

Orbit Corporation Limited

Unaudited Results for the Quarter ended 31 December 2011 – Press Release

MUMBAI, 09 February 2012

Orbit Corporation Limited (“**OCL**”), a leading premium developer in the Mumbai Metropolitan Area with significant presence in niche and premium locations of South and South Central Mumbai, declared its unaudited financial results for the quarter ended 31 December 2011.

Key Financial Highlights

- ✓ **Total income for Q3FY12 stands at INR 735 mn as compared to INR 1,054 mn in Q2FY12**
- ✓ **EBITDA for Q3FY12 stands at INR 286 mn**
- ✓ **PAT for Q3FY12 stands at INR 33 mn**
- ✓ **Area sold in Q3FY12 stands at 32,921 sft at a value of INR 711 mn**
- ✓ **Outstanding order book stands at INR 6,804 mn at the end of Q3FY12**
- ✓ **EPS for Q3FY12 is INR 0.29**

Top Management’s Key View Points on Industry and Outlook

- ✓ **Maharashtra Government announced amendments to DC Rules with a view to encourage transparency, establish level playing field and reduce arbitrary decision making**
- ✓ **State Cabinet approved setting up of the Housing Regulatory Authority and the Housing Appellate Tribunal**
- ✓ **Momentum of regulatory approvals seems to be firming up across the sector**
- ✓ **Prices across MMR have remained largely stable**

Orbit Corporation Limited (OCL)

(BSE: 532837; NSE: ORBITCORP; Reuters: ORCP.BO; Bloomberg: ORB@IN)

Forward Looking Statement

Certain statements in this document may be forward looking based on certain assumptions of future events over which the Company exercises no control. Hence this involves number of risks and uncertainties which could cause the actual results to differ materially from those that may be projected or implied by these forward looking statements. Such risks and uncertainties include, but are not limited to: our ability to manage growth, competition, attracting and retaining skilled professionals, time and cost overruns, regulatory approvals, market risks, domestic and international economic conditions, and changes in laws governing the company including the tax regimes and exchange control regulations.



ORBIT
VISION BEYOND

ORBIT CORPORATION LTD.

Quarterly Results – Q3FY12 (unaudited)



AGENDA

Industry Update and Company Performance	3
Revenue Recognition and Outstanding Order Book Analysis	4
Profit and Loss Details	5
Balance Sheet Details	6
Cashflow and Debtor Details	7
Project Completion Charter	8
Project Charter	9
Sales Analysis	10
Corporate Information and Compliance	11

INDUSTRY UPDATE AND COMPANY PERFORMANCE

Real Estate – Updates

- ✓ Maharashtra Government announced amendments to DC Rules with a view to encourage transparency, establish level playing field and reduce arbitrary decision making
- ✓ State Cabinet approved setting up of the Housing Regulatory Authority and the Housing Appellate Tribunal
- ✓ Momentum of regulatory approvals seems to be firming up across the sector
- ✓ Prices across MMR have remained largely stable
- ✓ Home sales in Mumbai fell >30% for Q3FY12 on yearly basis*

*Source – Real estate update (Jan 2012), HDFC Securities

Company Performance

	Q3FY12
Total Income (₹ mn)	735
EBITDA (₹ mn)	286
EBITDA Margin (%)	39
Profit after Tax* (₹ mn)	33
PAT Margin (%)	5
Fresh Sales (sft)	32,921
Fresh Sales^ (₹ mn)	711

