



**RESULT UPDATE PRESENTATION – Q2 FY17**

*NOVEMBER 22, 2016*



## Forward Looking Statements

*This presentation contains forward-looking statements which may be identified by their use of words like “plans,” “expects,” “will,” “anticipates,” “believes,” “intends,” “projects,” “estimates” or other words of similar meaning. All statements that address expectations or projections about the future, including, but not limited to, statements about the strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements.*

*Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The actual results, performance or achievements, could thus differ materially from those projected in any such forward-looking statements.*

*The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events, or otherwise*



# Consolidated Key Highlights – Q2 FY17 vs. Q2 FY16

*Consolidated Profit and Loss statement of Q2 FY17 does not include the financials of Hindustan Cargo (HCL), Air Freight / Freight Forwarding and Contract Logistics (CL), as these businesses have been transferred to our new JV – ACCI; while Q2 FY16 and Q1 FY17 include the same*

## MTO

- Volume: **127,463 TEUs**, *increase of 8%; growth from India, China and South East Asia*
- Total Income: **INR 12,093 Mn**, *decrease of 1%; due to lowering freight rates*
- EBIT: **INR 497 Mn**, *increase of 4%; volume growth*

## CFS

- Volume: **69,260 TEUs<sup>1</sup>**, *volumes maintained*
- Total Income: **INR 1,112 Mn**, *increase of 5%; long standing container & ODC bond cargo*
- EBIT: **INR 397 Mn**, *increase of 18%; mainly on account of higher operating efficiencies*

## P&E

- Total Income: **INR 990 Mn**, *decrease of 29%; conscious decision to move away from lower ROCE business viz. Trailers leading to sale of aged assets, slowdown in project logistics and transfer of similar business to ACCI*
- EBIT: **INR 110 Mn**, *decrease of 21%*

## Profit & Loss

- Total Income: **INR 14,102 Mn**, *decrease of 3%, due to lower freight rates and ACCI JV accounting*
- Gross Profit: **INR 4,517 Mn**, *decrease of 2%; due to lower freight rates and ACCI JV accounting; Margins at 32%; increase of 50 bps*
- EBITDA: **INR 1,268 Mn**, *decrease of 6%; conscious decision to move away from lower ROCE business, leading to sale of aged assets, ACCI JV accounting and slowdown in project logistics business*
- PAT: **INR 644 Mn**, *increase of 7%, lower interest costs and depreciation*

## Balance Sheet

- Networth: **INR 18.7 Bn**
- Net Debt: **INR 2.6 Bn**; Net Debt to Equity: **0.14x**

<sup>1</sup> Volume for 4 CFS facilities only in line with reported segment financials



## Consolidated Financial Performance – Q2 FY17

Consolidated Financial Performance (INR Million)			
Particulars	For the Quarter		
	Q2 FY17	Q2 FY16	Y-o-Y
Income from Operations	14,084	14,534	(3%)
Other Operating Income	18	28	(37%)
<b>Total Income</b>	<b>14,102</b>	<b>14,562</b>	<b>(3%)</b>
Operating Expenses	9,585	9,972	(4%)
<b>Gross Profit</b>	<b>4,517</b>	<b>4,590</b>	<b>(2%)</b>
<i>Margin</i>	32.0%	31.5%	
Staff Cost	2,353	2,305	2%
Other Expenses	886	917	(3%)
Prov. For Doubtful Debts	10	15	(34%)
<b>EBITDA</b>	<b>1,268</b>	<b>1,353</b>	<b>(6%)</b>
<i>Margin</i>	9.0%	9.3%	
Depreciation	433	556	(22%)
Other Income	62	42	48%
<b>EBIT</b>	<b>897</b>	<b>840</b>	<b>7%</b>
Interest	75	102	(26%)
<b>PBT</b>	<b>822</b>	<b>737</b>	<b>11%</b>
Tax	178	131	36%
<b>PAT after MI and Associates</b>	<b>644</b>	<b>603</b>	<b>7%</b>
<i>EPS (INR)</i>	2.6	2.4	7%



