

**BUSINESS UPDATE**

## Robust Order Book provides strong visibility

- **Current Order Book at Rs. 35 bn**
- **70% of Delhi-Meerut project completed in the first 11 months**

**Mumbai, October 31, 2017:** Welspun Enterprises Ltd. (“WEL” or “Company”), formerly Welspun Projects Ltd., part of the US\$ 2.3 billion Welspun Group, today announced its Q2FY18 results.

### Consolidated Financial Highlights

Income Statement Snapshot	Consolidated					
	Rs. Million					
	Q2 FY18	Q2 FY17	YoY Growth	H1 FY18	H1 FY17	YoY Growth
<b>Total Income</b>	<b>1,928</b>	<b>536</b>	<b>260%</b>	<b>4,360</b>	<b>1,196</b>	<b>264%</b>
<b>EBITDA</b>	<b>432</b>	<b>81</b>	<b>436%</b>	<b>862</b>	<b>290</b>	<b>197%</b>
<i>EBITDA margin</i>	22.4%	15.1%		19.8%	24.2%	
<b>PBT Before Exceptional</b>	<b>303</b>	<b>(5)</b>		<b>607</b>	<b>126</b>	<b>380%</b>
PBT	269	(36)		465	(16)	
<b>PAT</b>	<b>172</b>	<b>(67)</b>		<b>286</b>	<b>(52)</b>	
<i>PAT margin</i>	8.9%	-12.6%		6.6%	-4.3%	
<b>Cash PAT</b>	<b>274</b>	<b>1</b>		<b>572</b>	<b>188</b>	<b>204%</b>

Note: Cash PAT = PBDT (before exceptional items) – Current tax

- Total income grew 260% YoY to Rs. 1,928 mn, primarily driven by the progress in execution of the Delhi-Meerut Expressway (DME) project
- EBITDA was up 436% YoY to Rs. 432 mn on account of the construction profits
- Exceptional loss relates to non-cash item of accelerated depreciation of Dewas water project partly offset by additional consideration received on sale of Welspun Energy stake

### Standalone Financial Highlights

Income Statement Snapshot	Standalone					
	Rs. Million					
	Q2 FY18	Q2 FY17	YoY Growth	H1 FY18	H1 FY17	YoY Growth
<b>Total Income</b>	<b>1,708</b>	<b>526</b>	<b>224%</b>	<b>4,005</b>	<b>1,162</b>	<b>245%</b>
<b>EBITDA</b>	<b>341</b>	<b>36</b>	<b>839%</b>	<b>706</b>	<b>276</b>	<b>156%</b>
<i>EBITDA margin</i>	20.0%	6.9%		17.6%	23.7%	
<b>PBT Before Exceptional</b>	<b>275</b>	<b>(21)</b>		<b>562</b>	<b>154</b>	<b>266%</b>
PBT	353	60	485%	644	123	423%
<b>PAT</b>	<b>259</b>	<b>29</b>	<b>806%</b>	<b>470</b>	<b>88</b>	<b>436%</b>
<i>PAT margin</i>	15.2%	5.4%		11.7%	7.6%	
<b>Cash PAT</b>	<b>237</b>	<b>16</b>		<b>512</b>	<b>237</b>	<b>116%</b>

Note: Cash PAT = PBDT (before exceptional items) – Current tax

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Standalone Balance Sheet Snapshot (Rs. Million)	30th Sept 2017	31st Mar 2017
<b>Net worth</b>	<b>13,998</b>	<b>13,524</b>
Gross Debt	640	801
<b>Cash &amp; Cash Equivalents</b>	<b>9,441</b>	<b>10,663</b>
Net Debt /(Cash)	(8,801)	(9,862)
Other Long Term Liabilities	291	287
Total Net Fixed Assets (incl. CWIP)	726	818
Net Current Assets (Excl. Cash & Cash Equivalents)	221	(1,409)
Other Long Term Investments and assets	4,541	4,540

- Growth capital in the form of cash and cash equivalents available with the Company as on 30<sup>th</sup> Sept 2017 was Rs. 9,441 mn

### Project Status

- **Delhi – Meerut Expressway (Pkg-1)** - Project execution is progressing well ahead of schedule. Till date, construction of 70% of the project has been completed. The record progress in 11 months (since the appointed date of Nov 28, 2016) demonstrates the operational excellence of the Company. NHAI has fixed a construction period of 30 months for the project completion and an early completion would entitle the Company to a bonus from the authority.
- **Aunta-Simaria** - Incorporated an SPV - Welspun Aunta-Simaria Project Private Limited (WASPPL) – to execute the Concession Agreement. Financial Closure is in progress.
- **Chutmalpur-Ganeshpur & Roorkee-Chutmalpur-Gagalheri and Gagalheri- Saharanpur-Yamunanagar** – Final approval from NHAI is expected shortly; expect to start construction by Dec 2017.
- **Dewas Water** – Company had exercised Right of First Refusal; Letter of Award has been issued by the authority and WEL is in the process of signing the concession agreement. The project is expected to start construction by Jan 2018.

### Management Comments

**Commenting on the developments, Mr. B. K. Goenka, Chairman, Welspun Group said,** “We have a strong order book totalling up to Rs. 35 bn, which gives good visibility for the coming quarters. With the government announcing big plans to improve road connectivity through the Bharatmala project, we expect a strong inflow of orders over the medium-term. We are committed to creating stakeholder value through our operational excellence.”

## **BUSINESS UPDATE**

### **About Welspun Enterprises Ltd. ([www.welspunenterprises.com](http://www.welspunenterprises.com))**

Welspun Enterprises Ltd. (WEL), formerly Welspun Projects Ltd., part of the Welspun Group, is an operating Company in the infrastructure business. The Company also has investments in Oil & Gas Exploration. The company, in its current form was created through the merger of Welspun Enterprises Ltd., Welspun Infratech Ltd., Welspun Plastics Private Ltd. and Welspun Infra Projects Private Ltd. with Welspun Projects Ltd through the Scheme of Amalgamation and Arrangement made effective from May 11, 2015.

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