*PAT attributable to OCL

^Value of fresh sales includes revision in sales consideration of earlier sales

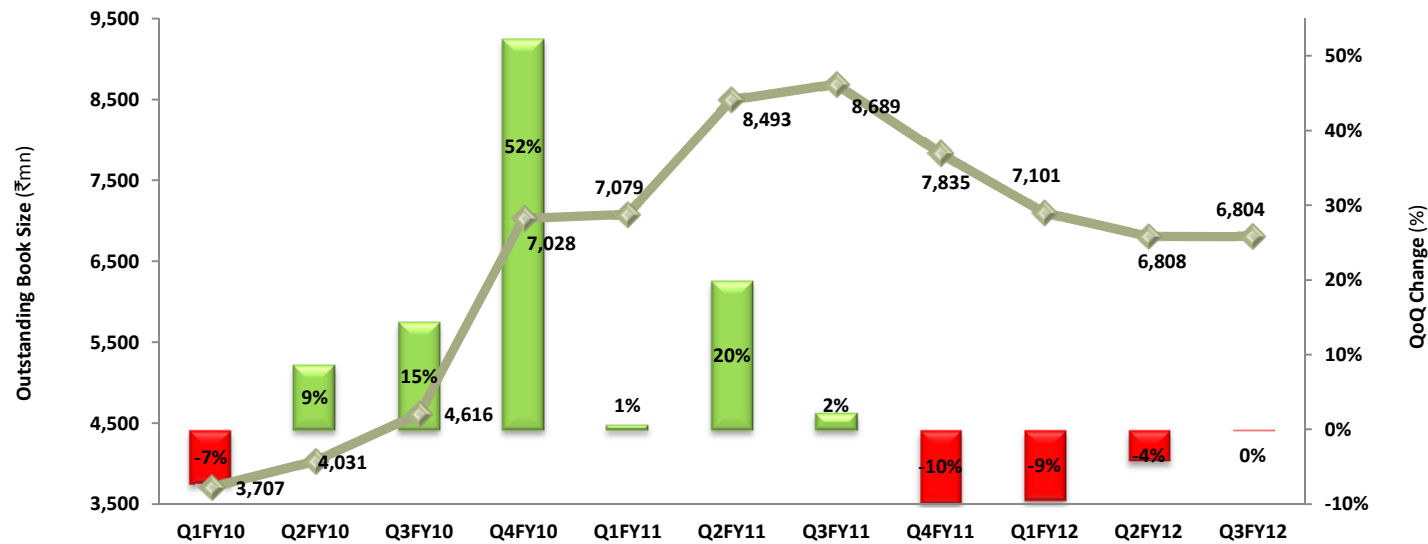
REVENUE RECOGNITION AND O/S ORDER BOOK

Revenue Composition

(₹ mn)

Projects	Location	Q3FY12
Villa Orb Annex	Napean Sea Road	105.6
Orbit Haven	Napean Sea Road	225.8
Orbit Enclave	Prarthna Samaj	40.1
Orbit Terraces	Lower Parel	94.0
Orbit Grand	Lower Parel	50.9
Orbit Residency Park	Andheri Saki Naka	199.0
Total		715.4

