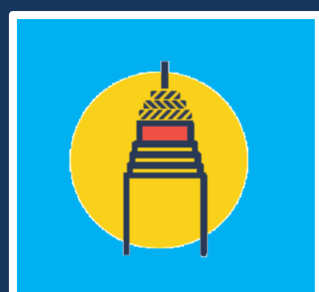
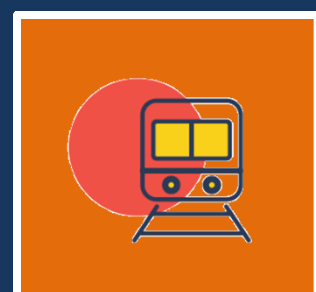
KEC International Limited

Investor Presentation- Q3 FY 18

Power T & D

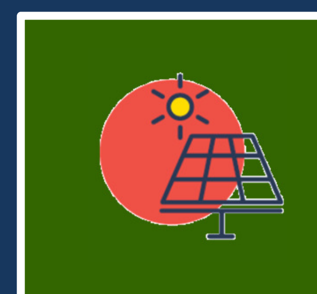


Cables



Railways

Civil



Solar

6th February 2018

Disclaimer

This presentation may include statements which may constitute forward-looking statements. All statements that address expectations or projections about the future, including, but not limited to, statements about the strategy for growth, business development, market position, expenditures, and financial results, are forward looking statements. Forward looking statements are based on certain assumptions and expectations of future events and involves known and unknown risks, uncertainties and other factors. The Company cannot guarantee that these assumptions and expectations are accurate or exhaustive or will be realised. The actual results, performance or achievements, could thus differ materially from those projected in any such forward-looking statements. No obligation is assumed by the Company to update the forward-looking statements contained herein.

The information contained in these materials has not been independently verified. None of the Company, its Directors, Promoter or affiliates, nor any of its or their respective employees, advisers or representatives or any other person accepts any responsibility or liability whatsoever, whether arising in tort, contract or otherwise, for any errors, omissions or inaccuracies in such information or opinions or for any loss, cost or damage suffered or incurred howsoever arising, directly or indirectly, from any use of this document or its contents or otherwise in connection with this document, and makes no representation or warranty, express or implied, for the contents of this document including its accuracy, fairness, completeness or verification or for any other statement made or purported to be made by any of them, or on behalf of them, and nothing in this document or at this presentation shall be relied upon as a promise or representation in this respect, whether as to the past or the future. The information and opinions contained in this presentation are current, and if not stated otherwise, as of the date of this presentation. The Company relies on information obtained from sources believed to be reliable but does not guarantee its accuracy or completeness. The Company undertake no obligation to update or revise any information or the opinions expressed in this presentation as a result of new information, future events or otherwise. Any opinions or information expressed in this presentation are subject to change without notice.

This presentation does not constitute or form part of any offer or invitation or inducement to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities of KEC International Limited (the “Company”), nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract or commitment or to be relied in connection with an investment decision in relation to the securities of the Company therefore any person/ party intending to provide finance / invest in the shares/businesses of the Company shall do so after seeking their own professional advice and after carrying out their own due diligence procedure to ensure that they are making an informed decision. Neither the delivery of this document nor any further discussions by the Company with any of the recipients shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since that date. This presentation is strictly confidential and may not be copied or disseminated, in whole or in part, and in any manner or for any purpose. No person is authorized to give any information or to make any representation not contained in or inconsistent with this presentation and if given or made, such information or representation must not be relied upon as having been authorized by any person. Failure to comply with this restriction may constitute a violation of the applicable securities laws. The distribution of this document in certain jurisdictions may be restricted by law and persons into whose possession this presentation comes should inform themselves about and observe any such restrictions. By participating in this presentation or by accepting any copy of the slides presented, you agree to be bound by the foregoing limitations.

