

## **PRESS RELEASE**

### **SONA KOYO STEERING SYSTEMS LTD.**

**DATED : 18<sup>TH</sup> JULY, 2005.**

The Board of Directors of Sona Koyo Steering Systems Ltd. (SONA) the India's largest manufacturer and supplier of Steering Systems, in the Technical and Financial Collaboration with world renowned group Koyo Seiko Co., Ltd., Japan in their meeting held on 18<sup>th</sup> July, 2005 has taken on record the Un-audited Financial Results for the First Quarter ended 30<sup>th</sup> June, 2005.

In the current quarter ended 30<sup>th</sup> June, 2005, SONA, has seen record sales of 93 crores compared to Rs. 74 crores, in the first quarter of previous year, a growth of 26%. The Company has to incur one time additional air freight cost for increased exports during this quarter and hence the Profit Before Tax for the first quarter grew marginally from Rs. 4.13 crores to Rs. 4.28 crores and the Profit After Tax grew from Rs. 2.39 crores to Rs. 2.79 crores.

The growth in sales is fertile results of SONA's management initiatives to penetrate overseas markets, which has abundantly increased the 'Export Sales' for the first quarter ended 30<sup>th</sup> June, 2005 to Rs. 1,043 lacs as compared to Rs. 259 lacs, in the first quarter of previous year, a growth of 300%. Also, the strategic investment to the tune of Rs. 29.32 crores made by SONA for acquisition of 21% stake in Fuji Autotech S.A.S., France during the Third Quarter of the previous Financial Year, has rewarded with Rs. 65 lacs of dividend income to SONA, received during the first quarter ended 30<sup>th</sup> June, 2005.

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