Outstanding Order Book - Trend

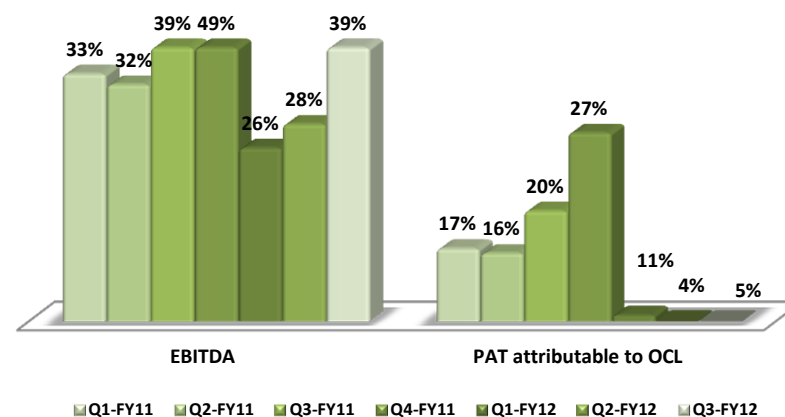


PROFIT AND LOSS DETAILS

Profit and Loss Account (Consolidated) (₹ mn)				
Particulars	Q3FY11	Q1FY12	Q2FY12	Q3FY12
Operating Income	1138	851	1034	715
Other Income	12	16	20	20
Total Income	1150	867	1054	735
Expenditure	705	643	759	449
EBIDTA	445	224	295	286
EBIDTA Margin	39%	26%	28%	39%
Profit Before Tax	330	120	68	65
Provision for Tax	96	24	23	26
PAT (attributable to OCL)*	231	92	42	33
PAT Margin	20%	11%	4%	5%
EPS (Basic - ₹)	2.07	0.80	0.37	0.29
EPS (Diluted - ₹)	2.07	0.80	0.37	0.29

*In compliance with AS 21 "Consolidated Financial Statements", minority interest income of ₹ 5 mn recognized in the P&L statement for Q3FY12

Q-o-Q Margin Comparison



Interest Details (₹ mn)

Particulars	Amount
Interest Cost for Q3FY12	327
Net Interest Capitalized	120
Net Interest Charged to P&L a/c	207

The Company has been following Accounting Policy for accounting of 'Borrowing Costs' in compliance with AS 16 "Borrowing Costs" –

"Borrowing Costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets till such time as the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily takes a substantial period over twelve months of time to get ready for its intended use or sale. All other borrowing costs are recognized as expense in the period in which they are incurred".

BALANCE SHEET DETAILS

Balance Sheet (Consolidated)			(₹ mn)
Sources of Funds	Q2FY12	Q3FY12	
Equity Share Capital	1,140	1,140	
Reserves and Surplus	9,367	9,400	
Minority Interest	1,296	1,302	
Borrowings	7,019	7,667	✓ Net worth as on 31 December 2011 stands at ₹ 10,540 mn
Non Convertible Debentures	1,500	1,500	✓ Debt (excluding amount attributable to convertible items) stands at ₹ 8,667 mn implying a Debt/Equity ratio of 0.8x
Compulsorily Convertible Debentures (CCDs)	400	400	✓ Total investment in properties stands at ₹ 15,970 mn
Deferred Tax Liability	516	516	
Total	21,238	21,925	
Application of Funds	Q2FY12	Q3FY12	
Net Fixed Assets	319	306	
Cash and Cash Equivalents	409	1,017	
Investments (including liquid funds)	80	36	
Deferred Tax Asset	40	39	
Inventory	7,646	7,698	*Note –
Debtors*	5,313	5,426	As per revised Schedule VI, the debtors are further stated on the basis of the date they are due for payment as under –
Advance for Properties	8,147	8,272	✓ Debtors – Billed & due for payment @ ₹ 953 mn
Other Net Current Assets	441	360	✓ Others i.e. Inventory at Realisable Sales Value @ ₹ 4,473 mn
MAT Credit Entitlement	193	188	✓ Total Debtors @ ₹ 5,426 mn
Advances from Customers	-1,350	-1,417	
Total	21,238	21,925	

CASHFLOW AND DEBTORS DETAILS

Cashflow Statement (Consolidated) (₹ mn)

Quarter ended 31 December 2011

Cashflow from/(used in)	
Operating Activities	193
Investing Activities	43
Financing Activities	372
<i>Net Cashflow</i>	608
Cash and Cash Equivalents at the beginning of the period	409
Cash and Cash Equivalents at the end of the period	1017

Debtors as on 31 December 2011 (₹ mn)

Debtors net off advances at the beginning of the period	3962
Revenue recognised for Q3FY12	715
Debtors realised during Q3FY12	668
Debtors net off advances at the end of the period	4009

