IFGL REFRACTORIES LIMITED
Head & Corporate Office :
3, NETAJI SUBHAS ROAD, KOLKATA - 700 001, INDIA
PHONE : +91 33 40106100, FAX : +91 33 22430886
E-mail : ifgl.ho@ifgl.in
Websites : www.bajoria.in, www.ifglref.com

6th August, 2016

National Stock Exchange of India Ltd
Listing Department
'Exchange Plaza', C-1, Block – G
Bandra – Kurla complex
Bandra (E)
Mumbai 400 051

Dear Sirs,

Re: **Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**
Code No. IFGLREFRAC (EQ)

In compliance of above, please find enclosed herewith copy of an updated Investors Presentation. Copy of this is being hosted on Company's Website: www.ifglref.com.

Thanking you,

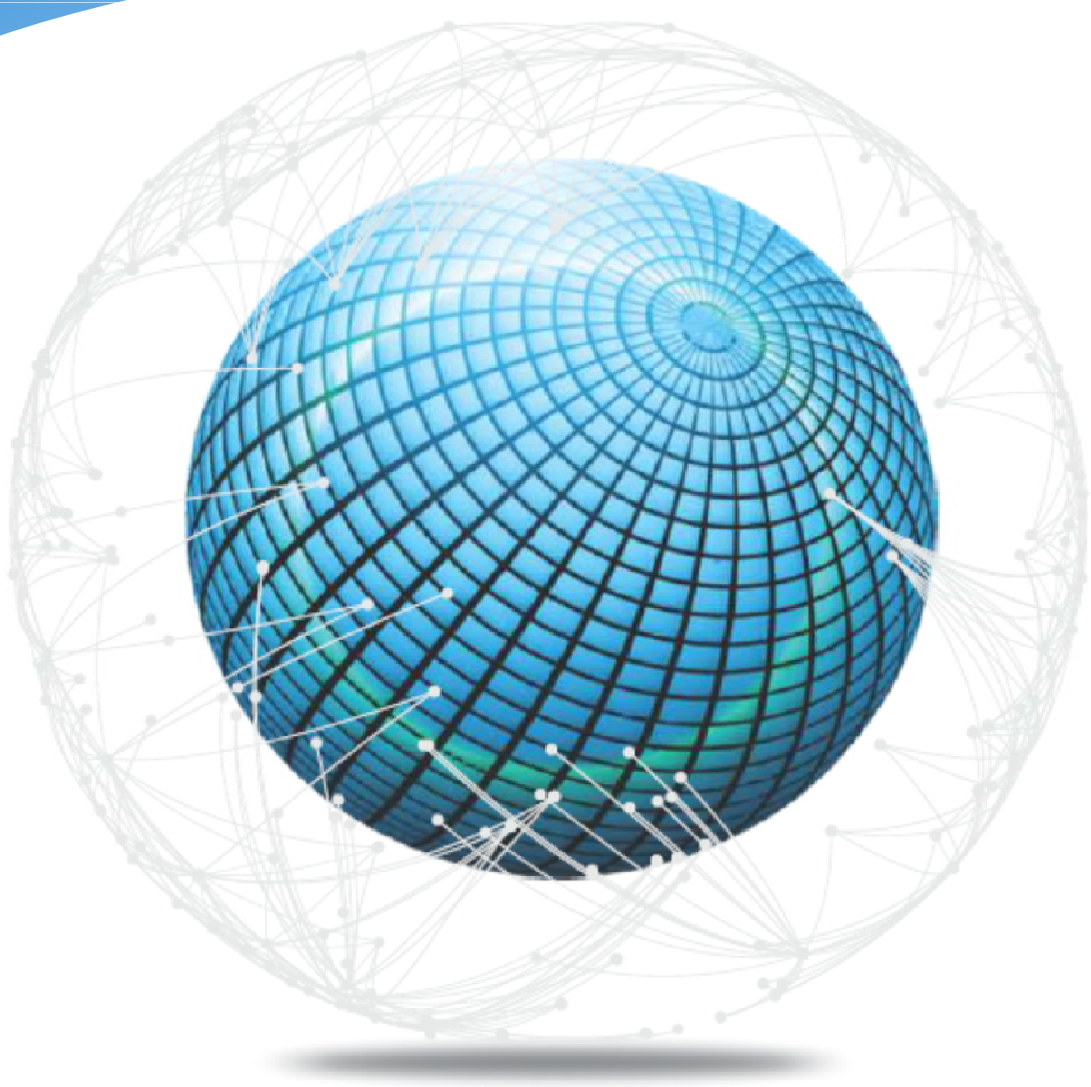
Yours faithfully,
For IFGL Refractories Ltd.,

(R Agarwal)
Company Secretary

Encl: As above

Registered Office & Works : SECTOR 'B', KALUNGA INDUSTRIAL ESTATE, P.O. KALUNGA - 770 031, DIST. SUNDERGARH, ODISHA, INDIA
PHONE : +91 661 2660195/583/584 • Fax : +91 661 2660173 • E-mail : ifgl.works@ifgl.in
CIN : L272020R1989PLC002971

A GOVT. OF INDIA RECOGNISED STAR EXPORT HOUSE
MONOCON
hofmann CERAMIC GMBH
ei
TÜV NORD ISO 9001 / ISO 14001



IFGL REFRACTORIES LTD

Result Update Presentation
August 2016

Safe Harbor

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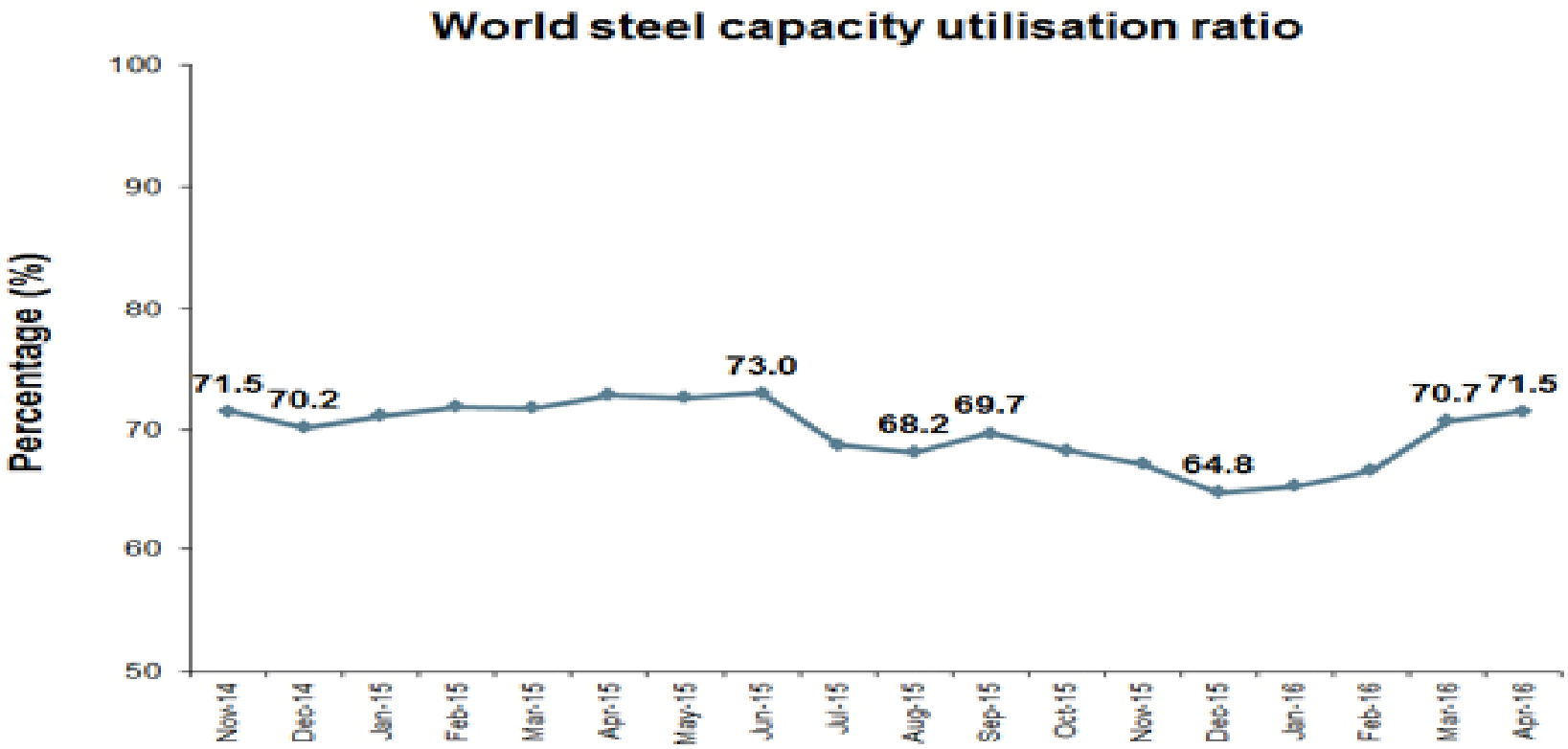
INDUSTRY OVERVIEW

