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Total Income from Operations increases 15% to Rs. 1,961 million in Q2FY10 PAT higher by 29.5%, EPS (Basic) of Rs. 2.08 per share

Shriram EPC Limited (SEPC), one of the leading service providers of integrated design, engineering, procurement, construction and project management services for renewable energy projects, process and metallurgical plants and municipal service sector projects throughout India and overseas and leading manufacturer of wind turbine generators, has announced its unaudited financial results for the quarter and half year ended September 30, 2009. Details are as under:

H1FY10 vs. H1FY09 (Standalone)

Net Sales at Rs. 3,916.3 million, up by 18.3%

EBITDA at Rs. 391.9 million, higher by 32.8%

PAT at Rs. 171.1 million, higher by 19.4%

EPS (Basic) of Rs. 3.94 per share

Q2FY10 vs. Q2FY09 (Standalone)

Net Sales at Rs. 1,937.7 million, up by 14.2%

EBITDA at Rs. 187.3 million, higher by 34.6%

PAT at Rs. 90.5 million, higher by 29.5%

EPS (Basic) of Rs. 2.08 per share

Commenting on the performance, Mr. T. Shivaraman, Managing Director & CEO of Shriram EPC Limited, said:

"Our numbers exhibit steady growth through a macroeconomic environment that is not completely settled. While we have been able to deliver well on existing operations, the formal inauguration of our MW class turbine manufacturing facility this quarter and its subsequent performance will provide us with an impetus to deliver sustained returns to our stakeholders.

Our portfolio of businesses enables us to be present in many spheres of the renewable energy revolution and we are confident that our initiatives will be executed as planned. We continue to see a large number of opportunities unfold as the situation of easing credit availability coupled with heightened demand for commodities is beginning to look conducive for fresh investments across the sectors we serve."

Highlights & Order Book Update

- The Standalone Order book is at Rs. 14.48 billion as on September 30, 2009.

- During the Quarter, the company received the following orders:

    - from Orient Green Power Ltd. for EPC works at the 10MW Biomass Power Plant at Sangaria District in Rajasthan. The value of the order is Rs. 368 million.

    - from SIEMENS VAI Metals Technologies for Handling, Storage, Installation, Erection of Mechanical and Auxiliary Equipments. The value of the order is Rs. 95.7 million.

- The Company formally commissioned its integrated wind turbine manufacturing facility in Gummidipoondi, Tamil Nadu on September 25, 2009. The facility was inaugurated by the Union Minister of State for Power, Mr. Bharatsinh Solanki.

- The Gummidipoondi facility has the capacity to manufacture 120 units of MW class wind turbines a year, which will be enhanced to 250 units a year by the end of the next fiscal year. The company also manufactures 250KW turbines at its facilities in Chennai & Puducherry.

- During the quarter, the company commissioned a 10MW Biomass Power Project for Arora Infrastructure Development Company Pvt. Ltd. at Chhattisgarh

- During the quarter, the company entered into a partnership with Roberts & Schaefer, an American company, to make material handling equipment. This is an extension of the company's practice of building these systems itself for turnkey contracts executed by it earlier.

H1FY10 v/s H1FY09 (Standalone)

- Net Sales increase from Rs. 3,309.4 million in H1FY09 to Rs. 3,916.3 million in H1FY10.

- EBITDA was higher by 32.8% from Rs. 295.2 million in H1FY09 to Rs. 391.9 million in H1FY10. The EBITDA margin expanded from 8.9% in H1FY09 to 9.9% in H1FY10.

- PAT increases by 19.4% from Rs. 143.4 million in H1FY09 to Rs. 171.1 million in H1FY10. The PAT margin was stable at 4.3% for both the periods.

- Basic EPS increased from Rs. 3.32 per share in H1FY09 to Rs. 3.94 per share in H1FY10.

Q2FY10 v/s Q2FY09 (Standalone)

- Net Sales increase from Rs. 1,696.2 million in Q2FY09 to Rs. 1,937.7 million in Q2FY10.
- EBITDA was higher by 34.6% from Rs. 139.1 million in Q2FY09 to Rs. 187.3 million in Q2FY10. The EBITDA margin expanded from 8.2% in Q2FY09 to 9.6% in Q2FY10.
- PAT increases by 29.5% from Rs. 69.9 million in Q2FY09 to Rs. 90.5 million in Q2FY10. The PAT margin expanded from 4.1% in Q2FY09 to 4.6% in Q2FY10.
- Basic EPS of Rs. 1.62 per share in Q2FY10 compared to Rs. 2.08 per share in Q2FY09.

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About Shriram EPC

Shriram EPC (NSE: SHRIRAMEPC, BSE: 532945) is one of the leading service providers of integrated design, engineering, procurement, construction and project management services for renewable energy projects, process and metallurgical plants and municipal service sector projects throughout India and overseas, and is also a leading manufacturer of wind turbine generators (WTG).

The EPC business is focused on providing integrated turnkey solutions for biomass-based power plants, process and metallurgy plants (including cement & thermal power plants), water and wastewater treatment plants, water and sewer infrastructure and pipe rehabilitation. The WTG business is focused on manufacturing, erecting and commissioning 250 KW and 1.5 MW Class WTGs.

Shriram EPC is headquartered in Chennai with offices in Mumbai, New Delhi, Kolkata and Beijing; and WTG and cooling tower factories in Puducherry, Chennai and Umbergaon (Gujarat). Their EPC project experience and footprint reaches across 16 states in India, and internationally in Zambia and France, while their WTG business has completed wind energy projects throughout India.

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Safe Harbour

Some of the statements in this press release that are not historical facts are forward-looking statements. These forward-looking statements include our financial and growth projections as well as statements concerning our plans, strategies, intentions and beliefs concerning our business and the markets in which we operate. These statements are based on information currently available to us, and we assume no obligation to update these statements as circumstances change. There are risks and uncertainties that could cause actual events to differ materially from these forward-looking statements. These risks include, but are not *limited to, the level of market demand for our services, the highly-competitive market for the types of services that we offer, market conditions that could cause our customers to reduce their spending for our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market conditions in India and elsewhere around the world, and other risks not specifically mentioned herein but those that are common to industry.*