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TATA POWER ANNOUNCES STANDALONE AND **CONSOLIDATED Q2 FY 2010-11 RESULTS**

STANDALONE Q2 FY11:

- Revenues stood at Rs 1570.82 Crores
- Profit After Tax (PAT) for the quarter up by 37% at Rs. 251.73Crores

CONSOLIDATED Q2 FY11:

- Consolidated Revenues for the quarter up by 1% at Rs 4797.84 Crores
- Profit After Tax (PAT) for the quarter up by 83% at Rs. 675.54 Crores
- Consolidated Net Profit After Statutory Appropriations for the quarter up by 83% at Rs 672.54 Crores
- Adds 8031 retail consumers in the Mumbai License Area in Q2FY11
- Wins 240 MW geothermal bid in Indonesia along with its consortium partners- Origin **Energy and Supraco**
- Awarded the Satpura CBM block in Madhya Pradesh during the CBM IV bidding along with its consortium partner Arrow Energy
- Received approval from the Govt. of Gujarat to set up a 25 MW solar power project

Mumbai, November 12th, 2010: The Tata Power Company Limited, India's Largest Integrated Private Power Utility today announced the standalone and consolidated financial results for the half year ended September 30, 2010 for FY 2010-11.

KEY HIGHLIGHTS Q2 FY11: STANDALONE

During the quarter, Company's standalone results reflected a stable financial and operational performance. Revenues for the quarter stood at Rs.1570.82 Crores as compared to Rs.1672.28 Crores. This decrease is mainly due to lower fuel cost. PAT for the quarter stood at Rs. 251.73 Crores as compared to Rs.183.19 Crores the corresponding period last year, an increase of 37%. PBT was at Rs.303.40 Crores as compared to Rs. 272.11 Crores for the corresponding period last year, an increase of 11%. This increase is on account of higher dividend income from subsidiaries and higher forex gains as compared to the previous period.

KEY HIGHLIGHTS Q2 FY11: CONSOLIDATED

On the consolidated basis, Revenues for the guarter stood at Rs. 4797.84 Crores as compared to Rs. 4735.46 Crores in the corresponding period last year, an increase of 1%. PAT was at Rs. 675.54 Crores as compared to Rs.368.73 Crores in the corresponding quarter last year. The Company reported Net Profit After Statutory Appropriations at Rs. 672.54 Crores as compared to Rs.367.73 Crores in the corresponding quarter last year.

Profit from Operations before Other Income, Interest and Exceptional Items stood at Rs. 890.33 Crores as compared to Rs 725.39 Crores, 23% increase over the corresponding quarter last year. Profit before Tax, Share of Associates, Minority Interest and Statutory Appropriations stood at Rs. 998.33 Crores as compared to Rs. 616.01 Crores in the corresponding quarter last year. This quarter reported forex gains in CGPL amounting to Rs.190 Crores provision for reduction in value of an investment (Rs 88 Crores) by an overseas subsidiary, sale of certain divisions of Nelco that contributed to other income of Rs.55 Crores and Rs.159 Crores in PAT of Aftaab from non-core investment sale.

In Segment-wise performance, Net Revenue for Power business was Rs. 2992.69 Crores and Coal Business was Rs.1474.92 Crores, as compared to Rs.3198.62 Crores and Rs.1379.50 Crores respectively, during the corresponding period last year. PBIT for Power Business was Rs 471.13Crores against Rs 422.93 Crore, and PBIT for Coal Business stood at Rs.362.30 Crores as compared to Rs. 340.39 Crores, 11% and 6% higher over Lighting up Lives!





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the corresponding quarter last year. PBIT of Other Businesses was higher by 616% and stood at Rs.202.75 Crores.

KEY HIGHLIGHTS H1 FY11: STANDALONE

During the half year ended September 30, 2010, Tata Power's Revenues stood at Rs. 3373.27 Crores. Profit After Tax (PAT) for the half year was at Rs. 520.71 Crores as compared to Rs. 560.27 Crores for the same period last year. Previous year included an amount of Rs. 232.40 Crores due to MERC tariff orders and judgment of ATE.

KEY HIGHLIGHTS H1 FY11: CONSOLIDATED

During the half year ended September 30, 2010, Tata Power's Revenues stood at Rs. 9949.46 Crores up by 4% as compared to Rs. 9576.79 Crores in the same period last year. Profit After Tax (PAT) for half year was up by 8% at Rs. 993.21 Crores as compared to Rs. 921.49 Crores for the same period last year.

The Company reported Profit before Tax, Share of Associates, Minority Interest and Statutory Appropriations of Rs. 1640.95 Crores, up by 11% as against Rs. 1484.17 Crores in the corresponding last year. The Company reported 5% increase in Net Profit After Statutory Appropriations at Rs. 984.21 Crores as compared to Rs. 940.38 Crores in the corresponding period in the previous year.

