



BHARAT FORGE LIMITED FY06 RESULTS

Consolidated Revenue crosses Rs 3000 crores, consolidated Net Profit exceeds Rs 250 crore

*Stand alone revenues jump 33% to reach Rs. 1631 crores & Net Profit shows a smart 28% growth to Rs. 207 crores
Proposes Dividend of 150%*

Key Highlights:

Consolidated revenue & net profit reaches Rs. 3085 crore & Rs. 251 crore respectively.

Consolidated EPS reaches Rs.11.51 (Rs. 2 per share paid)

Bharat Forge's revenue jumps 33% to reach Rs. 1631 Crores with exports at Rs. 655 crores. Net profit grows 28% to reach Rs. 207 crores.

Bharat Forge raised funds thru successful conclusion of FCCB of US \$ 79.90 million. This is in addition to the issue of GDR & FCCB aggregating to USD 220 million completed in April 2005. This will augment the financial resources to address opportunities in the global market.

Mumbai, 23 May, 2006: Bharat Forge, the leading global supplier of forged & machined auto components, has announced a quantum growth in its consolidated performance. The company achieved consolidated annual revenue Rs. 3085 Crores (USD 678 million) against of Rs. 2001 crores (US \$ 440 Million) & Profit After Tax of Rs. 251 crores (USD 55 million) against Rs. 201 crores (US \$ 44 Million) for the FY 2004-05.

Of the total consolidated revenue of Rs. 3085 crores, Rs. 2110 crores (US \$ 464 Million) was generated from sales to customers outside India. Thus, the share of global revenues in the company's total revenues now stands at 68%. This has been accomplished through a combination of global merger & acquisitions and 28% growth in the export revenue for Bharat Forge.

Bharat Forge, on a stand-alone basis has achieved a revenue of Rs. 1631 crores (USD 358 million), a growth of 33% over the previous year. Net Profit of Rs 207 crore (US \$ 45 Million), marks a jump of 28% over the previous year.

Export revenue reached Rs. 655 crores (USD 143 million) primarily on account of strong demand pull from the US market and successful commencement a program for supply of heavy duty engine components to the US market. US contributed 49% of exports, Europe 32% while Asia Pacific (including China) contributed close to 19% of BFL's exports. The Total revenue was also spurred by an impressive growth in the Domestic revenue, which rose 30% to Rs 922 crore (USD 203 million) in FY2006 as compared to Rs 709 crore (USD 156 million) in the previous year.



In the quarter ended 31 March 2006, the company's net revenue reached Rs. 453 crores (USD 100 million), which marks growth of 25% over the corresponding quarter. The Profit before tax grew by 19% to reach Rs. 83 crore (USD 18 million). The Profit After Tax reached Rs. 53 crore (USD 12 million).

Commenting on the result Mr. B N Kalyani, Chairman & Managing Director said: " Bharat Forge, this year took many significant steps towards achieving the target of global leadership in our business.

We have already put in place the building blocks of manufacturing capability, technology, global presence, organization & customer relationship. Our goal over the next few years, will be to leverage these assets in order to propel our company at a higher growth trajectory by working closely with our customers in their strategic initiatives. Our aim will be to substantially grow business with our existing customers and aggressively pursue new business opportunities in the Non Automotive business" He added.

The company's expansion program to double its forging capacity in India is progressing as per schedule and the same will be completed in stages by the third quarter of the year 2006.

According to the company's audited results for the year approved by the Board of Directors on May 23, 2006, following are the financial highlights:

(Rs Crore)

Particulars	Quarter IV Ended 31/03/06	Quarter IV Ended 31/03/05	% Change	Year Ended 31/03/06	Year Ended 31/03/05	% Change
Total Revenue	452.8	363.4	24.6	1631.0	1226.5	33.0
Domestic (net of excise)	246.6	206.8	19.2	922.4	708.6	30.2
Exports	191.8	154.4	24.2	655.5	510.5	28.4
Operating Profit [PBDIT]	119.6	91.3	31.0	442.7	334.2	32.5
PBT	82.8	69.4	19.3	314.9	248.1	26.9
PAT	53.0	48.4	9.5	207.0	161.6	28.1

1 USD = Rs. 45.50

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