

PRESS RELEASE

Blue Star's Consolidated Q1FY20 revenue increases to Rs 1575.45 crores, grows by 4.5%

Consolidated Financial Performance for Q1FY20

- The Company has reported Revenue from Operations of Rs 1575.45 crores for the quarter ended June 30, 2019 on a consolidated basis, compared to Rs 1507.83 crores during the same period in the previous year.
- The Operating Profit (PBIDTA excluding Other Income and Finance Income) for the quarter was Rs 114.85 crores compared to Rs 136.66 crores in Q1FY19.
- Net Profit for the quarter was Rs 76.84 crores compared to Rs 91.58 crores in Q1FY19. Results of Q1FY19 included a profit of Rs 15.18 crores on the sale of property, considered as an exceptional item.
- Other Income (including Finance Income) for Q1FY20 was Rs 21.66 crores compared to Rs 3.34 crores in Q1FY19. Other Income in Q1FY20 was higher on account of receipt of an industrial promotion subsidy for the manufacturing facility at Wada.
- Finance Cost for the quarter decreased to Rs 8.23 crores from Rs 12.10 crores in Q1FY19 due to effective management of working capital and consequently lower borrowings in Q1FY20.
- The Tax expense for the quarter was Rs 32.52 crores compared to Rs 32.50 crores in Q1FY19.

- Earnings per share for Q1FY20 (Face value of Rs 2.00) was Rs 7.98 vis-à-vis Rs 9.53 in Q1FY19.
- The Carried Forward Order Book as on June 30, 2019 grew by 33.9% to Rs 2841 crores.
- Sharp reduction in working capital levels resulted in substantial reduction of borrowings from Rs 403.48 crores as of June 2018 to a net positive level of Rs 0.74 crores as of June 2019.

Consolidated Segment Performance for Q1FY20

- Order inflow in the Electro-Mechanical Projects and Commercial Air Conditioning Systems segment was healthy and the Company received a large order from Mumbai Metro. However, revenue for the quarter remained almost flat at Rs 623.94 crores compared to Rs 619.36 crores in Q1FY19 due to slower pace of execution of projects. Segment Results registered a decrease from Rs 39.70 crores to Rs 33.53 crores in Q1FY20.
- Unitary Products revenues increased by 9.2% to Rs 906.89 crores from Rs 830.76 crores in Q1FY19 driven by a good summer and increased billings in the Room Air Conditioners category. Segment Results increased to Rs 98.91 crores from Rs 95.01 crores during the same period in the previous year.
- The Professional Electronics and Industrial Systems Business revenues decreased from Rs 57.71 crores in Q1 FY19 to Rs 44.62 crores in Q1FY20, while the Segment Results declined to Rs 4.42 crores in Q1FY20. The results are not comparable since in Q1FY19 there was a one-time revenue from supply of CT scanners to the Government of Uttar Pradesh. Data Security Systems and Testing Systems businesses continued to perform well. An uptick in healthcare sector is expected to drive increased growth in this segment, going forward.

Outlook

Vir S Advani, Vice Chairman & Managing Director, Blue Star Limited adds, "The macro-economic conditions are weak and there are visible symptoms of slow-down in demand. Having said that, order inflow from select segments continue to be healthy and our pending order book is strong. We will stay focused on driving revenue growth and profitability with a close watch on margins and capital employed."

Place: Mumbai

Date: August 13, 2019.

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