

# KEC International Limited



Investor Update  
- Q4 FY09

# Performance Summary – FY 09



*Rs. Cr.*

	2008-09 Actual	2007-08 Actual	YOY Growth %
<b>Net Sales</b>	<b>3427</b>	<b>2815</b>	<b>21.74%</b>
<b>EBIDTA (before forex loss)</b>	<b>394</b>	<b>342</b>	<b>15.21%</b>
<b>EBIDTA (after forex loss)</b>	<b>301</b>	<b>355</b>	<b>-15.23%</b>
<b>PBT</b>	<b>178</b>	<b>262</b>	<b>-32.06%</b>
<b>PAT</b>	<b>116</b>	<b>172</b>	<b>-32.56%</b>
<b>Interest Cost as a % of Sales</b>	<b>2.92%</b>	<b>2.40%</b>	<b>-</b>

# Highlights - Q4 FY09



- Net Sales for Q4 FY09 stood at Rs. 1135 cr as against Rs. 1031 cr last year.
- EBIDTA for the quarter before forex translation loss is Rs 143 cr at 12.59% of sales (after translation loss: Rs 110 cr at 9.70 % of sales).
- Net Profit for the quarter is Rs 48.02 cr at 4.23% of sales.
- Other expenditure includes translation loss on forex of Rs. 33 cr in Q4 FY09 as against a loss of Rs. 11 cr last year (as per AS 11).

# Highlights- FY09



- Net Sales stood at Rs. 3427 cr at the end of the year as against Rs. 2814 cr last year.
- EBIDTA for the year before forex translation loss is Rs 394 cr at 11.50% of sales (after translation loss: Rs 301 cr at 8.77 % of sales).
- Net Profit for the year is Rs 116 cr at 3.39% of sales.
- The translation loss on forex for the year is Rs. 94 cr as against a gain of Rs. 12 cr last year.

# Highlights- FY09



- Transmission business

- In the international market, the company entered three new geographies: Mali, Tajikistan and Australia. It also won a historically large contract from Egypt worth Rs. 636 cr.
- In the domestic market, the company bagged PGCIL orders worth Rs 1600 cr.

- Distribution business

- Achieved major success & won orders worth Rs 890 cr, a substantial portion of which was under RGGVY and substation packages in Tajikistan and Jammu & Kashmir.

- Telecom business

- Achieved significant growth in the revenues and completed 354 tower sites under the Universal Service Obligation Fund. The towers are now operational and the billing to the customers has begun.

# Revenue Break-up – FY09



• Transmission - International business	Rs. 1849 crs	54%
• Transmission - South Asia business	Rs. 840 crs	25%
• Distribution business	Rs. 526 crs	15%
• Telecom business	Rs. 182 crs	5%
• Railways business	<u>Rs. 30 crs</u>	<u>1%</u>
	<u>Rs. 3427 crs</u>	<u>100%</u>

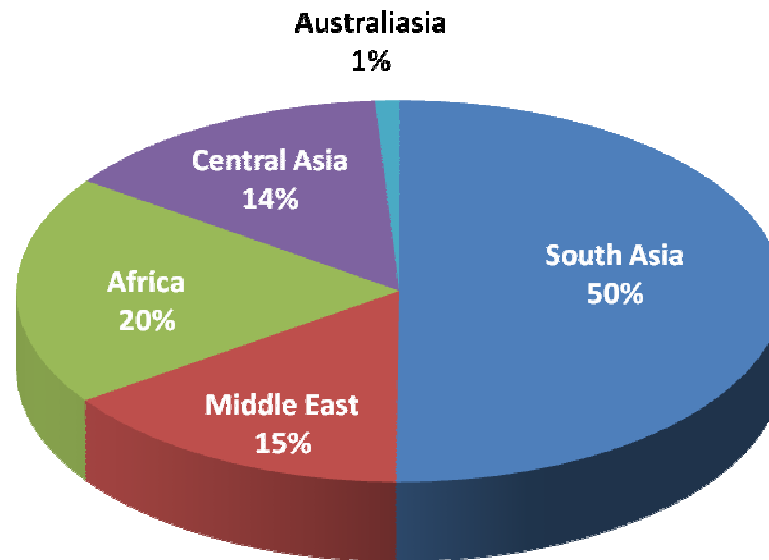
Total revenue from International Market : Rs 2161 crs  
and Domestic Market : Rs 1266 crs

# Order Book Position on 31.03.2009



*Rs. Cr.*

Business	South Asia	International	Total
Transmission	1829	2107	3936
Distribution	713	468	1181
Railways	33	-	33
Telecom	13	-	13
<b>Total</b>	<b>2588</b>	<b>2575</b>	<b>5163</b>



# Order Book Details – Q4 FY09



- During the quarter, the company won orders over Rs. 1500 cr.
- Major International Orders won:
  - Variation & Tower Supply orders in Libya, Australia & UAE worth Rs 83 cr.
- Major South Asia Orders won
  - PGCIL orders Rs 1026 cr.
  - SEB( Andhra & Chhattisgarh) & CESC orders Rs 96 cr.
- Distribution Orders under RGGVY worth Rs 326 cr.
- Railway electrification order of Rs 25 cr.

# Future Outlook



- Despite a challenging economic scenario, KEC has continued to grow.
- During the year, the company has registered a healthy YOY growth of 24% in the order book.
- The company has embarked upon a cost rationalization drive.
- We are confident that the company will continue its march on the growth trajectory in times to come on the basis of a strong order book.

# 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.