

Press Release**HCC EBITDA rises 74% y-o-y; Debt reduces by Rs.134 cr q-o-q****Subsidiary performance remains robust**

Mumbai: August 01, 2019: Hindustan Construction Company Ltd. (HCC) reported a net loss of Rs.18 crore in Q1 of FY19-20, as compared to a net loss of Rs.28 crore in Q1 FY18-19. The Company reported Turnover of Rs.831 crore in Q1 FY20 as against Rs.933 crore in the same quarter last year, and an EBITDA margin of 21.5% as against 11.1%.

The Company would have posted substantially higher Turnover and Profit if it had booked income on Arbitration Awards received during the quarter. The beneficial interests in these Awards have been allocated to investors as per terms signed on March 26, 2019, and are hence no longer being booked in HCC's accounts. The Company's Turnover and PBT in Q1 FY20 would have been higher by Rs.136 crore and Rs.95 crores, respectively, had the monetization transaction not been signed. Therefore, comparable Turnover in Q1 FY20 grew by 4% y-o-y.

HCC's order book stood at Rs.17,721 crore as of June 30, 2019. Gross debt of the Company further reduced quarter-on-quarter by Rs.134 crore on certain prepayments.

Financial highlights:**Un-audited Standalone results for Q1 FY19-20 vs. Q1 FY18-19**

- Net Loss of Rs.18 crore vs. Rs.28 crore
- Turnover of Rs.831 crore vs. Rs.933 crore
- EBITDA of Rs.179 crore vs. Rs.103 crore
- Order book at Rs.17,721 crore vs. Rs.18,554 crore as of March 31, 2019
- Gross debt reduced to Rs.3,614 crore from Rs.3,748 crore as of March 31, 2019

Mr. Arjun Dhawan, Director & Group Chief Executive Officer, said, "Over the course of the quarter, the Company commissioned the Munirka flyover in Delhi. HCC's newly constructed Dry Dock for the Indian Navy in Mumbai – the biggest ever – also saw its maiden ship docking. Some large hydro projects that were earlier slow moving have gathered momentum and execution is expected to accelerate in the coming quarters. We are positive on the government's infrastructure roll-out program over the near-to-medium term."

Performance of HCC subsidiaries:

Steiner AG: In Q1 FY2019-20, Steiner AG reported a net profit of CHF5.0 million (Rs.35 crore), as against CHF3.8 million (Rs.26 crore) in the same quarter last year, on the back of a robust operational performance. The company reported revenues of CHF232.5 million (Rs.1,621 crore) in Q1 FY 2019-20, up 16% from CHF199.7 million (Rs.1,364 crore) in the prior year quarter. The company secured fresh orders worth CHF169.8 million (Rs.1,184 crore) during the quarter. Order backlog stood at CHF1.32 billion (Rs.9,356 crore) as of June 30, 2019. Further, the company has secured orders for over CHF451 million (Rs.3,145 crore) for which contracts are yet to be signed.

HCC Concessions Ltd.: Average daily collections of Baharampore Farakka Highways Ltd. and Farakka Raiganj Highways Ltd. for Q1 FY19-20 stood at Rs.37.7 lakh and Rs.42.1 lakh, respectively. Traffic on each of the stretches was up 2% and down 4% y-o-y, respectively, bouncing back from substantial de-growth witnessed in 4Q FY19 owing to repair works on the connecting bridge, Farakka Barrage. The Company's sale of its Farakka Raiganj Highways Ltd. to Cube Highways and Infrastructure II Pte. Ltd. is expected to be close this quarter and has been delayed due to pending clearances from NHAI.

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.