

Press Release**HCC FY19 Revenue at Rs.4,341 Crore; EBITDA margin at 12.3%**

Company posts net loss on Lavasa write-offs; Debt continues to decline q-o-q

Mumbai: May 09, 2019: HCC reported turnover and EBITDA of Rs.4,341 crore and Rs.533 crore, respectively, in FY18-19, as against Rs.4,575 crore and Rs.644 crore, respectively, in FY17-18. The company's order book stood at Rs.18,554 crore as of March 31, 2019.

Over the course of the year, the Company commissioned several projects of national importance, three of which, viz. Kishanganga Hydroelectric Power Project, Bogibeel Road-cum-Rail Bridge and Pare Hydro Electric Power Project, were inaugurated by Prime Minister Narendra Modi.

The company accounted for an exceptional loss of Rs.2,400 crore during FY19 which was largely due to the impact of Lavasa's admission into NCLT under IBC. This led to a full-year net loss of Rs.1,962 crore despite healthy margins in its core business.

Audited standalone results for FY19 vs. FY18

- Turnover of Rs.4,341 crore vs. Rs.4,575 crore
- Net Loss of Rs.1,962 crore vs. Net Profit of Rs.78 crore, owing to exceptional loss of Rs.2,400 crore
- Gross debt has reduced by Rs.227 crore year-on-year to Rs.3,749 crore as of March 31, 2019

During the last quarter, the Company signed terms with a consortium of investors led by BlackRock under which HCC will receive a consideration of Rs.1,750 crore for the transfer of its beneficial interest and rights in an identified portfolio of arbitration awards & claims to a special purpose vehicle (SPV) controlled by the investors. The proceeds will be used to prepay debt of Rs.1,250 crore, while the balance Rs.500 crore will be made available to fund working capital and business growth.

Mr. Arjun Dhawan, Director & Group Chief Executive Officer, said, "We have crossed several milestones in FY19 to strengthen HCC both financially and operationally. Raising capital, including via monetisation of assets, has been imperative to safeguard the long-term health of the company while we bore the tremendous flux within the financial sector. We absorbed material write-offs during the year, but strategic initiatives undertaken with full support of our lenders position us as a leaner deleveraged business with adequate working capital and liquidity to grow."

Performance of HCC Subsidiaries:

Steiner AG: Steiner AG reported revenues of CHF831 million (Rs.5,894 crore) and a net profit of CHF24.9 million (Rs.177 crore) in FY19, as against CHF806 million (Rs.5,395 crore) and CHF9.5 million (Rs.64 crore), in the prior year respectively, on the back of a robust operational performance. The company received orders worth CHF830.7 billion (Rs.5,896 crore) in FY19; order backlog stood at CHF1.38 billion (Rs.9,654 crore) as of March 31,

2019. The company has further secured orders worth CHF361 million (Rs.2,562 crore) where contracts are yet to be signed.

HCC Concessions Ltd: Farakka Barrage, the connecting bridge over the Ganges between Baharampore-Farakka and Farakka-Raiganj, was under repair since October 5, 2018, leading to diversion of traffic in 3Q & 4Q FY19. Bridge repair was completed on April 1, 2019, and traffic has since resumed. Adjusting for this anomaly, Baharampore-Farakka (Pkg 3) and Farakka-Raiganj (Pkg 4) reported average daily revenues of Rs. 36.6 lakh and 36.4 lakh for FY19, and traffic growth of 7.7% and 16.1% y-o-y, respectively. HCC Concessions has signed definitive documents for the sale of Farakka-Raiganj to Cube Highways and Infrastructure II Pte. Ltd.

About HCC:

HCC is a business group of global scale developing and building responsible infrastructure through next practices. With an engineering heritage of nearly 100 years, HCC has executed a majority of India's landmark infrastructure projects, having constructed 29% of India's Hydro Power generation and 65% of India's Nuclear Power generation capacities, over 3,800 lane km of Expressways and Highways, more than 337 km of complex Tunnelling and 375 Bridges. Today, HCC Ltd. serves the infrastructure sectors of Transportation, Power and Water. The HCC Group, with a group turnover of Rs.10,322 crore, comprises of HCC Ltd., HCC Infrastructure Co. Ltd., and Steiner AG in Switzerland.

For further information:

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