MAJOR HIGHLIGHTS

Q3 FY18 v/s Q3 FY17

EBITDA — +34% YoY

%	**10.2**
Rs	244 Crores

PBT — + 68% YoY

%	**7.0**
Rs	169 Crores

PAT — + 79% YoY

%	**4.6**
Rs	112 Crores

9M FY18 v/s 9M FY17

EBITDA — +23% YoY

%	**9.9**
Rs	636 Crores

PBT — + 57% YoY

%	**6.2**
Rs	401 Crores

PAT — + 66% YoY

%	**4.1**
Rs	264 Crores

Profit & Loss Highlights (Consolidated)

(In Rs Crs)	Q3		Y-o-Y	9M		Y-o-Y
Particulars	**FY18**	**FY17**	**Growth%**	**FY18**	**FY17**	**Growth%**
Revenue*	**2,405**	**1,965**	**22%**	**6,432**	**5,871**	**10%**
EBITDA	**244**	**182**	**34%**	**636**	**517**	**23%**
EBITDA Margin %	*10.2%*	*9.2%*		*9.9%*	*8.8%*	
Interest	**61**	**58**		**181**	**190**	
Interest %	*2.5%*	*3.0%*		*2.8%*	*3.2%*	
Depreciation	**27**	**30**		**82**	**89**	
Other Income	**12**	**7**		**28**	**18**	
PBT	**169**	**101**	**68%**	**401**	**255**	**57%**
PBT Margin %	*7.0%*	*5.1%*		*6.2%*	*4.4%*	
Tax	**57**	**38**		**137**	**96**	
Tax Rate %	*33.7%*	*37.8%*		*34.1%*	*37.6%*	
PAT	**112**	**63**	**79%**	**264**	**159**	**66%**
PAT Margin %	*4.6%*	*3.2%*		*4.1%*	*2.7%*	

Note: Revenues are strictly not comparable as Q3 and 9M FY17 Revenues are gross of Excise and other taxes

Revenue Performance

Rs Crs.

Business Verticals	Q3 FY18	Q3 FY17	(Y-o-Y)		9MFY18	9MFY17	(Y-o-Y)
Transmission & Distribution:	1,851	1,500	23.4%		5,045	4,730	6.7%
Railways:	208	105	98.5%		485	240	102.0%
Civil (incl. Water):	87	21	321.1%		142	58	144.9%
Cables:	272	278	(2.0%)		731	751	(2.6%)
Solar:	34	59	(41.8%)		99	99	0.3%
Inter SBU:	(48)	3	NA		(70)	(7)	NA
Total Net Sales	**2,405**	**1,965**	**22.4%**		**6,432**	**5,871**	**9.6%**
- SAE (included in T&D above)	319	227	40.8%		718	742	(3.2%)

<u>Q3 Highlights:</u>

- Impact of GST phasing out with business execution for T&D, Railways & Cables back on track; Impact on Solar business continues
- Railway – business continues on growth track
- Significant order inflows in SAARC and Railways
- BOT (Bikaner Sikar Project) – COD declared w.e.f 4th Dec 2017
- ICRA Rating upgraded to **"AA-"** in-line with CRISIL and CARE

Debt and Net Working Capital details

(Rs crores)

