

13th November 2018

National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (E),
Mumbai – 400 051

BSE Limited,
Floor 25, P J Towers,
Dalal Street,
Mumbai – 400 001

Dear Sir / Madam,

Sub: Presentation on Unaudited Financial Results for the quarter & half year ended
30th September 2018

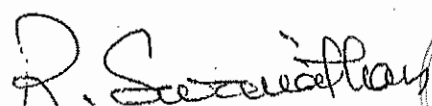
Pursuant to Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 ("SEBI Regulations"), please find enclosed a presentation on the Unaudited Financial Results of the Company for the quarter & half year ended 30th September 2018 made to Investors/ Analysts.

The aforesaid presentation is also being hosted on the website of the Company, www.wabag.com in accordance with Regulation 46 of the SEBI Regulations.

Kindly take on record the same.

Thanking you,

For VA TECH WABAG LIMITED

**R SWAMINATHAN****COMPANY SECRETARY & COMPLIANCE OFFICER**

Encl: as above

Sustainable solutions, for a better life



VA TECH WABAG LTD.

RESULT UPDATE PRESENTATION
Q2 & H1 FY 19

REJUVENATING
WATER.
ENRICHING
COMMUNITIES.

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- This presentation contains certain forward looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. 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.

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Key Highlights H1 FY 19

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Quarterly Performance

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Order Book Analysis

Business Overview



Al Madina Al Shamalia (AMAS) Sewage Treatment Plant, Kingdom of Bahrain

Key Highlights H1 FY 19



- Consolidated Revenue at INR 14.39 Bn
- Consolidated EBITDA at 7.9%
- Consolidated PAT at INR 488 Mio up by 16.7% YoY
- Order Book over INR 92.5 Bn
including framework orders



Water Treatment Plant,
Alpnach, Switzerland

Quarterly Performance



RESULTS OVERVIEW – Consolidated Profit and Loss

Rs. Millions	Q2 FY 19	Q2 FY 18	YOY %	H1 FY 19	H1 FY 18	YOY %
Revenue from operations	7,520	8,865	(15.2%)	14,398	15,551	(7.4%)
Cost of Sales	5,963	7,105	(16.1%)	11,114	12,361	(10.1%)
Total Cost of Operations (TCO)	1,058	933	13.4%	2,141	1,959	9.2%
EBITDA	498	827	(39.8%)	1,144	1,231	(7.1%)
EBITDA margin	6.6%	9.3%		7.9%	7.9%	
Forex (Gain) / Loss	(130)	52	--	104	38	--
Net Finance Cost	172	141	21.8%	314	254	23.7%
Depreciation & Amortization	42	45	(6.3%)	85	90	(5.9%)
Tax	141	220	(35.9%)	242	380	(36.3%)
Share of Profits from Associates / MI (Net)	86	(35)	--	90	(51)	--
Profit After Tax (Owners)	359	334	7.4%	488	418	16.7%
PAT margin	4.8%	3.8%		3.4%	2.7%	

- Key overseas projects nearing completion resulting in lower YoY sales
- Continued improvement in operating margins in Europe driven by ongoing cost control initiatives
- Functional currency change in Turkey from Lira to Euro eliminating forex translation impact

RESULTS OVERVIEW – Standalone Profit and Loss

Rs. Millions	Q2 FY 19	Q2 FY 18	YOY %	H1 FY 19	H1 FY 18	YOY %
Revenue from Operations	5,209	5,063	2.9%	8,611	8,609	--
Cost of Sales	4,088	3,978	2.8%	6,585	6,654	(1.0%)
Total Cost of Operations (TCO)	643	491	31.0%	1,239	992	24.9%
EBITDA	478	595	(19.6%)	787	963	(18.3%)
EBITDA margin	9.2%	11.7%		9.1%	11.2%	
Forex (Gain) / Loss	(44)	28	--	(29)	28	--
Net Finance Cost	107	60	78.6%	192	129	49.1%
Depreciation & Amortization	21	23	(5.3%)	43	46	(5.7%)
Tax	138	170	(18.8%)	204	266	(23.4%)
Profit After Tax	256	314	(18.6%)	377	494	(23.7%)
PAT margin	4.9%	6.2%		4.4%	5.7%	

