13th February 2016

National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (E),
Mumbai – 400 051

BSE Limited,
Floor 25, P J Towers,
Dalal Street,
Mumbai – 400 001

Dear Sir / Madam,

Sub: Investor Presentation for the quarter ending 31st December 2015.

Pursuant to Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 ("SEBI Regulations"), please find enclosed the Investor Presentation of the Company for the quarter ending 31st December 2015.

The aforesaid presentation is also being hosted on the website of the Company, www.wabag.com in accordance with Regulation 46 of the SEBI Regulations.

Kindly take on record the same.

Thanking you,

For VA TECH WABAG LIMITED

VA TECH WABAG LIMITED

RAJIV BALAKRISHNAN
COMPANY SECRETARY
Encl: as above

WABAG

VA TECH WABAG LIMITED
CIN : L45205TN1995PLC030231
WABAG HOUSE
No.17, 200 Feet Thoraipakkam - Pallavaram Main Road,
Sunnambu Kolathur, Chennai 600 117, India.

Board : +91-44-3923 2323
Fax : +91-44-3923 2324
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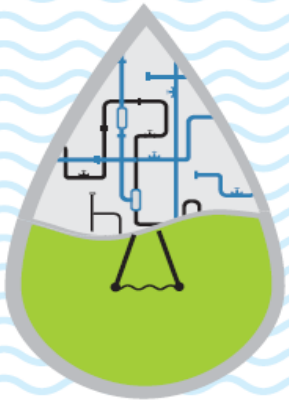
Web : www.wabag.com

WABAG

VA TECH WABAG

Investor Presentation
February 2016

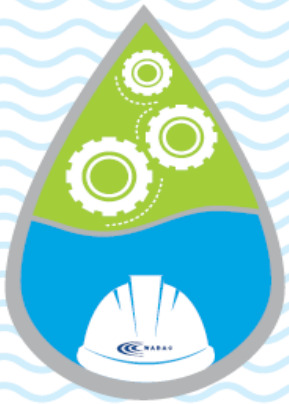
CUSTOMER FOCUS



TECHNOLOGY & INNOVATION

TOTAL WATER SOLUTIONS

GLOBAL FOOTPRINT



ENGINEERING EXCELLENCE

ECOLOGICAL BALANCE

SOLUTIONS THAT **SUSTAIN LIFE**

Safe Harbour

- This presentation and the accompanying slides (the "Presentation"), which have been prepared by VA TECH WABAG LIMITED (the "Company"), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

- This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

- This presentation contains certain forward looking statements concerning the Company's future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the company.

Business Overview

BATNA Waste Water Treatment Plant, ALGERIA

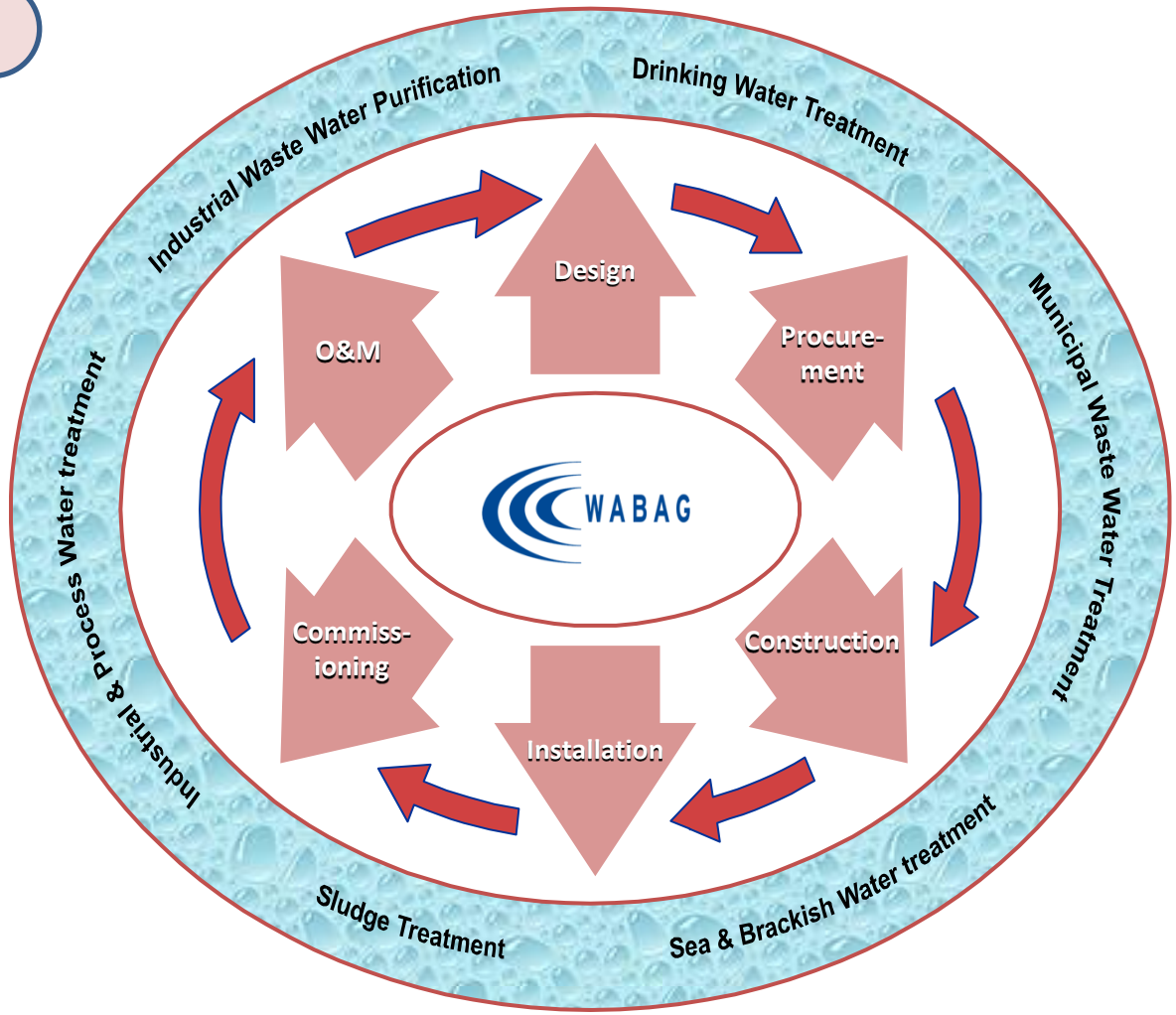
WABAG

Complete Water Treatment Solution Provider…

- ✓ **Provides a complete range of Water and Waste Water Treatment solutions**
- ✓ **Offering spanning across Municipal Drinking Water, Municipal Sewage, Industrial Water, Industrial Effluents, Desalination and Recycle**
- ✓ **Technology focused company - Owns more than 100 patents**
- ✓ **R&D centers located in India, Austria and Switzerland**
- ✓ **Indian Multinational player in the water treatment industry**
- ✓ **Strong execution track record - More than 2300 projects in last 3 decades**
- ✓ **Professionally managed Company with Promoters having an average of 30 years work experience in the industry**

Offering a complete range of solutions across project lifecycle

- ✓ Pureplay water company
- ✓ Catering to both Municipal & Industrial customers
- ✓ Offerings span across segments of water treatment
- ✓ Range of services from concept / design stage to implementation to operations of plant



Led by ambitious professionals

Promoter Group

Rajiv Mittal *(Promoter) – Managing Director & Group CEO*

- Visionary, entrepreneur & a sound water technologist having 32 years of experience in the industry. Started water business in India for Wabag in 1996.
- Managing Director since 2000; under his leadership the Company has witnessed management buyout followed by manifold growth.

