

PRISM[®]
CEMENT
दूर की सोच[®]

 **JOHNSON**[®]
Not just tiles, Lifestyles.[®]


Complete Concrete Solutions

PRISM JOHNSON LIMITED

(Formerly Prism Cement Limited)

AMONGST INDIA'S LEADING INTEGRATED BUILDING MATERIALS COMPANY

Investor Presentation
For the Quarter ended June 2019

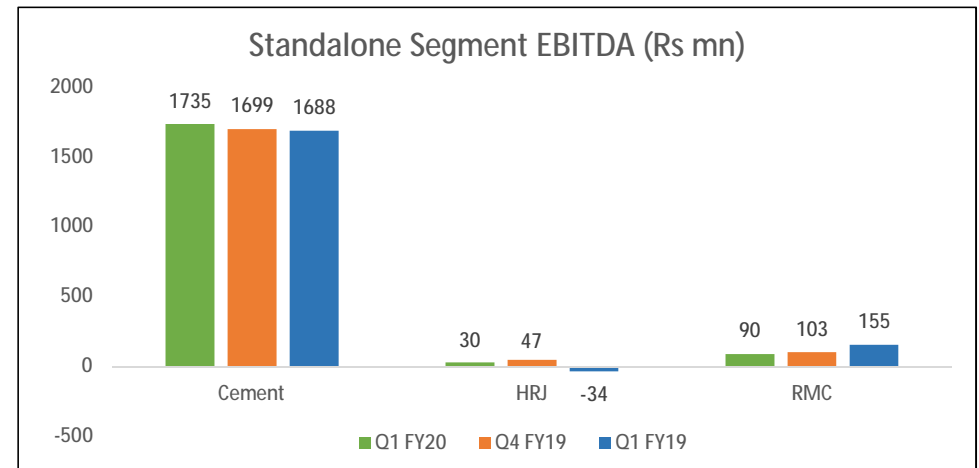
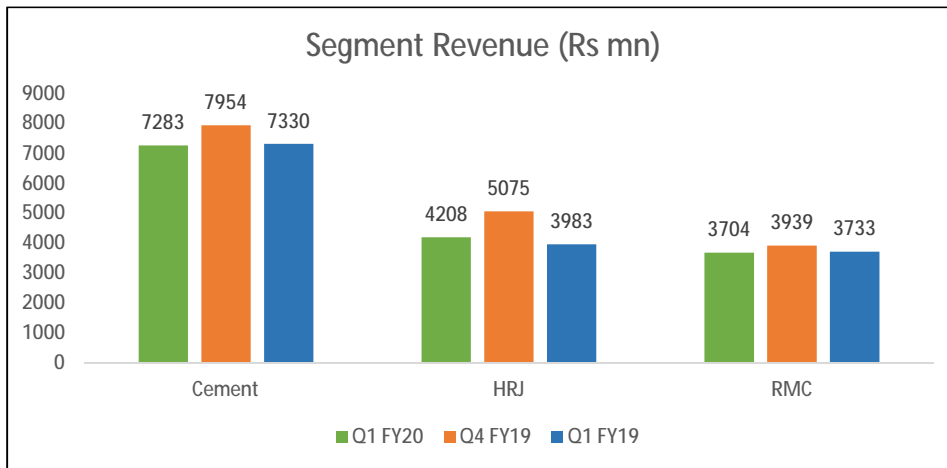
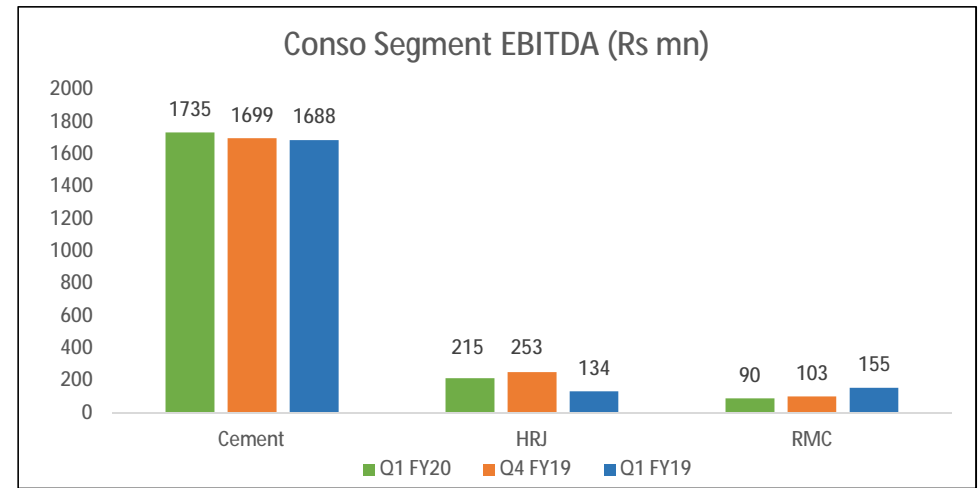
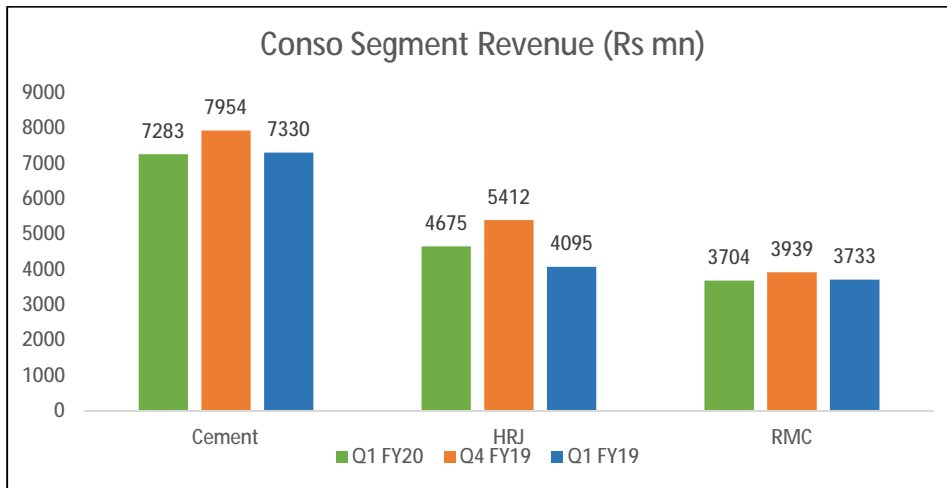
July' 19

