



For immediate release

MUSCO ANNOUNCES UNAUDITED FINANCIAL RESULTS OF Q3 FY 2010-11

Mumbai, January, 25, 2011: The Board of Directors of Mahindra Ugine Steel Company Limited (MUSCO) announced the unaudited financial results for the quarter and nine months period ended 31st December, 2010 at its meeting held today.

Highlights

(Rs. Crs)

Particulars	Q3 (2010-11)	Q3 (2009-10)	9 Months (2010-11)	9 Months (2009-10)	FY 2009-10
Revenue	339.78	277.5	970.10	769.92	1087.88
EBIDTA	10.11	21.13	56.60	52.20	78.87
PAT	(5.06)	2.07	1.51	(0.54)	4.67

Highlights – Q3 & 9 Months period- FY 2010-11

- The Company recorded **22%** growth in revenue for Q3 FY11 as compared to the corresponding quarter of the previous year.
- **Total Revenue** for the nine months ended 31st December 2010 registered a growth of **26%** over the corresponding nine months period of the previous year.
- The **EBIDTA** for Q3 FY11 was Rs. 10.11 crores as compared to Rs. 21.13 crores of corresponding quarter of the previous year.
- The **EBIDTA** for 9 months FY11 recorded a growth **8.4%** over the corresponding 9 months period of the previous year.
- The Company has incurred net loss of Rs.5.06 cores for Q3 FY 11 as compared to net profit Rs. 2.07 crores posted in the corresponding quarter of the previous year. During Q3 FY11 the Steel including Ring division has witnessed margin contraction due to increase in input metallics cost, cost of power and fuel and the said increase was not compensated by selling price.
- For 9 months FY11, the Company has posted profit of Rs. 1.51 crores as compared to loss of Rs.0.54 crores incurred in the corresponding 9 months period of the previous years.
- Quarterly diluted **EPS** is Rs (1.56) for Q3–FY11 and for the Nine Months –FY11 is Re 0.46 per share as against Re. 0.63 and Re. (0.17) per share of Rs 10 each of the corresponding periods of the previous year, respectively.

Other Highlights

Steel Division:

- Non-recovery of steel price increases from customers negatively affecting growth and margins.
- Positive trend in exports during Q3 FY11.
- Power supply from Wardha Power Company Ltd further delayed from Q3 to March, 2011.
- While the Ring business has secured good order pipeline both from domestic and overseas OEMs' the commensurate sales is yet to fructify as the Company is in the process of augmenting the machining capacity in line with changing customer purchase characteristics. This has impacted the Q3 FY 11 results to a large extent.

