

*Press Release
For immediate publication*

**FY2008 Net sales up 21% at Rs 1593 crore year on year
EBITDA up by 153% at Rs 316.7 crore year on year
PAT at Rs. 111.5 crore – an 8 fold increase year on year
EPS for 2007-08 at Rs. 4.32**

- ***Engineering Businesses***
 - *Y-o-Y Order book growth of 28% to Rs. 710 crore*
 - *Major break-through orders for water Business - Desalination & sewage treatment plants*
- ***Sugar***
 - *Improved sugar realization in Q4 –13% over Q3 FY 08*
 - *Improved sugar fundamentals owing to lower production estimates. Current Sugar prices about 20% higher than average prices for FY 2007-08*
 - *Substantial sugar inventory in hand - well positioned to take advantage of rising sugar prices.*

Noida, November 19, 2008: Triveni Engineering & Industries Ltd. ('Triveni'), one of India's leading companies engaged in the manufacture of sugar and engineered-to-order mechanical equipment, such as steam turbines, high speed gears and water and wastewater treatment equipment, today announced its performance for the financial year 2008 and fourth quarter ended 30th September 2008.

PERFORMANCE OVERVIEW: FY 2008 V/S FY 2007 (18 months)

- Net Sales increased by 25% to Rs. 1593 crore on an annualized basis while on a 12 month to 12 month basis, net sales increased by 21%.
- EBITDA margin doubled during current 12 month when compared with previous twelve month period at 20% while the growth in EBITDA during the same period has been 153% at Rs. 316.7 crore. On an annualized basis, the EBITDA growth has been 100% with margins showing a growth of over 800 basis point.

- Profit before Interest & Tax (PBIT) has gone up by 296% at Rs. 232.7 crore during the current 12 months period corresponding to previous 12 months while on an annualized basis, the growth has been 131%.
- Sugar operation achieved turnaround during the current financial year with positive EBITDA and PBIT of Rs. 90.4 crore and Rs. 35.9 crore respectively as against (-) Rs. 46.2 crore and (-) Rs. 90.0 crore respectively during the corresponding 12 months of the previous year. Sugar business (including cogeneration and distillery) achieved an EBITDA margin of 16% during the financial year as against 2% during the corresponding twelve months in the previous year.
- Engineering business continued its growth with overall sales going up by 16% during FY 08 in comparison to corresponding 12 months of previous year while the growth in EBITDA, PBIT and PBT during the same period has been 28%, 27% and 26% respectively.
- PBT, which was negative during the previous 12 months, has improved to Rs. 134.6 crore during the current 12 months. On an annualized basis, the increase in PBT has been 158%. PAT for FY 08 at Rs. 111.5 crore has shown an 8 fold increase when compared with corresponding 12 month period of previous financial year while on an annualized basis, the increase has been 122%.
- EPS for FY 08 has been Rs. 4.32 while for FY 07 (18 months) was Rs. 2.92
- Proposed dividend - 60% as against annualized 40% in FY 2006-07

Sugar operations have registered a turnaround in terms of its profitability with improvement in sugar realizations and lower cane price applicable. There has been an improvement of 13% in sugar realization in the fourth quarter when compared with the previous quarter. The issue of cane pricing still remains unresolved and the decision of the Supreme Court is awaited in respect of three conflicting High Court Judgments – two relating to 2006-07 and 2007-08, in which State Advised Price (SAP) declared by UP government was quashed and another relating to 2007-08, in which SAP declared was upheld. For season 2008-09, UP Government announced a cane price of Rs. 1400 per tonne for normal variety at gate and Rs. 1450 for early maturing variety and against the same the Industry has filed a writ petition in the High Court.

The performance of the engineering businesses continues to be in line with the expectations with year on year sales going up by 16%, growth in PBIT by 27 % and the PBIT margins showed an improvement of 220 basis points year on year. The order book for the engineering business grew by 28% year on year with Water Business achieving significant increase in order book.