Quarter ended June 2019 – Executive Summary

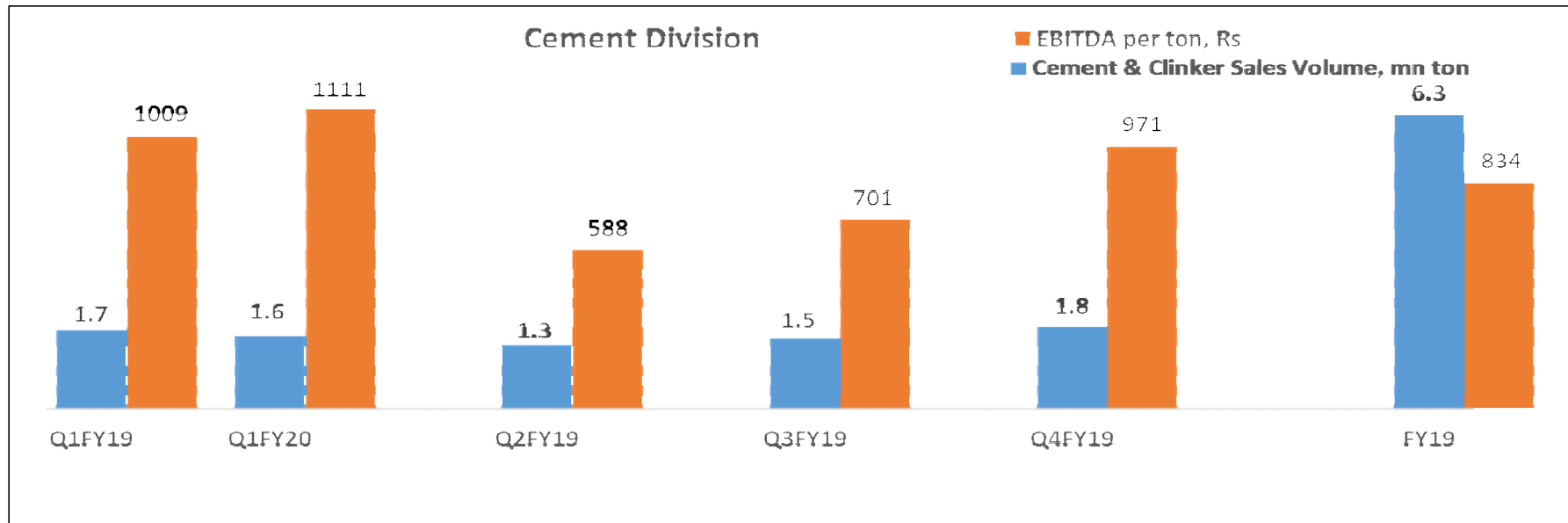


- ❑ Overall performance during the quarter ended June 2019 is encouraging amidst on-going liquidity tightness and general slowdown. Consolidated EBITDA (ex of insurance subsidiary) saw a modest growth of ~3% to ₹ 2040mn
- ❑ The Company has announced an interim dividend of ₹ 1 per share (Previous year - ₹ 0.50 per share)
- ❑ Cement volumes grew by a modest ~2% on yoy basis. However combined cement & clinker volume declined by ~7% as compared to quarter ended June 2018. The decline is attributed to sharp fall in clinker volumes. Premium products volumes continue to improve and were at ~19 % of overall cement volumes
- ❑ Cement Division's EBITDA ₹ per ton improved to ₹ 1,111 as against ₹ 1,009 reported during the quarter ended June 2018. The improvement was mainly on account of higher realizations offsetting the overall increase in costs
- ❑ Consolidated HRJ revenues increased by 14% on yoy basis. Sanitaryware & faucets revenues increased by ~37%. During the quarter tiles volume growth was 3%. Net working capital continues to remain under control
- ❑ Consolidated HRJ EBITDA margins were at 4.6% as compared to 3.3%, reflecting EBITDA growth of ~60% to ~₹ 210mn
- ❑ Ready Mixed Concrete business performance was impacted by surge in cement prices. RMC Division reported flattish revenue at ₹ 3704mn. EBITDA declined to ₹ 90 mn as compared to ₹ 155 mn reported during the quarter ended June 2018
- ❑ Standalone Debt (net of cash) stood at ~ ₹ 14 bn as on June 2019. Consolidated Debt (net of cash and ROBE) stood at ~ ₹ 18.3 bn as on June 2019
- ❑ India Ratings, recognizing the performance of the Company over the recent quarters has upgraded the Credit Rating of Long-term facilities from 'IND A-/Positive' to 'IND A/Stable'

Quarter ended June 19 – PJI Consolidated (ex RQBE) and Standalone Financials



Prism Cement – EBITDA improvement on the back of higher realizations



- q Cement volume inched 2% on yoy basis. Cement and clinker volume growth declined by ~7% due to sharp fall in clinker volumes
- q EBITDA per ton at ₹ 1,111 was up ₹ 102 on yoy basis. While the overall cost went up, mainly on account of power & fuel and staff expenses, better realizations led to improvement in EBITDA
- q During the quarter the Division has commissioned 6MW of solar power out of the 15MW planned capacity. Balance capacity and additional 10MW solar capacity would be commissioned during the year
- q Work in progress in case of 22.5MW WHRS is on schedule and commissioning is expected by June 2020
- q Division has been declared as the Winner of Special Commendation for 'Golden Peacock Environment Management Award' for the year 2019

