

For Immediate Release

January 31, 2012

## Pennar Industries Limited

Announces

### Consolidated and Standalone Third Quarter Financial Results for FY2012 (Unaudited)

#### Q3 FY2012 Performance Highlights:

Consolidated Net Sales Rs. 278.7 Crore, EBITDA Rs. 31.1 Crore, EBITDA Margins 11.1%

PEBS<sup>1</sup> Net Sales Rs. 61.6 Crore, EBITDA Rs. 6.0 Crore, EBITDA Margins 9.7%

PEBS Order Book of over Rs. 215 Crore

**Hyderabad, India, January 31, 2012**– Pennar Industries Limited (referred to as “Pennar” or the “Company”, BSE: 513228, NSE: PENIND), one of India’s leading industrial companies engaged in the production and marketing of specialized and engineered metal products, and pre-engineered buildings, announces its Unaudited Consolidated and Standalone Third Quarter Results for FY2012, in accordance with Indian GAAP.

Commenting on the results and performance, **Mr. Nrupender Rao, Chairman of Pennar Industries Limited** said:

*“PEBS Pennar once again showed robust revenue growth and profitability. During the quarter we were able to secure orders worth Rs. 75 Crore from both new and existing clients. Compared to this time last year, this high growth business has almost doubled its EBITDA contribution to the Group.*

*Pennar Industries has successfully leveraged its engineering platform to enter into the solar PV structurals business and has executed large orders from blue chip customers including L&T, Moser Baer, Lanco, Indu Projects among others. The division has generated a strong order book of Rs. 90 Crore. The Company has set up capacities for manufacturing CDW and ERW tubes for which trial production has started. The sheet piling business has also picked momentum. We expect these businesses to grow strongly in the near term. The railway segment, which has been under significant demand pressure in the last quarter, has shown improvements in the new calendar year and is expected to gain momentum in the coming months. Overall, the management is quite confident of achieving gross sales of over Rs. 1,400 Crore, EBITDA of Rs. 145 Crore and net profit of Rs. 63 Crore for FY2012.”*

### Consolidated Financial Highlights

| (Rs. Crore)            | Q3     |        | y-o-y      | Q2     |            | q-o-q | Nine Months |        | y-o-y      |
|------------------------|--------|--------|------------|--------|------------|-------|-------------|--------|------------|
|                        | FY2012 | FY2011 | Growth (%) | FY2012 | Growth (%) |       | FY2012      | FY2011 | Growth (%) |
| Net Sales              | 278.7  | 312.4  | (10.8)%    | 294.9  | (5.5)%     |       | 894.9       | 867.1  | 3.2%       |
| EBITDA                 | 31.1   | 38.0   | (18.4)%    | 37.0   | (16.2)%    |       | 108.0       | 109.1  | (1.0)%     |
| EBITDA Margin (%)      | 11.1%  | 12.2%  |            | 12.6%  |            |       | 12.1%       | 12.6%  |            |
| Cash Profit            | 18.6   | 25.2   | (26.3)%    | 23.1   | (19.6)%    |       | 66.8        | 71.1   | (6.1)%     |
| Cash Profit Margin (%) | 6.7%   | 8.1%   |            | 7.8%   |            |       | 7.5%        | 8.2%   |            |
| Net Profit             | 13.5   | 19.7   | (31.5)%    | 17.7   | (23.8)%    |       | 50.6        | 54.8   | (7.8)%     |
| Net Profit Margin (%)  | 4.8%   | 6.3%   |            | 6.0%   |            |       | 5.7%        | 6.3%   |            |
| Basic EPS (Rs)         | 1.10   | 1.61   | (31.5)%    | 1.45   | (23.8)%    |       | 4.15        | 4.49   | (7.8)%     |

<sup>1</sup> Pennar Engineered Building Systems Ltd., a subsidiary of Pennar Industries Ltd.



