



# Between the Lines

Daily Corporate News Analysis

Sept 19<sup>th</sup> 2008

## Alstom Projects India Ltd

### Result Update

#### Key Data

<b>CMP</b>	Rs.389.45
<b>Target (1-year)</b>	Rs.451.76
<b>Date</b>	Sept 19 <sup>th</sup> 2008
<b>Sector</b>	Electric equipment – General - Large
<b>Face Value</b>	Rs.10
<b>BSE Code</b>	532309
<b>52 Week H/L</b>	Rs. 1109/310
<b>Market Cap</b>	Rs. 2610Cr

#### Investment Rationale

Alstom Projects India Limited (APIL) is a majority owned subsidiary company of Alstom SA France - the global leader in power generation and rail infrastructure and a multinational company that nurtures a long-term commitment to India. APIL was incorporated in September 2nd of the year 1992, it offers a composite range of services related to power generation for utilities and industrial users, transportation systems covering traction, signalling and train control for the railways and energy management for a variety of industries including hydro, gas and coal.

In India since 1910, Alstom is one of the oldest foreign companies in the country employing close to 3000 people across New Delhi, Mumbai, Kolkata, Vadodara, Coimbatore, Durgapur, Shahabad and a software technology facility at Bangalore. Alstom Projects India Ltd. has a turnover of INR 1250 crore and is listed at BSE & NSE with 33 per cent of its equity with the public.

APIL's Net Sales increased by around 51.06 percent in Q1FY09 to Rs. 364.5 crore as against Rs. 241.3 crore in the same period last year. Its Net Profit although increased marginally by 4.57 percent to Rs. 18.3 crore. In FY08 its Net Sales stood at Rs. 1,547.1 crore, an increase of 26.84 percent while Net Profit was down by 36.04 percent to Rs. 69.97 crore.

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### Key Developments:

#### Alstom bags contracts worth Rs 592 crore

Alstom Projects India Ltd. (APIL) bagged two major contracts valued Rs.592 crore. One is for water and power plant in UAE, worth Rs.242 crore, which is likely to get converted by June'09. The second contract is for a power station in Uganda, worth Rs.350 crore, which has an estimated completion time of around three years.

### Financial Performance:

#### Net Sales up by 51.06 percent in Q1FY09

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### Valuations:

At current market price of Rs 389.45, APIL is quoting at a PER of 35.76x. On EV/Sales and on EV / EBITD basis it is quoting at 1.33x and 15.23x of its June'08 TTM earnings respectively.



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