



PRESS RELEASE

Vascon Engineers Ltd: Q2 FY 2013

Highlights of Consolidated Financials for Q2 FY13

- Revenue at Rs.187.61 cr
- EBITDA at Rs. 15.86 cr
- PAT at Rs. 3.51 cr
- Reduction in Gross Debt by Rs 62.86 cr
- YoY growth of 45% in Real Estate segment
- Sale of Commercial Building – Al Monte
- YoY growth of 38.5% in Clean Room Partitions and BMS segment

Pune, November 08, 2012:

Vascon Engineers Limited, today announced its results for the second quarter of FY13 and first half of FY13. The Company, on a consolidated basis, recorded revenue of Rs. 187.61 cr for Q2FY13 as against Rs. 186.46 cr in Q2FY12. The consolidated Profit after tax for Q2FY13 stood at Rs. 3.51 cr as against the 4.23 cr in Q2FY12, maintaining the margins despite persisting subdued investment cycles.

As of September 30, 2012 the Gross debt of the Company stands at Rs 319.13 cr. The Company has retired considerable debt due to which there has been a decrease of Rs62.86 cr in the debt amount as compared with March 2012. The net debt is at Rs 284.15 cr as on September 30, 2012. The Company is focusing to manage the leverage and reduce the working capital.

The Company believes that the global and domestic headwinds still continue to exist. Increase in labor cost, raw material cost and land prices have lead to inflation continuing to remain elevated exerting pressure on the operating margins.

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However, some improvement in the sentiment is expected following various measures announced by the Central Government. The Company is making all efforts to come out of difficult times and is placed well to realize its near term targets and medium term plans.

Real Estate Segment:

The Company has registered an impressive YoY growth of 45% in Real Estate revenue recording revenue of Rs 56.33 cr in Q2 FY13 as against Rs 38.87 cr on Q2 FY12. The Company has upheld accelerated sales momentum in the Real Estate segment and we continue to believe that we can do better.

The cumulative area sold is around 1.70 million sq. ft. amounting to sale value of around Rs. 759.50 cr of which attributable to Vascon is around Rs. 422.56 cr.

The collection has been on track in comparison with the previous quarters. The total area under construction in residential segment is 2.79 million sq. ft.

Sale of Commercial Building – Al Monte:

During the last Quarter, the Company has sold commercial building Al Monte in Pune. The total sale consideration of the same was Rs 29.38 cr out of which we have already collected Rs 28.88 cr.

EPC Segment:

In the current quarter, the Company has seen EPC order inflow of Rs 52.5 cr. We have acquired order worth Rs 183.95 cr from reputed builders like Godrej group, Unitech etc in 1st half of FY 13. The order backlog of the segment stood at Rs 2,506 cr as at September 30, 2012

We are seeing improvement in various projects under construction, which we expect to improve order execution going forward.

The EPC revenue recorded by the Company in Q2 FY13 stands at Rs 78.10 cr as against Rs 105.79 cr in Q2 FY12, now we are focusing on quality contracts.



Clean Room Partitions & BMS:

The Company has recorded revenue of Rs 49.82 cr in Q2 FY13 as against Rs 35.97 cr in Q2 FY12, a YoY growth of 38.5%.

The Company has been successful in bidding turnkey contracts jointly with GMP Technical Solutions. GMP is one of the largest manufacturers of Clean Room Partitioning Systems and Turnkey Solution Provider within the Indian subcontinent. GMP is in the fields of Clean Room Technology, Modular Furniture, Building Management Systems, IBMS, IT & Networking, HVAC and Electricals. Established in year 2005, GMP has its corporate office at Mumbai & branch offices in major Indian cities like Noida, Goa, Bangalore, Indore, Hyderabad and a state-of-the-art manufacturing facility at Baddi in Himachal Pradesh.

About Vascon Engineers:

Vascon Engineers Ltd. (VEL) is engaged in EPC services and Real Estate Projects with a track record of 26 years. EPC operations are in a number of states and union territories in India, providing high quality and innovative projects on a timely basis. EPC operations are focused on building construction in diverse areas like pharma, hospitals, factory buildings, educational institution buildings, Government buildings, MES, hospitality building etc. Real Estate projects comprises of residential and office complexes as well as shopping malls, multiplexes, hospitality properties and IT parks.

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