S. Varadarajan *(Promoter) – Director & Chief Growth Officer*

- Seasoned professional with over 29 years of experience of which 19 years in water industry with Wabag.
- Had been the CFO of Group until 2015 with a very successful IPO behind him. Recently taken charge as Chief Growth Officer to position the company for its ambitious growth.

Shiv Narayan Saraf *(Promoter)*

- 42 years of experience in the water engineering industry of which 15 years with Wabag
- Currently Advisor, Project Execution and Construction Management for India Cluster. Was formerly heading Project execution in Wabag

Amit Sengupta *(Promoter)*

- A water technologist with 37 years of experience in water engineering industry of which 14 years with Wabag
- Currently Advisor, Corporate Strategy and Global Marketing. Formerly was business head and head of S&M, corporate strategy functions in Wabag

Independent Directors

B D Narang *– Non Executive Chairman of the Board*

- Veteran Banker with over 32 years of banking experience who retired as CMD of Oriental Bank of Commerce.
- Was a member for various high profile committees. nominated by Reserve Bank of India and Ministry of Corporate Affairs

Jaithirth Rao *- Independent Director*

- Has more than 20 years of experience in Banking Industry. An entrepreneur & formerly Founder, Chairman and CEO of Mphasis.
- Seasoned veteran in consumer and corporate financial services . Passionate teacher in leading Management Institutes on International business and finance.

Malay Mukherjee *- Independent Director*

- He has over 40 years of experience in mining and steel industry. Formerly CEO of the Essar Steel Group . He was instrumental in creation of the largest steel company namely Arcelor Mittal
- Member of Academy of Natural Science & life member of Indian Institute of Metals.

Sumit Chandwani *– Independent Director*

- 20 years of experience in private equity, structured finance and project finance. Currently Partner of Arth Equity Advisors LLP
- Formerly President of the Private Equity business of ICICI Ventures

Revathi Kasturi *- Independent Director*

- Over 30 years experience in leadership, Training and developing young minds for corporate world.
- Formerly Chief Executive Finance Solutions – Wipro Technologies. Currently Director & CEO of Laqsh Job Skills Academy.

Best practice in Corporate Governance - 5 out of 7 Directors on Board are independent

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Led by ambitious professionals

Parthasarathy Gopalan *–Group CFO*

- 23 years experience across three diverse organizations including 13 years in Ford Motor company as CFO & Director.
- Currently with Wabag from Sep 2015 as CFO of the Group. Previously was COO in CRH plc.

Patrick Andrade *– Chief Operating Officer – India Cluster*

- Water technologist with 30 Years of experience in the Industry; Previously worked in senior positions in Thermax and Aquatech
- Played key role in developing the Industrial Water Business in India as Head of SBU for Industrial water

Erik Gothlin *– MEA Cluster Head*

- 25 Years of experience in the Industry of which 6 years in Wabag as MD & Head of Europe Region. Currently Heads Middle East and Africa Cluster.
- Previously held various management positions in ABB, Westermo Teleindustri and Chromalox Group .

Arnold Gmuender *– COO, Wabag Switzerland & Regional Head SEA & China*

- Seasoned Water Technologist with 35 years of work experience in the water industry large part of which is in Wabag.
- Leads operations in Wabag Switzerland. Also responsible for development of South East Asia & China market .

Bernard Birou *–Europe Cluster Head*

- A water technologist with > 35 years of technical and managerial experience in the international water business of which 8 years with Wabag.
- Currently heads the Europe Cluster. Previously had lead Wabag in Switzerland and in Austria

Shivprasad Shukla *– Head S&M – India Cluster*

- 28 years of total work experience . Formerly President - Business Development with Abengoa SA – Spain .
- Currently leads the Sales and Marketing function for India Cluster.

Rajneesh Chopra *– Global Head – Business Development*

- 30 years of work experience with more than 25 years in the Water Industry
- Previously worked with Ultimate Water Solution as CEO and with Ion Exchange India Limited as General Manager

Ravi Shankar *–Global Head, Human Resources*

- More than 34 years of industry experience in HR, Organization Development, business excellence and change management.
- Currently Head-Global HR in Wabag. Was formerly heading HR function in leading multinational in India.

