



VA TECH WABAG

Q3 FY 13 Results Update



Safe Harbour

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Key Highlights Q3 & 9M FY13

- Q3 Group Revenue increases by 21% YoY
- Q3 India Revenue increases by 20% YoY
- YTD Group Profit increases by 124% YoY
- YTD India Profit increased by 56% YoY
- VA Tech Wabag Spain SRL, a Wholly Owned Subsidiary of VA Tech Wabag India, incorporated on 8th Jan 2013



Biofilter Plant, Algeciras, Spain

A Unique Global Water Player ...

RESULTS OVERVIEW – Consolidated Profit and Loss

Rs. Millions	Q3 FY 13	Q3 FY 12	YoY %	9M FY 13	9M FY 12	YoY %	FY 12
Income	3,540	2,931	20.8%	9,333	7,727	20.8%	14,435
Cost of Sales	2,598	2,036	27.6%	6,599	5,374	22.8%	10,422
Total Cost of Operations(TCO)	719	687	4.7%	2,086	1,960	6.5%	2,713
EBITDA	223	208	7.3%	648	393	64.8%	1,300
EBITDA margin	6.3%	7.1%		6.9%	5.1%		9.0%
Interest & Finance Charges (Net)	13	20	-35.0%	61	68	-10.3%	104
Depreciation & Amortization	29	16	81.0%	79	62	27.5%	86
Tax	83	62	33.9%	212	130	63.1%	379
Profit After Tax	100	106	-5.6%	300	134	123.8%	738
PAT margin	2.8%	3.6%		3.2%	1.7%		5.1%

Advantage Wabag – Indian Cost Arbitrage

RESULTS OVERVIEW – Standalone Profit and Loss

Rs. Millions	Q3 FY 13	Q3 FY 12	YoY %	9M FY 13	9M FY 12	YoY %	FY 12
Income	2,263	1,882	20.2%	5,490	4,853	13.1%	10,035
Cost of Sales	1,776	1,454	22.1%	4,174	3,803	9.8%	7,910
Total Cost of Operations(TCO)	225	215	4.7%	699	649	7.7%	970
EBITDA	262	213	23.0%	617	400	54.1%	1,154
EBITDA margin	11.6%	11.3%		11.2%	8.3%		11.5%
Interest & Finance Charges (Net)	-8	8	-200.0%	-9	-9	0.0%	-3
Depreciation & Amortization	18	15	20.0%	47	42	11.9%	57
Tax	82	60	36.7%	187	117	59.8%	349
Profit After Tax	169	130	30.6%	391	250	56.2%	751
PAT margin	7.5%	6.9%		7.1%	5.2%		7.5%

On consistent growth path ...

Wabag's presence in Key International Geographies - OMAN

Water Market and Govt. initiatives

- Water Market
 - Overall demand for potable and industrial water - ~163 million m3 (2010)
 - Demand seen to increase to 278 million m3 in 2017 – an average growth rate of around 8% per year
- Government Initiatives
 - The Ministry of Regional Municipalities and Water Resources plans to expand the setting up of wastewater networks in the wilayats of the sultanate other projects that serve the immediate needs of citizens. Plans include
 - setting up of 9 wastewater projects in the Eighth Five year plan to the tune of RO 55 million
 - setting up of 10 wastewater treatment stations to provide treated water
 - Till the end of 2011, as many as 63 wastewater projects were completed and commissioned
 - New Projects – Municipal WWTP
 - Desalination Plants
 - O & M
 - Wabag recently won an order for a Mega Desalination Contract in Oman
 - Wabag has a subsidiary in Oman with Zawawi Trading Corporation as the other partner.

Government's planned and projected spending for 8th five year plan-2011-15	(RO Mn)
Water sector	451.7
Sanitary drainage projects	72.8



