

# Welspun Corp Ltd (WCL)

## World's Leading Line Pipe Manufacturer

Investor Presentation

Q2FY17



# SAFE HARBOUR

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## PERFORMANCE HIGHLIGHTS Q2FY17

**Rs. 12,068 mn**

43% YoY



**Income from Operations**

**137\*\* KMT**

48% YoY



**Pipe sales volume\*\***

**Rs. 1,140 mn**

59% YoY



**Reported EBIDTA**

**Rs. 947 mn**

65% YoY



**Operating EBITDA\***

**Rs. 754 mn**

61% YoY



**Cash PAT**

**Rs. 8,023 mn**

vs. Rs 15,005 mn YoY



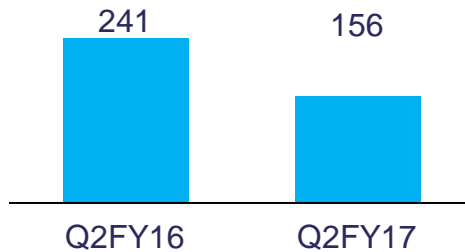
**Net Debt**

*Note: \*Operating EBITDA represents Reported EBITDA (-) Other Income (+) Unrealized Forex Losses (-) Unrealized Forex Gains; \*\* Excludes Saudi Arabia operations  
 All numbers of this sheet are based on IND-AS disclosures and exclude JV businesses – Saudi Arabia and CWC*

# Q2FY17 OPERATING PERFORMANCE

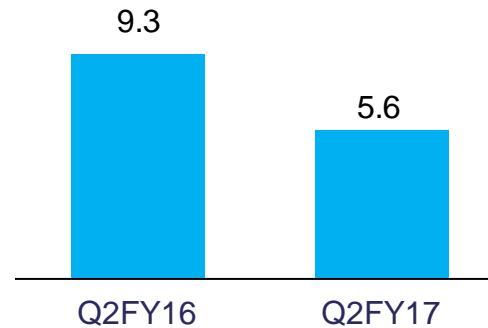
## Pipe production

(KMT)



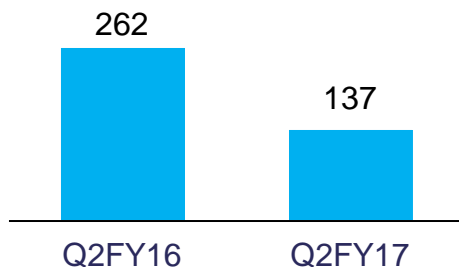
## EBITDA\*/Ton for Pipes

(Rs. '000)



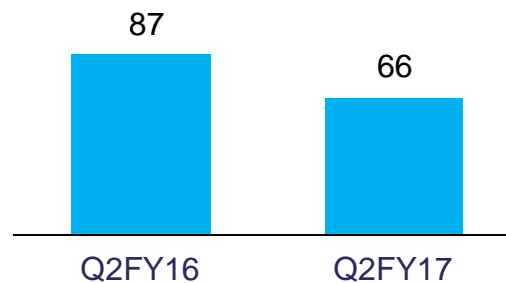
## Pipe sales

(KMT)



## Plate/ Coils production

(KMT)

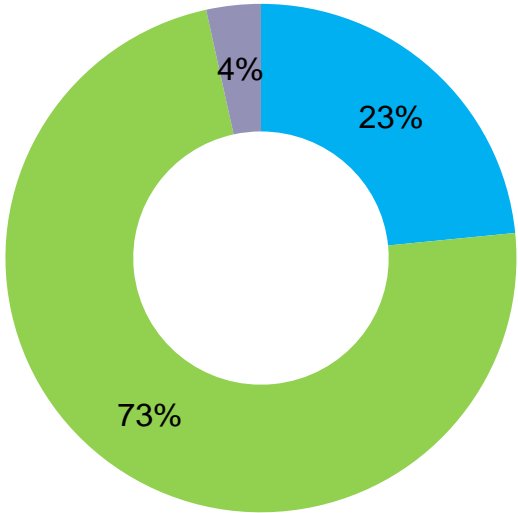


- Total pipe production excludes 66 KMT/ 37 KMT for Dammam, Saudi Arabia plant in Q2 FY16 and Q2 FY17
- Total pipe sales excludes 63 KMT/ 46 KMT for Dammam, Saudi Arabia plant in Q2 FY16 and Q2 FY17

Note: \* Operating EBITDA represents Reported EBITDA (-) Other Income (+) Unrealized Forex Losses (-) Unrealized Forex Gains  
 All numbers on this page excludes all JV operations – Saudi Arabia and CWC, unless specified

