

New Delhi, 10th May, 2017

Growing Naturally - Strong Performance

Dalmia Bharat Limited today announced its audited consolidated financial results for the Quarter and Year ended March 31, 2017.

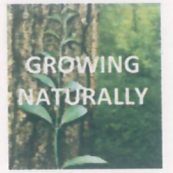
| Particulars (Rs. In Cr.) | Q4FY16 | Q4FY17 | Growth | FY16 | FY17 | Growth |
|------------------------------|--------|--------|-----------|-------|-------|--------|
| Sales Volume (in Mnt) | 3.88 | 4.55 | 17% | 12.79 | 15.30 | 20% |
| Total Income from Operations | 2,109 | 2,433 | 15% | 7,262 | 8,348 | 15% |
| EBITDA | 512 | 552 | 8% | 1,592 | 1,902 | 19% |
| Cash Profit | 368 | 423 | 15% | 1,091 | 1,311 | 20% |
| Profit Before Tax | 201 | 272 | 36% | 510 | 708 | 39% |
| Profit After Tax | 95 | 184 | 94% | 190 | 345 | 81% |
| EBITDA (Rs./Tonne) | 1,361 | 1,248 | -8% | 1,265 | 1,258 | -1% |
| EBITDA Margin | 27.0% | 25.2% | (179 bps) | 24.8% | 25.7% | 86bps |

Key Highlights for the year

- The Company had initiated **corporate restructuring** during the year, with an aim to achieve consolidation and simplification of structure. The restructuring process is expected to get completed in FY18.
- The Company during the year paid down the total **Gross Debt by Rs.722 crore**, higher than the scheduled repayments.
- The **Net Debt** as on March 31, 2017 stood at **Rs.5,233 crore**, reduced by **Rs.751 crore** during the year which resulted in the **Net Debt to EBITDA at 2.8x**.
- KKR sold 75,00,000 shares held by it in Dalmia Bharat Limited (DBL) on April 21, 2017. DBL received Rs.588 cr. from KKR as per the terms of the placement agreement approved by the shareholders in February, 2016. Pursuant to this, **Net Debt to EBITDA stands at 2.5x as on date**.

Dalmia Bharat Limited

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t 91 11 23465100 f 91 11 23313303 w www.dalmiabharat.com CIN : L40109TN2006PLC058818
Registered Office : Dalmiapuram, Dist. Tiruchirapalli, Tamil Nadu - 621 651, India
A **Dalmia Bharat Group** company, www.dalmiabharat.com



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Financial Performance

The Company delivered strong performance amidst challenging market conditions. Sales volume for the year was up **20% YoY** led by focused marketing efforts. Our market share in South & North East India improved significantly.

Higher EBITDA is on account of operational efficiencies, effective costs controls and flexibility in procurement and fuel usage. Despite increase in fuel prices, variable cost of production was lower by **6% YoY at Rs.1,320/T**. Fluid & Domestic petcoke was introduced in FY17 and its usage for the year was **7%** and for the quarter it stands at **15%**.

There were number of initiatives undertaken to drive savings in power cost. The power consumption cost reduced by **23% YOY to Rs.3.9/kwh in FY17**. The usage of captive renewable (solar power) and open access power helped in bringing enhanced efficiencies.

The Company has invested in making the processes **digitized**. The major benefit of the same has been realized in the area of logistics where we have been able to further optimize transport mode and market mix. It was a customer centric initiative with intent to provide greater satisfaction to dealers and end consumers. The freight cost has witnessed reduction of 3% YoY for the year despite increase in diesel prices.

On absolute basis **fixed cost** increased by 13% during the year. However, higher volumes helped in reducing the Fixed cost on per tonne basis **from Rs.978/T to Rs.962/T**.

We reinforced our commitment towards building strong brand value through launch of **DSP** (super premium cement) and as of date it comprises **10% of overall retail sales**.

Outlook

We expect cement demand to follow an upward trajectory due to concerted efforts by the Central Government on Infrastructure development and affordable housing. The Industry expects to witness less capacity additions in future due to increased entry barriers.

Dalmia Bharat has invested in building capabilities and is expected to grow at a steady growth rate, creating value to all our stakeholders.

For Dalmia Bharat Limited

Himmi Gupta

Investor Relations

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