Wabag's Desalination Plant in Duqm, Oman

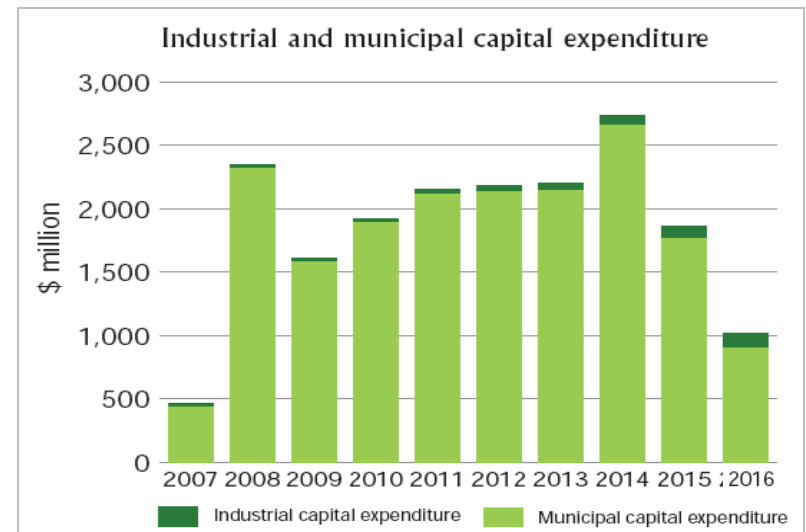
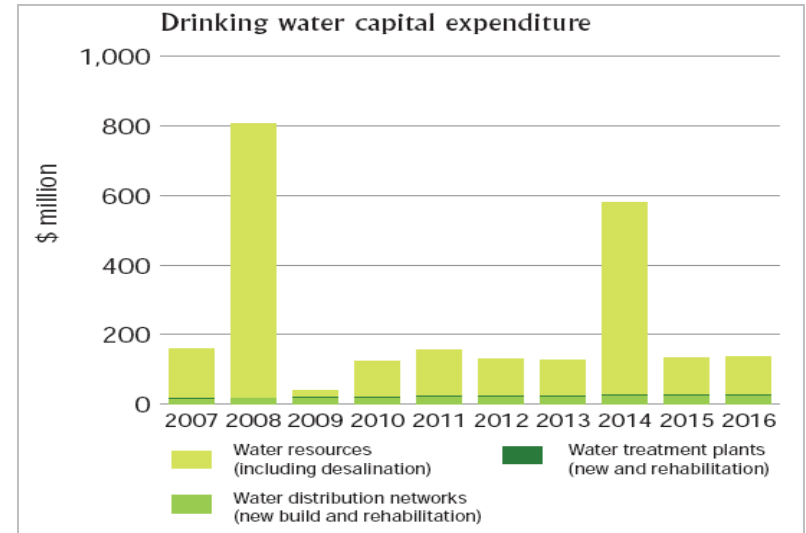
Strategic alliances yielding results...

Wabag's focus on New International Geographies - QATAR

Water Market & Forecast

- Water Resources
 - Renewable water resources in the range of .06 km³/yr which comprises of only groundwater
 - Higher quality nonconventional resources like Desalination in the range of 0.63 km³/yr
- Sectoral water use
 - Agricultural – 59%, Industrial – 2%, Municipal – 39%
- Current Scenario
 - Qatar has no water treatment plants, as nearly all potable water is provided by desalination plants
 - Among the early adopters of desalination, and its first major plant came online in 1962. 99.9% of water provided comes from desalination, with only 0.1% derived from groundwater
- Government Initiatives
 - 30-year power and water master plan to provide the framework for investment in water and power infrastructure
 - Encourage tourism which would have a direct effect on the water industry

A Pure play Water Technology Company ...