World Steel Capacity Utilization…



…on a Ten Month High

Source – Worldsteel

Indian Economy's Resilience…

Government announced a significant increase of Rs.70,000 crore in investment in infrastructure in 2015-16 over the current year, with a focus on railways and roads.

Indian metallurgical industries attracted FDI to the tune of US$ 8.7 billion, respectively, in the period April 2000–September 2015.

Railways 2015-16 investment would be close to double of the average of previous 5 years. 2016-17 CAPEX pegged at Rs. 1.21 lakh crore

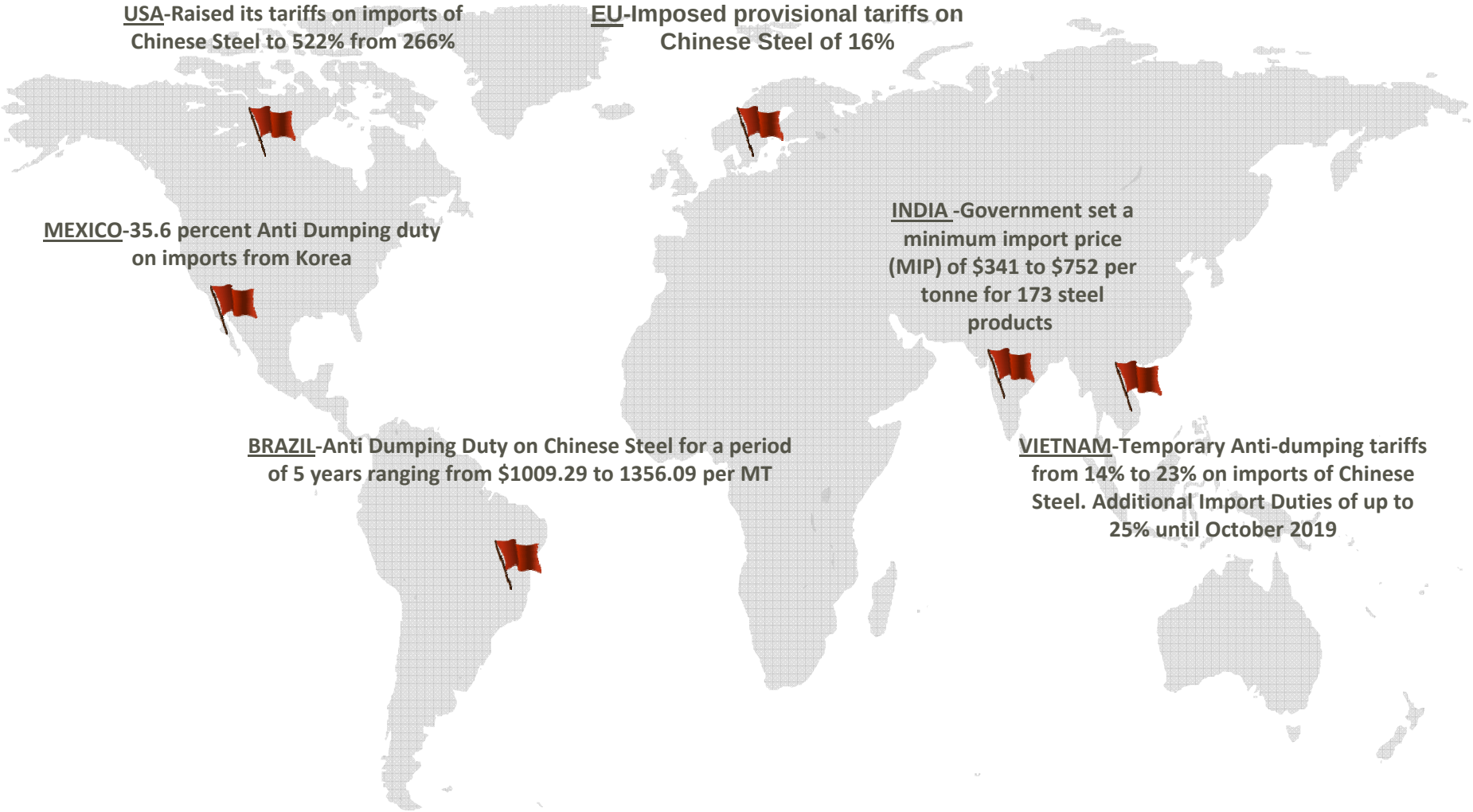
Driven by rising infrastructure development and growing demand for automotives, steel consumption is expected to reach 104 MT by 2017

Government is setting up Steel Research and Technology Mission of India (SRTMI) for R&D activities in steel industry at an initial corpus of Rs 200 crore .

On the back of Reform momentum, Steel demand in India is expected to grow by 5.4 per cent to 83.8 million MT in 2017 as per World Steel Association.

