Sunteck

Sunteck Realty Ltd.

Earnings Update Q4 & Full year FY2017

May 26th, 2017

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Background

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- Premium Mumbai focused developer with strong differentiated branding that allows leadership positioning in every micro-market.
- Proven ability to predict growth areas and establish presence ahead of the curve.
- Landmark projects that change the profile of the entire locale.
- Execution excellence: ~Rs57bn worth of projects delivered.
- Balance sheet strength: Discipline across various financial parameters. Asset light model via JVs & JDAs.
- Strong partnerships with leading institutions.

Sunteck portfolio strength

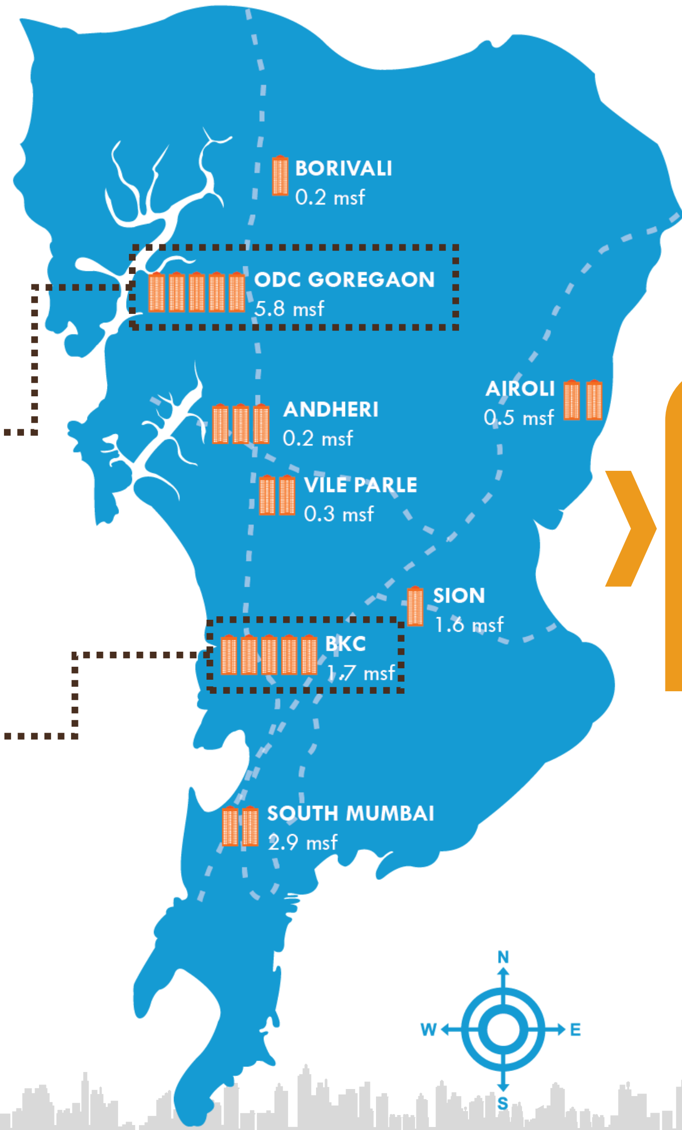
Sales of

~Rs45bn

completed till date

ODC, Goregaon (W): 5 projects of **~6msf** worth **~Rs100bn** with ~Rs8bn in sales completed.

BKC: 5 projects of 1.7msf worth **~Rs60bn** with **~Rs31bn** sales completed.



Other projects:
4 projects of ~0.7msf worth ~Rs10bn with ~Rs2.3bn sales completed.

