

Press Release

SONA KOYO STEERING SYSTEMS LTD SALES UP BY 17.3 %

-Recommended the payment of dividend at the rate of 35% -

New Delhi, April 18, 2008: The Board of Directors of Sona Koyo Steering Systems Limited (SONA), India's largest manufacturer and supplier of Steering Systems, in Technical and Financial Collaboration with world renowned group 'JTEKT Corporation', Japan (formerly Koyo Seiko Co., Ltd.) in their meeting held on 18th April, 2008 has taken on record the Audited Financial Results for the year ended 31st March, 2008 and recommended the payment of dividend at the rate of 35 % on its Expanded Capital Base of Rs. 19.86 Crores post the issue of 2,423,681 shares allotted by the Board of Directors during their meeting of April 18, 2008 consequent upon the exercise of conversion option of fully convertible warrants by the holders thereof.

Gross Sales for the year ended 31st March 2008 grew by 17.3% from Rs. 705 Crores to Rs. 827 Crores. Net Sales grew at 17.7% from Rs. 581 Crores to Rs. 684 Crores. EBITDA showed a negative growth of 5% from Rs. 41.57 Crores to Rs. 39.44 Crores. Profit After Tax registered a de-growth 9% from Rs. 27.71 to Rs. 25.19 Crores.

The marginal drop in profit was due to industry facing the dual pressure of increase in steel prices and appreciation of the Rupee against the Japanese Yen.

The company has recently signed on several new businesses such as Maruti Suzuki India Ltd, Mahindra & Mahindra, TATA Motors, Maruti Suzuki India and Hyundai Motors India to the tune of Rs. 100 Crores additional sales per annum.