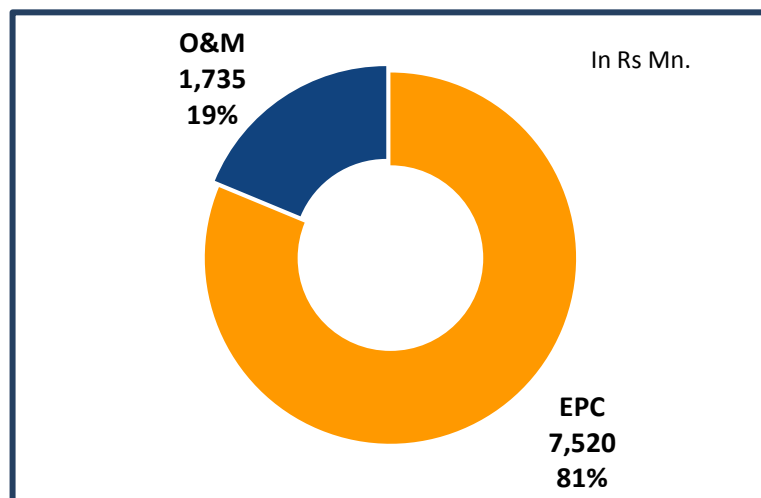


Source : GWI Report

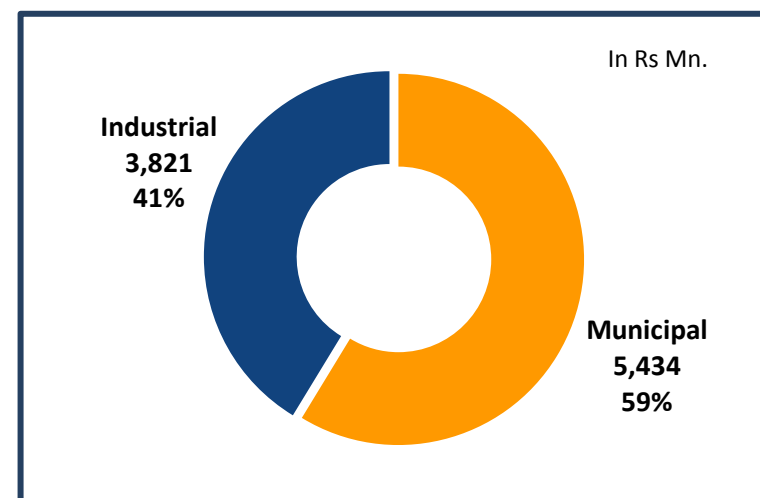
Revenue breakup – 9M FY 2013

Rs. Millions	EPC		O&M		Total
	Municipal	Industrial	Municipal	Industrial	
Wabag India	2,242	2,473	379	323	5,417
Wabag Overseas	2,136	669	677	356	3,838
Total	4,378	3,142	1,056	679	9,255

EPC vs O&M



Municipal vs Industrial



Revenue contribution – 9M FY 2013

Key Projects	Revenue recognized [Rs Mn]
Dambulla Municipality Project	872
RIL Dahej - ETP	732
Majis Industrial Services	566
APGENCO Rayalaseema Project	511
Nemmeli Desalination Project	358



Desalination Plant, Majis, Oman

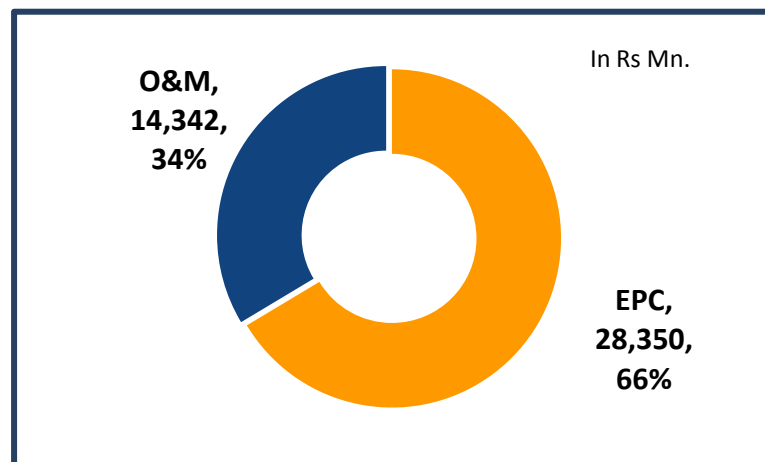


IOCL Paradip Project, Orissa

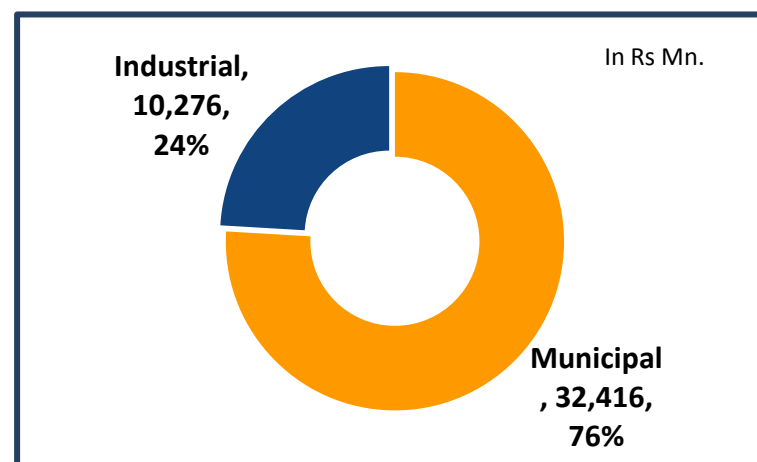
Current Order Book

Rs. Millions	EPC		O&M		Total
	Municipal	Industrial	Municipal	Industrial	
Wabag India	9,321	7,547	11,162	737	28,767
Wabag Overseas	10,198	1,284	1,735	708	13,925
Total	19,519	8,831	12,897	1,445	42,692

