**PRESS RELEASE**
**7th February 2012**

**JK LAKHSMI CEMENT Ltd** has released its better-than-expected results for the quarter October-December 201 as per which its **Sales Turn Over at Rs. 490.11** crore is **a jump of 38%** over the corresponding quarter of the previous year. Its **net sales at Rs. 438.81** crore is a **39%** jump over the corresponding quarter. Even as compared to the previous quarter ending September 2011 the net sales has recorded a jump of 24%. Company's **Operating Profit** after other income at **Rs. 108.95 crore** is above three times the operating profit of Rs. 34.12 crore registered in the corresponding quarter of the previous year and has **more than doubled over the previous quarter ending September 2011** (Rs. 53.63 crore). After providing for interest, depreciation and tax the company's **net profit** for this quarter stood **at Rs. 49.24 crores**, a steep jump over Rs. 4.60 crores in the corresponding quarter of the previous year or even previous quarter ending September 2011 when it stood at Rs. 6.49 crores. The company attributed this steep increase on the profitability to nearly 13% increase in its sales volume. Company's capacity utilization at 99% during the quarter compared favourably with the industry's capacity utilization of 74%. There was an improvement in the efficiency, especially the power efficiency, as well as in the cost of self-generating power on account of stabilization in its Waste Heat Recovery project.

The cement prices were also better in the current quarter compared to the previous quarter consequent to revival of cement demand growth in the company's primary markets of North and Gujarat.

Company's expansion plans continue to make satisfactory progress with its grinding unit in Haryana scheduled to commence production by March 2012, which is as per schedule. The work on its Greenfield project at Durg is also progress satisfactorily.

The Company has come up with yet another investor friendly initiative by announcing the Buy-back of its own Equity Shares upto an amount of Rs.97.5 Crore (9.95% of the Paid-up Equity Capital & Free Reserves). The Buy-back shall be upto a maximum price of Rs 70/- per Equity Share, which represents a premium of 43% over the average Share Price of the last 15 days and 57% premium of the average Share Price of the last 12 months 12.% premium over the previous day's close.

The Company's Debt:Equity Ratio as of 31st March, 2011 is 0.99 and having an available Cash Surplus of Rs.613 Crore as on that date. The proposal reaffirms the Company's belief in its strong fundamentals and future business prospects. The said Buy-back, besides being a tax-efficient way of rewarding the shareholders, shall enable the Company to put a part of the available cash surplus to an optimum use.

The Company proposes to Buy-back its Equity Shares through open market route. The proposal shall enhance the Company's Return Parameters & improve its various financial ratios viz. EPS and Return on Equity (ROE). Going forward, the Buy-back shall result in overall enhancement of the Shareholders' Return in the long run.