



# **Financial Results Q4 and year ended 31 Dec. 2013**

## **Linde India Limited**

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## Highlights - 2013

Strong performance.



- Net revenue for the year is 14,022 MINR (+7%) compared to last year at 13,134 MINR
- Gases revenue for the year at 10,497 MINR (+14%) on account of ramp up of new pipeline supplies (namely Tata 2550 and Sterlite SMR), growth in healthcare segment including medical engineering revenue
- Merchant bulk gases grew by 7% despite a slowdown in most of the customer segments in manufacturing sector
- Shielding gases in the packaged segment impacted by frequent shutdown and scaling down of production levels by auto manufacturers and their ancillaries
- Healthcare segment performed well on account of integration synergies from Uttam gases and higher medical engineering revenue on account of new pipeline projects at hospitals
- Engineering division affected by delays in large projects at customers' end, particularly in the public sector, resulting in lower net revenues

## Performance - 2013

Growth despite of industrial slowdown

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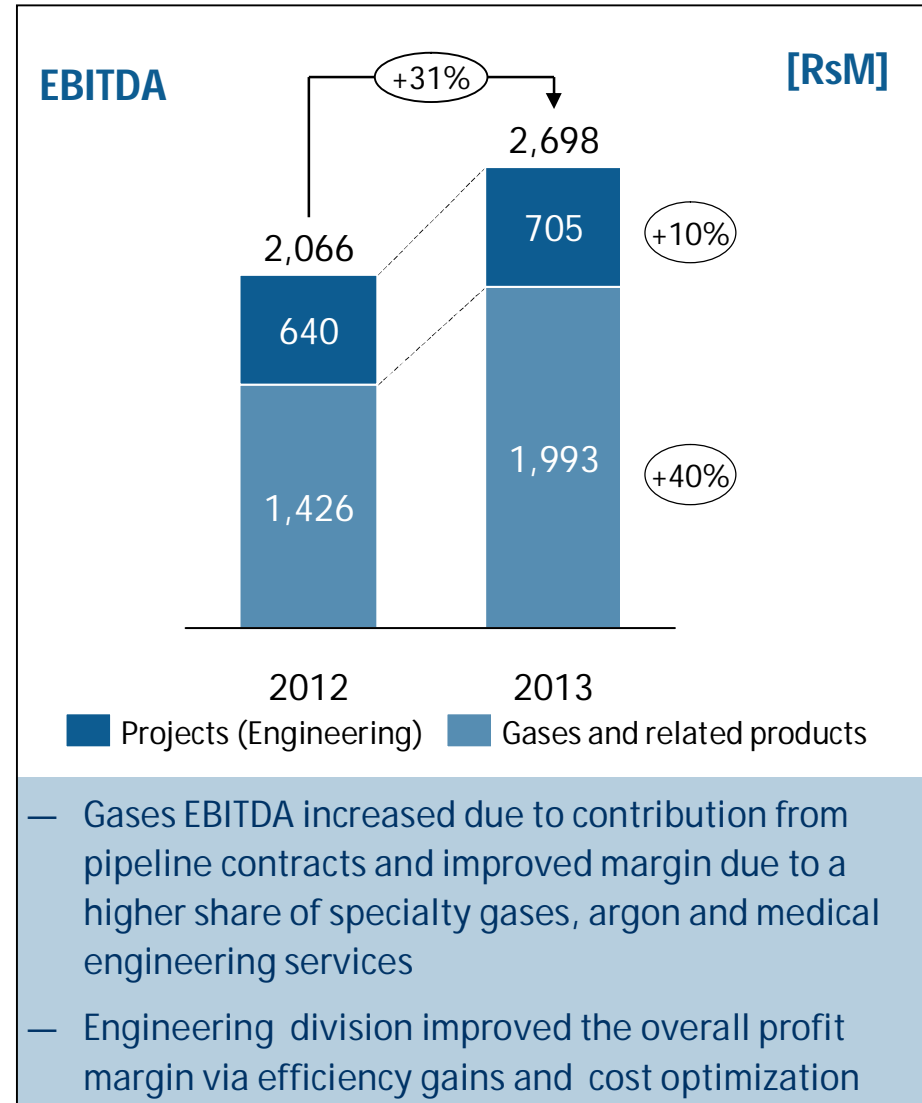
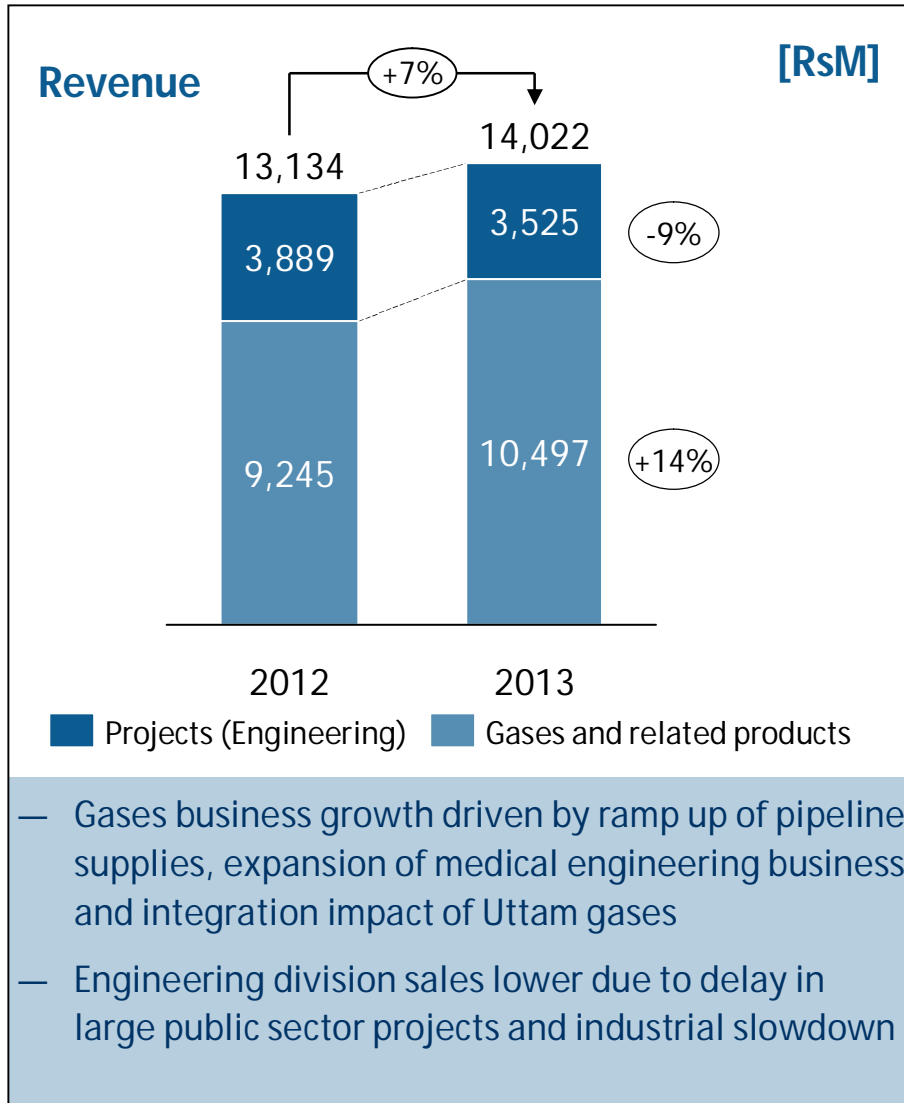
		2012	2013	yoy
Net Revenue	[RsM]	13,134	14,022	+7%
EBITDA*	[RsM]	2,066	2,698	+31%
RoS	[%]	16%	19%	+351bp
EBIT*	[RsM]	941	1,408	+50%
PAT	[RsM]	895	773	-14%
EPS reported	[Rs]	10.49	9.07	-14%

- Company recorded revenue growth of 7% during the year 2013, despite weak economic conditions and sluggish performance across most of the industrial sectors
- Increase in EBITDA achieved through improved margin from large tonnage contracts, optimization of costs and intensified activities in high margin segments like specialty gases and argon
- Lower profit from exceptional item as compared to last year and higher financing costs for new plants and working capital, resulted in lower earnings

\*Pre exceptional items

# Revenue & Operating Profit by Divisions - 2013

Growth despite of industrial slowdown



## Performance - Q4 2013

Strong performance of both divisions.

