

- TRANSLATION -

TSTH 012/2020 RM/AN/PB

April 22, 2020

To: President
The Stock Exchange of Thailand

**Subject: Report of the Company's Operating Results for the fourth quarter of FY2020
(January-March 2020)**

Tata Steel (Thailand) Public company Limited ("Company") would like to report the company's operating results for the fourth quarter of FY2020 (January-March 2020) as under:

1. Operating Results

Thai economy is experiencing an immediate and direct impact from the COVID-19 outbreak especially in exports and tourism. The Bank of Thailand has cut interest rates to a record low of 0.75% in the last quarter and injected liquidity to stabilize with financial markets. The government has also declared stimulus package (THB 1.9tn; c.10% of the country's GDP) to shore up the economy.

The deliveries for the current quarter at 320 K Tons, was 12% higher than the previous quarter and 5% higher than the same quarter previous year. The revenue from sales and related services were higher by 15% as compared to the previous quarter but lower by 6% as compared to the same quarter previous year.

There was a reduction of 673 MB in inventory over 31 March 2019.

Operating Results compared with previous quarter & previous year

1.1 Revenue from sales and related services

Sales volume in the current quarter was at 320 K Tons. For the 12-months period ended March 31, 2020, the company's sales volume at 1,201 K Tons was higher than the previous year by 4% primarily due to better domestic rebars volume, partly offset by lower special wire rods and export sales.

Revenue from sales and related services during the current quarter was at 5,143 MB, higher by 15% as compared to previous quarter from the improvement in sales volume as well as better price from mix enrichment. However, compared to the same quarter previous year it was lower by 6% from lower selling price in line with reduction in metallic price. During the 12-months period ended March 31, 2020, the revenue from sales and related services at 20,125 MB was lower by 9% as compared to the previous year.

1.2 Profit(Loss) Before Tax

The company reported a profit of 131 MB in the current quarter against a loss of (52) MB in the previous quarter, attributable to higher selling price and sales volume from improved market sentiment in rebar and export sales. In the same quarter previous year, the company had reported a loss of (93) MB.

On the 12-months basis, the company reported a profit of 111 MB against a loss of (148) MB as compared to the previous year.

2. Statement of Financial Position

2.1 Assets

As on March 31, 2020, **total assets** have decreased by (1,287) MB over March 31, 2019 mainly due to:

- Reduction in inventory by (673) MB
- Reduction in cash and cash equivalents by (330) MB.
- Reduction in properties, plant and equipment (258) MB reflecting normal depreciation.

2.2 Liabilities and Shareholders' Equity

As on March 31, 2020, **total liabilities & shareholder equity** have decreased by (1,287) MB over March 31, 2019 mainly from:

- Reduction in short term working capital borrowings by (1,259) MB.
- Reduction in trade and other payables by (226) MB.
- Increase in employee benefit obligations by 124 MB due to provision for employee benefit 97 MB mainly on account of change in labour law in relation to severance pay 68 MB and provision for change in actuarial assumptions 26 MB.
- Increase in shareholders' equity by 23 MB from current net profit of 47 MB 12-months period and effect of provision for employee benefit obligation from change in actuarial assumptions (26) MB.

Please be informed accordingly.

Sincerely yours,

Tata Steel (Thailand) Public Company Limited

- signature -

(Mr. Rajiv Mangal)
President and CEO

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