Pennar

Pennar Industries Ltd

PRESS RELEASE

PENNAR REPORTS BEST EVER PERFORMANCE WITH 49 % GROWTH IN SALES AND 34% GROWTH IN NET PROFIT

The stand alone results for Pennar Industries for Quarter ended 31st December 2010 and the comparison with the corresponding quarter for last year are given below:

- Sales for Q3 FY'11 Rs. 314.8 Cr. an increase of 49.4% over Q3 FY'10.
- Gross Profit (EBIDTA) for Q3 FY'11 Rs.34 Cr. an increase of 23.6% over Q3 FY'10.
- Net Profit for Q3 FY'11 Rs.18.3 Cr. an increase of 34.8 %over Q3 FY'10.
- Basic EPS Rs. 1.50 (not annualized) and cash EPS of Rs. 1.90(not annualized) per share of Rs.5

Pennar's consolidated net profit for the quarter ended 31st December 2010 was Rs. 19.6cr., reflecting the Company's highest ever profit in a Quarter, Gross sales were Rs. 354.3 cr. The EBIDTA and PBT for the quarter were Rs. 38.0 cr and Rs. 31.4 cr respectively. On an annualized basis, consolidated basic EPS and cash EPS for the quarter amounted to Rs. 6.4 and Rs. 8.2 respectively per share of Rs 5/- each.

The consolidated gross sales for nine months ended 31st December, 2010 were Rs 984.3 cr., gross profit (EBIDTA) was Rs. 109 cr. and the net profit was Rs 54.8 cr.

Pennar's subsidiary Pennar Engineered Building Systems (PEBS) has completed expansion and doubled the capacity to 60000MT. It has procured orders amounting to over Rs. 300 crore during this calendar year from prestigious customers like L&T, Ultratech, Dr Reddy's, Asian Colour Coated Steel, My Home Cement, Schneider Electric, P&G, Safe Express, Thermax etc.. PEBS plant is the first factory in India to be awarded the Gold Certificate from the Indian Green Building Council. The Company obtained ISO 9001 certification recently.

Pennar Industries has completed the first phase of expansion of its plant at Isnapur, near Hyderabad, to cater to the growing demand from Building, Railways and Pollution Control segments. Work has also commenced at Isnapur and Tarapur plants for putting up additional capacities for doing heavy engineering fabrication work, electro static precipitator electrodes and precision tubes for automobiles.

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The guidance for the consolidated performance for the year FY '11 is as follows:

Gross Sales	Rs. 1350 Cr
EBIDTA	Rs. 150 Cr
Net Profit	Rs. 75 Cr
EPS (Basic)	Rs.6.15 per share of Rs. 5/- each

About Pennar Industries

Pennar Industries Ltd is a multi-location, multi-product company, engaged in the manufacture of profiles and components in various grades of steel and stainless steel and caters to Auto, White Goods, Railways and Infrastructure segments.

Pennar has demonstrated continuous growth in sales and profits on a quarter or quarter basis for the last twenty four consecutive quarters

Pennar's subsidiary, Pennar Engineered Building Systems Limited (PEBS) has a 60000 MT per annum capacity manufacturing facility set up at Sadashivpet near Hyderabad. PEBS which commenced commercial production in January 2010, is engaged in the design, manufacture, supply and erection of pre-engineered steel buildings and building components catering to the requirements of factories, ware houses, commercial centers, multi-storied buildings, aircraft hangars and sports complexes.

Pennar currently has six manufacturing plants located at Patancheru, Sadashivpet and Isnapur near Hyderabad, Chennai, Tarapur (Maharashtra) and Hosur (Tamil Nadu) with a total capacity of 275,000 TPA.

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10th January 2011