



Blue Star Limited
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January 29, 2016

To,
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,

BLUE STAR LIMITED

VIJAY DEVADIGA
COMPANY SECRETARY

Blue Star Ltd.
Mumbai



PRESS RELEASE

**Blue Star Q3FY16 standalone Total Income grows 15%
to Rs 685 crores**

Standalone Financial Performance for Q3FY16

- Blue Star Limited reported Total Operating Income of Rs 685.76 crores for the quarter ended December 31, 2015, as compared to Rs 595.57 crores in Q3FY15, representing an increase of 15%.
- Operating Profit (PBIDT excluding Exceptional Items and Other Non Operating Income) for the quarter was Rs 27.89 crores as compared to Rs 8.78 crores in Q3FY15 mainly due to increase in sales, tighter control on operating costs and lower provisions.
- During the quarter, Other Income was Rs 1.36 crores as compared to Rs 2.14 crores during the same period last year.
- Financial Expenses for the quarter declined by 13% to Rs 9.05 crores from Rs 10.51 crores in Q3FY15 owing to a reduction in the cost of funds and effective management of the borrowing mix.
- There was an exceptional loss of Rs 1.95 crores during the quarter as compared to an exceptional gain of Rs 18.33 crores during Q3FY15. While the exceptional gain in Q3FY15 was mainly due to profit on sale of assets, the exceptional loss in Q3FY16 was due to bonus expenses for earlier years pursuant to retrospective amendment in the statute.
- Consequently, there was a Net Profit of Rs 4.80 crores as compared to a Net Profit of Rs 6.30 crores in Q3FY15.

- Carry Forward Order Book as on December 31, 2015 increased by 14% to Rs 1605 crores compared to Rs 1412 crores as at December 31, 2014.

Segment-wise performance for Q3FY16

- The revenues of the Electro Mechanical Projects and Packaged Airconditioning Systems business, increased by 22%, while segment results registered a significant growth to Rs 25.68 crores from Rs 2.90 crores mainly due to enhanced billing and tighter control on costs.
- Cooling Products registered a growth of 21%, while segment results grew substantially by 67% to Rs 16.90 crores. This enhanced result is attributed primarily to the expansion of the dealer network supported by various sales and marketing initiatives of the Company.
- The Professional Electronics and Industrial Systems business had been transferred to its subsidiary, Blue Star E&E Ltd with effect from April 1, 2015. The segment revenue and results reported in the standalone figures relate to some specific orders that were part of the order pipeline booked in the last financial year and stipulated execution by only Blue Star. The quantum of billing from such orders will reduce progressively.

Financial Performance for the 9-month period ended December 31, 2015 (Cumulative Q3FY16)

- For the 9-month period ended December 31, 2015, the Total Operating Income grew by 11% to Rs 2311.00 crores, as compared to Rs 2075.42 crores over the same period in the previous year.
- Operating Profit (PBIDT excluding Other Non Operating Income) increased by 16% to Rs 120.63 crores from Rs 104.44 crores.

- Net Profit at Rs 38.05 crores declined by 18% as compared to Rs 46.36 crores in the same period as the previous year.

Outlook

The electro mechanical projects business is showing definite signs of picking up and is expected to keep improving in the near future. The cooling products segment continues to perform well owing to the Company's growing range of products, enhanced distribution and strong brand equity. The Company is also planning to broaden its product line in related areas such as air coolers and air purifiers and is confident of sustaining the growth momentum in the last quarter of the year.

Place: Mumbai

Date: January 29, 2016

For additional information, please contact: B Thiagarajan, Executive Director & President - AC&R Products Business, Blue Star Limited, Bandbox House, 254D, Dr Annie Besant Road, Worli, Mumbai – 400 030 email: bthiagarajan@bluestarindia.com Telephone: 09600034725.