



BHARAT FORGE LIMITED Q3 RESULTS FY06

Consolidated Revenue Rs. 956.7 Crores

Consolidated PBT Rs 97.1 Crores

Key Highlights of the Quarter 3 ended December 2005

- BFL standalone Revenue reached Rs. 415.5 Crores, up by 33.5% and PBT Rs. 80.2 crores, up by 22.6%
- Revenue generated from sales to customers outside India in Q3 stands at Rs. 700 crores, which works out to 73.2 % of Consolidated Revenue spread across USA, Europe & China.
- BFL Entered JV Contract with FAW Corporation China to create largest forging company in China for highly engineered forged auto components. JV to address both local Chinese manufacturers as well as Global OEM plants in China.
- BFL completes global 'Dual Shore' manufacturing model with near - shore manufacturing capability across six countries covering the largest global automotive markets.
- Bags prestigious long-term contracts for machined medium and heavy-duty Power-train components from three global OEMs.

Pune, January 16th, 2006... Bharat Forge, the largest exporter of auto components from India today announced a robust growth in consolidated performance in Q3 FY 2006. The company's consolidated revenue rose by 80.9% to Rs 956.7 crore. The Performance of the Indian Operations also clocked impressive growth with 33.5% growth in total revenue and 22.6% growth in profit before tax.

During the quarter the company entered into JV agreement with FAW Corporation of China to manufacture wide range of highly engineered forged auto components for local Chinese manufacturers and Chinese plants of the Global OEM's. With this joint venture the company now has manufacturing capability close to the customers' facilities in all key geographies where it sells its products.

BFL's de-risking business model now offers tremendous depth to the overall business with about 73% of the total revenue coming from the sales to the customers outside India, which include top passenger car & commercial vehicle customers across the globe. BFL also has been very successful in leveraging its Dual Shore manufacturing capability for enhanced order flow from Global OEM



& Tier I customers for its Indian operations. BFL has recently concluded long-term contracts with three global OEMs for supply of machined Power-train components. These orders will further strengthen BFL’s positioning in the value added power train component market.

Commenting on the results, **Mr. B N Kalyani, Chairman & Managing Director, Bharat Forge**, said “Three years back we had set out with a clear Road map for achieving global leadership in forged auto component business. Today we have achieved all the integral parts of the same with global manufacturing presence, world scale manufacturing capacity across nine plants, more than 35 top OEM & Tier I customers, front end design & engineering capability & full service supply capability. We have taken steps to cement our relationship with our long- term customers to ensure a major share of business and an opportunity to increase our level of penetration with them.

The key focus, from now onwards, will be on leveraging these complementarities to our best advantage, progressively scale up the Indian operations in line with the customers’ product development protocols and achieve higher level of competitiveness in the operations of our global subsidiaries. The results of the quarter are a step in the direction of achieving these medium term strategic initiatives.” He further added.

The following are the highlights of the company’s consolidated and stand-alone performance for the 9 months ended December, 2005.

(Rs. Crores)

Particulars	Consolidated 9 months ended FY06	Consolidated 9 months ended FY05	% Chg	Standalone 9 months ended FY06	Standalone 9 months ended FY05	% Chg	Consolidated Year ended 31March 2005
Total Revenue	2304.3	1457.8	58.1	1178.2	863.1	36.5	2001.4
Domestic (net of Excise)	714.5	507.1	40.9	714.5	507.1	40.9	716.0
Revenue Outside India	1589.8	950.7	67.2	463.7	356.0	30.3	1285.4
Operating Profit (PBDIT)	430.5	319.8	34.6	323.0	242.9	33.0	431.9
PBT	289.5	229.9	25.9	232.1	178.7	29.9	313.0
PAT	187.0	143.5	30.3	153.9	113.2	35.9	201.1

**About Bharat Forge Limited**

Bharat Forge Ltd (BFL), is the flagship company of the US \$ 1.50 billion Kalyani Group, which has significant presence in the key sectors of the Indian economy. Bharat Forge now has world-class manufacturing facilities across nine locations – two in India, three in Germany and one each in Sweden, Scotland, North America and one in China, through the recently concluded Joint Venture with FAW Corporation. BFL today is a global corporation with 'Full Service Supply' capability in Forged & machined Power-train & chassis components. It is the largest exporter of auto components from India and leading chassis component manufacturer in the world. BFL is internationally respected for its cutting edge technology developed over the years, full service capability and dual-shore manufacturing model.

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