



REF:INABB:STATUT:LODR:PRESS REL:

October 26, 2017

BSE Limited  
P.J. Towers  
Dalal Street  
Mumbai 400 001  
**(Attn : DCS CRD)**

National Stock Exchange of India Ltd  
Exchange Plaza, 5<sup>th</sup> Floor  
Plot No. C/1, G Block  
Bandra-Kurla Complex, Bandra (E)  
Mumbai 400 051

Attn: Listing Dept.

Dear Sirs

Sub: Press Release

We are sending herewith a copy of Press Release, which is being issued by the Company today to the media, for the information of the Stock Exchanges, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking you

Yours faithfully  
For ABB India Limited

B Gururaj  
Deputy General Counsel &  
Company Secretary  
FCS 2631

Encl: as above

# ABB India Limited: ABB India posts 18% increase in profit after tax

ABB India Limited reported results for the quarter ended September 30, 2017

- Brownfield investments dominate, reflecting short cycle opex opportunities
- Base order growth continues, total orders reflect lower large contract awards and GST impact
- Value engagement and expanding market access drive growth in exports

## KEY FIGURES

Figures in INR crores\*

	Q3 2017	Q3 2016	YTD2017	YTD2016
Orders	1936	2968	6580	6837
Revenue	1915	2055	6305	6153
Profit before tax	118	109	370	327
Profit before tax %	6.2	5.3	5.9	5.3
Profit after tax	83	71	248	212
Profit after tax %	4.4	3.4	3.9	3.4
Operational EBITA**	90	137	306	359
Operational EBITA %	4.7	6.7	4.9	5.8

\* All numbers including comparative periods are as per IndAS accounting standards.

\*\*The Company evaluates the profitability of its segments based on Operational EBITA. Operational EBITA represents income from operations excluding: (i) amortization expense on intangibles, (ii) restructuring and restructuring-related expenses, (iii) non-operational pension cost, (iv) gains and losses from sale of businesses, acquisition-related expenses and certain non-operational items, as well as (v) foreign exchange/commodity timing differences in income from operations consisting of: (a) unrealized gains and losses on derivatives (foreign exchange, commodities, embedded derivatives), (b) unrealized foreign exchange movements on receivables/payables (and related assets/liabilities).

## Orders

Base orders led order booking in Q3 2017. Adjusting for the one-time large rail order in the same quarter last year, orders were largely flat. Teething issues of the new GST structure caused an impasse for several small and medium enterprises leading to deferrals and delays as customers await clarity. Industry customers sought to improve operational efficiencies and strengthen existing infrastructure, adding to brownfield investment. These resulted in some traction in oil and gas, chemicals, cement, metals and mining segment. The Power segment secured an order to digitalize 20 substations for Himachal Pradesh State Electricity Board, advancing the focus on 24x7 reliable Power to All. Orders from railways continued through traction transformers and electrification projects. Exports continued to develop positively.

Orders received for the third quarter were INR 1,936 crore. The order backlog of INR 12,130 crore, as of September 30, 2017, provides solid visibility for future revenue.



### **Revenue and operations**

ABB India's revenue in the third quarter was INR 1,915 crore. At a time when the government is also looking at providing a major push to exports, the innovative product mix and a manufacturing base enhanced over decades, has yielded results, converting export orders for ABB in this quarter. Sectors like food and beverage and automotive complemented this growth. ABB India reported reduced material costs through relentless pursuit of operational efficiency and continuous adaptation to customer requirements. The focus on cash collection helped reduce overdues and day sales outstanding.

### **Profit**

Consistent improvements in cost structures positively impacted profitability. Profit before tax (PBT) increased 8 percent year-on-year to INR 118 crore and profit after tax (PAT) 18 percent year-on-year to INR 83 crore in the quarter ended September 30, 2017.

"ABB India maintained robust cost structures and relentlessly pursued internal efficiencies to deliver profits in a market of structural transition and headwinds," said Sanjeev Sharma, Managing Director, ABB India. "Deeper customer engagement, expanding markets and the requisite technology footprint have resulted in leveraging opex opportunities in the domestic markets as well as accelerated making in India for the world. A keen customer focus and collaboration will remain the cornerstone of our navigation in a world of Energy and Fourth Industrial Revolution," he added.

**ABB** is a pioneering technology leader in electrification products, robotics and motion, industrial automation and power grids, serving customers in utilities, industry and transport & infrastructure globally. Continuing more than a 125-year history of innovation, ABB today is writing the future of industrial digitalization and driving the Energy and Fourth Industrial Revolutions. ABB operates in more than 100 countries with about 136,000 employees.

[www.abb.com/in](http://www.abb.com/in)

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**For more information please contact:**

**Sohini Mookherjea**

Tel: + 91 9632726608

Email: [sohini.mookherjea@in.abb.com](mailto:sohini.mookherjea@in.abb.com)

**Peter Stierli**

Tel: + 91 9901722298

Email: [peter.stierli@in.abb.com](mailto:peter.stierli@in.abb.com)