

Media Release

Highlights Quarter 3, 2019 compared to Quarter 3, 2018

- Profit After Tax up by 45%
- Operating EBITDA improved by 26%
- Net sales increased by 3%
- Ready mix business – double digit volume growth

Consolidated Financial Results for Third Quarter (July-September) 2019

		Quarter Jul- Sept 2019	Quarter Jul- Sept 2018	Change (%)	Nine months Jan - Sept 2019	Nine months Jan - Sept 2018	Change (%)
Sales Volume – Cement	Million Tonnes	6.44	6.54	- 2%	21.1	20.9	1%
Sales Volume – Ready mix Concrete	Million Cubic metres	0.81	0.73	11%	2.61	2.29	14%
Net Sales	₹Crore	3464	3364	3%	11373	10689	6%
Operating EBITDA	₹Crore	557	444#	26%	1872	1560#	20%
Profit before Tax	₹Crore	443	308#	44%	1639	1167#	40%
Profit after Tax	₹Crore	303	209	45%	1104	788	40%

Includes restructuring cost during Q3'18 ₹ 4 Cr & YTD Sep'18 ₹ 47 Cr

"ACC continues to deliver its profitable growth strategy with strong EBITDA and Net Profit growth. Our new product offerings, particularly in premium segments along with growth in ready mix volumes supported in delivering higher net sales. We continue to deliver significant operational efficiencies which resulted in reduction of our fixed and variable costs. ACC's capacity expansion strategy is under execution in attractive markets. We remain confident that cement demand growth will strengthen in the coming months" **said Neeraj Akhoury, Managing Director & CEO.**

Performance

The cement industry witnessed muted demand during the quarter due to extended monsoon.

Net Sales during the quarter went up by 3% to ₹3464 Crore compared to ₹3364 Crore for the same quarter last year. Operating EBITDA for the quarter grew strongly by 26% year-on-year to reach ₹557 Crore.

Input cost of raw materials were lower year-on-year supported by supply chain efficiency. Fixed costs as well as Selling, General & Administrative expenses (SG&A) continued to be lower on year-on-year basis.

Ready Mix Concrete

The company's ready mix concrete business registered significant growth of 10% in top line supported by higher volumes. Volume of Value Added Solutions (VAS) grew substantially in Q3'19 year-on-year. Three new plants were added during the quarter, bringing ACC's operational ready mix plants in India to 83.

Media Release

Expansion

ACC is executing projects that will add new capacity in the markets of Uttar Pradesh, Madhya Pradesh, Bihar, Jharkhand and West Bengal. We continue to look out for new growth opportunities which can add value to our business.

Outlook

We maintain a positive outlook for demand in the coming months. The Government's recent steps such as reduction in corporate tax as well as lowering of interest rates are expected to stimulate the economy and drive infrastructure and affordable housing demand.


Neeraj Akhoury
Managing Director & CEO

October 15, 2019

About ACC

ACC Limited, a member of the LafargeHolcim Group, is one of India's leading producers of cement and ready mix concrete. It has over 6,700 employees, 17 cement manufacturing sites, 83 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 is recognised for its best practices in environment management and corporate citizenship.