

HIGHLIGHTS

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GROUP HIGHLIGHTS

FINANCIAL HIGHLIGHTS

- › Revenue increased by 7% to US\$11.5 billion (FY2016: US\$10.7 billion) driven by firmer commodity prices and volume ramp up
- › EBITDA increased by 37% to US\$3.2 billion (FY2016: EBITDA: US\$2.3 billion)
- › Adjusted EBITDA margin of 36% (FY2016: 28%), driven by firmer commodity prices and operational efficiencies
- › Free cash flow (FCF)♦ post capex of US\$1.5 billion (FY2016: US\$1.8 billion). Excluding one-time working capital initiatives FCF at US\$1.4 billion (FY2016: US\$0.9 billion)
- › Gross debt at US\$18.2 billion (FY2016: US\$16.3 billion), higher on account of temporary borrowings at HZL (US\$1.2 billion) for special dividend payment
- › Gross debt reduced by US\$1.4 billion post 31 March 2017
- › Net debt♦ at US\$8.5 billion (FY2016: US\$7.3 billion), higher, driven by dividends paid to minorities and the associated dividend distribution tax
- › Vedanta Limited and Cairn India merger completed
- › Underlying profit♦ per share of 1.1 US cents (FY2016: loss of 131.9 US cents)
- › Positive credit rating movements
 - S&P upgraded the issuer credit rating from B/Stable Outlook to B+/Stable Outlook
 - Moody's upgraded the Company's Corporate Family Rating (CFR) by one notch from B2/Negative to B1/Stable
- › Announced a final dividend of 35 US cents per share (total dividend 55 US cents per share), dividend yield of 6.5%
- › Declaration of record interim dividend by subsidiaries in March 2017
 - Hindustan Zinc Limited announced dividend of US\$2.1 billion including dividend distribution tax
 - Vedanta Limited announced a dividend of US\$1.0 billion, of which US\$500 million was received by Vedanta Resources plc

BUSINESS HIGHLIGHTS

- › Record annual production at Aluminium, Power, Zinc India (zinc and silver) and Copper India
- › Successful ramp up from Mangala EOR with production level of 56,000boepd in Q4 at Cairn Oil & Gas
- › Zinc International
 - Highest quarterly production in Q4 at Black Mountain in four years
 - Mobilisation on Skorpion Pit layback commenced in April
 - Gamsberg project on track to commence production in mid CY2018
- › Aluminium: Strong production during the year; volumes impacted by a pot outage in April
- › Power:
 - 1,980MW Talwandi Sabo Power Plant (TSPL) operating at 85% availability in Q4
 - TSPL operations impacted by a shutdown due to a fire in April. Rectification in process and expected to recommence operations by the end of June 2017
- › Iron ore:
 - Achieved 2.6 million tonnes of the additional production capacity granted in Goa for FY2017
- › Copper Zambia
 - Strong custom production
 - Lower integrated production due to lower equipment availability
 - Ramp up commenced at reconfigured Nchanga underground mine
- › Delivered cumulative cost and marketing savings of US\$814 million over the past two years; ahead of plan to deliver US\$1.3 billion in four years