



## Press Release

**Asahi India Glass (AIS) announces audited financial results for the fourth quarter and the financial year ended 31<sup>st</sup> March, 2006**

**Gross sales and operating profit recorded Rs. 703.16 crores and Rs. 122.92 crores respectively for the year.**

**Tuesday, 16<sup>th</sup> May, 2006. New Delhi:** Asahi India Glass Ltd. (AIS) India's largest glass company, announced its audited financial results for the fourth quarter and year ended 31<sup>st</sup> March, 2006 at its Board meeting held today at Gurgaon. The Board has recommended a final dividend of 60% on equity shares for the financial year 2005-06.

AIS's gross sales for the financial year 2005-06 were Rs. 703.16 crores. Operating profit and profit after tax for this period were Rs. 122.92 crores and Rs. 86.26 crores respectively. Gross sales for the fourth quarter were Rs. 185.15 crores. Operating profit and profit after tax for this period were Rs. 34.91 crores and Rs. 66.95 crores respectively. Profit after tax was adjusted on account of change in depreciation policy in the Auto Glass SBU which was done to bring uniformity in accounting policy across the Company.

The depreciation policy in the Auto Glass SBU has been changed from "Written Down Value" to "Straight Line Method" in order to bring uniformity in accounting policy across the SBUs. The change in depreciation policy has resulted in a lower depreciation charge for the year by Rs. 14.76 crores. Depreciation of earlier years, amounting to Rs. 40.08 crores, has been written back. The profits for the period have been impacted to that extent.

The results are summarized below:

Particulars	(Rs Crores)					
	4th Qtr. ended 31 <sup>st</sup> March			Year ended 31 <sup>st</sup> March		
	2006	2005	Change (%)	2006	2005	Change (%)
Gross Sales	185.15	184.06	0.59	703.16	691.53	1.68
Operating Profit	34.91	36.93	(5.47)	122.92	128.86	(4.61)
Cash Profit	31.29	35.07	(10.78)	112.09	125.70	(10.83)
Profit after tax	66.95	21.04	218.20	86.26	78.28	10.19

**Speaking on the occasion, Mr. Sanjay Labroo, Managing Director & C.E.O. of AIS said,** "The year 2005-06 has been one of the best years in AIS history. Though AIS's operating profits fell drastically this year, team AIS showed its mettle by fighting back against the adversity the Company faced at its Float Glass Plant at Taloja which remained shut for over 3 months due to flooding. Besides the flood losses, increase in prices of certain input costs like oil, glass and other raw materials impacted AIS's profitability. However, the underlying performance of AIS was vastly better.

The projects scheduled in the financial year 2005-06 have been completed on time and cost. We have added capacities for tempered glass and laminated windshields at the Auto Glass Plant at Chennai. This will help AIS to serve its customers in domestic and export markets more effectively and efficiently.

The Architectural Processing Units at the Auto Glass Plants in Chennai and Rewari became operational in January, 2006 and March, 2006. AIS now has 3 Architectural Processing Units, catering to the customers in the Western, Southern and Northern Regions of the country.

The project work at the Integrated Glass Plant at Roorkee in the State of Uttaranchal is proceeding as per schedule. The Plant will become operational by December, 2006, on time.

These expansions will further strengthen AIS's competitive position in the auto glass and the architectural glass value chain and consolidate AIS's position as the best and the largest integrated glass company.

The year 2006-07 is a defining year for AIS. Though the Indian economy is expected to remain strong, it will be a tough year. We are, however, better positioned to face it. We will focus to capture profitable markets at the value added end of the glass value chain.”

#### **About Asahi India Glass Ltd. (AIS)**

Asahi India Glass Ltd. (AIS) is a joint venture between the Labroo family, Asahi Glass Co. Ltd. of Japan and Maruti Udyog Limited. AIS began operations in 1987.

AIS today is the largest glass company in India, manufacturing automotive safety glass, float glass, architectural processed glass and glass products. AIS has the following three operating business units - AIS (Auto), AIS (Float) and AIS (Glass Solutions).

AIS (Auto) is India's largest manufacturer of world class automotive safety glass and is, in fact, one of the largest in the field in Asia. AIS (Auto) is a sole supplier to almost all the OEMs and has a market share of over 80 % in the Indian passenger car industry.

AIS (Float) is the leading manufacturer of international quality float glass. It currently has a market share of 25 % in the India float glass market.

AIS (Glass Solutions), which is a subsidiary of AIS, has emerged as the largest processor in the country. AIS (Glass Solutions), offering end-to-end glass solutions, currently has a complete range of high quality architectural processed glass like AIS STRONGLAS, AIS SECURITYGLAS and AIS ACOUSTICGLAS. AIS (Glass Solutions) is also offering innovative products like windows, tabletops, partitions, shelves, shower cubicles, etc.

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