

# Welspun Corp Ltd (WCL)

## World's Leading Line Pipe Manufacturer

Investor Presentation

Q4 & FY18



# SAFE HARBOUR

---

This presentation and the accompanying slides (the “Presentation”), which have been prepared by Welspun Corp Limited (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

This presentation contains certain forward looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the Company.

---

## PERFORMANCE HIGHLIGHTS Q4FY18

**Rs. 16,589 mn**

20% YoY



Income from Operations

**199\* KMT**

40% YoY



Pipe sales volume

**Rs. 1,579 mn**

48% YoY



EBIDTA

**Rs. (45) mn**

vs. Rs 734 mn YoY



PAT

**Rs. 1,354 mn**

43% YoY



Cash PAT

**Rs. 4,216 mn**

vs. Rs 6,421 mn  
in Q3FY18



Net Debt

*Note: \* Excludes Saudi Arabia operations*

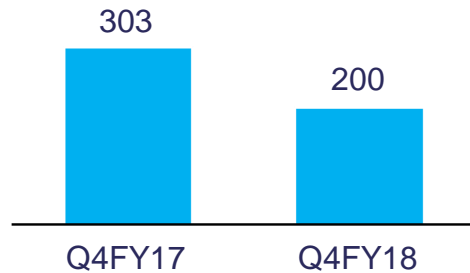
*All numbers of this sheet are based on IND-AS disclosures and exclude JV businesses – Saudi Arabia and CWC*

*\*Q4FY18 Revenue from operations is net of Goods and Services Tax (GST). Please refer to Note 6 of Consolidated Financial Results for details*

# Q4FY18 OPERATING PERFORMANCE

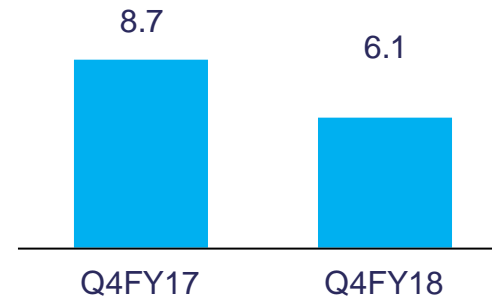
## Pipe production

(KMT)



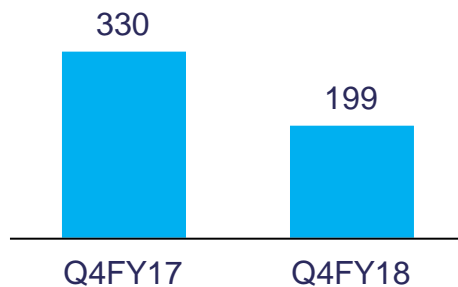
## EBITDA/Ton for Pipes

(Rs. '000)



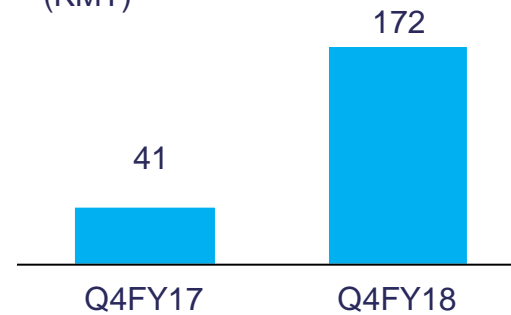
## Pipe sales

(KMT)



## Plate/ Coils production

(KMT)

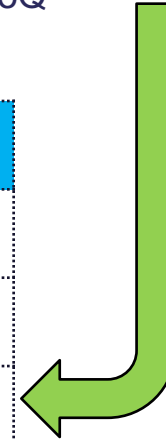


*Note:* All numbers on this page excludes JV operations – Saudi Arabia, unless specified ; Total pipe production excludes 49 KMT/ 26 KMT for Saudi Arabia plant in Q4 FY18/ Q4 FY17 respectively; Total pipe sales excludes 55 KMT/ 9 KMT for Saudi Arabia plant in Q4 FY18/ Q4 FY17 respectively