Nurturing Entrepreneurial Talent

Colerridge Shelley

Director,

WABAG Philippines

Erwin Mötz

Managing Director,

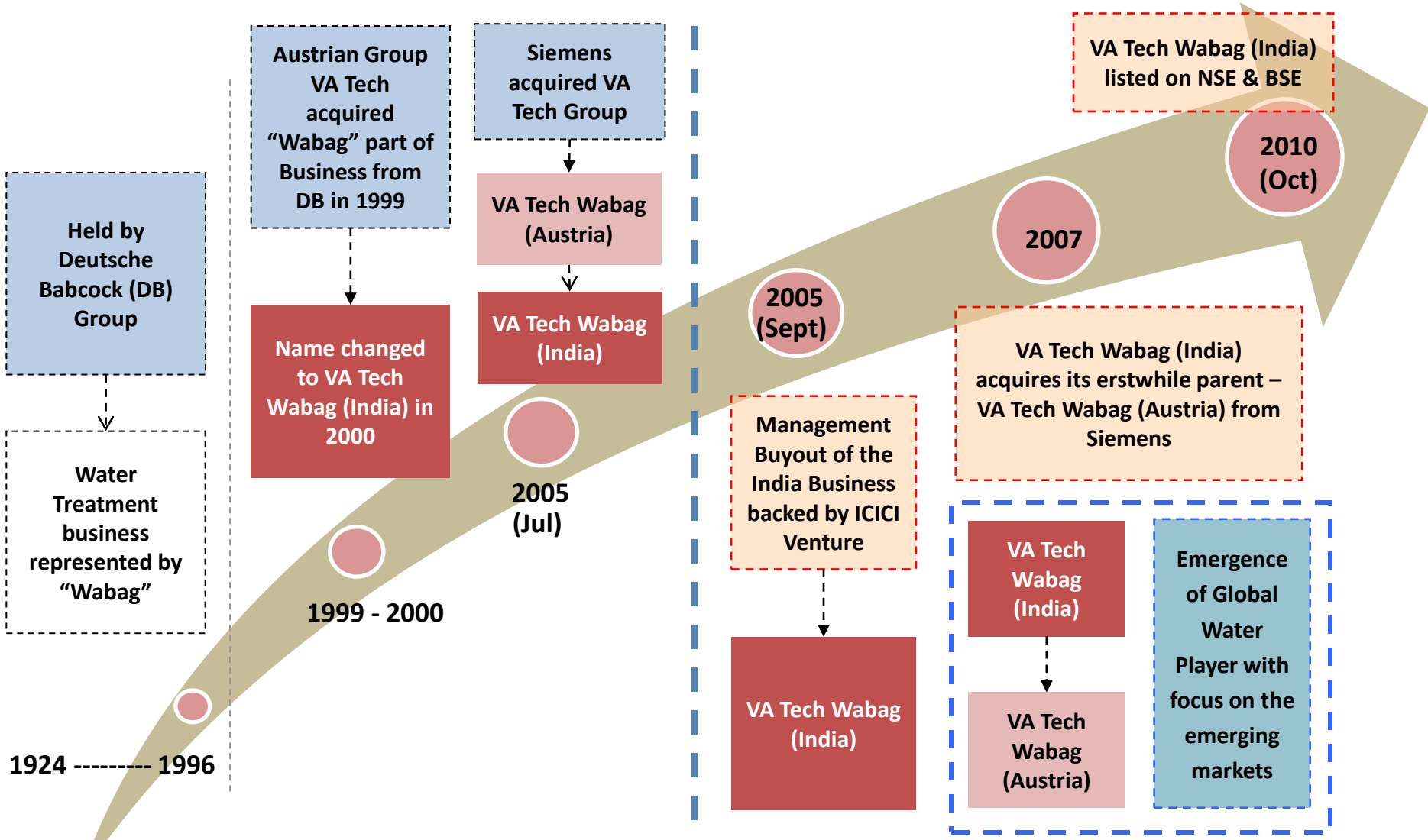
WABAG Romania

Mahmut Gedek

Managing Director,

WABAG Turkey

Management Buyout followed by Acquisition of erstwhile Parent…



WABAG

… Strengthen the Positioning in Water Treatment Sector

Wabag Austria acquisition brought along…

- Technical Know-how – Access to over 100 Patents & Experienced Manpower
- Perennial Rights to "WABAG" brand - Established in 1924
- Project References in more than 19 countries helps P/Q
- Access to Global geographies

…. facilitated to Achieve

Growth in India Business

Revenue grew around 4 times
From **Rs. 332 Crs** to **Rs. 1,220 Crs**

Acceptance of WABAG INDIA in Overseas market

Opportunity to leverage Low Cost Economic Advantage in Global market

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Current Business Structure

VA Tech WABAG

WABAG INDIA

Domestic Business

Desalination

Municipal

Industrial

O&M

International Business

Exports

Sri Lanka, Indonesia, Tanzania

Subsidiaries

China, Oman, Philippines, Spain, Nepal, Qatar, Bahrain, Thailand, Malaysia

WABAG Austria

International Business

European Countries

Austria, Czech Republic, Switzerland, Romania, Turkey

Sub Saharan / North African Countries / Others

Tunisia, Libya, Iran, Namibia, Algeria, Macao, Nigeria

Saudi Arabia, Egypt, Latin America

WABAG

Our Key Strengths

100 MLD Desalination Plant, Chennai, INDIA

WABAG

Use of Advanced Technology & R&D…

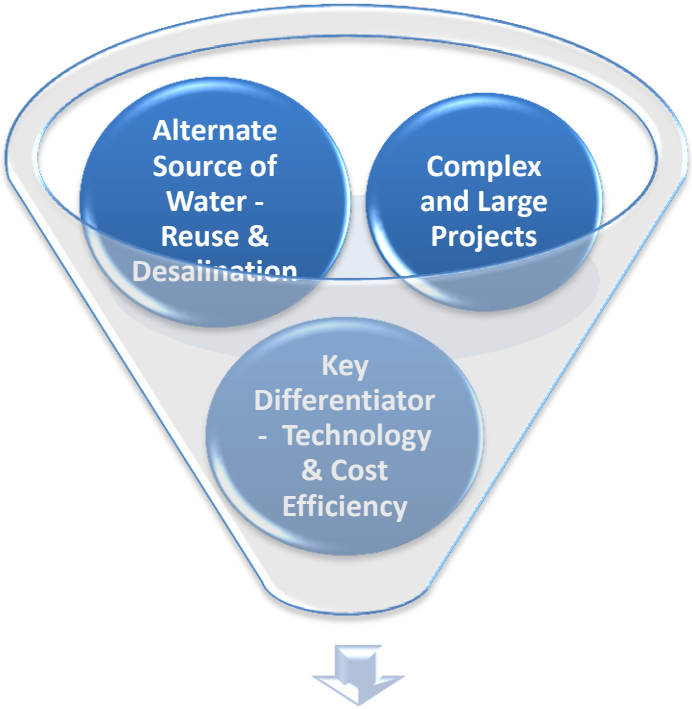
Advanced Technology & Patented Products/Processes

Biological Aerobic Treatment	Sludge Treatment	Anaerobic Digestion	Coagulation	Flocculation
Demine-realization	Disinfection	Filtration	Sedimentation	Reverse Osmosis
Thermal Desalination	Screening	Ion Exchange	Ozone treatment	UV Treatment
Fluidized Bed Technology FLUOPUR®	Bio-filtration BIOPUR®	Activated Sludge HYBRID™	Membrane Bio Reactor MARAPUR®	De-nitrification BIOIDEN®
Biological Anaerobic Treatment EkJ Process™	Membrane Filtration CERAMOPUR®	Oxidation Process ADOX®	Sludge Digestion BIOZONE®	

→ Customized solutions employing in-house tech

→ Patents owned for select products/ processes

High quality treated water – Technology is the deciding factor



ADVANCED EUROPEAN TECHNOLOGY @ LOCAL COST

WABAG

Asset Light Business Model

Design & Engineering

- Critical for cost optimization
- Approvals to match customer requirements

Technology

- In-house to ensure compliance with designs
  - Combination of Proprietary & Bought out Technology
  - Testing, Quality Control

Civil Construction (Outsourced)

- Mostly outsourced to dedicated Contractors
- Ensures low asset base
- Allows to focus on core competencies

Operation & Maintenance

- In-house to ensure quality performance
  - High Plant Operation Efficiency
  - Least Downtime
- High EBIDTA segment

Our Strengths

- Ability to handle large and complex projects
- Execution skill for high value projects & in emerging geographies
- Strong Balance Sheet
- Asset light & Cash generating business

Focus on 'Value-Added & High Margin' work processes; Limits investment in Asset Base

