

Cool Walls

Fourth quarter and Full year results - 2019

February 2020



Ambuja Cement among the top 4 in global Dow Jones Sustainability Index (DJSI) ranking

01 PERFORMANCE HIGHLIGHTS

Q4 2019 & 2019 HIGHLIGHTS

Q4 2019

- Net Sales up 10% YoY
- Cement realisations up ~3% YoY
- Higher mix of Premium Products, 14% growth YoY
- EBITDA up 36% YoY
- EBITDA Margin at 18.0% up by 340 bps YoY
- Profit Before Exceptional items & tax up 32% YoY

CY 2019

- Net Sales up 3% YoY
- Cement realisations up ~4% YoY
- Higher mix of Premium Products, 13% growth YoY
- EBITDA up 14% YoY
- EBITDA Margin at 18.9% up by 170 bps YoY
- Profit Before Exceptional items & tax up 19% YoY

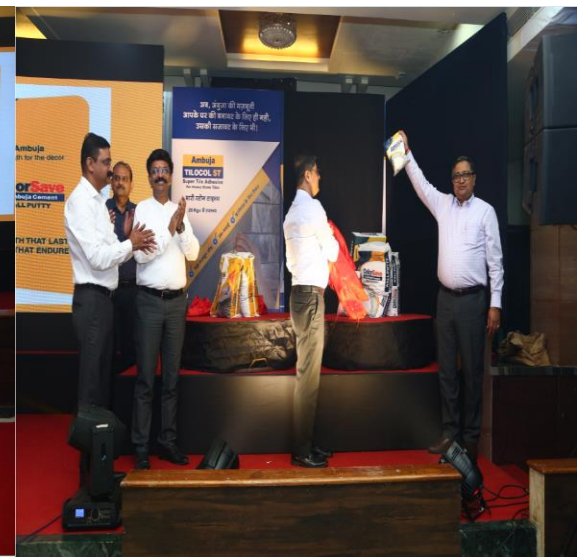
New Products

Ambuja Kawach launch 11th December 2019 - Gujarat



Ambuja Kawach Product Unveiling

Dry Mortar & Construction Chemicals launched in Mumbai Market on 16th October 2019



Ambuja's MCW plant wins 'Vasundhara Award 2019' from Maharashtra Government for embedding best environment practices



Ambuja Cement ranks 6th in 'Responsible Business Rankings 2019' report

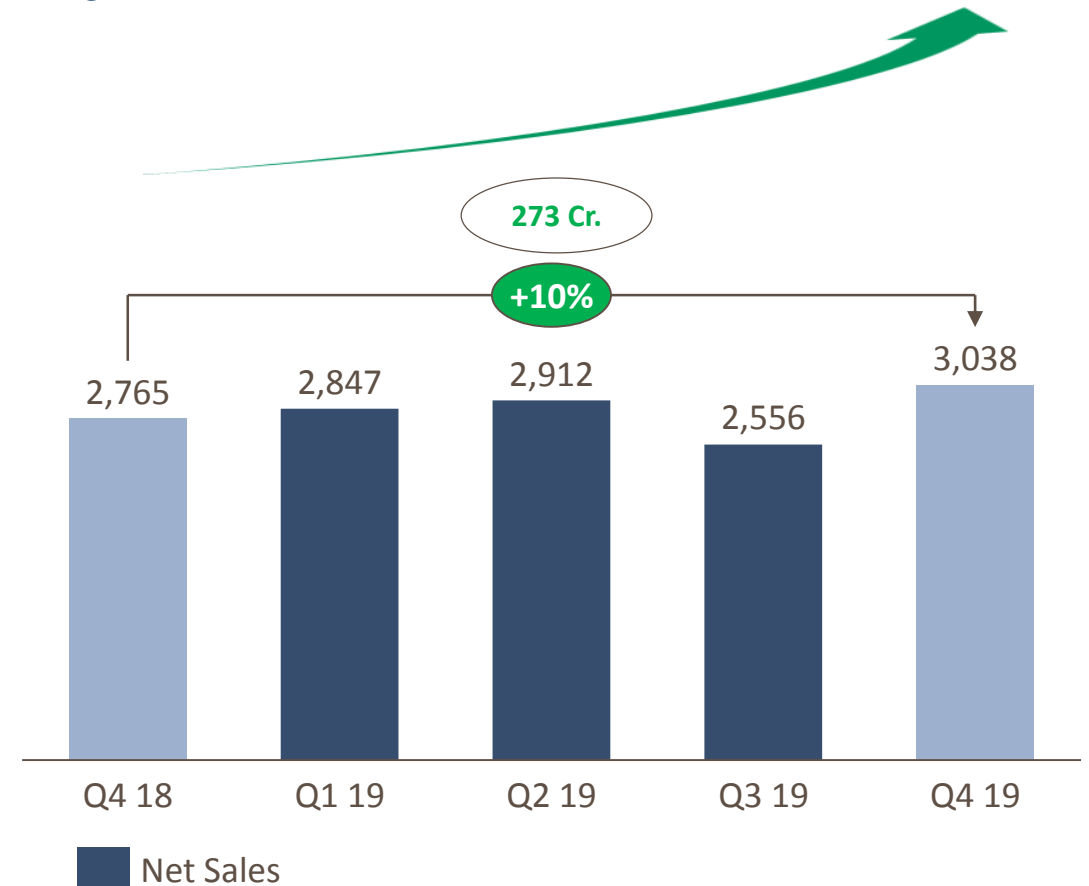
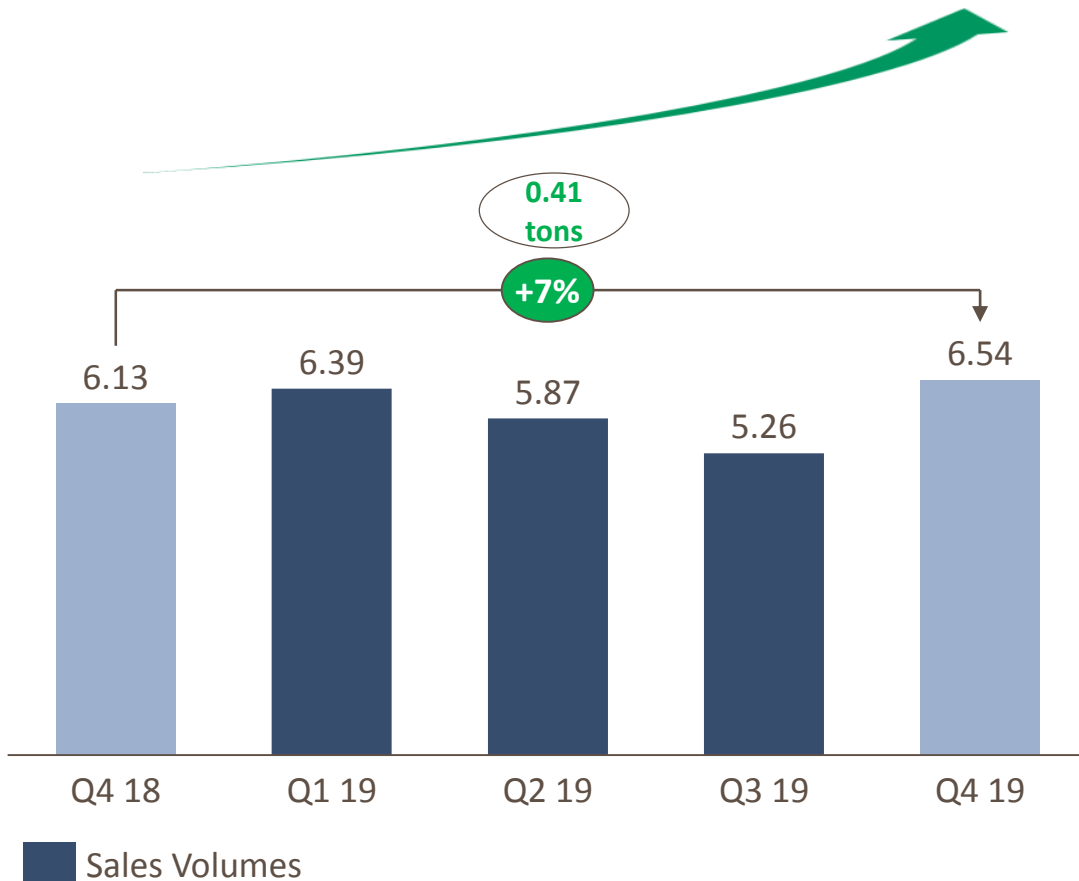