# STRONG BALANCE SHEET TO SUPPORT GROWTH

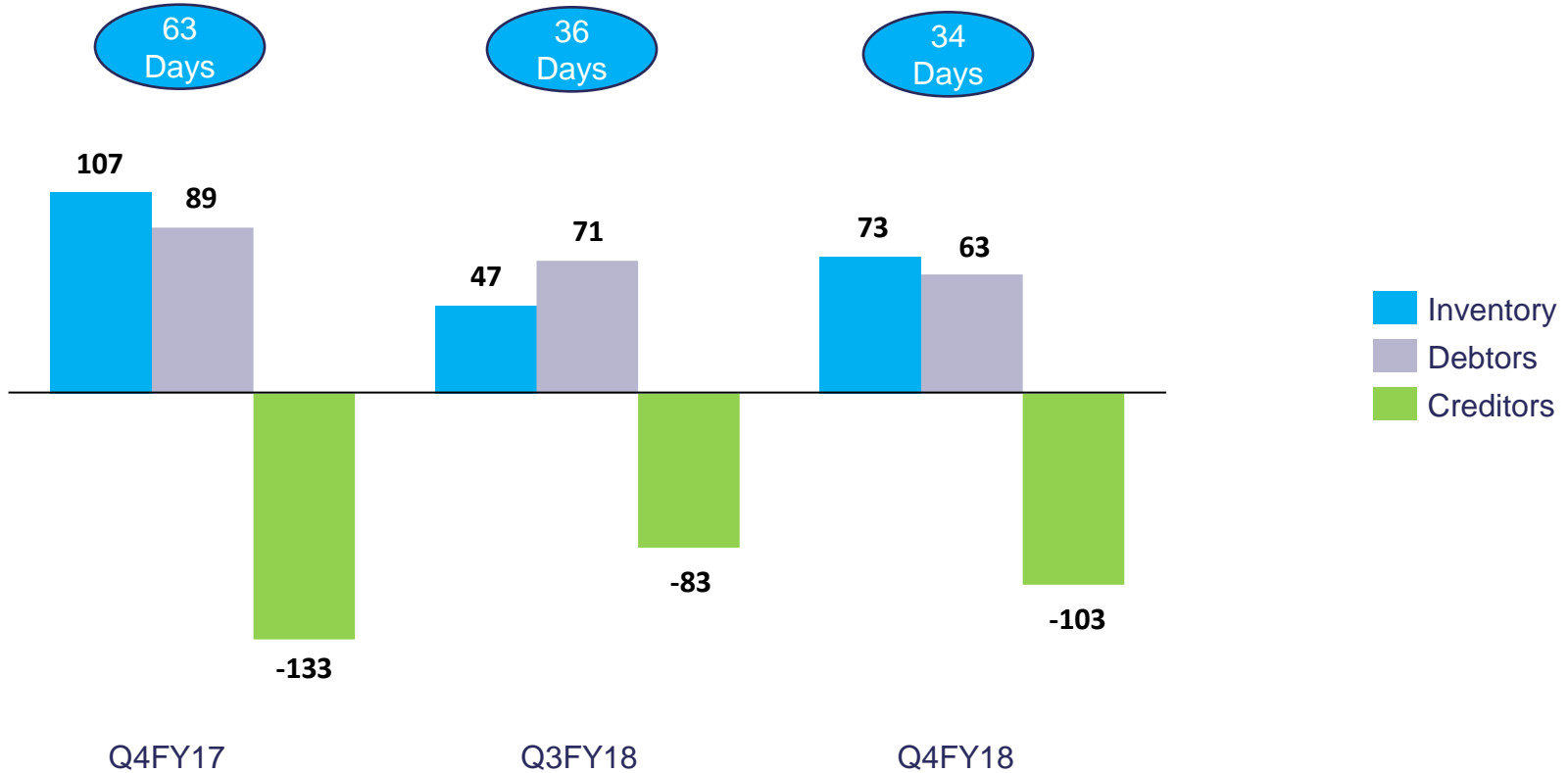
- **Gross debt** as on 31 March 2018 increased by Rs. 981 mn QoQ
- **Net debt** was down Rs 2,205 mn QoQ

