



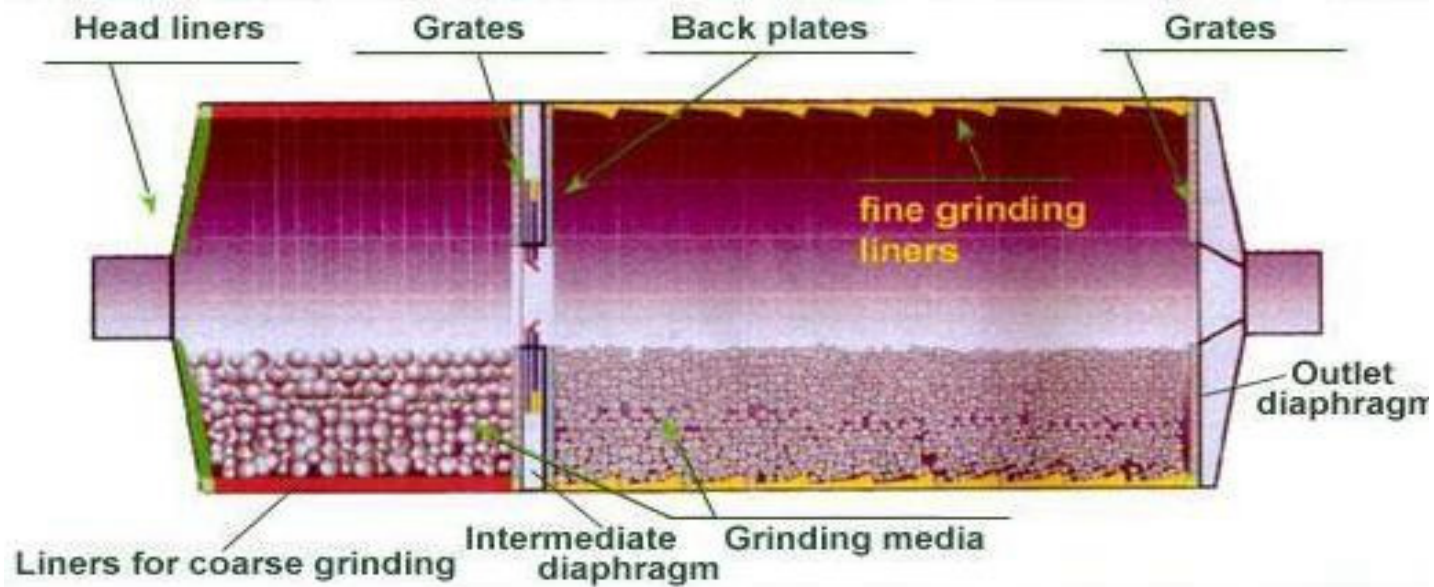
AIA Engineering Limited

Company Presentation

July 2014

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High Chromium wear resistant parts for grinding & crushing equipment

Industry: Mill Internals (cont'd)

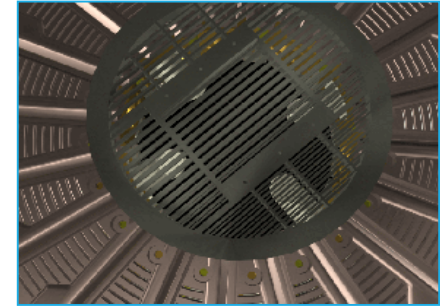
Grinding Media



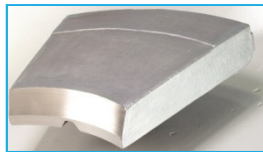
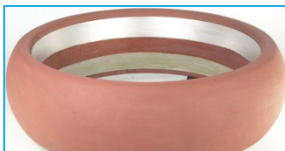
Liners