### Standalone Financial Highlights

| (Rs. Crore)            | Q3     |        | y-o-y      | Q2     |            | q-o-q | Nine Months |        | y-o-y      |
|------------------------|--------|--------|------------|--------|------------|-------|-------------|--------|------------|
|                        | FY2012 | FY2011 | Growth (%) | FY2012 | Growth (%) |       | FY2012      | FY2011 | Growth (%) |
| Net Sales              | 217.6  | 277.6  | (21.6)%    | 238.1  | (8.6)%     |       | 721.1       | 768.2  | (6.1)%     |
| EBITDA                 | 25.1   | 34.1   | (26.4)%    | 30.2   | (16.9)%    |       | 88.7        | 98.6   | (10.0)%    |
| EBITDA Margin (%)      | 11.5%  | 12.3%  |            | 12.7%  |            |       | 12.3%       | 12.8%  |            |
| Cash Profit            | 15.9   | 23.3   | (31.9)%    | 20.0   | (20.6)%    |       | 57.7        | 66.3   | (13.0)%    |
| Cash Profit Margin (%) | 7.3%   | 8.4%   |            | 8.4%   |            |       | 8.0%        | 8.6%   |            |
| Net Profit             | 11.2   | 18.3   | (38.9)%    | 16.0   | (30.1)%    |       | 45.1        | 51.9   | (13.0)%    |
| Net Profit Margin (%)  | 5.1%   | 6.6%   |            | 6.7%   |            |       | 6.3%        | 6.8%   |            |
| Basic EPS (Rs)         | 0.92   | 1.50   | (38.9)%    | 1.31   | (30.1)%    |       | 3.70        | 4.25   | (13.0)%    |

### Economic Environment<sup>2</sup>

The Index of Industrial Production (IIP) grew 5.9% in November 2011 compared to a decline of (4.7)% in October 2011. During H1 FY2012, the cumulative growth rate of the core industries was 3.8% compared to 8.4% during H2 FY2011. The wholesale price index based inflation stood at 7.5% in December compared to 9.5% for the same period last year and 9.1% for the previous month. Even though the inflation is going down, RBI did not signal any rate reversal in its last two review announcements. All this coupled with slowdown in infrastructure spending has led to domestic steel consumption growth rate moderating to 3.9% during the first eight months of FY2012. This has resulted in a marginal decline in steel prices compared to last quarter.

Automobile, capital goods, infrastructure and metals sectors experienced revenue growth but the profitability remained under pressure due to an increase in capex, working capital and interest expense. The auto industry continues to be impacted by rupee depreciation, high interest rates and fuel costs. Macro headwinds have impacted the project awards across segments like power generation, process industries and other infra related sectors.

### Business Performance

Q3 FY2012 consolidated Net Sales decreased by 10.8% compared to the prior year. This was primarily due to slow order inflow in the heavy engineering segment. Excluding this segment, consolidated Net Sales grew by 12.8% y-o-y which was primarily driven by the Pre-Engineered Buildings (PEBS) segment. PEBS continues to show robust growth and contributed to 22.1% of total consolidated Net Sales in Q3 FY2012 up from 11.3% in Q3 FY2011 and 19.3% in Q2 FY2012.

Q3 FY2012 consolidated EBITDA decreased by 18.4%, compared to the prior year. This was primarily due to lower sales in the heavy engineering segment. Raw material prices remained stable during the quarter as compared to the last year. Q3 FY2012 consolidated Cash Profit decreased by 26.3%.

Q3 FY2012 consolidated Net Profit decreased by 31.5%. This was primarily due to lower EBITDA, higher depreciation and increased interest expenses. Depreciation increased from Rs. 3.4 Crore in Q3 FY2011 to Rs. 4.5 Crore in Q3 FY2012 due to capitalization of capacity increases. Due to a higher interest rate environment, interest expenses increased from Rs. 3.3 Crore in Q3 FY2011 to Rs. 6.4 Crore in Q3 FY2012.

<sup>2</sup> Analyst research and the Ministry of Commerce and Industry



As of December 31, 2011, consolidated total Long Term debt of Rs. 73.9 Crore and Working Capital debt of Rs. 137.5 Crore and Net Worth is Rs. 325.9 Crore.

During the quarter, CARE reaffirmed the rating of "CARE A" (Single A) assigned to the long term and "CARE A1" (A One) assigned to the short term bank facilities of Pennar.

