

PRESS RELEASE

J.K.Cement Ltd. -

Net Profit spurts by 448% for the year ended March 31'2007.

Recommended Dividend of Rs.3.5 per share

J.K. Cement Ltd. is one of the leading cement players in the country with over 30 years experience. The Company has **two Grey Cement plants at Nimbahera and Mangrol** with an aggregate **installed capacity of 4 million tons** and is **one of the top five producers of grey cement in the northern region.** It is also the **second largest producer of White Cement** in the country having **manufacturing facility at Gotan** with an annual **installed capacity of 0.4 million tons.**

The Company's Board of directors met on 12th May,07 to review the working of the Company for the year ended 31st March'2007 and for Jan. – Mar.'07 quarter.

The Company's **performance during the year ended 31st March'07** as against previous year, **have also shown substantial improvement** and the **Net Turnover has increased by 41%** (Rs.1233.3 crores vs. Rs.873.7 crores) while **PBIDT has increased by 148%** (Rs.339.9 crores vs. Rs.136.9 crores), **Profit before tax increased by 421%** (Rs.272.0 crores vs. Rs.52.2 crores) and **Net Profit by 448%** (Rs.178.6 crores vs. Rs.32.6 crores). The **Earning per share increased to Rs.25.54 as against Rs.6.37 of 2005 - 06.** The Board of Directors recommend a **Dividend of Rs.3.5 per share.**

The work on the **Captive Power Projects** is in advance stage of completion and **20 MW Power Plant will be commissioned in first week of June, 07.** The other power projects would be completed in phases within next 4-5 months' time. The Company expects **substantial savings in power cost** upon implementation of these Power Projects.

The refurbishing of the **acquired assets of M/s. Nihon Nirman Ltd.** has also started and the plant is expected to put into operation by the quarter ending December,07.

The work on the new **Green Field Cement plant at Karnataka** has also been initiated and will be commissioned in the quarter January-March, 2009.

Performance Review: Highlights – (2006 – 07 vs. 2005 – 06)

There has been marked improvement in the performance of the Company during the year. Highlights of performance during the year ended 31st March '2007 as against previous year are as under –

| | <u>2006 - 07</u> | <u>2005 - 06</u> | <u>% inc./dec.)</u> |
|-------------------------------|------------------|------------------|---------------------|
| <u>Production-</u> | | | |
| Grey Cement (Ton) | 3640823 | 3511022 | 4% |
| White Cement (Ton) | 248880 | 226729 | 10% |
| Gross Turnover (Rs./Crore) | 1529.7 | 1108.7 | 38% |
| Net Turnover (Rs./Crore) | 1233.3 | 873.7 | 41% |
| PBIDT (Rs./Crore) | 339.9 | 136.9 | 148% |
| Profit before tax (Rs./Crore) | 272.0 | 52.2 | 421% |
| Profit after tax (Rs./Crore) | 178.6 | 32.6 | 448% |
| Earning per share (Rs.) | 25.54 | 6.37 | 301% |

Quarter Performance: (Jan. – Mar.'07 vs. Jan. – Mar.'06)

Similarly, there has been **substantial improvement in the performance** of the Company during the quarter also. The efforts and steps taken by the Company has started showing positive results. The **production of Grey Cement increased by 92,792 tons** in the quarter. This coupled with improved realization has resulted increase in **Net Turnover by 49%** (Rs.366.6 crores vs. Rs.245.9 crores) while **PBIDT has increased by 144%** (Rs.115.1 crores vs. Rs.47.2 crores). **Profit before tax increased by 265%** (Rs.97.2 crores vs. Rs.26.6 crores) and **Net Profit by 274%** (Rs.61.4 crores vs. Rs.16.4 crores). The **Earning per share increased to Rs.8.78 as against Rs.2.98** during corresponding quarter of previous year.

Highlights of performance during the quarter Jan. – Mar.'07 vis-à-vis the same quarter of the previous year are as under –

| | <u>Jan. – Mar.'07</u> | <u>Jan. – Mar.'06</u> | <u>% inc./dec.)</u> |
|-------------------------------|-----------------------|-----------------------|---------------------|
| <u>Production-</u> | | | |
| Grey Cement (Ton) | 952179 | 859387 | 11% |
| White Cement (Ton) | 67105 | 66820 | 0.4% |
| Gross Turnover (Rs./Crore) | 455.8 | 304.3 | 50% |
| Net Turnover (Rs./Crore) | 366.6 | 245.9 | 49% |
| PBIDT (Rs./Crore) | 115.1 | 47.2 | 144% |
| Profit before tax (Rs./Crore) | 97.2 | 26.6 | 265% |
| Profit after tax (Rs./Crore) | 61.4 | 16.4 | 274% |
| Earning per share (Rs.) | 8.78 | 2.98 | 195% |

Website - www.jkcement.com

E- Mail – aks@jkcements.com