



HCC

Hindustan Construction Co Ltd

Investor / Analyst Presentation

FY2016-17



Presentation Flow

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

Key Financial Highlights: Q4 & 12M FY2016-17

Results are in accordance with the Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs

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

- Income from operations increased by 14% at Rs. 1,358.27 Cr v/s Rs. 1,195.99 Cr
- EBITDA margin at 16.50% v/s 17.54%
- PBT was at Rs. 37.17 Cr v/s Rs. 24.18 Cr and PAT(without exceptional items) was at Rs. 42.13 Cr v/s Rs. 48.02 Cr

➤ As compared to full year of the previous year (YoY)

- Income from operations is at Rs. 4,195.94 Cr v/s Rs. 4,190.89 Cr
- EBITDA margin at 17.96% v/s 19.29%
- PBT was at Rs. 96.96 Cr v/s Rs. 140.42 Cr and PAT(without exceptional items) was at Rs. 80.63 Cr v/s Rs. 122.79 Cr

➤ Order backlog as on 31st March, 2017 at Rs. 20,390 Cr excluding L1 contracts worth Rs. 2,804 Cr

➤ Orders bagged till date Rs. 5,375 Cr

Financial Performance : 12M FY 2016-17 (12 mth YoY)

Results are in accordance with the Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs

| For the period ended | 12M FY17 31 Mar'17 | 12M FY16 31 Mar'16 | YOY |
|---|-----------------------|-----------------------|---------------|
| | Rs. Cr | Rs. Cr | % |
| Total Income from operations | 4,195.9 | 4,190.9 | 0.1 |
| Other Income | 262.2 | 214.2 | |
| Construction Cost (incl. material) / other exp. | 3,045.5 | 2,999.3 | 1.5 |
| Employee Cost | 396.8 | 383.2 | 3.5 |
| EBITDA (excluding other income) | 753.6 | 808.4 | (6.8) |
| EBITDA Margins | 17.96% | 19.29% | |
| Interest | 772.4 | 701.7 | 10.1 |
| Depreciation | 125.3 | 152.5 | (17.8) |
| Exceptional Item | 21.2 | 28.0 | |
| Profit / (Loss) Before Tax * | 97.0 | 140.4 | (31.0) |
| Tax | 37.6 | 45.7 | |
| Profit / (Loss) After Tax | 59.4 | 94.8 | (37.3) |
| Other comprehensive income (after tax) | 21.5 | (9.0) | |
| Total Comprehensive Income (after Tax) | 80.9 | 85.7 | (5.6) |

*Includes other income

Financial Performance : Q4 FY 2016-17 (3 mth YoY & QoQ) **HCC**

Results are in accordance with the Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs