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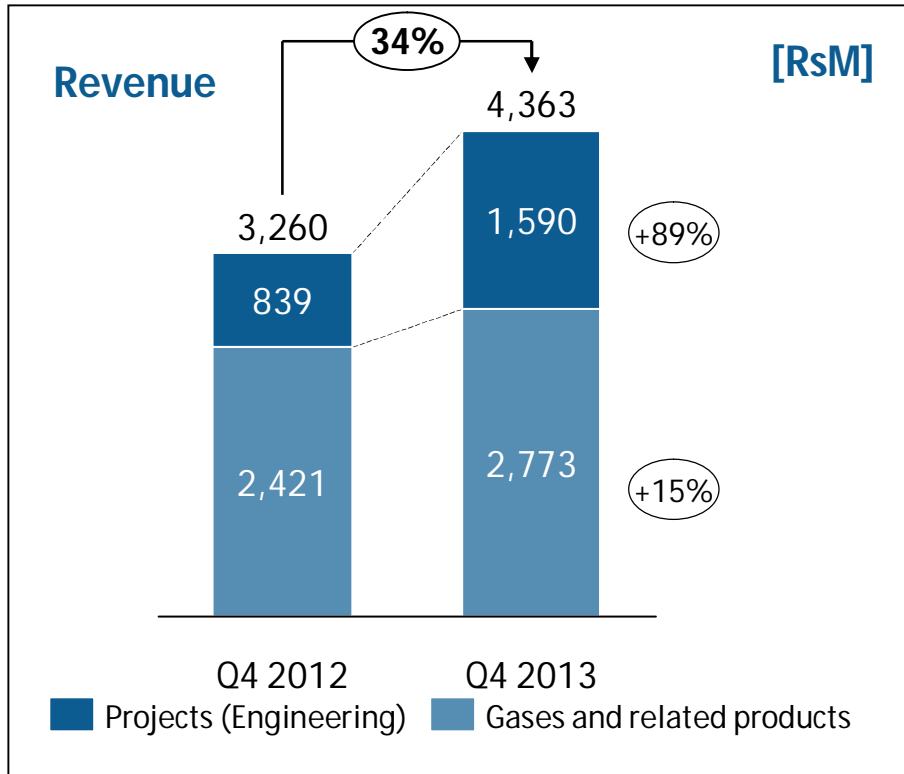
		Q4 2012	Q4 2013	yoy
Net Revenue	[RsM]	3,260	4,363	+34%
EBITDA*	[RsM]	464	795	+71%
RoS	[%]	14%	18%	+400bp
EBIT*	[RsM]	67	468	+599%
PAT	[RsM]	454	555	+22%
EPS reported	[Rs]	5.32	6.51	+22%

- Sales growth driven by high revenue realization from engineering division supported by higher pipeline and healthcare sales
- EBITDA improvement led by contribution from engineering division, higher margin from argon and helium business and medical engineering services
- Net earnings improved due to strong business performance despite higher financing cost for new plants and working capital

