



Triveni Engineering announces its Q2 & HIFY08 results
Q2 FY 08 EBITDA up by 239% at Rs 91 crore
PAT up by 535% at Rs 34.3 Crore
HI FY 08 EBITDA up by 130% at Rs. 162 crore
PAT up by 120% at Rs. 59.9 crore

Performance Overview

October 2007 – March 2008 Vs October 2006 – March 2007

- Net Sales at Rs 725 Crore, up by 8% from Rs 671 Crore
- EBITDA at Rs 162 Crore, up by 130% from Rs 70 Crore
- Profit after tax (PAT) of Rs 59.96 Crore, up by 120%
- EBITDA margin increased to 22.3% from 10.5%
- PAT margin increased to 8.3% from 4.1%
- EPS at Rs 2.33 (not annualized)

January – March 2008 Vs January – March 2007

- Net Sales at Rs 379 Crore, up by 4% from Rs 364 crore
- EBITDA at Rs 91 crore, up by 239% from Rs 27 crore
- Profit after tax of Rs 34.3 crore, up by 535%
- EBITDA margin increased to 24% from 7.4%
- PAT margin increased to 9.1% from 1.5%

New Delhi, April 28, 2008: Triveni Engineering & Industries Ltd. (BSE CODE: 532356, NSE ID: TRIVENI), one of India's leading companies engaged in the manufacturing of sugar and engineered-to-order mechanical equipment, such as steam turbines, high speed gears and water and wastewater treatment equipment announced its financial results for the first half and second quarter of FY 2008.

Net sales increased 8% to Rs 725 crore in the six months; EBITDA was 130% higher at Rs 162 crore while PAT grew 120% to Rs 60 crore. EPS for the six months was Rs 2.32 (not annualized).

The overall sugar businesses' revenue remained flat whereas the engineering businesses' revenue increased by 14%. The sugar operations achieved a net turnover of Rs 382 crore, 8% lower than the corresponding previous period owing to lower volumes of sale while the cogeneration operations achieved a turnover of Rs 91 crore which is an increase of 9% over the previous period. During the six months under review, the distillery business achieved a turnover of Rs. 28 crore. For the engineering business, the overall sales turnover went up by 14% at 329 crore with steam turbines growing by 9% at Rs. 259 crore, high speed gears growing by 28% at Rs. 37 crore and water business growing at 50% at Rs 33 crore.

The issue of sugar cane pricing for the 2006-07 and 2007-08 seasons is before the Supreme Court and High Court respectively. For FY07, the company had paid the entire cane prices at the State Advised Price (SAP) of Rs. 1,250 per tonne before the interim order of Supreme Court while for the current season, based on the Lucknow Bench's interim order, cane prices have been taken at Rs. 1,100 per tonne.

Overall PBIT increased 167% to Rs 119 crore, with PBIT margin expanded to 16.5% from 6.7% last year. This has primarily been driven by better margins in engineering businesses and improved financials of sugar operations.

For H1 FY 08, depreciation & amortization went up by 66% to Rs. 42.5 crore on account of new projects implemented both in sugar & engineering. The total finance cost also increased to Rs. 44 crore from Rs. 18 crore due to the debts contracted to fund the new projects as well as due to increased working capital requirements including payment of cane dues for 2006-07. Net profit before tax (PBT) increased 181% to Rs. 75.2 crore while Profit after Tax (PAT) went up by 120% to Rs. 60 crore.

Commenting on the results, Mr. Dhruv Sawhney, Chairman, Triveni Engineering & Industries Ltd said – *“The overall performance is reflective of improved outlook in the sugar business and our continuing growth in the engineering business with an overall profit after tax growth of 120% at Rs 60 crore. The company’s sugar production for 2007-08 season has been marginally lower by 2.0% which is satisfactory in the light of the estimated overall decline in production in UP for the 2007-08 season to the extent of 8 -10%. Sugar prices are also firming up factoring in lower production during the current year. We also expect the cane pricing issue, which is currently sub-judice, to be resolved in the long term interest of all stakeholders. Under this scenario, sugar operations coupled with the co-generation and distillery businesses should provide strong support in improving the overall profitability of the company.*

Our engineering businesses are consistent in its performance and have achieved a record PBIT margin of over 28% in Q2 FY 08. The order book in engineering business is also growing with an outstanding order book of Rs 630 crore as on 31st March 2008. Engineering business performance reflects Triveni’s consistent effort to manufacture world class products at competitive prices backed with a strong all India net work of service centers. We, at Triveni, are proactively making efforts to consistently expand the market reach, getting into new product lines and also undertaking extensive cost reduction and cost control to remain competitive and maintain the margins.”

About Triveni Engineering & Industries Ltd.

Triveni Engineering & Industries Ltd. ('Triveni') is one of India’s leading companies engaged in the manufacturing of sugar and engineered-to-order mechanical equipment, such as steam turbines, high speed gears and water and wastewater treatment equipment. The company's core strength in the engineering business emerges from its focus on high quality, high technology and continuing focus on research & development strongly supported by after sales service network. The company has created a niche for itself in the engineered to order mechanical equipment space with market leadership in steam turbines and high-speed gears in its applicable market segments. In the sugar business, Triveni has a daily sugar cane crushing capacity of 61000 tonnes with 68 MW of co-generation capacity and 160,000 litres of distillery. For more information, please log on to www.trivenigroup.com.

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