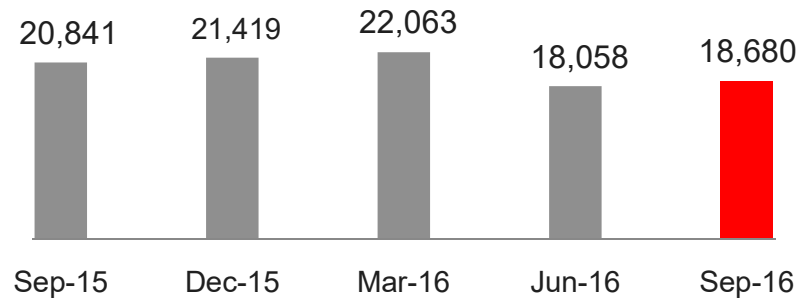
## Consolidated Financial Performance – H1 FY17

Consolidated Financial Performance (INR Million)			
Particulars	For the Half Year		
	H1 FY17	H1 FY16	Y-o-Y
Income from Operations	28,022	29,164	(4%)
Other Operating Income	69	51	37%
<b>Total Income</b>	<b>28,091</b>	<b>29,215</b>	<b>(4%)</b>
Operating Expenses	18,859	20,121	(6%)
<b>Gross Profit</b>	<b>9,232</b>	<b>9,094</b>	<b>2%</b>
<i>Margin</i>	32.9%	31.1%	
Staff Cost	4,770	4,544	5%
Other Expenses	1,836	1,792	2%
Prov. For Doubtful Debts	26	27	(3%)
<b>EBITDA</b>	<b>2,600</b>	<b>2,730</b>	<b>(5%)</b>
<i>Margin</i>	9.3%	9.3%	
Depreciation	869	1,048	(17%)
Other Income	121	92	32%
<b>EBIT</b>	<b>1,852</b>	<b>1,774</b>	<b>4%</b>
Interest	151	202	(25%)
<b>PBT</b>	<b>1,702</b>	<b>1,572</b>	<b>8%</b>
Tax	434	298	46%
<b>PAT after MI and Associates</b>	<b>1,254</b>	<b>1,268</b>	<b>(1%)</b>
<i>EPS (INR)</i>	5.0	5.0	(1%)

