


**MAHINDRA UGINE STEEL COMPANY LIMITED**

 Regd. Office : 74, Ganesh Apartment, 7th Floor, Opp. Sitladevi Temple, Lady Jamshedjee Road,  
 Mahim (W), Mumbai 400 016.

**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER & NINE MONTHS ENDED DECEMBER 31, 2008**
*(Rs. in Lakhs)*

|    | Particulars   | Quarter ended | Quarter ended | Nine Months | Nine Months | Financial Year |
|----|---|---------------|---------------|-------------|-------------|----------------|
|    |   | 31/12/2008    | 31/12/2007    | ended       | ended       | ended          |
|    |   | Unaudited     | Unaudited     | 31/12/2008  | 31/12/2007  | 31/03/2008     |
|    |   |               |               | Unaudited   | Unaudited   | Audited        |
|    | Gross Sales/Income from Operations  | 21,580.79     | 28,508.07     | 99,213.92   | 80,376.49   | 109,607.87     |
|    | Less: Excise duty   | 2,573.79      | 4,605.86      | 11,764.15   | 13,159.27   | 17,658.31      |
| 1  | a. Net Sales/Income from Operations   | 19,007.00     | 23,902.21     | 87,449.77   | 67,217.22   | 91,949.56      |
|    | b. Other Operating Income   | 79.41         | 87.23         | 205.57      | 139.21      | 171.88         |
|    | Total Income (1a+1b)  | 19,086.41     | 23,989.44     | 87,655.34   | 67,356.43   | 92,121.44      |
| 2  | Expenditure   |               |               |             |             |                |
|    | a. (Increase)/Decrease in stock in trade and work in progress                               | 1,716.65      | 474.51        | 1,087.10    | (2,057.30)  | (1,612.73)     |
|    | b. Consumption of raw materials (including processing charges)                              | 11,739.72     | 14,050.37     | 57,670.02   | 41,007.70   | 54,876.66      |
|    | c. Employees cost   | 1,447.51      | 1,354.64      | 4,434.36    | 3,690.97    | 5,456.00       |
|    | d. Depreciation   | 557.29        | 499.86        | 1,850.67    | 1,867.36    | 2,671.30       |
|    | e. Power and Fuel   | 2,035.42      | 3,294.98      | 9,272.32    | 9,200.13    | 12,288.68      |
|    | f. Other expenditure  | 3,227.96      | 2,128.07      | 12,459.16   | 7,965.92    | 11,531.50      |
|    | Total   | 20,724.55     | 21,802.43     | 86,773.63   | 61,674.78   | 85,211.41      |
| 3  | Profit (+)/Loss (-) from Operations before Other Income, Interest & Exceptional Items (1-2) | (1,638.14)    | 2,187.01      | 881.71      | 5,681.65    | 6,910.03       |
| 4  | Other Income  | 30.52         | 19.98         | 143.97      | 83.90       | 233.54         |
| 5  | Profit on sale of long term investments   | -             | 51.51         | -           | 51.51       | 138.52         |
| 6  | Profit (+)/Loss (-) before Interest & Exceptional Items (3+4+5)                             | (1,607.62)    | 2,258.50      | 1,025.68    | 5,817.06    | 7,282.09       |
| 7  | Interest  | 1,041.12      | 726.91        | 2,742.32    | 2,170.26    | 2,863.28       |
| 8  | Net Profit (+)/Loss (-) from Ordinary Activities before tax (6-7)                           | (2,648.74)    | 1,531.59      | (1,716.64)  | 3,646.80    | 4,418.81       |
| 9  | Tax expense   |               |               |             |             |                |
|    | Current tax (Including Fringe benefit tax) charge / (credit)                                | (243.00)      | 192.50        | 40.00       | 607.50      | 1,055.00       |
|    | Deferred tax charge / (credit)  | (666.25)      | 301.00        | (606.00)    | 643.00      | 415.00         |
| 10 | Net Profit (+)/Loss (-) for the period (8-9)  | (1,739.49)    | 1,038.09      | (1,150.64)  | 2,396.30    | 2,948.81       |
| 11 | Paid-up equity share capital (Face Value of the Share Rs. 10 each)                          | 3,248.25      | 3,248.25      | 3,248.25    | 3,248.25    | 3,248.25       |
| 12 | Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year    |               |               |             |             | 15,538.44      |
| 13 | Earnings Per Share (EPS) (in Rs.)   |               |               |             |             |                |
|    | a. -Basic (not annualised)  | (5.36)        | 3.20          | (3.54)      | 7.38        | 9.08           |
|    | b. -Diluted (not annualised)  | (5.36)        | 3.18          | (3.54)      | 7.35        | 9.04           |
| 14 | Public shareholding   |               |               |             |             |                |
|    | -Number of shares   | 14,444,700    | 14,444,650    | 14,444,700  | 14,444,650  | 14,444,700     |
|    | -Percentage of shareholding   | 44.47         | 44.47         | 44.47       | 44.47       | 44.47          |
|    | Earning before Other Income, interest, depreciation, Exceptional Items and tax (1-2+2(d))   | (1,080.85)    | 2,686.87      | 2,732.38    | 7,549.01    | 9,581.33       |



