

**Voltas' Q3 Consolidated Financial Results**

February 11, 2015 Mumbai: The Board of Directors of Voltas Limited, the global air conditioning and engineering services provider of the Tata Group, today announced the Consolidated Unaudited Financial Results (including the Consolidated Segment Report) for the quarter and nine months ended 31st December, 2014.

Consolidated Results for Nine Months period ended 31st December, 2014 :

The Consolidated Sales/Income from Operations for the nine months period ended 31st December, 2014 was ₹ 3660 crores as compared to ₹ 3793 crores in the corresponding period last year. Profit from Operations before Other Income, Finance Costs and Exceptional items was however significantly higher at ₹ 247 crores as compared to ₹ 142 crores in the corresponding period last year. Profit before Tax and Net Profit (after Minority Interest) was higher at ₹ 353 crores and ₹ 266 crores, respectively, as compared to ₹ 200 crores and ₹ 145 crores for the corresponding period last year. Consequently, Earnings per Share (not annualized) stood at ₹ 8.05 as at 31st December 2014, as compared to ₹ 4.38 as at 31st December 2013 (Face Value per share of ₹1).

Consolidated Results for quarter ended 31st December, 2014:

The Consolidated Sales/Income from Operations for the quarter ended 31st December, 2014 was at ₹ 939 crores as compared to ₹ 1115 crores in the corresponding quarter last year. However, improved margin realizations and greater cost controls contributed to higher Profit before Exceptional items and tax of ₹ 76 crores for the current quarter as compared to ₹ 74 crores in the corresponding quarter last year. During the quarter, an exceptional gain amounting to ₹ 234 crores was realized on sale of property which was partially offset by the exposure provided of ₹ 190 crores on onerous contract – Sidra. Accordingly, Profit before Tax was higher at ₹ 121 crores as compared to ₹ 78 crores in the corresponding quarter last year. Net Profit after Minority Interest was higher at ₹ 107 crores as compared to ₹ 62 crores in the corresponding quarter last year. Earnings per Share (not annualized) was higher at ₹ 3.24 as compared to ₹ 1.87 in the corresponding quarter last year (Face Value per share of ₹1).

Consolidated Segment Results for the quarter ended 31st December, 2014:

Electro-Mechanical Projects and Services: Segment Revenue was at ₹ 461 crores as compared to ₹ 643 crores in the corresponding quarter last year, on account of slow pace of execution in International projects. However, Segment Result was higher at ₹ 9 crores as compared to loss of ₹ 4 crores in the corresponding quarter last year.



VOLTAS LIMITED

The Order Book of the Segment stood at ₹ 3949 crores as compared to ₹ 3946 crores in the corresponding quarter last year. The Company continues to cautiously build its order book and post closure of the current quarter, is in receipt of two LOI's including additional order for rural electrification in Madhya Pradesh for ₹ 76 crores and Electrical works of Hospital building in Kingdom of Saudi Arabia for ₹ 97 crores.

In the previous years, due to significant upward revision in estimated costs of the Sidra Medical and Research Centre project in Qatar, the Company accounted for cost overruns in accordance with the requirement of Accounting Standard (AS) 7. In July-2014, the Main Contractor was terminated by the end customer (Qatar Foundation) and a new main contractor was appointed. Although Qatar Foundation had asked for the assignment of contracts of select subcontractors of the Main Contractor, no understanding could be reached. In view of the uncertainties attached to the sub-contract, the Company has, as a matter of prudence, charged off ₹ 190 crores to the Statement of Profit and loss after evaluation of underlying assets and liabilities, and contingencies related thereto. Nevertheless, the Company continues to pursue its entitlements and has sought legal advice for the way forward.

Engineering Products and Services: Segment Revenue and Result were lower at ₹ 81 crores and ₹ 23 crores as compared to ₹ 112 crores and ₹ 36 crores respectively, in the corresponding quarter last year on account of various environment led adversities as also loss of agency due to global consolidation of mining companies. Additionally, last year's performance included some one-offs on long term maintenance contracts.

Unitary Cooling Products for Comfort and Commercial use: Segment Revenue was higher at ₹ 384 crores as compared to ₹ 347 crores in the corresponding quarter last year given higher AC sales volumes. Segment Result was also higher at ₹ 51 crores as compared to ₹ 45 crores in the corresponding quarter last year on account of improvements in sales mix and margin realizations. The Company maintains its market leadership in room airconditioners and is No.1 at Multi-Brand Outlets.

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