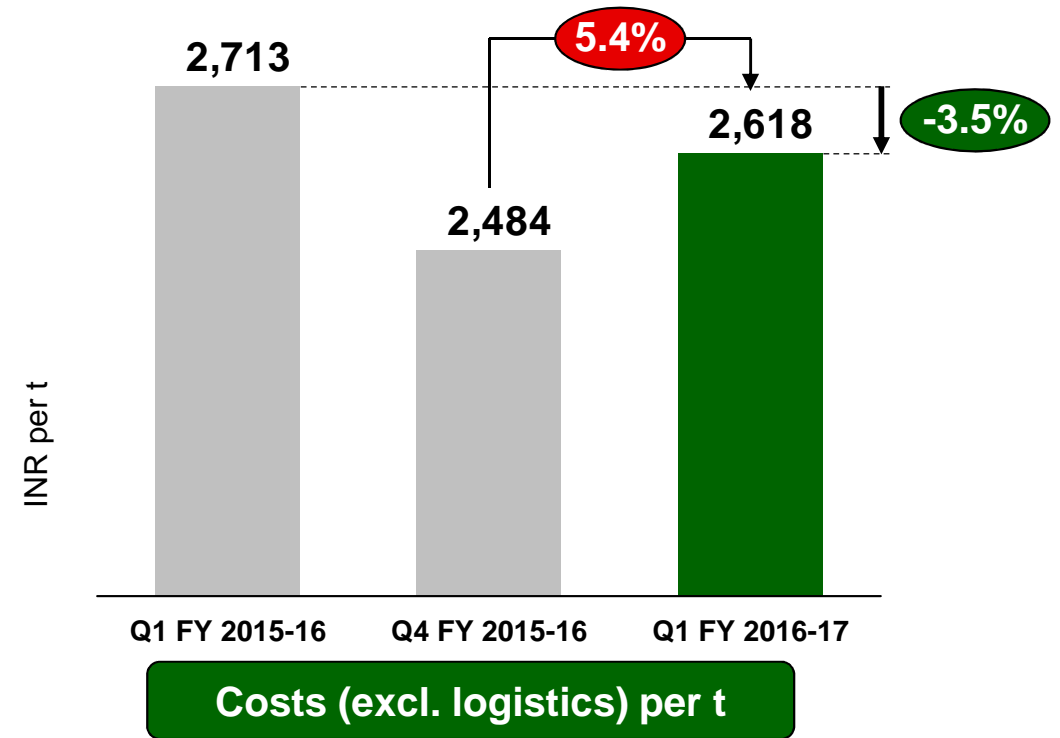
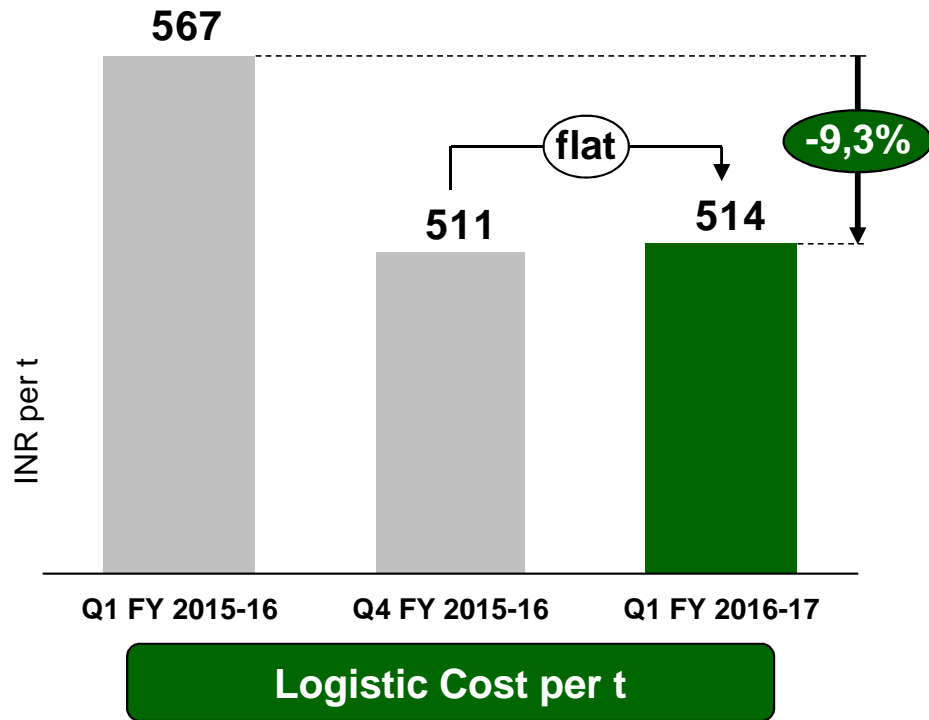
Volume Development



Gross Realisation per t

- Volume offtake and pricing improved in Central India markets during Q1 FY 2016-17
- Capacity Utilization for Q1 FY 2016-17 ~85%
- Trade : Non Trade Mix ~ 80:20 for Central India .

