



KEC INTERNATIONAL LTD.
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November 02, 2018

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (East), Mumbai 400 051

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort, Mumbai – 400 001

Symbol: KEC

Script Codes: 532714

Dear Sir/Madam,

Sub: Investor Presentation

Pursuant to Regulation 30 read with Para A of Part A of Schedule III of the Listing Regulations, we enclose herewith the presentation on financial results of the Company for the quarter and half year ended on September 30, 2018 sent to the institutional Investors/ Analysts today.

The above is for your information and records.

Thanking you,

Yours sincerely,
For KEC International Limited

Rajeev Agrawal
Chief Financial Officer



Encl: as above

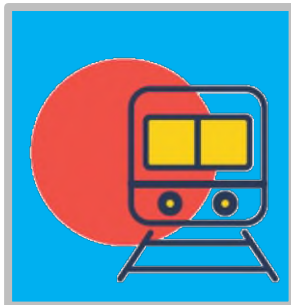
KEC International Limited

Investor Presentation- Q2 FY19

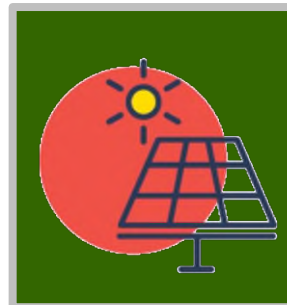
2nd November 2018



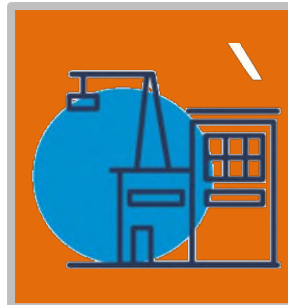
Power T & D



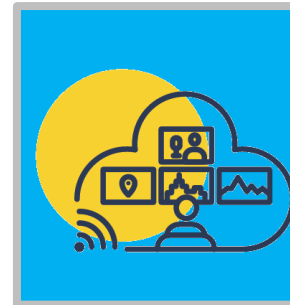
Railways



Solar



Civil



Smart Infra



Cables

Disclaimer

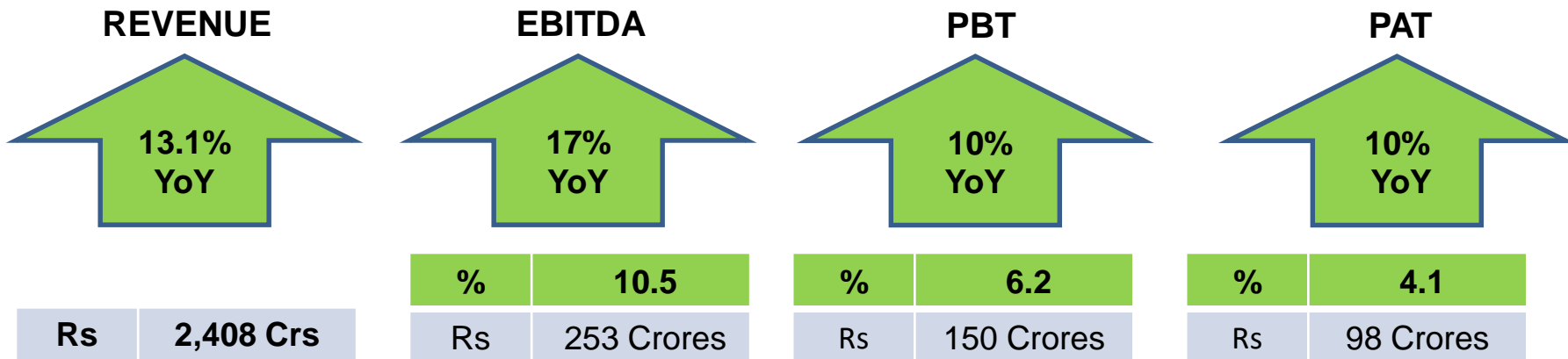
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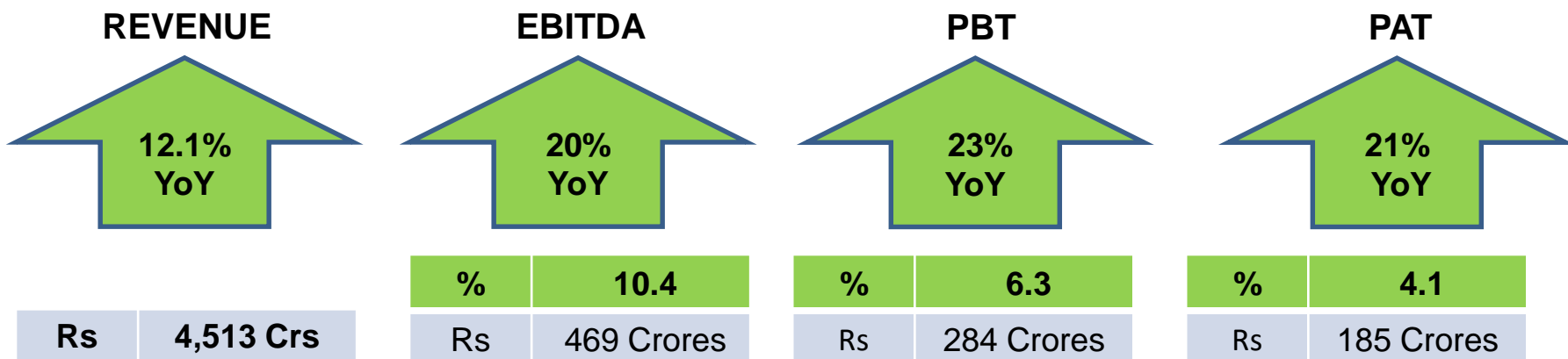
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Major Highlights