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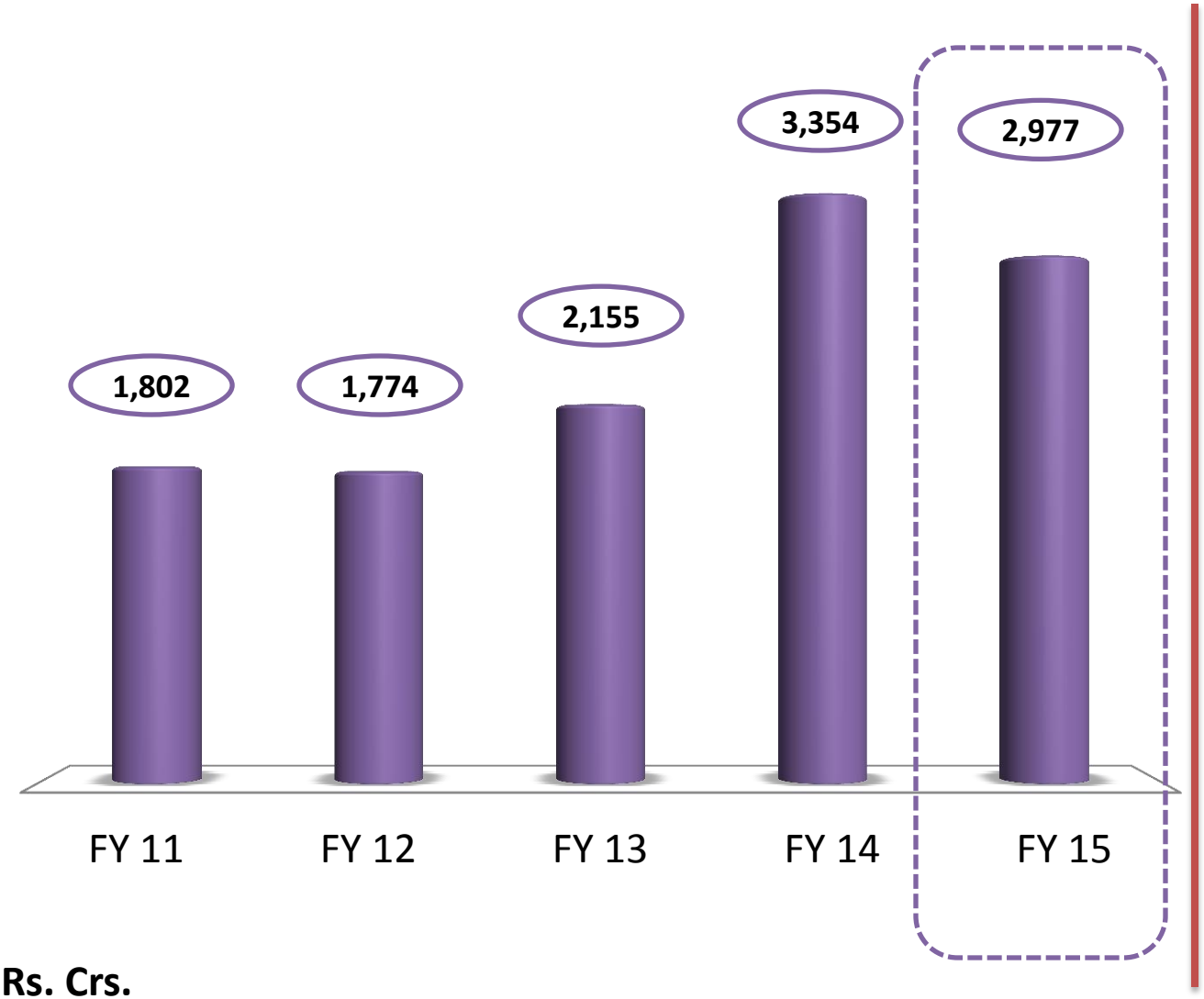
FINANCIAL HIGHLIGHTS

Waste Water Treatment Plant,
Turkey

WABAG

Yearly Order Intake



Rs. Crs.

- Focused approach leads to securing good orders in Challenging market
- Diversified presence helped in mitigating geo-political risks
- Euro depreciation has led to lower Order intake number than guidance

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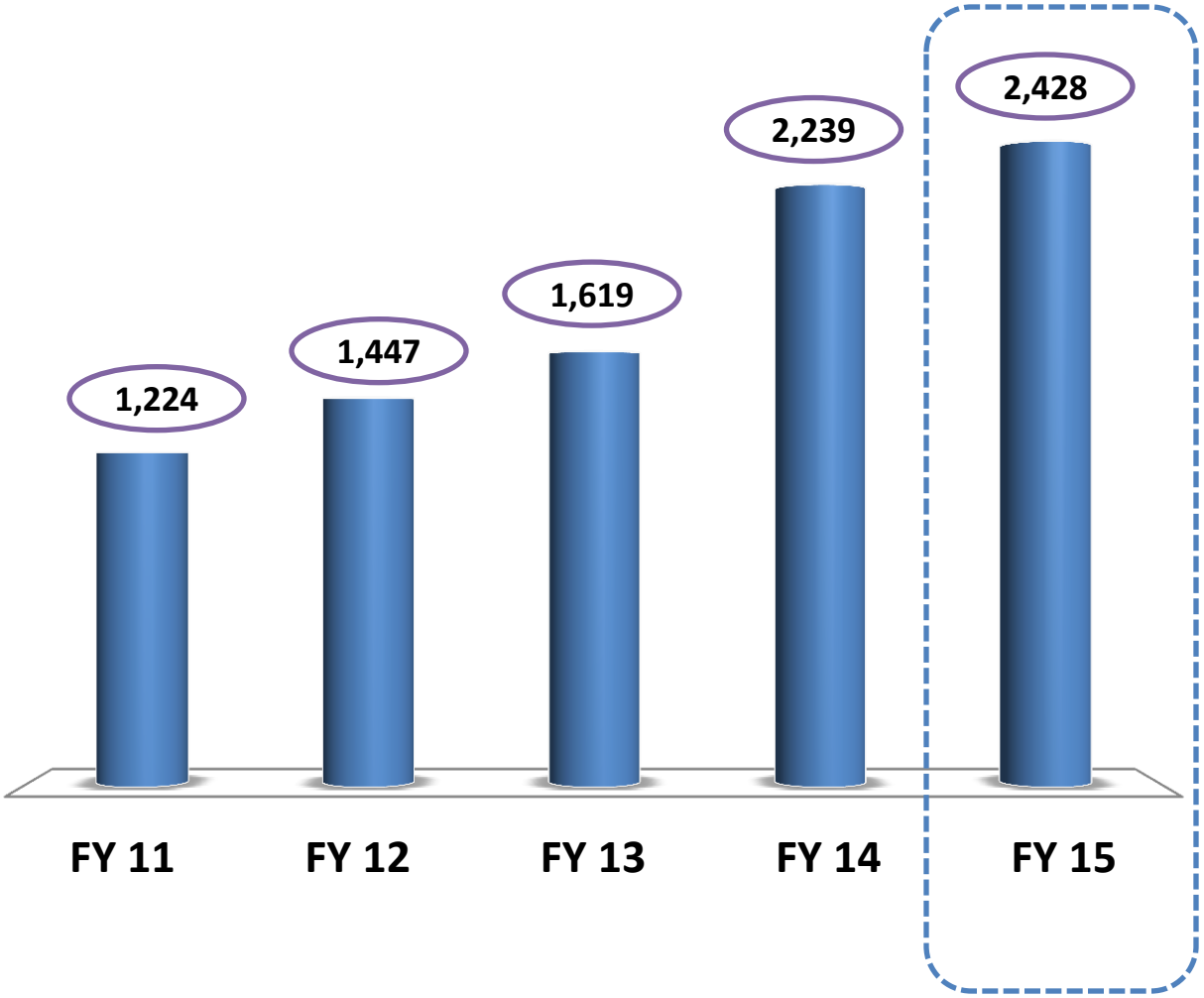
Robust Revenue Growth



Rs. Crs.

