

Press Release

HCC Net Profit up 41% at Rs 27.1 crore **For the fifth consecutive quarter, HCC reports positive results**

Mumbai: July 31, 2014: HCC has registered a Net Profit of Rs 27.1 crore for the first quarter of FY 2014-15 compared to Rs 19.2 crore in the corresponding period last year. The turnover in Q1 stood at Rs 1,043.5 crore compared to Rs 1,149.6 crore in the previous year.

Financial highlights - HCC unaudited results

For the quarter ended June 30, 2014

- HCC Board of Directors approve fund raising through QIP issue of securities
- Turnover at Rs 1,043.5 crore against Rs 1,149.6 crore on YOY basis
- Operating Profit at Rs 201.1 crore compared to Rs 201.2 crore on YOY basis
- EBIDTA margins at 20.4% compared to 17.6% on YOY basis
- Net Profit of Rs 27.1 crore compared to Rs 19.2 crore on YOY basis
- Current order book at Rs 13,897 crore, excluding L1 contracts worth Rs 753 crore

This is the fifth quarter in a row when company has shown positive results thereby establishing that its strategy of efficient project management, cost control and focus on claim management is yielding results consistently. The process of monetization of assets / equity raising has gathered momentum which would result in deleveraging balance sheet and reducing finance cost. During the Q1 of FY2014-15, the company secured two new orders worth Rs 557 crore.

Commenting on the company's performance, **Praveen Sood, Group CFO** said, "The Company is fully geared up to capture additional opportunities in infrastructure sector promised by the new government with economic revival. Meanwhile, improved investor's sentiments have opened many opportunities for the company to raise equity or equity like instruments which will not only deleverage the company but also cut finance cost substantially.

The Board of Directors of HCC have approved raising of long term funds by way of issuance of Equity Shares through Qualified Institutions Placement (QIP Issue) for an amount not exceeding Rs 750 crore.

Performance of HCC subsidiaries:

Steiner AG: The company has registered a revenue of CHF 227.4 million (Rs 1,529.9 crore) in Q1 of FY2014-15 compared to CHF 202.1 million (Rs 1,359.7 crore) in the previous year. The net profit stood at CHF 2.8 million (Rs 18.8 crore) compared to CHF 3.6 million (Rs 24.2 crore). The closing cash balance of the company was CHF 130 million (Rs. 880.8 crore)

reflecting company's steady financial performance with strong liquidity position. During Q1 FY2014-15, the company secured fresh orders worth CHF 73.6 million (Rs. 497.2 crore). The order backlog was CHF 1.03 billion (Rs.6,996 crore) at the end of the quarter. In addition to this, the company has secured orders for more than CHF 450 million (Rs. 3,039.7 crore), where the contracts are yet to be signed.

Lavasa Corporation Limited (LCL): The Company has filed draft prospectus on July 01, 2014 with SEBI for raising up to Rs 750 crore through Initial Public Offer (IPO). The company has in-principle approval from BSE and NSE for its public issue. The proceeds of this public issue will be utilised for development of certain infrastructure facilities at Mugaon, construction of certain buildings at Dasve and Mugaon, repayment and / or prepayment of certain debt and general corporate purposes. The construction activities are in full swing with over 4,300 workers on ground. Till date, over 711 residential units have been completed and totally 2720 units were sold, including 399 units of Rental Housing.

HCC Infrastructure Co Limited: Baharampore Farakka Highway (101 km, Rs. 1,169 crore), a part of NH34, commenced commercial operations in May 2014. Further, the tolling for the Farakka Raiganj Highway (102km, Rs 1,378 crore) is expected to commence later this year. With a majority of the HCC Concessions' BOT having achieved maturity, the process of monetising select assets at attractive valuations is underway.