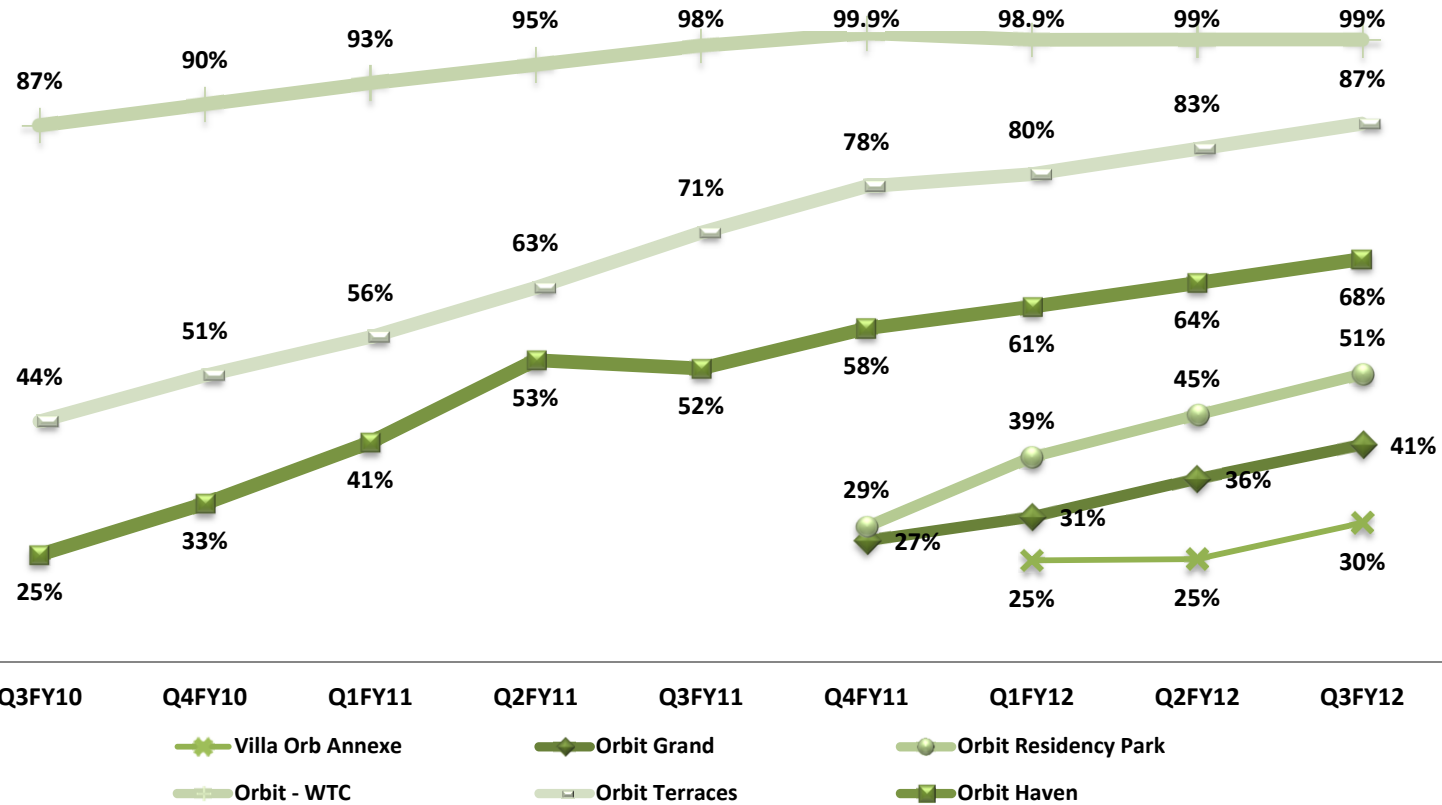
Note –

Investments totaling to ₹ 36 mn have been made during the period.

Total funds available with the company including cash and cash equivalents stand at ₹ 1,053 mn.

PROJECT COMPLETION CHARTER

Cumulative construction progress for properties under Revenue Recognition*



***Note –**

Orbit Enclave (19%) is expected to cross the threshold of 25% completion by the end of FY12.

