

Sona Koyo Steering Systems Ltd. Sales up by 85%

New Delhi, January 18th, 2007: The Board of Directors of Sona Koyo Steering Systems Ltd. (SONA) India's largest manufacturer and supplier of steering systems, in technical and financial collaboration with world largest Steering System manufacturer viz. 'JTEKT Corporation', Japan (formerly Koyo Seiko Co., Ltd.), in their meeting held on 18th January, 2007 has taken on record the un-audited financial results for the nine months period ended 31st December, 2006.

Third Quarter Results: In the current third quarter ended 31st December, 2006, SONA's:

Sales up by 85% to Rs. 181 crores from Rs. 98 crores (previous year third quarter);

EBIDA up by 43% to Rs. 14.53 crores from Rs. 10.16 crores (previous year third quarter);

PAT up by 88% to Rs. 6.63 crores from Rs. 3.53 crores (previous year third quarter); &

EPS (for face value of Rs. 2/- per share) up by 88% to Rs. 0.75 from Rs. 0.40 (previous year third quarter).

Nine Month Results: In the current nine month period ended 31st December, 2006, SONA's:

Sales up by 68% to Rs. 490 crores from Rs. 292 crores (previous year 9 months);

EBIDA up by 48% to Rs. 40.59 crores from Rs. 27.37 crores (previous year 9 months);

PAT up by 65% to Rs. 16.67 crores from Rs. 10.08 crores (previous year 9 months); &

EPS (for face value of Rs. 2/- per share) up by 66% to Rs. 1.89 from Rs. 1.14 (previous year 9 months).

The Committee of Directors in their meeting held on 7th December, 2006, pursuant to the resolution passed by the Shareholders at their Extraordinary General Meeting held on 22nd November, 2006, has allotted 4,396,700 nos. of Equity Shares of Rs. 2/- each and 7,040,216 nos. of convertible warrants (to be converted into Equity Shares within a period of 18 months) at the issue price of Rs. 67.10 per Share / Warrant, on preferential basis, to the promoters and the collaborators.

Sona Koyo Steering Systems Ltd.

SONA KOYO Steering Systems Ltd.(SONA), is the flagship company of the Rs. 800 crore SONA Group of Companies. The company is India's largest manufacturer of steering systems and is the supplier of choice to major auto manufacturers with over 45% domestic market share, supplying steering gears, columns and RPS assemblies to almost all Indian passenger car and utility vehicle manufacturers. More information about the company is available on the website www.sonagroup.com <<http://www.sonagroup.com>>. The SONA group comprises the following companies; Sona Somic Lemforder Components Ltd., Sona Okegawa Precision Forgings Ltd., Mahindra Sona Ltd, and Sona e-Design Ltd.