#### Notes

- 1 The operations at the Stamping units have increased product sales against process sales earlier resulting in higher sales of goods and increased consumption of raw materials.
- 2 Item 2 (f) of the results include exchange loss of Rs. 2751.58 lakhs for the nine months ended December 31, 2008 as against exchange gain of Rs.1055.53 lakhs for the nine months ended December 31, 2007 . For quarter ended December 31, 2008 exchange loss of Rs. 834.41 lakhs as against exchange gain of Rs. 872.81 lakhs for the quarter ended December 31, 2007. For the year ended March 31, 2008 exchange gain was Rs.918.13 lakhs.
- 3 During the quarter ended December 31, 2008, 18 investor complaints were received, which were promptly attended to by the Company. No complaints were pending either at the beginning or at the end of the period.
- 4 Figures for the previous periods have been regrouped wherever necessary.
- 5 The above financial results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at the Board Meeting held on January 23, 2009.

Mumbai  
January 23, 2009

sd/-  
K. V. Ramarathnam  
Managing Director



SEGMENT - WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs. in Lakhs)

| PARTICULARS   | Quarter ended<br>31/12/2008 | Quarter ended<br>31/12/2007 | Nine Months<br>ended<br>31/12/2008 | Nine Months<br>ended<br>31/12/2007 | Financial Year<br>ended<br>31/03/2008 |
|---|-----------------------------|-----------------------------|------------------------------------|------------------------------------|---------------------------------------|
|   | Unaudited                   | Unaudited                   | Unaudited                          | Unaudited                          | Audited                               |
| <b>Segment Revenue (Net Sales/Income from operations)</b>                           |                             |                             |                                    |                                    |                                       |
| a) Steel  | 12,767.76                   | 19,110.09                   | 61,704.75                          | 54,803.46                          | 74,569.38                             |
| b) Stamping   | 6,318.65                    | 4,879.35                    | 25,950.59                          | 12,552.97                          | 17,552.06                             |
| <b>Total</b>  | <b>19,086.41</b>            | <b>23,989.44</b>            | <b>87,655.34</b>                   | <b>67,356.43</b>                   | <b>92,121.44</b>                      |
| Less: Inter Segment revenue   | -                           | -                           | -                                  | -                                  | -                                     |
| <b>Net Sales/Income from operations</b>   | <b>19,086.41</b>            | <b>23,989.44</b>            | <b>87,655.34</b>                   | <b>67,356.43</b>                   | <b>92,121.44</b>                      |
| <b>Segment Results (Profit+)/Loss(-) before interest and tax from each segment)</b> |                             |                             |                                    |                                    |                                       |
| a) Steel  | (922.92)                    | 1,564.64                    | 608.46                             | 3,834.06                           | 5,534.02                              |
| b) Stamping   | (648.40)                    | 724.19                      | 537.34                             | 2,132.76                           | 1,960.50                              |
| <b>Total</b>  | <b>(1,571.32)</b>           | <b>2,288.83</b>             | <b>1,145.80</b>                    | <b>5,966.82</b>                    | <b>7,494.52</b>                       |
| Less: 1. Interest   | 1,041.12                    | 726.91                      | 2,742.32                           | 2,170.26                           | 2,863.28                              |
| 2. Other un-allocable Expenditure net of un-allocable Income                        | 36.30                       | 30.33                       | 120.12                             | 149.76                             | 212.43                                |
| <b>Profit(+)/ Loss(-) Before Tax</b>  | <b>(2,648.74)</b>           | <b>1,531.59</b>             | <b>(1,716.64)</b>                  | <b>3,646.80</b>                    | <b>4,418.81</b>                       |
| <b>Capital Employed (Segment Assets - Segment Liabilities)</b>                      |                             |                             |                                    |                                    |                                       |
| a) Steel  | 31,582.21                   | 28,143.17                   | 31,582.21                          | 28,143.17                          | 35,233.18                             |
| b) Stamping   | 17,546.18                   | 17,134.69                   | 17,546.18                          | 17,134.69                          | 16,732.07                             |
| <b>Total</b>  | <b>49,128.39</b>            | <b>45,277.86</b>            | <b>49,128.39</b>                   | <b>45,277.86</b>                   | <b>51,965.25</b>                      |

Note: Steel segment and stamping segment comprises of sale of alloy steel, sale and processing of pressed metal components, respectively.

Mumbai  
January 23, 2009

sd/-  
K. V. Ramarathnam  
Managing Director