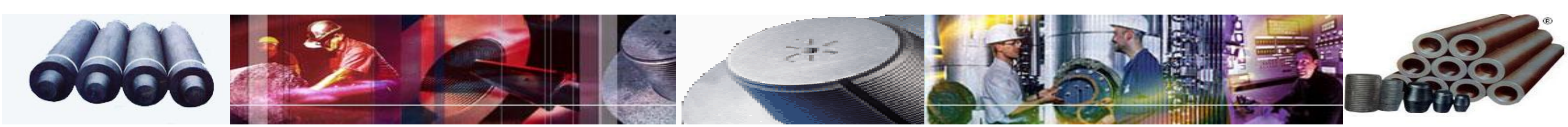
Graphite India Limited

4Q FY2010 and FY 2010 Earnings Presentation



Important Notice

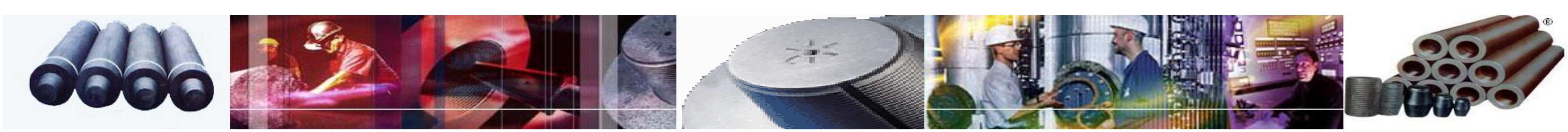
Forward Looking Statements

This presentation contains statements that contain "forward looking statements" including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Graphite India's future business developments and economic performance.

While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance.

Graphite India undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.

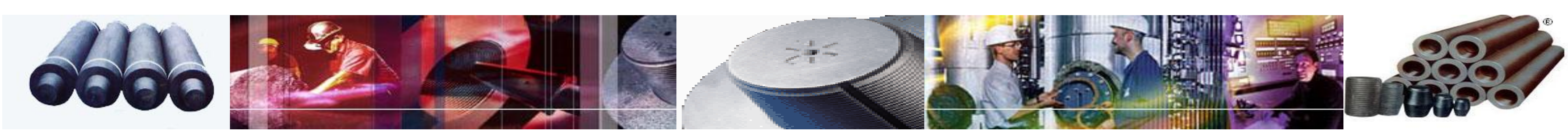


Highlights

- FY 2010 standalone Net Profit increased by 20% and standalone Operating Profit increased by 57%
- Increased electrode sales volumes in 4Q 2010
- Capacity utilization in 4Q 2010 was 63% versus average of 48% for 1Q to 3Q 2010, and expected to rise further
- Revised Durgapur expansion plan from 10,500 tonnes to 20,000 tonnes per annum
- Power generation capacity expansion from 33MW to 83MW is on track for completion by 4Q 2012
- Global steel production continues to rise and CQ1 2010 production was on par with pre-recession CQ1 2008

Commenting on the results and performance, **Mr. K. K. Bangur, Chairman of Graphite India said:**

"Graphite India displayed strong growth and profitability aver the last year, despite a challenging environment. Global macroeconomic indicators continued to show signs of improvement in the fourth quarter and we expect this trend to continue. We are well positioned for a recovery in the steel industry. Furthermore our capacity expansion plan has been enhanced from 10,500 MT to 20,000 MT at a competitive capital cost. As a group, we will be close to being self sufficient after the commissioning of our 50 MW power plant. These plans, coupled with an ongoing focus on improving our cost base have positioned Graphite India as one of the most profitable graphite electrode manufacturers."



Business Snapshot

Global Market Position

- **Largest** producer of graphite electrodes in India and **one of the** largest globally, by total capacity
- One of the leading players in a highly consolidated industry and accounts for **6.5%** of global electrode capacity
- High barriers to entry due to technology intensive nature of the industry

Best-in-Class Operations

- About **60%** of electrode production **exported** in competition with global players
- **Brownfield expansion** at much **lower capex** compared to greenfield expansion, significantly enhancing global competitiveness
- During the last decade Graphite India was **consistently profitable** while leading players made losses

Attractive Industry Dynamics

- Graphite electrode demand is dependent on Electric Arc Furnace (EAF) steel production. EAF steel production **increased** from **25%** of global steel production in 1985 to an expected **34%** in 2010
- Strong secular support for future steel production via EAF route due to significant advantages over traditional blast furnace method
- **Global client base** with no client accounting for more than **6.5%** of revenues

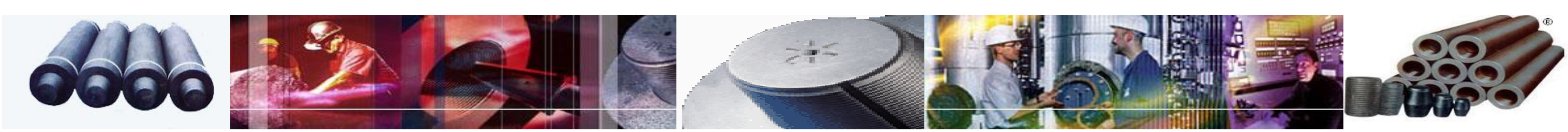
Strong Financial Performance

- Steady **double-digit CAGR** over the past five years despite a global slowdown
- Strong **cost management** resulting in steady EBITDA margins of approximately **25%** from FY 2007 to FY 2010 despite a slowdown in revenue growth
- Steady growth of **export business**, which **tripled** in size from FY 2001 to FY 2009
- Solid balance sheet with low leverage and large cash position as well as steady cash flow generation provides dry powder for organic and inorganic expansion