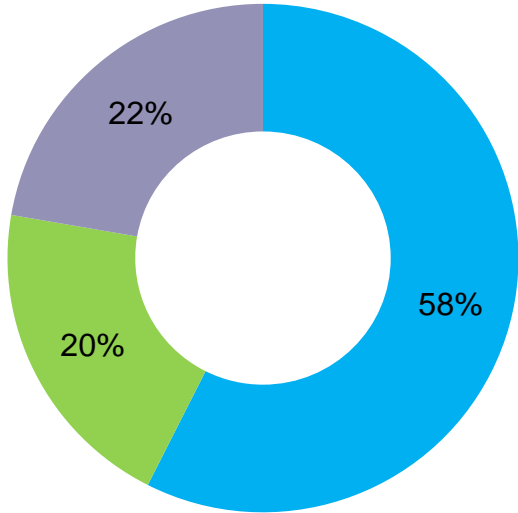
# DIVERSIFIED BUSINESS ACROSS REGIONS & PRODUCTS

**H1 FY17 Pipe Sales Volume : 434 KMT**  
(including Saudi Arabia operations)



■ LSAW ■ HSAW ■ ERW

**Sales by Type**



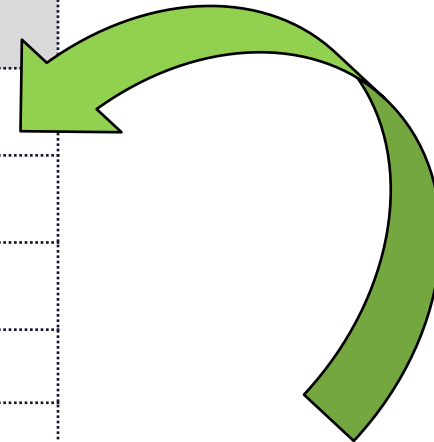
■ India ■ US ■ Saudi Arabia

**Sales by Plant**

*Note: All numbers on this page includes all JV operations – Saudi Arabia and CWC*

# HEALTHY BALANCE SHEET TO SUPPORT GROWTH

Rs mn	Q2FY17	
	IND AS	I-GAAP
<b>Gross Debt</b>	<b>20,739</b>	<b>26,637</b>
Cash & Equivalent	12,715	13,019
<b>Net Debt</b>	<b>8,023</b>	<b>13,618</b>
Current Ratio	1.54x	1.69x
Net Debt/ Reported EBITDA	1.15x	1.85x
<b>Net Debt/ Equity</b>	<b>0.30x</b>	<b>0.45x</b>

