

PRESS RELEASE

SONA KOYO STEERING SYSTEMS LIMITED

DATED : 28th October, 2005.

The Board of Directors of Sona Koyo Steering Systems Limited (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 28th October, 2005 has taken on record the limited reviewed Un-audited Financial Results for the half year ended 30th September, 2005.

In the current half year ended 30th September, 2005, SONA, has seen record sales of Rs. 194 crores compared Rs. 162 crores, in the half year of last year, a growth of 20% and the profit after tax for the said period grew from Rs. 6.28 crores to Rs. 6.56 crores.

SONA's efforts in the field of exports are gradually showing results and hence, SONA, in the current half year period, has achieved an Export sales of Rs. 23 crores, as compared to Rs. 7 crores, in the corresponding period in previous year. However, the profits are under pressure mainly due to unprecedented hikes in the prices of petroleum products, teething problems in the area of exports and set up costs associated with the ongoing expansion programme.