



KEC International Limited

Investor Update

-Q4 FY10

Agenda

- Performance Summary
- Operational Highlights
- Order Book Position
- Future Outlook



Performance Summary – QoQ

Components	Q4 FY10 Actual	Q4 FY09 Actual	YoY Growth %
Total Sales (Rs Cr.)	1356	1135	20%
EBIDTA (Rs Cr.)	133	111	20%
EBITDA Margin	9.8%	9.8%	
PBT (Rs. Cr)	106	74	43%
Net profit (Rs Cr.)	63	48	30%
Net Profit Margin	4.6%	4.3%	
Interest Cost as a % of Sales	1.4%	2.5%	

Note: It may be noted that consequent to the effect given to the Scheme of Amalgamation of RPG Cables Limited with KEC , Net Sales for the quarter as well as for the year ended March 31, 2010 are higher by Rs. 84 crs, and PAT is lower by 1.66 crs respectively. Accordingly, the figures for the quarter and year ended March 31, 2010 are not directly comparable with those of the corresponding previous quarter / year.



Performance Summary – FY10

Components	FY10	FY09	% Change
Sales (Rs Cr.)	3907	3429	14%
EBIDTA (Rs Cr.)	407	302	35%
EBITDA Margin	10.4%	8.8%	
Net profit (Rs Cr.)	190	117	62%

Operational Highlights

- The Revenue break-up for the quarter is as follows:

International business	Rs 564 crs	42%
South Asia business	<u>Rs 792 crs</u>	<u>58%</u>
	Rs 1356 crs	100%

- Forex Loss for the quarter is Rs 8 cr.
- Gross Debt Rs 778 cr.
- Net Working Capital Rs 927 cr.
- Cash flow from Operations Rs 61 cr. on YTD basis

Future Outlook

Middle East:

- Mid sized projects coming up for tendering in UAE, Saudi Arabia. Positive impact of stabilizing oil prices likely to be felt from 2nd half of FY11

Central Asia:

- The Central Asia market is active and we can expect jobs from Ukraine, Georgia, Azerbaijan and Turkmenistan

Africa:

- With recovery in commodity prices, we have seen some positive signals and are fairly hopeful of recovery in this region. Tenders are being floated by Northern African countries like Egypt and Algeria. There are number of enquiries from the South African Market from countries like Kenya, Botswana and Mozambique. We have recently won many orders across Africa and our leadership position and credibility in that continent is well established.

India:

- In the final two years of the current five year plan, we expect activity to heighten in the power T&D space.
- SEBs have become active with many State utilities planning new projects
- Govt. focus on RAPDRP & RGGVY is expected to continue beyond 2012 with support of MoP
- Slowdown in PGCIL awarded projects as it adopted two part bidding.
- PGCIL has diluted the PQs and many new players have got orders

Railways:

- The company entered New Railway Project segments by securing orders for Railway Civil Infrastructure, and Signaling & Telecom. The business opportunity in the railways segment looks good.

Cautionary Statement

Statement in this “ Management Discussion and Analysis” 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.