EPC vs O&M



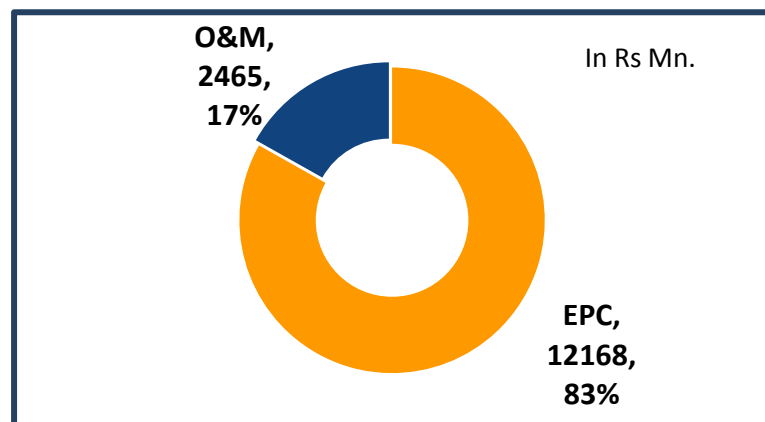
Municipal vs Industrial



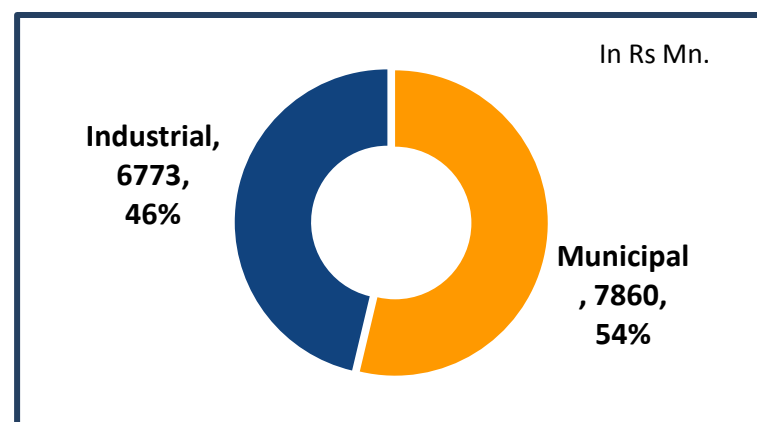
Order Intake – 9M FY 2013

Rs. Millions	EPC		O&M		Total
	Municipal	Industrial	Municipal	Industrial	
Wabag India	3,588	4,983	863	360	9,794
Wabag Overseas	2,529	1,068	880	362	4,839
Total	6,117	6,051	1,743	722	14,633
Framework Contracts	3,710	1,100			4,810
Total [including framework contracts]	9,827	7,151	1,743	722	19,443

EPC vs O&M



Municipal vs Industrial



Order Book of Rs. 42.69 bn & Framework Contracts of Rs. 12.6 bn

Key contracts in Orderbook

- Nemmeli Desalination Project, Chennai: Rs. 5.6 bn
- Delhi Jal Board : Rs. 3.6 bn
- 195 MLD WTP for Ulhasnagar Municipal Corporation with O&M for 30 years . EPC Rs.1 bn and O&M Rs. 2.3 bn@
- Bangalore Water Supply and Sewerage Board :Rs 2.2 bn
- Reliance ETP Project : Rs. 1.8 bn
- Water Treatment Plant & distribution system, SriLanka : Rs. 1.7 bn
- APGENCO for Kakatiya & Rayalaseema BoP:Rs1.6 bn
- Madinah STP, Saudi Arabia : Rs. 0.8 bn

Key framework contracts *

- 192 MLD WTP for Aurangabad Municipal Corporation with 17 years O&M EPC Rs. 550 mn and Rs. 720 mn for O&M – Shareholders Agreement signed.
- Libya Order – EUR 90 mn
- 191 MLD SWRO – Al Ghubrah, Oman
- Madinaty Order – Rs. 1.1 bn

