



KEC International Limited

PERFORMANCE REVIEW

Quarter ended 30th September 2007



Mumbai, 31st October 2007

Performance Summary

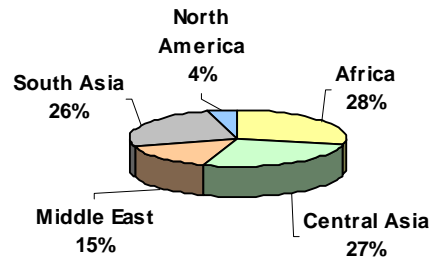
Rs. crores

Particulars	Q2FY08	Q2FY07	Change %
Sales	563	436	29%
EBIDTA	75	57	30%
PBT	52	33	56%
PAT	34	22	56%
Interest Cost to Sales (%)	3.6%	2.8%	

Key Highlights

- KEC has reported a second quarter net profit of Rs. 34 crore , 56% higher than the net profit of Rs. 22 crore registered in the corresponding period last year.
- The company's Net Sales stood at Rs. 563 crore (Rs. 436 crore) which is 29% higher Q-O-Q.
- The EBITDA margin during the Quarter improved to 13.25% from 13.10% which shows an improvement in operational efficiency.
- The EPS of the Company has improved from Rs. 5.75 in Q2FY07 to Rs. 8.99 in Q2FY08
- The Company's already healthy order book position has risen from Rs. 3244 crore in March 2007 to Rs. 3400 crore in June 2007.
- During the quarter, the Company managed to complete ten international and five domestic projects.

Order Book Break up



	Rs Crores
Africa	960
Central Asia	910
Middle East	510
South Asia	870
North America	150
Total	3400

Future outlook

- KEC currently has an impressive order book of Rs. 3,400 crores out of which Rs 2,530 crores is in International Business and Rs 870 crores in South business.
- Recently the Company has bagged 3 orders worth Rs. 260 crores from Afghanistan and one contract in Nigeria valued at Rs. 210 crores in the International division. In South Asia KEC bagged orders totalling Rs. 240 crores in Rajasthan & Karnataka thanks to the resumption in the activity of SEBs
- Besides the traditional markets of Middle East and Africa, the company is constantly on a hunt for further opportunities in Central Asia and North America.
- Coming months are likely to see the inflow of business from PGCIL as their IPO was very successful.
- KEC looks forward to enter new geographical locations and capture opportunities in the rural electrification and sub station markets.
- There is a huge potential for Telecom Tower infrastructure business in India in the next 5 to 10 years and the company plans to capture opportunities in this area.



Cautionary statement

Statement in this "Performance Review" describing the company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities law and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include demand supply conditions, finished goods prices, availability and prices of raw materials, changes in the government regulations, tax regimes, economic development within India and the countries within which the company conducts business and other factors such as litigations and labour negotiations.