In Segment-wise performance, Revenues for Power business was Rs. 6497.50 Crores and Coal Business was Rs. 3013.98 Crores as compared to Rs. 6541.59 Crores and Rs. 2677.56 Crores respectively during the corresponding periods last year. PBIT for Power Business was Rs. 988.45 Crores as against Rs.1085.34 Crores and PBIT for Coal Business increased to Rs. 786.27 Crores as compared to Rs. 713.55 Crores, in the corresponding periods last year.

Speaking on the performance for the quarter, Mr. Prasad R. Menon, Managing Director, Tata Power, said, "We are happy that our efforts to explore new avenues in the renewable space are moving on a steady path and in the right direction. Tata Power has a strong mission to achieve at least 25% of its generation portfolio through renewable sources of energy by 2017, geothermal energy being one of the prime renewable growth engines The 240 MW Sorik Marapi exploration along with consortium partner Origin Energy and Supraco is in line with our overall growth strategy to build global relationships and partnerships with organizations which are leaders in their field.

We are also pleased to win Satpura CBM block with our consortium partner Arrow Energy. Harnessing unconventional sources of energy like CBM for power generation will help secure fuel for the end-use power project.

Finally, we are encouraged by the strong performance and growth of our retail business in Mumbai. All our business divisions have performed well. Our operations continue to be stable and our new projects under implementation are progressing well."

OPERATIONAL AND BUSINESS HIGHLIGHTS:

During the quarter, Company's Operations continued to report stable performance. Sales volume for the quarter stood at 3926 MUs and overall generation was 3695MUs.

Mumbai Retail Business:

During the quarter, the Company added 8031 customers out of which 5130 were changeover customers (Industrial - 297, Commercial - 1,650, Residential - 3,183), taking its total customer base to 84,831. The Company had 26,005 direct consumers before it started expansion of its retail business in the Mumbai market. Bill Payment Centres were inaugurated at Goregaon, Santacruz, Dahisar and Chembur. Cash payment facility was started at 42 post offices across Mumbai. New office at Mankhurd for application processing and billing team became operational.

Tata Power Strategic Electronic Division (SED): Joint Receipt Inspections for third and fourth lot of Pinaka programme were completed, thus completing the Launcher and Command Post delivery under the programme. SED has been bestowed Frost & Sullivan's Competitive Leadership Award for successfully bidding for the Indian Air Force (IAF) project involving the upgradation of 30 IAF airfields.

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North Delhi Power Limited (NDPL): The Company's distribution subsidiary and Joint-Venture with Delhi Govt., NDPL posted revenues of Rs. 1185.55 Crores during the quarter, a growth of 17% as compared to the previous year of Rs. 1014.03 Crores. The Profit after Tax increased to Rs. 74.13 Crores as against Rs. 25.66 Crores in the previous year.

Powerlinks Transmission Limited (Powerlinks): Powerlinks, the first public-private Joint-Venture in power transmission in India has earned revenues of Rs. 73.73 Crores as against Rs. 75.11 Crores in the previous year. The Profit after Tax also increased by 34% to Rs. 27.53 Crores from Rs. 20.60 Crores in the previous year.

Tata Power Trading Company Limited (TPTCL): TPTCL traded a total of 1067 MUs during the quarter as compared to 807 MUs in the previous year, thereby resulting in an increase in its revenues to Rs 418.36 Crores from Rs. 452.93 Crores in the previous year. The Profit / (Loss) after Tax is Rs (1.98) Crores as against Rs. 1.62 Crores in the previous year.

GROWTH PLANS:

The progress on Company's upcoming projects is as follows:

4000 MW, Mundra Project: Mundra UMPP is progressing as per schedule with engineering, procurement and construction activities in full swing. Overall project progress achieved is 65%. Erection of boiler pressure parts for Units 3, 4 and 5 is progressing well. Work on chimneys and 400 kV switchyard is proceeding as per schedule. The first unit is expected to be commissioned by September 2011.

1050 MW Maithon Project: is also progressing well and has achieved 90% completion. Unit 1 boiler light up is expected to be completed this month and is expected to be commissioned in Q4 FY11. Unit 2 is expected to be commissioned in Q1 FY12. Since the railway line will not be ready in time for the plant synchronization, alternate arrangements have been made for coal transportation by road using trucks.

Industrial Energy Limited: 120 MW Unit 5 being constructed at the Company's existing site at Jojobera has been synchronized. The project is expected to be commissioned towards the end of December 2010.

114 MW Dagachhu Project: 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. Civil works are in progress and around 1.3 Kms of tunnelling has been completed. Work has also commenced on other fronts viz. desilter, surge shaft, weir, etc. Infrastructure activities like approach road, bridges, construction power, etc. have been completed. The first unit is targeted to be commissioned by FY14.

Partnership with SN Power: The Company has signed an exclusive partnership agreement with SN Power, Norway to set up joint ventures for developing hydropower projects in India and Nepal. Tata Power and SN Power have already begun pursuing potential project opportunities based on the vast reserves of renewable energy inthe Himalayan region.