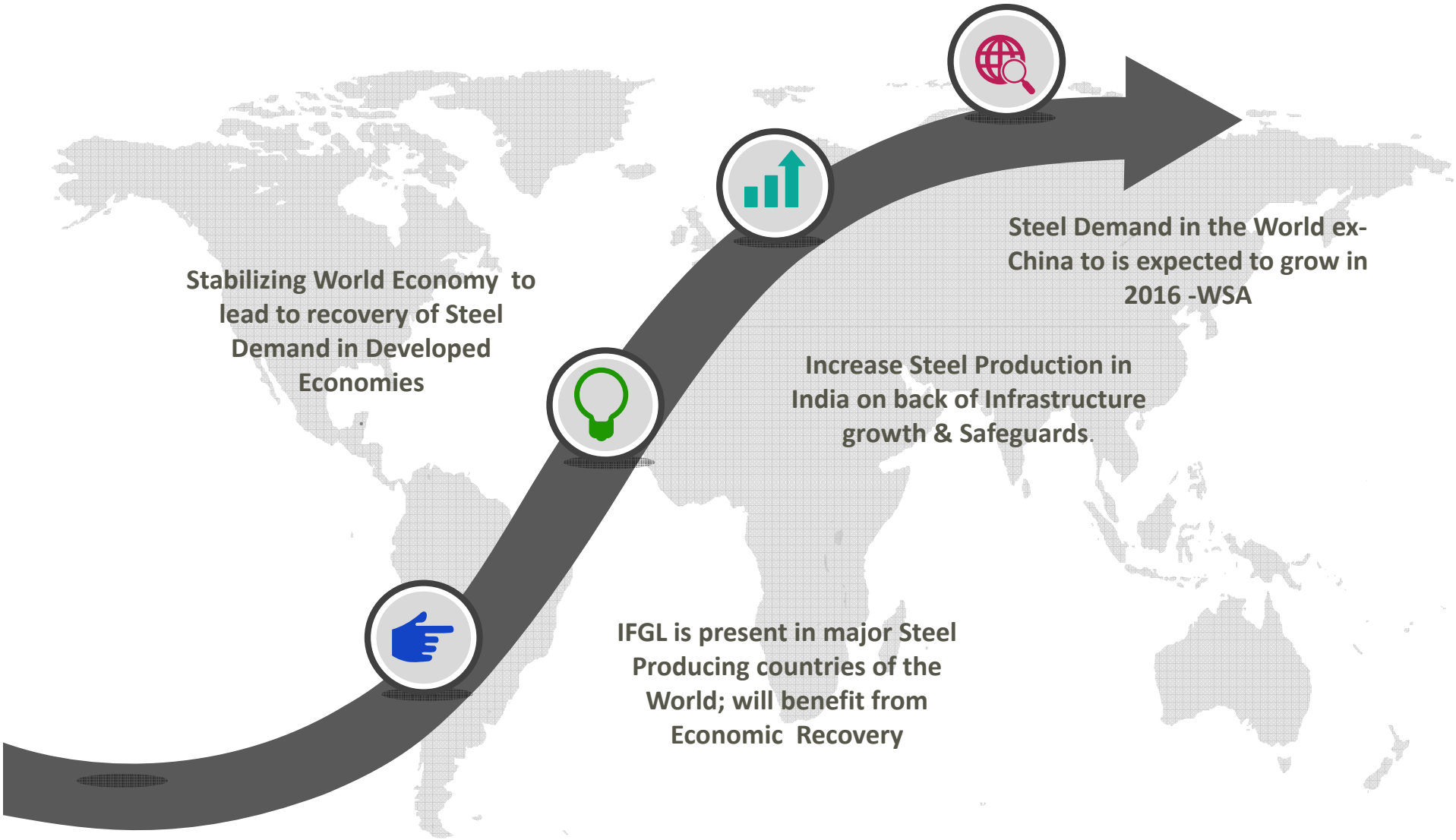
…to benefit Steel Industry

Safeguard Measures World over…



…will benefit Domestic Steel Production

IFGL - Ready to Capitalize



Merger

IFGL Exports - Corporate Announcement

- Board of Directors have approved merger of IFGL Refractories Ltd. with IFGL Exports Ltd. on and from 1st April, 2016 subject to necessary approvals/permissions including sanction of the Scheme of Amalgamation by the Jurisdictional High Court(s)
- Share Exchange Ratio approved is 1:1 i.e., One Equity Share of Rs. 10/- each of the subsidiary Company credited as fully paid-up for every one Equity Share of Rs. 10/- each fully paid-up held in the Company
- The Advisor to the transaction is KPMG, Valuer is Walker Chandiok & Co. LLP and Fairness Opinion Advisor is Saffron Capital Advisors Private Ltd.
- Combined Entity will have equity base of 3,60,39,312 equity shares having face value of Rs. 10/- each with Promoter Group holding 72.43% and rest owned by Public

Merger Rationale

Simplified Corporate Structure

Greater Financial Strength & Flexibility improving Economic & Competitive Position of Combined Entity

Greater efficiency in Cash management by pooling of cash flow generated by the combined business

Better financial, business & operational prospects including efficient management of costs & administrative control

Tax efficient structure leading to potential Cash Savings

Shareholder Value Accretive Transaction

OUR PERFORMANCE

Consolidated Profit & Loss

Particulars [Rs. Crs]	Q1FY17	Q1FY16	YoY Growth %	Q4FY16	QoQ Growth %
Total Income	181.9	185.8	**-2.1%**	**177.9**	**2.2%**
Raw Material	89.2	95.1		87.4	
Employee Expenses	31.1	28.4		132.3	
Other Expenses	40.1	36.2		38.8	
EBITDA	**21.6**	**26.1**	**-17.2%**	**19.4**	**11.3%**
EBITDA %	11.9%	14.0%	***-210 bps***	10.9%	***100 bps***
Depreciation	4.0	3.9		3.5	
Finance Cost	1.1	1.2		1.1	
Provisions	-	-		-	
Tax	**5.0**	**5.0**		**3.2**	
Profit after Tax	11.5	16.0	**-28.1%**	11.6	**-0.9%**

Commentary

Germany:
Continues to exhibit stable performance with improving margin profile

IFGL Exports:
Achieved Record Quarterly revenues. Phase 1 of Plant operating at full utilization

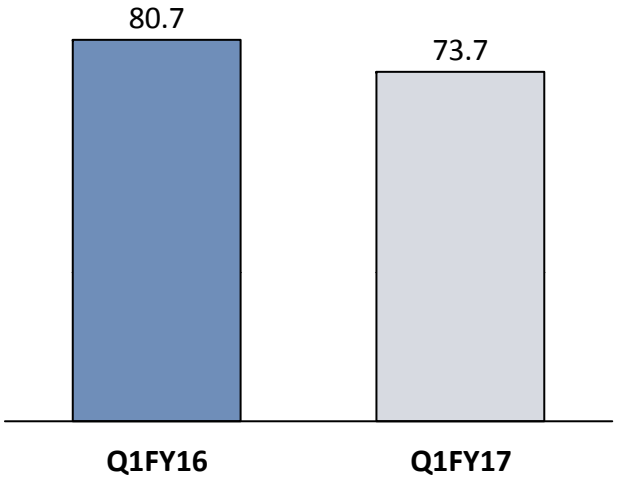
Monocon Group:
Impacted by slow core industry movement in Europe and UK. Working on new products to expand portfolio

India Business:
Domestic Business stable with a 4.6% growth. Overall growth muted due to fall in Exports

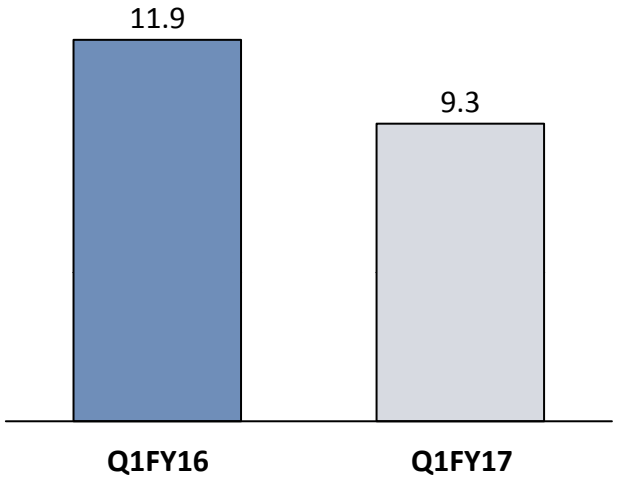
USA Performance:
Anti-Dumping measure in USA have resulted in increased production and high profitability. Utilization levels have improved leading to operating leverage