- Achieved Forecasted revenue on local currency terms
- Euro depreciation has led to lower revenue in INR terms due to translation
- Postponement of Order Intake led to reduction in Book & Bill revenue

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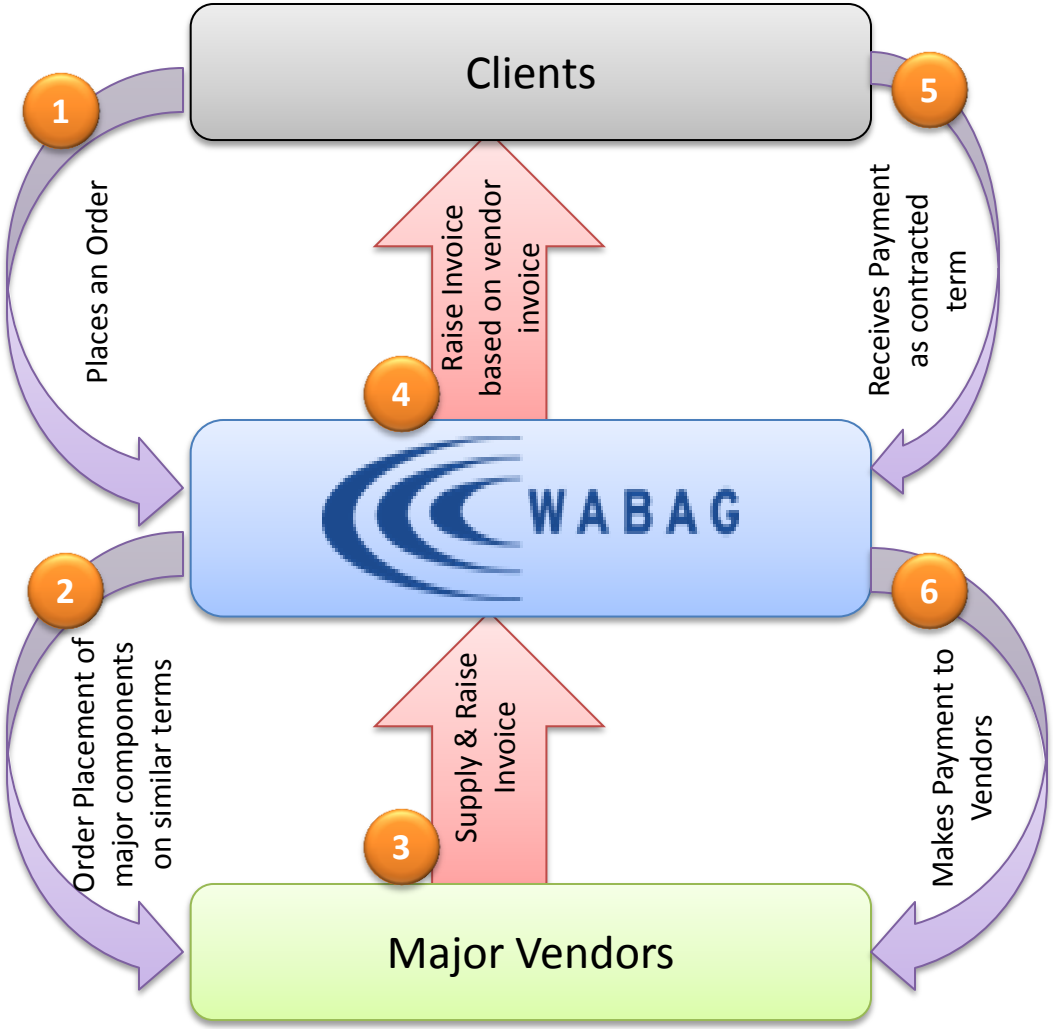
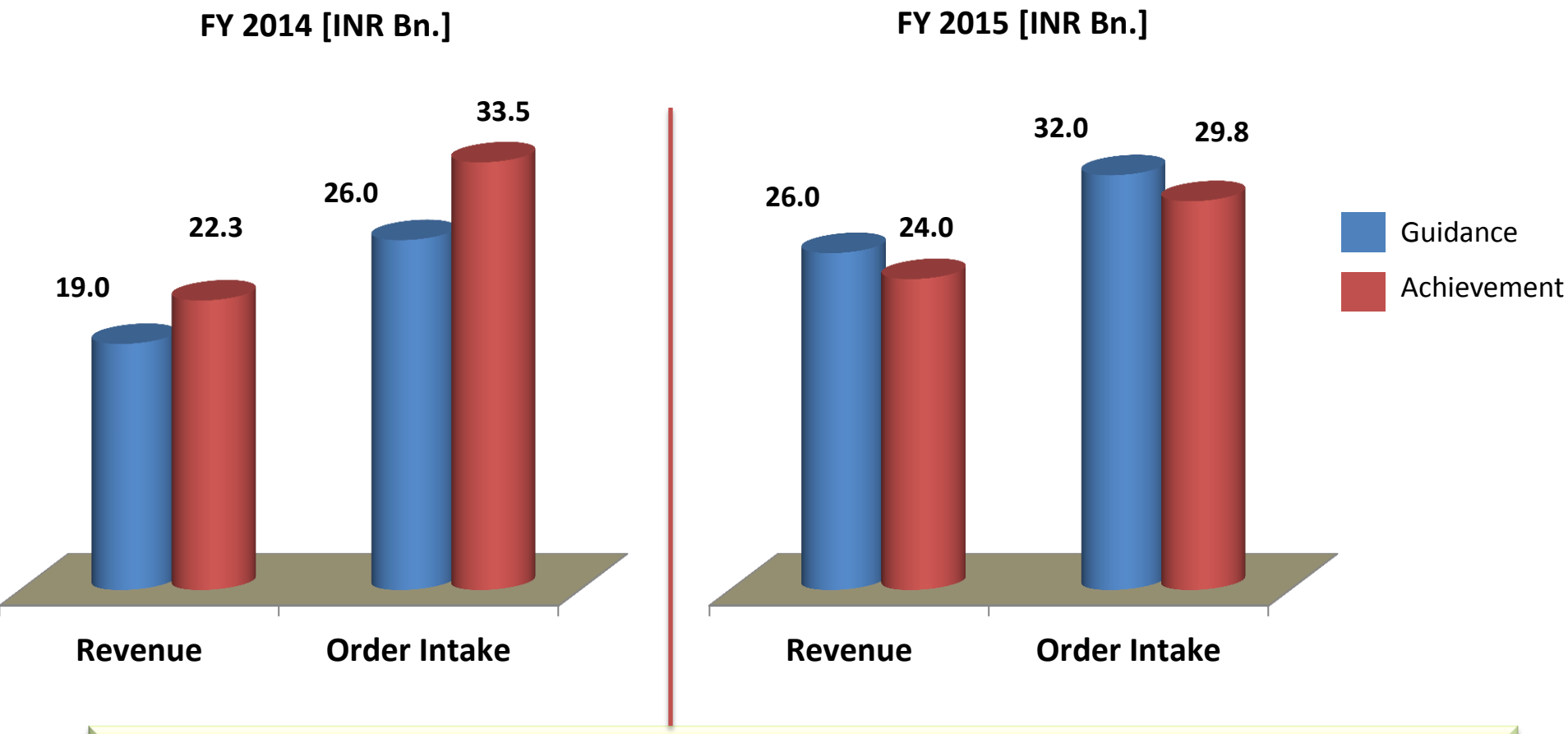
Working Capital Cycle



