APL Apollo Tubes Limited

Q1FY2012 Investors' Update

July 27, 2011

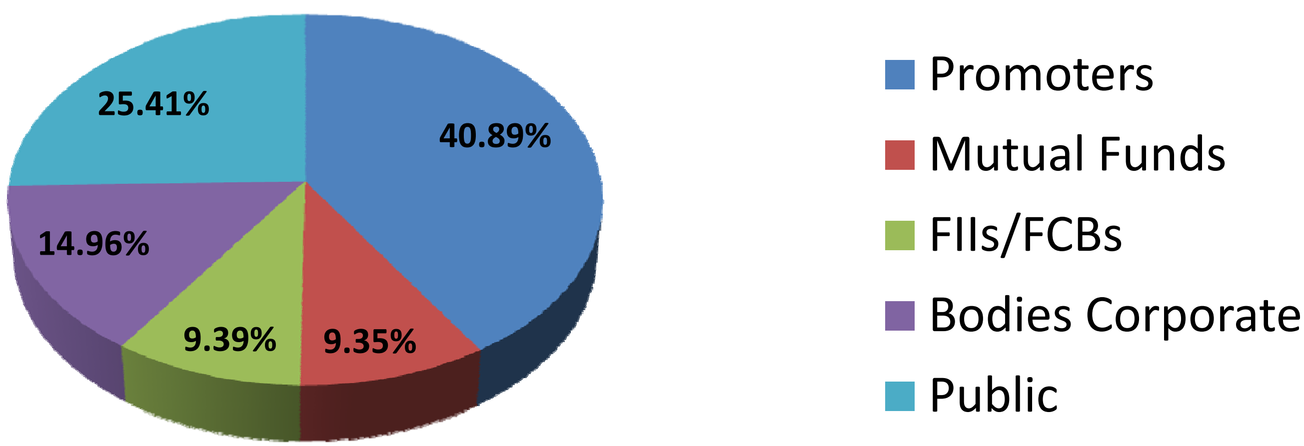
BSE Code: 590059

We are among the top 3 manufacturers of steel tubes, pipes and hollow sections in India.

ABOUT US

- Established player in hollow sections and pioneer in pre-galvanised steel tubes.
- Headquartered in NCR Delhi and having 5 manufacturing locations in four states
- Total manufacturing capacity of 490,000 TPA
- An established customer base both in India and abroad
- Close proximity to the major raw material and consumption centers
- Exports to over 35 countries across all continents
- Direct marketing presence in over 15 states and vast distributor-network comprising ~300 Dealers across India

OWNERSHIP DETAILS
as on 30.06.2011



PRODUCT PORTFOLIO

PRODUCT	RANGE	END USER / USE
Hot dipped Galvanized	21.03 mm to 273 mm Outer Diameter	Water, Gas, Oil transportation & Fire Fighting
Pre Galvanized	19 mm to 114.3 mm Outside Diameter	Fencing, Cabling & Ducting, Automotive (Bus body) & Greenhouses
ERW Black	21.03 mm to 355 mm Outer Diameter	Fire fighting, conveyor systems, scaffolding, transmission towers, power projects and industrial uses
Hollow Section	19X19 - 250X250 mm	Infrastructure, Metro, Airports, Stadiums, Prefab and industrial applications
	40X20 - 300X200 mm rectangular	

- We manufacture 250+ varieties of steel tubes in the size range of ½" to 14" outer diameter; API certified facility in Maharashtra
- Over 13 production lines; ability to produce the largest range of hollow sections in all variants (black, galvanised and pre-galvanised), in a shorter time for specialised needs

Traditionally, steel tubes and pipes were used mainly for water infrastructure, construction and management.

In the recent years, it has evolved into a full-fledged infrastructure material with diverse applications across industries.

Traditional uses

- Irrigation & Plumbing
- Water infrastructure systems
- Buildings and high-rises
- Fencing
- Engineering Application

New age uses

Manufacturing

- Bus bodies -structures for low floor buses
- Telecommunication towers
- Oil, Gas and Sewage transportation
- Wind Mills
- Fire-fighting
- Pre-fabrication

Architecture and construction

- Walkways
- Hotels
- Malls
- Greenhouses
- Metro rail stations
- Bus terminals
- Ports
- Bridges
- Airport terminals

Q1FY2012 Review

Q1 FY2012 vs. Q1 FY2011

(Rs. mn)	Q1FY2012	Q1FY2011	% growth	FY2011	% growth
Net income from operations	**3066.7**	**1569.6**	**95.4%**	**9001.4**	**45.6%**
EBIDTA	278.3	146.7	**89.7%**	**887.5**	**55.0%**
Exceptional items	-	-		**-**	
EBIDTA after exceptional items	**278.3**	**146.7**	**89.7%**	**887.5**	**55.0%**
EBIDTA (%)	9.07%	9.34%		**9.85%**	
Interest	64.7	29.3	**120.8%**	**182.5**	**68.3%**
Depreciation	20.5	10.5	**95.2%**	**61.1**	**69.2%**
Add: Other income	-	-		**-**	
Profit Before Tax	**193.1**	**106.8**	**80.8%**	**643.9**	**48.7%**
Tax	63.0	35.1	**79.5%**	**213.2**	**36.0%**
Profit After Tax	130.1	71.7	**81.5%**	**430.7**	**44.7%**
Profit After Tax (excluding exceptional items)	**130.1**	**71.7**	**81.5%**	**430.7**	**44.7%**
Net Profit margin (%)	4.24%	4.56%		**4.78%**	
Equity	202.97	202.97		**202.97**	
Basic EPS (Rs.) (excluding exceptional items)	**6.41**	**3.53**		**21.22**	

