



Investor Update

May 27, 2014

Prism Cement Limited today announced audited financial results for the year ended March 31, 2014

Financial Overview (Audited for the Year ended March 31, 2014)

(Figures in ₹ Crores unless mentioned otherwise)

| Particulars | Stand-alone | | Consolidated | |
|--|-------------|---------|--------------|---------|
| | 2013-14 | 2012-13 | 2013-14 | 2012-13 |
| Sales | 5,345 | 5,124 | 5,458 | 5,211 |
| Profit / (Loss) before Other Income, finance cost, tax, depreciation, and exceptional items | 140 | 260 | 179 | 306 |
| Profit / (Loss) before Other Income, finance cost, tax, and exceptional items | (36) | 100 | (21) | 126 |
| Profit / (Loss) before tax | (128) | (83) | (129) | (85) |
| Net Profit / (Loss) after tax | (82) | (59) | (85) | (61) |
| Share of minority interest | - | - | (1) | (2) |
| Net Profit / (Loss) after tax, minority interest, and share of profit / (loss) of associates | (82) | (59) | (86) | (63) |
| EPS* (Rs.) | -1.66 | -1.21 | -1.76 | -1.27 |

* EPS has been computed without considering the shares held by the Prism Trust.

Segmental Results

(Figures in ₹ Crores unless mentioned otherwise)

| Particulars | Stand-alone | | Consolidated | |
|------------------------|-------------|---------|--------------|---------|
| | 2013-14 | 2012-13 | 2013-14 | 2012-13 |
| Segment Revenue | | | | |
| a) Cement | 1,947 | 1,882 | 1,947 | 1,882 |
| b) TBK | 1,892 | 1,775 | 1,916 | 1,781 |
| c) RMC | 1,143 | 1,128 | 1,143 | 1,128 |
| d) Others | - | - | 51 | 47 |

| Segment Results | | | | |
|-------------------------|--------------|--------------|--------------|--------------|
| a) Cement | (24) | 65 | (24) | 65 |
| b) TBK | 118 | 15 | 127 | 34 |
| c) RMC | 10 | 22 | 10 | 22 |
| d) Others | - | - | 6 | 5 |
| Capital employed | | | | |
| a) Cement | 1,591 | 1,515 | 1,591 | 1,515 |
| b) TBK | 838 | 845 | 1,150 | 1,128 |
| c) RMC | 225 | 244 | 225 | 244 |
| d) Others | - | - | 151 | 146 |
| 3) Unallocated | (1,646) | (1,514) | (2,058) | (1,884) |
| TOTAL | 1,008 | 1,090 | 1,059 | 1,149 |

Performance Review and key developments

For the year ended March 31, 2014, Company produced 37.47 lakh tons of clinker and 47.81 lakh tons of cement. The Company despatched 2.91 lakh tons of clinker and 48.04 lakh tons of cement, aggregating to 50.95 lakh tons as against 0.46 lakh tons of clinker and 47.14 lakh tons of cement, aggregating to 47.60 lakh tons during the previous year.

Prices of cement improved during the Quarter and volumes were higher as compared to Q3, FY 14 on account of relatively better demand. These factors along with stabilization of pet coke usage in manufacturing process resulted in higher margins for the Division.

The Company has obtained all statutory clearances for the operation of its Coal Mine at Chhindwara, Madhya Pradesh and has commenced mining of coal from the month of March 2014. The mined coal is used for captive consumption at its cement plant located at Satna, Madhya Pradesh.

H & R Johnson (India) (HRJ) Division operates in the TBK (Tile Bath Kitchen) Segment. The Division's sales revenues during the Quarter were ₹ 624 Crores. The capacity utilization of the Division increased during the Quarter with successful implementation of coal gassifiers at the two plants in AP. As a result, the sales of the Division during the Quarter increased by 45% as compared to Q3, FY14. The Division rolled-out the TV advertisement featuring Ms. Katrina Kaif for Johnson Bathrooms (<http://www.youtube.com/watch?v=mp-Q1SzR40E>). Natural Gas Pipe line connectivity by GAIL for Karnataka plant has also been completed recently.