- Why are the Receivables & Payables higher on Balance Sheet date?
  - Q4 generally accounts for 40-45% of annual turnover
  - Invoice raised & recognized as Revenue that appear in Receivables, are not due for payment as per contract
  - The above applies to Payables to major Vendors too
  - Receives and makes payment as per contracted terms in due course of time

Annual Guidance



Guidance for FY 16

Revenue : INR 28 – 30 Bn. & Order Intake : INR 35 – 37 Bn.

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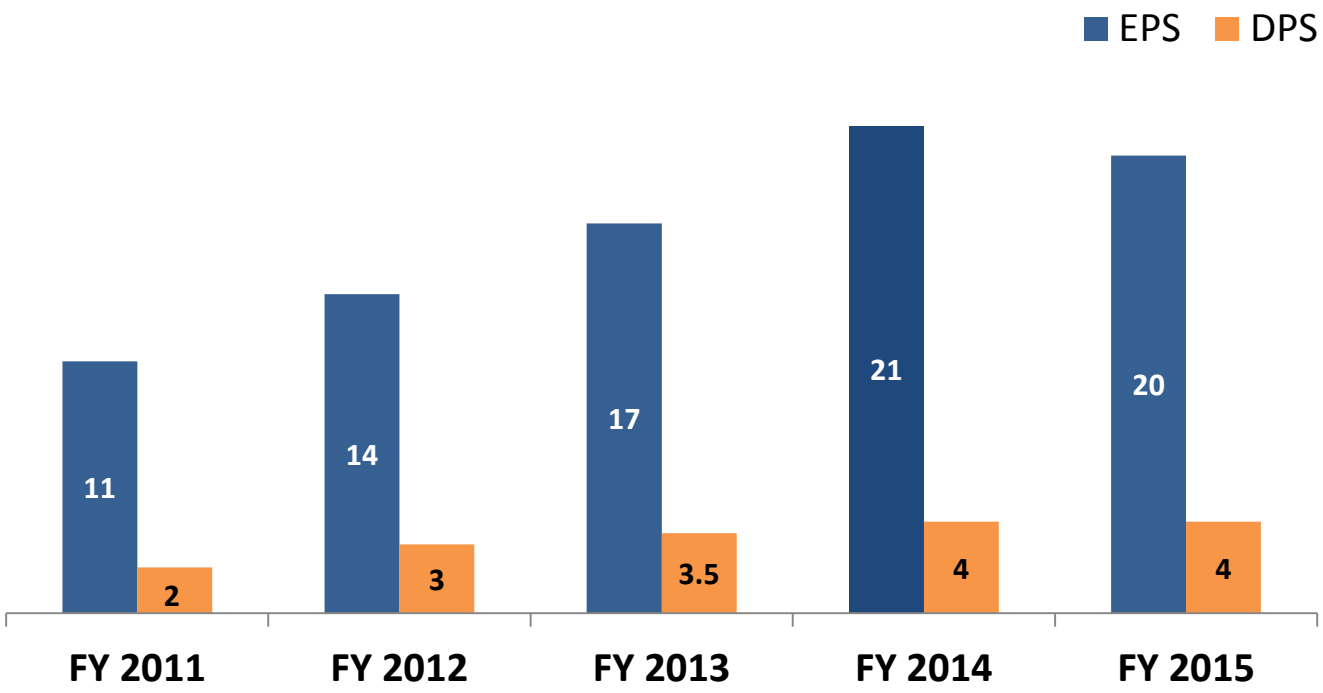
Dividend Pay-out

Adjusted for Share Split in FY 2011
Adjusted for Bonus Issue of 1:1 in FY 2015



Earning Per Share (Rs.)	11	14	17	21	20
Dividend Per Share (Rs.)	2	3	3.5	4	4
Dividend Payout	19 %	21 %	21 %	19%	20%

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Strategic Geographical Spread

Europe

- R&D Centre – over 100 patents
- Low working capital
- References for global business
- Technology Centre for advanced technologies in waste water

Middle East

- >50% of Desal market in Saudi
- High potential for advanced technologies
- Competitiveness through Indian support

India

- High Margins
- Low cost of Operations
- Technology Centre for Industrial business and desalination

Africa

- Largely untapped- emerging economy
- Competitiveness through Indian support

LATAM

- Huge market for Desal, Industrial and BOOT Projects

South East Asia

- Largely untapped - Emerging economy
- Competitiveness through Indian support

Q3 & 9M Performance

RESULTS OVERVIEW – Standalone Profit and Loss

INR Millions	Q3 FY16	Q3 FY 15	YoY %	9M FY16	9M FY 15	YoY %	FY15
Income	3,713	2,934	26.6%	9,497	6,524	45.6%	12,201
Other Operating Income	25	26	-7.2%	82.4	92	-10.7%	132
Cost of Sales	2,888	2,376	21.5%	7,272	4,900	48.4%	9,423
Total Cost of Operations (TCO)	459	230	99.8%	1,246	1,011	23.2%	1,375
EBITDA	391	355	10.3%	1,061	705	50.5%	1,537
EBITDA margin	**10.5%**	**12.1%**		**11.2%**	**10.8%**		**12.6%**
Net (Gain) / Loss on Forex	8	34	-77.2%	-48	31	-252.4%	44
Interest & Finance Charges (Net)	46	22	107.1%	92	54	71.6%	58
Depreciation & Amortization	29	33	-9.5%	91	42	119.3%	75
Tax	101	89	12.9%	314	194	61.7%	456
Profit After Tax	207	177	17.0%	612	385	59.1%	904
PAT margin	**5.6%**	**6.0%**		**6.4%**	**5.9%**		**7.4%**

