



BHARAT FORGE

Bharat Forge Ltd.

Performance for the quarter ended December 31, 2006

**Combined Revenue reaches Rs. 1037 Crores
Combined Profit After Tax grows by 23% to reach Rs. 77 Crores**

Key Highlights

The company achieved stand alone revenue of Rs. 493.3 crore, a growth of 19%

Exports grew 23.2% to reach Rs. 195.8 Crore

Stand alone EBIDTA margin improves 0.8% on the back of higher capacity utilization and better product mix to reach 28.4% against 27.6% previous year.

Combined EBIDTA margin improves 1.9% to reach 18%, owing to significantly improved margins, both in India as well as the wholly owned subsidiaries.

Pune, January 20th 2007: Bharat Forge Ltd., today announced strong third quarter results with combined revenue reaching Rs. 1037.1 crore. The combined EBIDTA margin showed strong growth to 18% from a level of 16.1% in the corresponding quarter previous year. PAT, at Rs. 77 Crores, witnessed a strong 23% growth over the same period.

Stand-alone revenue & PAT reached Rs. 493.3 Crore and Rs. 63.0 crore, a growth of 18.7% and 18.2% respectively.

During the quarter the company's EBIDTA margin on a standalone basis continued to be strong at 28.4% as against 27.6% in the corresponding quarter previous year.

The company has concluded a Long Term Contract with a Global OEM for the supply of range of parts in the Automotive Sector. The company is in the advance stage of discussions with global customers for additional long-term contracts for supply of high end critical safety components, both for the Automotive and the Non - Automotive applications such as energy sector, locomotive, and aerospace sector.



Commenting on the results of the company Mr. B N Kalyani, Chairman & Managing Director said “We have, over the past several years, consciously developed a global business model. Whilst we have stuck to our core competencies, today our business model spans across geographies, product families & caters to the critical requirements of our marquee global customers.

With this, we have seen our key customer relationships graduating from being “supply partnerships” to “Engineering based development partnership”

This offers us a tremendous platform to launch into the next phase of rapid, sustained and profitable growth across a wide range of products and applications including high end critical applications for some of the fastest growing sectors such as Aerospace, Wind energy and Hydrocarbon exploration.

The financial performance of our Indian as well as subsidiary operations gives me the confidence that we are on the right track and this performance will form the backbone of our efforts to achieve rapid growth in the quarters to come” he added.

Financial Highlights

Rs. Crores

(BFL and Wholly owned subsidiaries)

| Particulars | Q3 FY 2007 Combined | Q3 FY 2006 Combined | Growth % | Q3 FY 2007 Standalone | Q3 FY 2006 Standalone | Growth % |
|---|------------------------|------------------------|-------------|--------------------------|--------------------------|-------------|
| Revenue Within India <i>(Including Other Income)</i> | 297.5 | 256.6 | 15.9% | 297.5 | 256.6 | 15.9% |
| Global Revenue <i>(Including Other Income)</i> | 739.6 | 700.1 | 5.6% | 195.8 | 158.9 | 23.2% |
| Total Revenue | 1037.1 | 956.7 | 8.4% | 493.3 | 415.5 | 18.7% |
| EBIDTA | 186.7 | 154.1 | 21.2% | 140.1 | 114.7 | 22.1% |
| EBIDTA % | 18.0% | 16.1% | | 28.4% | 27.6% | |
| Profit Before Taxation | 115.1 | 97.1 | 18.5% | 93.3 | 80.2 | 16.3% |
| Profit after Taxation | 77.0 | 62.7 | 22.8% | 63.0 | 53.3 | 18.2% |

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