02 PERFORMANCE ANALYSIS

Sales Volumes and Net Sales

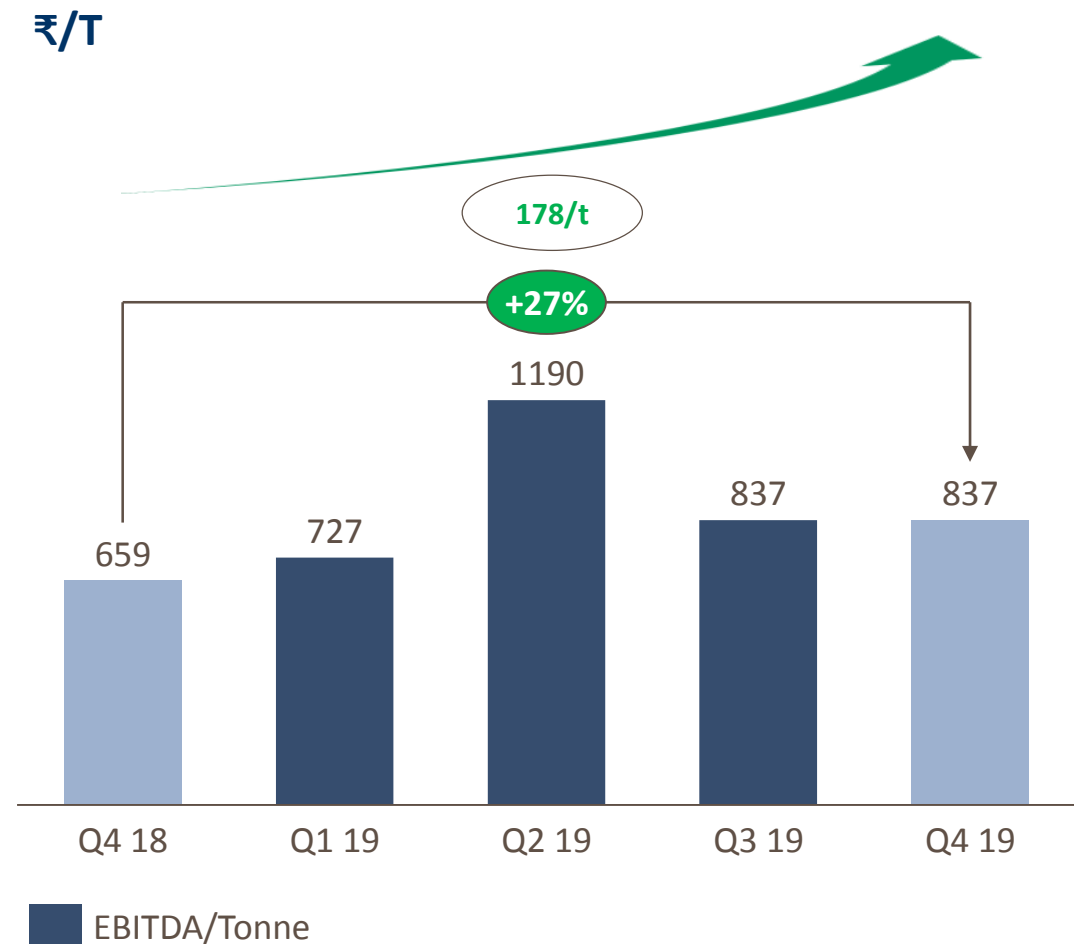
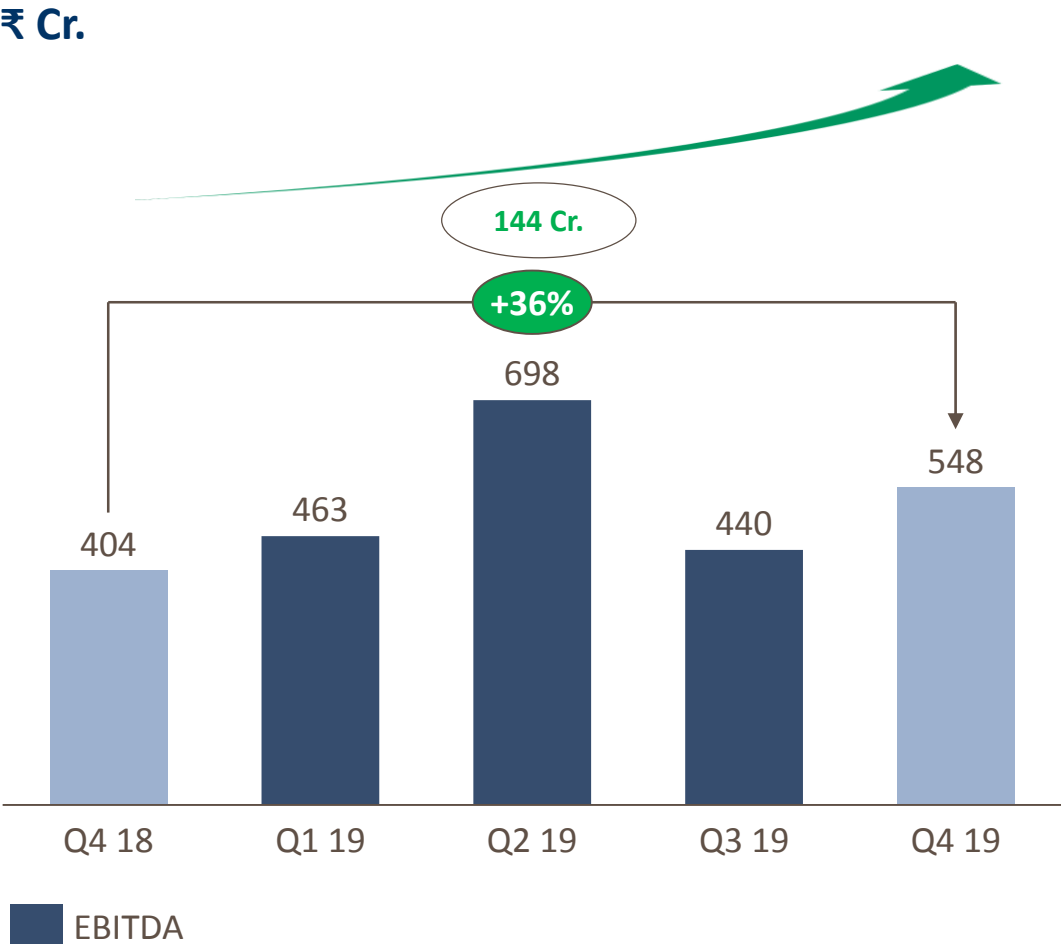
Million Tonnes – Cement & Clinker

₹ Cr.