Marketing & Branding Activities and Recognition



Promotion
thru
delivery
van



Promotion
thru wall
painting

Winner of
Special
Recomm-
endation

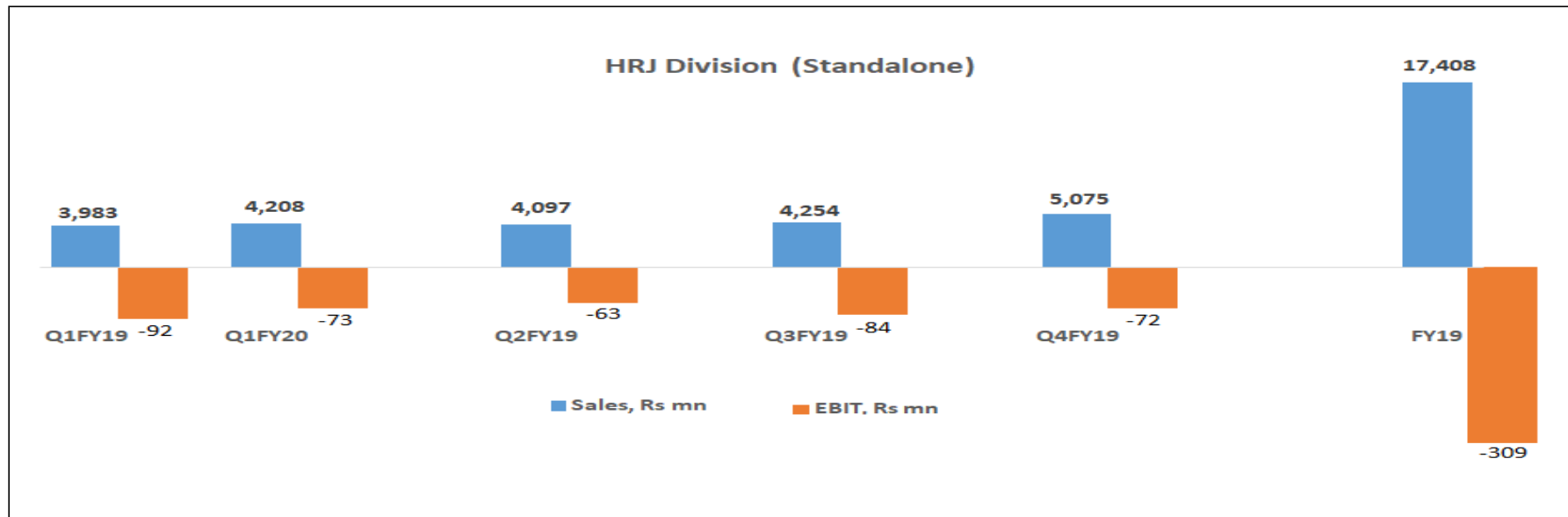
Promotion
at dealer's
office



Golden Peacock Awards
A Strategic Tool to Lead the Competition



HRJ – Operating leverage at work



- q During the quarter tiles volume grew by 3% on yoy basis. Net working capital management continues to remain under control.
- q Consolidated revenues up ~14% yoy to ₹ 4675mn. Sanitaryware & faucets revenues increased by ~37%
- q Consolidated EBITDA margins are at ~4.6% compared to ~3.3% for quarter ended June'18. Consolidated EBIT was at ₹ 8mn
- q Division continues to invest in marketing and distribution activities. During the quarter, Division opened two Display Centres at Varanasi and Thiruvananthapuram, totalling to 13 Display Centres in operations

