PPC Ltd
(Incorporated in the Republic of South Africa)
(Company registration number: 1892/000667/06)
JSE Code:PPC002 ISIN: ZAG000111212
JSE Code: PPC ISIN: ZAE000170049
("PPC" or the "Company" or “Group”)

TRADING STATEMENT

In terms of the Listing Requirements of the JSE Limited, companies are required to publish a Trading Statement as soon as they become reasonably certain that the financial results for the period to be reported will differ by more than 20% from those of the previous corresponding period. PPC is finalising its results for the year ended 31 March 2018 which will be released on 18 June 2018.

Net profit attributable to PPC shareholders is expected to increase by 55% - 65%, compared with the R93 million achieved for prior comparable period.

PPC group EBITDA from operations is expected to decline by 5% - 12% compared with the previous period. Group EBITDA has been negatively impacted by costs related to corporate action, restructuring and separation costs which was communicated previously. Excluding this impact and the fluctuation in exchange rates, group EBITDA would have increased by 0% - 3%. In addition, the plant in DRC was commissioned during the last quarter of calendar year 2017, as well as the plant in Ethiopia in the first quarter of the 2018 calendar year. Their results for financial year 2018 have reduced net profit as they are in a ramp up phase.

In the results to March 2018, the DRC market continued to face uncertainty driven by political instability, lower cement demand and subdued selling prices. Furthermore, the competitive landscape remains challenging due to production capacity that is higher than market demand. The delayed elections have created uncertainty in the economy and most of the infrastructural projects have been put on hold or they are slow to come to market. As a result of these factors, management undertook an impairment assessment.

Following the impairment assessment review, the recoverable amount of the DRC operation was considered lower than the current carrying value and an impairment of R166 million (US$14 million) was charged against property, plant and equipment for the year ended March 2018.

Basic earnings per share is expected to increase by between 20% and 30% (between 9.6 cents and 10.4 cents). Headline earnings per share is expected to increase by between 110% and 120% (between 14.7 cents and 15.4 cents) for the year ended 31 March 2018, compared to the previously reported period ended 31 March 2017.

Summary of earnings:

Earnings in cents	**Year ended March 2018**	**Year ended March 2017**	**% change**
Basic EPS	9.6 – 10.4	8	20 – 30%
Basic HEPS	14.7 – 15.4	7	110 - 120%
WANS (millions)	1,510	1,137	33%

The group net debt levels reduced significantly from that reported at the group’s interim results released in November 2017. Furthermore, the group has also generated positive free cash flows after investing activities, compared with a significant outflow in the prior comparable period.

The information in this trading statement has not been reviewed or reported on by the Company’s external auditors.

15 June 2018

Sponsor
Merrill Lynch South Africa (Pty) Limited

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