

**Voltas' Q2 Consolidated Financial Results**

November 13, 2014 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 six months ended 30th September, 2014.

Consolidated Results for Six Months period ended 30th September, 2014 :

The Consolidated Sales/Income from Operations for the six months period ended 30th September, 2014 was higher by 1.6% at ₹ 2721 crores as compared to ₹ 2678 crores in the corresponding period last year. Profit from Operations before Other Income, Finance Costs and Exceptional items was however significantly higher at ₹ 197 crores as compared to ₹ 81 crores in the corresponding period last year. Profit before Tax and Net Profit (after Minority Interest) was higher at ₹ 232 crores and ₹ 159 crores, respectively, as compared to ₹ 121 crores and ₹ 83 crores for the corresponding period last year. Consequently, Earnings per Share (not annualized) stood at ₹ 4.80 as at 30th September 2014, as compared to ₹ 2.51 as at 30th September 2013 (Face Value per share of ₹1).

Consolidated Results for quarter ended 30th September, 2014:

The Consolidated Sales/Income from Operations for the quarter ended 30th September, 2014 was at ₹ 969 crores as compared to ₹ 1077 crores in the corresponding quarter last year. However, due to better margin realizations and cost controls, the Profit from Operations, before Other Income, Finance Costs and Exceptional items was higher at ₹ 71 crores for the current quarter as compared to ₹ 36 crores in the corresponding quarter last year. Profit before Exceptional Items & Tax was also higher at ₹ 85 crores as compared to ₹ 62 crores in the corresponding quarter last year. Net Profit after Minority Interest was higher at ₹ 50 crores as compared to ₹ 42 crores in the corresponding quarter last year. Earnings per Share (not annualized) was higher at ₹ 1.51 as compared to ₹ 1.28 in the corresponding quarter last year (Face Value per share of ₹1).

Consolidated Segment Results for the quarter ended 30th September, 2014:

Electro-Mechanical Projects and Services: Segment Revenue was at ₹ 525 crores as compared to ₹ 671 crores in the corresponding quarter last year, largely on account of drop in turnover of International projects. Segment Result was at Rs 5 crores, by and large at par with the corresponding quarter last year.

The Order Book of the Segment stood at ₹ 3679 crores as compared to ₹ 4349 crores in the corresponding quarter last year. Given the environment, the Company is cautiously building



up its order book, both in India and overseas. During the current quarter, the Company has booked orders for electrification of 2000 villages in the districts of Mandla and Dindori of Madhya Pradesh, valuing ₹ 104 crores.

In the previous years, due to significant upward revision in estimated cost of a major project in Qatar, Sidra Medical and Research Centre, the Company accounted for cost overrun 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. As provided in the original contract, Qatar Foundation has asked for the assignment of contracts of select subcontractors to the new main contractor. However, a formal understanding to that effect is yet to be reached. Uncertainties in the completion schedule, assignment of the sub-contracts and approval of variations/claims continue, which could modify the Company's current estimates of cost and entitlements. Nevertheless, the Company continues to pursue its entitlements vigorously.

Engineering Products and Services: Segment Revenue and Result were at ₹ 87 crores and ₹ 32 crores as compared to ₹ 126 crores and ₹ 28 crores respectively, in the corresponding quarter last year. Though the turnover of Mining & Construction Equipment business was lower, margins from Service activities in Mozambique were better in current quarter as compared to the corresponding quarter last year. Performance of Textile Machinery business, both in terms of Revenue and Result was also better than the previous year.

Unitary Cooling Products for Comfort and Commercial use: Segment Revenue was higher at ₹ 345 crores as compared to ₹ 264 crores in the corresponding quarter last year. Similarly, Segment Result was better at ₹ 43 crores as compared to ₹ 29 crores in the corresponding quarter last year on account of higher sales volumes and improved margins. The Company maintains its market leadership in room airconditioners and is No.1 at Multi-Brand Outlets, based on GFK Nielsen Retail Audit findings.

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