



BLUE STAR

Blue Star Limited
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May 30, 2016

**National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor,
Plot No.C/1, G Block
Bandra - Kurla Complex, Bandra (E),
Mumbai-400 051.
Fax No: 26598237 / 38
Ref Company Code : BLUESTARCO**

**The Secretary
BSE LTD.
Floor 25, P.J. Towers
Dalal Street
Mumbai 400 001.
Fax No. 22723121
Ref Company Code : 500067**

Sub : Press Release

Dear Sir,

We enclose herewith copy of Press Release being released into newspapers, for your information and records purpose, receipt of which may please be acknowledged.

Thanking you,

Yours Faithfully,
BLUE STAR LIMITED

**VIJAY DEVADIGA
COMPANY SECRETARY**

Encl : as above

PRESS RELEASE

Blue Star's Consolidated FY16 Total Income grows 18% to Rs 3770 crores; Operating Profit grows by 29% to Rs 216 crores.

Blue Star Limited has reported a growth of 18% in Consolidated Total Income and 29% in Profit Before Interest, Depreciation and Tax (excluding Exceptional Items) for the year ended March 31, 2016.

In 2015-16, the merger of Blue Star Infotech Limited (BSIL) and its subsidiary, Blue Star Infotech Business Intelligence & Analytics Private Limited (BSIBIA) with Blue Star Limited took place with retrospective effect from April 1, 2015. The restated figures for past quarters are reflected in the Audited Accounts for 2015-16. In the previous year 2014-15, there had been another re-organisation of Blue Star Limited and its wholly-owned subsidiaries. **Consequently, the quarterly stand-alone figures and the annual stand-alone figures are not comparable with previous periods.**

The Consolidated Audited Accounts for the years ended March 31, 2016 and March 31, 2015 provide a more relevant, comprehensive and meaningful picture of the Company, including its subsidiary and various joint ventures. Exceptional items that would vitiate comparability are segregated so as to show the true business performance for the year.

On a consolidated basis,

- Total Operating Income stood at Rs 3770.11 crores for the year ended March 31, 2015 as compared to Rs 3181.94 crores in FY15.
- The Operating Profit (PBIDT excluding Exceptional Items and Other Non Operating Income) for the year stood at Rs 216.16 crores as compared to Rs 167.28 crores in FY15, representing a growth of 29%.

- Profit Before Tax (excluding Exceptional Items) grew 54% from Rs 84.09 crores in FY15 to Rs 129.79 crores in FY16.
- Consequently, the consolidated Net Profit for the year doubled from Rs 54.18 crores in FY15 to Rs 108.38 crores during the year.

Consolidated Segment Performance for FY16

- The Electro-Mechanical Projects and Packaged Air Conditioning Systems business, accounting for 50% of the total revenues in the year, increased by 12%, while Segment Results registered an increase of 48% to Rs 79.90 crores, mainly owing to higher billings of projects with better margins.
- The Cooling Products segment has been renamed as the Unitary Products Segment due to the proposed extension of the product range to cover water purifiers, air coolers and air purifiers. Revenues of this segment increased by a healthy 18%, while Segment Results grew 15% to Rs 165.93 crores over the same period. A strong festive season coupled with an early onset of summer in most parts of the country contributed to the growth.
- The Professional Electronics and Industrial Systems business revenues grew by 15%, but reported a dip of 12% to Rs 26.85 crores in its Segment Results, owing to changes in the product mix, appreciation of the dollar as well as delayed capex spending.
- The Segment titled Others includes the discontinued IT business for part of the year.

Dividend

The Directors had declared an Interim Dividend of Rs 6.50 per equity share of Rs 2.00 each on March 11, 2016. No final dividend has been declared.

Outlook

With the heat wave conditions prevailing across the country, room air conditioners and refrigeration products sales are off to a good start. The wide product range including state-of-the-art inverter split air conditioners, enhanced distribution reach and premium brand equity will further strengthen the performance of the products business. The electro-mechanical projects business has shown modest signs of improvement in some markets and application segments, though the overall market has yet to pick up. Blue Star's new 100% inverter VRF air conditioner is gaining wide acceptance across national and international markets. With additional product lines such as water purifiers, air coolers and air purifiers being added to the Company's portfolio, Blue Star expects to sustain its growth momentum in FY17.

Place: Mumbai

Date: May 30, 2016.

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