



Hindustan Construction Co Ltd

Investor / Analyst Presentation

Q1 FY2015-16



Presentation Flow

HCC	-	Performance Highlights & Financial Results
HCC E&C	-	Updates
Steiner AG	-	Updates
HCC Infrastructure	-	Updates
Lavasa	-	Updates

Key Highlights

Fund raising through equity issuance (QIP) :

- On 8th April 2015 company successfully closed a Qualified Institutional Placement of Rs. 400 Cr through the fresh issue of shares to qualified institutional buyers (QIBs) at a price of Rs 30 per share
- Networth of the Company post QIP is around Rs. 1,786 Cr having Debt Equity Ratio 2.7:1
- The net proceeds utilised towards payment to lenders and working capital requirement

247 Stake Sale (26%) deal completed with Blackstone. Received Rs. 158 crs on 10th July 2015 in HCC. In addition to this, Rs. 13 Crs will be received later

Key Financial Highlights: Q1 FY2015-16

As compared to the same quarter of the previous year (YoY)

- Turnover is at Rs. 905.3 Cr v/s Rs. 985.3 Cr
- EBITDA margin at 17.87% V/s 20.41%
- Net Profit of Rs. 8.0 Cr v/s Rs. 27.1 Cr

As compared to the last quarter (QoQ)

- Turnover is at Rs. 905.3 Cr v/s Rs. 1,117.7 Cr
- EBITDA margin at 17.87% V/s 17.20%
- Net Profit of Rs. 8.0 Cr v/s Rs. 20.7 Cr

Order backlog is at Rs. 13,920 Cr excluding L1 contracts worth Rs. 2,990 Cr

Orders bagged in FY 2014-15 & Q1 FY 2016 Rs. 3,087 Cr (Cumulative)

Financial Performance: Q1 FY 2015-16 (3 mth YoY & QoQ)

For the quarter ended	Q1 FY16 30 Jun'15	Q1 FY15 30 June'14	Q4 FY15 31 Mar.'15	YoY	QoQ
	Rs. Cr	Rs. Cr	Rs. Cr	%	%
Turnover (net of JV)	905.3	985.3	1,117.7	(8.1)	(19.0)
Other Income & JV Profit/loss	52.5	35.0	50.2		
Construction Cost (incl. material)/other exp.	653.2	693.7	833.9	(5.8)	(21.7)
Employee Cost	90.4	90.6	91.6	(0.2)	(1.4)
EBITDA (excluding other income)	161.8	201.1	192.2	(19.6)	(15.8)
EBITDA Margins	17.87%	20.41%	17.20%		
Interest	167.5	156.2	167.7	7.3	(0.1)
Depreciation	34.3	39.6	38.7	(13.5)	(11.5)
Exceptional Item	-	-	-	-	
Profit / (Loss) Before Tax **	12.5	40.3	36.0	(69.0)	(65.3)
Tax	4.5	13.2	15.3		
Profit / (Loss) After Tax	8.0	27.1	20.7	(70.4)	(61.2)