Robust Top-line performance

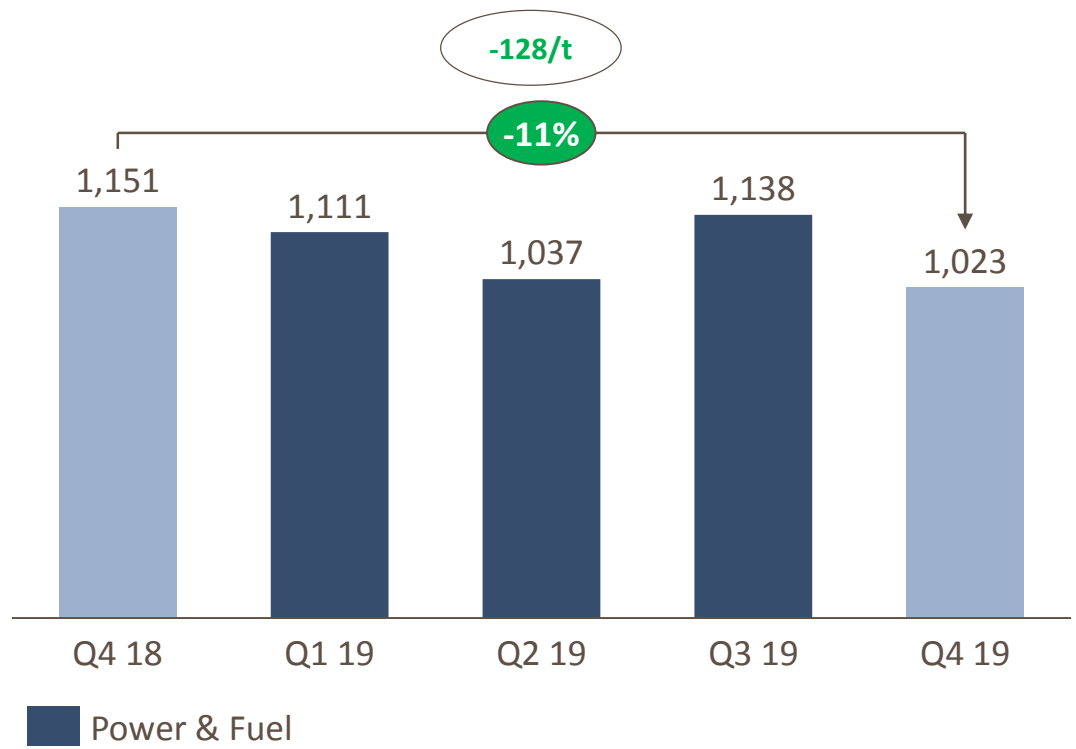
EBITDA ₹ Cr and EBITDA/Tonne trend



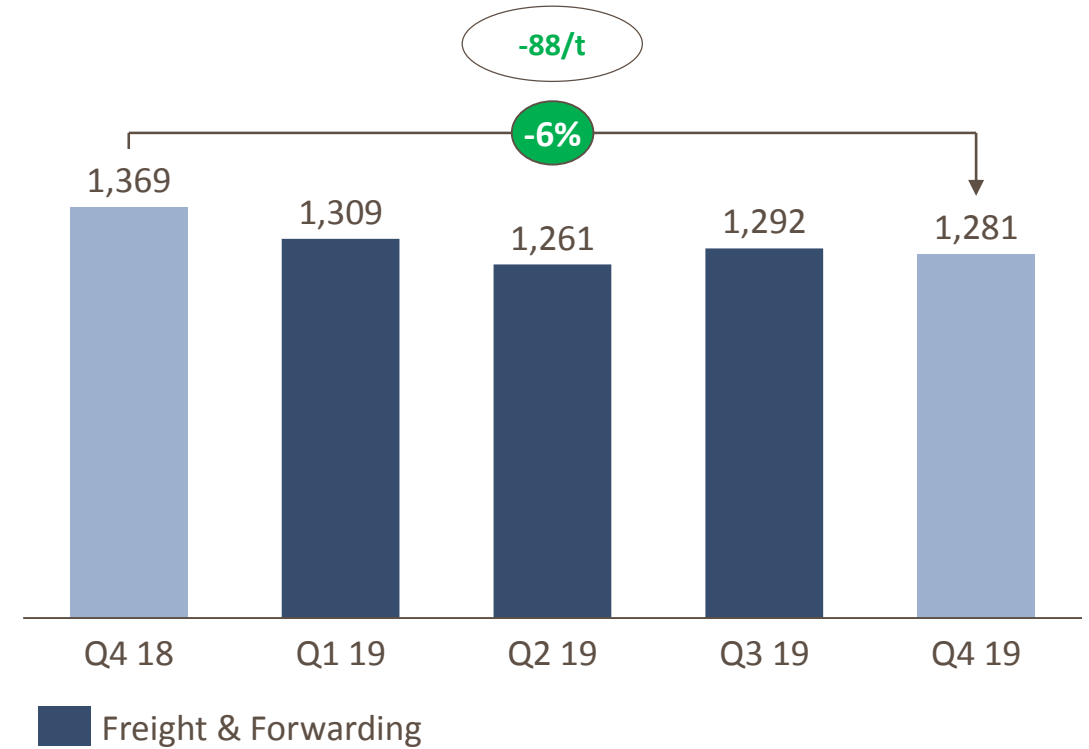
Operating EBITDA increased by 36% for the quarter backed by strong top-line and decline in power & fuel and logistics costs

