

CEAT Ltd. - Q 1 of (April-June 07) - Net Profit up 130 times

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CEAT Ltd., flagship company of the **Rs. 11,500 crore RPG Group** and one of India's leading tyre manufacturers, has reported a substantially improved performance for the quarter April - June 07 of FY 08. The **net profit for the quarter stood at Rs. 30.35 crs. up** by about **130 times compared to Rs. 0.23 crs.** for the same period last year. The Company's **Gross sale for the quarter stood at Rs. 601 crs. as against Rs. 557 crs., up by 8% .** EBITDA margin to **Net Sales surged by 490 basis points** during the quarter to 9.9% compared to 5% for the same period in the previous year.

Announcing the results, **Mr. Paras K. Chowdhary, Managing Director of CEAT** said '*the increase in operating margins is mainly attributed to better Product Mix, strategic buying of Raw Materials and sustained efforts towards cost optimization and lower interest burden despite increase in interest rates and growth in business.*'

The Company is now charting out an accelerated growth plan, with key thrust in Exports. With a global footprint spread over 100 countries, the Company expects to further enhance its' already significant presence in Europe. While moving smartly to address the fast emerging market needs in Truck Radials through aggressive outsourcing strategy, Company expects to further enhance its' Radials play through a future investment in a green field Radial tyre facility.

Despite Rupee appreciation the Company hopes to perform better in Exports in the next few quarters to insulate against the temporary slowdown being witnessed in the OE business.

The Company is also aggressively revitalizing it's existing product portfolio and expects to garner market share by delivering superior value to customers through new products which are geared to address current and emerging market needs especially in profitable niche markets.

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You can also visit www.sampark.com for more information.