

VISA STEEL

Shaping the Future with Minerals & Metals

PRESS RELEASE

29th January 2009

- **Q3 Revenues at Rs. 163.12 Crores**
- **9 month Revenues at Rs. 750.08 Crores and PAT at Rs. 43.86 Crores**

VISA Steel, a part of the Rs. 4,000 Crore VISA Group, is currently a producer of Pig Iron, LAM Coke, Ferro Chrome, Sponge Iron and Power and is setting up a Special and Stainless Steel Plant at Kalinganagar Industrial Complex in Orissa. The VISA Group has business interests in Steel, Power, International Trading, Shipping and Logistics.

The Company announced its third quarter (Q3) unaudited financial results for FY'2008-09 after its Board Meeting held in Kolkata on 29th January 2009.

During Q3 of FY'2008-09, VISA Steel registered revenues of Rs.163.12 Crores. However, there has been a fall in EBIDTA to a loss of Rs. 4.38 Crores and a drop in PBT to a loss of Rs. 22.35 Crores. The net loss after taxes during Q3 of FY'08-09 was Rs. 24.75 Crores.

Commenting on the performance for Q3 of FY'2008-09, Mr. Vishal Agarwal, Managing Director, VISA Steel said -

“VISA Steel’s financial performance during the third quarter of FY’2008-09 has been adversely affected due to the global financial crisis resulting in slowdown in demand and sharp correction in prices of iron and steel products such as Pig Iron, Coke, Ferro Chrome and Sponge Iron without corresponding drop in prices of raw materials such as Iron Ore, Chrome Ore and Coking Coal. The volatility in exchange rates have also resulted in a forex loss of Rs. 24.75 Crores.”

During Q3 of FY'08-09, the LAM Coke production increased to 88,631 MT compared to 50,638 MT during the corresponding period in the previous year. The Hot Metal production was reduced to 22,235 MT in Q3 of FY'08-09 versus 27,594 MT during the same period last year due to reduced offtake of Pig Iron. The Ferro Chrome production during Q3 of FY'08-09 was 1,220 MT compared to 7,769 MT during the corresponding period in the previous year as the Plant was mostly under shutdown due to poor market conditions and high cost of Chrome Ore. The Sponge Iron production during the quarter was 12,306 MT.

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During FY'2007-08, VISA Steel had recorded revenues of Rs. 682.81 Crores, EBITDA of Rs. 93.93 Crores, PBT of Rs. 67.14 Crores and PAT of Rs. 43.15 Crores. During the 9 months period from April to December 2008, VISA Steel has achieved a revenue of Rs. 750.08 Crores, EBITDA of Rs. 115.82 Crores, PBT of Rs. 74.59 Crores and PAT of Rs. 43.86 Crores.

VISA Steel is also setting up a 100,000 TPA Ferro Chrome Plant in Orissa in Joint Venture Agreement with Baosteel Resources, China. The Board of Directors of VISA Steel approved the proposal to increase its stake in VISA BAO Limited from 51% to 65% with Baosteel Resources holding the balance 35%.

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