

**NEWS RELEASE**For Immediate Release**Moser Baer announces Q 1 results**

- Exchange rate and other one time non-recurring operating factors had an adverse impact on the quarter performance
- Strong performance of PV business with shipments over 25.4 MW; along with this, the domestic PV market is on the verge of explosion

**New Delhi, August 12, 2010: Moser Baer India Limited (MBIL)** today released its financial results for the first quarter of FY 2010-11. The company's Board of Directors, at its meeting in New Delhi, approved the financial results for the quarter ended June 30, 2010.

**Highlights include:**

- Quarter performance impacted due to one time non recurring operating factors to the tune of Rs 76 Crores
- PV business order book surges beyond Rs 1200 crores mark; substantial business visibility for the next 2 -3 years
- Moser Baer emerges as the largest multi-technology PV player in India; Crystalline Silicon (c-Si) and Thin Film PV plants operating at full capacity
- 100 MW of c-Si cell and module expansion to be operational by year end
- EPC business emerges as the leading player in the Indian solar market, gearing to execute projects totalling 200 MW in the next 12 months
- Blu – Ray disc achieves significant global traction, shipments grew 10 times YoY

Commenting on the company's growth strategy, **Deepak Puri, Chairman & Managing Director, MBIL**, said: "We are at the threshold of the **renewable energy** revolution. It will completely transform our economic and social systems. Our strategy is to leverage **our global expertise** and capabilities to **capture around 35 % of the domestic demand** emanating out of the National Solar Mission." He added: "The National Solar Mission will help accelerate our process to emerge as **India's first Giga Watt player.**"

**Yogesh Mathur, Group Chief Financial Officer, MBIL** said: "The past quarter performance has been impacted by summer slackness and one time non recurring operating factors. Firstly, the price of Poly Carbonate spiked unexpectedly in early part of the quarter and could not be passed on to the customers. Secondly, a drop in



exchange rate realisation from USD to INR and EURO to USD resulted in lower realisation against significant sales which has affected the bottom line." He added: "The Company is likely to save a significant amount on account of its power saving programmes including fuel conversion to Natural Gas, carbon credit and power consumption optimization. Our adoption of green fuel will help us become globally more competitive by addressing cost volatility and reducing fuel risk in addition to environment benefits."

### **Optical Media**

The **EBITDA margin** of Optical Storage Media was impacted due to **one-time non recurring operating factors** – firstly, foreign exchange movement (USD v/s INR and Euro v/s USD) resulted in lower realization and secondly, unexpected spike in Poly Carbonate prices between March 2010 and May 2010 affected the margins as the differential costs could not be passed on to the customers. There was an additional NRV impact on the inventory.

During the quarter, the shipments of **Blu – Ray were 10 fold** compared to the same quarter of the previous year. **Aggressive capacity expansion of Blu – Ray facility** will help the company capture significant share of the **global market**, which is likely to **grow by 30% by the end of FY'11**.

**Flash media market** in India is expanding rapidly and the company is likely to **capture 20% market share** by the end of FY'11.

**A significant savings** is also expected on account of the company's **power cost saving programmes** including fuel conversion to Natural Gas, carbon credits and power consumption optimization. There is an estimated annual savings potential of approx. Rs 70 crores

### **Solar photovoltaic**

India is expected to achieve 1,400-1,500 MW of solar installations by 2012-13 under the 'Jawaharlal Nehru National Solar Mission' and various 'State Government Initiatives'. The Government has announced policies and guidelines for rapid development in the solar energy space with strong focus on domestic manufacturing of solar equipment. The implementation guidelines for 'Rooftop PV and Small Solar Generation Programme' (RPSSGP) and 'Off-grid and Decentralised Solar Applications'



under Phase 1 of National Solar Mission were released in June 2010 and Guidelines on Selection of 'New Grid Connected Solar Power Projects' were released in July 2010. Use of domestically manufactured modules has been made mandatory under RPSSGP. Moreover, under the guidelines for "New Grid Connected Solar Power Projects" domestic content has been made mandatory for projects based on 'Crystalline Silicon' technology in the first batch (FY'11). This would be applicable for 'cells and modules' for all Projects in the second batch (FY'12) under grid connected applications. These initiatives will promote the Indian solar equipment manufacturers and will encourage the domestic players to enhance their capacities.

States like Rajasthan and Gujarat have already established a clear policy and guidelines on the procedures for setting up solar power projects. The **Gujarat state government** has already signed power purchase projects for approx. **420MW**.

Moser Baer is uniquely positioned and expanding to capture the huge Indian opportunity with its strong EPC capability, wide experience, multiple benchmark projects and unique product offering in the form of Thin Film panels.

The PV subsidiary had **strong shipments in the third consecutive quarter**. **25.4 MW** shipments were achieved during the quarter (including shipments for the Tamil Nadu Project). Financing lines have been established for the 100MW Silicon Cell and Module Line and financial closure is expected shortly. The Thin Film plant has been operating at benchmark efficiency.

The strong **EPC capability - 'concept to commissioning'**, of the company has helped it commission over **50 solar projects already**. Today the EPC unit of the company is **the leading player in India with projects totaling over 200Mw to be executed**.

#### **Entertainment**

- Firm EBIDTA position in Q1 FY 10-11
- Launched 10 Blu Ray titles in the quarter
- Strong retail roll-out continues during the quarter: 5000 focused retail outlets



- Company is targeting top end of the market; thus focus on value added premium products with high quality which is expected to lead to higher realizations and better margins

**About Moser Baer India:**

*Established in 1983, Moser Baer India (MBI) is a globally, diversified technology group. With its manufacturing expertise and extensive R&D base, the Group has successfully diversified in areas like Blank Optical Media, Solar Photovoltaic, Home Entertainment and IT Peripherals & Consumer Electronics. The company has successfully developed cutting edge technologies to become one of the world's largest manufacturers of Optical Storage Media like CDs and DVDs. MBI is the first to market the Blu-Ray discs in India – the next-generation storage formats. In recent years the company has entered into exciting areas of home entertainment and consumer products and is set to lead the technology curve in tapping renewable energy resources in the high growth photovoltaic space. Over the years, MBI has emerged as one of the most credible brands focussed on hi-tech manufacturing and R & D activities. It is continuing to unfold the next generation innovative technologies that will catapult India into a respectable manufacturing hub. For more details please visit: [www.moserbaer.in](http://www.moserbaer.in)*

**For further information please contact**

**Abhinav Kanchan** (abhinav.kanchan@moserbaer.in)

011-40594175

**Balaji Krishnaswami** (balaji.krishnaswami@moserbaer.in)

+91-9971757474 / 011-40594338

**Saurabh Saggi** (saurabh@corvoshandwick.co.in)

+91-9810074079

**Please find the Financial Results on the next page**