PERFORMANCE OVERVIEW: Q4 FY 2008 V/S Q4 FY2007*(Q4 FY 2008 – July - September 2008); (Q4 FY 2007 – July – September 2007)*

- Net Sales increase by 41% to Rs. 428 crore
- EBITDA of Rs. 81.4 crore, increased by 73% with increase in margins by 370 basis points at 19.0%
- Profit before Interest & Tax (PBIT) has gone up by 136% during Q4 at Rs. 60.2 crore
- Sugar operation achieved turnaround during the current quarter with a growth in sales by 56% and registering a strong EBITDA and PBIT of Rs. 38.9 crore and Rs. 25.4 crore respectively as against Rs. 11.9 crore and (-) Rs. 2.2 crore respectively during the corresponding quarter of the previous year.
- Engineering business continued its growth with overall sales going up by 31% during Q4 FY 08, while the growth in EBITDA and PBIT during the same period has been 22% and 22% respectively.
- PBT during Q4 increased by over 467% when compared with the corresponding quarter of last year at Rs. 31.9 crore.
- PAT for the quarter was Rs. 27.0 crore which is an increase of 439% when compared with the corresponding quarter of the previous year.
- EPS for Q4 has been Rs. 1.05

Commenting on the Company's financial performance, Mr. Dhruv M. Sawhney, Chairman and Managing Director, Triveni Engineering & Industries Ltd, said:

"Triveni's performance during the current financial year has shown a marked improvement over the previous financial year of 18 months. The results reflect the improved outlook in the sugar business and continuing contribution from growing engineering businesses. Sugar prices, since July 08, have shown improvement on account of the lower than expected production for 2007-08 season and estimated lower sugar cane production for 2008-09 and 2009-10 on account of lower area under cane cultivation. With an estimated sugar production of around 20 million for the current season, lower than the consumption, sugar prices, in accordance with our earlier forecast, continue to remain firm and is expected to rise further. With the intense cane development undertaken by us during the last few years, as we start the crushing in our units, we expect similar quantity of cane crush as last year,

even though more visibility will come in the coming months. With the estimated lower sugar cane availability during the current season, the by-products generation will also be lower which will lead to improved realizations for by products and also the value added products manufactured out of such by products such as alcohol.

The engineering businesses' performance has been in line with our expectations and has an aggregate outstanding order book of Rs. 710 crore. While we have visibility in the near term through our order book, given the current financial & economic scenarios, the liquidity position and funding options for some customers may get impacted, which may lead to some postponement in finalization of orders or rescheduling of deliveries in respect of our turbine business. However, by widening our market reach by focusing on exports and also getting into higher MW & high pressure range which has a larger market, together with increased focus on servicing, spares and refurbishment businesses, we expect the turbine business to maintain its performance both in terms of revenue and profits. Expanding the product range of our gears division in the market together with an increased emphasis on refurbishment, will help our Gears Business operations to continue to grow. After winning a few prestigious high value orders in the last year for both industrial and municipal applications, gives us enough confidence in achieving excellent growth for this business in the coming year."

- ENDS -

Attached: Details to the Announcement and Results Table

About Triveni Engineering & Industries Limited

Triveni Engineering & Industries Limited is a focused, growing corporation having core competencies in the areas of sugar and engineering. The Company is among the three largest sugar manufacturers in India, and the market leader in its engineering businesses comprising steam turbines, high speed gears, gearboxes, and water treatment solutions. Triveni currently has seven sugar mills in operation at Khatauli, Deoband, Sabitgarh, (all in western Uttar Pradesh), Chandanpur, Raninagal and Milak Narainpur (all in central Uttar Pradesh) and Ramkola (eastern Uttar Pradesh). The Company's turbine manufacturing and gear manufacturing facilities are located at Bangalore and Mysore respectively while the Water & Waste water treatment business is located at Noida. Triveni's sugar crushing capacity is 61,000 TCD. The Company also has a total co-generation capacity of 68 MW located in two of its major facilities viz., Khatauli (46 MW) & Deoband (22 MW) and a 160,000 litre per day capacity distillery at Muzaffarnagar. Additionally, Triveni Khushali Bazaar, a rural and semi-urban retail store, is steadily expanding its reach with 42 stores currently in operation.

For further information on the Company, its products and services please visit www.trivenigroup.com

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