



KEC International Limited

P E R F O R M A N C E R E V I E W

Quarter ended June 2007



Mumbai, 24th July 2007

■ Performance Summary

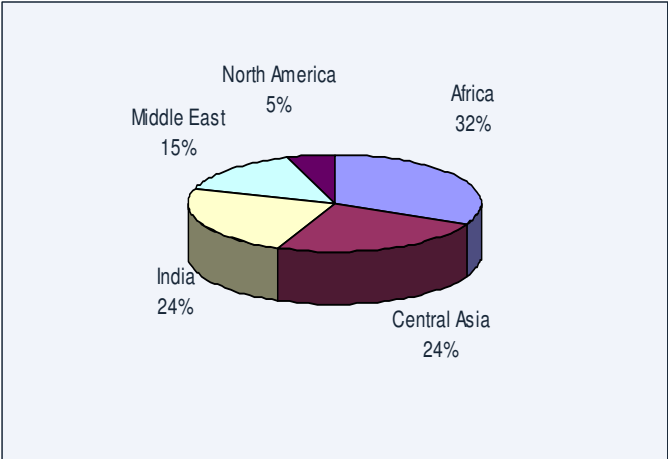
Rs. crores

Particulars	Q1FY08	Q1FY07	Change %
Sales	511.6	405.4	26%
EBIDTA	63.9	43.10	48%
PBT	38.8	22.4	73%
PAT	25.3	14.6	74%
Interest Cost to Sales (%)	3.2%	2.9%	

Key Highlights

- KEC has reported a first quarter net profit of Rs. 25.31 crore , 74% higher than the net profit of Rs. 14.56 crore registered in the corresponding period last year.
- The company's Net Sales stood at Rs. 511.6 crore (Rs. 405.4 crore) which is 26% higher Q-O-Q.
- The EBITDA margin during the Quarter improved to 12.5% from 10.6% which shows marked improvement in operational efficiency.
- The EPS of the Company has improved from Rs. 3.86 in Q1FY07 to Rs. 6.72 in Q1FY08
- The Company's already healthy order book position has risen from Rs. 3000 crore in March 2007 to Rs. 3244 crore in June 2007.
- During the quarter, the Company managed to complete five international and six domestic projects.

Order Book Break up



Top Regions	Amount (Rs. Crores)
Africa	1032
Central Asia	794
India	767
Middle East	480
North America	171

Major Orders received in Q1FY08

International

Kazakhstan

North America

Afghanistan

Abu Dhabi

Oman

North America

Future outlook

- KEC currently has an impressive order book of Rs. 3,244 Crores out of which Rs 2,477 crores is in International Business and Rs 767 crores in Domestic business.
- Recently the Company has bagged Rs. 380 crore order from Kazakhstan and two contracts in Riyadh, Saudi Arabia and Abu Dhabi, UAE valued at Rs. 176 crores.
- Company's traditional markets of Middle East and Africa look positive with lot of developments happening in the area.
- In India and SAARC region, tenders worth Rs 5,000 crores in transmission projects and an equal amount towards distribution projects are expected in FY 07-08.
- Bidding for large value BOO projects floated by Power Finance Corp and Rural Electrification Corporation is likely to happen in coming quarter, which would provide further impetus to Power Transmission Industry in India.
- KEC looks forward to enter new geographical locations and capture opportunities in the rural electrification and sub station markets.
- Telecom Sector looks good with one of the sector companies bagging 4 clusters in USO funded project. There is a huge potential for Telecom Tower business in India in the next 5 to 10 years.



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.