

July 26, 2017

Tata Steel (Thailand) Public Company Limited reports Financial Results for the first quarter ended June 30, 2017

Tata Steel Steel (Thailand) Public Company Limited (“Company”) today declared its Financial Results for the first quarter (Q1 FY’18) ended June 30, 2017.

Sales volume in the current quarter at 276 KTon was lower than Q1FY17 by 8% primary due to depressed market sentiment and demand slow down in Thailand and neighboring region. Net sales during Q1FY18 almost at par with Q1FY17.

EBITDA in Q1FY18 at 139 MB was lower than Q1FY17 by 73% primary due to the effect from lower sales volume and lower contribution

Performance Highlights:

		Q1 Fy18	Q1 Fy17
Total Sales Volume	('000 tons)	276	301
Net Sales	MB	4,608	4,597
EBITDA	MB	139	509
One-off Items	MB	-	-
Profit/(Loss) before tax	MB	(34)	345
Profit/(Loss) after tax	MB	(46)	216

Overview:

According to the economic forecasts, Thailand GDP is expected to grow at 3.3%. The support for growth is largely dependent on the exports, global commodity prices and tourism. At the same time, the construction is expected to gain from expansion in public investments in infrastructure projects.

Q1 FY18 saw downward pressure on steel prices as compared to Q4 Fy 17, triggered by the weak demand and poor sentiment in Thailand market and ASEAN region as a whole. Demand of steel in China remains strong due to government stimulus. This has resulted in increased pull for raw materials namely iron ore and coal into China thereby increasing the prices of these commodities globally. This had an impact on the price of scrap which remained strong during the quarter adversely impacting the spread. On the positive side, there was a significant reduction in the volume of steel exports from China. This facilitated 36% higher sale of wire rods by the company in domestic market.

Disclaimer:

Statements in this press release describing the Company's performance may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results may differ materially from those directly or indirectly expressed, inferred or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in or due to the environment, Government regulations, laws, statutes, judicial pronouncements and/or other incidental factors.

For investor enquiries contact:

Sirorote Matemanosak

Tel: 66-2937-1000 Ext. 1810

email: sirorotem@tatasteelthailand.com