



Investor Update

February 5, 2015

Prism Cement Limited today announced Un-audited standalone financial results for the Quarter ended December 31, 2014

Financial Overview (Un-audited for the Quarter ended December 31, 2014)

(Figures in ₹ Crores unless mentioned otherwise)

Particulars	Q3 '14-15	Q2 '14-15	Q3 '13-14
Sales	1,428	1,439	1,236
Profit / (Loss) before Other income, finance cost, tax, depreciation, and exceptional items	37	46	2
Profit / (Loss) before tax	(60)	(29)	(97)
Net Profit / (Loss) after tax	(41)	(20)	(62)
EPS (₹)	-0.81	-0.39	-1.27

Segmental Results

(Figures in ₹ Crores)

Particulars	Q3 '14-15			Q2 '14-15			Q3 '13-14		
	Cement	TBK	RMC	Cement	TBK	RMC	Cement	TBK	RMC
Segment Revenue	513	532	297	525	522	295	434	430	288
Segment Results	8	(4)	(1)	34	1	(4)	(32)	(5)	1
Capital Employed	1,644	848	193	1,677	868	201	1,525	886	223

Performance Review and key developments

During the Quarter ended December 31, 2014, the Company produced 8.65 lac tons of clinker and 12.16 lac tons of cement. The Company despatched

0.41 lac tons of clinker and 12.01 lac tons of cement during the Quarter ended December 31, 2014 as against 0.04 lac tonnes of clinker and 11.30 lac tonnes of cement during the Quarter ended December 31, 2013.

The Cement Division introduced various cost saving initiatives which were successfully implemented. However, the cost benefits were negated by lower realisations as compared to the preceding Quarter.

H & R Johnson (India) (HRJ) Division operates in the TBK (Tile Bath Kitchen) Segment. The Division's sales revenues during the Quarter were ₹ 532 Crores, thereby growing at a healthy rate of 24% when compared to the corresponding Quarter last year. The growth was on account of higher capacity utilization post implementation of cost saving measures last year and continued intensive activities on the marketing front. The Gas supply in one of the Andhra Pradesh Plants which was disrupted due to pipeline maintenance by GAIL in Q2 has commenced in the last week of Q3. As a result, the Plant had to run on high-cost fuels (LPG / Propane). The Division has launched 60 x 120 Size Tiles in GVT Category during the Quarter.

The RMC Readymix (India) (RMC) Division sales turnover increased by 3% as compared to the corresponding Quarter last year. However, profitability of the Division continued to be under pressure due to lower capacity utilization. During the Quarter under review, a few plants were demobilized. The Division is in the process of identifying new locations where it plans to relocate unused / underutilized assets.

The Company is in the process of replacing expensive bank borrowings with NCDs in a phased manner to reduce interest cost.

Industry Scenario / Future Outlook

With key initiatives on the cost front at Prism Cement Division implemented last year, the Division is on a stronger footing with a cost competitive structure. Moreover, with a stable government and consequent optimism, the demand for cement should improve in the medium term which bodes well for the Division.

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', Ordinary Portland Cement (OPC), and premium quality grade of cement under 'HI-TECH' brand. Prism Cement has the highest quality standards due to efficient plant operations with automated controls. It caters mainly to markets of UP, MP and Bihar, with an average lead distance of 405 kms from its plant at Satna, MP. It has a wide marketing network with about 3,700 dealers serviced from ~100 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 million m² per annum spread across 9 manufacturing plants across the country which is the largest in India.

RMC Readymix (India)

RMC Readymix (India) is one of India's leading ready-mixed concrete manufacturers, set-up in 1996. RMC currently operates 83 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 8 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.

For additional information, please contact:

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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.