



BLUE STAR

Blue Star Limited
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February 6, 2018

BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001
Scrip Code: 500067

National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex,
Bandra (East),
Mumbai -400 051
Scrip Code: BLUESTARCO

SUB: PRESS RELEASE

Dear Sirs,

We enclose herewith copy of the Press Release being released into newspapers, for your information and record purpose.

Thanking You.

For Blue Star Limited

Vijay Devadiga
Company Secretary
Encl: A/a

PRESS RELEASE

Blue Star's Consolidated Q3FY18 Net Profit grows 30%

Consolidated Financial Performance for Q3FY18

- The Company has reported a Total Income of Rs 984.86 crores for the quarter ended December 31, 2017 on a consolidated basis compared to Rs 877.99 crores (excluding the excise component) during the same period in the previous year, representing growth of 12%. Prior to GST going live on July 1, 2017, revenue for previous periods included excise duty. For comparability, performance for the prior period is also stated net of excise.
- The Operating Profit (PBIDTA excluding Other Income and Finance Income) for the quarter was Rs 51.33 crores compared to Rs 33.91 crores in Q3FY17, a growth of 51%.
- Other Income (including finance income) for Q3FY18 was Rs 3.56 crores compared to Rs 5.78 crores in Q3FY17. Finance income in Q3FY17 was higher on account of higher tax refunds, and also included income earned on temporary investments made out of the sales proceeds of the IT business.
- Financial Expenses for the quarter declined by 13% to Rs 7.35 crores from Rs 8.45 crores in Q3FY17, due to reduced cost of borrowings and reduction in the level of borrowed funds.
- Tax expense for the quarter was Rs 9.31 crores compared to Rs 1.53 crores during the same period last year.
- Net Profit for the quarter increased to Rs 18.78 crores compared to Rs 14.50 crores in Q3FY17, representing growth of 30%.
- Earnings per share for the quarter (Face value of Rs 2.00) rose to Rs 1.96 vis-à-vis Rs 1.52 in same period of the previous year.
- Carried Forward Order Book as on December 31, 2017 grew by 21% to Rs 2163 crores, compared to Rs 1794 crores as at December 31, 2016.

Consolidated Segment Performance for Q3FY18

Prior to GST going live on July 1, 2017, revenue for previous periods included excise duty. Therefore, for this analysis, segment wise revenue is shown without excise duty for the periods prior to Q2FY18 to ensure comparability.

- Revenue of the Electro-Mechanical Projects and Packaged Air Conditioning Systems business increased by 8% to Rs 576.72 crores from Rs 532.23 crores (excluding the excise component), while Segment Results grew 33% to Rs 36.19 crores from Rs 27.22 crores during the same period in the previous year. The significant increase in margins was largely due to the greater scale and better margin profile of certain key projects. The strategy to focus selectively on profitable and healthier cash flow projects contributed to the enhanced profitability.
- Unitary Products revenues during the quarter increased to Rs 365.33 crores from Rs 286.47 crores (excluding the excise component) in Q3FY17, a growth of 28%. The room air conditioners business, which was subdued in the previous quarters due to the GST transition, returned back on the growth trajectory in Q3FY18, with dealers beginning to restock. The expansion of the retailer network, supported by various sales and marketing initiatives, contributed to healthy revenue growth. Segment Results at Rs 27.08 crores grew significantly from Rs 10.31 crores in Q3FY17, mainly due to price revisions implemented in Q3FY18.
- The Professional Electronics and Industrial Systems business revenues declined by 27% from Rs 53.51 crores (excluding excise component) in Q3FY17 to Rs 39.25 crores, while Segment Results registered a decline at Rs 3.25 crores as compared to Rs 8.41 crores during the same period last year. Decrease in demand, coupled with sluggish market conditions adversely impacted the performance of this segment during the quarter.

Unaudited Consolidated Financial Performance for the 9-months ended December 31, 2017

- For the 9-months ended December 31, 2017, the Company reported Total Income (excluding the excise component) of Rs 3192.27 crores compared to Rs 2871.30 crores in the same period in the previous year, representing growth of 11%.

- Operating Profit (PBIDTA excluding Other Income and Finance Income) increased by 21% to Rs 182.56 crores from Rs 150.58 crores during the same period last year.
- Net Profit for the period increased by 14% to Rs 98.02 crores compared to Rs 85.88 crores earned during the same period in the previous year.

Outlook

Suneel M Advani, Chairman of the Board, Blue Star Limited adds, "The electro-mechanical projects business witnessed signs of improvement due to enhanced investments in infrastructure projects largely driven by the Government. The room airconditioners business continues to drive the unitary products segment, and is back on the growth path with the GST transition completed. The Company is also making significant investments in consumer business lines such as water purifiers, air purifiers and air coolers, which are expected to be growth drivers in the future. The Company remains confident of continuing its growth momentum in the last quarter of this year"

Place: Dadra

Date: Feb6, 2018

For additional information, please contact: Girish Hingorani, Head - Corporate Communications, Blue Star Limited. Email: girishhingorani@bluestarindia.com Telephone: +91 22 6668 4000.