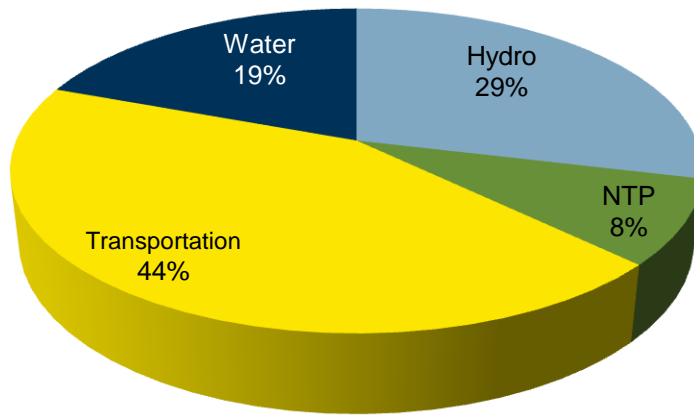
** including Other Income and JV profit



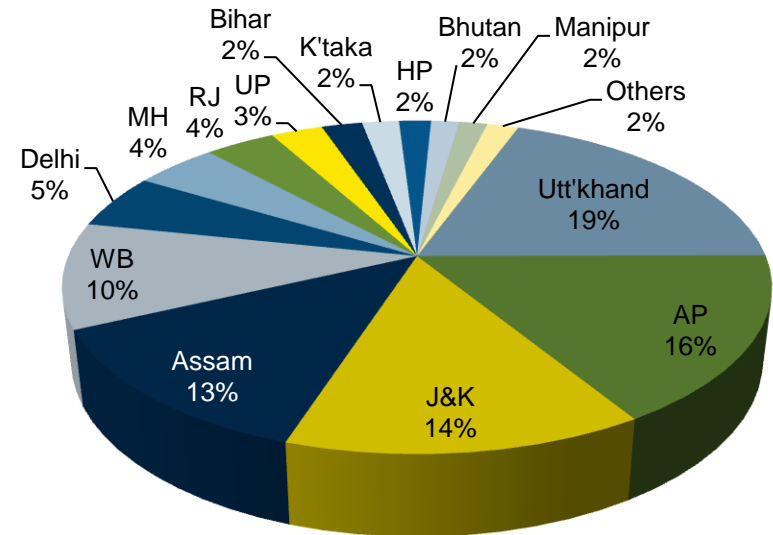
HCC E&C

Order Backlog (as on 1-Jul-2015): Rs 13,920 Cr

Business Line Wise



Geographical Spread



Balanced portfolio having geographical spread across the country

FY 2014-15 & Q1 FY 16 : Orders Won till date

S. No.	Business Line	Name of Project	Client	State	HCC Share (Rs Cr)
1	Transportation	DMRC CC-66 U/G Metro Tunnel	DMRC	Delhi	300
2	Transportation	Elevated Park Circus to EM Bypass- Bal. works	KMDA	West Bengal	257
3	NSP	Civil Work in C2 Complex, J3 Project, Jamnagar	Reliance Ind.	Gujarat	88
4	Water	Bhandup Pipeline	MCGM	Maharashtra	120
5	Transportation	Indo Nepal Border to Rudhauli Sec of NH-233, UP	MoRTH	UP	393
6	Transportation	Four laning of Numaligarh to Jorhat Section	MoRTH	Assam	455
7	Hydro	Balance Work of HRT for Sawra Kuddu HEP	HPPCL	HP	180
8	Transportation	PWD Munirka Flyover	PWD, Delhi	Delhi	278
9	Transportation	4-Laning of Jamugurihat -Biswanath Chariali bypass	MORTH	Assam	392
10	Transportation	Construction of single line BG Tunnel No.12 (L-9.55 km) & Adit 1 & 2	NF Railway	Manipur	471
11	Buildings	Const of Tata Memorial Hospital, Vizag	DAE	Andhra Pradesh	153
Total					3,087

In addition to order book, Current L1 orders is aggregating to Rs. 2,990 Cr

Claims Status

Claims details :

- Claims awarded in arbitration / court in favour of the company – Rs. 2,372 crs
 - Challenged further by client in court Rs. 2,267 crs
 - Awarded in arbitration but yet not challenged in court Rs. 105 crs
- Claims under DRB/arbitration / with Engineer –Employer Rs. 8,099 crs



Steiner updates

Steiner AG Highlights

- Steiner AG, Headquartered in Zurich, is a leading Real Estate Developer and Total Services Contractor in the Swiss real estate market .Specializes in turnkey development of new buildings and renovation of existing properties
- Closing order backlog at CHF 1,179 million (Rs.7,995 Cr) excluding contracts of CHF 540 million (Rs.3,662 Cr) yet to be signed
- Order intake during Q1 FY 2015-16 CHF 225 million (Rs. 1,528 Cr)
- Key financials of Steiner AG:
 (for P&L : exchange rate of 1 CHF = Rs 67.15 as of June 30, 2015)
 (for BS : exchange rate of 1 CHF = Rs 67.81 as of June 30, 2015)