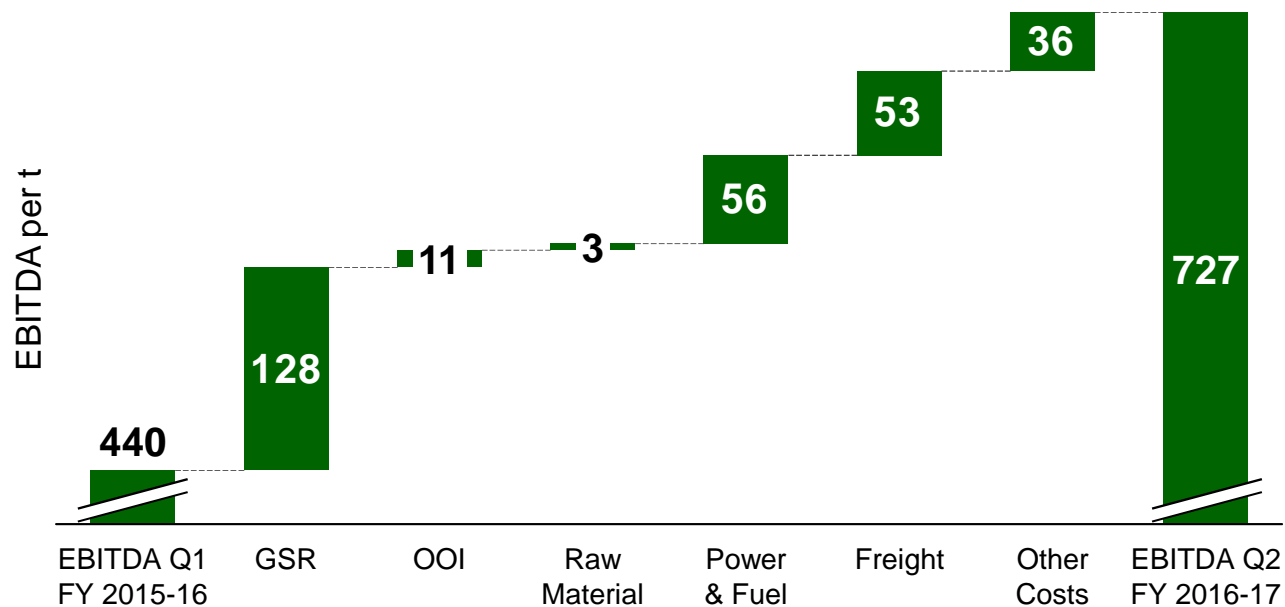
Costs Development



- Lower costs on y-o-y basis primarily due to:
 - Lower costs of Petcoke and Bags- already hardened sequentially
 - Increased usage of petcoke ; Q1 FY 2016-17 > 70% of fuel mix
 - Withdrawal of busy season surcharge for May & June 2016 by Railways on cement
 - Savings from generation of power from Waste Heat Recovery based Power Generation Plant (WHRP) at Narsingarh
- Power tariff increased in MP and Karnataka.
- Rail : Road Mix ~ 50:50
- Avg. Lead Distance < 400 Kms

Financial Performance and EBITDA per t Bridge Q1 FY 2016-17

Caption	MINR		YoY
	June Qtr -16	June Qtr -15	Change%
Volumes (KT)	1,219	1,180	3.34%
Net sales	4,618	4,318	6.9%
Other operating income	87	71	22.4%
Total income	4,705	4,389	7.2%
Total Expenses	3,819	3,871	-1.3%
EBITDA	886	519	70.8%
Other income	10	39	-74.0%
Depreciation	247	234	5.6%
EBIT	650	325	100.2%
Finance costs	246	271	-8.9%
EBT	403	54	646.7%
Tax	141	20	617.3%
PAT	263	34	663.4%
<i>EBITDA% of net sales</i>	<i>19.2%</i>	<i>12.0%</i>	<i>7.2%</i>



- EBITDA / t improved to INR 727 during Q1 FY 2016-17 .
- Improvement in pricing apart from savings in power costs due to commissioning of WHRP, lower fuel costs and lower cost for bags were the prime drivers for the increase in EBITDA.

Thank You

mycem
for better building

**Safety is our
foremost priority**

