

## ABB India announces annual results

- Highest ever orders received in a challenging year
- Continues to be debt free

Bengaluru, 26 February 2010

### Results

	2009	2008 cum.	% chg	Q4 2009	Q4 2008	% chg
Orders	86,847	80,541	8	23,767	12,610	88
Revenues	62,372	68,370	(9)	18,852	21,663	(13)
Profit before tax	5,274	8,332	(37)	1,576	2,924	(46)
Profit after tax	3,546	5,474	(35)	1,096	1,931	(43)
Earnings per equity share (Rs.)	16.74	25.83				
Dividend recommended %	100	110				

Figs. in Rs. million (MINR) unless stated otherwise

### Orders

The company booked orders worth 86,847 MINR during the year ended 2009, 8 percent higher as compared to the year 2008. This has been the highest ever orders received for the year by the Company in its history, mainly fuelled by success in large power and other infrastructure projects. Order intake for Q4 2009 was 23,767 MINR, 88 percent higher as against 12,610 MINR for Q4 2008.

“With the stimulus package of the Union Government supporting economic growth, improved liquidity in the market, increased growth in the manufacturing sector and most importantly, continued investments in power and other infrastructure projects, the Company shall continue to grow in infrastructure, power generation, transmission and distribution as well as in process industries. We shall aggressively pursue opportunities to enhance grid reliability, improve industrial productivity and higher energy efficiency,” said Biplab Majumder, Vice Chairman and Managing Director, ABB India, announcing the company’s results.

“We remain optimistic in terms of the market and expect our businesses to grow further. The company received significant orders for automation and power products including substantial orders from the new revenue streams like water, renewable energy and railways. During the year the company also booked several key orders for electrical balance of plants for power generating units and also orders for 765 kV substations and transformers. Major orders from the industries came from diverse segments like metals, cement, oil & gas, marine etc.”, he added.

### Order backlog

Growth in order intake during the year has strengthened the company’s order backlog to 84,787 MINR, 38 percent higher than the opening order backlog of 61,618 MINR at the beginning of the year providing significant visibility for the coming quarters.

Company will aggressively recruit and train competent resources to handle large projects in the coming months across all the major business verticals to execute the large order backlog as well as to take on opportunities in niche market segments.

### Revenues and operations

The cumulative revenue for 2009 was 62,372 MINR, about 9 percent lower than the previous year. The revenues in the fourth quarter stood at 18,852 MINR as compared to 21,663 MINR in the same period in the previous year.

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Sluggish economic conditions and project delays witnessed in the earlier part of the year and the larger share of orders with longer gestation period in the backlog, mainly from power and infrastructure segments, brought down the overall revenues during the year. The decline in the revenues was also caused by exit from the rural electrification business in line with the Company's decision.

Company will intensify its focus on operational excellence and project management to bring in stronger capabilities in execution of the large projects in the days to come.

In a relatively difficult environment, the company ended the year on a strong note in terms of operational cash flow, the highest in the history of ABB India. As a result of intense focus and efforts on cash generation, the company continued to remain debt free.

## **Net profit**

The company recorded a cumulative net profit after tax of 3,546 MINR for the year ending 31 December 2009, a reduction of 35 percent as compared to the previous year. The net profit after tax for the fourth quarter of the year 2009 was 1,096 MINR.

The savings in cost of material, services and other expenses achieved during the year was more than offset by low revenues, adverse impact of foreign exchange variations and early exit costs absorbed in the rural electrification business.

## **Dividend**

Keeping in view the stable financial condition of the company, the Board of Directors recommended a dividend of 100 percent, subject to the approval of shareholders at the forthcoming Annual General Meeting.

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