Creation of Brands allows Premium Positioning

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Premium positioning of the brand 'Sunteck' across projects, since the company intends to fill the gap of luxury products in every micro market of Mumbai

Signature

Uber luxury residences aimed at ultra HNIs

Signia

Super Premium residences in select suburban micro markets

SunteckCity

Large formats and mixed use developments

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Commercial developments

Strong macro tailwinds

1. Stable political environment
2. Lower interest rates
3. Demonetization benefit for organized developers
4. SOPs for affordable housing
5. RERA
6. REITs clarity
7. Overhaul in Mumbai infrastructure
8. Good governance and single window clearance

Geared-up to benefit from RERA

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Impact on Real Estate developers	Opportunity for Sunteck
• **Exit of unorganized developers** and consolidation in the market	• Gap creation opens up **potential new markets** • Opportunities to acquire **distressed projects**
• **Stringent compliance** to lead to **fewer new launches** initially	• **Time advantage** as already implementing all norms
• **Trust deficit** in sector to **reduce** post RERA implementation	• Projects of reputable developers to see **demand increase**
• **Increased transparency** in sector leads to **higher foreign investment** through PE and REITs	• Sunteck has in the past established **partnerships** with globally renowned investors

Q4 & full year FY2017 Earnings Update

Strong growth across various parameters

Rs million

P&L (consolidated)	FY2016-17	FY2015-16	*% change yoy*
Revenue from Operations	9,522	2,434	291%
EBITDA	3,562	418	752%
Operating Margin	37%	17%	-
Profit after tax	2,080	163	1179%
Net Profit Margin	22%	7%	-

Rs million

Operational Data	Q4 FY17	Q4 FY16	% change yoy	FY2016-17	FY2015-16	% change yoy
Pre-sales (new bookings)	1,754	1,092	61%	6,468	5,505	17%
Collections	1,119	1,237	-10%	5,423	4,832	12%

Consolidated Balance Sheet

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Rs million

Liabilities	FY2016-17	FY2015-16	Assets	FY2016-17	FY2015-16
Shareholders Funds	17,955	15,985	Investments	3,217	3,426
Minority Interest	706	584	Inventories	28,017	31,296
Secured Loans	7,770	7,754	Loans & Advances	815	1,477
Unsecured Loans	1,669	4,585	Cash & Bank balances	986	917
Others	8,670	12,826	Others	3,736	4,619
Total	**36,771**	**41,734**	**Total**	**36,771**	**41,734**

Low leverage

Rs million	FY17	FY16	Difference	% change
Gross Secured Debt	**7,770**	**7,754**	**16**	**0%**
Gross Unsecured Debt	1,669	4,585	-2,916	-64%
Gross Debt	**9,440**	**12,339**	**-2,899**	**-23%**
Cash & Bank Balance	986	917	70	8%
Net Debt	**8,454**	**11,422**	**-2,969**	**-26%**
Net Worth	17,953	15,985	1,970	12%
Net Debt / Equity	**0.47**	**0.71**		

- **Gross debt as of FY2017 reduced to Rs9.4bn from Rs12.3bn as of FY2016.**
- **Net Debt / Equity very comfortable @ 0.47X as of FY2017 vs. 0.71x as of FY2016.**
- **Credit rating of A+ from CARE and FITCH.**
- **Negligible Debt and average cost of debt at ~10.6% - amongst the lowest in the sector.**
- **Incremental debt funding at 9.25%.**

Recommendation of Dividend

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- **The Board of Directors have recommended a final dividend of Rs. 3/- per share [150% Dividend] for the financial year ended 31st March 2017 subject to the approval of the shareholders at the ensuing Annual General Meeting. This is up compared to Rs. 2/- per share in FY2016 on the face value of Rs. 2/- each on Equity Shares.**
- **The company's FY2017 proposed dividend payout shall be c.Rs.227 mn on the total equity base compared to c.Rs.150 mn in FY2016.**
- **The increase in dividend represents the management's confidence in Sunteck's growth prospects.**