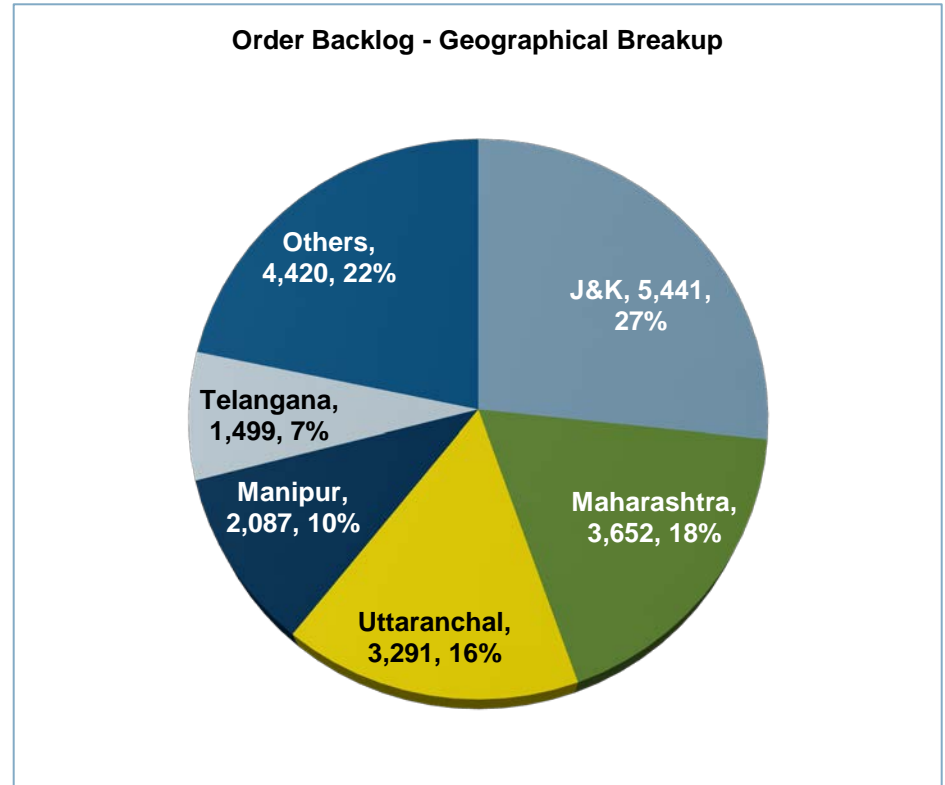
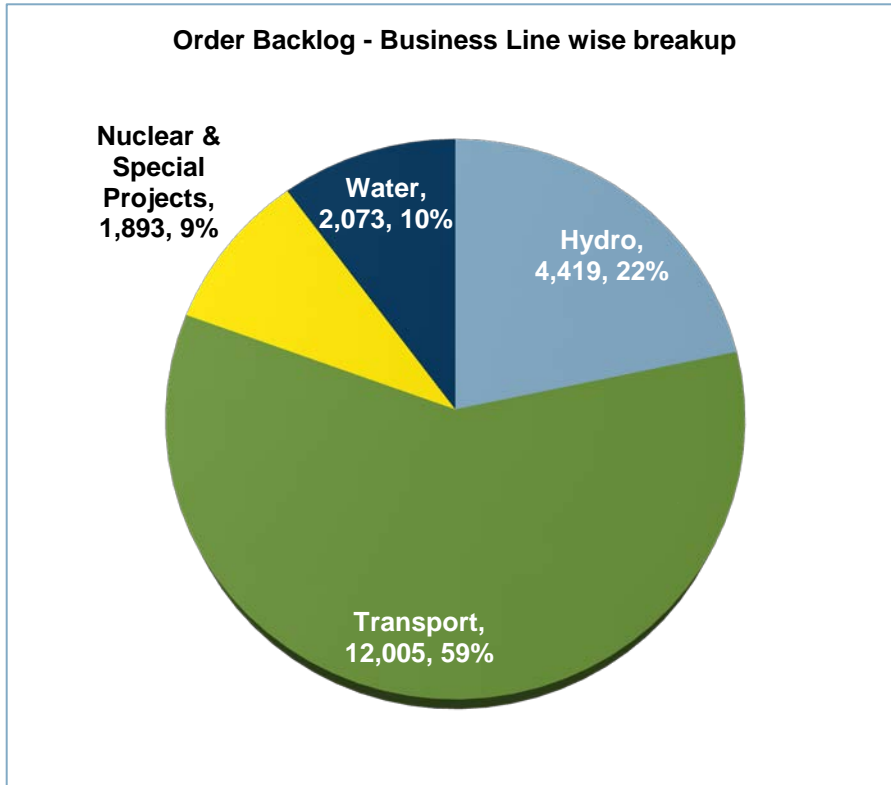
| For the quarter ended | Q4 FY17 31 Mar'17 | Q4 FY16 31 Mar'16 | Q3 FY17 31 Dec'16 | YOY | QOQ |
|---|----------------------|----------------------|----------------------|------------|------------|
| | Rs. Cr | Rs. Cr | Rs. Cr | % | % |
| Total Income from operations | 1,358.3 | 1,196.0 | 944.1 | 14 | 44 |
| Other Income | 70.6 | 54.1 | 71.9 | | |
| Construction Cost (incl. material) / other exp. | 1,022.9 | 884.3 | 689.3 | 16 | 48 |
| Employee Cost | 111.3 | 101.9 | 93.5 | 9 | 19 |
| EBITDA (excluding other income) | 224.1 | 209.8 | 161.3 | 7 | 39 |
| EBITDA Margins | 16.50% | 17.54% | 17.08% | | |
| Interest | 208.0 | 181.7 | 194.7 | 14 | 7 |
| Depreciation | 28.3 | 31.7 | 30.8 | (11) | (8) |
| Exceptional Item | 21.2 | 26.2 | - | | |
| Profit / (Loss) Before Tax * | 37.2 | 24.2 | 7.6 | 54 | 389 |
| Tax | 16.3 | 2.4 | 3.0 | | |
| Profit / (Loss) After Tax | 20.9 | 21.8 | 4.6 | (4) | 359 |
| Other comprehensive income (after tax) | 21.4 | (10.7) | (3.1) | | |
| Total Comprehensive Income (after Tax) | 42.3 | 11.1 | 1.4 | 280 | NM |