### Segment Performance

| (Rs. Crore)                          | Sales        |              |                | EBITDA      |             |                | EBITDA Margin (%) |              |              |
|--------------------------------------|--------------|--------------|----------------|-------------|-------------|----------------|-------------------|--------------|--------------|
|                                      | Q3           |              | y-o-y          | Q3          |             | y-o-y          | Q3                |              | y-o-y        |
|                                      | FY2012       | FY2011       | Growth (%)     | FY2012      | FY2011      | Growth (%)     | FY2012            | FY2011       | Change (bps) |
| Engineered Products                  | 54.1         | 49.5         | 9.4%           | 5.4         | 4.5         | 19.4%          | 9.9%              | 9.1%         | 83           |
| Cold Rolled Steel Strips             | 67.0         | 70.3         | (4.7)%         | 8.2         | 5.9         | 38.5%          | 12.2%             | 8.4%         | 380          |
| Infrastructure                       | 73.0         | 70.9         | 3.0%           | 9.2         | 10.2        | (10.3)%        | 12.5%             | 14.4%        | (186)        |
| <b>Standalone (Excl. HE)</b>         | <b>194.1</b> | <b>190.7</b> | <b>1.8%</b>    | <b>22.7</b> | <b>20.6</b> | <b>10.1%</b>   | <b>11.7%</b>      | <b>10.8%</b> | <b>88</b>    |
| Heavy Engineering                    | 12.8         | 76.6         | (83.3)%        | 2.4         | 13.5        | (82.2)%        | 18.8%             | 17.6%        | 116          |
| <b>Sub Total</b>                     | <b>206.9</b> | <b>267.3</b> | <b>(22.6)%</b> | <b>25.1</b> | <b>34.1</b> | <b>(26.4)%</b> | <b>12.1%</b>      | <b>12.8%</b> | <b>(63)</b>  |
| Scrap Sales                          | 10.7         | 10.3         | 3.6%           |             |             |                |                   |              |              |
| <b>Total Standalone</b>              | <b>217.6</b> | <b>277.6</b> | <b>(21.6)%</b> | <b>25.1</b> | <b>34.1</b> | <b>(26.4)%</b> | <b>11.5%</b>      | <b>12.3%</b> | <b>(75)</b>  |
| Pre-Engineered Buildings             | 61.6         | 35.3         | 74.7%          | 6.0         | 4.0         | 50.5%          | 9.7%              | 11.3%        | (156)        |
| <b>Sub Total</b>                     | <b>279.2</b> | <b>312.9</b> | <b>(10.7)%</b> | <b>31.1</b> | <b>38.1</b> | <b>(18.4)%</b> | <b>11.1%</b>      | <b>12.2%</b> | <b>(104)</b> |
| Inter Company Adj.                   | (0.6)        | (0.5)        |                | 0.0         | (0.0)       |                |                   |              |              |
| <b>Total Consolidated</b>            | <b>278.7</b> | <b>312.4</b> | <b>(10.8)%</b> | <b>31.1</b> | <b>38.0</b> | <b>(18.4)%</b> | <b>11.1%</b>      | <b>12.2%</b> | <b>(103)</b> |
| Less: Heavy Engineering              | 12.8         | 76.6         | (83.3)%        | 2.4         | 13.5        | (82.2)%        | 18.8%             | 17.6%        | 116          |
| <b>Total Consolidated (Excl. HE)</b> | <b>265.9</b> | <b>235.8</b> | <b>12.8%</b>   | <b>28.7</b> | <b>24.5</b> | <b>16.8%</b>   | <b>10.8%</b>      | <b>10.4%</b> | <b>37</b>    |

#### Engineered Products

Q3 FY2012 Net Sales grew by 9.4%. This growth was primarily due to increased realizations for higher value added products including CDW Tubes.

#### Cold Rolled Steel Strips (CRSS)

Q3 FY2012 Net Sales decreased by 4.7% as the Company continues to shift capacity utilization for higher value added products.

#### Heavy Engineering

Q3 FY2012 Net Sales growth in this segment was significantly impacted by slower off-take from the railway industry.

#### Infrastructure

Q3 FY2012 Net Sales grew by 3.0%. This was primarily due to change of sales mix. Volumes from fabrication for infrastructure declined, which was offset by significant volumes from solar and sheet piles.

#### Pre-Engineered Buildings (PEBS Pennar)

Q3 FY2012 Net Sales growth in this segment was primarily driven by robust volume growth and higher price realizations. In Q3 FY2012, Net Sales volume increased by 67.5% to 8,884 MT and price realizations increased by 4.3%, compared to last year. The segment received a number of



orders from new customers including SVC Projects, Jampana Constructions and Gammon India, and repeat orders from Indian Logistics, Ultratech Cements and L&T. The order book as on date was over Rs. 215 Crore.