PROJECT CHARTER

Ongoing Projects/Projects Under Development

Project Name	Location	Project Type	Saleable Area (sft)*
Orbit Haven	Napean Sea Road	Residential	60,300
Villa Orb Annex	Napean Sea Road	Residential	45,000
Orbit Enclave	Prarthna Samaj	Residential	30,000
Orbit Terraces	Lower Parel	Residential	279,081
Orbit Grand	Lower Parel	Residential	79,600
Orbit WTC	Bandra Kurla Complex	Commercial	316,000
Orbit Grandeur	Santacruz	Residential	569,507
Orbit Residency Park	Andheri Saki Naka	Residential	284,000
Total			16,63,488

Projects in the Pipeline (Construction activities for projects are progressively expected to commence)

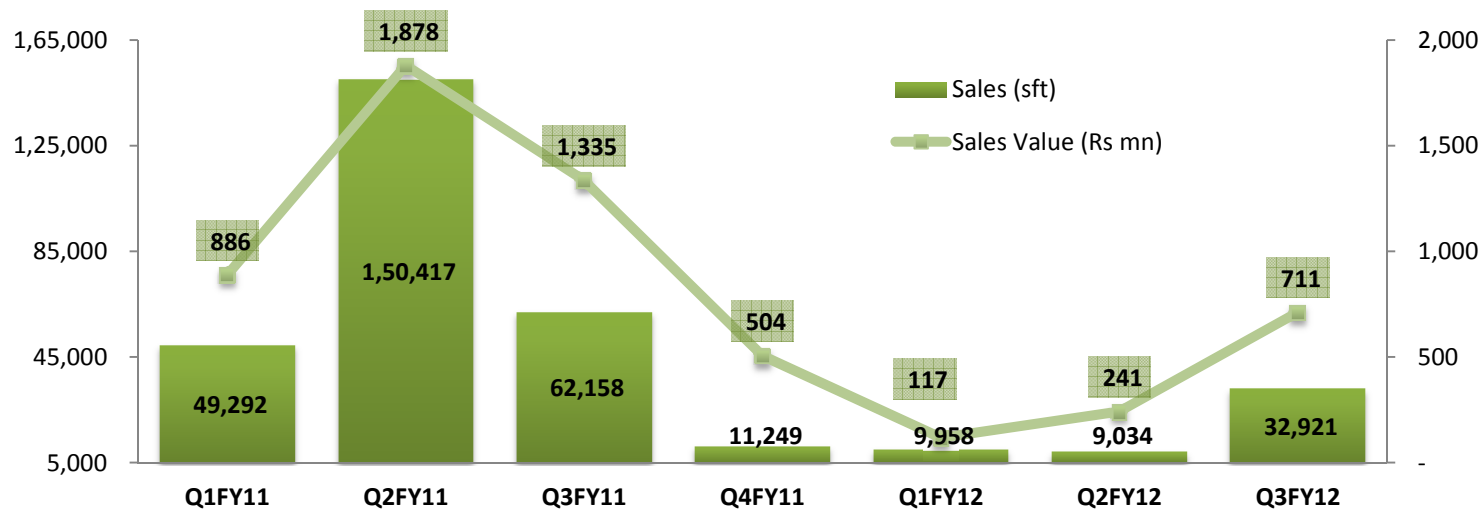
Project Name	Location	Project Type
New Project (Darabsha Lane)#	Napean Sea Road	Residential
Orbit Magnum#	Napean Sea Road	Residential
New Project#	Napean Sea Road	Residential
Orbit Laburnum	Gamdevi	Residential
Orbit Midtown#	Lalbaug	Residential
Orbit Mandwah	Mandwa	Gated Township

**Note: Saleable area is as per Company estimates. Final saleable area may change based on various factors*

#Note: Aggregation/ acquisition for the land in respect of these projects is in progress

SALES ANALYSIS

Quarter-on-Quarter Comparison[^]



[^]Value of fresh sales includes revision in sales consideration of earlier sales

Average rate of realization - Location wise

(₹ per sft)

