

**Press Release**

**Punj Lloyd Group reports revenue growth of 88.90 percent and net profit growth of 88.01 percent in the first quarter of FY2009**

**Q1 FY2009 Results**

**(All figures in this release are consolidated comparison of Q1 FY2009 with Q1 FY2008)**

- Revenues increase by 88.90% to Rs.2,678.6 crore
- EBIDTA up by 67.20% to Rs.241.5 crore
- PAT up by 88.01% to Rs.111.9 crore
- EPS at Rs.3.69 for Q1 FY2009
- Healthy order backlog at Rs. 20,162 crore as on June 30, 2008

**New Delhi, July 29, 2008:** Punj Lloyd Group, the diversified engineering, procurement & construction conglomerate, approved the financial results for the first quarter (Q1) of FY2009 at its Board of Directors meeting today.

The Group has recorded consolidated income of Rs.2,678.6 crore, up by 88.90% as compared to the corresponding previous period (Q1 FY2008). Operating profits (EBIDTA) have increased by 67.20% to Rs.241.5 crore in Q1 FY2009 as compared to Rs.144.4 crore in Q1 FY2008. Profit after Tax (PAT) has increased by 88.01% to Rs.111.9 crore as compared to Rs.59.5 crore in Q1 FY2008. Basic EPS for the quarter under review stands at Rs. 3.69 for Q1 FY2009.

During the quarter, the Group has transferred economic interest in ISP division along with associated subsidiaries. The profit of Rs 20.4 crore (Net of Tax of Rs 14.3 crore) realized on this sale is included in above results.

In respect of qualifications in Simon Carves Ltd by auditors in FY2008, the company has reached an interim settlement agreement with the client, whereby client has agreed to pay Rs 110.5 crore (GBP 15 million), accordingly the auditors have reduced the value of qualification in this regard from Rs 305.3 crore to Rs 194.8 crore. The management continues to be in dialogue with the client and expects the project to break even.

**Speaking on the results, Punj Lloyd Group Chairman, Mr Atul Punj said,** “The Group witnessed a strong FY2008 and I’m pleased to see a stronger beginning in FY2009.

“The Group has maintained a very healthy growth in the last few years and we continue to have a robust growth trajectory. Our strategy of spreading our operations in multiple geographies, service lines and selective diversification across the world is paying off and is throwing up numerous opportunities each day.

The outlook for the future is robust and looking at the conducive market environment in the geographies and segments we operate in, we are confident of beating the industry growth in future as well. The quarter results are a reflection of the fact that we are on the right track and it will be our endeavour to enhance this growth pattern further.

As the Government of India moves ahead with the nuclear deal, we expect very significant opportunities for the Group in the nuclear power sector. Punj Lloyd Group is well positioned to leverage this opportunity as Simon Carves UK has over 3.5 million man-hours of experience in nuclear facilities in UK and Punj Lloyd has the construction capabilities in the sector.”

“The quarter ended June 2008 saw some major milestones for the Group such as the acquisition of 74% stake in Technodyne, which will add cryogenic tank design to portfolio of offerings and collaboration agreement with Singapore Technologies Kinetics Ltd (ST Kinetics), for the manufacture of defence equipment,” **he further added.**

Note: All figures in this release are consolidated numbers unless stated otherwise

### **Order backlog update**

As on 30 June 2008, Punj Lloyd Group had an order backlog of Rs 20,162 crore (the order backlog is the value of unexecuted orders on 01st July, 2008 and new orders received after that day). The expansion in order backlog is through multiple contracts won by the Company over the past few months.

In terms of geographical contribution, the Group's current order backlog comprises 33% from South Asia, 4% from Caspian, 14% from Middle East, 42% from South East Asia & Asia Pacific and 7% from rest of the world.

The quantum of legacy order backlog (order backlog prior to acquisition by Punj Lloyd Group) of Sembawang E&C on 1<sup>st</sup> July, 2008 was Rs 642 crore and the Group is confident of finishing the substantial part of legacy order backlog within this financial year. Post completion of the legacy order (which are low margin orders), in FY2010 Sembawang E&C's results are expected to be in line with the industry standards.

In the last few months, Punj Lloyd received new orders such as:

- New order from Indian Oil Corporation to Punj Lloyd for Rs 649 crore for the Motor Spirit Quality (MSQ) Upgradation Project of Indian Oil Corporation Limited at Barauni Refinery, Bihar.
- Repeat order from Exxon Mobil Chemicals Asia Pacific for Rs 331 crore (SG Dollar 107 million) towards civil, mechanical, electrical and instrumental works.
- Repeat order from Tecnicas Reunidas, Spain for an amount of Rs 464 crore (US Dollar 108 million) towards mechanical works on 2 offsites & utilities projects of Abu Dhabi Polymers Company, UAE. The scope of work includes steel erection, piping fabrication & erection, equipment erection, painting & insulation.
- Punj Lloyd awarded Rs 1,005 crore (USD 251.25 Million) contract by GVK Power (Govindwal Sahib) Limited, Hyderabad to work on the 2 X 270 MW Govindwal Sahib Coal Fired Thermal Power Project in Taran Taran District, Punjab.

### **About Punj Lloyd Group**

Punj Lloyd (BSE SCRIP ID: PUNJLLOYD, NSE SYMBOL: PUNJLLOYD) is an engineering, procurement & construction specialist. The group (Punj Lloyd Limited, Sembawang Engineers & Constructors, Simon Carves) is known for its management skills that deliver 'on-time' project performance while maintaining the highest standards of health, safety, environment and quality (HSEQ). The group has a rich experience, having undertaken projects in over 60 countries. Further information about the Group is available at [www.punjllloydgroup.com](http://www.punjllloydgroup.com)

### **FOR FURTHER INFORMATION PLEASE CONTACT:**

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