Dear Sir/ Madam,

Sub: Intimation of Schedule of Analyst/ Institutional Investor meeting under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Ref: BSE Scrip Code: 541154, NSE Symbol: HAL

***

In furtherance to our letters of even no dated 11 & 12th February, 2020 on the subject, please find enclosed herewith copy of the Presentation, which would be discussed during the meeting.

2. The details of the said meeting and presentation is also made available on Company’s Website www.hal-india.co.in in Sub-section “Intimation to the Stock Exchange” under “Investors” Section.

Thanking you,

Yours Faithfully

For Hindustan Aeronautics Ltd

(G V Sesh Reddy)
Company Secretary & Compliance Officer
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COMPANY OVERVIEW
HAL TODAY

**Key Drivers**

- 20 Production and 11 R&D Centers with around 28,000 employees
- Healthy Growth in Sales on Year-on-Year Basis
- Exports to over 20 countries (Highest exporter among DPSUs)
- 17 Indigenous & 14 Licensed aircraft manufactured
- 36th Position in top 100 Defense Aerospace Companies
- MoU Excellent rating for the past 16 years
- 80% footprint of HAL in Defence flying platforms
Products & Services

- Fixed Wings
- Rotary Wings
- Accessories & Avionics
- Aero-Engines & Gas Turbines
- Aerospace
- UAV
HAL CAPABILITIES

- Maintenance, Repair and Overhaul (MRO)
- Manufacture of Aircraft, Helicopter, Engines, Systems
- D&D of Platforms, Aero-engines and systems
- Manufacture of Structures for Launch vehicles and Satellites
- Aircraft Mid-life upgradation
- Missile Integration on existing platforms
- D&D and Manufacture of UAVs

DAKOTA, VAMPIRE, HT-2, Aero-Structure, Jaguar Upgrade, BRAHMOS, UAV
HAL – Current Operations

Platforms

- Su-30 MKI
- ALH
- LCA
- Cheetal
- Do-228
- Cheetak
- LCH

- MiG Variants
- Kiran Mk I/MK II
- Jaguar
- Hawk
- Mirage
- Avro
- Cheetah
- An-32

Manufacturing & ROH

ROH
HAL – Current Operations

Engines

Aero-engines
- Shakti
- TM Artouste III
- Garrett TPE 331-5

Industrial Marine Gas Turbine
- LM 2500

AL 31 FP
RD 33

13 Types Engine ROH
- Adour Mk 804/811/871
- Dart
- R-29

Manufacture & ROH
Business Units of HAL

MiG Complex

Manufacture
1. Su-30 MKI
2. AL-31FP
3. RD-33

ROH – Aircraft -Su-30 MKI, MiG 21
– Engines – AL-31 FP, R-25, RD-33

Accessories Complex

Manufacture – Aircraft, Accessories, Avionics

Dornier Do-228

ROH – Dornier Do-228, AN-32, HS-748 Avro

Bangalore Complex

Manufacture – Aircraft, Engines, Aero-structure

1. LCA Tejas
2. Shakti
3. Garrett
4. Artouste

ROH – Aircraft – Jaguar, Mirage

Other – Manufacture – Aero-Structures and Industrial Marine Gas Turbines

Helicopter Complex

Manufacture and ROH –

1. ALH Dhruv
2. Cheetal
3. Chetak

Manufacture –

Light Combat Helicopter

Note -ROH – Repair & Overhaul
HAL’s Support to Forces

AROUND 73% IAF FLEET IS SUPPORTED BY HAL

AROUND 65% NAVY FLEET IS SUPPORTED BY HAL

100% FLEET OF ARMY AND CG IS SUPPORTED BY HAL

36th Position among top 100 Global Aerospace industries
ALLIED OPERATIONS

- Supporting space programs through manufacture of Aerostructures to ISRO
  - Polar Satellite Launch Vehicle (PSLV)
  - Geo-Synchronous Satellite Launch Vehicle (GSLV)
  - INSAT and IRS satellites
  - GSLV MK III
  - Integrated Strap-on Boosters (L-40)
  - Structures for Mars Orbiter Mission (MOM)
  - Crew Module Structure for Human Spaceflight Program
  - Chandrayana-2's Orbiter Structure

