

Media Release

Consolidated Financial Results for Q4 and Year Ended December 31, 2018

		Quarter Oct-Dec 2018	Quarter Oct-Dec 2017	Year Jan-Dec 2018	Year Jan-Dec 2017
Sales Volume – Cement	Million Tonnes	7.5	6.9	28.4	26.2
Sales Volume –Ready mix Concrete	Million Cubic metres	0.86	0.75	3.16	2.71
Net Sales	₹Crore	3,789	3,417	14,477	12,909
Operating EBITDA[#]	₹Crore	511	443	2,118	1,912
Profit before Tax[#]	₹Crore	366	301	1,580	1,310
Profit after Tax	₹Crore	732*	206	1,521*	925

#excl. employee separation cost of ₹ 23 Crores for Q4'18 and ₹ 70 Crores for the full year 2018

* including write-back of ₹ 501 Crores relating to tax provisions of earlier years

Highlights 2018

- **Profit before tax rose by 21% YoY**
- **Profit after tax was ₹ 1521 Crores (including write-back of ₹ 501 Crores relating to tax provisions of earlier years)**
- **Operating EBITDA up by 11% YoY**
- **Cement Sales volume increased by 8% YoY**
- **Ready mix concrete volume up by 16% YoY**

Highlights Q4, 2018

- **Profit before tax up by 22% YoY**
- **Profit after tax was ₹ 732 Crores (including write-back of ₹ 501 Crores relating to tax provisions of earlier years)**
- **Operating EBITDA up by 15% YoY**
- **Cement sales volume - robust growth @8% YoY**
- **Ready mix business - double-digit volume growth trend @15% YoY**

"ACC has demonstrated its capacity to execute multiple strategies and strengthen the culture of protecting its reputation and driving competitive advantage. ACC has delivered Profit before tax (PBT) growth of 21% for the full year 2018 and 22% for the last quarter of 2018. Over the last Quarter, net sales growth was 11% and operating EBITDA[#] growth was up by 15%. This proportional growth of EBITDA was achieved by executing a set of priorities, both on revenue and cost levers, improving efficiency and strengthening our customer and market approach. This enabled us to improve our performance continuously over the last several quarters. We are excited to continue this growth momentum as we add new cement capacities of 5.9 million tons through a greenfield integrated cement plant at Ametha in Madhya Pradesh, with a grinding unit in Uttar Pradesh and expansion of our Tikaria and Sindri plants.", said **Neeraj Akhoury, Managing Director & CEO**

Media Release

Financials

Net Sales during the quarter grew 11% to ₹ 3789 Crores compared to ₹ 3417 Crores for the same quarter last year. Operating EBITDA for the quarter registered a growth of 15% to ₹ 511 Crores as against ₹ 443 Crores during the previous year's quarter despite sharp cost headwinds. Operating EBITDA for the full year 2018 was ₹ 2118 Crores compared to ₹ 1912 Crores in the previous year, an increase of 11%.

Cement Business

The cement business delivered sales volume growth of 8% during the quarter on a YoY basis driven by stronger demand trends and greater focus on premium products.

Despite rising prices of slag, petcoke and diesel, our continued emphasis on productivity measures, improved raw material mix and source mix optimization helped partially offset higher input costs which resulted in improved performance during this quarter.

Fixed costs, Selling General & Administrative expenses (SG&A) were lower on a YoY basis.

Ready Mix Concrete

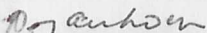
The company's ready mix concrete business registered significant growth in volumes of 15% during the year through focus on profitable construction segments and value added solutions delivered to large projects. Eighteen new plants set up during the year contributed to the volume growth.

Dividend

The Board of Directors has recommended payment of dividend at ₹ 14/- per share of ₹ 10/- each aggregating ₹ 316.94 Crores (including tax on dividend), with a dividend payout of 32%, keeping in view the proposed expansion plans.

Outlook

In the recently announced budget 2019, the Government has indicated its commitment to further augment the infrastructure sector (railways, roads, highways and irrigation projects). Government's concerted efforts to increase investment across several sectors will have a favorable impact which will stimulate cement demand and boost economic growth. This will open up more opportunities and Cement as a core sector will continue to benefit from the India growth story.


Neeraj Akhoury
Managing Director & CEO
February 5, 2019

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 over 6731 employees, 17 cement manufacturing sites, 75 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.