



ISPAT INDUSTRIES LIMITED

The new generation steel

Ispat Industries Ltd to hive of Jetty Facility and Operation;
Q3 and 9 Months Unaudited Results

Mumbai, January 31, 2008

At a meeting held today, the Board of Directors of the company approved, in principle, hiving off of the company's jetty facilities / operations to an independent entity, subject to all requisite consents / approvals and valuation reports of valuers appointed for the purpose. The captive Dharamtar, near Dolvi has a handling capacity of 10 million tonnes per annum.

Ispat Industries Limited posted a profit before tax of Rs 36.78 crores for the 9-months period ended December 31, 2007, compared to a loss before tax of Rs 130.67 crores for the corresponding period last year. The company's net loss for 9-months period ended December 31, 2007 was at Rs 14.09 crores as against a net loss of Rs 91.65 crores for corresponding period last year, after taking into account deferred tax charges and fringe benefit tax.

Ispat's total income of Rs 6103.63 crores for 9-month period ended December 31, 2007 was higher by 11.9% compared to its income in same period last year, as per the company's unaudited financial results announced today.

For the 3-months ended December 31, 2007, Ispat's loss after tax was at Rs 36.00 crores against a net profit of Rs 17.52 crores in the corresponding period last year. Total income at Rs 2195.68 crores in 3-months period ended December 31, 2007 was higher by 16.8% compared to the same period last year.

High market price of metallurgical coke, iron ore and other inputs impacted the financial performance in the third quarter.

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