



*Press Release*

## **Thermax revenues 29% higher in Q3**

Pune: February 8, 2019

For the third quarter of current FY 2018-19, Thermax Group posted consolidated operating revenues of Rs. 1,437 crore, up 28.6% as compared to Rs. 1,117 crore in the corresponding quarter, last year, riding on a strong order carry forward. Group profit after tax at Rs. 75 crore (Rs. 58 crore), up 29%.

The profit considers Rs. 88 crore of exceptional item, pertaining to the impairment of goodwill related to the stepdown subsidiary, Thermax Denmark ApS and recognition of deferred tax assets of Rs. 94 crore relating to brought forward losses of its subsidiary, Thermax Babcock & Wilcox Energy Solutions Private Limited (TBWES).

As on December 31, 2018, Thermax Group had an order balance of Rs. 6,475 crore (Rs. 5,556 crore) up 16.5%. Order booking for the quarter, at the consolidated level, was marginally up at Rs. 1,480 crore (Rs. 1,413 crore) due to ongoing sluggishness in new investments in several sectors of the economy.

Subsequent to the acquisition of the remaining shares in TBWES on July 19, 2018, the Board of Directors today have approved the transfer of Boiler & Heater (B&H) business of Thermax Limited to TBWES through slump sale, subject to the approval of shareholders. Consequently, the results of B&H business have been classified as discontinued operations in the standalone financial statements. However, this will not impact the consolidated group accounts.

For the continued operations, on a standalone basis, Thermax Limited posted an operating revenue of Rs. 847 crore for the quarter, compared to Rs. 658 crore in the corresponding quarter of the previous year. Profit after tax for the quarter was Rs. 26 crore, down 43.5% from last year's Rs. 46 crore. The standalone revenue of Thermax Limited, including discontinued operations, stood at Rs. 1,248 crore as compared to 981 crore and net profit after tax stood at Rs. 48 crore as compared to 63 crore in the same quarter last year.

The standalone profit of Thermax Limited for the current year is after considering exceptional items comprising impairment of investment of Rs. 126 crore in Thermax Netherlands B.V., Rs. 13 crore in First Energy Private Limited (FEPL) and an impairment reversal of Rs. 112 Crore in TBWES, resulting in a net impact of Rs. 27 crore on profits for the current period.

Thermax's facility at Sri City for manufacturing absorption chillers was formally inaugurated on January 31, 2019 and has commenced commercial production.

**About Thermax Limited:** Thermax Limited, a leading energy and environment solutions provider is one of the few companies in the world that offers integrated innovative solutions in the areas of heating, cooling, power, water and waste management, air pollution control and chemicals. Thermax has manufacturing facilities in India, China, Europe and South East Asia. The sustainable solutions Thermax develops for client companies are environment-friendly and enable efficient deployment of energy and water resources.

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