- Good opening backlog and increased focus on project execution has resulted in growth of Sales.
- Cost of Sales vary quarter on quarter depending on the mix of projects
- Increase in Other Expenses is mainly due to Increase in Provisions for receivable as per Company policy
- Increase in Finance Charges due to reduction of interest income and increase in Interest expense

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RESULTS OVERVIEW – Consolidated Profit and Loss

INR Millions	Q3 FY16	Q3 FY 15	YoY %	9M FY16	9M FY 15	YoY %	FY15
Income	6,289	6,185	1.7%	16,860	15,227	10.7%	24,284
Other Operating Income	19	9.1	108.8%	38	47.6	-21.0%	68
Cost of Sales	4,898	5,116	-4.3%	13,291	12,036	10.4%	19,098
Total Cost of Operations (TCO)	948	655	44.8%	2,582	2,281	13.2%	3,142
EBITDA	462	423	9.1%	1,024	957	7.1%	2,112
EBITDA margin	**7.3%**	**6.8%**		**6.1%**	**6.3%**		**8.7%**
Net (Gain) / Loss on Forex	14	37	-62.4%	-9	-23	-61.1%	17
Interest & Finance Charges (Net)	101	61	66.5%	282	181	55.6%	315
Depreciation & Amortization	50	55	-8.4%	154	143	7.8%	109
Tax	115	130	-11.7%	361	264	36.5%	566
Profit After Tax	182	141	29.0%	237	392	-39.5%	1105
PAT margin	**2.9%**	**2.3%**		**1.4%**	**2.6%**		**4.5%**
Share of Profits from Associates / MI	7	-3		-0.3	5		-4
Net PAT	189	138	36.7%	237	396	-40.3%	1101

- Euro depreciation of 11%, delay in Nepal project due to local conditions, Oman project nearing completion, many overseas projects being under engg. completion contributed to drop in overseas revenue in Q3.
- Increase in Contribution Margin in Overseas is due to O&M projects in Bahrain & Singapore and due to provisioning in prior period in the Oman Project.
- Increase in Net Finance cost is majorly due to Interest charges on account of Ujams BOOT Project in Namibia (was IDC during prior period)

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RESULTS OVERVIEW – Balance Sheet

Rs. Millions	Sep'15	Mar '15	Sep'15	Mar '15
	Consolidated		Standalone	
Net Worth	9,275	9,026	7,298	6,862
Minority Interest	72	49	-	-
Non-Current Liabilities	2,518	3,117	1,715	2,216
Trade Payables	8,131	8,653	4,603	5,575
Other Current Liabilities	6,734	4,832	3,454	2,412
Total Liabilities	**26,729**	**25,678**	**17,070**	**17,065**
Fixed Assets	1,817	1,919	967	990
Other Non-Current Assets	3,132	2,619	3,120	2,639
Trade Receivables	15,785	14,807	9,700	9,833
Cash & Bank Balances	2,094	3,112	291	1,283
Other Current Assets	3,902	3,222	2,993	2,321
Total Assets	**26,729**	**25,678**	**17,070**	**17,065**

- Exchange rate for B/S used for Sep 15 (74.45) had 10% increase over PY Mar 15 (67.93) rate.
- Increase in Consol other current liabilities is due to increase in short term borrowings for working capital
- Increase in standalone other current assets due to increase in advances to suppliers
- Company took 6 Projects to completion during H1 CY. Separate team for project closure lead to focused attention on closing projects

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RESULTS OVERVIEW – Working Capital Highlights

Rs. Millions	Sep '15	Mar '15
Current Investments	200	350
Inventories	682	470
Trade Receivables	15,785	14,807
Loans and Advances	1,666	1,063
Cash & Bank Balances	2,094	3,112
Other Current Assets	1,354	1,339
Total Current Assets (A)	21,780	21,140
Short-term borrowings	2,975	1,113
Trade Payables	8,131	8,653
Other Current Liabilities and Provisions	3,759	3,719
Total Current Liabilities (B)	14,865	13,486
Net Working Capital without Cash (NWC)	4,822	4,543
Net Working Capital without Cash (No. of Days)	59	68

- Company resorted to use its cash in Balance Sheet for Speedier execution as sub-contractors and vendors face tight liquidity market situation.

59 Days Net Working Capital excluding Cash

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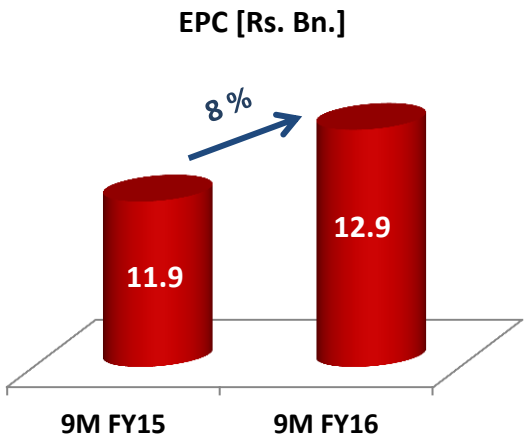
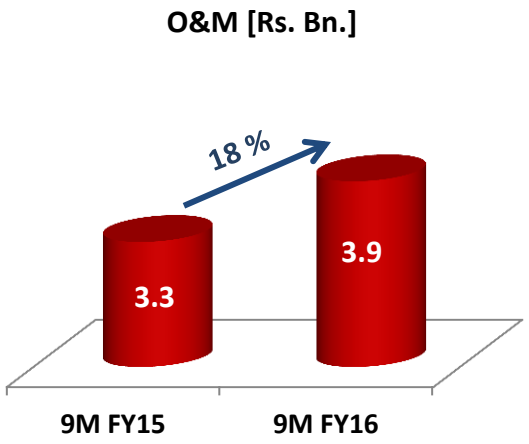
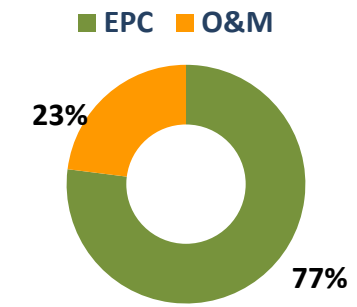
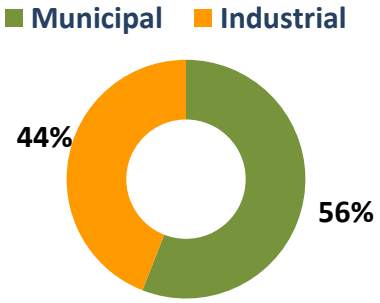
Revenue Breakup – 9M FY16

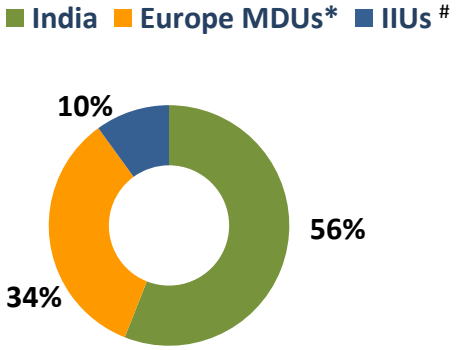
INR Millions	EPC		O&M		Total
	Municipal	Industrial	Municipal	Industrial	
Wabag India	3,264	4,803	1,184	246	9,497
Wabag Overseas	3,091	1,765	1,918	589	7,363
Total	**6,355**	**6,568**	**3,102**	**835**	**16,860**