- Manufacture, Repair and overhaul of Industrial & Marine Gas Turbine Engines for Ship Yards, ONGC, GAIL
  - LM 2500 engine
  - Allison Engine
  - Industrial Avon Engine
DESIGN & DEVELOPMENT CAPABILITIES
**DESIGN AND DEVELOPMENT**

**Strong investments into R&D**

- Very strong R&D division with **11 R&D centers**
- Co-located with production divisions for ease of manufacture
- CEMILAC approved centers
- 10% of previous year’s operating profit after tax is earmarked for R&D efforts.
- Collaborations with IIT’s and IISc’s for talent acquisition and aeronautical research
- Cumulative R&D Expenses of Rs. 5551 Crores during last 4 years

![Bar chart showing R&D expenses (Rs in Crs) with CAGR 7.1%]

<table>
<thead>
<tr>
<th>Year</th>
<th>R&amp;D Expenses (Rs in Crs)</th>
<th>CAGR 7.1%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015-16</td>
<td>1191</td>
<td></td>
</tr>
<tr>
<td>2016-17</td>
<td>1284</td>
<td></td>
</tr>
<tr>
<td>2017-18</td>
<td>1612</td>
<td></td>
</tr>
<tr>
<td>2018-19</td>
<td>1464</td>
<td></td>
</tr>
<tr>
<td>2019-20 (Q3)</td>
<td>804</td>
<td></td>
</tr>
</tbody>
</table>
PRODUCTS UNDER DESIGN & DEVELOPMENT

Light Combat Aircraft (LCA)
- Make in India Fighter Aircraft
- Ship Landing and Take-off Capability Proved

Light Combat Helicopter (LCH)
- 6 Ton Attack Helicopter

Light Utility Helicopter (LUH)
- 3 Ton Utility Helicopter
- Operational Clearance Achieved During Defexpo 2020

IMRH (Indian Multi Role Helicopter)
- 12 Ton
- Preliminary Studies are Progressing

Basic Trainer Aircraft (HTT-40)
- Six-Spin Test Completed
- Hot Refuelling Capability Proved

Mirage 2000 Upgrade

Jaguar Darin III Upgrade
- FOC Achieved in July 19
- Upgraded 4 A/c

Development of Engines & UAV.
- MoU Signed with IAI & DTL

Mirage 2000 Upgrade

Basic Trainer Aircraft (HTT-40)
- Six-Spin Test Completed
- Hot Refuelling Capability Proved

Jaguar Darin III Upgrade
- FOC Achieved in July 19
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Development of Engines & UAV.
- MoU Signed with IAI & DTL
SIGNIFICANT ACHIEVEMENTS DURING THE YEAR 2019-20
Significant Achievements

Operation Clearance for Light Utility Helicopter (LUH) achieved on 7th Feb 2020

The LCA Naval Prototype (NP1) successfully performed ski jump take-off and arrested hook landing from ship INS Vikramaditya on 11th Jan 2020 – Puts India in Elite Club of 5 Nations.

The HTT-40 basic trainer aircraft has successfully undertook the Six-turn spin test and demonstrated compliance to all the Customer requirements. Final certification activities are in Progress.

HTT-40 has completed the Six turn spin, one of the critical requirement for Certification.