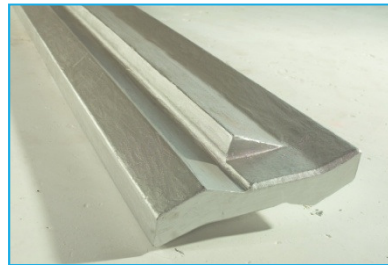
Diaphragm



Rollers & Table liners



Blow bars / Hammers

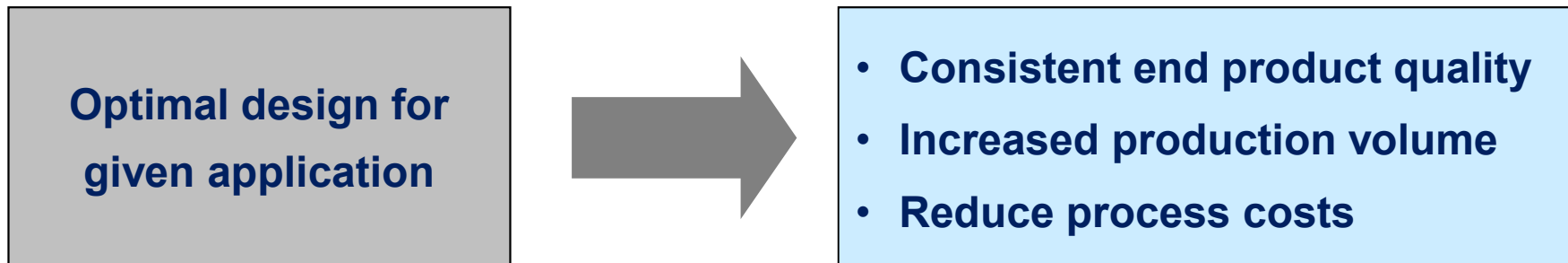


Dipping Tubes

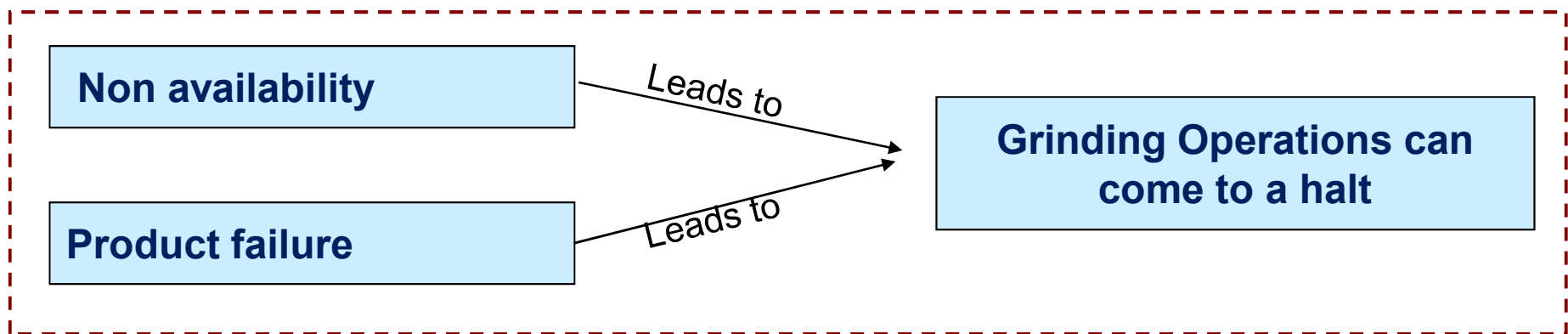


Cement & Mining as key end-user industries

Process Critical Input for Grinding



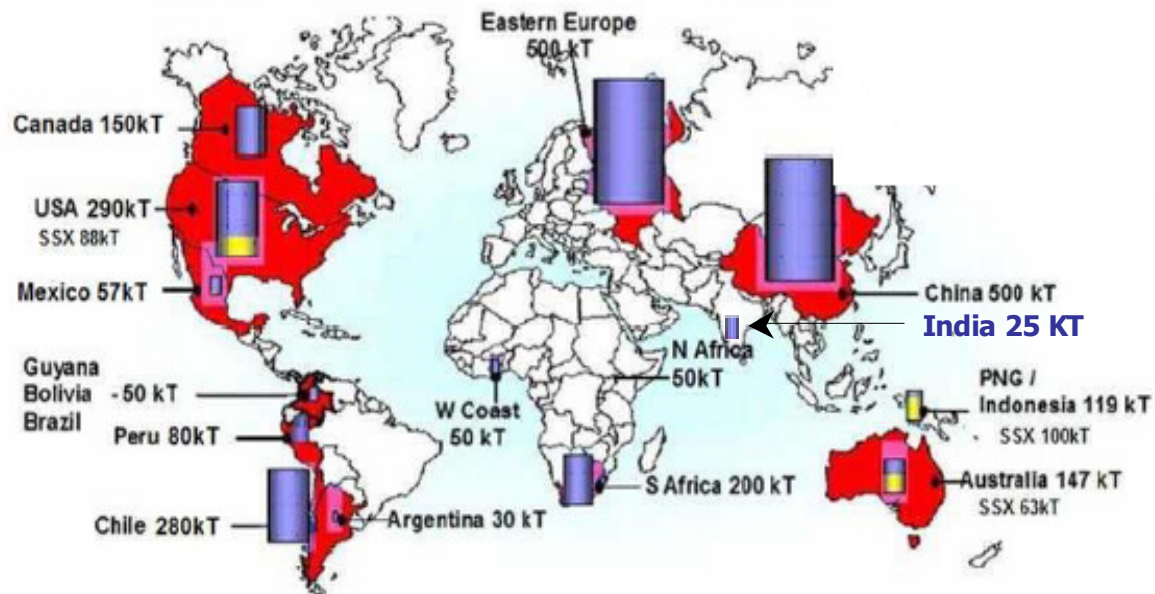
A small component of grinding cost, but essential for continuous production



Industry Size



AIA Engineering Ltd.



Mining Sector Demand at
2.4 mn MT

Estimated Cement production (mn MT)	Estimated Consumable Wear Parts (mn MT)
2500	300,000

Cement Sector Demand at
300,000 MT

- **Global market for Mill Internals for mining and cement sectors estimated at 3 mn MT (Rs 125 bn) and growing at 4-5% per annum**
 - ❑ Mill internals are consumables in grinding mills
 - ❑ Their design and properties (abrasion, corrosion, impact resistance) are critical to grinding process efficiency
- **Demand driven by new projects and replacement for wear parts**
- **Industry moving from cost of parts to total cost of ownership, driving innovation in product development and total solutions**
 - ❑ Move from forged grinding media to high chrome cast media
 - ❑ Total solutions include design of parts, metallurgy to meet the specific requirement of the material being ground – varies from plant to plant



AIA Engineering Ltd.