Customer engagement – Two new Display Centre and Brand recognition



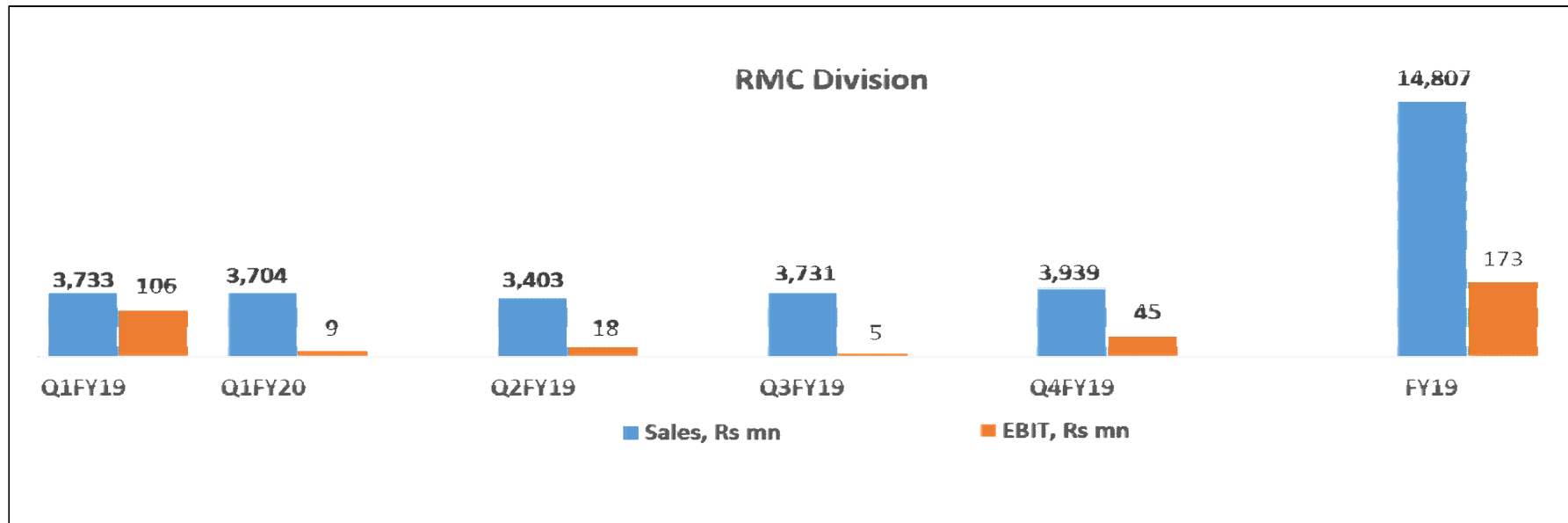
VARANASI



THIRUVANANTHAPURAM



RMC (India) – Performance impacted as cement price hike usually gets passed on with phase lag



- Q During the quarter, revenues were nearly flat at ₹ 3704mn as compared to Q1FY19, on the back of liquidity tightness and slowdown in real estate sector
- Q EBIT declined during the quarter due to steep increase in cement prices.
- Q Focus continues on improving utilization levels and increase in value added products in the Individual Housing Segment

