

TATA POWER POSTS STRONG ANNUAL RESULTS

PAT for FY 2009-2010 Up by 2% at 938.76 Crores

Revenues at Rs. 6893.47 Crores

Dividend up at Rs. 12 per share

Consolidated Net Profit up by 61% at Rs 1966.84 Crores

- *Annual Generation highest so far at 15946 MUs compared to 14807 MUs last year*
- *Expanded and doubled consumer base in Mumbai within 5 months*
- *Power House# 6 commissioned in August 2009 and has crossed 400 MUs*
- *120 MW Haldia generated 608 MUs as compared to 179 MUs last year*
- *Wind farms generated 320 MUs as compared to 177 MUs in the previous year*
- *Signed exclusive partnership agreement with SN Power to develop joint hydropower projects in India and Nepal*
- *Developing 3 MW, PV based, grid connected Solar plant at Mulshi, Maharashtra*

Mumbai, 24th May 2010: The Tata Power Company Limited, India's largest integrated private power company, today announced its Annual Results for the financial year ended 31st March 2010.

FINANCIAL HIGHLIGHTS- FY10:

For the Financial Year ended 31st March 2010, Tata Power reported Profit After Tax (PAT) of **Rs. 938.76 Crores** up by 2% as against **Rs. 922.20 Crores** for the previous year. PAT for FY 2008-2009 included extraordinary income of Rs. 255.78 Crores (arising out of sale of long term investments) compared to Rs. 252.40 Crores (pursuant to regulatory orders) this year. The Company's revenues were at **Rs. 6893.47 Crores** as compared to **Rs. 7071.52 Crores** in the previous year. This decrease is mainly due to a change in the fuel mix and reduction in fuel prices in Mumbai Licence Area as compared to the corresponding period last year. Dividend stood at Rs 12 per share as compared to Rs 11.50 per share last year.

The Company's consolidated revenue increased by 5% at **Rs. 18854.76 Crores** as compared to **Rs. 17978.88 Crores** in the previous year. The Consolidated Net Profit before Statutory Appropriations for the year at **Rs. 1966.84 Crores** increased by 61% as against **Rs.1218.74 Crores** for the previous year. This increase is mainly due to forex gains of Rs 358 Crores for Coastal Gujarat Power Limited, deferred tax reversal in North Delhi Power Limited (NDPL) amounting to Rs. 139 Crores and a provision last year of Rs 280 Crores towards impairment of goodwill.

The consolidated PBIT for the Power segment stood at **Rs. 2076.36 Crores** as compared to **Rs. 1391.92 Crores** last year, an increase of 49%. This PBIT is higher on account of commissioning and operation of new units-Unit 8, Haldia and Power House 6 and Regulatory adjustments made in Mumbai operations, Powerlinks and NDPL. PBIT for the Coal Segment stood at **Rs. 999.20 Crores** as compared to **Rs. 1463.94 Crores**. This PBIT is lower mainly on account of lower realization during the year which was partially offset due to the higher quantity of coal sold this year.

During the year, Company's Operations showed a steady performance. The Company generated **15946 Million Units (MUs)** of power from all its power plants during the year as compared to **14807 MUs** in the previous year. Trombay Thermal Power Station and Hydro Power Stations generated **10168 MUs and 1455 MUs** of power respectively as compared to **9844 MUs and 1151 MUs** in the corresponding period last year. The Jojobera Thermal Power Station recorded a generation of **3002 MUs** as compared to **3009 MUs**. Haldia reported generation of **608 MUs** as compared to **179 MUs**. Power House 6 got stabilized and crossed the **400 MUs** in the current year. Wind Farms generated **320 MUs** as compared to **177 MUs** in the same period last year.

Q4 HIGHLIGHTS FY10

During the quarter, Tata Power Revenues stood at Rs. **1707.68 Crores** as against **Rs. 1416.63 Crores** in the same period last year, an increase of 20.5%. This increase is mainly due to the commissioning of new units fully operational during the quarter. Profit After Tax (PAT) for the quarter stood at **Rs. 230.69 Crores** as against **Rs 354.61 Crores** in Q4 FY09. PAT of FY 2008-2009 included an extraordinary income of Rs. 255.78 Crores as compared to Rs. 20 Crores in this quarter.

Sales volume for the quarter increased by 7% at **3745 MUs** as against **3500 MUs** in the corresponding quarter last year. Trombay Thermal Power Station and Hydro Power Stations generated **2280 MUs and 416 MUs** of power respectively as compared to **2162 MUs and 334 MUs** in the corresponding quarter last year. The Jojobera Thermal Power Station recorded a generation of **739 MUs** during the quarter as compared to **814 MUs in the previous period**. Haldia reported generation of **198 MUs** during the quarter as compared to **891 MUs in the** corresponding period last year. Wind Farms generated **55 MUs** as compared to **36 MUs** in the corresponding quarter last year.

Commenting on the Company's performance, Mr. Prasad Menon, Managing Director, Tata Power said:

"We are currently on the high growth trajectory. All our key projects are progressing as per schedule and it will be our endeavour to finish these projects in time to bolster our revenue stream. Our operations continue to perform well with focus on enhancing operational efficiencies at all our generating facilities. We have received good response from the consumers of Mumbai and remain committed to enhancing the quality standards to provide them superior service."

GROWTH PLANS:

The Company's growth plans include steady capacity addition year-on-year. The progress on Company's upcoming projects is as follows:

- **4000 MW, Mundra Ultra Mega Power Project on Fast Track:**

4000 MW Mundra Project implementation is progressing as per schedule with Engineering, Procurement and Construction activities in full swing. Overall project progress achieved is 52%. Ordering of all critical items/major packages has been completed. The first unit is expected to be commissioned by September 2011.