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Project Updates

Signature Island, BKC

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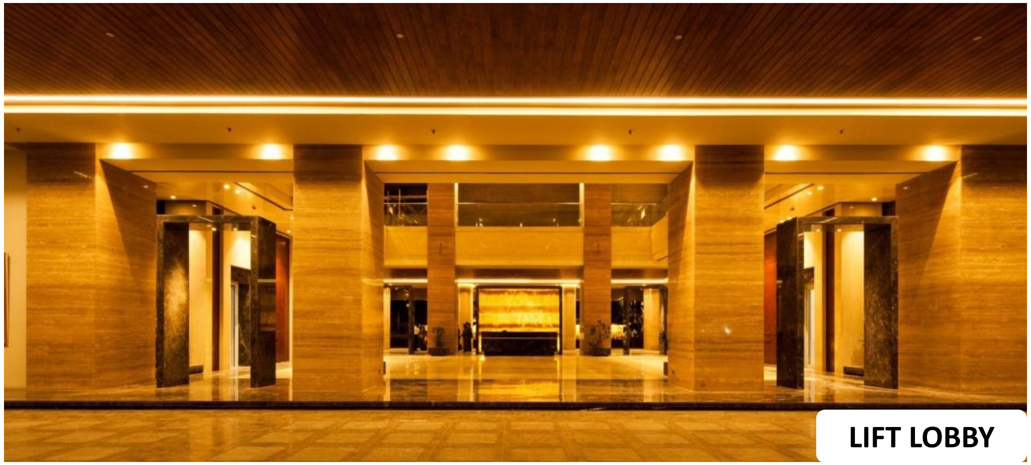
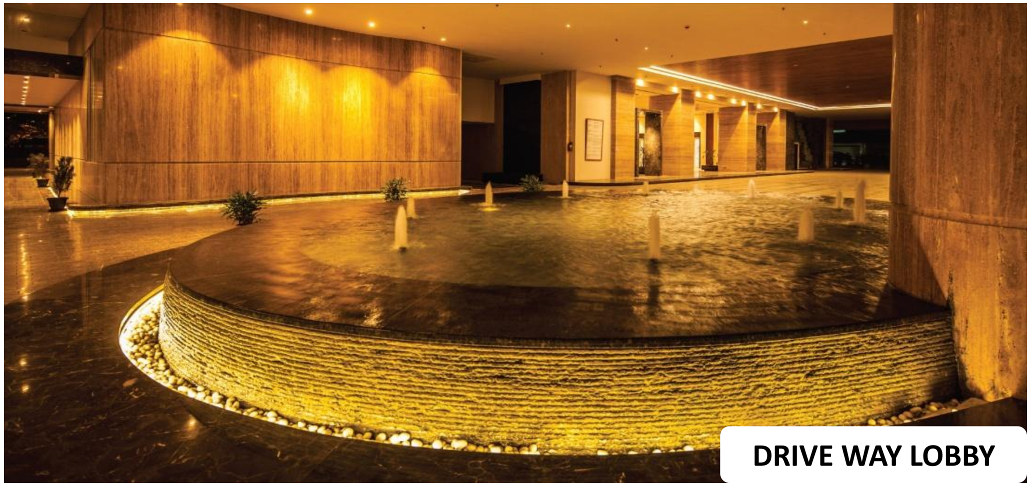
COMPLETED PROJECTS | UNDER CONSTRUCTION PROJECTS | UPCOMING PROJECTS