RMC (India) – Product display at Galleries



Cochin

Goa

Noida

Mohali

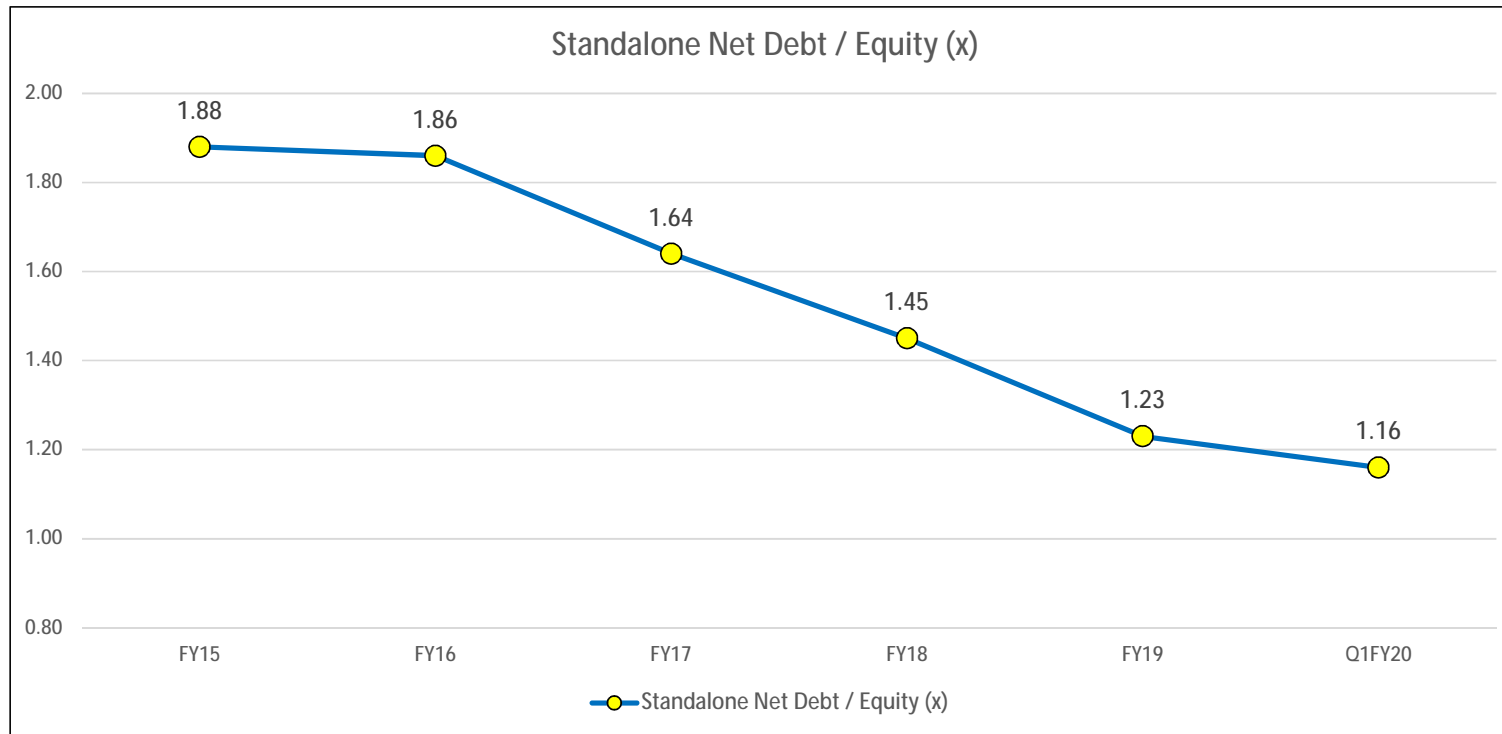
Thiruvananthapuram

Debt/Equity ratio trending down has continued in Q1FY20

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- The Company has reduced standalone debt (net) for four consecutive years
- Improved performance over the last few years resulted in Debt / Equity ratio trending down over the years

Raheja QBE General Insurance (RQBE) – future plans

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- q Joint Venture with QBE group of Australia with Prism Johnson stake at 51%.
 - q General Insurance industry CAGR at 17% in last 18 years continues its upwards trajectory
 - q India is currently the 4th largest non-life insurance market in Asia
- q Raheja QBE till recently had a liability led specialist insurance focus. Underlying ambition of Raheja QBE is to be an insurer which builds the strongest bond with its customers through best in class customer service
- q Plans to develop its capabilities in the personal lines space by increasing its product bouquet for the end customer in motor and health insurance
- q The leadership team to drive this next phase of growth has joined in. There is ongoing effort to put in place processes to have strong all round capabilities in readiness for Raheja QBE's retail push
- q Raheja QBE has identified the technological solutions which will help them achieve their growth aspirations for the next 5 years and is in the process of implementing it
- q Q1FY20 financials:
 - q Gross written premium - ₹ 299.9mn, growth of 13% over Q1FY19
 - q Profit / (Loss) before tax - ₹ (126mn) as compared to - ₹ (29mn) in Q1FY19

About **PRISM JOHNSON LIMITED**



PRISM JOHNSON LIMITED is one of India's leading integrated Building Materials' Company, with a wide range of products from cement, ready-mixed concrete, tiles and bathroom products.

Prism Cement