Q1 FY2012 FINANCIAL HIGHLIGHTS

•Net profit for the quarter ended June 30, 2011 increased by 81% at Rs 130.1 mn compared to Rs 71.7 mn in the corresponding quarter previous year.

•Operational income during the quarter increased by 95 percent to Rs. 3066.7 mn as compared to Rs 1569.6 mn in the corresponding quarter ended June 30, 2010.

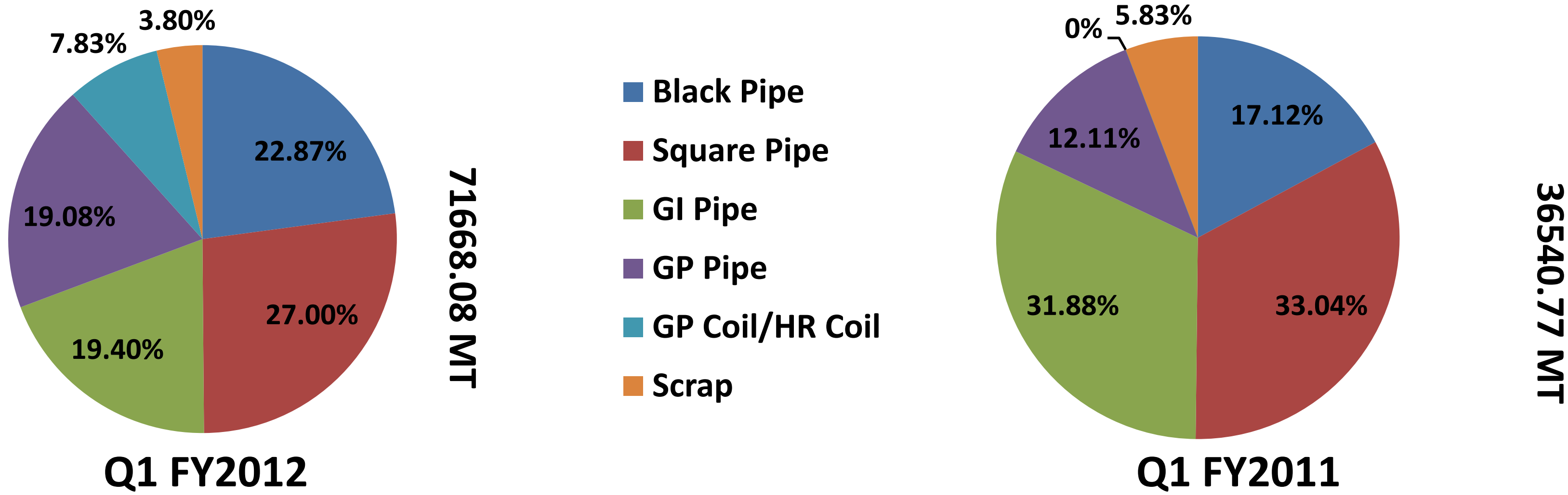
•EBITDA increased by 90% to Rs. 278.3 mn as compared to Rs. 146.7 mn in Q1FY11; EBIDTA margin for Q1FY12 was 9.07%.