### Strategic Initiatives

The Company has completed the first phase of capacity expansion project at Isanpur and Tarapur plants, increasing the capacity of these plants by 12,000 MT to 82,000 MT. The expansion added new production capacity for CDW tubes and increased capacities for electro static precipitator electrodes and precision tubes for automobiles. The second phase of this expansion project of another 12,000 MT is progressing as per schedule and is expected to be completed by Q1 FY2013.

### Performance Outlook

Over the last few months, moderating economic growth and a high interest rate environment have resulted in uncertainty in the Indian economy. Even though the inflation level is coming down and IIP has shown improvement in last month, Pennar expects this level of volatility to continue over the near term. This volatility is expected to impact demand for steel, engineering and infrastructure products. However, Pennar expects to continue to report steady annual growth and profitability as it continuously try to innovate to take advantage of new business opportunities. The management is quite confident of meeting the FY2012 annual revenue and profitability guidance provided earlier.

PEBS Pennar has state-of-the-art technology to make complex structures and provide special leak proof standing seam roofing sheets for its pre-engineered building products in technical association with NCI, USA. This positions the Company as one of the preferred vendors in the industry. The new client wins in the quarter including the prestigious orders in defense sector (HVF Avadi and MES) from SVC Projects and Jampana Construction, along with repeat orders from existing clients clearly demonstrates the trust that the Company has built in the short period of time. The increased capacity at the PEBS plant enables the Company to capitalize on the attractive growth dynamics of the Indian pre-engineered buildings sector. Going forward, Pennar expects this segment to make increasing contributions to the growth and profitability.

The Company expects to expand volumes in the infrastructure segment by catering to demands of rapidly growing solar industry. The recent capacity additions at the Isnapur and Tarapur plants will enable the Company to increase volumes of sheet piles and CDW/ERW tubes, which represents huge growth opportunity. After the slowdown in recent quarters, the railway segment has shown improvement in January 2012. The segment is expected to gain momentum and contribute significantly in the coming quarters.

### Analyst / Investor / Media Enquiries

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For further information on Pennar Industries visit [www.pennarindia.com](http://www.pennarindia.com)





The Company will host a conference call to discuss Q3 FY2012 results on **February 1, 2012 at 4 pm IST**. To participate, please use the following dial-in numbers:

Primary Numbers: +91 22 3065 0062

Secondary Numbers: +91 22 6629 0262

The numbers listed above are universally accessible from all networks and all countries

**Notes:**

1. Net Sales: Excludes Other Income
2. EBITDA: Earnings before interest, taxes and depreciation; excludes other income and exceptional items
3. Cash Profits: Net Profit plus Depreciation plus Deferred Taxes
4. Basic EPS: Each share face value of Rs. 5.00; 12.2024 Crore shares over the period calculated on a weighted average basis; includes extraordinary items

***Safe Harbor***

*This release contains statements that contain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Pennar’s future business developments and economic performance. While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Pennar undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.*



## Pennar Industries Fact Sheet

### Company Background

Pennar is one of India's leading industrial companies engaged in the production and marketing of specialized and engineered steel solutions. The Company is a leading manufacturer of profiles and components in various grades of steel and stainless steel. It caters to the auto, white goods, railways and infrastructure sectors. The Company is also a leading manufacturer of pre-engineered buildings.

The Company has over 30 years of experience and more than 1,000 precision engineered products, 2,500 tools and dies and over 300 customers. Pennar currently has six manufacturing plants located at Patancheru, Sadashivpet and Isnapur, Chennai, Tarapur (Maharashtra) and Hosur (Tamil Nadu) with a total capacity of ~ 300,000 TPA.

Pennar commenced manufacture of cold rolled steel strips in 1988 at Isnapur (45 km from Hyderabad) which currently has a capacity of 67,000 TPA. In 1997, the Company acquired Nagarjuna Steel, Patancheru (32 km from Hyderabad) and in 1999, acquired Press Metal, a unit of Tube Investment (TI), at Tarapur near Mumbai.