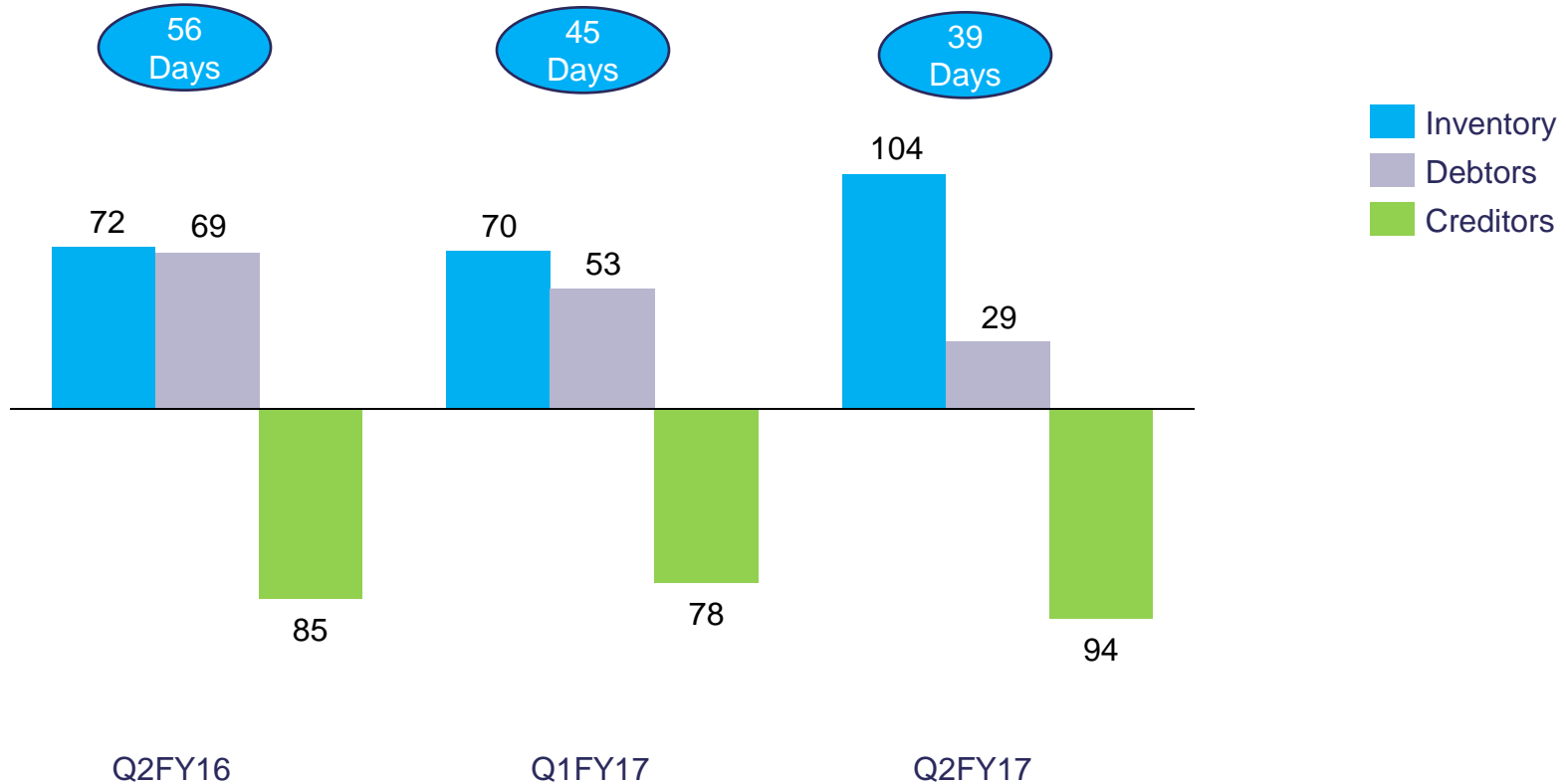


- Gross debt (including all operations) as on 30 September 2016 was down Rs. 3,456 mn Q-o-Q largely due to reduction in net working capital

**Continue to reduce debt**

# NET WORKING CAPITAL UNDER CONTROL

## I-GAAP Basis



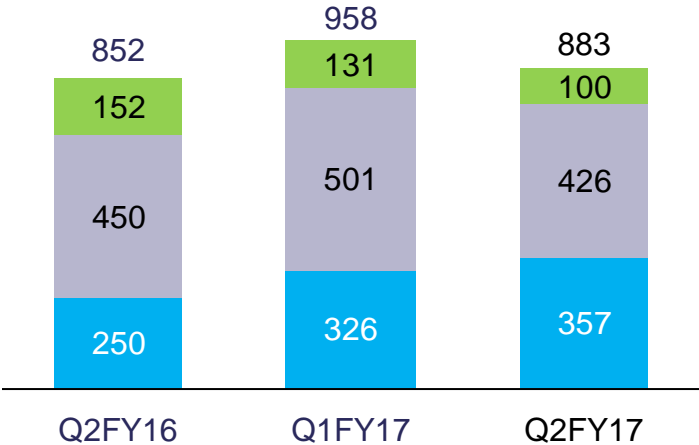
**FY17 cash conversion cycle is expected in the region of 50-55 days**

*\*Includes Debtors + Inventory – Creditors*  
All numbers on this page includes all operations

# ORDERBOOK ANALYSIS (including Saudi Arabia operations)

## Order book by Region

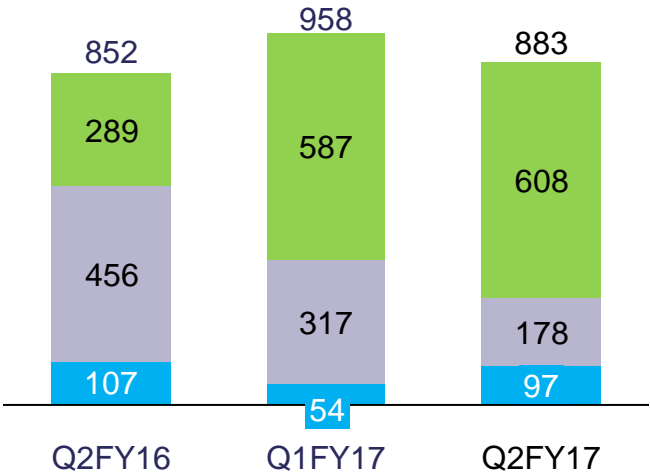
(KMT)



India & A-Pac Americas EU & MENA

## Order book by Type

(KMT)



LSAW HSAW ERW

Note: All numbers on this page includes all JV operations – Saudi Arabia and CWC



## REPORTED & OPERATING EBITDA RECONCILIATION

Details (Rs. mn)	Q2FY16	Q2FY17
Reported EBITDA	2,793	1,140
Less : Other Income	281	448
Add : Unrealized FX (Loss)/Profit	(191)	(256)
Operating EBITDA	2,702	947

# PROFIT & LOSS – QUARTERLY

Rs mn	Q2FY16	Q2FY17
<b>Income from operations</b>	<b>21,329</b>	<b>12,068</b>
<b>Reported EBIDTA</b>	<b>2,793</b>	<b>1,140</b>
<b>Operating EBITDA*</b>	<b>2,702</b>	<b>947</b>
Depreciation/Amortization	986	976
Finance Cost	635	585
<b>Profit Before Tax</b>	<b>1,171</b>	<b>(421)</b>
Tax	403	(165)
<b>PAT before minority interest, Associates &amp; JVs</b>	<b>769</b>	<b>(256)</b>
Minority Interest	16	(12)
Share of Profit/ (Loss) from Associates & JVs	128	(93)
<b>Profit after minority interest &amp; associates</b>	<b>882</b>	<b>(336)</b>

Note: \*Operating EBITDA = Reported EBITDA – Non-operational income - Unrealised forex gain/(loss); Prior period figures are reinstated wherever necessary; All numbers of this sheet are based on IND-AS disclosures and exclude JV businesses – Saudi Arabia and CWC

# THANK YOU

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