* Multi Domestic Units
\# India International Units

Key Projects contributing to Revenue – 9M FY 16

Project Details	Revenue recognized [INR Mn]
▪ APGENCO – BOP with Water management	2,808
▪ Petronas RAPID, Malaysia – ETP	1,167
▪ Istanbul, Turkey O&M	1,040
▪ PHED Habra, West Bengal – 147 MLD WTP	637
▪ Nemmeli 100 MLD Desal – O&M, Chennai	582
▪ DAWASA, Tanzania – 130 MLD WTP	572
▪ Dangote, Nigeria – 60 MLD RWTP	463
▪ Izmir, Turkey – 360 MLD WTP	457
▪ Madinaty, Egypt – WWTP	357
▪ Suplac, Romania – ETP	342

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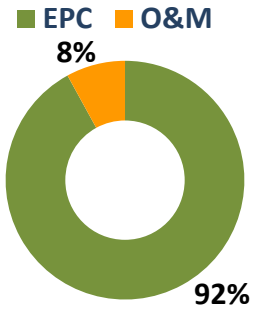
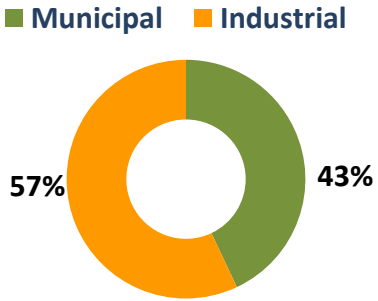
Order Book Analysis – 9M FY16

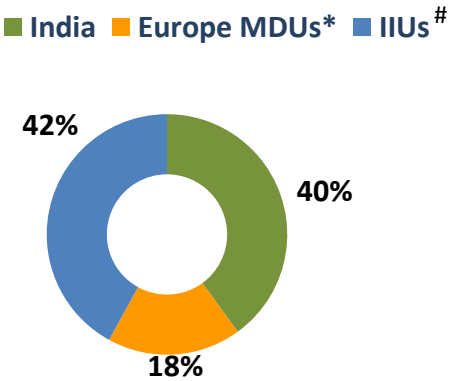
Order Intake Breakup – 9M FY16

INR Millions	EPC		O&M		Total
	Municipal	Industrial	Municipal	Industrial	
Wabag India	2,786	8,994	1,521	251	13,552
Wabag Overseas	9,460	9,764	544	242	20,010
Total	**12,246**	**18,758**	**2,065**	**493**	**33,562**

Key Order Received in Q3	Order Value
▪ Sanliurfa WWTP, Turkey	Eur 20.75 Mn



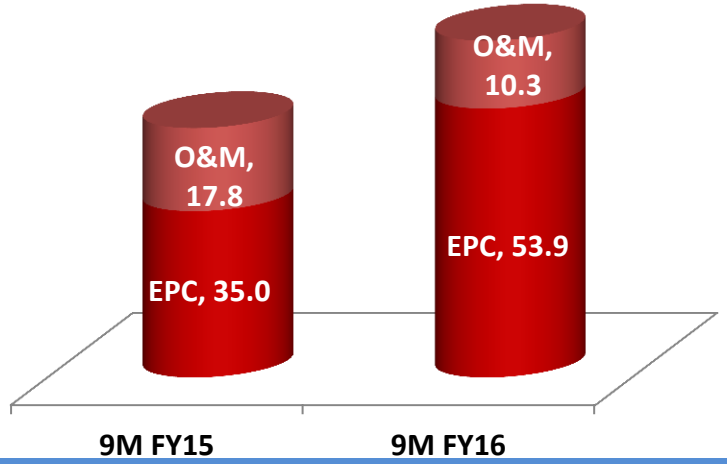


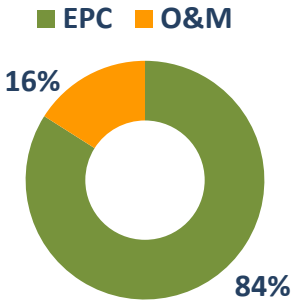


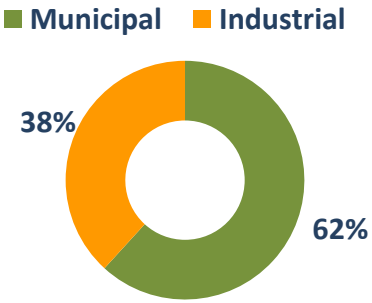
* Multi Domestic Units
\# India International Units

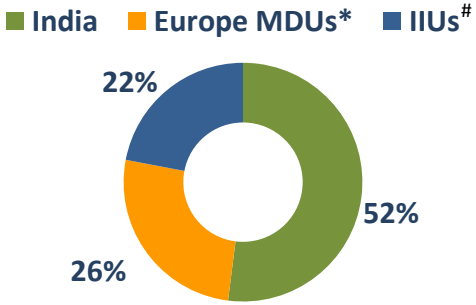
Order Book Composition – 9M FY16

Rs. Millions	EPC		O&M		Total
	Municipal	Industrial	Municipal	Industrial	
Wabag India	10,498	14,371	7,838	350	33,057
Wabag Overseas	19,809	9,173	1,281	784	31,047
Framework Contracts					15,420
Total	**30,307**	**23,544**	**9,119**	**1,134**	**79,524**









* Multi Domestic Units
\# India International Units

Order Book of Rs. 64.1 Bn & Framework Contracts of Rs. 15.4 Bn

Key Contracts in Order book

Project Details	Amt [Rs. Mn]
• Petronas RAPID ETP, Malaysia	13,416
• AMAS, Bahrain – 40 MLD STP	5,733
• APGENCO – BOP with Water Management	4,467
• UP Jal Nigam - 140 MLD STP with O&M	2,131
• OWSSB, Orissa – 100 MLD STP with O&M	2,094
• Dangote, Nigeria – 60 MLD RWTP	1,854
• Istanbul, Turkey O&M	1,713
• Valenzuela, Philippines - 60 MLD STP	1,574
• Sanliurfa WWTP, Turkey	1,501
• Habra, West Bengal – 147 MLD WTP	1,334

Key Framework Contracts *

- Libya STP of Rs. 6,114 mn
- Tobruk, Libya Desal of Rs. 1,181 mn
- Polghawella, Sri Lanka, WTP of Rs. 6,761 mn

Framework Contracts won in FY 16

- Al Saad, Saudi Arabia BWRO of Rs. 1,364 mn

** Contracts wherein Advance Monies/ LC awaited, hence not taken in Order Book*

Guidance for FY 16

Revenue : INR 28.0 Bn – INR 30.0 Bn & Order Intake : INR 35.0 Bn – INR 37.0 Bn

WABAG

For further information, please contact

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