Key Costs - Power & Fuel and Freight & Forwarding Costs trend

₹/T



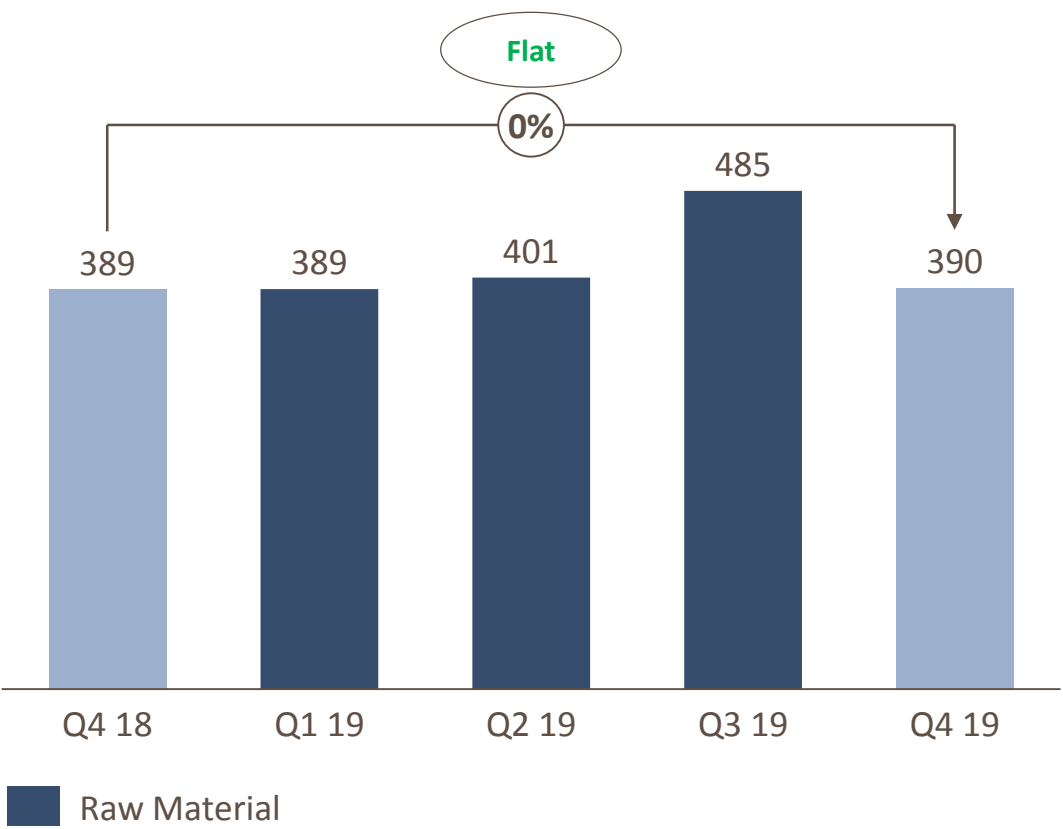
₹/T



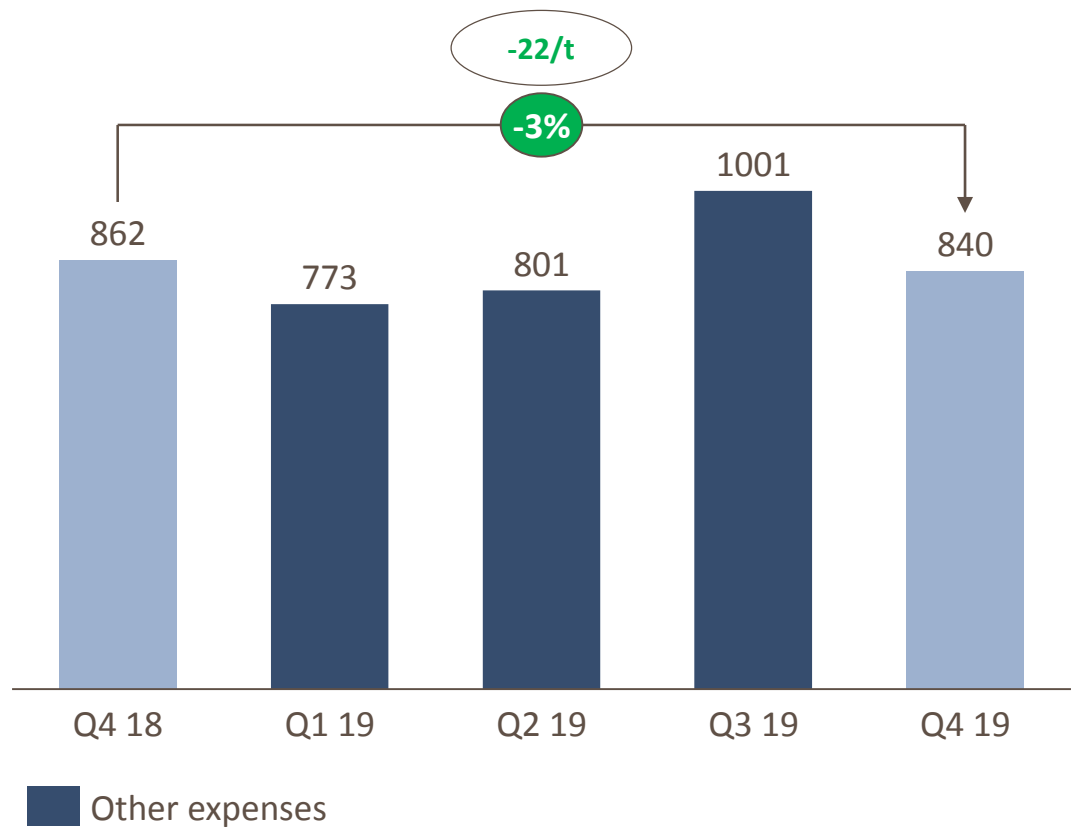
Power & fuel and logistics cost see reduction on account of low cost of fuel, operational efficiencies and optimisation in supply chain