2. Introduction

2.1 Introduction



AIA Engineering Ltd.

- As an introduction, AIA currently has capacity to manufacture 260,000 MT of high chromium wear parts and is pursuing capacity expansion program to reach 440,000 MT.

- In this presentation we have shared an overview of the industry and AIA Engineering (“AIA”) in the following three sections:
 - Company overview
 - Financial snapshot
 - Growth strategy



AIA Engineering Ltd.

3. Company overview

3.1 Company description



AIA Engineering Ltd.

Niche player with world wide presence

Description

- **Core Competence:** Design, develop, manufacture and service impact, abrasion and corrosion resistant castings
- **Focus:**
 - Metallurgy
 - New Product Development
 - Grinding Process Technology
- **Metallurgical Solutions:**
 - Steels and Irons having upto 32% Chrome
 - Ceramic composites with steel or chrome iron base
- **Products:** grinding media, mill liners, diaphragms, vertical mill parts and crusher parts
- **Customers:** Cement, Mining, Thermal Power Plants and Aggregates in more than 90 countries
- **Global Presence:** offices, warehouses, sales network
- **Supply contracts:** global Mining and Cement majors such as Anglo, Rio Tinto, Vale, Arcelor Mittal, Barrick Gold, Holcim, Lafarge, Cemex, etc.
- **OEM supplies:** FLS, ThyssenKrupp, Outotec, Losche, Pfeiffer, etc