LIFT LOBBY



DRIVE WAY LOBBY

Signature Island, BKC

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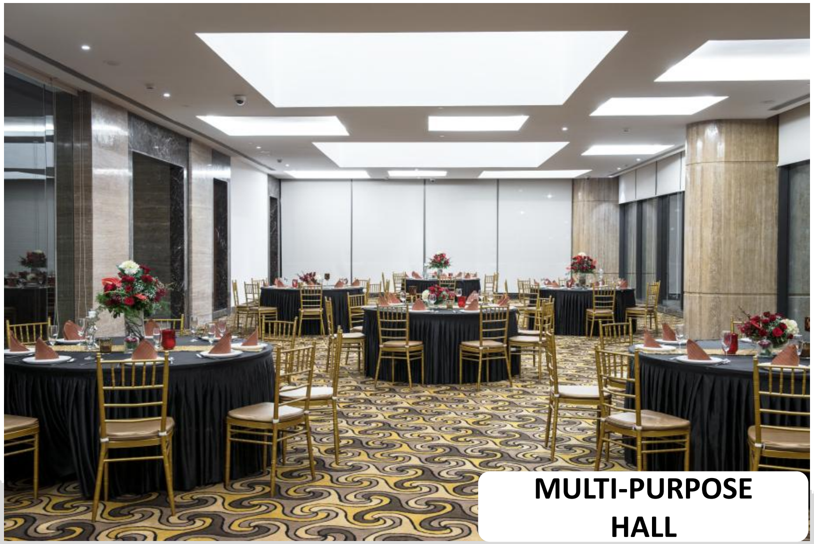
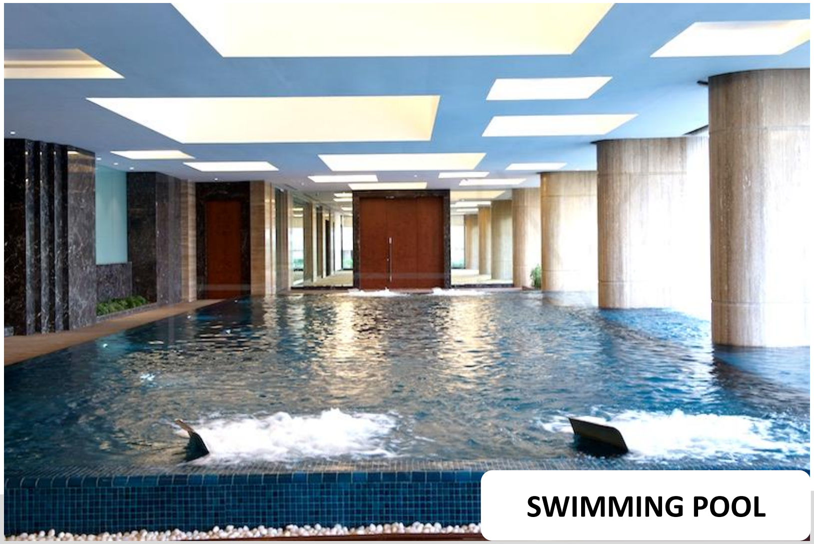
COMPLETED PROJECTS | UNDER CONSTRUCTION PROJECTS | UPCOMING PROJECTS

PODIUM GARDEN

LIFT LOBBY



MULTI-PURPOSE HALL



SWIMMING POOL

Signia Isles, BKC

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COMPLETED PROJECTS | UNDER CONSTRUCTION PROJECTS | UPCOMING PROJECTS

SHOW FLAT – LIVING ROOM

SHOW FLAT - BEDROOM

Signia Oceans, Airoli

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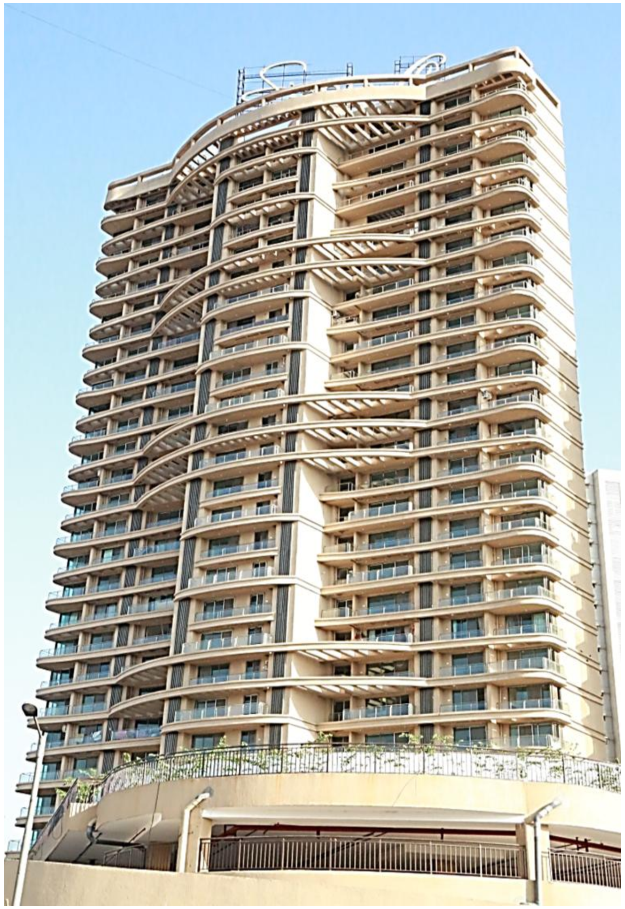
COMPLETED PROJECTS | UNDER CONSTRUCTION PROJECTS | UPCOMING PROJECTS