Rs mn	Q4 FY17	Q3 FY18	Q4 FY18
<b>Gross Debt</b>	<b>18,430</b>	<b>12,883</b>	<b>13,864</b>
Cash & Equivalent	7,365	6,463	9,649
<b>Net Debt</b>	<b>11,065</b>	<b>6,421</b>	<b>4,216</b>
Current Ratio	1.42 x	1.40 x	1.49 x
Net Debt/ EBITDA	1.50 x	0.67 x	0.52 x
<b>Net Debt/ Equity</b>	<b>0.39 x</b>	<b>0.23 x</b>	<b>0.15 x</b>



# NET WORKING CAPITAL UNDER CONTROL

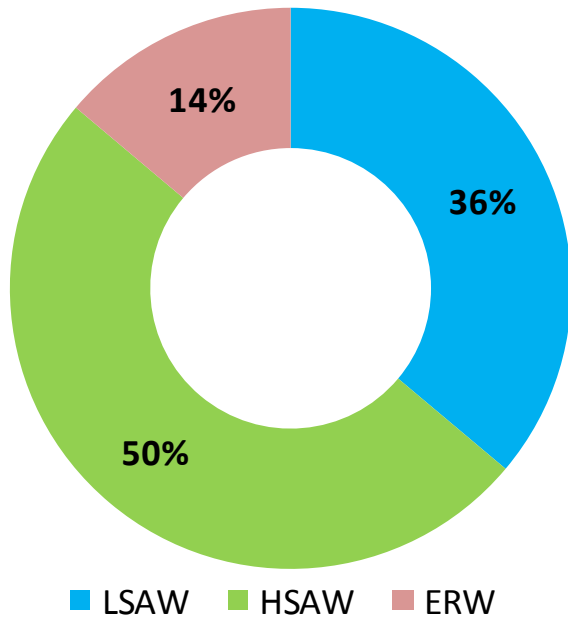
## IND AS Basis



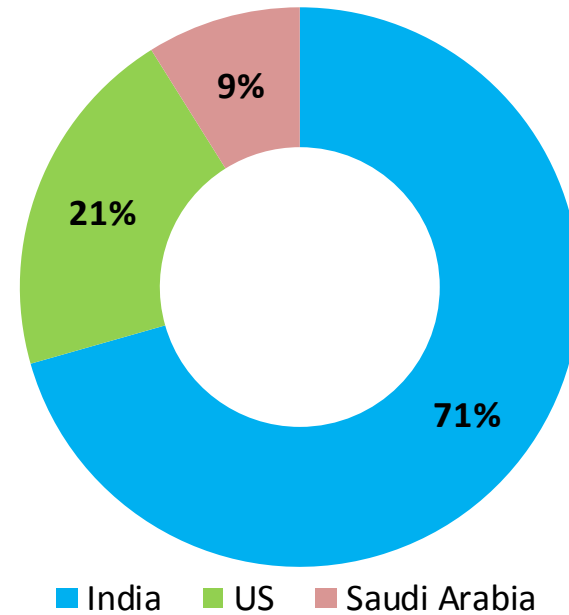
\*Includes Debtors + Inventory – Creditors