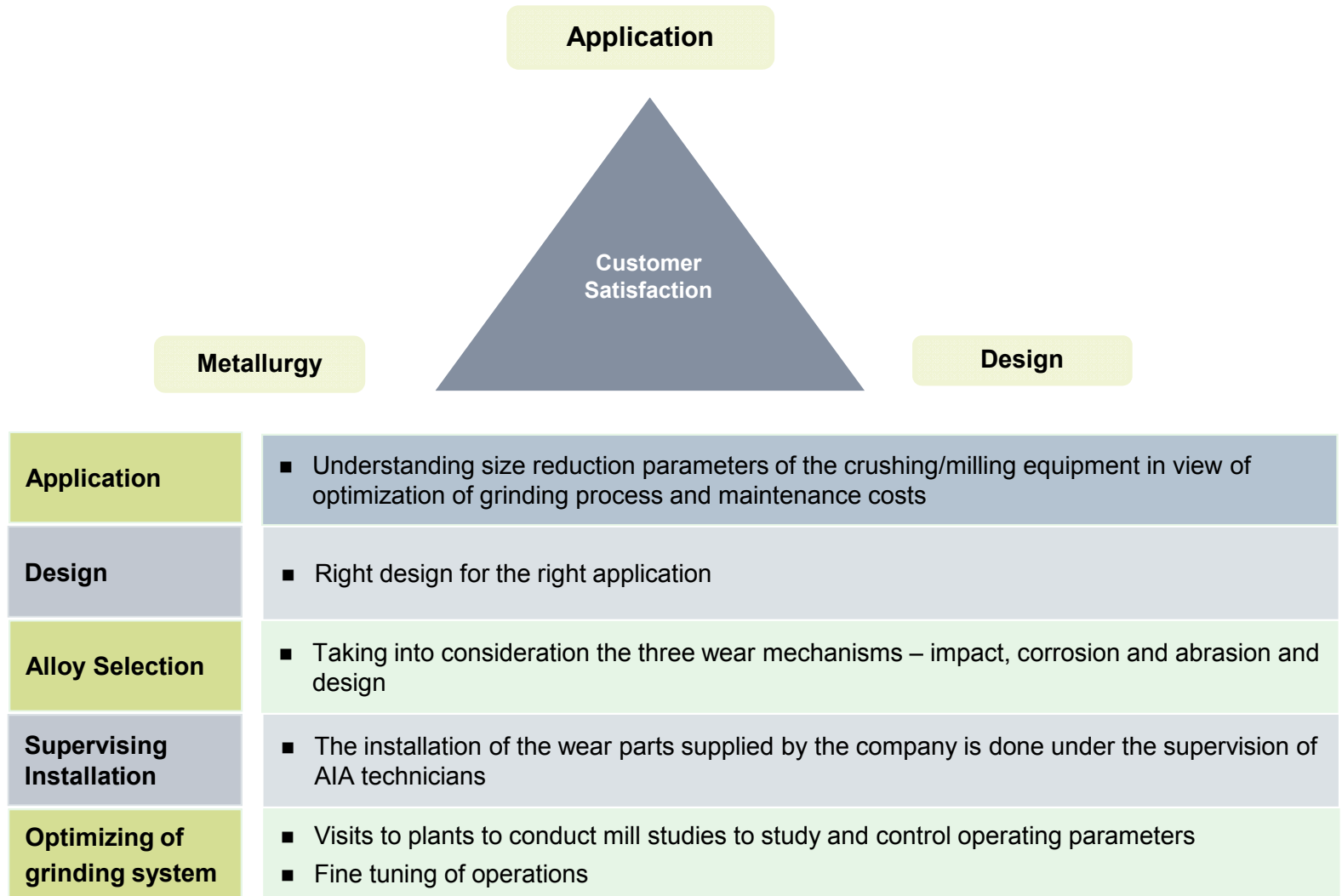
Financials

US\$ m	FY11	FY12	FY13	FY14
Sales	256	266	311	336
growth %	4	4	17	8
EBIDTA	62	56	61	84
margin %	24	21	20	25