Standalone Financial Highlights – Q1 FY17

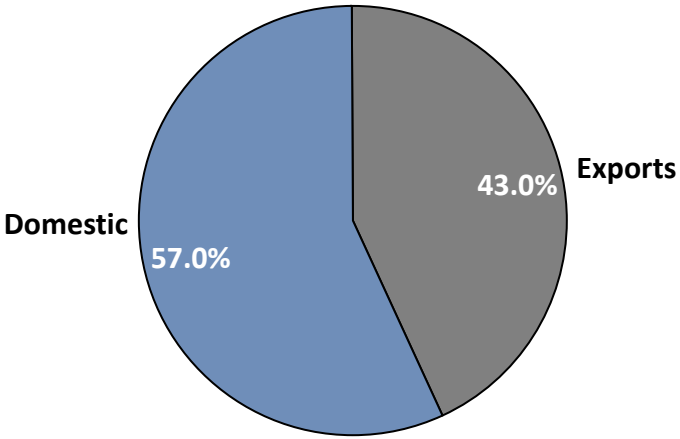
Standalone Turnover [Rs. Crs]



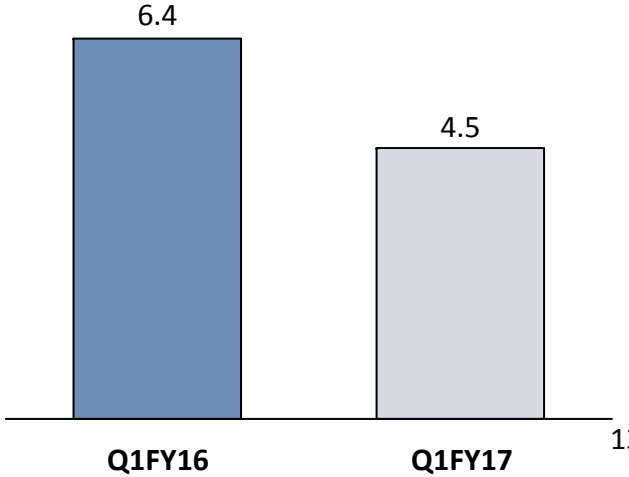
EBITDA [Rs. Crs]



Domestic V/s Export Sales [%]

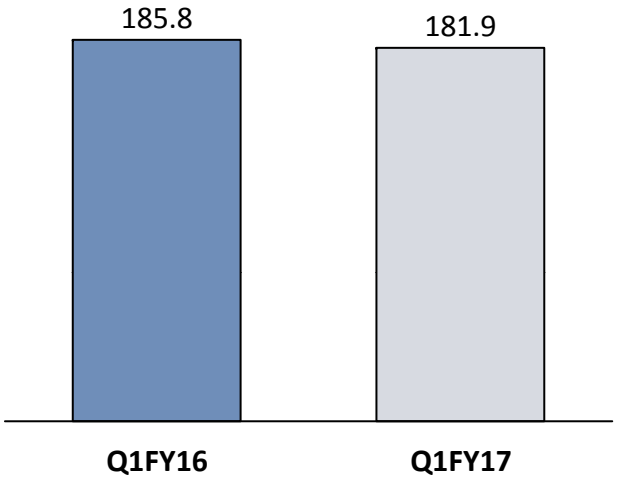


PAT [Rs. Crs]

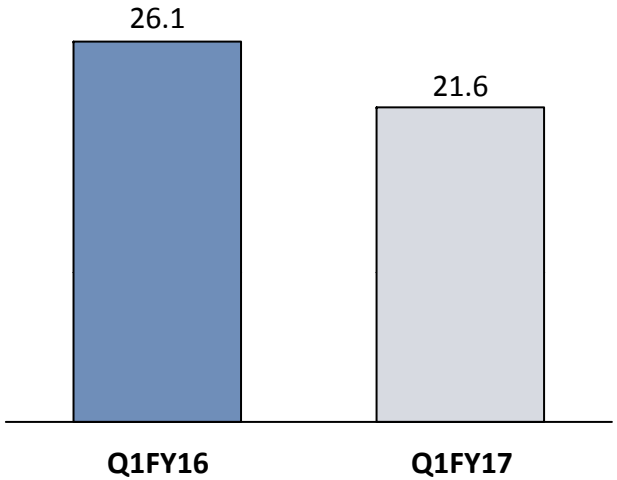


Consolidated Financial Highlights – Q1 FY17

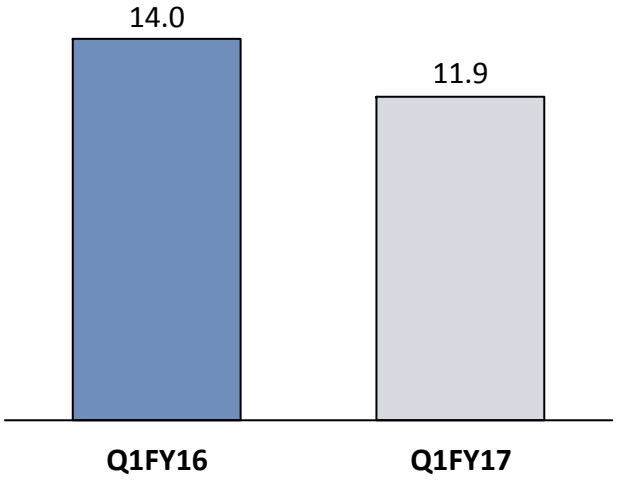
Consolidated Turnover [Rs. Crs]



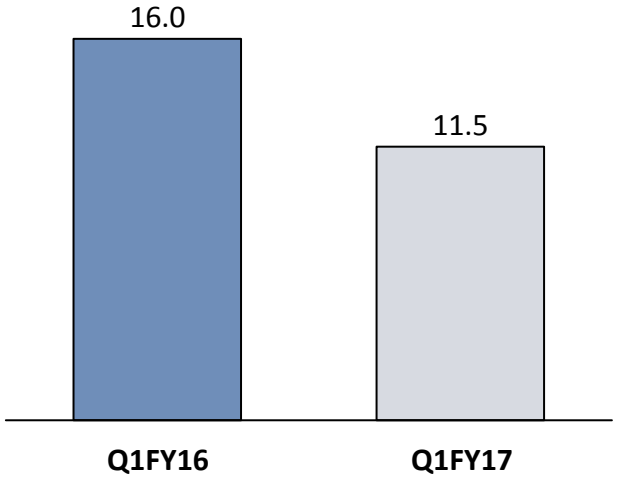
EBITDA [Rs. Crs]



EBITDA margin [%]

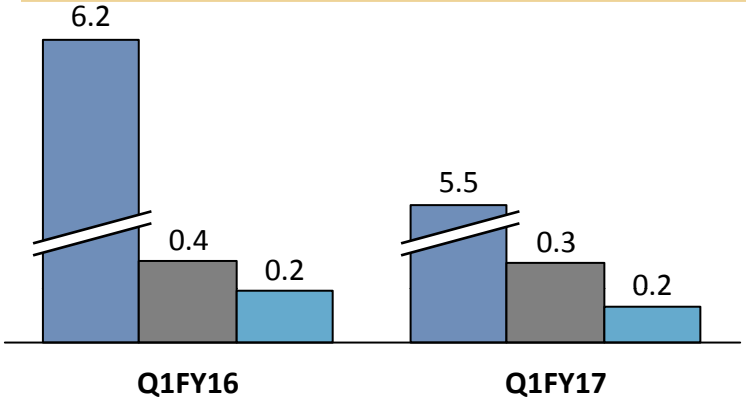


PAT [Rs. Crs]