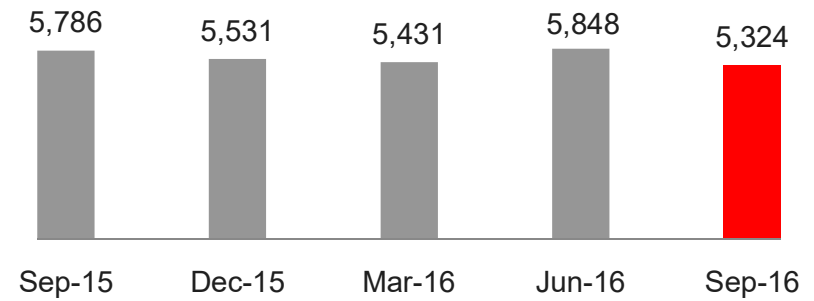


# Consolidated Balance Sheet - as on Sep 30, 2016

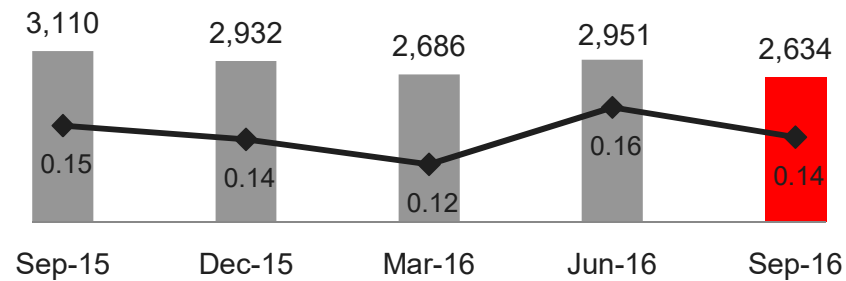
## Networth (INR Mn)<sup>1</sup>



## Total Debt (INR Mn)<sup>1</sup>



## Net Debt (INR Mn) and Net Debt to Equity<sup>1</sup>

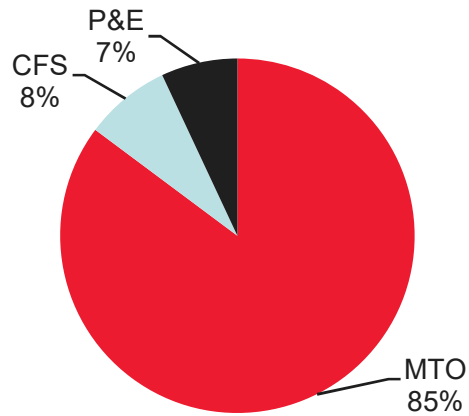


<sup>1</sup> Numbers for Jun-16 and Sep-16 are as per Ind AS; Previous numbers as per old I-GAAP

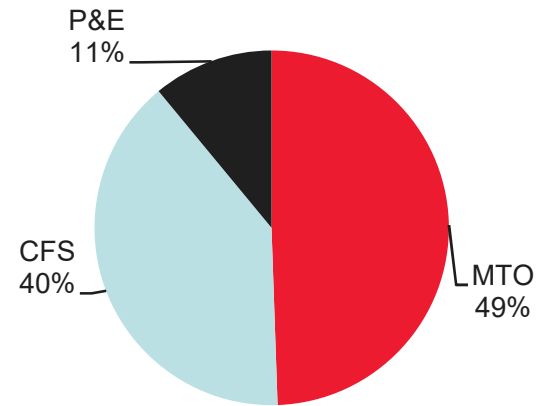


# Segment Breakup – Q2 FY17<sup>5</sup>

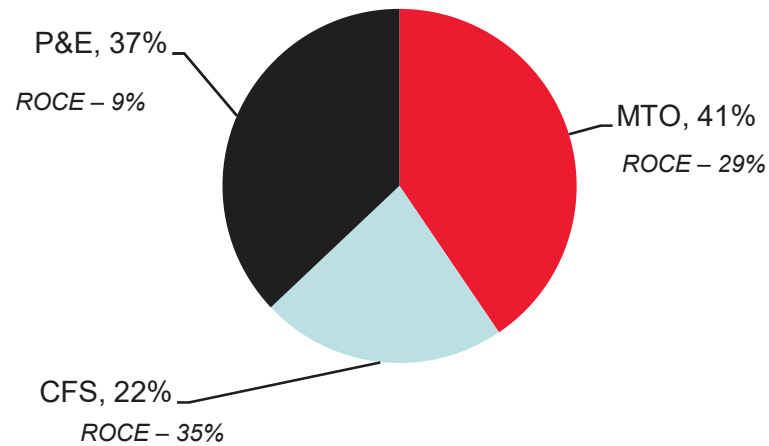
**Revenue<sup>1</sup> - INR 14,102 Mn**



**EBIT<sup>2</sup> - INR 897 Mn**



**Capital Employed<sup>3,4</sup> - INR 23,702 Mn ROCE – 16%**

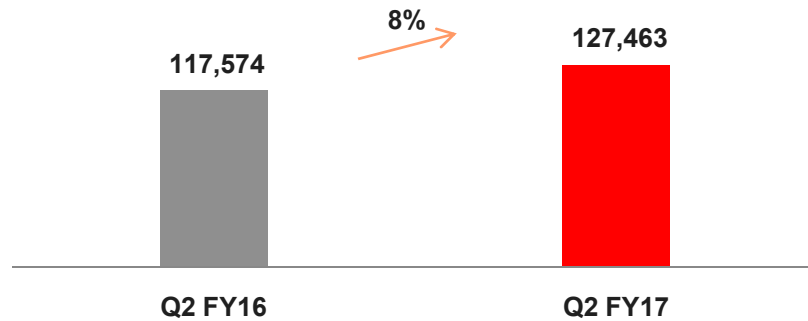


<sup>1</sup> Breakup before inter-segment eliminations, <sup>2</sup> Breakup before unallocable expenditure & income, <sup>3</sup> As on 30<sup>th</sup> September, 2016, breakup excluding unallocable corporate assets and corporate liabilities, <sup>4</sup> Capital Employed = Segment Assets – Segment Liabilities; ROCE calculated as EBIT / Capital Employed as of 30<sup>th</sup> September, 2016, <sup>5</sup> Breakup in graphs is only for business segments

