

TATA POWER ANNOUNCES FY2011-12 STANDALONE AND CONSOLIDATED RESULTS

- **Tata Power Group's FY11-12 Consolidated Revenue crosses Rs. 25000 Crores.** Revenue up by 34% at Rs. 25868.87 Crores due to strong operational fundamentals; **Operating Profit** also up by 16% at Rs. 5325.27 Crores; **Profit After Tax (PAT)** includes provisions of Rs. 1800 Crores of impairment for Mundra Project and Rs. 659.44 Crores of deferred stripping costs. Thus, with these Rs. 2460 Crores of provisions PAT stood at negative Rs. 1087.68 Crores.
- **Q4 Consolidated Revenue** up by 44% at Rs. 7169.85 Crores, **PAT** stood at Rs. (628.75) Crores mainly due to Rs. 815 Crores of provision made for impairment for Mundra Project **FY11-12 Standalone Revenue** up by 22% at Rs. 8051.53 Crores and **PAT** up by 24% at Rs. 1169.73 Crores due to strong operational performance of power business and higher dividend income from Coal SPVs.
- **Q4 Standalone Revenue** up by 34% at Rs. 2184.02 Crores, **PAT** stood at Rs. 116.97 Crores, reduction due to forex losses.
- Board maintained **Dividend** at Rs. 1.25 per share of Re 1/- each

EDITORIAL SYNOPSIS:

Key Financial Highlights: FY12 vs FY11

- Consolidated Revenue up by 34 % at Rs. 25868.87 Crores as compared to Rs.19348.21 Crores
- Consolidated PAT stood at Rs.(1087.68) Crores as compared to Rs. 2059.60 Crores (due to provisions made for Mundra impairment and deferred stripping costs)
- Standalone Revenue up by 22% at Rs. 8051.53 Crores as compared to Rs. 6599.36 Crores
- Standalone PAT up by 24% at Rs. 1169.73 Crores as compared to Rs. 941.49 Crores (due to strong operational performance of power business and higher dividends from Coal SPVs)

Key Financial Highlights: Q4 FY12 vs Q4 FY11

- Consolidated Revenue up by 44% at Rs. 7169.85 Crores as compared to Rs. 4985.84 Crores
- Consolidated PAT stood at Rs.(628.75) Crores as compared to Rs. 625.02 Crores(due to provisions made for Mundra impairment)
- Standalone Revenue up by 34% at Rs. 2184.02 Crores as compared to Rs. 1630.22 Crores
- Standalone PAT at Rs.116.97Crores as compared to Rs. 267.71 Crores (reduction due to forex losses)

Key Business and Growth Highlights: FY12

- Crossed 5,000 MW mark, re-affirming its position as the largest integrated power company in India
- Commissioned Unit 1 successfully for 4000 MW Mundra Ultra Mega Power Project
- Commissioned Unit 1 and synchronized Unit 2 of 1050 MW Maithon Project
- Commissioned 25 MW Solar Project in Mithapur, Gujarat
- Formed South African JV with Exxaro to explore power generation opportunities. **Dept. of Energy, Govt. of South Africa announced Cennergi as preferred bidder for two wind projects of 234 MW - Amakhala 139 MW and Tsitsikamma 95 MW projects**
- Crosses 375 MW of installed wind power capacity
- Signed the Share Purchase Agreement to acquire 51% BP's equity in Tata BP Solar



Mumbai, May 22nd, 2012: Tata Power, India's largest integrated power Company today announced its results for the financial year ended March 31, 2012.

PERFORMANCE HIGHLIGHTS FY12: CONSOLIDATED

- On the consolidated basis, **Tata Power Group's Financial Year** Revenue was up by 34% to Rs. 25868.87 Crores as compared to Rs. 19348.21 Crores last year due to strong operational performance and higher coal price realizations. PAT includes provisions of Rs. 1800 Crores of impairment for Mundra Project and Rs. 659.44 Crores of deferred stripping costs. Thus, with these Rs. 2460 Crores of provisions PAT stood at (1087.68) Crores as against Rs. 2059.60 Crores reported in FY11.
- Based on assessment of fuel, forex and other operating costs on cash flows for the Mundra project, a total provision of Rs. 1800 Crores has been made as impairment loss for the year. Given the volatility of coal prices and forex, the assumptions will be monitored on a periodic basis and necessary adjustments will be made if external conditions relating to the assumptions indicate that such adjustments are appropriate.
- In line with the Notification dated 29th December, 2011 issued by the Ministry of Corporate Affairs, the Company has selected the option given in paragraph 46A of the Accounting Standard (AS) -11 "The Effects of Changes in Foreign Exchange Rates".
- On a consolidated Financial Year Segment-wise performance, Net Revenue from Power business was up by 31% at Rs. 16169.59 Crores as compared to Rs.12305.62 Crores and from Coal Business was up by 44% at Rs. 9196.52 Crores as compared to Rs. 6400.47 Crores in the last year. Profit before Interest and Tax (PBIT) from Power Business was Rs. 2159.75 Crores as against Rs.1942.94 Crores and PBIT from Coal Business was at Rs.1988.05 Crores as compared to Rs.1673.13 Crores reported last year.
- During the **quarter ended 31st March 2012**, Tata Power's consolidated Revenue was up by 44% at Rs. 7169.85 Crores as compared to Rs. 4985.84 Crores in the corresponding quarter last year. The Company's PAT stood at Rs. (628.75) Crores as against Rs. 625.02 Crores reported in the corresponding quarter last year mainly due to additional provision made for impairment of Rs. 815 Crores for Mundra Project. The impairment is mainly on account of forex losses incurred due to rupee depreciation.
- In consolidated Segment-wise performance for the quarter, Net Revenue from Power business was up by 44% at Rs. 4605.01 Crores as compared to Rs. 3196.86 Crores and from Coal Business up by 36% at Rs. 2337.83 Crores as compared to Rs. 1714.18 Crores in the corresponding period last year. PBIT from Power Business was up at Rs. 588.68 Crores as against Rs.552.67 Crores in the previous year. Whereas, PBIT from Coal Business was at Rs. 506.47 Crores as compared to Rs. 454.29 Crores reported in the corresponding period last year.