Pennar's blue chip customer base includes firms such as Alstom Power, Ashok Leyland, BEML, BPL, Copeland, HCC, Honda, Reliance Retail, Indian Railways, ITC, Integral Coach Factory, L&T, Tata Motors, Toyotsu and Voltas.

The Company operates in four divisions and a subsidiary company:

**Engineered Products:** Provides automobile products, pressed steel components, CDW and ERW tubes for consumer appliances, automobile and general engineering sectors.

**Cold Rolled Steel Strips (CRSS):** Provides CRSS for automobile, white goods, electrical and engineering companies

**Heavy Engineering Products:** Addresses the specific requirements of the railway sector and manufactures floors, side walls, end walls, and underframe components for rail wagons and coaches.

**Infrastructure Products:** Manufactures diverse products for the building sector like purlins, roofing sheets and deck plates. It also manufactures crash barriers for road safety and fabricated structural products for various engineering industries.

**Pre-Engineered Buildings:** Operates through its subsidiary, Pennar Engineered Building Systems Ltd. to manufacture pre-engineered building structures. PEBS manufactures modular steel constructions of open-span built up sections, purlins, girts, roofing and wall panels. PEBS has a technical collaboration with NCI Group, a global leader in pre-engineered structures, which enables the Company to provide world class weather proof building.

### Industry Overview<sup>3</sup>

Indian Railways is set to spend Rs 2,500 billion on various infrastructure projects during the 11<sup>th</sup> five year plan (2007-12) and this amount is likely to go up for the next five year plan considering India's growth and state of its railway infrastructure. Indian Railways is expected to acquire 18,000 wagons in FY2011 compared to 11,000 wagons last year. It is also planning to substitute older wagons with stainless steel ones with higher axle load design. Setting up of dedicated freight corridors, sustained capex by leading container rail logistics companies and the success of wagon leasing scheme will continue to support the growth in wagons.

The increasing demand for pre-engineered buildings also represents a growth opportunity. The Current market size for PEB is estimated to be ~750,000 MT (FY2011) with the market witnessing double digit growth rate over the past few years. Entry of multinational companies in auto, information technology, logistics sectors has accelerated the growth of PEBs in India. Industrial (factories/ warehouses) segment has shown growing preference for PEBs over conventional forms of factory buildings.

The India's automobile industry, currently estimated to have a turnover of \$73 billion, accounts for 6% of its GDP, and is expected to reach a turnover of \$145 billion by 2016. The growth in industrial activity and increasing road penetration is expected to increase demand for commercial vehicles. Presently, commercial vehicles account for more than 60% of the total freight movement in India.

<sup>3</sup> IBEF.org, ACMA, Deloitte research



## Pennar Industries Limited

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### Unaudited Third Quarter and Nine Months Results for FY2012 (All amounts are in Lakhs of Indian rupees, unless otherwise stated)