As per IGAAP	Q1 FY 2015-16	Q1 FY 2015-16
	CHF Million	Rs. Cr
Turnover	170.1	1,142.3
PAT/ (Loss)	(0.2)	(1.3)

- Steiner India (100% subsidiary of Steiner AG), executing Lavasa project and implementing third-party projects in Mumbai, Pune, Delhi and Bangalore areas



HCC Infrastructure

Business Update

West Bengal Projects (NH34)

- Baharampore-Farakka (Pkg 3): Toll collection averaged ~Rs.33 lacs daily in last quarter
- Farakka-Raiganj (Pkg 4) expected to start tolling by fiscal end

Dhule Palesner Highway (NH3)

- HCC Concessions signed definitive documents to sell entire 60% economic stake to Sadbhav for Rs.204 crore
- Additional amount of Rs.24 crore estimated to be realised as HCC Concessions' share, from expected claims made to NHAI
- Closing expected shortly after completion of conditions precedent, including clearances
- Toll collection averaged ~Rs.39 lacs daily in last quarter

Nirmal Annuity Project

- HCC Concessions signed definitive documents for sale of Nirmal BOT Ltd in December 2014 for Rs.64 crore
- Closing expected shortly after receipt of clearances
- HCC O&M Ltd providing comprehensive O&M services to Nirmal BOT and Baharampore-Farakka



Package 3 Toll Plaza at Km 206



Four-laned section on Package 3 at Km 252



Lavasa Corporation Limited



Aerial View



Aerial View of Dasve

Operations – Highlights

Labour strength : ~ 700 Nos. on ground

Units Handed Over :

- 923 units handed over to CMS
- 722 units handed over to customers

Dasve :

- ~ 1.5 million Sqft. of residential, commercial & social under development i.e. villas, Club view, lake view, Delfino, Brook view, Valley View etc.

Mugaon :

- ~1 million Sqft of residential under development

Highlights : Institutional sales & updates

Activity started in Q1 FY16 :

- PAN Media : Gaming lounge in Neospark
- Birds Eye View, chopper rides have restarted on weekends, around 8 rides sold so far

Institutional sales in Q1:

- Ecole Lavasa : Premises & business leased to Expat Properties (India) Ltd.
- KVL : Property leased to Study world, Dubai for starting k-12 school in FY'17
- Retails operations : Few more brands added (Apollo Pharmacy & Happy Sandwich & Burger)
- Termsheet signed with Mr. Sandeep Patil (cricketer) for jointly developing sports complex at Dasve with prime focus on creating cricket related tournaments for Corporates
- Termsheet signed for developing 100 acres of Bollywood based Theme Park and Film Studio

Tourism & Events

Tourism :

- Footfall during the quarter increased by 40% as compared to last year 2,51,293 V/s 1,79,449 (3 months comparison)
- Popular destination for Commercial Shooting : Volkswagen Vento advert shoot, South-Indian Music Album, Zee TV and Marathi Movie, etc.

Events held in Q1 FY16 :

- Maharashtra Divas - ~16000 visitors got a flavor of Maharashtrian art, culture and cuisine
- World Motor Cycle Day - 850 bikes and around 1000 bikers participated
- World Yoga Day - Celebrated at Fortune select Dasve with 3 Yoga session
- Polaris ATV Experiential Event with CNBC at Xthrill

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Thank You

Disclaimer

Lavasa Corporation Limited is proposing, subject to receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its Equity Shares and has filed a draft red herring prospectus, (“DRHP”) with the Securities and Exchange Board of India, (“SEBI”). The DRHP is available on the SEBI website at www.sebi.gov.in as well as the respective websites of the BRLMs at www.axiscapital.co.in, <http://investmentbank.kotak.com>, www.icicisecurities.com. Investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, see the section “Risk Factors” on page 19 of the DRHP.

This presentation contains certain forward looking statements concerning future business prospects and profitability of HCC, which are subject to a number of risks and uncertainties and actual results could materially differ from those in such forward looking statements, important developments that could affect the company's operations include a downtrend in the infrastructure sector, significant changes in political and economic environment in India, tax laws, labor relations, litigation etc. The company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the company.