

MFL Q2 F2009 Consolidated Results

The unaudited consolidated results for the Mahindra Forgings Group for the quarter and half-year ended 30th September 2008 for the Group is as given below. These results have not been subjected to a limited review by the statutory auditors of the company.

Q2 F09 –

The Total Income for the Second quarter ended 30th September 2008 of the **Consolidated Mahindra Forgings Group** at **Rs.718 crores** **grew by 23.2%** over **Rs.583 crores** for Q2 last year. Profit before depreciation, Interest, exceptional items and taxation (EBITDA) for the current quarter is Rs.64 crores as compared to Rs.43 crores in Q2 last year. The consolidated group Loss for the current quarter after considering exceptional items and taxation is Rs. 4 lacs as against Loss of Rs.2 crores in Q2 last year.

H1 F09 –

The Total Income for the half-year ended 30th September 2008 of the **Consolidated Mahindra Forgings Group** **grew by 25.1%** to **Rs.1429 crores** from **Rs.1142 crores** in H1 last year. Profit before depreciation, Interest, exceptional items and taxation (EBITDA) for the current half-year is Rs.153 crores as compared to Rs.106 crores in the same period last year. The consolidated group profit for the current half-year after exceptional items, taxation is **Rs.30 crores** as against **Rs.10 crores** earned in the same period last year.

Outlook:

In the past two years, the global economy could be characterized as high growth and high inflation driven. In the backdrop of the global financial crisis, the global economy is expected to follow a falling growth – falling inflation paradigm. It is therefore expected that the growth rates would decline across the world. The decline in growth rates is expected to be sharper in Europe as compared to India which is expected to be affected to a lesser degree by the global crisis. Already, the automotive sector in both Europe and India is showing signs of slowdown. This slowdown is most marked in the commercial vehicle segment. There is a silver lining to the whole episode with commodity prices expected to have peaked and expected to decline and stabilize. On balance we are moderating our outlook for the rest of the year.