HAL successfully completed the integration of Brahmos mods on three Su-30MKI aircraft of IAF

A contract for upgrade of 17 Do-228 aircraft of CG has been concluded on 7th Feb 2020 during Def Expo 2020.
FINANCIAL PERFORMANCE AND SUMMARY
## Financial Highlights – Quarter Ended 31-12-2019

<table>
<thead>
<tr>
<th>Parameter</th>
<th>DEC 19</th>
<th>DEC 18</th>
<th>% Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>10981</td>
<td>9451</td>
<td>16%</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>1918</td>
<td>1653</td>
<td>16%</td>
</tr>
<tr>
<td>Profit after Tax</td>
<td>1616</td>
<td>1105</td>
<td>46%</td>
</tr>
</tbody>
</table>
**FINANCIAL PERFORMANCE AND SUMMARY**

**Revenue from Operations**
- CAGR: 5.12%
- YoY: -7.42%

**% of Quarterly Sales to Yearly Sales**
- 2015-16: 100%
- 2016-17: 100%
- 2017-18: 100%
- 2018-19: 100%
- 2019-20: 100%

- Q1: 34%, 18%, 14%, 16%
- Q2: 46%, 26%, 27%, 32%
- Q3: 49%, 28%, 15%, 32%
- Q4: 48%, 27%, 14%, 32%

**Rs In Crs**
Revenue from Services & % of Revenue from Operations

- **CAGR 20%**
- **Service Revenue**
- **% of Service Revenue to Revenue from Operations**

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue from Services</th>
<th>% of Service Revenue to Revenue from Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-16</td>
<td>5684</td>
<td>34%</td>
</tr>
<tr>
<td>16-17</td>
<td>7143</td>
<td>40%</td>
</tr>
<tr>
<td>17-18</td>
<td>7386</td>
<td>40%</td>
</tr>
<tr>
<td>18-19</td>
<td>9756</td>
<td>49%</td>
</tr>
<tr>
<td>Q3 19-20</td>
<td>6493</td>
<td></td>
</tr>
</tbody>
</table>

Rs In Crs

FINANCIAL PERFORMANCE AND SUMMARY
<table>
<thead>
<tr>
<th>Particulars</th>
<th>15-16</th>
<th>% to Sales</th>
<th>16-17</th>
<th>% to Sales</th>
<th>17-18</th>
<th>% to Sales</th>
<th>18-19</th>
<th>% to Sales</th>
<th>Upto Dec 19</th>
<th>% to Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>9807</td>
<td>59%</td>
<td>9346</td>
<td>52%</td>
<td>9264</td>
<td>50%</td>
<td>8427</td>
<td>42%</td>
<td>3837</td>
<td>35%</td>
</tr>
<tr>
<td>Repair &amp; Overhaul &amp; Spares</td>
<td>5684</td>
<td>34%</td>
<td>7144</td>
<td>40%</td>
<td>7386</td>
<td>40%</td>
<td>9756</td>
<td>49%</td>
<td>6492</td>
<td>58%</td>
</tr>
<tr>
<td>Development &amp; Others</td>
<td>649</td>
<td>4%</td>
<td>650</td>
<td>4%</td>
<td>1320</td>
<td>7%</td>
<td>1116</td>
<td>6%</td>
<td>493</td>
<td>4%</td>
</tr>
<tr>
<td>Exports</td>
<td>446</td>
<td>3%</td>
<td>465</td>
<td>3%</td>
<td>314</td>
<td>2%</td>
<td>405</td>
<td>2%</td>
<td>159</td>
<td>1%</td>
</tr>
<tr>
<td>Total Sales</td>
<td>16586</td>
<td>99%</td>
<td>17605</td>
<td>98%</td>
<td>18284</td>
<td>99%</td>
<td>19704</td>
<td>99%</td>
<td>10982</td>
<td>99%</td>
</tr>
<tr>
<td>Other Operating Revenue</td>
<td>172</td>
<td>1%</td>
<td>345</td>
<td>2%</td>
<td>235</td>
<td>1%</td>
<td>190</td>
<td>1%</td>
<td>218</td>
<td>1%</td>
</tr>
<tr>
<td>Revenue from Operation</td>
<td>16758</td>
<td>100%</td>
<td>17950</td>
<td>100%</td>
<td>18519</td>
<td>100%</td>
<td>19894</td>
<td>100%</td>
<td>11199</td>
<td>100%</td>
</tr>
</tbody>
</table>
**Financial Performance and Summary**