Location	Q1FY11	Q2FY11	Q3FY11	Q4FY11	Q1FY12	Q2FY12	Q3FY12
Napean Sea Road	55,000	55,000	54,537	65,778	-	-	-
Gamdevi	27,630	35,859	-	-	-	-	35,000
Tardeo	-	27,000	20,486	-	-	-	22,532
Lower Parel	19,577	21,150	17,155	21,708	17,000	17,000	20,952
Andheri/SakiNaka	8,239	8,560	9,477	10,082	10,080	10,382	8,865
Mandwa	-	8,508	10,439	-	-	-	-

CORPORATE INFORMATION AND COMPLIANCE

Shareholding Pattern as on 31 December 2011

Category	Percentage	Number of Shares
Promoter Group	47.51%	5,41,46,486
Mutual Funds/Financial Institutions	0.64%	7,24,769
FII's	1.42%	16,22,158
Bodies Corporate	24.49%	2,79,08,131
Other Public	25.94%	2,95,60,346
Total outstanding shares	100.00%	11,39,61,890

Other Information

Accounting Policy

- ✓ No change in the Accounting Policy of the Company

Shareholders

- ✓ Total number of shareholders on 31 December 2011 stand at 50,866 compared to 51,961 as on 30 September 2011

Employees

- ✓ Number of employees stand at 327 on 31 December 2011 as compared to 330 on 30 September 2011

Details of shares pledged by Promoter/Promoter Group

Particulars	Shares held as on 31 Dec 2011	Shares pledged as on 31 Dec 2011
Ravi Kiran Aggarwal	2,22,13,904	1,65,50,000
Pujit Aggarwal	2,39,84,676	69,87,000
Emgee Foils Pvt. Ltd.	70,16,800	60,00,000
Others (Promoter Group)	9,31,106	3,50,000
Total	5,41,46,486	2,98,87,000

Disclosures

Insider Trading and Pledge

- ✓ Net 3,50,000 equity shares of a Promoter Group Person pledged in Q3FY12

Promoter Loan

- ✓ Loan from Promoter Directors stands at ₹ 164 mn as on 31 December 2011

Disclaimer

The Corporate Presentation (the “Presentation”) is based on management estimates and is being provided to you (herein referred to as the “Recipient”) only for information purposes. The sole purpose of this Presentation is to provide preliminary information on the business activities of the Company, in order to assist the recipient in understanding the Company. This Presentation does not purport to be all inclusive or necessarily include all information that a prospective investor may desire in evaluating the Company. The Company expressly disclaims any and all liability for any errors and/or omissions, representations or warranties, expressed or implied as contained in this document.

This Presentation contains certain forward looking statements and images which are based on certain assumptions of future events over which the Company exercises no control. Hence this involves number of risks and uncertainties which could cause the actual results and the images to differ materially from those that may be projected or implied by these forward looking statements. Such risks and uncertainties include, but are not limited to: our ability to manage growth, competition, attracting and retaining skilled professionals, time and cost overruns, regulatory approvals, market risks, domestic and international economic conditions, changes in laws governing the company including the tax regimes and exchange control regulations.

The Company does not undertake to update any forward looking statements that may be made from time to time by or on behalf of the Company. By receiving this Presentation, the Recipient agrees to keep confidential the information contained herein or made available in connection with any further evaluation of the company. This Presentation has been prepared for information purposes relating to this company only and upon the express understanding that it will be used only for the purposes set forth above. This Presentation may not be photocopied, reproduced or distributed to others at any time without prior consent of the Company. Upon request, the Recipient will promptly return all material received from the company without retaining any copies thereof.

In furnishing this Presentation, the company do not make any obligation to provide the Recipient with access to any additional information on the company or its subsidiaries. This Presentation should not be deemed an indication of the state of affairs of the company nor shall it constitute an indication that there has been no change in the business or state of affairs of the company since the date of publication of this Presentation.

Any clarifications / queries on the proposal as well as any future communication regarding the Company should be addressed to Orbit Corporation Limited / the company.