- Forex gains realized from export projects due to appreciation in USD
- Higher TCO driven by prudent provisioning for doubtful debts on receivables as per policy
- Net finance cost higher on account interest cost for working capital

RESULTS OVERVIEW – Balance Sheet

Rs. Millions	Sep '18	Mar '18	Sep '18	Mar '18
	Consolidated		Standalone	
Total Equity (Net Worth)	11,958	11,624	9,325	9,169
Non-Current Liabilities	3,016	2,732	2,312	1,995
Trade Payables	16,213	14,899	10,508	9,255
Short Term Borrowings	4,753	4,274	3,187	2,763
Other Current Liabilities	4,012	3,774	2,472	2,497
Total Equity & Liabilities	39,952	37,303	27,804	25,679
Fixed Assets	1,688	1,768	838	875
Other Non-Current Assets	4,605	5,337	4,345	5,162
Trade Receivables *	14,626	13,028	12,795	11,122
Cash & Bank Balances	1,763	1,852	587	568
Other Current Assets *	16,875	15,318	9,239	7,952
Total Assets	39,952	37,303	27,804	25,679

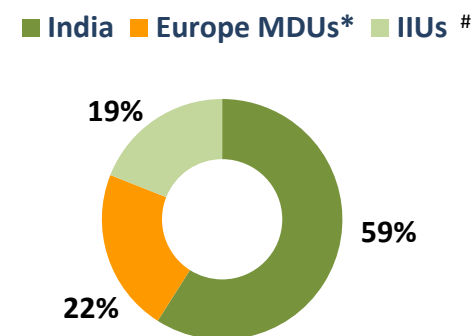
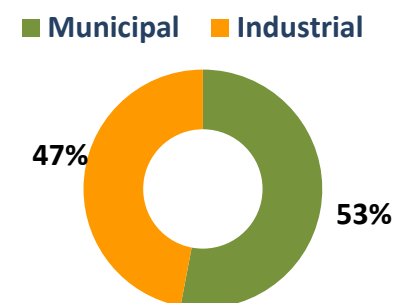
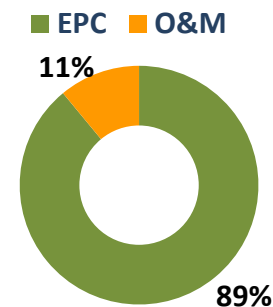
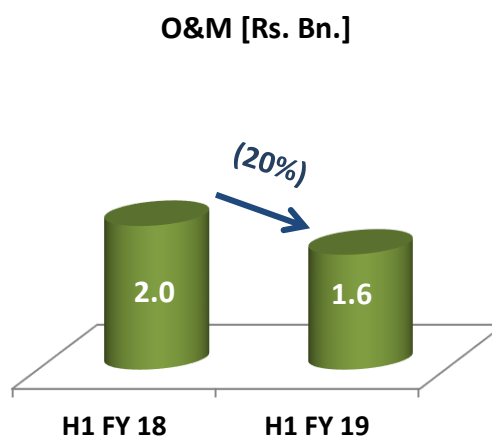
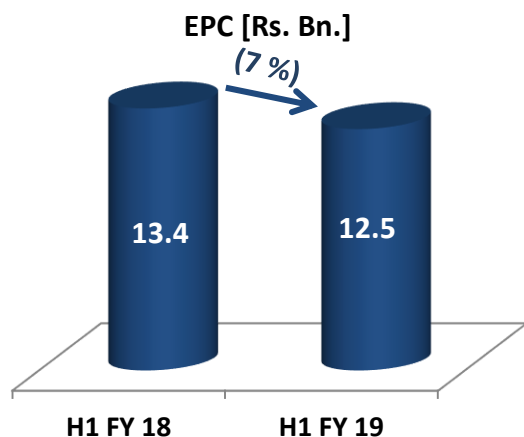
* Reclassification of POC Receivables from 'Trade Receivables' to 'Other current assets'