The RMC Readymix (India) (RMC) Division witnessed positive signs of recovery during the Quarter. On a QoQ basis, sales turnover increased by 7%. However, profitability of the Division during the year was under pressure due to lower capacity utilization and increase in costs, especially fuel.

Expansions

Mine development activities for the cement plant at Kurnool District, Andhra Pradesh are in progress. Project activities will be taken up at an appropriate time.

Industry Scenario / Future Outlook

With key initiatives on the cost front at Prism Cement Division implemented, the Division is on a stronger footing with a cost competitive structure. Moreover, with a stable government and consequent optimism, the demand for cement should improve in the medium term which bodes well for the Division.

The robust distribution network, strong brand equity, wide-spread manufacturing locations, and a comprehensive product portfolio of tiles, baths, and kitchens enable H & R Johnson (India) Division to enjoy a distinct competitive advantage over others in the market. Moreover, with the successful completion of recent initiatives to reduce power and fuel cost, the Division is poised for better capacity utilization.

The Ready-mixed Concrete Industry in India is over 15 years old and was growing at a healthy rate till two years back. However, due to uncertainties in the prevailing economic and political environment, volume growth for the industry in the last few quarters has been under pressure. The markets in most of the metros are expected to see a turnaround in the medium term as economy picks up. With the Mega Projects Vertical, RMC Division is focusing on infrastructure segment as well. The markets in tier 2 & tier 3 cities have also been showing maturity which will help the industry's growth.

About Prism Cement Limited

Prism Cement Limited is one of India's leading integrated Building Materials' Company, with a wide range of products from cement, ready-mixed concrete, tiles, bath products to kitchens. The company has three Divisions, viz. Prism Cement, H & R Johnson (India), and RMC Readymix (India). Prism Cement Limited also has a 74% stake in Raheja QBE General Insurance Company Limited, a JV with QBE Group of Australia.

The equity shares of the company are listed on the Bombay and National Stock Exchanges.

Prism Cement

Prism Cement commenced production at its Unit I in August, 1997 and Unit II in December, 2010. It manufactures Portland Pozzolana Cement (PPC) with the brand name 'Champion' and Ordinary Portland Cement (OPC). It has recently launched premium quality grade of cement under 'HI-TECH' brand. Prism Cement has the highest quality standards due to efficient

plant operations with automated controls. It caters mainly to markets of UP, MP and Bihar, with an average lead distance of 405 kms from its plant at Satna, MP. It has a wide marketing network with about 3,700 dealers serviced from ~100 stocking points.

H & R Johnson (India)

Established in 1958, H & R Johnson (India) is the pioneer of ceramic tiles in India. For over five decades, HRJ has added various product categories to offer complete solutions to its customers. Today, HRJ enjoys the reputation of being the only entity in India to offer end-to-end solutions of Tiles, Sanitaryware, Bath Fittings, Kitchens, and Engineered Marble & Quartz. All the products are sold under 3 strong brands, viz. Johnson, Johnson Marbonite, and Johnson Endura. In ceramic / vitrified tiles, HRJ along with its Joint Ventures and subsidiaries has a capacity of over 54 million m² per annum spread across 9 manufacturing plants across the country which is the largest in India.

RMC Readymix (India)

RMC Readymix (India) is one of India's leading ready-mixed concrete manufacturers, set-up in 1996. RMC currently operates 90 ready-mixed concrete plants in 37 cities/towns across the Country. Further, the Division has been able to secure new positions in its existing markets which will help it to maintain its growth. RMC has also ventured into the Aggregates business and operates large Quarries and Crushers. At present, RMC has 7 Quarries across the country. RMC has been at the forefront in setting high standards for plant and machinery, production and quality systems and product services in the ready-mixed concrete industry.

Investor Relations

Prism Cement 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.

For additional information, please contact:

Mr. Aditya Bob Mahendru
General Manager (Corporate Planning)
Prism Cement Limited

Tel: 91-22-6675 4142-46

Email: abmahendru@prismcement.com

Website: www.prismcement.com

Address:

"Rahejas", Main Avenue, V. P. Road
Santacruz (W), Mumbai—400 054

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.