

February 26, 2021

BSE Limited
P.J. Towers
Dalal Street
Mumbai 400 001
(Atten: DCS Listing)

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai 400 051
(Atten: Manager Listing Department)

Dear Sirs

Subject: Press Release for Audited Financial Results of the Company for the quarter ended (Q4) and year ended December 31, 2020 pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)

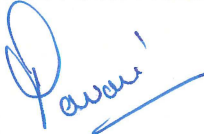
Ref : BSE Scrip: 543187 (POWERINDIA) NSE Symbol: POWERINDIA

Pursuant to Regulation 30 of Listing Regulations, we are sending herewith a copy of Press Release, which is being issued by the Company today to the media, for the information of the Stock Exchanges.

You are requested to take the same on record.

Thanking you.

Yours faithfully,
For ABB Power Products and Systems India Limited



Poovanna Ammatanda
General Counsel and Company Secretary



Encl: As above

FOR IMMEDIATE RELEASE

Hitachi ABB Power Grids in India: Strong performance shows recovery underway

Q4 HIGHLIGHTS

- Renewables, transport and exports drive 34% YoY order growth
- Revenue returns to near pre-COVID-19 level
- Q4 PAT up 54.9% YoY on realization of old receivables previously provided for
- Continue to be debt-free, with strong focus on cash

FULL-YEAR HIGHLIGHTS

- Credible performance in a challenging year
- INR 3,217.7 crore orders booked from utility, renewables, industry and transport
- On-time delivery, relentless cash focus contribute to INR 3,438.9 crore revenue
- PAT at INR 99.8 crore
- Order backlog of INR 4,954.8 crore at year-end
- Board recommends first full-year dividend of INR 2 per share (100 percent)

Bangalore, February 26, 2021 – Hitachi ABB Power Grids in India (listed on the Indian stock exchanges as “ABB Power Products and Systems India Limited”) today announced its fourth-quarter and full-year results for 2020.

Particulars (INR crore)	Q4/20	Q4/19	YoY%	CY2020	9M2019
Orders	826	615.3	34.24	3,217.7	2,642
Revenue	1,043.7	1,129.2	(7.5)	3,438.9	3,231
Profit before tax (before exceptional items)	46.1	81	(43.1)	171.8	261
Exceptional items	(29.5)*	39		35.5	41
Profit before tax (after exceptional items)	75.6	42	80.0	136.3	221
Profit after tax (PAT)	55	35.5	54.9	99.8	165
Operational EBITA** (after exceptional items)	65.9	92.8	(28.9)	194.5	291.5
Operational EBITA % (after exceptional items)	6.3	8.3		5.7	9

*Exceptional items includes INR 32.41 cr realization of old receivables previously provided for

**The company evaluates profitability based on Operational EBITA. Operational EBITA represents income from operations excluding: (i) amortization expense on intangibles, (ii) restructuring and restructuring-related expenses, (iii) non-operational pension costs, (iv) gains and losses from the sale of businesses, acquisition-related expenses and certain non-operational items, as well as (v) foreign exchange/commodity timing differences in income from operations consisting of: (a) unrealized gains and losses on derivatives (foreign exchange, commodities, embedded derivatives), (b) unrealized foreign exchange movements on receivables/payables (and related assets/liabilities).

“Despite turbulent market conditions, we registered a strong fourth quarter performance. Our continued customer engagement and conversion of opportunities resulted in a solid order intake, significantly higher than the same quarter of the previous year,” said N Venu, Managing Director – India, Hitachi ABB Power Grids.

“Opportunities in renewable integration, digitalization of power networks and sustainable transport solutions like rail and metro have helped us deliver a robust performance in an unprecedented year impacted by the COVID-19 pandemic. Fundamental growth drivers remain intact and we hope to grow faster than the market once the economic revival gathers pace,” he added.

Orders

Our order book of INR 826 crore in Q4 was driven by utilities, industries, and transport. Utilities embracing digitalization and automation resulted in key wins in wide-area monitoring systems and the first order for transformer maintenance using our submersible robot. Additionally, we had orders for power quality and traditional product offerings. Our entire portfolio, from transformers to automation in various parts of the country, benefitted from the integration of renewables projects by public utilities and private power generators.