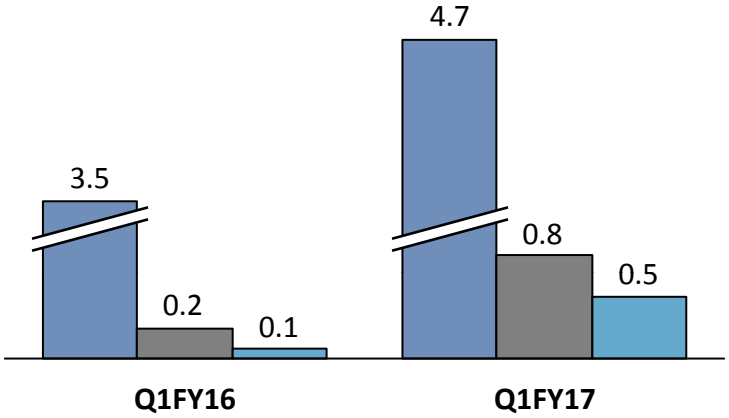


Subsidiary Performance – Q1FY17

Monocon Group [GBP mn]

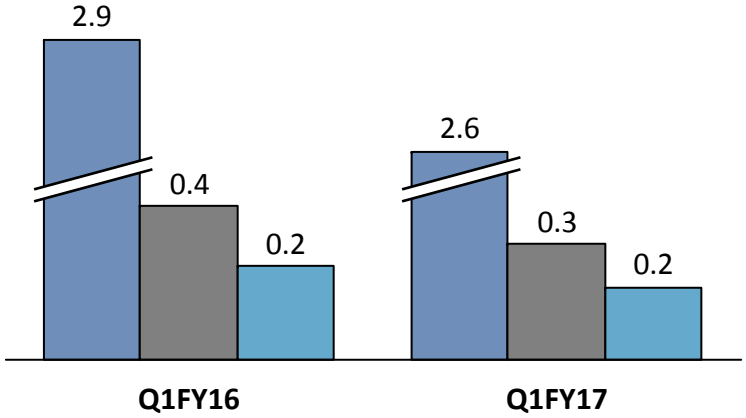


EI Ceramics [$ mn]

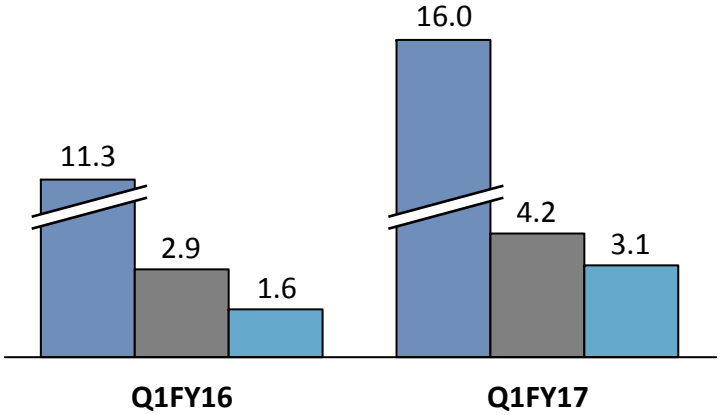


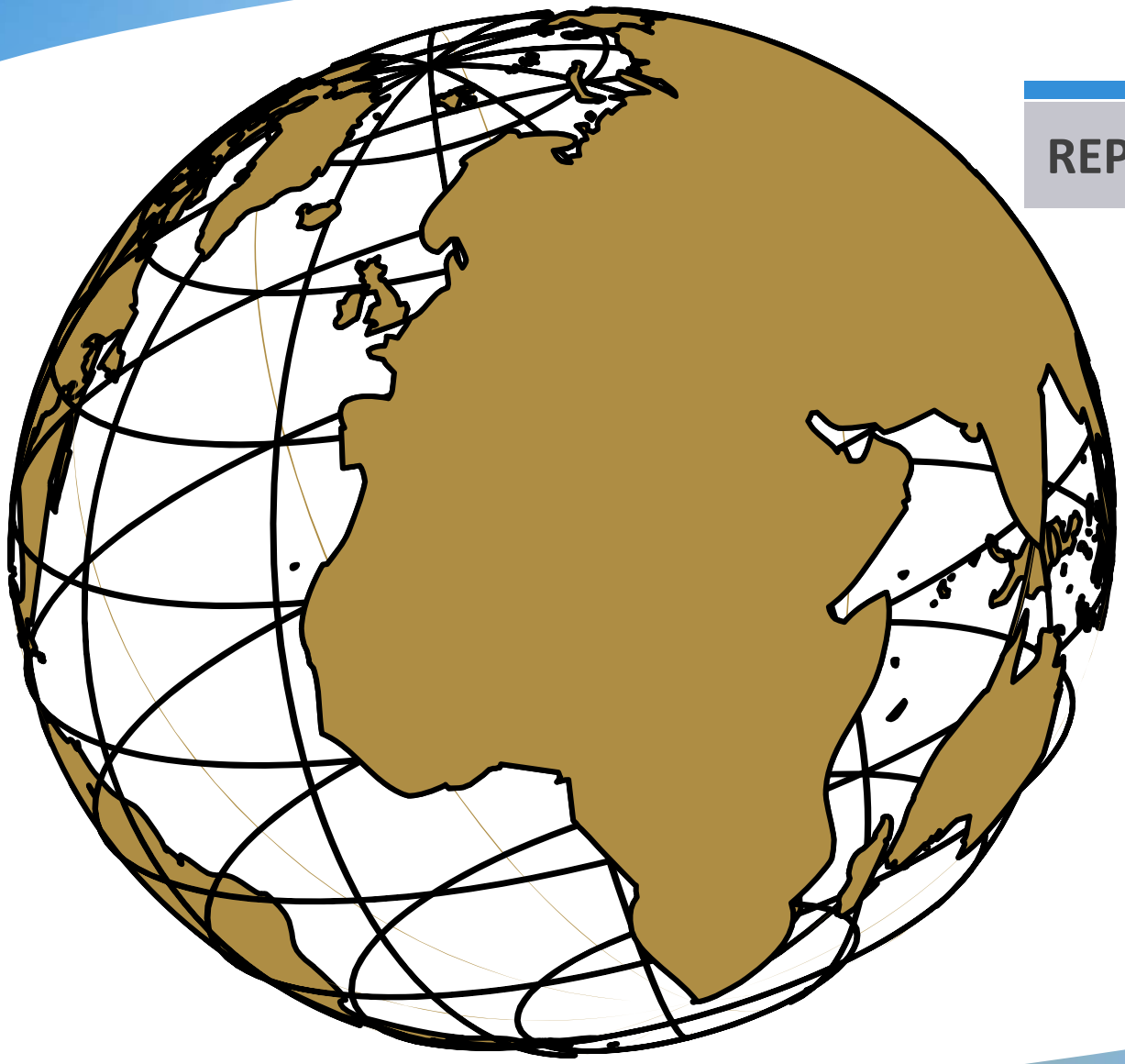
Revenue
EBITDA
PAT

Hofmann Ceramic [Euro mn]



IFGL Exports [Rs. Crs]