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

@ This excludes Power component which will be a pass through

Nemmeli Desalination Project, Chennai – Status



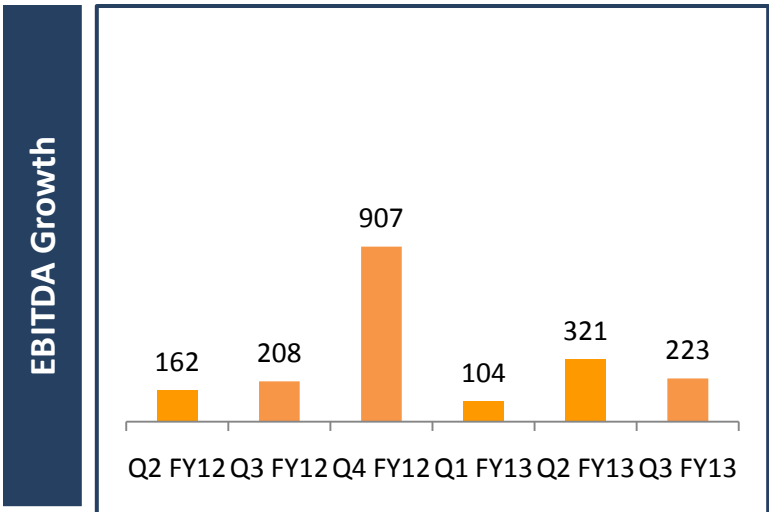
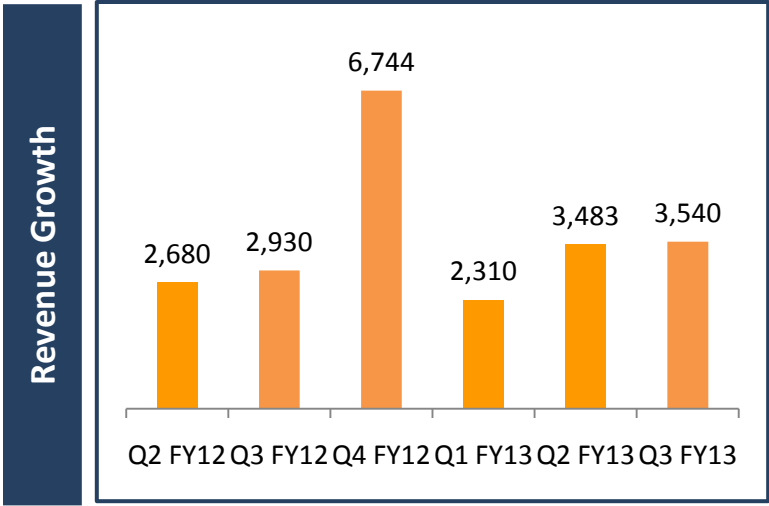
PROJECT HIGHLIGHTS

- Project was awarded by Chennai Metropolitan Water Supply and Sewerage Board on Design Build and Operate (DBO) basis
- Total Costs for the Project is Rs. 10.84 bn, of which Rs. 5 bn pertains to O&M for 7 years

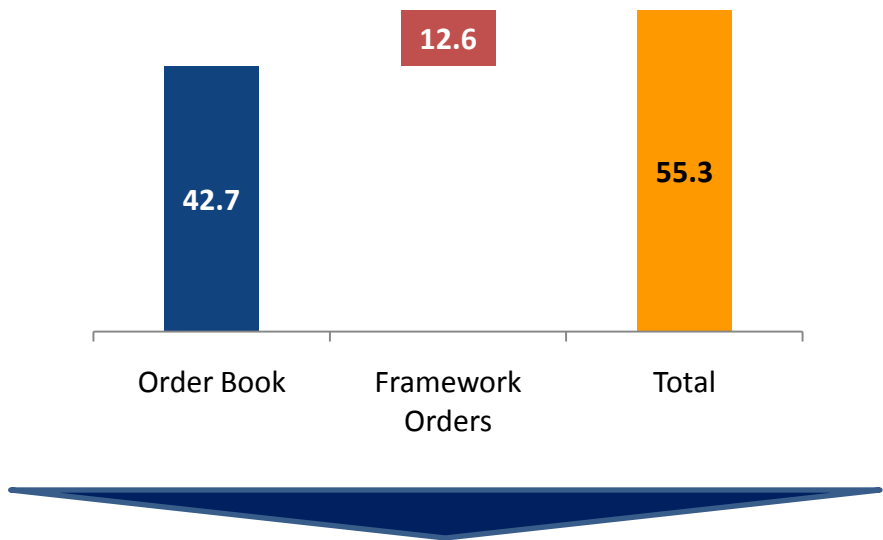
STATUS UPDATE

- The Plant has been Commissioned and started producing water.
- Formal inauguration expected to be announced by the customer shortly.

Consolidated Revenue & Earning Build-up



Current Order book incl. Framework Contracts



Maintain the Revenue Guidance for FY13

Rs. 16.5 bn to 17.0 bn

Growth of 15% to 18% y-o-y



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