PERFORMANCE HIGHLIGHTS FY12: STANDALONE

- For the **Financial Year ended 31st March 2012**, Company's standalone results reflected a strong operational performance. The Company's Revenue grew by 22% to touch Rs. 8051.53 Crores as compared to Rs. 6599.36 Crores last year. PBT was up 51% at Rs.1682.87 Crores as compared to Rs.1111.82 Crores last year. The Company generated 15230 MUs of power from all its power plants and Sales stood at 15240 MUs. Other income was higher by 99% at Rs. 983.46 Crores as compared to Rs. 493.58 Crores due to dividends from Coal SPVs, forex gains (due to impact of AS-11) and treasury income. PAT increased by 24% to Rs.1169.73 Crores as against Rs. 941.49 Crores last year due to improved operational performance of both power and coal business.
- For the **quarter ended 31st March 2012**, Standalone Revenue grew to Rs. 2184.02 Crores, up 34% as against Rs. 1630.22 Crores in Q4 FY11. During the quarter, Company's PAT stood at Rs. 116.97 Crores as compared to Rs. 267.71 Crores mainly due to forex losses. Other income for the quarter was lower at Rs. (6.88) Crores.



BUSINESS HIGHLIGHTS: KEY SUBSIDIARIES

- **Coastal Gujarat Power Limited (CGPL):** CGPL, an SPV formed for setting up and operating the 4000 MW Mundra UMPP, declared commercial operation on 9th March 2012 of Unit 1, country's first 800 MW sized super-critical unit. Unit 2 is scheduled for commissioning by August 2012. Work on Units 3, 4 and 5 of the project is on track and progressing well. CGPL posted Revenues of Rs. 8.05 Crores in Q4FY12. PAT stood at Rs. (1011.86) Crores and is mainly due to impairment of Rs. 815 Crores as explained earlier. CGPL has also commenced trials of blending low coal grade imported coal; initial reports have been encouraging and suggest that 50% blending is possible.
- **Maithon Power Limited (MPL):** The 74:26 Joint Venture between Tata Power and Damodar Valley Corporation (DVC) commissioned the first Unit of 525 MW (Unit 1) in September 2011. The second unit has been successfully synchronized and will be commissioned by Q1FY13. Revenues for the year stood at Rs. 369.70 Crores and PAT stood at Rs. (174.14) Crores. Revenues for Q4FY12 stood at Rs. 241.35 Crores and PAT stood at Rs. 1.29 Crores. The unit has stabilized and, with assured fuel supply, will show improved performance going forward.
- **Industrial Energy Limited (IEL):** The Company reported Revenues of Rs. 433.71 Crores, increase of 246% and PAT of Rs. 78.01 Crores, up by 313% over last year. Increase in PAT in IEL is mainly since Unit 5 was not operational in previous year.
- **Tata Power Renewable Energy Limited (TPREL):** 25 MW solar project was successfully commissioned and commercial operation declaration (COD) achieved on 25th January, 2012, within the approved budget and stringent timelines meeting the contractual commitments to the Govt. of Gujarat. The plant is performing well without any interruption since COD. The plant has generated cumulative of 9,167 MWH as on 31st March, 2012, posted Revenues of Rs. 13.69 Crores and PAT of Rs. 0.96 Crores.
- **Tata Power Delhi Distribution Limited:** The Company's distribution subsidiary and Joint-Venture with Delhi Government, posted revenues of Rs. 5194.68 Crores up 30% as compared to FY11. The PAT stood at Rs. 338.65 Crores, up by 31% as compared to Rs. 258.18 Crores last year.
- **Powerlinks Transmission Limited (Powerlinks):** Powerlinks, the first public-private Joint-Venture in power transmission in India, has earned revenues of Rs. 281.63 Crores in FY12, down by 2% as compared to FY11. The PAT stood at Rs. 112.35 Crores, up by 7% as compared to last financial year.
- **Tata Power Trading Company Limited (TPTCL):** TPTCL traded a total of 5583 MUs during the year, resulting in revenues of Rs. 1926.70 Crores, decrease of 0.3% as compared to FY11. PAT stood at Rs. 14.05 Crores, up by 54% as compared to last financial year.