| S.No | Particulars   | PIL STANDALONE           |                           |                           |                          |                           |                         | CONSOLIDATED              |                           |                           |                           |                           |                         |            |
|------|---|--------------------------|---------------------------|---------------------------|--------------------------|---------------------------|-------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|------------|
|      |   | Quarter Ended            |                           |                           | Nine Months Ended        |                           |                         | Quarter Ended             |                           |                           | Nine Months Ended         |                           |                         | Year Ended |
|      |   | 31.12.2011<br>(Reviewed) | 30.09.2011<br>(Unaudited) | 31.12.2010<br>(Unaudited) | 31.12.2011<br>(Reviewed) | 31.12.2010<br>(Unaudited) | 31.03.2011<br>(Audited) | 31.12.2011<br>(Unaudited) | 30.09.2011<br>(Unaudited) | 31.12.2010<br>(Unaudited) | 31.12.2011<br>(Unaudited) | 31.12.2010<br>(Unaudited) | 31.03.2011<br>(Audited) |            |
| 1    | Gross Sales   | 24,572.85                | 27,073.32                 | 31,482.93                 | 81,720.90                | 87,212.39                 | 121,523.38              | 31,536.66                 | 33,481.63                 | 35,436.08                 | 101,356.60                | 98,430.34                 | 137,080.48              |            |
|      | Less : Excise Duty  | 2,027.93                 | 2,347.83                  | 2,768.52                  | 7,000.35                 | 7,664.96                  | 10,606.89               | 2,633.20                  | 2,878.31                  | 3,127.94                  | 8,658.30                  | 8,669.80                  | 12,091.37               |            |
|      | Less : Sales Tax  | 784.08                   | 913.03                    | 956.62                    | 2,605.73                 | 2,729.04                  | 3,707.09                | 1,035.29                  | 1,109.33                  | 1,072.75                  | 3,207.16                  | 3,047.36                  | 4,173.69                |            |
|      | <b>Net Sales</b>  | <b>21,760.84</b>         | <b>23,812.46</b>          | <b>27,757.79</b>          | <b>72,114.82</b>         | <b>76,818.39</b>          | <b>107,209.40</b>       | <b>27,868.17</b>          | <b>29,493.99</b>          | <b>31,235.39</b>          | <b>89,491.14</b>          | <b>86,713.17</b>          | <b>120,815.42</b>       |            |
| 2    | <b>Expenditure</b>  |                          |                           |                           |                          |                           |                         |                           |                           |                           |                           |                           |                         |            |
|      | Increase / decrease in stock in trade and work in progress  | (2,500.37)               | (171.45)                  | (8.62)                    | (2,700.68)               | 690.23                    | 1,050.23                | (2,633.59)                | (87.18)                   | (8.62)                    | (2,824.73)                | 690.23                    | 17.90                   |            |
| b    | Consumption of Raw Material   | 17,794.05                | 17,045.79                 | 20,436.99                 | 54,313.57                | 55,574.68                 | 77,547.82               | 21,232.29                 | 20,075.94                 | 22,162.67                 | 64,174.23                 | 60,986.84                 | 85,510.80               |            |
| c    | Employees Cost  | 931.32                   | 877.09                    | 692.81                    | 2,696.97                 | 2,069.43                  | 3,194.93                | 1,269.73                  | 1,203.56                  | 974.10                    | 3,674.66                  | 2,777.57                  | 4,178.50                |            |
| d    | Depreciation  | 387.06                   | 317.80                    | 290.45                    | 1,023.61                 | 831.86                    | 1,115.51                | 449.20                    | 381.97                    | 340.86                    | 1,209.20                  | 981.13                    | 1,316.39                |            |
| e    | Other Expenditure   | 3,027.83                 | 3,043.39                  | 3,228.46                  | 8,934.97                 | 8,626.47                  | 12,108.50               | 4,893.47                  | 4,596.74                  | 4,302.85                  | 13,665.40                 | 11,350.67                 | 16,103.92               |            |
| f    | <b>Total</b>  | <b>19,639.89</b>         | <b>21,112.62</b>          | <b>24,640.09</b>          | <b>64,268.44</b>         | <b>67,792.67</b>          | <b>95,016.99</b>        | <b>25,211.10</b>          | <b>26,171.03</b>          | <b>27,771.86</b>          | <b>79,898.76</b>          | <b>76,786.44</b>          | <b>107,127.51</b>       |            |
|      | <b>Profit from Operations before Depreciation, Other Income, Interest &amp; Taxes (E B I D T)</b> | <b>2,508.01</b>          | <b>3,017.64</b>           | <b>3,408.15</b>           | <b>8,869.99</b>          | <b>9,857.58</b>           | <b>13,307.92</b>        | <b>3,106.27</b>           | <b>3,704.93</b>           | <b>3,804.39</b>           | <b>10,801.58</b>          | <b>10,907.86</b>          | <b>15,004.30</b>        |            |
|      | Preliminary Exp written off   |                          |                           |                           |                          |                           |                         |                           |                           |                           |                           |                           | 46.88                   |            |
