

INVESTOR RELEASE

IFGL Refractories Q2-FY17 Income at Rs. 194 Crs.

Consolidated EBITDA margin at 15.5%

12th November, 2016, Kolkata – The Board of Directors of IFGL Refractories Limited (the Company) in their meeting held today have announced Un-audited Financial results both on consolidated and stand-alone basis for the quarter and half year ended 30th September, 2016.

Key Consolidated Highlights are as follows:

Particulars (Rs crs)	Q2-FY17	Q2-FY16	Change	H1-FY17	H1-FY16	Change
Total Income	194.1	186.6	4.0%	376.0	372.4	1.0%
EBITDA	30.1	15.6	92.9%	51.7	41.7	24.0%
EBITDA Margin %	15.5%	8.4%	710bps	13.7%	11.2%	250bps
PBT	25.3	10.2	148.0%	41.8	31.2	34.0%
PBT Margin %	13.0%	5.5%	750bps	11.1%	8.4%	270bps
PAT After MI	17.8	5.9	201.7%	27.8	21.1	31.7%
PAT Margin %	9.2%	3.2%	600bps	7.4%	5.7%	170bps
Net Debt to Equity	0.06x	0.14x		0.06x	0.14x	

The Quarter Witnessed Slowdown in Chinese Steel Production with its steel exports falling by 22% YoY. This in turn helped in rebounding of Global Steel Production. The World Steel capacity utilization is showing an increasing trend standing rising from 68.5% in August to 70% utilization level in September, 2016. This increase in Steel production is benefitting Refractories Industry.

Continuing the Global Anti-Dumping duties on Chinese Steel, European Union has set strong lobbying to restrict Chinese import by levying practise measure on same lines as USA.



Indian Economy we expect improvement on back of increased infrastructure push. Government's proactive approach of protecting the Domestic Steel Industry will augur well for steel manufacturers thereby benefitting the Refractory companies.

International Businesses

Monocon Group, our UK subsidiary, reported Income of GBP 6.41mn for Q2FY17 and GBP 11.88mn for H1FY17. Our approach towards engineering and new product development is aiding our performance during challenging times in UK wherein we achieved EBITDA margin of 15.6% with a PAT margin of 12.2% for Q2FY17.

Hofmann Ceramic, our German Business reported Income of Euro 2.47mn for Q2FY17 and Euro 5.06mn for H1FY17. EBITDA came in at Euro 0.22mn for Q2FY17 and Euro 0.50mn for H1FY17 respectively. PAT was recorded at Euro 0.13mn with a margin of 5.1% for Q2FY17 while for H1FY17 PAT and PAT margin stood at Euro 0.29mn and 5.8% respectively.

EI Ceramics, our USA Business is a traditionally high margin business. With the safeguards measures in place to protect Domestic Steel Industry we have witnessed better performance. We have surpassed the profitability levels for FY16 in H1FY17 alone. Company reported Income of USD 4.40mn for Q2FY17 with EBITDA of USD 0.81mn and a margin of 18.5% for Q2FY17. PAT was recorded at USD 0.5mn for Q2FY17 with a margin of 11.3%. For H1FY17 Income stood at USD 9.13mn with a EBITDA of USD 1.60mn & margin of 17.5% and PAT of USD 0.97mn with margin of 10.6%

IFGL Exports, our company focusing on Exports market and operating from Kandla SEZ in Gujarat, reported record profitability and margins. Income came in at Rs. 19.40 Cr for Q2FY17 with EBITDA of Rs. 5.33 Cr and a margin of 27.5% while PAT was recorded at Rs. 4.21 Cr with a margin of 21.7%. For H1FY17 Income stood at Rs. 35.44Cr with a EBITDA of Rs. 9.49Cr & margin of 26.8% and PAT of Rs. 7.28Cr & margin of 20.5%.



India Business performance (Standalone)

Standalone Income stood at Rs. 82.19Cr during Q2FY17 with an EBITDA of Rs. 6.23Cr and margin of 7.6%. Profit after Tax was recorded at Rs2.64Cr for Q2FY17. Exports from India for few product categories is slow which has impacted our Export revenues.

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 Bombay Stock Exchange Limited and National Stock Exchange of India Ltd. 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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