*Includes other income



HCC E&C

Orderbook : Rs 20,390 Cr (YoY increase of 12.5%)



Order book to cross Rs. 23,000 Cr post conversion of L1 into orders

Balanced portfolio having geographical spread across the country

FY 2016-17 : Orders Won

(Rs in Cr)

| S. No. | Name of Project | Client | HCC Share (Rs Cr) | Award Quarter |
|--------|--|------------|-------------------|---------------|
| 1 | Residential towers at DAE Anushaktinagar | DAE | 159 | Q1 |
| 2 | Mumbai Metro Line 3-CBS - UGC-02 | MMRC | 2,523 | Q2 |
| 3 | IRCON Tunnel, T-13_2nd Call, J&K | Ircon | 1,750 | Q2 |
| 4 | High rise buildings at Anupuram, TN | DAE | 182 | Q2 |
| 5 | Parallel safety tunnel of T-12 | NF Railway | 202 | Q3 |
| 6 | Bistan LIS, MP | NVDA | 191 | Q3 |
| | Projects received till Q3 | | 5,006 | |
| 7 | Anji Khad railway cable stayed bridge, J&K | Ircon | 369 | Q4 |
| | Projects Won in FY 2016-17 | | 5,375 | |

In addition to order book, Current L1 orders is aggregating to Rs. 2,804 Cr

- Joint Lender’s Forum meeting held on July 12, 2016 (Reference Date) has passed to resolve the account under the recent RBI guidelines ‘Scheme for Sustainable Structuring of Stressed Assets (S4A)’
- Overseeing Committee (OC) thru Indian Banks Association (IBA) vide its letter dated 4th November,2016 addressing to the lead bank granted approval for implementation of the S4A scheme for HCC. The approval received as per the scheme submitted the OC.
- Shareholders approved Equity shares & OCDs issuance to lenders in the EGM held on 5th January’17.
- Lenders representing 22.91% of the Expanded Capital of the Company
- The S4A Scheme has been implemented

| Rs. Cr | Pre S4A 31-Dec-16 | Post S4A 31-Mar-17 |
|--------------|----------------------|-----------------------|
| Debt | 4,988 | 2,967 |
| OCDs* | - | 1,430 |
| Total | 4,988 | 4,397 |
| Equity | 1,931 | 2,690 |
| DER (Times) | 2.58 | 1.63 |
| Mcap | 3,090 | 4,690 |

*PV as per IndAS

- Total arbitration awards in favour Rs 3,781 Cr as of March 31, 2017
- Further claims worth around Rs 4,296 Cr in arbitration process
- As at March 31, 2017, Company entitled to receive 75% approximately Rs. 2,948 Cr
- Received letters of Rs. 1,882 Cr, being 75% of awards amount
- Rs. 380 Cr collected as per CCEA decision till date



