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# PRESS RELEASE

## Usha Martin Limited Consolidated Net Profit at Rs 87.78 Crores, up by 36%

*Earnings stronger than corresponding quarter and first half of previous fiscal year.*

**Kolkata, October 27, 2010:** Usha Martin Limited, leading producer of Speciality Steel and one of the largest Wire Rope manufacturer globally announced its result for the second quarter and half year ended 30th September 2010.

## Financial Highlights

The key **consolidated** financial highlights as compared to the corresponding period of the previous year are:

| Particulars | Q2 FY11 Rs in Crs | Growth (%) | H1 FY11 Rs in Crs | Growth (%) | FY 09-10 Rs in Crs |
|---|---|---|---|---|---|
| Turnover | 820.06 | 17.5 | 1538.71 | 15.4 | 2630.33 |
| Net Sales | 763.55 | 14.0 | 1436.70 | 12.4 | 2514.41 |
| PBT | 68.33 | 20.0 | 129.13 | 20.5 | 240.04 |
| PAT | 45.92 | 40.8 | 87.78 | 35.8 | 168.62 |
| Annualised EPS [Rs.] | 6.04 | | 5.76 | | 6.46 |

- **EBITDA Margin was 20.9% for the quarter and 21.2% for the first half compared to 16.8% & 17.3% of the corresponding period of the previous year, higher by 410 bps & 390 bps respectively.**

The key **Stand Alone** financial highlights as compared to the corresponding period of the previous year are:

| Particulars | Q2 FY11 Rs in Crs | Growth (%) | H1 FY11 Rs in Crs | Growth (%) | FY 09-10 Rs in Crs |
|---|---|---|---|---|---|
| Turnover | 694.89 | 36.6 | 1289.33 | 37.3 | 1960.03 |
| Net Sales | 639.65 | 32.6 | 1189.86 | 34.1 | 1850.39 |
| PBT | 49.95 | 55.0 | 93.76 | 61.7 | 139.21 |
| PAT | 32.50 | 121.7 | 62.93 | 124.3 | 92.21 |
| Annualised EPS [Rs.] | 4.28 | | 4.12 | | 3.53 |

- **EBITDA Margin was 20.8% for the quarter and 21.3% for the first half compared to 16.4% & 17.4% of the corresponding period of the previous year, higher by 440 bps & 390 bps respectively.**

## Operational Highlights

The **Stand Alone** production & sales performance as compared to the corresponding periods were as follows –

| | Q2 FY11 MT | Growth % | H1 FY11 MT | Growth % |
|---|---|---|---|---|
| **Production** | | | | |
| Billet | **129,265** | **67.7 %** | **250,216** | **51.8 %** |
| Rolled Products | **120,623** | **38.4 %** | **238,765** | **52.9 %** |
| VA Products | **51,572** | **13.7 %** | **102,827** | **16.9 %** |
| **Sales** | | | | |
| Rolled Products | **76,930** | **104.6 %** | **133,288** | **91.3 %** |
| VA Products | **46,412** | **13.0 %** | **89,060** | **15.6 %** |

- **Blast Furnace II & Sinter plant have become fully operational during the quarter.**
- **Iron Ore & Coal productions continued normal operations though productivity was lower in quarter due to monsoon.**
- **Internal transfer of steel for value added products remained at 47,368 MT (40%) in the quarter and 102,987 MT (45%) for the first half of the current financial year**

## Business Initiatives

To perpetuate the advantage of cost competitiveness in manufacturing of Speciality Steel and maintaining global leadership position in wire rope business the Company is implementing a number of cost and capacity optimising projects involving capital expenditure of Rs. 1200 crores. The investment includes expansion of value added products.

## Business Locations

Usha Martin Limited (UML) a leading Integrated Speciality Steel company and one of the largest Wire Rope manufacturers globally with facilities spread across major global markets -

| | |
|---|---|
| Corporate Office – | Kolkata, India |
| Iron Ore Mine - | Barajamda, India |
| Coal Mine - | Daltonganj, India |
| Steel Plant - | Jamshedpur, India |
| Wire & Wire Rope Plant - | Ranchi, India<br>Hoshiarpur, India<br>Jamshedpur, India<br>Thailand, UK & Dubai |
| Bright Bar Plant - | Ranchi, India<br>Chennai, India |
| Distribution & Marketing - | United States, Europe, Middle East, South East Asia & Australia |