Key Costs - Raw Material Costs and Other Expenses trend

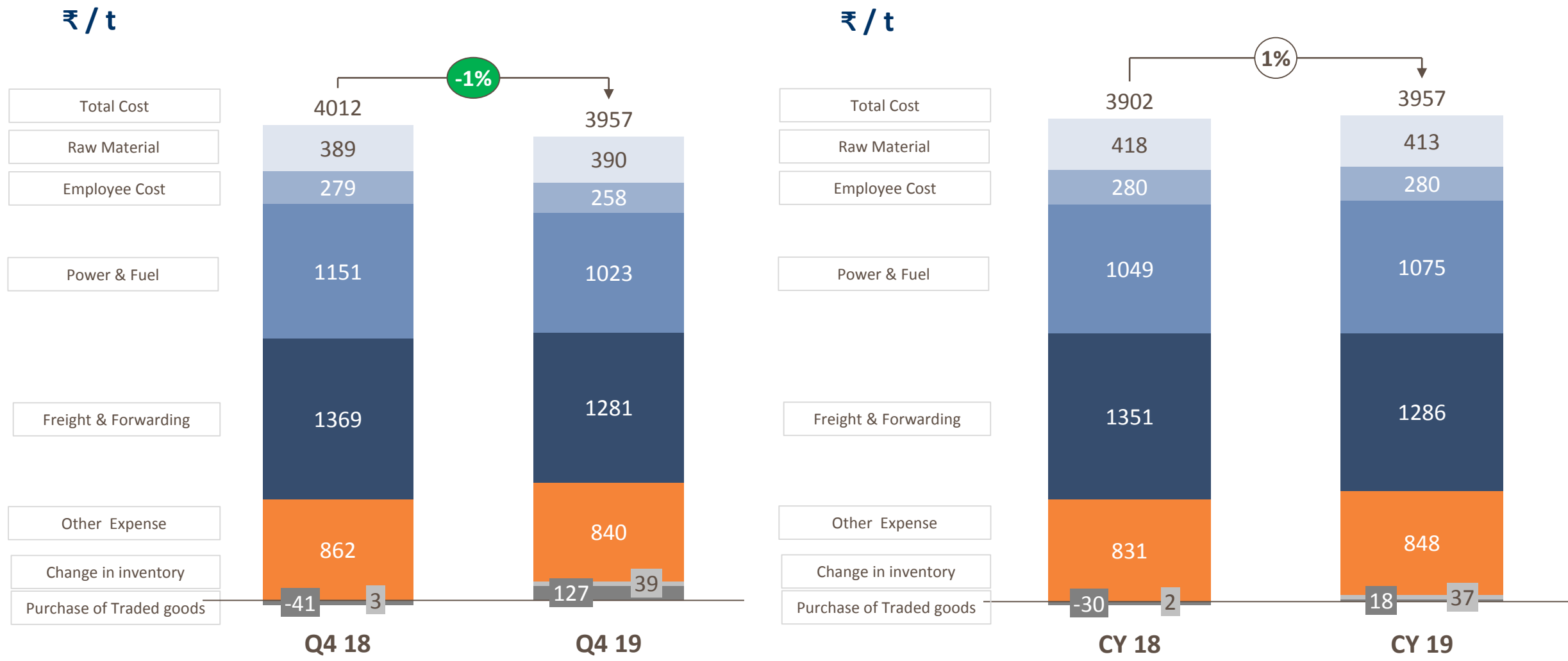
₹/T



₹/T



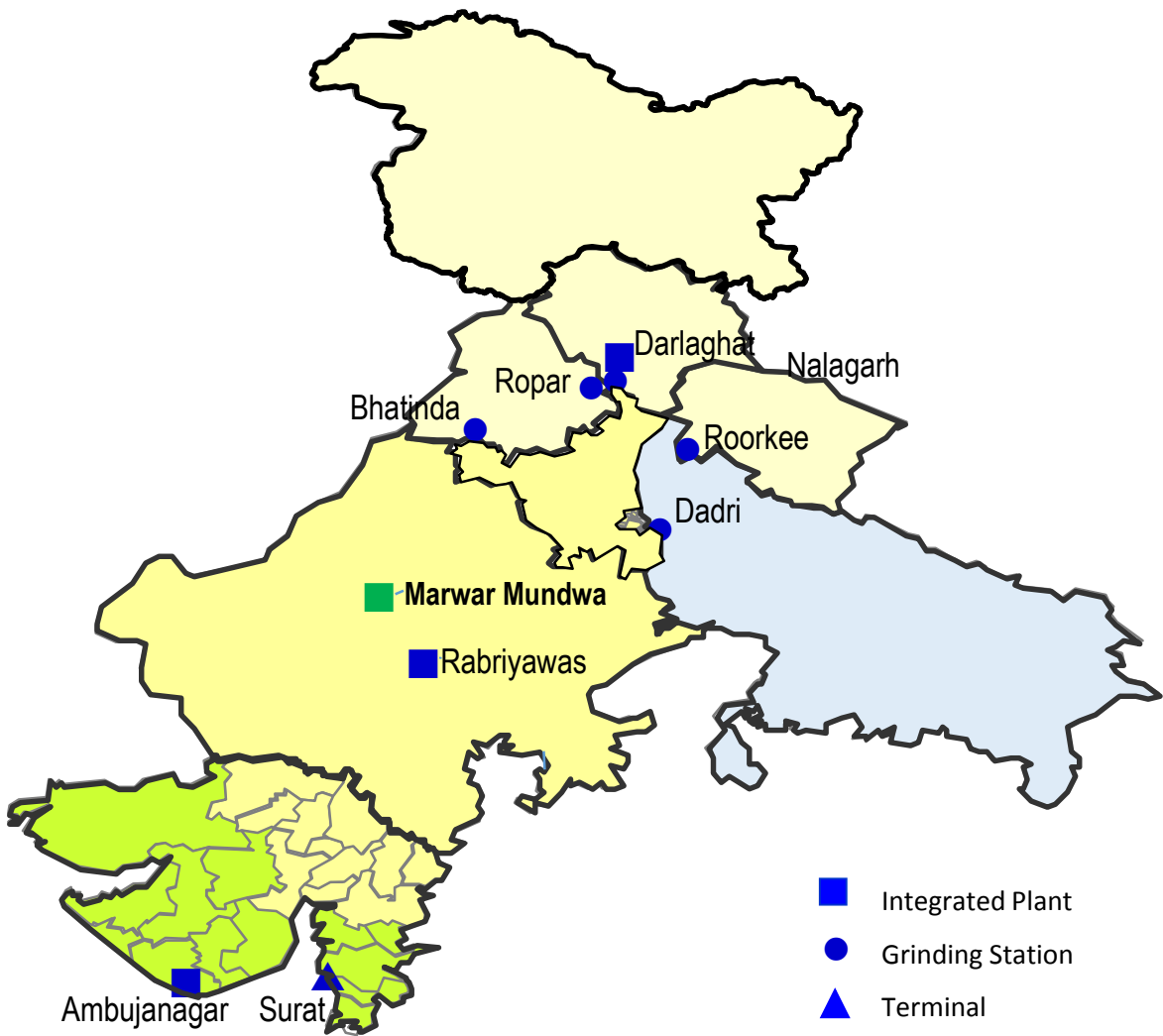
Total cost sees a reduction YoY basis i.e. Q4 19 vs Q4 18