Milestones

2001	Exit from JV : Capacity 20,000 Mt
2008	Commissioned 100,000 Mt Grinding Media Plant
2009	Started supply to Mining Companies
2011	Enhanced Capacity to 200,000 Mt
2013	100,000 Mt annual sales to Mining Companies

3.2 Business Approach : DIFFERENTIATION



3.3 Growth Strategy

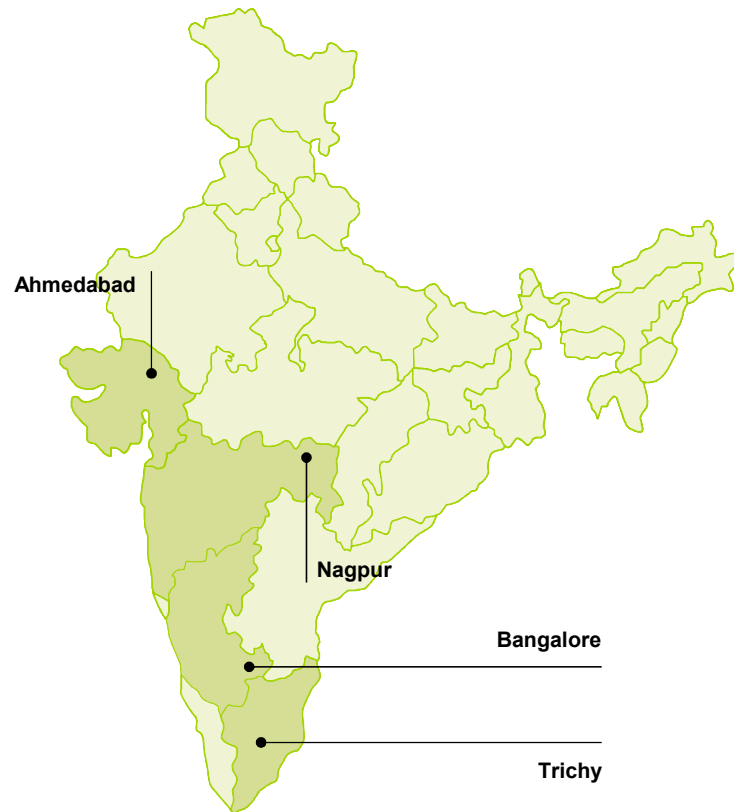


AIA Engineering Ltd.



3.4 Production capacity

Plant locations



Capacity (Mt)

Current installed capacity	Proposed addition (Greenfield)	Total capacity post addition
260,000	180,000	440,000



AIA Engineering Ltd.

4. Financial snapshot

4.1 Financial overview

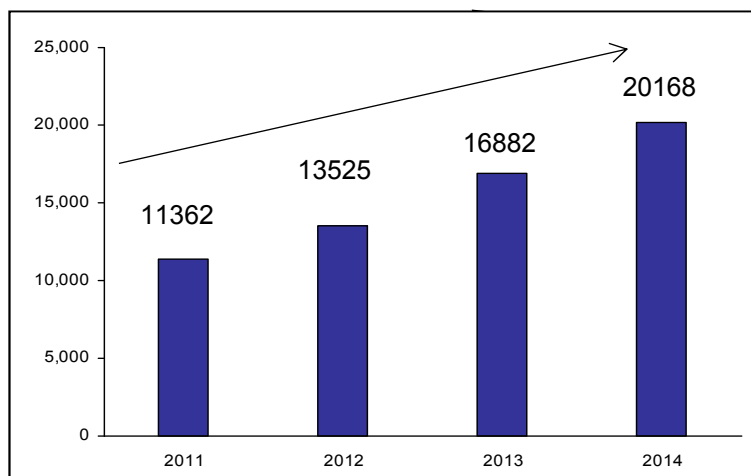


AIA Engineering Ltd.