| 3    | <b>Profit from Operations before Other Income, Interest &amp; Taxes (1 - 2)</b>                   | <b>2,120.95</b>          | <b>2,699.84</b>           | <b>3,117.70</b>           | <b>7,846.38</b>          | <b>9,025.72</b>           | <b>12,192.41</b>        | <b>2,657.07</b>           | <b>3,322.96</b>           | <b>3,463.53</b>           | <b>9,592.38</b>           | <b>9,926.73</b>           | <b>13,641.03</b>        |            |
| 4    | Other Income  | 4.76                     | 14.48                     | 8.58                      | 43.53                    | 30.51                     | 106.17                  | 108.56                    | 100.21                    | 8.58                      | 255.04                    | 36.16                     | 269.49                  |            |
| 5    | <b>Profit before Interest &amp; Taxes (3 + 4)</b>   | <b>2,125.71</b>          | <b>2,714.32</b>           | <b>3,126.28</b>           | <b>7,889.91</b>          | <b>9,056.23</b>           | <b>12,298.58</b>        | <b>2,765.63</b>           | <b>3,423.17</b>           | <b>3,472.11</b>           | <b>9,847.42</b>           | <b>9,962.89</b>           | <b>13,910.52</b>        |            |
| 6    | Interest  | 360.76                   | 239.35                    | 224.59                    | 864.72                   | 832.59                    | 1,028.89                | 635.69                    | 586.53                    | 329.03                    | 1,671.99                  | 1,190.98                  | 1,707.95                |            |
| 7    | <b>Profit from ordinary activities before Tax (5 - 6)</b>   | <b>1,764.95</b>          | <b>2,474.97</b>           | <b>2,901.69</b>           | <b>7,025.19</b>          | <b>8,223.64</b>           | <b>11,269.69</b>        | <b>2,129.94</b>           | <b>2,836.64</b>           | <b>3,143.08</b>           | <b>8,175.43</b>           | <b>8,771.91</b>           | <b>12,202.58</b>        |            |
| 8    | <b>Tax expense</b>  |                          |                           |                           |                          |                           |                         |                           |                           |                           |                           |                           |                         |            |
| a    | Income Tax  | 566.00                   | 796.00                    | 875.51                    | 2,282.00                 | 2,456.41                  | 3,745.61                | 640.00                    | 845.63                    | 925.78                    | 2,513.00                  | 2,572.68                  | 3,871.64                |            |
| b    | Deferred Tax Liability  | 79.00                    | 77.00                     | 192.61                    | 233.00                   | 577.84                    | 577.83                  | 63.15                     | 165.01                    | 202.61                    | 410.16                    | 607.84                    | 769.37                  |            |
|      |   | 645.00                   | 873.00                    | 1,068.12                  | 2,515.00                 | 3,038.25                  | 4,323.44                | 703.15                    | 1,010.64                  | 1,128.39                  | 2,923.16                  | 3,180.52                  | 4,641.01                |            |
| 9    | <b>Profit from ordinary activities after Tax and before Minority Interest (7 - 8)</b>             | <b>1,119.95</b>          | <b>1,601.97</b>           | <b>1,833.57</b>           | <b>4,510.19</b>          | <b>5,185.39</b>           | <b>6,946.25</b>         | <b>1,426.79</b>           | <b>1,826.00</b>           | <b>2,014.69</b>           | <b>5,252.27</b>           | <b>5,591.39</b>           | <b>7,561.57</b>         |            |
| 10   | Minority Interest   | -                        | -                         | -                         | -                        | -                         | -                       | -                         | 79.74                     | 47.41                     | 193.83                    | 106.85                    | 169.09                  |            |
| 11   | <b>Profit from ordinary activities after Tax and after Minority Interest (9 - 10)</b>             | <b>1,119.95</b>          | <b>1,601.97</b>           | <b>1,833.57</b>           | <b>4,510.19</b>          | <b>5,185.39</b>           | <b>6,946.25</b>         | <b>1,347.05</b>           | <b>1,766.86</b>           | <b>1,967.28</b>           | <b>5,058.44</b>           | <b>5,484.54</b>           | <b>7,392.48</b>         |            |
| 11a  | <b>Cash Profit</b>  | <b>1,586.01</b>          | <b>1,996.77</b>           | <b>2,328.44</b>           | <b>5,766.80</b>          | <b>6,630.44</b>           | <b>8,686.46</b>         | <b>1,859.40</b>           | <b>2,313.84</b>           | <b>2,522.56</b>           | <b>6,677.80</b>           | <b>7,108.86</b>           | <b>9,514.83</b>         |            |
| 12   | Paid up Equity Share Capital ( Face value of Rs. 5/- per equity share )                           | 6,101.20                 | 6,101.20                  | 6,101.20                  | 6,101.20                 | 6,101.20                  | 6,101.20                | 6,101.20                  | 6,101.20                  | 6,101.20                  | 6,101.20                  | 6,101.20                  | 6,101.20                |            |
| 13   | Reserves excluding revaluation reserves   | -                        | -                         | -                         | -                        | -                         | 16,209.62               | -                         | -                         | -                         | -                         | -                         | 16,672.40               |            |
| 14   | Basic Earnings per Rs. 5/- Share (not annualised)   | 0.92                     | 1.31                      | 1.50                      | 3.70                     | 4.25                      | 5.69                    | 1.10                      | 1.45                      | 1.61                      | 4.15                      | 4.49                      | 6.06                    |            |
