

PRESS RELEASE**HCC Turnover up 8% to Rs.964.09 crore in Q1 2009-10
Order book at Rs 15,412 crore
Subsidiary Lavasa PAT at 26.4 crore****Highlights:****For the Quarter ended June 30th, 2009**

- Turnover up by 8% from Rs 894.88 crore to Rs 964.09 crore
- Operating margins (EBDITA) improved to 12.8% from 10.5%
- Operating Profit improved by 22% from Rs 91.10 crore to Rs 111.51 crore
- Posted net profit of Rs 18.19 crore in Q1 2009-10
- PBT\PAT is not comparable with previous year's corresponding quarter on account of non operational exceptional income
- Order book up by 50% to Rs 15,412 crore as compared to same quarter previous year; L-1 in 3 projects worth Rs 800 crore
- Successfully raised Rs 480 crore by way of QIP; amount raised will help de-leveraging and ultimately lower interest cost
- Bandra-Worli Sea Link southbound carriageway inaugurated by Smt. Sonia Gandhi on June 30, 2009

Lavasa results

- Booked income from operation at Rs 93 crore during the quarter with EBT margin of 43% and PAT of Rs 26.40 crore
- Fresh equity investment increased to Rs 581.25 crore, with IndusInd Bank investing Rs 50 crore recently

Mumbai, July 24, 2009: HCC has registered an impressive performance for the quarter ended June 30, 2009. India's leading infrastructure development company, HCC reported an eight per cent jump in turnover during Q1 (April-June) 2009-10, earning Rs 964.09 crore compared to Rs 895 crore in the same period last fiscal. Operating profit, at Rs 112 crore, has increased by 22 per cent compared to Rs 91 crore in the corresponding period last year, with EBIDTA improving to 12.8 per cent against 10.5 per cent in 2008-09.

While HCC has registered net profit of Rs. 18.19 crore in Q1 2009-10, its PAT and PBT figures are not comparable to the previous year's numbers on account of exceptional other income in the corresponding quarter last year.

Lavasa, India's largest Hill City being developed by HCC, has reported income from operation at Rs 93 crore during Q1 2009-10 with EBT margin of 43 per cent and PAT of Rs 26.40 crore. The recent fresh equity investment in Lavasa has gone up to Rs 581.25 crore, with IndusInd Bank recently investing Rs 50 crore by way of Deep Discounted Convertible Debentures reaffirming Lavasa's valuation of Rs.10,000 crore. Lavasa Corporation has

entered into 22 institutional partnerships with world-class educational, leisure, healthcare and other entities, among these Switzerland-based Ecole hoteliere de Lausanne, OASE of Germany and the Nick Faldo Golf Academy of the USA.

Announcing the results, HCC Chairman and Managing Director, Mr Ajit Gulabchand said, "HCC has shown robust growth despite economic slowdown. We expect substantial increase in the order book given the increased government focus on infrastructure development in the coming months. The successful QIP reaffirms investor confidence in HCC and I am happy that our investments in Lavasa Corporation continue to show remarkable performance in sales and booked profits."

HCC's order book position has improved by 50 per cent to Rs 15,412 crore. The power sector accounts for 51 per cent in the order backlog whereas water solutions and transportation accounts for 32 per cent and 16 per cent, respectively. HCC's growing presence in power generation is evident in its increasing engagement in hydel power projects. Among these are the Rs 2726-crore Kishanganga Hydro-electric project, the Kudankulam Nuclear Power project and the Rs 5600-crore Godavari Lift Irrigation project. Of its total Q1 2009-10 turnover, 29 per cent earnings was from hydel power projects, against 23 per cent in the comparable quarter in 2008-09. HCC is also enhancing its participation in water development infrastructure projects.

While the ratio of transport infrastructure development in its order book has progressively shrunk as HCC has increased its engagement in new infrastructure development sectors, the inauguration of the Bandra-Worli Sea Link has highlighted HCC's cutting-edge engineering capabilities in this area. The Company is currently awaiting award of projects worth around Rs 800 crore, where it is the lowest bidder (L1). Its bids under evaluation are worth around Rs 7,800 crore.

About HCC

HCC is a leading engineering, construction and infrastructure development company with a rich heritage of experience. The company specializes in large-scale infrastructure development deploying new age construction technologies. The Company has managed and executed several technically complex and high value projects across segments like transportation, hydro & nuclear power generation, marine, irrigation & water supply projects as well as integrated urban development and management.

(Please visit: www.hccindia.com)

For further information:

Sandeep Sawant
Hindustan Construction Company Ltd
+91 22 2577 5959
Mobile: +91 98339 92874
Email: sandeep.sawant@hccindia.com

Neha Haria
Comma Consulting
+91 22 40562525
Mobile +91 9833916643
Email: nharia@comma.in