



For Immediate Release

October 04th, 2012

**Shree Renuka Sugars Limited
Announces**

Reviewed Results for the Quarter ended 30th June 2012 for Brazilian Subsidiaries

EBITDA margins for RdB and RVdI at 20.6% and 34.6% respectively
Lower Crushing in May and June due to higher than historical rainfall in Brazil
Net Profit for RVdI of Rs. 247 million and Net Loss for RdB of Rs. 1,167 million

Mumbai, India, October 4th, 2012 – Shree Renuka Sugars Limited (referred to as “Shree Renuka” or the “Company”, NSE: RENUKA, BSE: 532670), one of the largest integrated sugar and bio-energy producers globally, announces its Quarter results for period ended June 2012 for its Brazilian subsidiaries, in accordance with Indian GAAP.

Commenting on the results and performance, **Mr. Narendra Murkumbi, Vice Chairman and Managing Director of Shree Renuka Sugars Limited** said:

“Operations in our Brazilian subsidiaries during the quarter ended 30th June, 2012 got affected due to heavy rainfall in the months on May and June which has resulted in significantly lower crushing for the quarter (43% down Y-o-Y).

While Renuka do Brasil S/A reported an EBITDA of Rs. 700 million for the quarter with a margin of 20.6%, Renuka Vale do Ivaí S/A continued its good operating performance by reporting an EBITDA of Rs. 583 million with 34.6% margin.

The situation has improved since then in Brazil with record crushing in the months of July and August which has enabled us to make up for a large part of the delay in operations in both Renuka do Brasil S/A and Renuka Vale do Ivaí S/A. Favourable weather was complemented by improved yields and availability of cane, largely attributed to the rains in the first quarter. We are currently on course to meet our annual operational target for 2012/13 season in Brazil. Our focus in Brazil continues to be on ensuring enough sugarcane to fill our industrial capacity of 13.6 million tons at the earliest.

As published earlier, Company has reported a net profit of Rs.133 million for its standalone business for the quarter ended 30th June 2012 with an improved EBITDA of Rs. 1,798 million on the back of strong performance by the sugar segment.

Lower world raw sugar price, sustained white sugar premium and high domestic sugar price are encouraging for our Indian Business, especially our refineries. We expect to run our port-based refineries at high capacity utilisation in the second half of the financial year.”

Financial Highlights of Brazilian Subsidiaries

	Renuka do Brasil	Renuka Vale do Ivaí
(Rs. Million)	Quarter ended 30-06-2012	Quarter ended 30-06-2012
Net Sales	3,402	1,687
Operational EBITDA	700	583
EBITDA Margin (%)	20.6%	34.6%
Net Profit	(1,167)	247
Net Profit Margin (%)	(34.3)%	14.6%

Our trading subsidiary Renuka DMCC, which is based out of Dubai, has reported Net sales of Rs. 1,917 million and Net profit of Rs. 20 million.

Economic Environment

World raw sugar prices have been trading in the range between 19 cent/lbs and 23 cents/lbs since mid-April. The record crushing in the months of July and August coupled with prospects of higher cane availability for crushing in Centre-South Brazil has kept the sugar prices under check. They have been trading under 20 cents/lbs since mid-August until the expiry of the October futures contract last week. Prices have since recovered to 21 cents/lbs as the bulk of the current surplus has been delivered on the exchange.

The new crushing season in Brazil has seen consistent rainfall in the first quarter followed by bright sunny days in the months of July and August. Although heavy rainfall during the months of May and June had resulted in relatively lower crushing till June, Brazil made up for the loss of non-operational days by crushing at full capacity in the subsequent months. Centre-South Brazil crushed 7% and 9% higher in the months of July and August respectively as compared to the respective months last year. Also, the rainfall in the first quarter is showing a positive impact on the yields in the second half of the season. UNICA has revised its estimates for cane crushing upwards from 509 million tons to 519 million tons for the 2012-13 season, which is 5.2% higher than previous year. As on 16th September, mills in Centre-South Brazil had crushed a total of 350 million tons of cane, 7.2% lower than till same period last year. The crushing season is expected to continue for a longer duration this year.

	Units	As on 16th September			Estimated
		2012/13	2011/12	% Change	2012/13
Cane Crushed	mn tons	349.53	376.71	(7.2%)	519
Sugar	mn tons	21.79	23.21	(6.1%)	32.7
Ethanol	mn m ³	13.69	15.44	(11.3%)	21.1
ATR	Kg/ton	132	134	(2.7%)	136
% Sugar		49.5%	48.1%	n/a	48.9%

Source: UNICA



Operating Performance of Brazilian Subsidiaries

With crushing for the season 2012-13 having started during the quarter ended June 2012, Brazil experienced more than average rainfall during April to June quarter leading to higher stoppages in agriculture operations which affected the crushing during the quarter. Only 1.9 million tons of cane was crushed during the quarter by Renuka do Brasil S/A and Renuka Vale do Ivai S/A as against 3.36 million tons crushed during the same period last year.

However, crushing rate has improved significantly since then and Renuka do Brasil S/A and Renuka Vale do Ivai S/A have crushed 4.6 million tons between July and September, which is 2.4 times higher than the April to June quarter and almost 1 million tons more than the same period last year.

RdB and RVdI	Units	April – June		July - September	
		2012	2011	2012	2011
Cane Crushed	mn tons	1.91	3.36	4.57	3.60
Sugar	‘000 tons	126.4	167.1	379.0	289.1
Ethanol	‘000 m ³	48.1	129.5	133.6	118.6
ATR	Kg/ton	116	117	136	138
Energy Exported	Mn units	52	89	110	76

Of the total ethanol produced by our subsidiaries, 94% has been anhydrous. Hydrous ethanol prices at the pumps have been relatively higher than gasoline leading to muted demand for hydrous ethanol and higher demand for anhydrous ethanol to meet the mandatory blending with petrol. The product mix for our mills stood at 65% sugar for the season up to 30th September 2012.



Notes:

1. Net Sales: Includes other operating income and is after excise duties
2. Operating EBITDA: Earnings before interest, taxes and depreciation; includes other income and excludes foreign exchange gain/loss
3. Net Profit: Includes extraordinary items and after minority interest
4. All financial margins are calculated based on Net Sales
5. Net Worth: Share Capital and Reserves and Surplus
6. Basic EPS: Each share face value of Rs. 1.00; Based on 667 million shares outstanding on a weighted average basis

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For further information on Shree Renuka visit www.renukasugars.com

The Company will host a conference call to discuss quarter ended 30th June 2012 earnings at 1700 hours IST on Thursday, October 04th, 2012. To participate, please use the following dial-in numbers:

Primary Number +91-22-6629 0019

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

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Safe Harbour

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