Production & Realisation

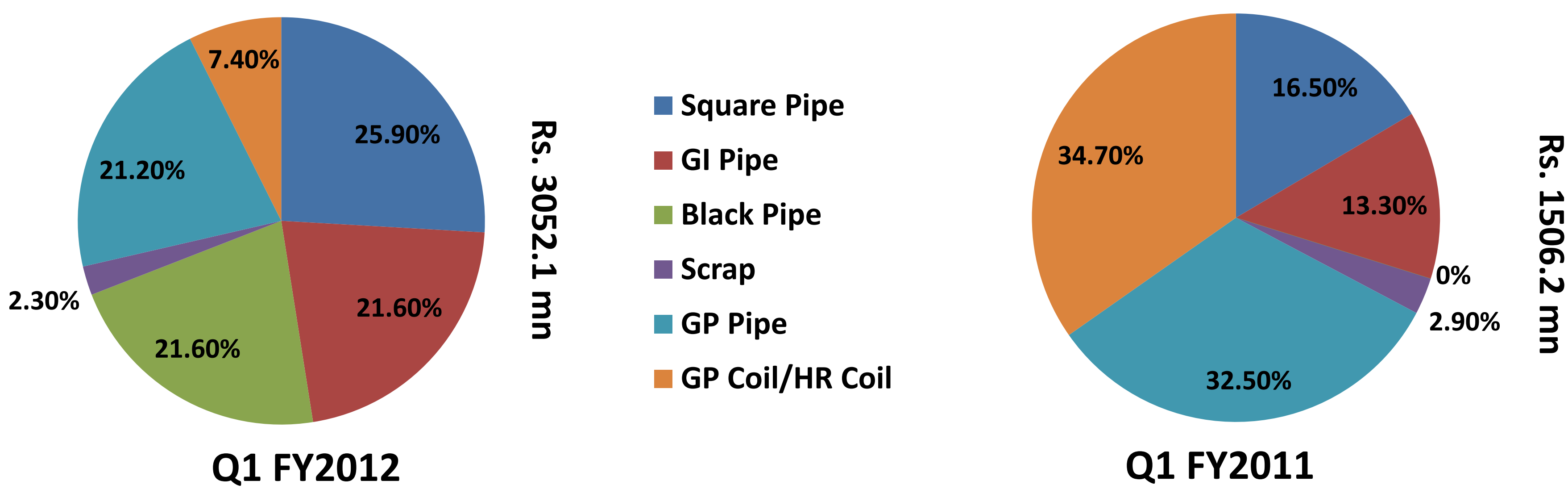
Products	Q1 FY 12		Q1FY11	
	QTY (MT)	Avg. Price (INR)	QTY (MT)	Avg. Price (INR)
Black Pipe	16,392.82	40,200.00	6,259.19	39,800.00
Square Pipe	19,353.30	40,800.00	12,071.32	40,500.00
GI Pipe	13,905.55	47,380.00	11,651.86	44,900.00
GP Pipe	13,677.62	47,340.00	4,426.54	45,400.00
GP Coil/HR Coil	5,610.42	40,200.00	-	-
Scrap	2,728.37	26,250.00	2,131.86	20,680.00
Total	71,668.08		36,540.77	

Q1 FY2012 FINANCIAL HIGHLIGHTS

Product-wise break-up of quantity sold (consolidated)



Product-wise break-up *of* revenues (consolidated)



Q1 FY2012 OPERATIONAL HIGHLIGHTS

- Group's retail initiative – APL Apollo opened three new warehouse-cum-branches in Goa, Kochi and Nagpur taking the total to ten.
- Exports accounted for 7.74% of the total revenues during the quarter
- During the quaurter, company had a total billing of 24734 MT (INR 1226.5 mn) through own warehouse cum branches.
- The Company achieved highest production in a single day i.e. ~1500MT on June 30, 2011, displaying strength and commitment. Quantity volume increased from 38572 MT to 71668 MT in the current quarter.
- During the quarter, company has made stronger presence in South and West India on back of new facilities.
- During the quarter, company has added another sheet galvanising facility of 30,000 tpa taking total to 54000 tpa at Bangaluru facility. This augmentation of in-house facilities will further help in offering value added products.
- The upbeat sentiment in the Indian economy continued to fuel demand for the Company's products from diverse sectors including irrigation, water management, urban infrastructure, automobiles (new-age bus bodies) and oil & gas sectors

Update Expansion, Acquisition

•With the new Hosur facility fully stabilised and streamlining of recently acquired Lloyds Pipelines, APL Apollo has emerged as the largest producer of steel tubes in the country having total capacity of 490,000 TPA upto outer diameter of 14 inches

•The Hosur plant was set up based on Japan's Kusakabe technology, and is the largest facility in South India and has a capacity of 200,000 TPA. Hosur facility produces widest range of steel tubes and hollow sections in galvanised and pre-galvanised.

We offer value-added products

- Pioneer in Pre Galvanised tubes & hollow sections.
- Only player who offer all varieties of ERW Black, Pre Galvanised, Hot Dipped Galvanised Tubes, Pipes and Hollow Sections
- We manufacture 250+ varieties of steel tubes in the size range of ½" to 14" outer diameter; API certified
- Added production capability for 14" tubes with acquisition of Lloyds Line Pipes; API Certified facility
- Catering to traditional uses as well as new-age user segments

We have already built capacities

- In the last four years, we have increased our capacities manifolds from 80,000 TPA in 2007 to presently 490,000 TPA through organic and inorganic route
- Enhanced utilisation of the present capacities would easily enable us to increase production by 50%, without incurring any additional capex

We have extended presence to key markets

- The only steel tubes manufacturer with manufacturing bases, in north, south and west India
- Wider geographical reach at lower logistics cost and lead time
- Own retail chain established; focus on Branding

For further information, contact:

Pankaj Gupta, CFO
APL Apollo Tubes Limited
+91 0120-4041400
Email: k.pankaj@aplapollo.com

Rohit Yagnik/ K Srinivas Reddy
Mutual PR
+91 22 2657 0341
+91 98338 07272/ 9820100538
Email:rohit@mutualpr.com/
sreddy@mutualpr.com