Signia Skys, Nagpur

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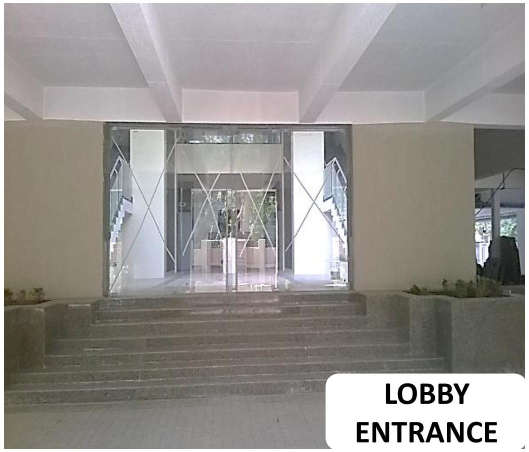
COMPLETED PROJECTS | UNDER CONSTRUCTION PROJECTS | UPCOMING PROJECTS


LOBBY ENTRANCE


DRIVEWAY


SWIMMING POOL

Commercial Projects

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COMPLETED PROJECTS | UNDER CONSTRUCTION PROJECTS | UPCOMING PROJECTS

SUNTECK CENTRE, VILE PARLE

SUNTECK GRANDEUR, ANDHERI

Commercial Projects (Cont'd..)

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COMPLETED PROJECTS | UNDER CONSTRUCTION PROJECTS | UPCOMING PROJECTS

SUNTECK KANAKA CORPORATE PARK, GOA

Signia Pearl, BKC

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COMPLETED PROJECTS | UNDER CONSTRUCTION PROJECTS | UPCOMING PROJECTS

Sunteck City, 1st Avenue

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COMPLETED PROJECTS | UNDER CONSTRUCTION PROJECTS | UPCOMING PROJECTS

Indicative Artistic Impression

Tower A & B: 33nd slab completed

Tower C: 3rd slab ongoing

Sunteck City, 2nd Avenue

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COMPLETED PROJECTS | UNDER CONSTRUCTION PROJECTS | UPCOMING PROJECTS

Indicative Artistic Impression

Tower A: 5th podium floor WIP

Tower B: Footing and rafting in progress

Signia High, Borivali

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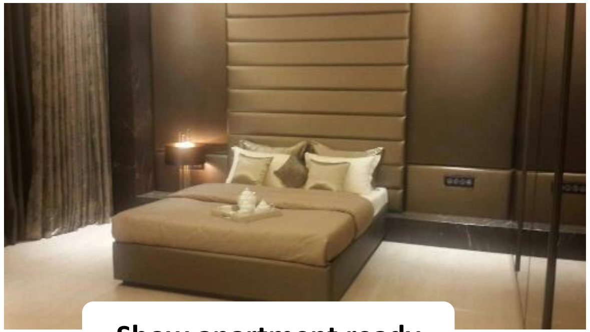
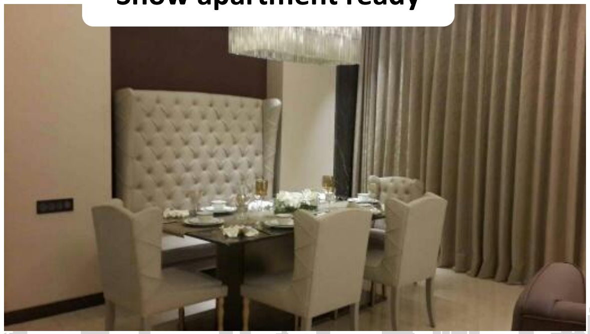
COMPLETED PROJECTS | UNDER CONSTRUCTION PROJECTS | UPCOMING PROJECTS