Costs lower backed by saving in fuel cost and logistics cost in Q4'19

Marwar Mundwa Update

Greenfield plant (Marwar Mundwa) will cater to North & West regions and optimize clinker distribution in North region



Our greenfield project at Marwar Mundwa, Rajasthan, is well on track for commissioning by year end and will add 4.5 Mn tonnes to cement volumes in our key growth markets

Capacity

- Clinkerisation 9,500 Ton Per Day
- Cement Grinding 1.8 Million Ton Per Annum
- 15 MW Waste Heat Recovery System



Ambujanagar

03 STANDALONE AND CONSOLIDATED RESULTS

Standalone Results

| Particulars | ₹ Cr | | | | | |
|---|------------|------------|--------|--------------|--------------|--------|
| | Q4 2018 | Q4 2019 | Δ % | Year 2018 | Year 2019 | Δ % |
| Sales Volume MnT | 6.13 | 6.54 | 6.7% | 24.18 | 23.96 | -0.9% |
| Price ₹ per bag (Cement) | 229 | 235 | 2.7% | 231 | 240 | 4.0% |
| Price ₹ per ton (CLC) | 4,584 | 4,709 | 2.7% | 4,617 | 4,785 | 3.6% |
| Sales | 2,765 | 3,038 | 9.9% | 10,977 | 11,353 | 3.4% |
| Other Operating Income | 98 | 98 | -0.5% | 380 | 315 | -17.1% |
| Revenue from operation | 2,863 | 3,136 | 9.5% | 11,357 | 11,668 | 2.7% |
| Other non operating income | 85 | 66 | -22.8% | 375 | 427 | 13.7% |
| Total Income | 2,948 | 3,201 | 8.6% | 11,732 | 12,094 | 3.1% |
| Operating Expenses | 2,459 | 2,588 | 5.2% | 9,465 | 9,519 | 0.6% |
| Operating Expenses ₹ ton (CLC) | 4,012 | 3,958 | -1.4% | 3,902 | 3,956 | 1.4% |
| EBITDA | 404 | 548 | 35.8% | 1,891 | 2,149 | 13.6% |
| EBITDA margin % | 14.6% | 18.0% | 3.4 pp | 17.2% | 18.9% | 1.7pp |
| EBITDA ₹ per tonne | 659 | 837 | 27.0% | 780 | 893 | 14.6% |
| Finance cost | 18 | 24 | 30.1% | 82 | 84 | 1.4% |
| Depreciation | 136 | 149 | 8.9% | 548 | 544 | -0.8% |
| Profit before exceptional items and tax | 334 | 441 | 31.9% | 1,636 | 1,948 | 19.1% |
| Exceptional items | 130 | - | | 130 | - | |
| Profit before tax | 204 | 441 | 115.8% | 1,506 | 1,948 | 29.3% |
| Tax expenses | (333) | (14) | | 19 | 419 | |
| Profit after Tax | 537 | 455 | -15.3% | 1,487 | 1,529 | 2.8% |
| EPS ₹ per share | 2.71 | 2.29 | -15.5% | 7.49 | 7.70 | 2.8% |
| Profit after Tax (Adjusted) # | 250 | 352 | 40.8% | 1,200 | 1,426 | 18.8% |

Adjustment made as under :

2019 - Write back of deferred tax ₹ 103 crore on account of change in income tax rate.

2018 - Write back of income tax ₹ 372 crore and exceptional expenses (net of tax ₹ 85 crore)

Quarter 4 Performance

- Sales Revenue grew by 9.9%
- Operating expenses lower by 1.4%
- EBITDA Margin up by 340 bps
- Tax expenses
 - Effects of adoption of lower tax rate @ 25.17%
 - previous year, write back ₹ 372 Cr