Q2' FY19 / Q2' FY18



H1' FY 19 v/s H1' FY 18



Note: Revenue are strictly not comparable as part of H1FY18 Revenues are gross of Excise and other taxes

Profit & Loss Highlights (Consolidated)

(In Rs Crs)	Q2		Y-o-Y	H1		Y-o-Y
Particulars	FY19	FY18	% growth	FY19	FY18	% growth
Revenues	2,408	2,130	13%	4,513	4,024	12%
EBITDA	253	216	17%	469	392	20%
<i>EBITDA Margins</i>	<i>10.5%</i>	<i>10.1%</i>		<i>10.4%</i>	<i>9.7%</i>	
(+) Other Income	2	-		13	6	
(-) Depreciation	30	28		60	55	
(-) Interest	77	53	46%	142	112	27%
<i>Interest as % to sales</i>	<i>3.2%</i>	<i>2.5%</i>		<i>3.1%</i>	<i>2.8%</i>	
PBT	150	136	10%	284	232	23%
<i>PBT Margins</i>	<i>6.2%</i>	<i>6.4%</i>		<i>6.3%</i>	<i>5.8%</i>	
Tax	52	47		100	80	
<i>Tax Rate %</i>	<i>34.7%</i>	<i>34.5%</i>		<i>35.1%</i>	<i>34.4%</i>	
PAT	98	89	10%	185	152	21%
<i>PAT Margins</i>	<i>4.1%</i>	<i>4.2%</i>		<i>4.1%</i>	<i>3.8%</i>	

Note:

1) EBITDA for Q2 FY19 is excluding EBITDA of Bikaner Sikar BOT whereas PBT includes profits from Bikaner Sikar BOT being assets held for sale

2) Revenue are strictly not comparable as Q1'FY19 Revenues are gross of Excise and other taxes