Debt details

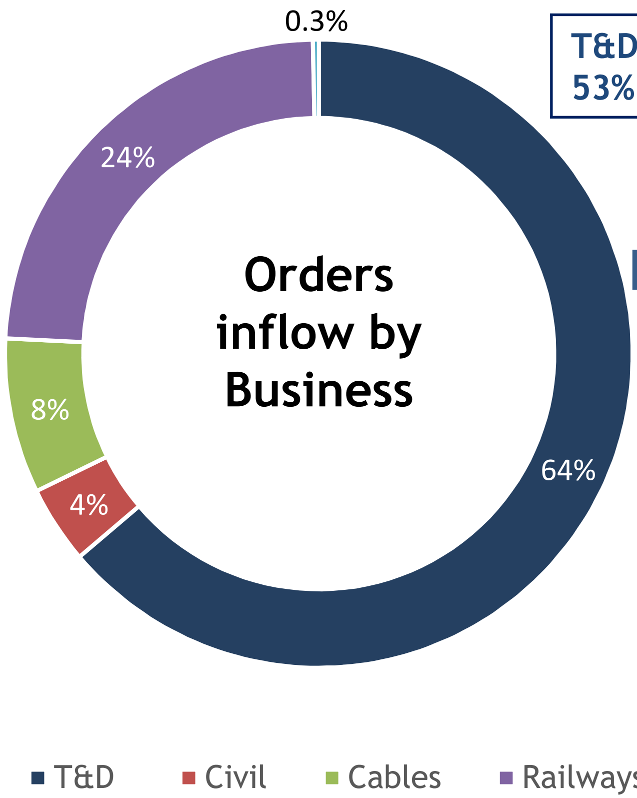
Particulars	Financial Information as on			
	31.12.2017	31.12.2016	Incr/Dec	31.3.2017
KEC's Net Borrowings excluding BOT	**2,497**	**2,440**	**57**	1,783
BOT's Borrowing	**171**	**90**	**81**	149
Total Net Borrowings	**2,668**	**2,530**	**138**	1,932

Net Working Capital details

Particulars	Financial Information as on			
	31.12.2017	31.12.2016	Incr/Dec	31.3.2017
Net Working Capital (Rs Crs)	**3,560**	**3,087**	**473**	2,582
No. of Days (NWC)	**140**	**133**	**7**	108

Order Inflows & Order Book Breakup

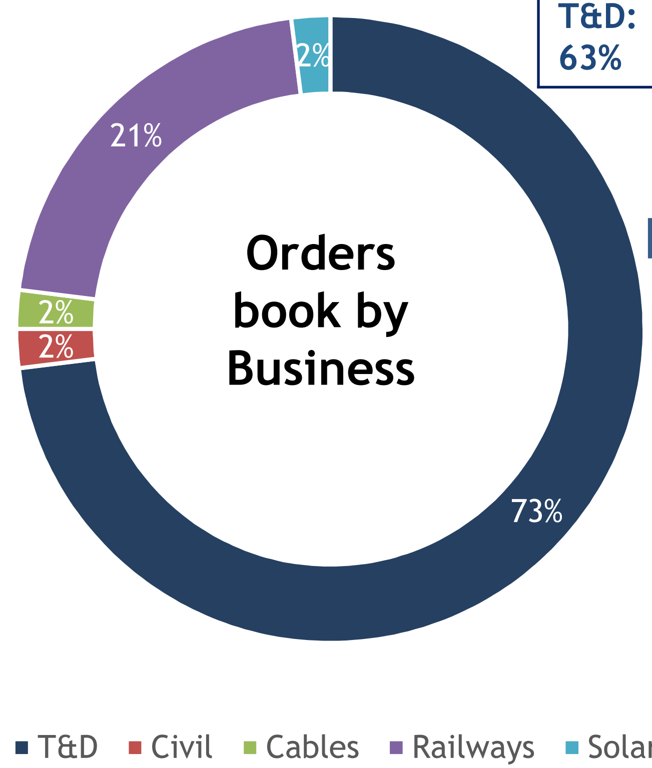
Order Intake YTD: Rs 11,300 crs
Growth of 31% over YTD L.Y.



T&D: 53%	SAE : 11%

Domestic : 63%	International : 37%

YTD Order Book : Rs 17,148 crs
Growth of 43% over L.Y.



T&D: 63%	SAE : 10%

Domestic : 53%	International : 47%

L1 of over Rs 4,000 Crs;

Thank You

Registered Office

RPG House, 463, Dr. Annie Besant Road, Worli, Mumbai - 400 030.

Phone: +91-22-6667 0200 | Email: kecindia@kecrpg.com