Hindalco announces Q2FY 2013-14 standalone results [unaudited]

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Financial highlights

(In Rs. crore)	**Q2FY14**	**Q2FY13**	**Q1FY14**	**H1FY14**	**H1FY13**
Revenue from Operations	**6,305**	**6,164**	**5,838**	**12,143**	**12,191**
EBITDA	**540**	**515**	**478**	**1,018**	**978**
Other income	119	132	225	344	304
PBITDA before Non-recurring Income	**659**	**648**	**703**	**1,362**	**1,282**
Non-recurring Income	161	-	203	364	130
PBITDA	**820**	**648**	**906**	**1,726**	**1,412**
Depreciation	196	173	183	379	343
Finance Costs	183	28	149	332	109
Profit before tax	**440**	**447**	**575**	**1,015**	**960**
Tax Expenses	83	88	101	184	176

357	359	474	831	784
1.83	1.87	2.48	4.32	4.09

escriptions and/or figures of earlier periods have been regrouped to conform to current practices.

Hindalco, the flagship company of Aditya Birla Group, today announced its unaudited results for the quarter ended September 30, 2013.

Operational performance in Q2FY14 improved over Q2FY13 as well as over Q1FY14. The average aluminium LME in Q2FY14 dropped by around 3 per cent and 7 per cent respectively from the levels seen in Q1FY14 and in Q2FY13. The decline was offset by the depreciating Rupee.

The performance of Copper Business has improved significantly compared to Q1FY14.

The results of Q2FY14 include a non-recurring income of Rs.61 crore and a dividend of Rs.100 crore from subsidiary companies. Other income was impacted by lower treasury yield due to liquidity tightening.

Finance costs were higher, given higher average borrowing.

Business results

Aluminium

Aluminium sales grew by 11 per cent to Rs.2,343 crore from Rs.2,105 crore in Q2FY13 on the back of higher volumes. Aluminium EBIT stood at Rs.166 crore against Rs.170 crore in Q2 FY13.

Total metal production stood at 132 Kt (excluding production at Mahan) for the quarter compared to 128 Kt in Q2FY13. Production of Alumina (excluding production at Utkal Alumina) in Q2FY14 was higher at 334 Kt vs 328 Kt in Q2FY13, but was lower compared to

Kt in Q1FY14 mainly due to a planned ramp down at one of the

duct sales stood at 65 Kt vs. 62 Kt in Q2FY13 and

. The Silvassa foil plant continues to be under lock-out. An application for closure of the Silvassa foil plant has been filed on 3 October 2013 before the concerned authorities.

The capital employed in the Aluminium Business was nearly Rs.34,300 crore as on September 30, 2013, of which around Rs.25,120 crore pertained to the Greenfield investments, viz., Mahan, Hirakud FRP and Aditya Aluminium Projects.

Copper

Copper sales stood at Rs.3,974 crore, with EBIT at Rs.239 crore vs. Rs.209 crore in Q2FY13 and Rs.81 crore in Q1FY14.

Cathode production was at 77 Kt as against 78 Kt in Q2FY13 and 68 Kt in Q1FY14. The value-added CCR production was maintained at 36 Kt vs 37 Kt in Q2FY13.

The capital employed in Copper Business was around Rs.5,375 crore.

Greenfield projects

The production ramp-up at Mahan smelter and at Utkal Alumina refinery is underway as planned. In Q2FY14, the Mahan smelter produced 7.4 Kt metal and Utkal refinery produced 41 Kt of hydrate as alumina equivalent.

The Aditya Aluminium smelter is in an advanced stage of completion and is gearing for the first metal tapping.

Company outlook

The long spell of subdued LME has adversely affected the global aluminium industry and its margins and production levels significantly. Greenfield projects are ramping up as planned, however EBITDA streams will take time to scale up with delayed access to captive coal. With improving TcRc. The Copper Business is expected to have a stable outlook despite a sharp drop in by-

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