Steiner updates

- 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 1,426 million (Rs. 9,200 Cr)
- Order intake during 12 month FY 2016-17 CHF 927 million (Rs. 5,977 Cr)
- Cash balance is at CHF 96 million (Rs. 617 Cr)
- In FY 2016-17, revenue growth was over 25% on YoY basis
- Key financials of Steiner AG:

| As per IGAAP | FY 2016-17 | FY 2016-17 |
|---------------------|--------------------|-------------------|
| | CHF Million | Rs. Cr |
| Turnover | 820.6 | 5,580.2 |
| PAT/ (Loss) | 3.2 | 21.7 |

(for P&L : exchange rate of 1 CHF = Rs 68.00 as of March 31, 2017)



HCC Infrastructure

Business Update

- Baharampore – Farakka – Raiganj – Dalkhola (NH-34 Packages 3, 4, 5)
 - Farakka-Raiganj (Pkg 4): Average daily revenue of Rs.47 lakhs since COD achieved on Oct 19, 2016; to increase to ~Rs.80 lakhs at FCOD in Q2/Q3 2017;
 - Baharampore-Farakka (Pkg 3): Average daily revenue of Rs.38 lakhs in Q4 with yearly average of Rs.37 lakhs; impact of demonetization witnessed in Q4 as well
 - Arbitration process for Rs.1,250 cr claims (for land delays) expected to be completed by Q3/Q4 FY18
 - Raiganj-Dalkhola (Pkg 5):
 - Received notice to terminate from NHAI on Mar 31, 2017
 - Concessionaire & lenders have refuted NHAI termination notice; evaluating amicable termination amongst other remedies
- Delhi-Faridabad (NH2)
 - Political Force Majeure event notified to NHAI due to ECC by Supreme Court impacting CV traffic entry into Delhi
 - Concessionaire evaluating termination while arbitration for Rs.397 cr Claims underway



Farakka Raiganj Highway: Toll Plaza at Km 297



Km 341 (Farakka Raiganj Highway)

Financial Update

HCC Concessions Ltd. (Standalone)

| Rs. Cr | 12M FY 2016-17 | 12M FY 2015-16 |
|-------------------|----------------|----------------|
| Turnover | 25.51 | 31.87 |
| EBITDA | 10.33 | 11.10 |
| EBITDA Margin (%) | 40.5% | 34.8% |
| PAT/ (Loss) | 0.65 | (85.32) |

NH-34 SPVs: FY 2016-17

| Rs. Cr | Bahrapore Farakka Highways Ltd. | Farakka Raiganj Highways Ltd. |
|----------|---------------------------------|-------------------------------|
| Turnover | 230.86 | 345.98 |
| EBITDA | 57.78 | 45.53 |



Lavasa Corporation Limited



Infrastructure



Lakeshore Watersports



Jetovator



Children's Play Area



Hovercraft



Oase Living Waters



Neo Spark Games Arcade



Nature Trail



X-Thrill Adventure Sports & Academy

Highlights – THLE

- Footfall in FY 2016-17 – 8.9 Lacs (footfall in Q4 - 2.09 lacs)
- Tourism earned revenue of Rs. 84.7 lacs in FY 2016-17 from ad shoots, pre- wedding shoot and activities.
- Shoots - Prominent commercial shoot included Skoda Rapid, Maruti Ciaz, Apollo Tyres, song shoot and pre wedding shoot in FY 16-17.
- Verzon Hospitality (Hostel): Block A has 189 rooms, 140 rooms has been leased out to Ecole (48 rooms), Christ University (92 rooms). Block B is under construction.

Highlights – Construction

- **Laborers on ground : ~200 Nos.**

- **Total units ready for possession : ~1205 units**
 - Apartments : ~ 717 Units
 - Villas : ~ 488 Units

- **Total units taken possession : ~1066 units**
 - Apartments : ~ 636 Units
 - Villas : ~ 430 Units

- **Properties handed over in FY 2016-17**
 - 20 Villas and 52 Apartments

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Thank You