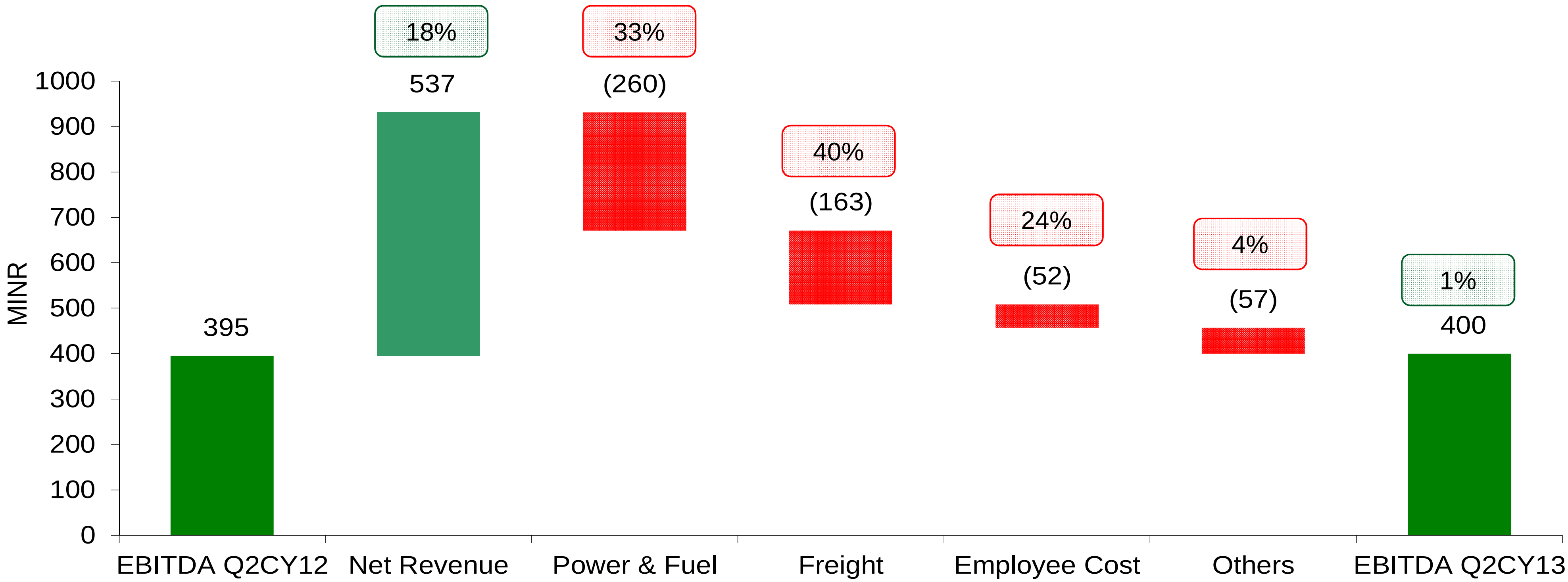
# HEIDELBERGCEMENT

## India Presentation

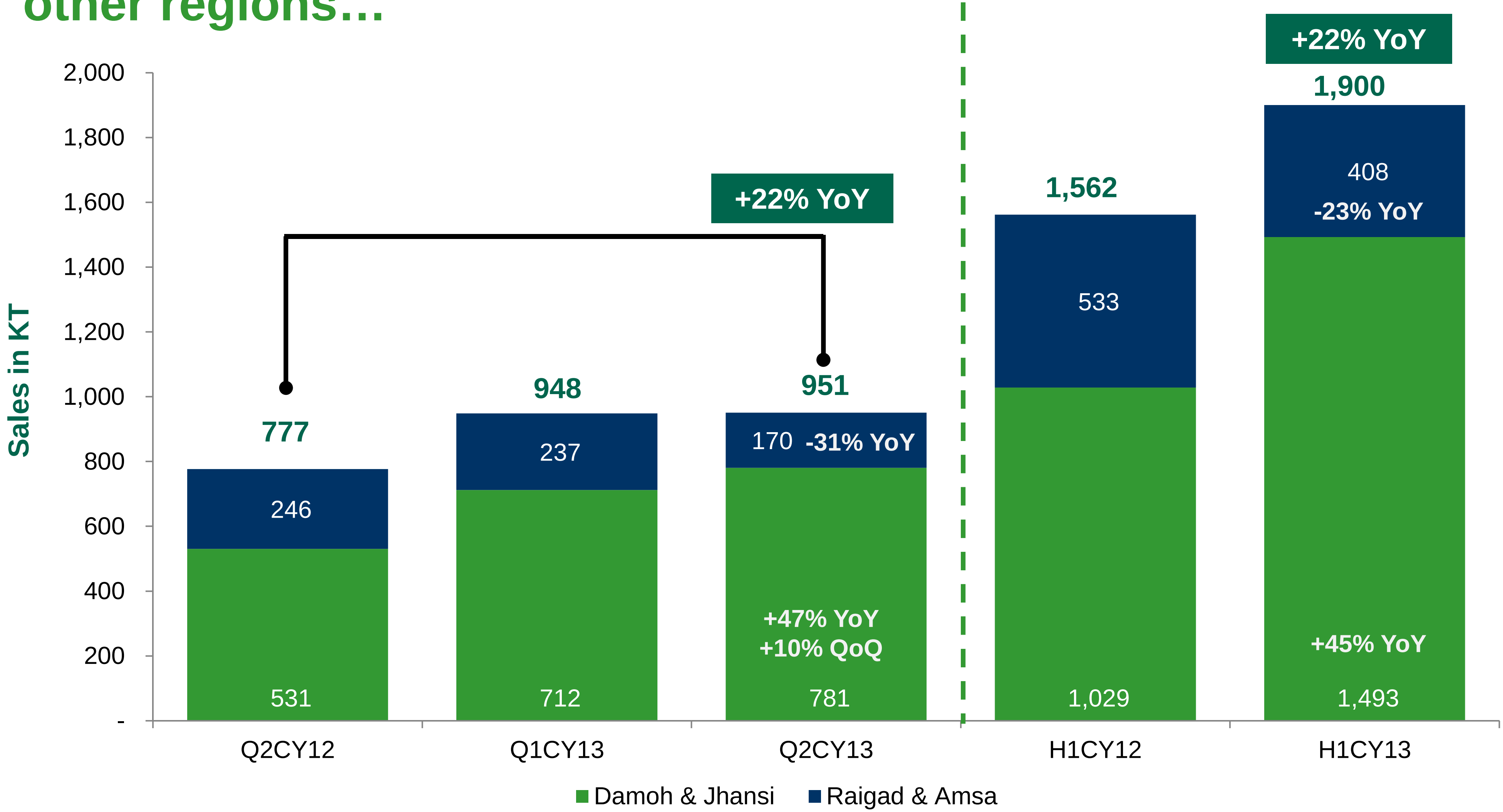
## July 31, 2013

# Operating Performance: Q2CY12 vs. Q2CY13




- HCIL's EBITDA increased from MINR 395 in Q2CY12 to MINR 400 in Q2CY13, an increase of 1.3%. EBITDA margin (% of net sales) decreased from 12.9% in Q2CY12 to 11.1% in Q2CY13.
- EBITDA per tonne decreased from INR 508 per tonne in Q2CY12 to INR 421 per tonne in Q2CY13, decrease of 17%.
- Revenue increased by 18% contributed by 22% increase in volumes from 777KT in Q2CY12 to 951KT in Q2CY13 and partially offset by 6.7% decrease in NSR (net of freight & forwarding charges) from INR 3,402 per tonne to INR 3,173 per tonne. Power and fuel cost increased by 33% and freight cost by 40%.

# Growth in Central India volumes partially offset by decrease in other regions…




**Share of Central India volumes increased from 66% in H1CY12 to 79% in H1CY13**

# Status Update: Damoh Jhansi Expansion

- **Jhansi**
  - Best day output of VRM 260 tph (against design of 215 tph).
- **Narsingarh, Damoh**
  - Best day output for Kiln – 5,025 tpd (against design of 5,000 tpd).
  - Stabilisation of OLBC and crusher system underway
- **Imlai, Damoh**
  - New ball mill : Best day output of ball mill 87 tph (against design of 80 tph)

## Status Update: Raigad Grinding Unit

- Board of Directors approved the sale of its cement grinding facility in Raigad, Maharashtra, to JSW Group, as a going concern on slump sale basis.
- HC India had been exploring possible ways of improving margins of this grinding unit including the possibility to scale up operations but the same was not feasible due to infrastructural bottlenecks.
- The disposal is in line with HeidelbergCement’s philosophy of divesting less strategic assets with lower margins to focus on more strategic and key operations in Central India
- The parties are currently negotiating and finalizing the transaction documents. The transaction is subject to all relevant approvals including that of shareholders.

# Disclaimer

**Cautionary statement regarding forward looking statements**

This presentation may contain certain forward-looking statements relating to the Company's future business, developments and economic performance.

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