Prism Cement manufactures Cement with the brand name 'Champion' and premium quality grade of cement under 'Champion Plus' and 'DURATECH' brand. It caters mainly to markets of Eastern UP, MP and Bihar, with an average lead distance of ~388 kms for cement from its plant at Satna, MP. Wide marketing network with ~3,830 dealers serviced from ~200 stock points.

H & R Johnson (India)

Established in 1958, H & R Johnson (India) is the pioneer of ceramic tiles in India. HRJ offers end-to-end solutions of Tiles, Sanitaryware, Bath Fittings and Engineered Marble & Quartz. All the products are sold under 4 strong brands, viz. Johnson, Johnson Marbonite, Johnson Porselano and Johnson Endura. In ceramic / vitrified tiles, HRJ along with its Joint Ventures and subsidiaries has a capacity of over 68 million m² per annum spread across 13 manufacturing plants across the country which is one of the largest in India.

RMC (India)

RMC (India) is one of India's leading ready-mixed concrete manufacturers. RMC currently operates 102 ready-mixed concrete plants in 44 cities/towns across the Country. RMC has ventured into the Aggregates business and operates large Quarries and Crushers. At present, RMC has 5 Quarries across the country. RMC has been at the forefront in setting high standards for plant and machinery, production, safety standards, quality systems and product services in the ready-mixed concrete industry.

About PRISM JOHNSON LIMITED



Investor Relations

PRISM JOHNSON LIMITED is committed to creating long-term sustainable shareholder value through successful implementation of its growth plans. The company's investor relations mission is to maintain an ongoing awareness of its performance among shareholders and financial community.

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Safe Harbor

Certain statements in this release concerning our future growth prospects are forward-looking statements which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company.