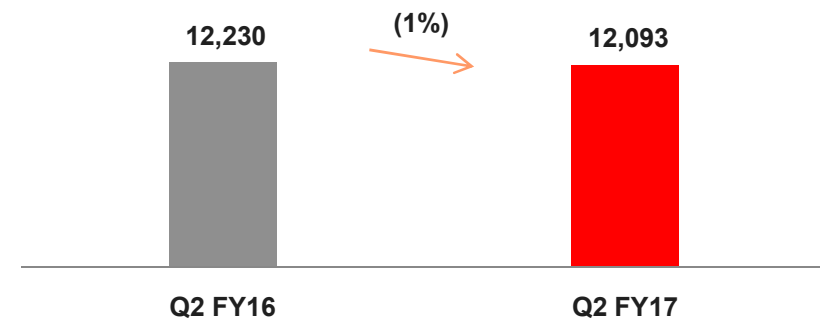


# Multimodal Transport Operations

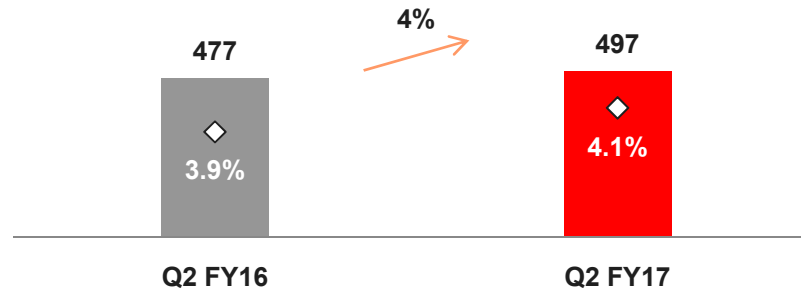
## Volume (TEUs)



## Revenue (INR Mn)



## EBIT & Margin (INR Mn)



- Despite muted global trade growth combined with falling freight rates, good growth in volumes and EBIT
- Growth continued to come from key markets of India, China and South East Asia
- Q2 Revenue decrease of 1% Y-o-Y; mainly on account of lowering freight rates



