

## Remarkable Year Closes on a Strong Note

- **Year's Total Income crosses Rs. 10 billion milestone**
- **'PBT before exceptional items' grows 91% YoY in Q4FY18**
- **Delhi-Meerut project provisional completion certificate applied**
- **Current Order Book (incl. L1) at Rs. 55 bn with HAM portfolio of 6 projects**

**Mumbai, May 10, 2018:** Welspun Enterprises Ltd. ("WEL" or "Company"), part of the US\$ 2.3 billion Welspun Group, today announced its Q4FY18 & FY18 results.

### Standalone Financials

Income Statement Snapshot (Rs. Million)	Q4 FY18	Q4 FY17	YoY Growth	FY18	FY17	YoY Growth
<b>Total Income*</b>	<b>4,040</b>	<b>2,052</b>	<b>97%</b>	<b>10,928</b>	<b>3,894</b>	<b>181%</b>
<b>EBITDA</b>	<b>491</b>	<b>300</b>	<b>63%</b>	<b>1,660</b>	<b>678</b>	<b>145%</b>
<i>EBITDA margin</i>	12.1%	14.6%		15.2%	17.4%	
<b>PBT</b>	<b>431</b>	<b>225</b>	<b>91%</b>	<b>1,385</b>	<b>427</b>	<b>225%</b>
Exceptional	14	38	-63%	142	107	33%
Reported PBT	445	263	69%	1,527	534	186%
<b>PAT</b>	<b>282</b>	<b>177</b>	<b>59%</b>	<b>1,097</b>	<b>433</b>	<b>154%</b>
<i>PAT margin</i>	7.0%	8.6%		10.0%	11.1%	
<b>Cash PAT</b>	<b>263</b>	<b>218</b>	<b>21%</b>	<b>1,062</b>	<b>539</b>	<b>97%</b>

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

\* Other income (part of Total income) includes treasury income of Rs.172 million for Q4FY18 and Rs.750 million for FY18.

Balance Sheet Snapshot (Rs. Million)	31 <sup>st</sup> Mar 2018	31 <sup>st</sup> Mar 2017
<b>Net worth</b>	<b>14,573</b>	<b>13,524</b>
Gross Debt	664	801
<b>Cash &amp; Cash Equivalents</b>	<b>7,135</b>	<b>10,663</b>
Net Debt /(Cash)	(6,471)	(9,862)
Other Long Term Liabilities	303	287
Total Net Fixed Assets (incl. CWIP)	87	818
Net Current Assets (Excl. Cash & Cash Equivalents)	1,053	(1,409)
Other Long Term Investments and assets	7,263	4,540

### Financial Highlights

- Total income in Q4FY18 stands at Rs. 4,040 million, almost double the Q4FY17 figure. Revenue during the quarter came from three HAM projects as against only one project in the same quarter last year
- EBITDA in Q4FY18 was up 63% YoY to Rs. 491 million on account of the EPC margins from the higher execution

## BUSINESS UPDATE

- For the infra segment, overall revenue was Rs. 4,053 million and EBIT was Rs. 441 million, implying an EBIT margin of 10.9%
- Exceptional gain in Q4FY18 of Rs. 14 million includes profit on sale of Dewas water of Rs. 135 million and sale of Welspun Energy of Rs. 16 million, partly offset by impairment in Kim-Mandvi project of Rs. 137 million
- Growth capital in the form of cash and cash equivalents available with the Company as on 31<sup>st</sup> March 2018 was Rs. 7,135 million

### Project Status

- **Delhi-Meerut Expressway (Pkg-1)** – Company has applied for provisional completion certificate with the relevant authorities. The record completion within 16 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.
- **Gagalheri-Saharanpur-Yamunanagar (GSY)** - NHAI declared the Appointed Date for the Project as 3<sup>rd</sup> February 2018; execution in full swing.
- **Chutmalpur-Ganeshpur & Roorkee-Chutmalpur-Gagalheri (CGRG)** – NHAI declared the Appointed Date for the Project as 28<sup>th</sup> February 2018; execution in full swing.
- **Aunta-Simaria** - Financial tie-up in place; appointed date is expected in Q1FY19.
- **Chikhali-Tarsod** – Acquired 49% stake from Vishvaraj Group in January 2018. Financial closure is in progress and appointed date is expected in Q1FY19.
- **Dewas Water** – Concession agreement signed on 9<sup>th</sup> January 2018. Madhya Pradesh State Industrial Development Corporation (MPSIDC) declared the Appointed Date for the Project as 7<sup>th</sup> May 2018; execution started.
- **Sattanathapuram-Nagapattinam** - NHAI opened the Bid on May 9, 2018 and the Company has emerged as the Lowest Bidder (L-1). The Company has not received any formal communication (“Letter of Award”) from NHAI in this regard yet.

### Management Comments

**Commenting on the developments, Mr. B. K. Goenka, Chairman, Welspun Group said,** “FY18 has been a remarkable year for Welspun Enterprises with strong operational and financial improvement. This has been the result of our focussed approach to infrastructure and particularly, HAM road projects. Our strong order book provides visibility of doubling revenues each year for the next two years, creating long-term value for our stakeholders.”

### Outlook

- Currently, there are close to 45 HAM projects of NHAI, with a total project cost of Rs. 450 billion, open for bidding.
- WEL is targeting to bid for around 30 of these projects aggregate value close to Rs. 330 billion, with a total length of almost 1,400 km in the current quarter. WEL will continue to selectively bid for HAM projects, and participate in the Bharatmala programme of NHAI.
- The Company has currently submitted bids for 2 such projects, totalling almost Rs. 20 billion, which are yet to be opened. This is in addition to the L-1 bidder status in one project as already stated. The Company will continue to demonstrate its philosophy of operational excellence with focus on return on capital.

## **BUSINESS UPDATE**

### **About Welspun Enterprises Ltd.**

*Welspun Enterprises Ltd. (WEL), 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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**For further information please visit [www.welspunenterprises.com](http://www.welspunenterprises.com) or contact:**

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