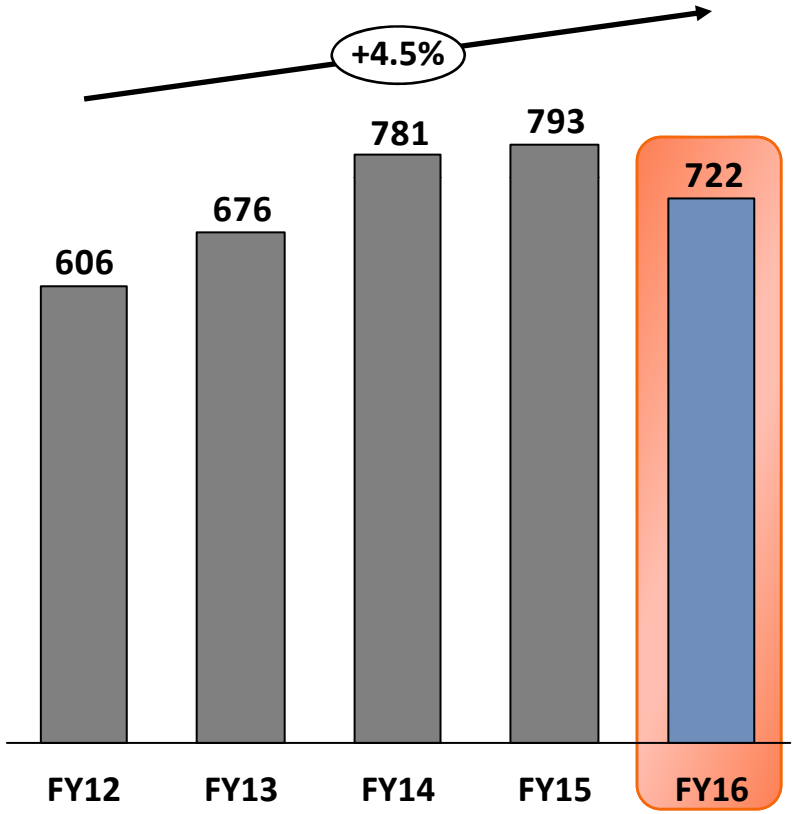




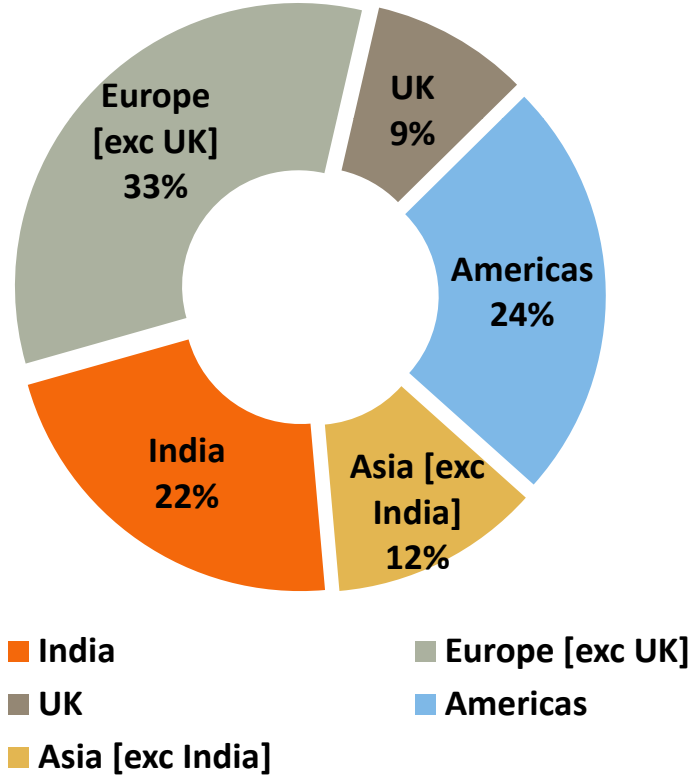
REPUTED GLOBAL BRAND

Strong Brand in Global Refractories Market

Consolidated Turnover [Rs. Crs.]



FY16 Sales by Region



Our Manufacturing Plants

Mono Ceramics Inc
Michigan, US

Monocon , UK

Hofmann Ceramic,
Germany

Tianjin Monocon
Tianjin, China

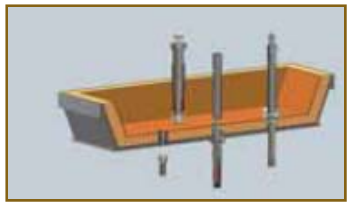
E I
Ceramics, Cincinnati,
US

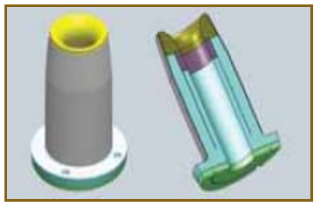
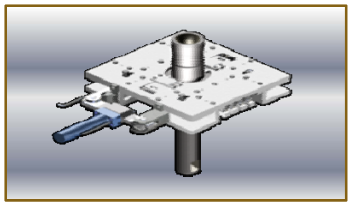
IFGL Exports, Kandla
SEZ, Gujarat, India

IFGL
Rourkela, Orissa, Indi
a

Specialized Refractory for Steel making with Wide Product Range

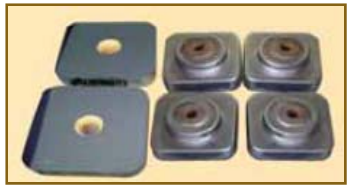
Isostatic & Tube Changer Refractories & System