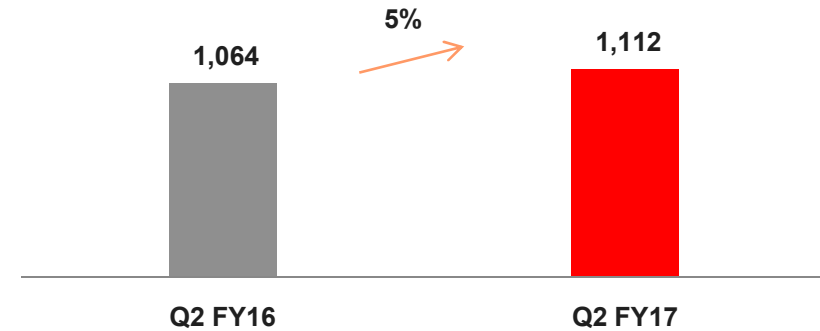


# Container Freight Stations and Inland Container Depots

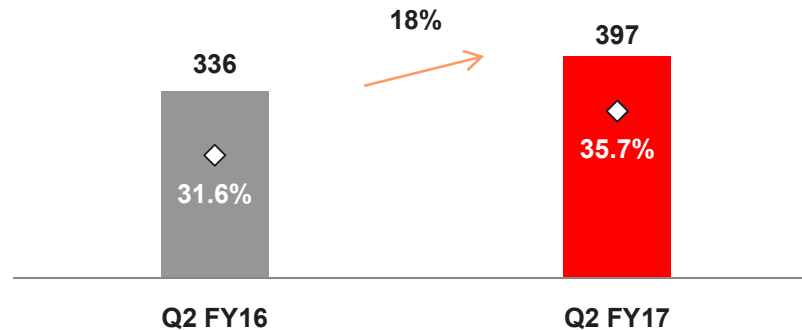
## Volume (TEUs)<sup>1</sup>



## Revenue (INR Mn)



## EBIT & Margin (INR Mn)

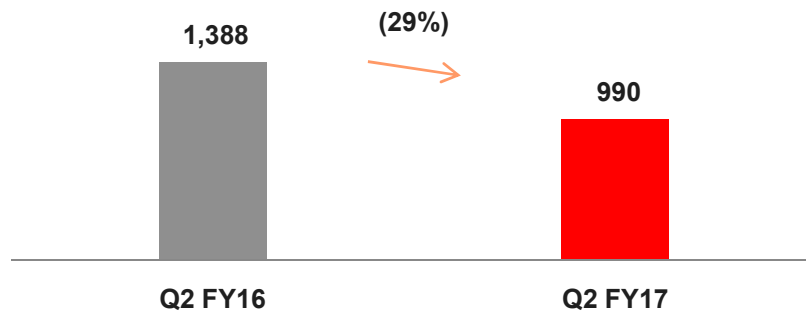


- Volumes maintained at 69,260 TEUs
- Q2 Revenue increase of 5% Y-o-Y; on account of realization of long standing containers and ODC bond cargo
- Q2 EBIT increase of 18% Y-o-Y; mainly on account of higher operating efficiencies

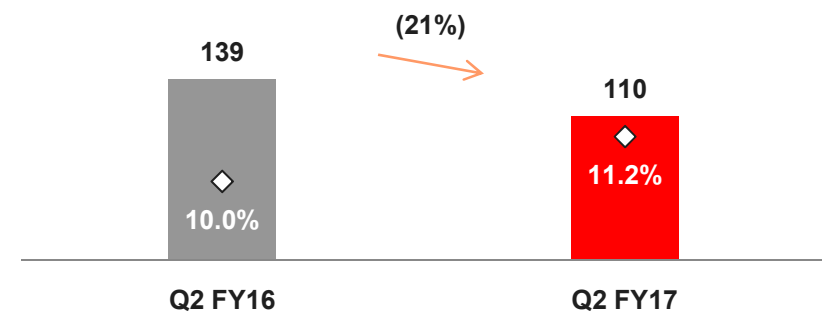


# Project and Engineering Solutions

## Revenue (INR Mn)



## EBIT & Margin (INR Mn)



- Q2 Revenue decrease of 29% Y-o-Y; a conscious decision to move away from lower ROCE business viz. trailers, leading to sale of aged assets, slowdown in project logistics business and transfer of similar business from Allcargo to ACCI
- Q2 EBIT decrease of 21%



# Recent Developments

## Bagged Contract to Manage CWC's CFS in Mundra

- CWC CFS located adjacent to Allcargo CFS
- 40 acres of space, focused on supply chain capabilities

## Announced Buyback of Shares – To Reward Shareholders

- Buyback, through “Tender Route”, priced @ INR 195 per share
- Total size – Upto 64,00,000 shares (~2.5% of total number of outstanding shares)
- Total amount – Approx. INR 124.8 Cr



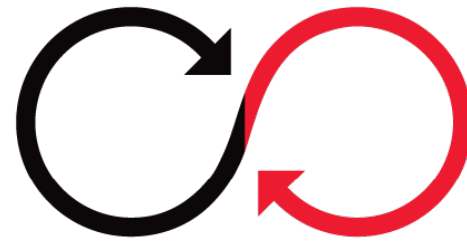
# Awards and Achievements



- Lloyd's List Asia Awards, 2016, one of the most coveted awards in the Asian shipping and logistics industry felicitated Allcargo Logistics with the 'Logistics Award' in Singapore
- North East Agra project, a first of its kind and prestigious power project undertaken by Projects and Engineering Solutions Team

- Jt. Managing Director Mr. Adarsh Hegde was felicitated as 'Dynamic Logistics Professional of the Year', for his contribution towards the industry at Maritime And Logistics Awards, 2016
- Allcargo was conferred with two more awards for outstanding business performance
  - Logistics Super-brand of the year
  - Heavy Lift/Project Mover of the Year





Thank You!

