



Investor Update

August 05, 2015

Prism Cement Limited today announced audited standalone financial results for the year ended June 30, 2015

Financial Overview (Audited for the Year ended June 30, 2015)

(Figures in ₹ Crores unless mentioned otherwise)

Particulars	Q1 '15-16	Q4 '14-15	Q1 '14-15
Sales	1,476	1,642	1,499
Profit / (Loss) before Other income, finance cost, tax, depreciation, and exceptional items	81	84	118
Profit / (Loss) before tax	(12)	59	20
Net Profit / (Loss) after tax	(8)	62	13
EPS (₹)	-0.16	1.23	0.27

Segmental Results

(Figures in ₹ Crores)

Particulars	Q1 '15-16			Q4 '14-15			Q1 '14-15		
	Cement	TBK	RMC	Cement	TBK	RMC	Cement	TBK	RMC
Segment Revenue	518	541	314	563	661	309	600	490	303
Segment Results	48	(4)	4	45	(1)	7	79	2	0
Capital Employed	1,695	831	201	1,683	842	198	1,618	871	221

Performance Review and key developments

The highlight during the quarter was improvement in Cement EBITDA at ₹507/ton for the quarter ended June 30, 2015 up from ₹433/ton during the quarter ended March 31, 2015 despite lower volumes and realizations.

For the Quarter ended June 30, 2015, the Company sold 13.60 lac tons of cement and clinker as against 15.12 lac tons for the quarter ended June 30, 2014. While the overall volume decline including clinker was 10% yoy, the cement volume declined by 4.8%. The quarter saw the launch of "Duratech" brand in three states – MP, UP and Bihar. The brand was well received in the market.

The company had taken various cost rationalization measures in FY15 such as resorting to imported coal, increase in pet-coke consumption, reduction in power consumption amongst others. In line with earlier communication the incremental benefits of these measures are reflected in the first quarter of FY16.

H & R Johnson (India) (HRJ) Division operates in the TBK (Tile Bath Kitchen) Segment. The Division's sales revenues during the Quarter were ₹541 Crores, there by growing by 10% when compared to the corresponding quarter in FY15. The Division continued to scale-up its marketing activities through various initiatives like strengthening of distribution network, merchandising and has also taken various initiatives to optimise the costs.

The RMC Readymix (India) (RMC) Division's sales turnover increased by 4% as compared to the corresponding Quarter of last year. Continuing efforts on demobilizing loss making plants and cost control, the profitability of the Division has seen improvement as compared to the corresponding quarter last year. The Division is in the process of identifying new locations where it plans to relocate unused / underutilized assets.

Industry Scenario / Future Outlook

While the near term demand outlook remains challenging also due to seasonality, cement demand expected to pick in second half of FY16. The long term drivers for cement demand remain intact. Higher government spending on infrastructure, robust growth in rural housing and rising per capita incomes are likely to augur well for the cement industry.

Having said that the cement division is on strong footing with several cost rationalization exercise done in recent quarters.

The robust distribution network, strong brand equity, wide-spread manufacturing locations, and a comprehensive product portfolio of tiles, baths, and kitchens enable H & R Johnson (India) Division to enjoy a distinct competitive advantage over others in the market. Moreover, with the successful completion of initiatives last year to reduce power and fuel cost, the Division is enhancing its capacity utilization.

The Ready-mixed Concrete Industry in India is over 20 years old and was growing at a healthy rate till two years back. However, due to paucity of new construction projects taking off, volume growth for the industry in the last few

quarters has been under pressure. The markets in most of the metros are expected to see a turnaround in the medium term as economy picks up and construction activities resume. With the Mega Projects Vertical, RMC Division is focusing on infrastructure segment as well. The markets in tier 2 & tier 3 cities have also been showing maturity which will help the industry's growth.

About Prism Cement Limited

Prism Cement Limited is one of India's leading integrated Building Materials' Company, with a wide range of products from cement, ready-mixed concrete, tiles, bath products to kitchens. The company has three Divisions, viz. Prism Cement, H & R Johnson (India), and RMC Readymix (India). Prism Cement Limited also has a 74% stake in Raheja QBE General Insurance Company Limited, a JV with QBE Group of Australia.

The equity shares of the company are listed on the Bombay and National Stock Exchanges.

Prism Cement

Prism Cement commenced production at its Unit I in August, 1997 and Unit II in December, 2010. It manufactures Portland Pozzolana Cement (PPC) with the brand name 'Champion' and premium quality grade of cement under 'HI-TECH' and 'DURATECH' brand. Prism Cement has the highest quality standards due to efficient plant operations with automated controls. It caters mainly to markets of Eastern UP, MP and Bihar, with an average lead distance of 399 kms for cement from its plant at Satna, MP. It has a wide marketing network with about 3,800 dealers serviced from ~90 stocking points.

H & R Johnson (India)

Established in 1958, H & R Johnson (India) is the pioneer of ceramic tiles in India. For over five decades, HRJ has added various product categories to offer complete solutions to its customers. Today, HRJ enjoys the reputation of being the only entity in India to offer end-to-end solutions of Tiles, Sanitaryware, Bath Fittings, Kitchens, and Engineered Marble & Quartz. All the products are sold under 3 strong brands, viz. Johnson, Johnson Marbonite, and Johnson Endura. In ceramic / vitrified tiles, HRJ along with its Joint Ventures and subsidiaries has a capacity of over 54.5 million m² per annum spread across 9 manufacturing plants across the country.

RMC Readymix (India)

RMC Readymix (India) is one of India's leading ready-mixed concrete manufacturers, set-up in 1996. RMC currently operates 79 ready-mixed concrete plants in 35 cities/towns across the Country. Further, the Division has been able to secure new positions in its existing markets which will help it to maintain its growth. RMC has also ventured into the Aggregates business and operates large Quarries and Crushers. At present, RMC has 7 Quarries across the country. RMC has been at the forefront in setting high standards for plant

and machinery, production and quality systems and product services in the ready-mixed concrete industry.

Investor Relations

Prism Cement Limited is committed to creating long-term sustainable shareholder value through successful implementation of its growth plans. The company's investor relations mission is to maintain an ongoing awareness of its performance among shareholders and financial community.

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Safe Harbor

Certain statements in this release concerning our future growth prospects are forward-looking statements which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company.