- **1050 MW Maithon Joint Venture Project:**

1050 MW Maithon Power Limited is also progressing well and has achieved 82% completion. All efforts are being taken to commission the first unit by October FY11.

- **Industrial Energy Limited**

Under the joint venture between Tata Power (74%) and Tata Steel (26%), a 120 MW power plant being constructed at the Company's existing site at Jojobera has been synchronized. The project is expected to be commissioned in the coming quarter.

- **114 MW Dagachhu Power Plant**

The 114 MW Dagachhu Power plant in partnership with The Royal Government of Bhutan (RGoB) is progressing well. Major Ordering for the project has been completed. All statutory clearances, land, water and environment clearances have been received and PPA for the entire quantum of power has been signed for the project. The first unit is targeted to be commissioned by 2013.

- **Tamakoshi 3 - 4 x 220 MW Hydro Electric Project**

The Company is jointly developing this project with SN Power. The project will consist of a hydro electric power plant of 4 x 220 MW, and a dedicated transmission line connecting the project to Power Grid at either Muzzafarpur (Eastern Grid) of Gorakhpur (Northern Grid)

- **1600 MW Coastal Dherand /Shahpur Project**

For Dherand project land acquisition is in progress. Consents for about 62% of total land have been received and the balance consents are targeted in Q1 FY11. The recommendation on agreed land compensation has been sent by district authorities to High Powered Committee for their approval.

- **3 MW Solar PV at Mulshi**

The Company is developing a 3 MW, PV based, grid connected Solar plant at Mulshi, in the Western Ghats and will be the largest grid connected solar plant in Maharashtra.

Key Milestones during the Year:

- The Company **expanded its retail distribution in Mumbai and doubled its consumer base within 5 months** by adding more than 30,000 consumers to its retail network. Tata Power had 26,005 direct consumers before it started expansion of its retail business in the Mumbai market. Today, its consumer base has increased to a total of 58,500 and with each passing day the company is adding around 500 new consumers to its base.
- The Company also enhanced its Operation and Maintenance portfolio, and **signed a Memorandum of Understanding (MoU) with Korea East West Power Company Limited (EWP)**, to identify and explore O&M business with third party Generation assets in Asia, Middle East and Africa. Earlier in June 2009, the company had signed two contracts with the OPG Group of Chennai to provide O&M Services for its power plants near Chennai and Kutch district of Gujarat respectively.
- The Company **completed the raising of US\$ 335 Million through GDRs** and intends to use the net proceeds of the Offering to fund capital expenditures of its existing power plants, projects under implementation and other project plans of the Company (including projects undertaken through its subsidiaries) and any other purpose permitted by applicable laws and regulations from time to time.
- Tata Power **completed the allotment of a 5 year, 1.75% Coupon US\$ 300 Million Foreign Currency Convertible Bonds (FCCB)** in November 20, 2009. The FCCBs are convertible at 10% premium over the closing share price of the Company's shares on National Stock Exchange of India Ltd. on November 5th, 2009 and bear a yield to maturity of 3.5% p.a. calculated on a semi-annual basis.
- The **'Tata Power Energy Club'** comprising schools and schoolchildren to curb energy-wastage through active measures became a national movement and reached a critical mass of sensitizing **1 million citizens** across major cities in India i.e. Mumbai, Pune, Delhi, Ahmedabad, Lonavla, Jamshedpur, Kolkata, Bangalore and Belgaum. The club has helped save 10,80,685 units so far and in FY10, the club recognized 13,550 energy champions and 31,000 energy ambassadors across various cities.
- Tata Power Distribution was awarded the **Gold Shield** by the Ministry of Power, Government of India under its award scheme for meritorious O & M performance in the power sector for 2008-09. This award is given for performance in distribution loss reduction, reliability of power supply, metering, billing and collection efficiency.
- Trombay Thermal Power Station has won the 9th Annual **Greentech Safety Award in Gold category** in Thermal power sector.
- The Chemical lab at Trombay received **Quality Award for 2009** from Laboratory Quality Services International (LQSi), South Holland.

About Tata Power:

Tata Power is India's largest private sector power utility with an installed generation capacity of about 3000 MW and a presence in all the segments of the power sector viz Generation (thermal, hydro, solar and wind), Transmission, Distribution and Trading. The Company has successful public-private partnerships in Generation, Transmission and Distribution - "North Delhi Power Limited" with Delhi Vidyut Board for distribution in North Delhi, 'Powerlinks Transmission Ltd.' with Power Grid Corporation of India Ltd. for evacuation of Power from Tala hydro plant in Bhutan to Delhi and 'Maithon Power Ltd.' with Damodar Valley Corporation for a 1050 MW Mega Power Project at Jharkhand. It has acquired 30% stake in Coal Companies at Indonesia and is developing the first 4000 MW Ultra Mega Power Project at Mundra (Gujarat) based on super-critical technology. With its track record of technology leadership, customer care and redefining contours of the Indian power sector, Tata Power is poised for a five-fold growth and committed to 'lighting up lives' for generations to come.

Disclaimer Statement: *Some of the statements in this document, except for the historical information, are forward-looking statements. These forward-looking statements include references to growth projections, plans, strategies, intentions and beliefs concerning our business and operating environment. There are risks, uncertainties and other factors that may cause actual results to differ materially from those projected by these forward-looking statements.*

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Lighting up Lives!