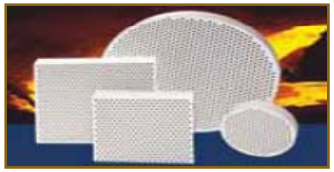


Slide Gate & Purging Refractories & System

Cast Products, Zirconia Nozzles, Foundry Ceramics



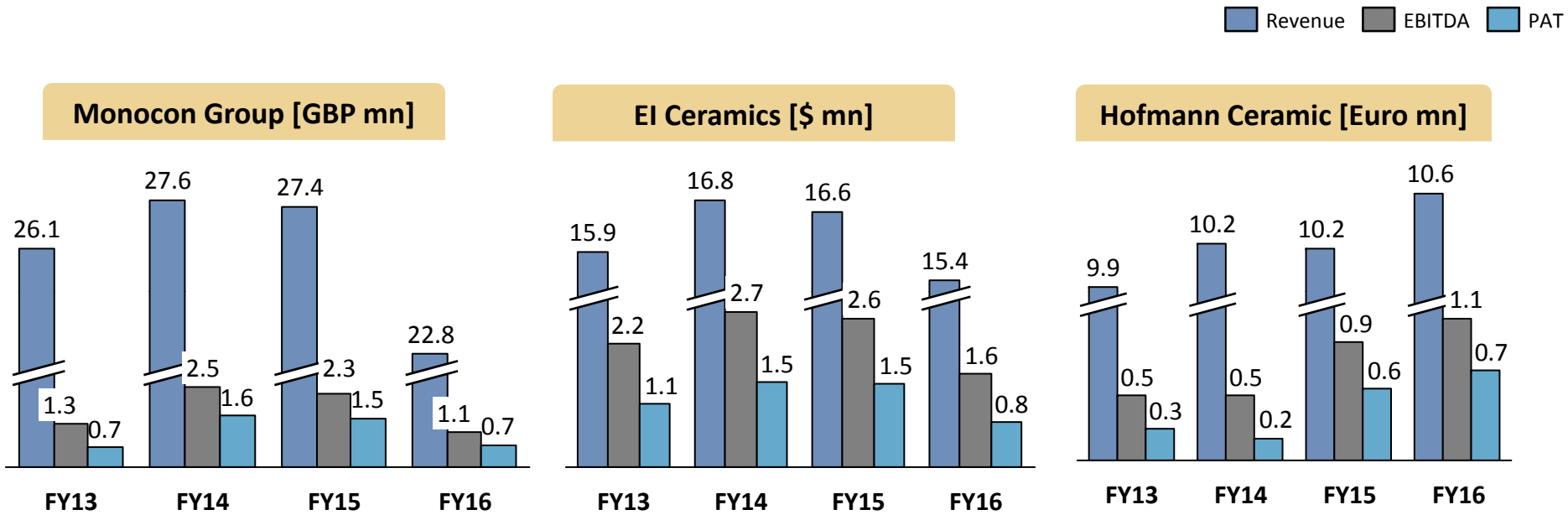


IFGL 5 Year Performance

Particulars [Rs. Crs]	FY12	FY 13	FY 14	FY 15	FY 16
Total Income	**607.1**	**676.8**	**781.0**	**793.5**	**722.1**
Raw Material	303.8	352.3	378.0	406.1	365.2
Employee Expenses	84.3	98.7	110.0	117.9	119.6
Other Expenses	141.8	163.2	181.0	170.6	149.9
EBITDA*	**77.2**	**62.7**	**113.0**	**98.9**	**87.4**
EBITDA %*	*12.7%*	*9.3%*	*14.5%*	*12.5%*	12.2%
Finance Cost	6.75	8.0	7.0	5.9	4.8
Depreciation	12.91	13.4	15.0	14.3	15.5
Provisions	-	-	-	-	6.3
Profit Before Tax	**57.5**	**41.3**	**91.0**	**78.7**	**60.9**
Tax	18.3	15.9	25.0	25.4	15.7
Minority Interest (MI)	0.0	-2.8	2.0	0.2	3.2
Profit after Tax & MI	**39.2**	**28.2**	**64.0**	**53.1**	**42.0**
PAT %	***6.5%***	***4.2%***	***8.2%***	***6.7%***	***5.8%***

**For FY16 EBITDA is before Provisions (other than Tax) which is part of other expenses*

…bucking Global Steel Trend and…



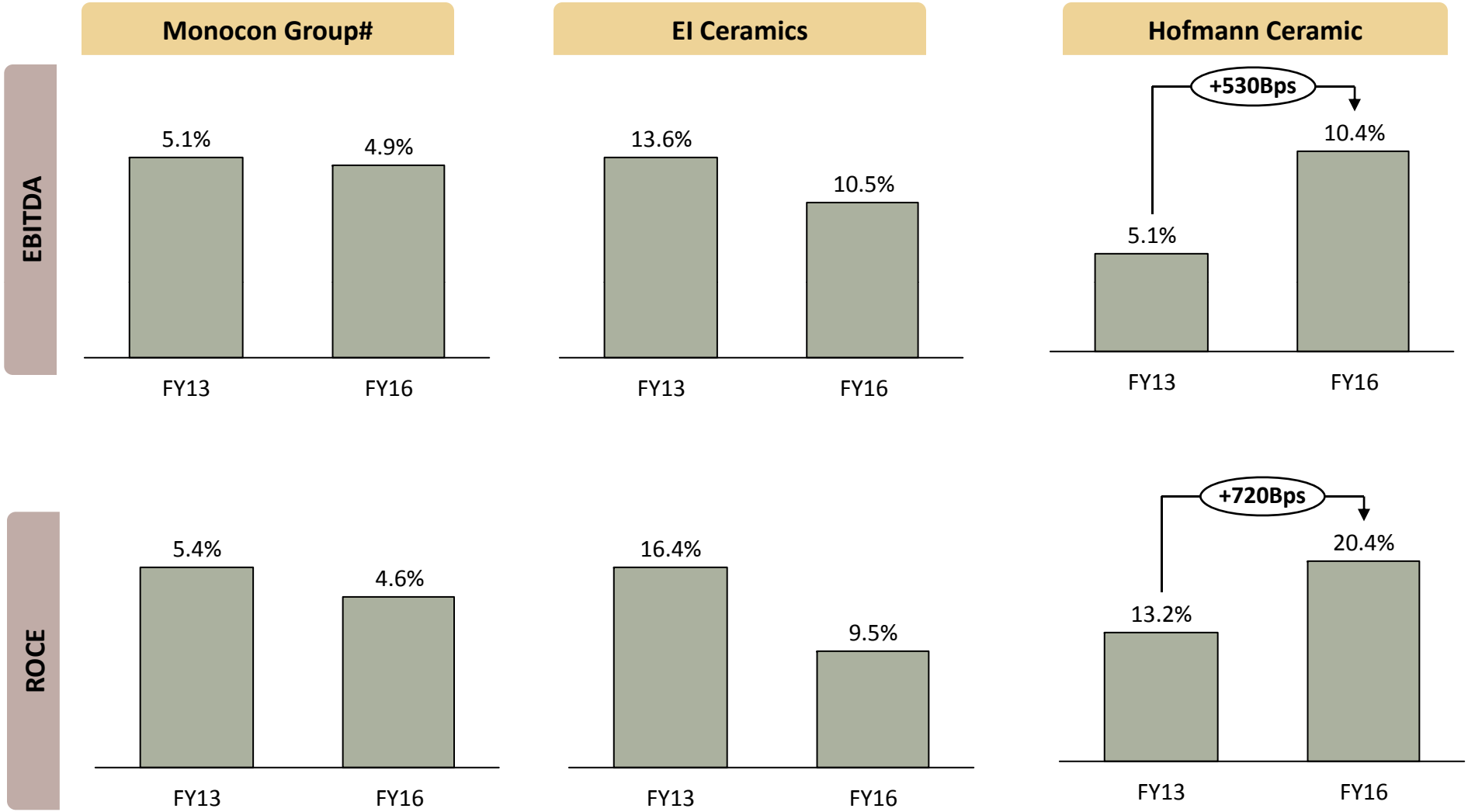
✓ Despite challenging growth environments in World economy, International Operations have continued to grow and gain market share

✓ Monocon Group & Hofmann Ceramic have grown at a Revenue CAGR of 2% & 4% respectively since acquisition while EI Ceramics has grown at 6% CAGR since acquisition

✓ Monocon Group Revenue and Profitability was impacted by a closure of Steel client's mill in UK during August – September 2015 owing to bankrupcty

✓ All International Acquisitions are profitable & generate sufficient cash flow to manage Debt servicing and fund capacity expansions

