

Press Release**Punj Lloyd Group reports revenue growth of 50.33 percent and net profit growth of 92.16 percent in the third quarter of FY2008**

- *Revenues increase by 50.33% to Rs. 2,200.05 crore*
- *EBIDTA increases by 65.51% to Rs. 187.46 crore*
- *PAT up by 92.16% to Rs. 91.68 crore*
- *EPS at Rs. 3.11*

Delhi, January 31, 2008: Punj Lloyd Group, the engineering, procurement & construction specialist today at its Board of Directors meeting, approved the financial results for the third quarter (Q3) of FY2008.

The Group has recorded consolidated income of Rs. 2,200.05 crore, up by 50.33% as compared to the corresponding previous period (Q3 FY2007). Operating profits (EBIDTA) have increased by 65.51% to Rs. 187.46 crore in Q3 FY2008 as compared to Rs. 113.26 crore in Q3 FY2007. Profit after Tax (PAT) has increased by 92.16% to Rs. 91.68 crore as compared to Rs. 47.71 crore in Q3 FY2007. Basic EPS for the quarter under review stands at Rs. 3.11.

For nine month period (9M) which ended on December 31, 2007 for FY2008, consolidated total income has been recorded at Rs. 5,542.71 crore, an increase of 59% as compared to Rs. 3,486.05 crore in the corresponding previous period i.e. 9M FY2007. Operating profits (EBITDA) have increased by 98.23% to Rs 528.63 crore in 9M FY2008 as compared to Rs 266.67 crore in 9M FY2007. Profit after Tax (PAT) for 9M FY2008 is higher by 123.72% at Rs 240.59 crore as compared to Rs 107.54 crore in 9M FY2007. Basic EPS for 9M FY2008 was Rs. 8.69.

Speaking on the results, Punj Lloyd Group Chairman, Atul Punj commented , “We are pleased to report a strong operating performance during the quarter. Our Sembawang E&C and Simon Carves acquisitions have enabled us secure orders in markets and segments that compliment our existing operations.

Currently we have a robust order book and possess the necessary resources and managerial competence to execute it well. Going forward I am confident that we will maintain our momentum, identify new business prospects and expanding our international operations.”

Order backlog

As on 31 December 2007, Punj Lloyd Group had an order book backlog¹ of Rs 16,013 crore, of which Punj Lloyd (excluding Sembawang) contributed Rs 9,774 and Sembawang contributed Rs 6,239 crore. The expansion in order backlog has been led by multiple contracts won by the Company over the past few months as well as significant contribution from its Singapore subsidiary, Sembawang Engineers and Constructors Ltd. Oil & Gas projects contributed 71 percent in the order backlog.

During the quarter under review, the Punj Lloyd Group secured various orders. These orders include:

The construction of a multi-product pipeline from Qatar Petroleum on an EPC basis of contract value worth Rs. 390 crore

A major turnkey contract worth Rs. 1770 crore at a new mega aromatics plant on Jurong Island, Singapore by Jurong Aromatics Corporation Pte. Ltd. secured by the Company's subsidiary Sembawang E&C

A contract worth Rs. 1270 crore for architectural, civil and structural work at the proposed Bayfront MRT station in Marina Bay in Singapore. The contract was awarded by Land Transport Authority of Singapore to Sembawang E&C

An Indian Oil Corporation Limited order worth Rs. 590 crore for building Delayed Coker Unit and Coker LPG Merox Block for the residue up gradation project.

Punj Lloyd has invested 129,361,538 shares in Pipavav Shipyard Ltd (PSL). PSL is currently building India's largest shipyard on the west coast, which will also be one of the largest shipyards worldwide. Pipavav Shipyard proposes to enter the capital markets with an Initial Public Offering and has filed the draft red herring prospectus (DRHP) with SEBI for the purpose.

About Punj Lloyd Group

Punj Lloyd (BSE SCRIP ID: PUNJLOYD, NSE SYMBOL: PUNJLOYD) is an engineering, procurement & construction specialist. The group (Punj Lloyd Limited, Sembawang Engineers & Constructors, Simon Carves) is known for its management skills that deliver 'on-time' project performance while maintaining the highest standards of health, safety, environment and quality (HSEQ). The group has a rich experience, having undertaken projects in over 60 countries. Further information about the Group is available at www.punjlloyd.com.

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¹ Order book backlog signifies the total sum of unexecuted orders as on January 1, 2008 and new orders post January 1, 2008