# SALES VOLUME BREAK-UP

**FY18 Pipe Sales Volume : 1,084 KMT**  
(including Saudi Arabia operations)



**Sales by Type**



**Sales by Plant**

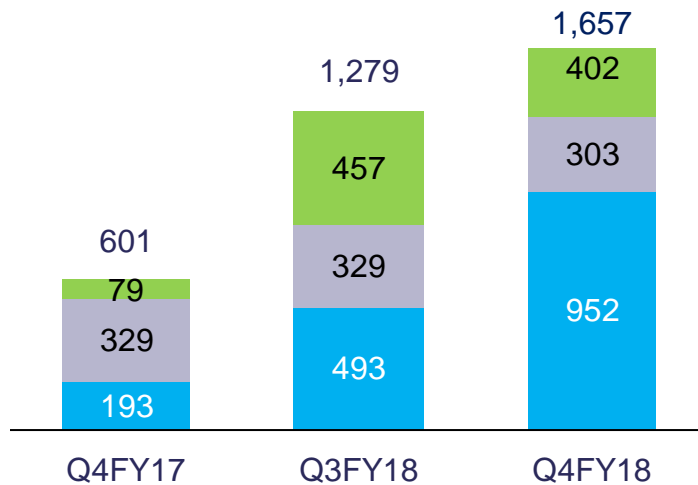
*Note: All numbers on this page includes all JV operations – Saudi Arabia*

# ORDERBOOK ANALYSIS (including Saudi Arabia operations)

**Buoyancy across major markets has led to historical high Orderbook**

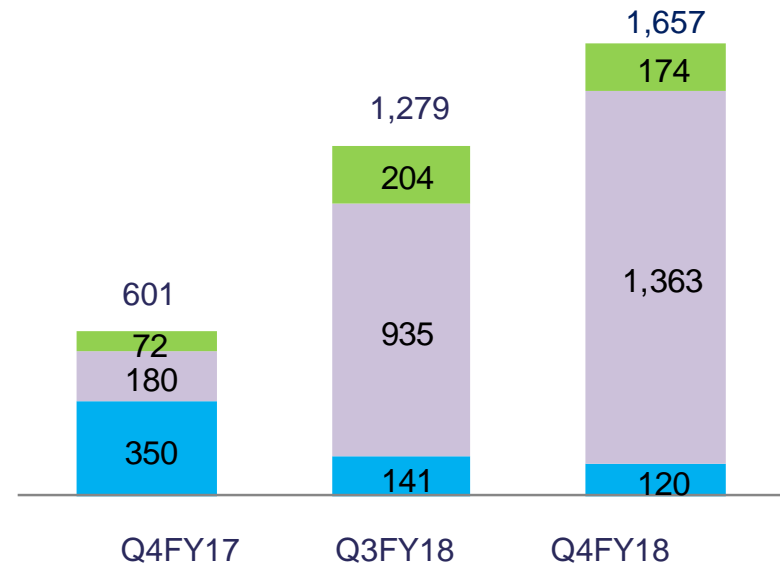
### Order book by Region

(KMT)



### Order book by Type

(KMT)



■ India & A-Pac 
 ■ Americas 
 ■ EU & MENA

■ ERW 
 ■ HSAW 
 ■ LSAW

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



## PROFIT & LOSS – Q4 YoY

Rs mn	Q4 FY17	Q4 FY18
<b>Income from operations</b>	<b>20,695</b>	<b>16,589</b>
<b>EBIDTA</b>	<b>3,066</b>	<b>1,579</b>
Depreciation/Amortization	919	907
Finance Cost	634	411
<b>Profit before tax and share of JVs</b>	<b>1,513</b>	<b>261</b>
Tax	532	80
Non-Controlling interest	(48)	(31)
Share of Profit/ (Loss) from JVs	(295)	(258)
<b>Net Profit/ (Loss) for the period</b>	<b>734</b>	<b>(45)</b>

*Note: 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*

## PROFIT & LOSS – FY18 vs. FY17

Rs mn	FY17	FY18
<b>Income from operations</b>	<b>60,355</b>	<b>75,873</b>
<b>EBIDTA</b>	<b>7,370</b>	<b>8,147</b>
Depreciation/Amortization	3,861	3,793
Finance Cost	2,357	1,853
<b>Profit before tax and share of JVs</b>	<b>1,152</b>	<b>2,501</b>
Tax	258	112
Non-Controlling interest	(163)	(53)
Share of Profit/ (Loss) from JVs	(793)	(859)
<b>Net Profit/ (Loss) for the period</b>	<b>264</b>	<b>1,583</b>

Note: 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

Welspun Corp Limited  
CIN: L27100GJ1995PLC025609

Mr. Harish Venkateswaran  
harish\_venkateswaran@welspun.com

[www.welspuncorp.com](http://www.welspuncorp.com)

---