

# Volume of cement PPC sold in 2017 falls, but it remains ahead of competitors

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The volume of cement PPC sold in the nine months to end-December fell about 2% - half the overall South African cement industry's 4% decline, the group said in an operating update on Friday, 2 January.



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"The lack of large infrastructure projects continues to hamper cement volume growth in SA," interim CEO Johan Claassen said in the statement.

The operating update did not give revenue or earnings forecasts, but PPC said it managed to raise its average price of cement about 2%.

PPC estimated the volume of cement imported into SA increased 23%. Lower cement demand in SA was offset by rising demand in other African countries. Its Rwandan operation sold between 20% and 30% more cement during the nine-month period.

"PPC Zimbabwe continues to exceed expectations, with sales volumes growing by 30-40% compared to last year, supported by the retail segment. Pricing, in US dollars, has marginally exceeded that of the prior year," Claassen said.

Highlights of the period included the two-year capital repayment moratorium that PPC negotiated with financiers of its 69%-owned Democratic Republic of Congo (DRC) unit Barnet.

"We are in the advanced stages of negotiating terms around the refinancing and restructuring of the South African debt maturing in June. We envisage this to be concluded by March," Claassen said.

"In the DRC, monthly sales have tracked progressively better since September. While the trading environment has remained competitive, with muted growth we have succeeded in increasing our market share further towards the end of the period to between 25% and 30%."

*Source: BDpro*

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