

PRESS RELEASE

IFGL Refractories 9MFY16 Income at Rs. 544.1crs

Consolidated Normalized EBITDA margin at 12.5%

06th February, 2016, Kolkata – The Board of Directors of IFGL Refractories Limited (the Company) in their meeting held today have approved Un-audited financial results both on standalone and consolidated basis for the quarter ended 31st December, 2015.

Our Key Consolidated Highlights are as follows:

Particulars (Rscrs)	9M-FY16	9M-FY15
Total Income	544.1	598.1
Normalized EBITDA*	68.0	79.9
Normalized EBITDA Margin	12.5%	13.4%

**Normalized EBITDA is before Provisions (other than Tax) which is part of other expenses*

World Steel Production has been continuously declining. From a utilization of 71.6% in July 2014 Industry ended at 64.6% utilization for December 2015. World Steel Production has declined by 2.8% in 2015 however the silver lining remains in 2016 where production is expected to increase between 1-2%. The support extended by Government of India through Protection measures will give some respite to Domestic Steel Producers ultimately benefitting Refractory manufacturers.

For the Nine months ended 31st December, 2015 IFGL Refractories Ltd reported Consolidated Total Income of Rs. 544.1 Cr. Normalized EBITDA i.e. EBITDA before provisions stood at Rs. 68.0 cr for 9MFY16 while Profit after Tax and Minority Interest came in at Rs. 37.6 Cr. Consolidated Earnings per share was recorded at Rs. 9.05 per equity share. In the back drop of difficult and volatile operating environment, our performance has been satisfactory.

International Businesses

Monocon Group, our UK subsidiary, reported Income of GBP 20.9 mn for 9MFY16. Profitability was impacted owing to a one-time provision in Q2FY16 of GBP 0.6 mn (comprising of receivables of GBP 0.5 mn and stocks of GBP 0.1mn). We reported profits after tax of GBP 0.4mn during 9MFY16. Tight cost control and improving product mix with focused sales to credit worthy clients have led to company reporting highest PAT in last 4 quarters

Hoffman Ceramics, our German Business, reported Income of Euro 7.7 mn for 9MFY16. EBIDTA came in at Euro 0.5 mn with a margin of 6.9%. Comparatively better economic health of Germany coupled with improved product mix by Hoffman led to better performance. PAT was recorded at Euro 0.4 mn with a margin of 5.5%

Ei Ceramics, our USA Business, reported Income of \$ 11.0 mn for 9MFY16. EBIDTA came in at \$1.00 mn with a margin of 9%. 9MFY16 PAT was recorded at \$ 0.4 mn. A substantial improvement was seen in profitability compared to the preceding 3 quarters. Lower domestic production (nearly 10% fall in local steel production in USA) owing to increased imports from China continues to hamper refractories manufacturers however sales of value add products is helping us fare better.

IFGL Exports, our company focusing on Exports market and operating from Kandla SEZ in Gujarat, reported Income of Rs. 34.1 cr for 9MFY16. EBIDTA came in at Rs.8.2 cr with a margin of 24.1 % while PAT was recorded at Rs. 4.5 cr with a margin of 13 %. Operational efficiency has improved profitability during 9MFY16.

India Business performance (Standalone)

Standalone Income stood at Rs. 238.2 cr during 9MFY16 with an EBITDA of Rs. 31.3 cr. The EBITDA margin came in at 13%. Profit after Tax was recorded at Rs. 16.3 cr for 9MFY16.

Our focus on sale of high value added products and association with relatively strong integrated steel mills has led to stable performance. The recent measures of GoI will improve the situation of domestic steel producers thereby benefitting our performance.

About IFGL Refractories

IFGL Refractories is a leading manufacturer of specialized Refractories having manufacturing facilities in China, Germany, India, UK and USA. Krosaki Harima Corporation (a subsidiary of Nippon Steel Corporation, Japan) is the technology provider. Equity Shares are listed both on BSE Limited and National Stock Exchange of India Limited. For more information about IFGL Refractories, please visit www.ifglref.com

Safe harbor statement

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

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