RESULTS OVERVIEW – Working Capital Highlights

Rs. Millions	Sep'18	Mar '18
Inventories	395	382
Trade Receivables	14,626	13,028
Loans and Advances	414	348
Other Current Assets	16,461	14,587
Total Current Assets (A)	31,896	28,345
Trade Payables	16,213	14,899
Other Current Liabilities and Provisions	4,012	3,774
Total Current Liabilities (B)	20,225	18,673
Net Working Capital (NWC)	11,671	9,672
Net Working Capital (No. of Days)	122	98

Revenue Breakup – H1 FY 19

Rs. Millions	EPC		O&M		Total
	Municipal	Industrial	Municipal	Industrial	
Wabag India	4,099	3,479	576	142	8,296
Wabag Overseas	2,258	2,729	574	288	5,849
Total	6,357	6,208	1,150	430	14,145



Key Projects Contributing to Revenue – H1 FY 19

Project Details	Revenue recognized [Rs. Mn]
▪ Desal & STP Order, Saudi Arabia	1,602
▪ Petronas RAPID, Malaysia – ETP	1,461
▪ Dangote, Nigeria - ETP & RWTP	1,401
▪ Polghawela, Sri Lanka – WTP	762
▪ HMEL, Bathinda – ETP	675
▪ Barmer, Rajasthan – Integrated Water Supply Project	650
▪ Koyambedu, Chennai – TTP	605
▪ Duong River, Vietnam – WTP	467
▪ Karmalichak, Bihar – Sewerage System & PS	365
▪ K&C Valley, Bengaluru - STP	266
▪ AMAS, Bahrain – STP	248

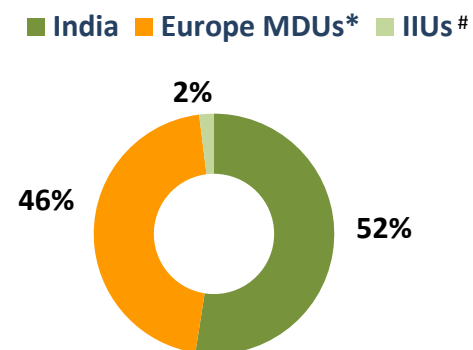
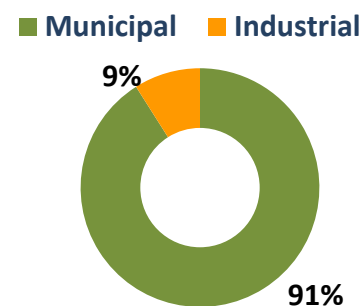
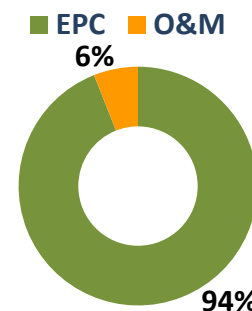
Order Book Analysis