Consolidated Results

| Particulars | Q4 2018 | Q4 2019 | Δ % | Year 2018 | Year 2019 | Δ % |
|---|------------|--------------|---------|--------------|---------------|---------|
| Cement Volume (MnT) | 13.63 | 14.33 | 5.1% | 52.58 | 52.85 | 0.5% |
| Sales | 6,545 | 6,963 | 6.4% | 25,419 | 26,539 | 4.4% |
| EBITDA | 908 | 1,117 | 23.1% | 4,011 | 4,597 | 14.6% |
| EBITDA margin (%) | 13.9% | 16.0% | 2.1 pp | 15.8% | 17.3% | 1.5 pp |
| Depreciation | 292 | 310 | 6.0% | 1,154 | 1,153 | -0.1% |
| Other Income | 123 | 95 | -22.7% | 371 | 581 | 56.3% |
| Finance Cost | 42 | 53 | 27.0% | 171 | 170 | -0.4% |
| Share in profit of joint venture | 3 | 6 | 83.1% | 13 | 20 | 59.4% |
| Profit Before Exceptional Item & tax | 701 | 856 | 22.2% | 3,070 | 3,875 | 26.2% |
| Exceptional Item | 104 | - | -100.0% | 152 | - | -100.0% |
| Profit Before Tax | 596 | 856 | 43.6% | 2,919 | 3,875 | 32.8% |
| Tax Expenses | (781) | 134 | | (54) | 1,092 | |
| Profit Before Non Controlling Interest | 1,377 | 722 | -47.5% | 2,973 | 2,783 | -6.4% |
| Non Controlling Interest | 404 | 131 | -67.6% | 795 | 688 | -13.5% |
| Profit After Non Controlling Interest | 973 | 592 | -39.2% | 2,177 | 2,095 | -3.8% |
| EPS ₹ per share | 4.91 | 2.98 | -39.3% | 10.97 | 10.55 | -3.8% |
| Profit Before Non Controlling Interest (Adjusted) # | 573 | 619 | 8.0% | 2,199 | 2,680 | 21.9% |

Quarter 4

- Increase in volume by 5.1% result in topline grew by 6.4%
- Profit before Exceptional Item & Tax up by 22%

Adjustment made as under :

2019 - Write back of deferred tax ₹ 103 crore on account of change in income tax rate

2018 - Write back of income tax ₹ 873 crore and exceptional expenses (net of tax ₹ 99 crore). For Q4 2018, exceptional expenses ₹ 68 crore (net of tax)

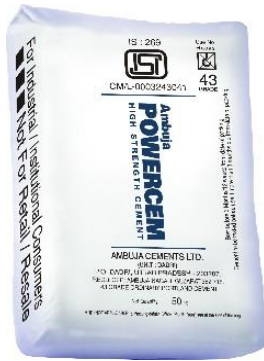
Ambuja Product Portfolio



Buildem



Powercem 53



Powercem 43



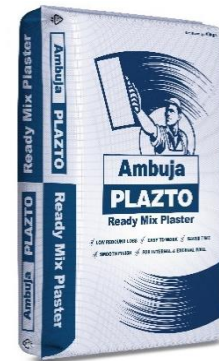
Railcem



RMC



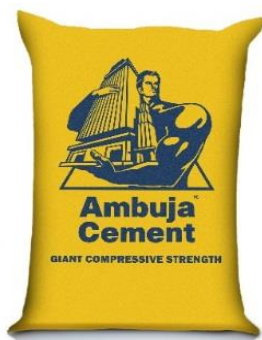
Seelan Seal



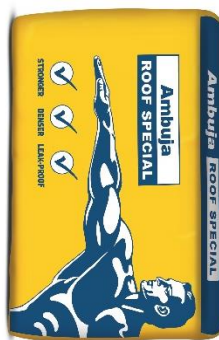
Plazto



ColorSave



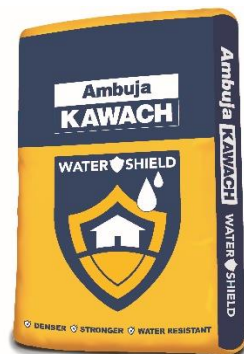
PPC



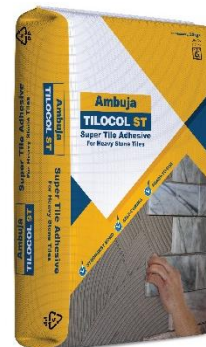
Roof Special



Compocem



Kawach



Tilocol ST



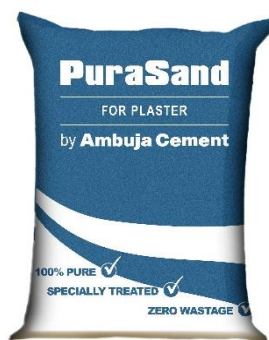
Tilocol VT



Tilocol MT



PuraSand



Blockol



Cool Wall

Sustainability - Progress of Sustainable Construction Initiatives 2019

Products, Solutions and knowledge/capability building



- Sold 24,150 MT (6.03 Lakhs bags) of Ambuja “PuraSand” in Mumbai Market. Work in progress on introducing “PuraSand” for Concrete application



- Ambuja Cement’s innovative green building offering – “Ambuja Plus Cool Walls” – for Individual Home Builders (IHBs) launched in 11 states. Sold 1,02,921 Cubic Meters of “Ambuja Cool wall blocks” and 94,207 Bags Ambuja “Blockol” jointing mortar



- Modular Curing Solution, a unique application enhances hydration process by preventing water / moisture evaporation was provided at 7,714 sites saving ~93 million litres water



- Creating awareness about Rain Water Harvesting & providing technical guidance for implementation
- Rain Water Harvesting provided at 893 sites, conserving ~75 million litres water per year



- Instant Mix Proportioning Solution provided at 43,433 saving ~54 million litres water
- Contractors/Masons Training provided to 16,082 persons
- Knowledge Sharing with 11,751 Professionals through Ambuja Knowledge Centres

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