

PRESS RELEASE

Pennar net profit for Q4 FY'10 up by 35.8 % on highest quarterly sales of Rs 260 Crores

- Sales for Q4 FY'10 - Rs 260.7 cr.- an increase of 55.6 % over Q4 FY'09
- EBIDTA – for Q4 FY'10 - Rs. 31.6 cr. - an increase of 54 % over Q4 FY'09.
- PBT for Q4 FY'10 - Rs. 25 Cr. - an increase of 66 % over Q4 FY'09.
- PAT for Q4 FY'10 Rs 13.8 Cr - up by 35% over Q4 FY'09

For the quarter ended March 31, 2010, Pennar Industries Limited (Pennar) achieved its highest ever quarterly sales of Rs. 260.7 Crore with gross profit (EBIDTA) amounting to Rs. 31.6 Crore, Profit Before Tax (PBT) of Rs. 25.0 Crore and Net Profit of Rs.13.8 Crore.

For the year ended March 31, 2010, Pennar achieved Gross Sales of Rs.861.5 Crore, gross profit (EBIDTA) of Rs. 108.8 Crore, Profit Before Tax (PBT) of Rs. 85.8 Crore and Net Profit of Rs.50.2 Crore. The Cash EPS for the year was Rs 6.5 and the Basic EPS was Rs 4.1 per share of Rs 5/- each.

The company's' subsidiary, Pennar Engineered Building Systems (PEBS), has commenced commercial production effective January 1, 2010. For the year ended March 31, 2010 the consolidated Gross Sales was Rs 889.8 Crore, the EBIDTA was Rs 121 Crore and the PAT was Rs 50.6 Crore. The Consolidated Cash EPS per share of Rs 5/- each was Rs 6.2 and Basic EPS was Rs 4.15.

During the year ended March 31, 2010, the company has bought back 44,53,479 shares from the open market. These shares have been extinguished, thereby reducing the equity capital of the company.

The expansion of facilities at Chennai plant for catering to the growing demands of Railways, Automobiles and Engineering sectors has been completed. The expansion at Isnapur plant near Hyderabad is in progress.

About Pennar Industries

Pennar has a demonstrated continuous growth by registering a growth in profits on Quarter-on-quarter basis for the last twenty two consecutive quarters.

At the core of the turnaround and the success of the company is its strategy to diversify its product range by adding value added products like Rail Wagon and coach profiles and chassis, engineering components and road safety systems. The company is focusing on specialty profiles, sub-assemblies and fabricated components for transportation and infrastructure companies. Pennar has recently set up a facility in Chennai to cater to Railways and automotive sectors.

Pennar has also launched a new subsidiary Pennar Engineered Building Systems (PEBSL) at a cost of Rs 50 Crores. The 30,000 ton per annum capacity project, being set up in a 28-acre site at Sadasivpet in Medak district, about 70 km from Hyderabad. PEBSL will be engaged in the design, manufacture, supply and erection of pre-engineered steel buildings and building components catering to the requirements of, among other things, industries, warehouses, commercial centres, multi-storied buildings, aircraft hangars and sports complexes.

Pennar currently has six plants located at Patancheru, Sadasivpet and Isnapur near Hyderabad, Chennai, Tarapur (Maharashtra) and Hosur (Tamil Nadu) with a total capacity of 220,000 TPA.