…increasing focus on Return Matrix*

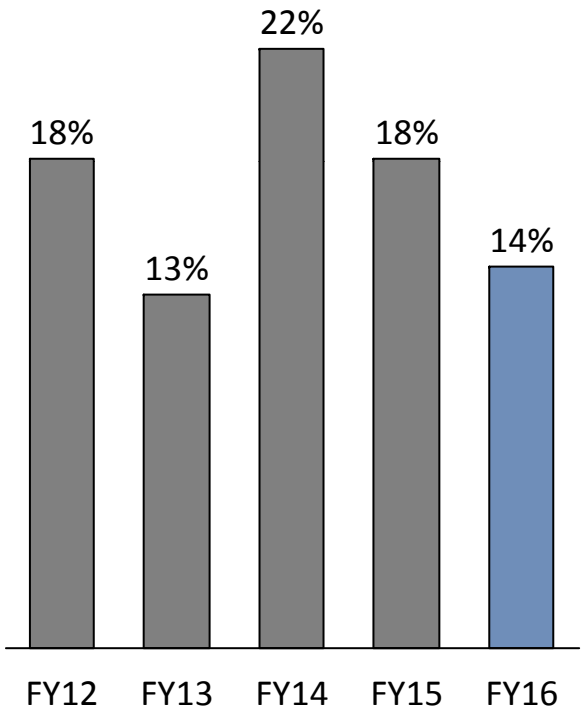


•*On Basis of Local currency Financials in the country of reporting*

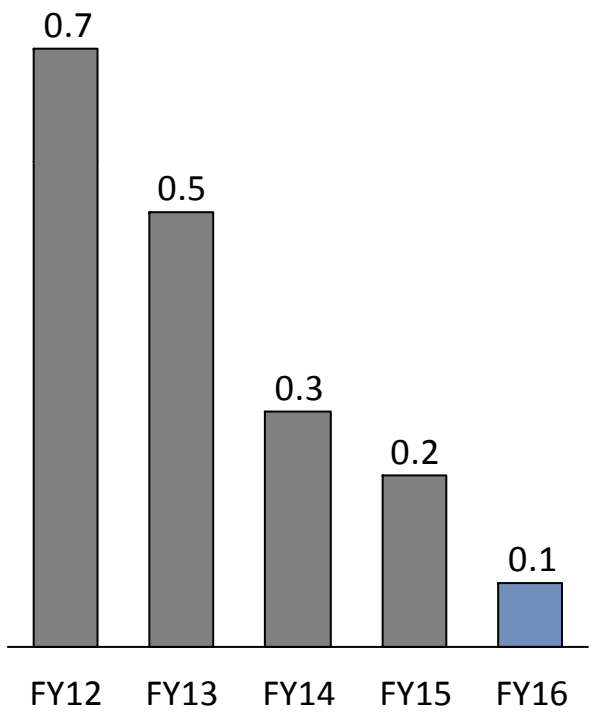
•*# For FY16 performance impacted by closure of Clients Steel Mill Business in UK*

Sustainable Shareholder Value Creation

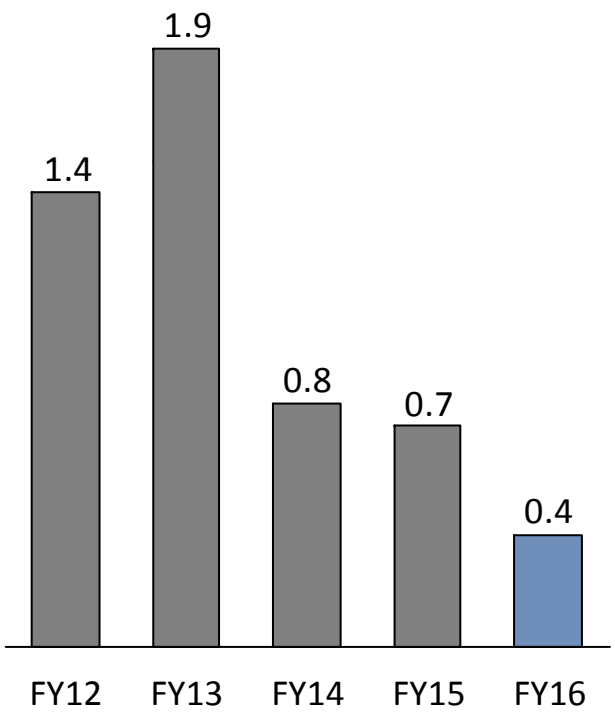
Return on Capital Employed



Net Debt : Equity Ratio [x]



Net Debt : EBITDA Ratio [x]

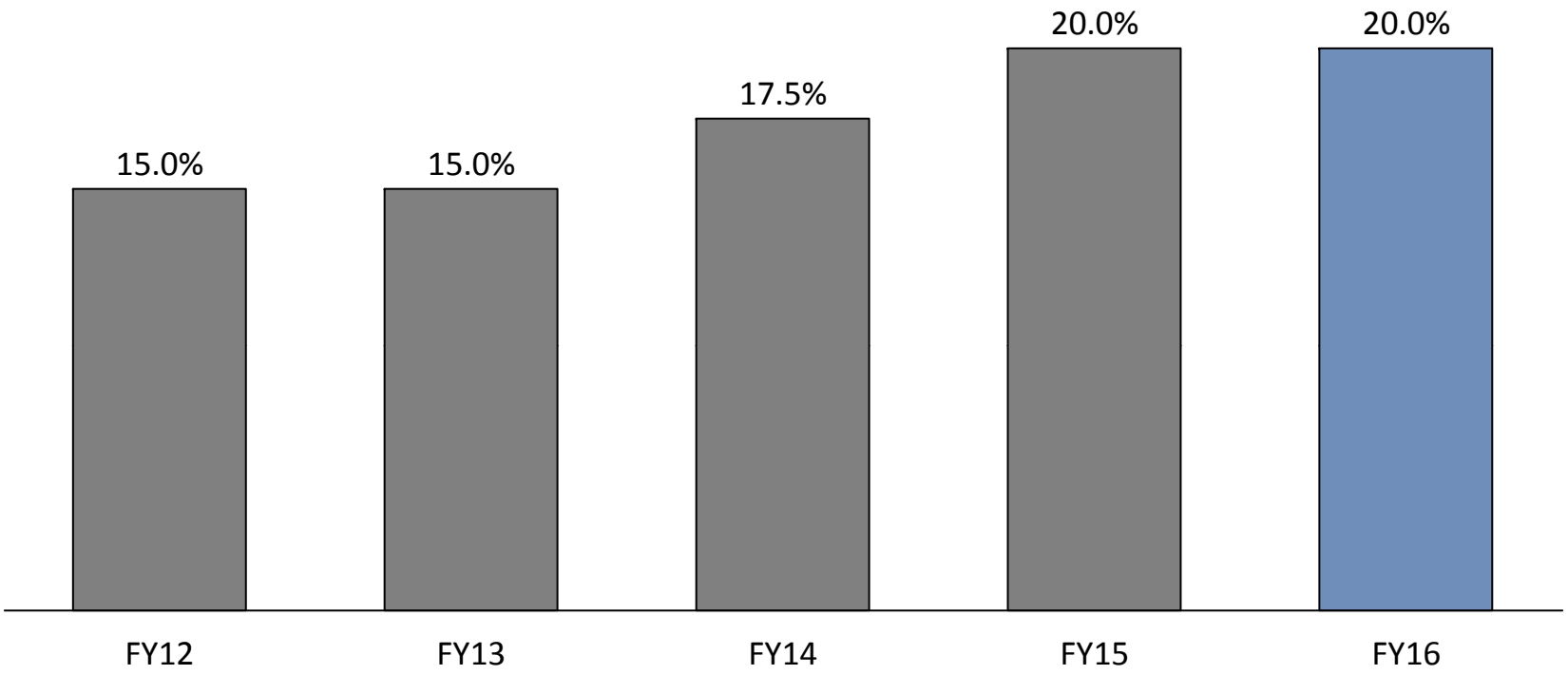


** Consolidated*

ROCE = EBIT/ (Total Debt + Networth)

Net Debt:Equity Ratio = (Total Debt – Cash & bank balance) / Networth

Dividend Record



Particulars (Rs.)	FY12	FY13	FY14	FY15	FY16
Consolidated Book Value per Share	64.1	70.9	95.1	99.6	111.7
Consolidated Earning Per Share	11.3	7.9	18.3	15.1	12.1
Dividend Per Share	1.5	1.5	1.75	2.00	2.00

Contact

For further information, please contact:

Company :	**Investor Relations Advisors :**
IFGL Refractories Ltd. CIN - L27202OR1989PLC002971 Mr. Rajesh Agrawal rajesh.agrawal@ifgl.in www.ifglref.com	Strategic Growth Advisors Pvt. Ltd. CIN - U74140MH2010PTC204285 Mr. Shogun Jain / Ms. Sanjita Ghosh jshogun@sgapl.net / gsanjita@sgapl.net +91 7738377756 / +91 7738359389 www.sgapl.net