| 15   | Basic Cash Earnings per Rs. 5/- Share (not annualised)  | 1.30                     | 1.64                      | 1.91                      | 4.73                     | 5.43                      | 7.12                    | 1.52                      | 1.90                      | 2.07                      | 5.47                      | 5.83                      | 7.81                    |            |
| 16   | Public Shareholding   |                          |                           |                           |                          |                           |                         |                           |                           |                           |                           |                           |                         |            |
|      | - Number of Shares  | 73,940,516               | 74,247,463                | 74,814,166                | 73,940,516               | 74,814,166                | 74,275,187              | 73,940,516                | 74,247,463                | 74,814,166                | 73,940,516                | 74,814,166                | 74,275,187              |            |
|      | - Percentage of Shareholding  | 60.60                    | 60.85                     | 61.31                     | 60.60                    | 61.31                     | 60.87                   | 60.60                     | 60.85                     | 61.31                     | 60.60                     | 61.31                     | 60.87                   |            |
| 17   | Promoter & Promoter group Shareholding  |                          |                           |                           |                          |                           |                         |                           |                           |                           |                           |                           |                         |            |
|      | a) Pledged / Encumbered   |                          |                           |                           |                          |                           |                         |                           |                           |                           |                           |                           |                         |            |
|      | - Number of Shares  | 12,650,000               | 12,650,000                | 10,650,000                | 12,650,000               | 10,650,000                | 10,650,000              | 12,650,000                | 12,650,000                | 10,650,000                | 12,650,000                | 10,650,000                | 10,650,000              |            |
|      | - Percentage of Shares (as a % of the total share -holding of promoters & promoter group)         | 26.31                    | 26.48                     | 22.56                     | 26.31                    | 22.56                     | 22.30                   | 26.31                     | 26.48                     | 22.56                     | 26.31                     | 22.56                     | 22.30                   |            |
|      | - Percentage of Shares (as a % of the total share capital of the company)                         | 10.37                    | 10.37                     | 8.73                      | 10.37                    | 8.73                      | 8.73                    | 10.37                     | 10.37                     | 8.73                      | 10.37                     | 8.73                      | 8.73                    |            |
|      | b) Non - Encumbered   |                          |                           |                           |                          |                           |                         |                           |                           |                           |                           |                           |                         |            |
|      | - Number of Shares  | 35,433,484               | 35,126,537                | 36,559,834                | 35,433,484               | 36,559,834                | 37,098,813              | 35,433,484                | 35,126,537                | 36,559,834                | 35,433,484                | 36,559,834                | 37,098,813              |            |
|      | - Percentage of Shares (as a % of the total share -holding of promoters & promoter group)         | 73.69                    | 73.52                     | 77.44                     | 73.69                    | 77.44                     | 77.70                   | 73.69                     | 73.52                     | 77.44                     | 73.69                     | 77.44                     | 77.70                   |            |
|      | - Percentage of Shares (as a % of the total share capital of the company)                         | 29.03                    | 28.78                     | 29.96                     | 29.03                    | 29.96                     | 30.40                   | 29.03                     | 28.78                     | 29.96                     | 29.03                     | 29.96                     | 30.40                   |            |

#### Notes

- The above financial results as reviewed by the Audit Committee were taken on record by the Board of Directors in their meeting held on 31.01.2012. The statutory auditors have conducted Limited Review of the above standalone financial results for the quarter ended 31st December 2011.
- The above Unaudited consolidated figures for the quarter ended 31.12.2011 includes the financial results of its subsidiary, Pennar Engineering Building Systems Limited, which has been approved by their board.
- The company is engaged in the manufacture of various steel products which is its Primary Segment which in the context of Accounting Standard 17 is considered as a single segment.
- Previous figures have been regrouped or reclassified, wherever necessary.
- Number of Investor Complaints for the quarter ended 31.12.2011 :  
Beginning - 0, Received - 79, Disposed Off - 79 and Pending - 0