Indicative Artistic Impression

Terrace slab completed



Show apartment ready



Signia Waterfront, Airoli

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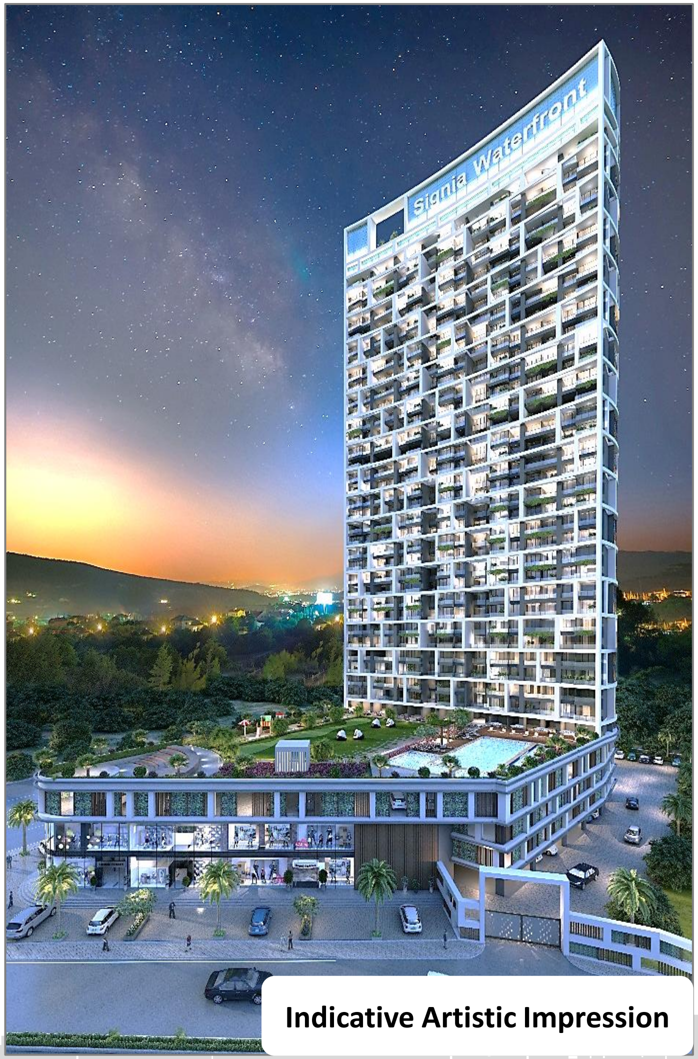
COMPLETED PROJECTS | UNDER CONSTRUCTION PROJECTS | UPCOMING PROJECTS



Indicative Artistic Impression


8th slab completed


Actual view from site

Signia Pride, Andheri

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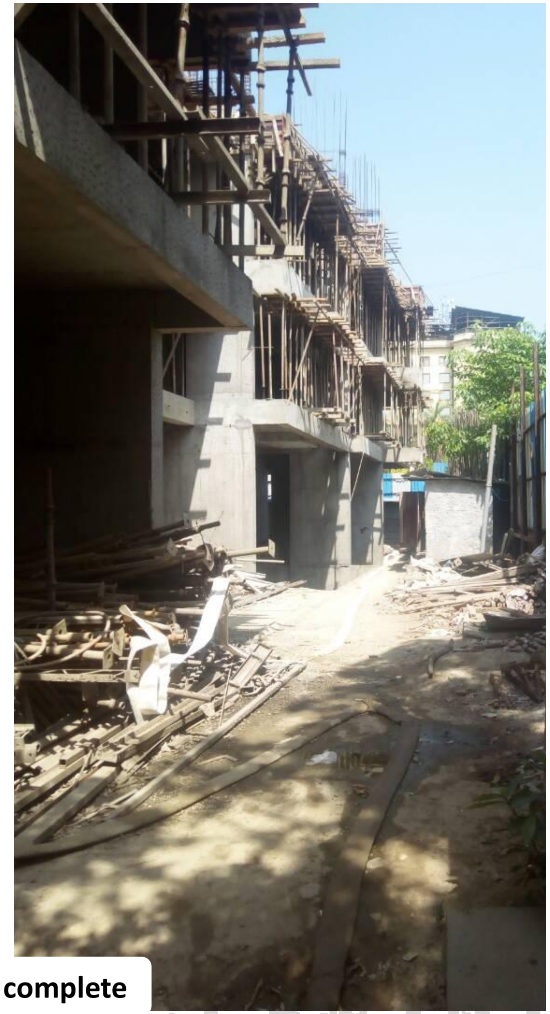
COMPLETED PROJECTS | **UNDER CONSTRUCTION PROJECTS** | UPCOMING PROJECTS

Indicative Artistic Impression



Third slab complete

Thank You!

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