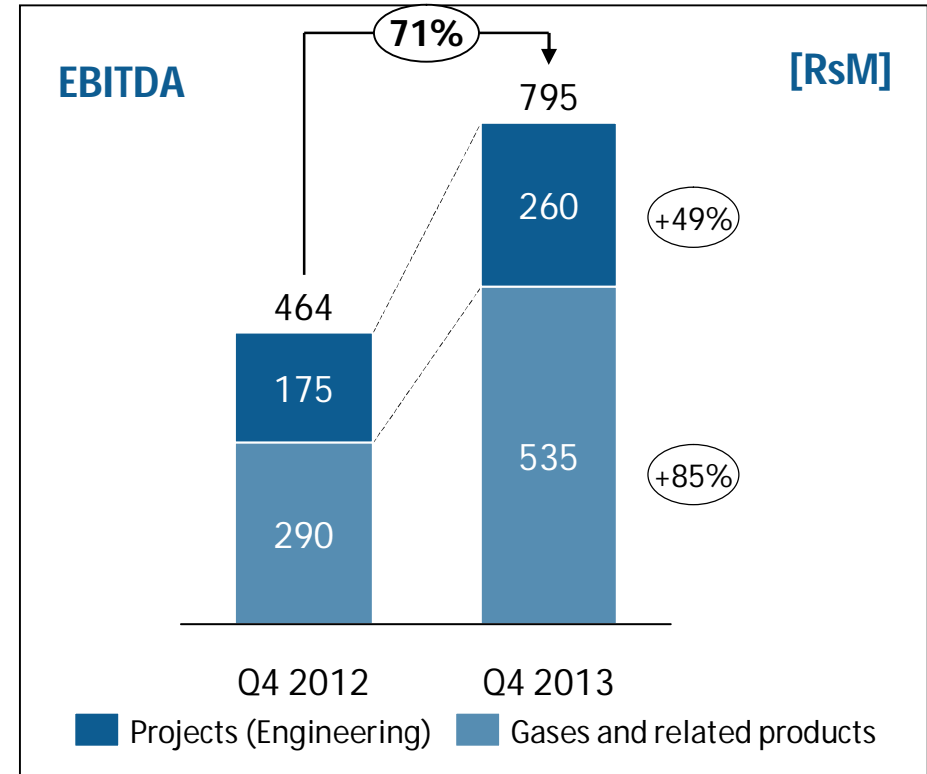
\*Pre exceptional items

# Revenue & Operating Profit by Divisions - Q4 2013

Strong performance of both divisions



- Gases revenue increased due to higher merchant and healthcare sales, ramp up of pipeline supplies and commissioning of an onsite oxygen generator
- Engineering division sales higher due to progress billing for public sector projects



- Gases EBITDA improvement led by contribution from pipeline contracts and medical engineering services coupled with margin improvement in argon and helium
- Engineering division profits increased due to higher revenue from projects



## Outlook



- Projection of GDP growth for 2013-14 is around 4.8%; however, Industry growth expected only at 1.5%; Q4 2013 witnessed pick up of industrial activity for specific customers leading to higher merchant demand
- Tata 2550tpd plant completed one year of operations with a good reliability
- One Air Separation Unit (ASU) for SAIL at Rourkela with 853tpd oxygen capacity started commercial production in January 2014, second ASU of same capacity to start in within 2014
- Construction work of plant for Tata Steel at Kalinganagar with an oxygen production capacity of 2 x 1,000 tpd is under progress, expected to be commissioned in 2015
- Steam Methane Reformer (SMR) plant for hydrogen supply to Asian Peroxide at Sullurpet in Andhra Pradesh expected to be commissioned in 2014
- Relocation and commissioning of the 110tpd plant from Taloja in Maharashtra to Dahej in Gujarat to be completed in 2014; state-of-art packaged gases plant will be set up at the same location
- Company will continue to focus on new gas applications which will drive efficiency at customers processes & improve gases sales





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# Appendix

## Linde India - 2013

### Key P&L items

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[RsM]	2012	2013	Δ
Revenue	1 3,134	14,022	7%
Other Income	145	346	139%
Total expenses	12,338	12,960	-5%
COGS	- 11,213	-11,670	-4%
D&A	-1,125	-1,290	-15%
EBIT	941	1,408	50%
EBIT margin	7.16%	10.04%	288bp
EBT	536	663	24%
Exceptional Item	719	503	-30%
Tax expense	360	393	-9%
Tax rate	32.4%	33.9%	
Net income	895	773	-14%
EPS	10.49	9.07	-14%

## Linde India - 2013

### Key balance sheet items

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[RsM]	2012	2013	Δ
Shareholders' Funds	13,339	14,423	8%
Non-current liabilities	12,581	16,060	28%
Long-term borrowings	8,504	11,157	31%
Current Liabilities	8,220	9,177	11%
<b>Total Equities and Liabilities</b>	<b>34,141</b>	<b>39,660</b>	<b>16%</b>
Non-current assets	27,382	32,326	18%
Fixed assets	22,603	24,086	7%
Current assets	6,758	7,334	9%
Cash and cash equivalents	463	583	26%
<b>Total assets</b>	<b>34,141</b>	<b>39,660</b>	<b>16%</b>

## Linde India - Q4 2013

### Key P&L items

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[RsM]	Q4 2012	Q4 2013	Δ
Revenue	3,260	4,363	34%
Other Income	41	70	71%
Total expenses	3,234	3,964	-23%
COGS	-2,837	-3,637	-28%
D&A	-397	-327	-17%
EBIT	67	468	599%
EBIT margin [%]	2.1%	10.7%	866bp
EBT	-105	220	309%
Exceptional Item	719	503	-30%
Tax expense	-160	-167	-4%
Tax rate [%]	32.4%	33.9%	
Net income	454	555	22%
EPS	5.32	6.51	22%



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