Profit Before Tax (PBT)

<table>
<thead>
<tr>
<th>Year</th>
<th>Profit Before Tax (PBT)</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-16</td>
<td>3,207</td>
</tr>
<tr>
<td>16-17</td>
<td>3,583</td>
</tr>
<tr>
<td>17-18</td>
<td>3,240</td>
</tr>
<tr>
<td>18-19</td>
<td>3,628</td>
</tr>
<tr>
<td>Q3 19-20</td>
<td>1,918</td>
</tr>
</tbody>
</table>

**EBIDTA & EBIDTA Margin (%)**

<table>
<thead>
<tr>
<th>Year</th>
<th>EBITDA</th>
<th>Interest Income</th>
<th>EBITDA Margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-16</td>
<td>4060</td>
<td>1549</td>
<td>24%</td>
</tr>
<tr>
<td>16-17</td>
<td>4273</td>
<td>890</td>
<td>24%</td>
</tr>
<tr>
<td>17-18</td>
<td>4215</td>
<td>638</td>
<td>23%</td>
</tr>
<tr>
<td>18-19</td>
<td>4826</td>
<td>259</td>
<td>24%</td>
</tr>
<tr>
<td>Q3 19-20</td>
<td>2652</td>
<td>45</td>
<td>24%</td>
</tr>
</tbody>
</table>

**CAGR - 0.51%**

**YoY - 13.13%**

**EBIDTA includes interest income.**

**EBIDTA Margin = EBITDA/ Revenue from Operations**
PAT Margin = PAT / Revenue from Operations
Q2-19-20 includes compensation from BMRCL of Rs. 119 Crores.
FINANCIAL PERFORMANCE AND SUMMARY

Dividend & Dividend Payout (%)

- Dividend including Tax
- Dividend Payout Ratio

\[ \text{Dividend Payout Ratio} = \frac{\text{Total Dividends Paid (including taxes)}}{\text{PAT}} \]

Equity vs ROE (%)

- Equity
- ROE (PAT/Average Networth)

\[ \text{ROE} = \frac{\text{PAT}}{\text{Average Net Worth}} \]
**Financial Performance and Summary**

**Inventory in No of Days to VOP**

<table>
<thead>
<tr>
<th>Year</th>
<th>Inventory</th>
<th>No of Days of Inventory to VoP</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-16</td>
<td>23998</td>
<td></td>
</tr>
<tr>
<td>16-17</td>
<td>21340</td>
<td>511</td>
</tr>
<tr>
<td>17-18</td>
<td>19375</td>
<td>455</td>
</tr>
<tr>
<td>18-19</td>
<td>19765</td>
<td>403</td>
</tr>
</tbody>
</table>

**CAPEX**

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-16</td>
<td>1430</td>
</tr>
<tr>
<td>16-17</td>
<td>1514</td>
</tr>
<tr>
<td>17-18</td>
<td>1452</td>
</tr>
<tr>
<td>18-19</td>
<td>1510</td>
</tr>
<tr>
<td>Plan 19-20</td>
<td>1400</td>
</tr>
</tbody>
</table>
SUMMING UP

- Stable Financial Position with consistent growth year on year.
- Platforms viz. LCH, LUH, HTT-40, LCA Mk-1 have completed the Development Phase and are entering the production Phase.
- Reasonable Order Book Position with prospects for further additions.
- Share of Repair & Overhaul of Aircrafts and Rotables likely to improve.
- New Orders Anticipated for 83 LCA and 15 LCH.
- Strong Research and Development Capabilities Resulting in more Indigenously Designed and Developed Platforms to offer more products in the Domestic and Export Market.
Thank You