

Operating profit for the quarter ended June 30, 2007 up by 18% Production Volumes up by 16%

Uttam Galva Steels Ltd. (UGSL), one of the largest manufacturer - exporters of galvanized steel in the country has reported Net sales of Rs.721.98 crores for the quarter ended June 30, 2007, a jump of 31% as compared to Rs.549.80 crores for the previous quarter ended June 30, 2006.

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Production Volumes rose by 16% to 1.33 lac MT for the quarter ended June 30, 2007 as against Rs.1.15 lac MT for the same quarter last year.

Operating profit rose to Rs. 66.51 crores as against Rs. 56.24 crores for the same period last year, a growth of 18%.

Uttam Galva has been able to maintain Net profit at almost the same level as the first quarter last year due to the increase in production volumes whose impact has been offset by an increase in interest costs by 43% (a reflection of the increase in global interest rates), hike in depreciation by 17% (due to the capital investments made over the past 4 years) and raw materials (HR prices increase by 12% over same period last year).

Commenting on the results Mr. Ankit Miglani Director, Commercial, Uttam Galva Steels Limited said, 'The Company has kept up the momentum in the first quarter inspite of the adverse effect of higher interest rates and depreciation impact.'

'Although the appreciation of Indian rupee is a matter of concern, the company is completely focused on enhancing productivity through various initiatives such as the commissioning of the new 1650 mm in order to continue to provide world class value added steel products in the global market. Our future focus will be maintained through a pincer strategy combining both exports and domestic sales ' Mr. Miglani added.

Last month, Uttam Galva crossed a new landmark by exporting 2 million tonnes of value added steel. The company now exports to 131 countries worldwide. It supplies to most of the developed nations including USA, Japan, Australia, New Zealand, Canada, Germany, etc to name a few. The company's value added products include galvanized coils, galvanized sheets, CRCA and color-coated steel.

Uttam Galva is also the recipient of the Government of India's 'Highest Exporter Award' for seven consecutive years.

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About Uttam Galva Steels Limited:

Uttam Galva Steels Limited is a one of the largest manufacturer- exporter of cold rolled steel (CR) and galvanised steel (GP) in India. In the domestic market, the company is a major supplier to the automobile, white goods, general engineering and construction industries. Some of its major customers include Bajaj Auto, Bajaj Tempo, M&M, Kirloskar, L&T and Crompton. The Company currently exports its products to more than 131 countries including Australia, France, Germany, Greece, UK and USA.

For more information, Please contact:

Lalit Pandey

Consultant - Sampark Public Relations

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