1600 MW Coastal Maharashtra Project: During the year, the Company has made substantial progress in this project. The R&R authority of the GoM has approved the R&R proposal of the company. Land acquisition is in progress. The plant is expected to be commissioned within 4 years of land acquisition.

660 MW Naraj Marthapur, Orissa: The major clearances for the 660 MW Naraj Marthapur project have been obtained. Process is on for obtaining environmental clearance from MoEF. The plant is expected to be commissioned within 42-45 months of completion of the land acquisition, which is expected to be completed during the year. The Company has been allotted the Mandakini coal block located in the Angul district of Orissa, along with Monnet Ispat and Energy Limited, and Jindal Photo Limited, which will feed coal to the plant.

Tiruldih Power Project, Jharkhand (3 X 660 MW): The process of land acquisition is expected to take around 12 to 18 months. The first tranche of land (300 acres) is expected to be acquired around October 2010. Inprinciple clearance has been received from Railways for transportation of coal from Tubed Coal Block. Tubed Lighting up Lives!



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Coal Block has been jointly allotted to Tata Power and Hindalco in Jharkhand.

Satpura CBM Block: Tata Power along with its consortium partner Arrow Energy has been awarded the Satpura CBM block in Madhya Pradesh during the CBM IV bidding round. The Tata Power-Arrow Energy consortium has been awarded the Satpura CBM block in Madhya Pradesh.

Renewable Projects:

Wind Power: Tata Power is the leading private wind generation company with an installed capacity of 221.90 MW and added another first to its credit by commissioning 2 MW-class wind turbines designed by Kenersys Gmbh of Germany and manufactured and installed by Kenersys India.

The application for registration of the Khandke wind farm with United Nations Framework Convention on Climate Change (UNFCCC) as a Clean Development Mechanism (CDM) project with UNFCCC has now been approved. 50.4 MW Khandke wind farm in Maharashtra was commissioned in December 2007.

Solar Power: The Company is implementing a 3 MW solar photo-voltaic plant at Mulshi and will be one of the largest grid connected plants in Maharashtra. The plant is expected to be commissioned by December 2010. The Company has received approval from the Government of Gujarat to set up a 25 MW solar project in Gujarat.

Geothermal Power:

Tata Power led consortium comprising of Tata Power (47.50%), Origin Energy Limited (47.50%) and PT Supraco Indonesia (5%) successful won the bid for the Sorik Marapi geothermal project in Northern Sumatra, Indonesia. The Sorik Marapi project is estimated to support the development of approximately 240 MW of geothermal generation capacity.

SUSTAINABILITY INITIATIVES:

Tata Power Energy Club: In FY11, the Club plans to reach out to 275 schools nationwide and targets to save 2 million units. Whereas the last year was a year of unprecedented growth, this year is one of consolidation and quality management. Over 174,000 students have been sensitised. The Association of Business Communicators of India (ABCI) has bestowed an award on the Tata Power Energy Club for Environment Communications.

New Technologies: Various technologies in a variety of areas like algae for CO₂ absorption, carbon capture reuse and storage, fuel cell (telecom tower application), gasification (biomass, coal), solar (PV, thin-film and concentrated thermal), micro-turbine wind energy generation, etc. are being evaluated.

As a green initiative, Tata Power has installed a Hybrid system at Mankhurd receiving station. **The 2.82 KW Solar/Wind hybrid turbine** at Mankhurd substation is a demonstration project commissioned to meet the lighting requirements of the control room. The hybrid unit contains two complete generating plants, a PV Solar cell plant and a Wind-turbine system.

Energy Efficient T5 Fluorescent Tube Light (FTL) for Mumbai Consumers: The Company has launched a pilot program wherein energy efficient tube lights (FTLs) and 5-Star ceiling fans are being supplied to its residential customers in Mumbai. Under this program, Tata Power is facilitating an interesting offer of 50,000 FTLs with electronic ballast at 35 to 40% discount to its end consumers, under the DSM budget. Moreover, other pilot programs of split air conditioners and thermal storage systems have also received a shot in the arm with the approval of Maharashtra Electricity Regulatory Commission (MERC) to implement the same in Mumbai. Consumers are expected to save 30% energy with the usage of these energy efficient equipments.

Bio-Gas Plant at Trombay Thermal Power Station: A two tonne capacity Bio-Gas plant has been set up in Trombay, which utilizes food waste from the central kitchen, canteen and Trombay Housing Colony. The objective of setting up a Bio-Gas plant is to provide clean and cheap source of fuel for cooking purposes. The cooking gas produced by this plant is used by the Central canteen, thereby saving and reducing the dependence on LPG by the central kitchen at Trombay.

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About Tata Power:

Tata Power is India's largest integrated private sector power utility with an installed generation capacity of about 3000 MW anda 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.

For further information please contact:

Shalini Singh Chief, Corporate Communications The Tata Power Company Limited

Phone: 022-6665 8748

Email: shalinis@tatapower.com

Rakesh Reddy Vaishnavi Corporate Communications Tel 022-6656 8787 Cell: 9821735515

Email: rakesh@vccpl.com