Businesswise Revenue Performance

Business Verticals	Q2 FY19	Q2 FY18	Growth	H1FY19	H1FY18	Growth
			(Y-o-Y)			(Y-o-Y)
Transmission & Distribution:	1,518	1,708	(11.1%)	2,795	3,191	(12.4%)
Non T&D:	660	202	226.0%	1,252	397	215.4%
- Railways	421	119	255.6%	734	277	165.4%
- Civil & Water	106	40	161.6%	224	55	305.1%
- Solar	133	44	204.9%	293	65	352.5%
Cables:	265	239	11.0%	524	459	14.3%
Inter SBU:	(35)	(19)	89.0%	(58)	(23)	158.7%
Total Net Sales	2,408	2,130	13.1%	4,513	4,024	12.1%
- SAE	183	248	(26.1%)	453	399	13.4%

Q2 Updates:

- Mix of Non T&D revenues has increased significantly in the total revenue pie with continued growth trajectory of Railways and Civil businesses
- T&D : Revenues largely deferred to second half of FY19 due to back-ended order intake in FY18; Strong pick up in order intake from International T&D in H1'FY19 will also boost up T&D revenue in H2'FY19
- Cables : Higher export and HT/EHV cables revenues over Q2FY18
- Solar: Strong revenue growth due to execution of APGENCO project

Borrowings & Working Capital

Debt details

(Rs crores)

Particulars	30.9.2018	30.6.2018	Incr / (Decr)	30.9.2017
I) Net Debt (Rs Crs)	3,153*	3,054	99	2,509
II) Acceptances (Rs Crs)	1,056	1,424	(368)	891
III) Trade Payables (Rs Crs)	2,444	2,308	136	1,964
TOTAL (I+II+III)	6,653	6,786	(133)	5,364

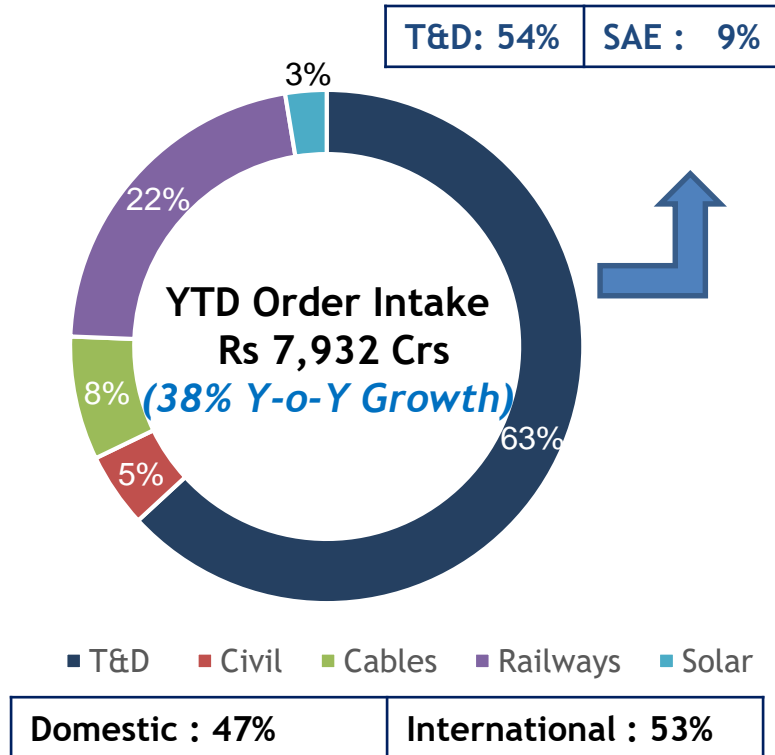
* Net borrowings for 30th Sep 2018 excludes long term borrowings for the company's BOT project of Rs 171 Crs;

Q2 Updates:

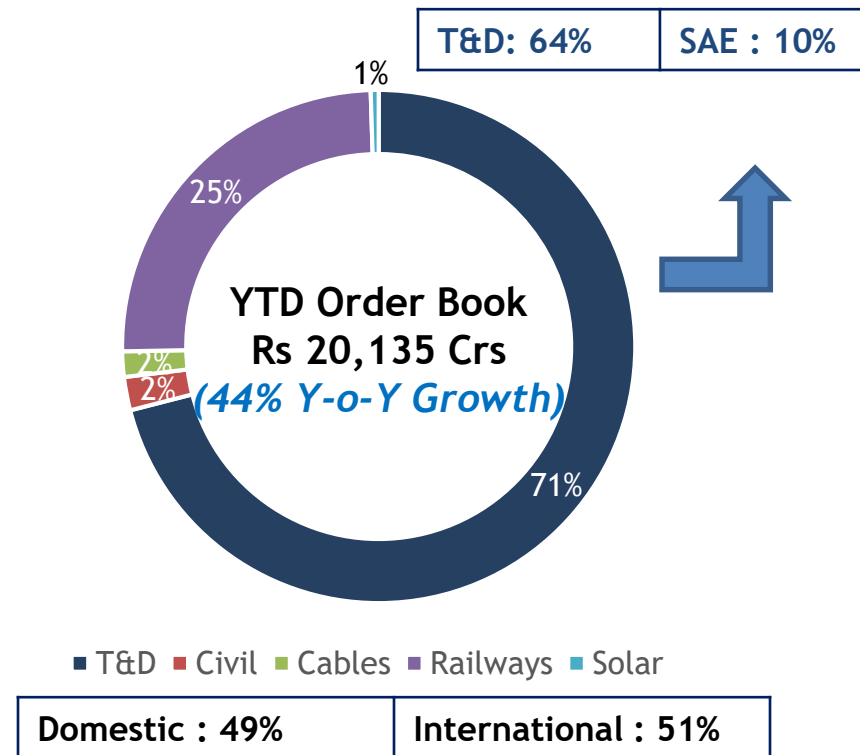
- Borrowings contained at similar level as Q1'FY19 despite significant reduction in Acceptances over Q1'FY19
- Receivable days maintained at almost similar levels at 244 days as Q1'FY19
- Saudi collections of Rs 300 Crs received in Sep end / October
- Inventory carrying cost impacted due to volatility in commodity prices
- Backward integration in Railways has resulted in improved profitability / reduction in payable days; Focus on streamlining Railways supply chain, vendor base and credit terms;
- Increased Interest cost on account of higher domestic borrowings – partly offset by forex gains from lower forex denominated borrowings

YTD Order Inflows & Order Book Breakup

Significant order inflows from T&D

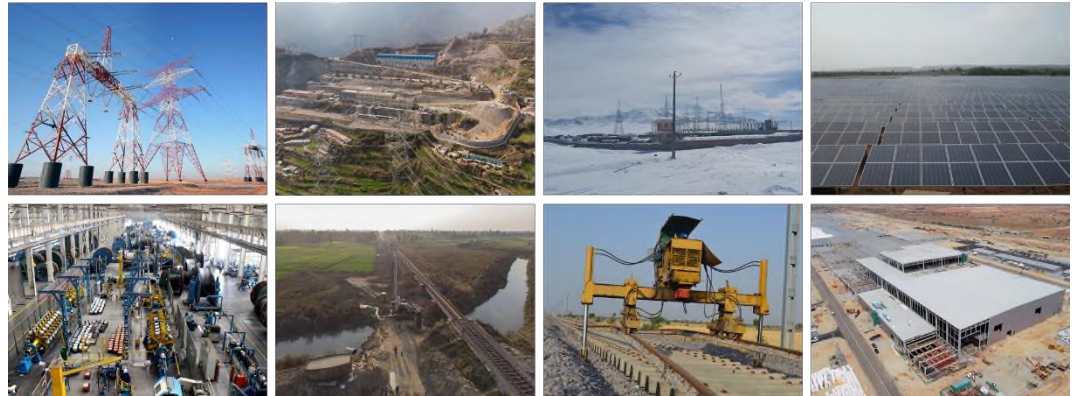


Non T&D contributes ~27% to Order Book



- International T&D contributed 53% to YTD order inflows on account of strong traction from Africa & new geographies vis—vis 37% last year
- Railways order inflow momentum continues
- L1 at ~Rs 4,000 Cr; Latest press release of order worth Rs 1,518 Crs included in YTD Order Intake and Order Book

THANK YOU



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