Order Intake Breakup

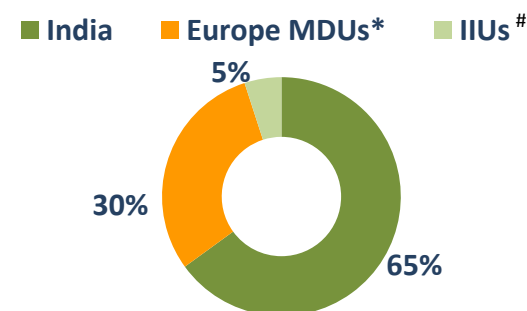
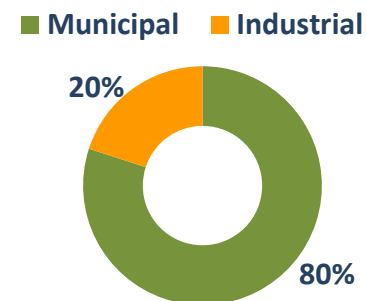
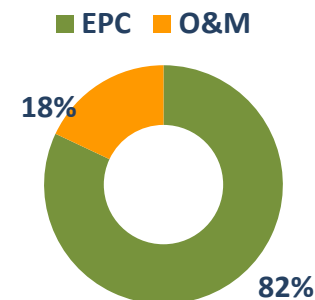
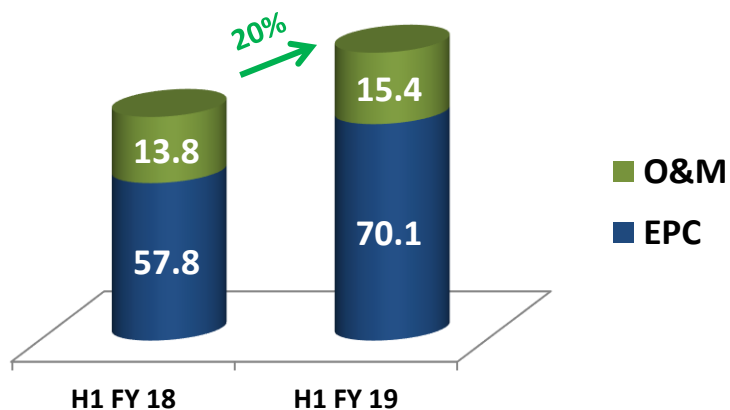
Rs. Millions	EPC		O&M		Total
	Municipal	Industrial	Municipal	Industrial	
Wabag India	14,422	641	676	125	15,864
Wabag Overseas	11,113	1,787	895	241	14,036
Total	25,535	2,428	1,571	366	29,900

Key Orders Received	Order Value (Rs. Mn.)
Expansion SWTP 9, Jubail, Kingdom of Saudi Arabia – MARAFIQ	9,333
Zarat Desal, Tunisia - SONEDE	5,967
South Doha STP, Qatar – ASHGHAL	5,550
Uttarpara, WTP, India - KMDA	1,321



Order Book Composition

Rs. Millions	EPC		O&M		Total
	Municipal	Industrial	Municipal	Industrial	
Wabag India	31,299	10,583	12,235	1,522	55,639
Wabag Overseas	24,842	3,414	1,271	383	29,910
Framework Contracts					6,996
Total	56,141	13,997	13,506	1,905	92,545



Order Book of Rs. 85.5 Bn & Framework Contracts of Rs. 7 Bn

Key Contracts in Orderbook

Project Details	Amt [Rs. Mn]
▪ Expansion SWTP 9, Jubail, KSA – STP	9,333
▪ 50 MLD Zarat, Tunisia – Desal	5,967
▪ South Doha, Qatar – STP	5,550
▪ Dangote, Nigeria – ETP & RWTP	5,448
▪ Polgahwela, Srilanka – WTP	4,315
▪ Koyambedu, Chennai – TTP	3,263
▪ K&C Valley, Bengaluru – STP	3,015
▪ Rithala, Delhi – STP	2,935
▪ HMEL, Bathinda – ETP	2,217
▪ Karmalichak, Bihar – Sewerage System & PS	2,160
▪ Barmer, Rajasthan – Integrated Water Supply Project	1,493

Key Framework Contracts *

- Libya STP of Rs. 6,114 Mn
- Koye Fetcbe, Ethiopia of Rs. 882 Mn

** Contracts wherein Advance Monies / LC awaited, hence not taken in Order Book*

Guidance for FY 19

Revenue : INR 40 Bn – INR 42 Bn & Order Intake : INR 53 Bn – INR 57 Bn



For further information, please contact

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