

- TRANSLATION -

TSTH 024/2019 RM/AN/PB

April 19, 2019

To: President  
The Stock Exchange of Thailand

**Subject: Report of the Company's Operating Results for the fourth quarter of FY2019 (January-March 2019)**

Tata Steel (Thailand) Public company Limited ("Company") would like to report the company's operating results for the fourth quarter of FY2019 (January-March 2019) as under:

**1. Operating Results**

The sale volume for the current quarter was higher than the previous quarter reflecting improvement in general market sentiment on account of lower availability in the market though the overall market demand for long products remains low. The mega projects are delayed and yet to start ordering for the materials. This was coupled with softening of international prices resulting in slowdown in domestic wire rods demand while imports from Malaysia, Vietnam, Russia and China increased year on year.

**Operating Results compared with previous quarter & previous year**

**1.1 Net Sales**

Sales volume in the current quarter was higher than the previous quarter by 9%, while it was lower by 4% as compared to the same quarter previous year due to weak sentiment in the construction market in Thailand.

Net sale during the current quarter at 5,483 MB was almost at par as compared to the previous quarter, while it was lower by 10% as compared to the same quarter previous year reflecting lower sales volume and drop in selling price.

For FY2019 sales volume was lower by 5% as compared to the previous year. While, in terms of net sales at 22,222 MB was almost at par as compared to previous year due to higher prices of finished goods from the increasing trend of raw material price. Partly offset by the lower domestic sales volume.

**1.2 Profit(Loss) Before Tax**

The company reported a loss of (93) MB in the current quarter against a loss of (196) MB in the previous quarter attributable to improvement in sales volume from rebar and small section, lower metallic price and conversion cost, however selling price remained under pressure as explained above.

For the FY2019, the loss stands at (148) MB against a profit of 585 MB in the previous year attributable to lower sales volume due to weak market sentiment and higher cost of goods sold due to higher metallic and raw material price.

## 2. Statement of Financial Position

### 2.1 Assets

As on March 31, 2019, **the total assets** have decreased by (523) MB over March 31, 2018 mainly due to:

- Reduction in Trade and other receivables by (583) MB.
- Reduction in inventories (290) MB.
- Reduction in Properties, Plant and Equipment (137) MB on account of normal depreciation.
- Partly compensated by the increase in Cash and cash equivalent 407 MB and other current assets 77 MB on account of Value Added Tax refundable.

### 2.2 Liabilities and Shareholders' Equity

As on December 31, 2019, **the total liabilities & shareholder equity** have decreased by (523) MB over March 31, 2018 mainly due to:

- Reduction in Trade and other payables by (263) MB.
- Reduction in Income tax payable by (55) MB.
- Reduction in Short term working capital borrowings by (54) MB.
- Reduction in shareholders' equity by (191) MB from current net profit/(loss) for FY2019.

Please be informed accordingly.

Sincerely yours,

Tata Steel (Thailand) Public Company Limited

*- signature -*

(Mr. Rajiv Mangal)

President and CEO

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