Reinforcing our strong presence in the railway segment, we received orders in the fourth quarter to power the country’s dedicated freight corridor. We also won contracts for traction and track-side transformers to be deployed in upcoming metro projects, while established operations such as the Delhi Metro focused on power quality to ensure the expanding network runs flawlessly.

In an increasingly digital world, we made the most of our local knowledge to deliver consulting services around the world. We also booked a breakthrough substation order in Bangladesh. On the whole we saw an 8.3% year-on-year growth in exports this quarter.

As of December 31, 2020, our order backlog stood at INR 4,954.8 crore, providing good visibility on future revenue.

Revenue and Operations

In Q4, revenue inched closer to pre-pandemic levels, ending 7.5 percent lower YoY while it rose 10.3 percent QoQ to INR 1,043.7 crore, bolstered by solid cash collection. Persistent focus on strategic cash management – including cash-over-revenue, and accelerated use of remote management and digital solutions – helped maintain liquidity. Customers relied heavily on our ability to remotely commission, audit and when necessary troubleshoot their projects. In particular, software enabling the uninterrupted performance of the North-East Agra high voltage direct current (HVDC) link was commissioned remotely, in close collaboration with the customer.

Profit

Operational EBITA after exceptional items reached INR 65.9 crore in the fourth quarter, resulting in an operational EBITA margin of 6.3 percent. Profit before tax, before exceptional items, was INR 46.1 crore. Relentless pursuit resulted in the realization of

INR 32.4 crores of old receivables, previously provided for. This bolstered profit after tax (PAT) significantly, to INR 55 crore for the quarter.

Full-year performance

2020 will be remembered as an unprecedented year that altered the fabric of society. It was also the first year of the Company's standalone operations. The pandemic impacted manufacturing output, disrupted supply chains and changed the way both we and our customers operate. Financial performance initially reflected the disruption but quickly corrected in the consequent quarters, culminating in total orders of INR 3,217.7 crore, revenue of INR 3,438.9 crore and PAT of INR 99.8 crore for the year.

Dividend

Based on the Company's performance in its inaugural year and considering that fundamental growth drivers remain intact despite the unparalleled circumstances triggered by the pandemic, the Board of Directors has recommended a dividend of INR 2 per share (100 percent), subject to the approval of shareholders at the forthcoming Annual General Meeting.

Change in Directorship

In addition, the delayed transfer of ownership in the Company concluded on February 5, 2021, with the transfer of 31,786,256 equity shares aggregating to 75 percent of its paid up capital from ABB Asea Brown Boveri Ltd. through ABB Ltd. to Hitachi ABB Power Grids Ltd. Reflecting this change in ownership, the Board of Directors has appointed Achim Michael Braun, Head of HR, and Ismo Antero Haka, CFO, Hitachi ABB Power Grids Ltd. as Non-Executive, Non-Independent Directors on the Board of the Company representing Hitachi ABB Power Grids Ltd. N Venu, continues as Managing Director and represents Hitachi ABB Power Grids Ltd. Frank Duggan and Sanjeev Sharma have stepped down as Directors. The change in directorship is effective February 25, 2021.

About Hitachi ABB Power Grids Ltd.

Hitachi ABB Power Grids is a global technology leader with a combined heritage of almost 250 years, employing around 36,000 people in 90 countries. Headquartered in Switzerland, the business serves utility, industry and infrastructure customers across the value chain, and emerging areas such as sustainable mobility, smart cities, energy storage and data centers. With a proven track record, global footprint and unparalleled installed base, Hitachi ABB Power Grids balances social, environmental and economic values. It is committed to powering good for a sustainable energy future, with pioneering and digital technologies, as the partner of choice for enabling a stronger, smarter and greener grid. <https://www.hitachiabb-powergrids.com>

Hitachi ABB Power Grids in India operates under the legal entity name ABB Power Products and Systems India Limited and is listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) as POWERINDIA, Scrip code 543187.

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