Mr. Anil Sardana, Managing Director, Tata Power, said, "During the financial year, all our businesses have registered robust performance. The Company crossed a historic milestone of 5000 MW of power generation capacity, reaffirming its position as the largest integrated power company in India. During this period, we commissioned several large projects-Unit 1 of India's first UMPP in Mundra, Unit 1 of 1050 MW Maithon Power Project and 25 MW solar plant at Mithapur.

Tata Power's global footprint has been further augmented through its JV with Exxaro to explore electricity generation opportunities across South Africa, Botswana and Namibia. We are also pleased to share that Cennergi has been announced as preferred bidder for two wind projects of 234 MW - Amakhala 139 MW and Tsitsikamma 95 MW projects.

We look forward to early resolution on imported coal compensation issue for long-term sustenance of power sector. The annual consolidated results reflect non-cash impairment provision for Mundra Project and deferred stripping

costs. We believe it's prudent to make such provisions."

GROWTH PLANS:

Tata Power crossed 5000 MW capacity mark, re-affirming its position as the largest integrated power company in India. Some of the projects in pipeline are:

236 MW Dugar Hydro Power Project: Tata Power - SN Power Consortium JV won the bid for 236 MW Dugar Hydro Power Project in Himachal Pradesh. The project team has carried out route survey, geological mapping and contour mapping of the project site. Currently, the project is being optimized for 500 MW.

Kalinganagar, Orissa 3x67.5 MW (Gas based) +3x150 MW (Coal+gas based): The project is being executed through Industrial Energy Limited, a JV of the Company with Tata Steel Limited. Tata Steel has obtained Environment Clearance (EC) for gas based plant along with their steel plant. Water allocation has also been obtained. Process has been initiated for obtaining coal linkage, water allocation, EC, etc. for coal based plant.

1980 MW Tirulidih Power Project, Jharkhand: The process of land acquisition for the project is in progress. In-principle clearance has been received from Railways for transportation of coal from Tubed Coal Block.

International Projects:

Cennergi: The Company has formed a JV with Exxaro, a South African mining company, to look for electricity-generating opportunities with focus on the investigation of feasibility, development, ownership, operation, maintenance, acquisition and management of power generation projects across South Africa, Botswana and Namibia. **Dept. of Energy, Govt. of South Africa announced Cennergi as preferred bidder for two wind projects of 234 MW - Amakhala 139 MW and Tsitsikamma 95 MW projects.** The projects were submitted under the second window of the Request for Bids for the Independent Power Producers Programme (RFP).

114 MW Dagachhu Project is being developed in partnership with The Royal Government of Bhutan (RGoB). Major ordering for the project has been completed and PPA for the entire quantum of power has been signed for the project. Given the geological conditions, the project is facing some delay but all efforts are being made to commission the unit by 2013.

Geothermal Power: Tata Power led consortium along with Origin Energy, Australia and PT Supraco, Indonesia won 240 MW Sorik Marapi Project. Exploratory drilling is expected to commence in Q4 FY13.

Disclaimer Statement: Some of the statements in this document, except for the historical information, are forward-looking statements. These forward looking statements include references to growth projections, plans, strategies, intentions and beliefs concerning our business and operating environment. There are risks, uncertainties and other factors that may cause actual results to differ materially from those projected by these forward-looking statements.

About Tata Power:

Tata Power is India's largest integrated power company with a significant international presence. The Company has an installed generation capacity of 5297 MW in India and a presence in all the segments of the power sector viz Generation (thermal, hydro, solar and wind), Transmission, Distribution and Trading. It has successful public-private partnerships in Generation, Transmission and Distribution in India namely "Tata Power Delhi Distribution Limited" with Delhi Vidyut Board for distribution in North Delhi, 'Powerlinks Transmission Ltd.' with Power Grid Corporation of India Ltd. for evacuation of Power from Tala hydro plant in Bhutan to Delhi and 'Maithon Power Ltd.' with Damodar Valley Corporation for a 1050 MW Mega Power Project at Jharkhand. It is one of the largest renewable energy players in India and is developing country's first 4000 MW Ultra Mega Power Project at Mundra (Gujarat) based on super-critical technology. Its international presence includes strategic investments in Indonesia through 30% stake in coal mines and a geothermal project; in Singapore through Trust Energy Resources to securitise coal supply and the shipping of coal for its thermal power generation operations; in South Africa through a joint venture called 'Cennergi' to develop projects in South Africa, Botswana and Namibia; in Australia through investments in enhanced geothermal and clean coal technologies and in Bhutan through a hydro project in partnership with The Royal Government of Bhutan. With its track record of technology leadership, project execution excellence, world class safety processes, customer care and driving green initiatives, Tata Power is poised for a multi-fold growth and committed to 'lighting up lives' for generations to come. Visit us at: www.tatapower.com

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