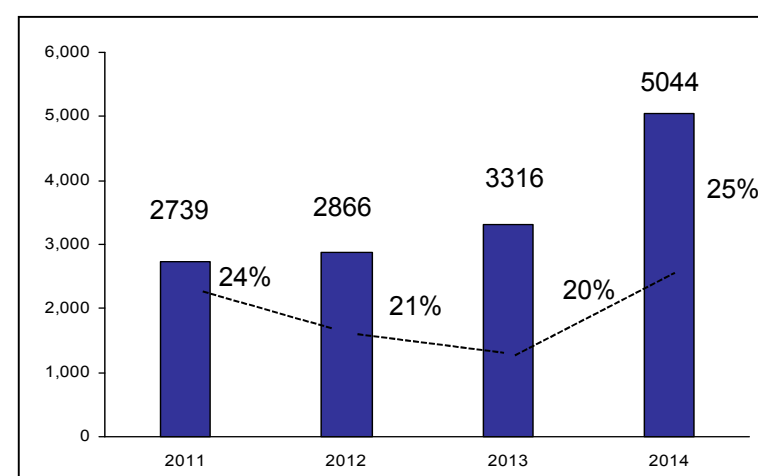
Select performance Indicators

AIA has grown at a CAGR of c. 22% over last 3 years, and consistently maintained ROCE of c.20%

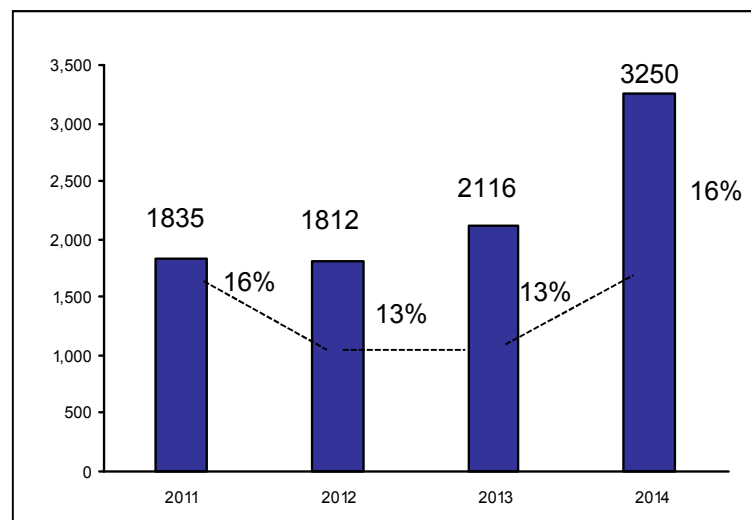
Sales Growth (INR) m



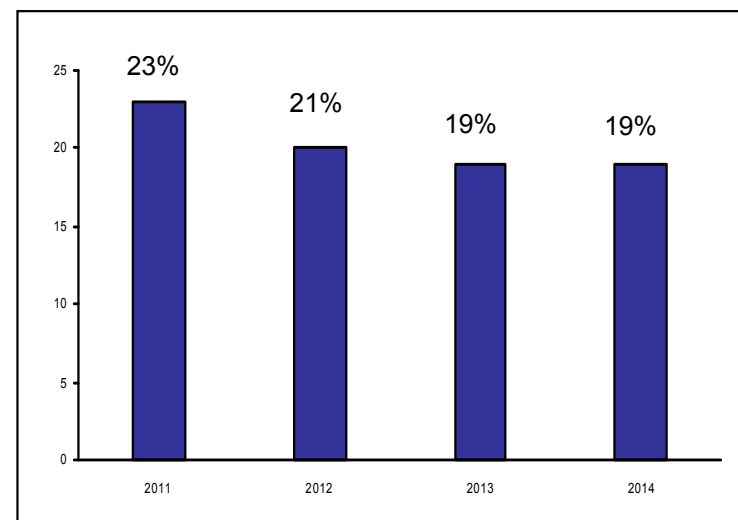
EBIDTA (INR) m and EBIDTA margin (%)



PAT (INR) m and PAT margin (%)



ROCE (%)



Thank you