Group Financial Performance

(Rs. Crore)	Standalone FY 2010	Standalone FY 2009	*% Y-o-Y Growth*	Consolidated FY 2010	Consolidated FY 2009	*% Y-o-Y Growth*	Comments
Gross Revenue[1]	**1,178**	**1,183**	-	**1,394**	**1,558**	*(11%)*	Y-o-y sales volumes and production were lower resulting in a drop in consolidated revenues
Operating Profit[2]	**409**	**261**	*57%*	**428**	**333**	*29%*	Ongoing cost optimization and better price realization
% Margin	*36%*	*23%*		*32%*	*22%*		Moderating electrode prices in 4Q impacted margins
Net Profit	**232**	**194**	*20%*	**235**	**236**	-	Increased profitability and reduced interest costs leading to large increase in net profit margin. Contribution from German operations impacted consolidated net profit due to low demand
% Margin	*21%*	*17%*		*17%*	*16%*		
Basic EPS (Rs.)	**13.58**	**12.55**	*8%*	**13.73**	**15.26**	*(10%)*	

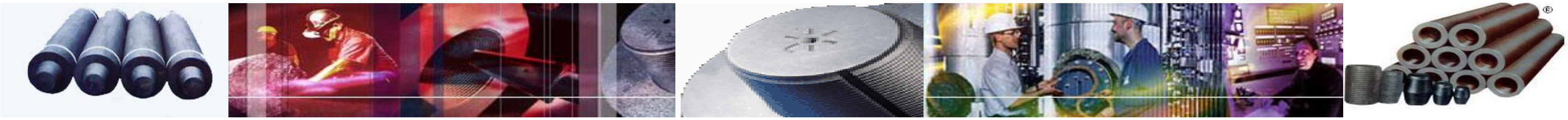
Notes:
1 Gross Revenue includes excise duty
2 Operating Profit defined as earnings before depreciation, interest and taxes and includes other income



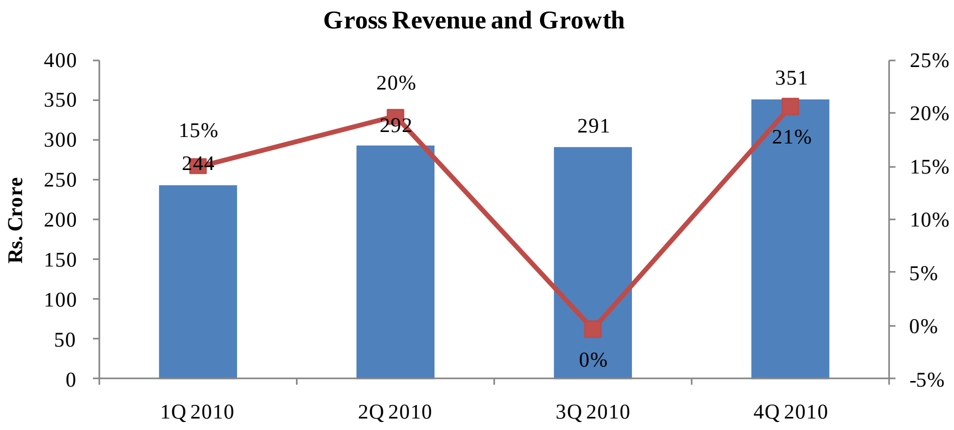
Segment Financial Performance

(Rs. Crore)	**Standalone FY 2010**	**Standalone FY 2009**	*% Y-o-Y Growth*	**Consolidated FY 2010**	**Consolidated FY 2009**	*% Y-o-Y Growth*	**Comments**
Gross Revenue[1]							
Graphite and Carbon	**954**	**1,050**	*(9%)*	**1,167**	**1,426**	*(18%)*	Volumes declined significantly for the fiscal year. Volume decline was larger for export business than domestic
Power	**29**	**60**	*(52%)*	**29**	**60**	*(52%)*	Lower generation of captive power due to lower production and high operational cost of DG sets
Steel	**69**	**9**	*644%*	**69**	**9**	*644%*	Segment acquired in Feb 09, hence y-o-y numbers not comparable
Unallocated	**112**	**88**	*27%*	**115**	**90**	*29%*	
EBIT							
Graphite and Carbon	**313**	**237**	*32%*	**323**	**307**	*5%*	Improved realization, increased operating efficiency and lower input costs (excluding needle coke) for domestic commodities
Power	**18**	**17**	*6%*	**18**	**17**	*6%*	
Steel	**(3)**	**(2)**	*n/a*	**(3)**	**(2)**	*n/a*	
Unallocated	**33**	**19**	*74%*	**35**	**19**	*89%*	

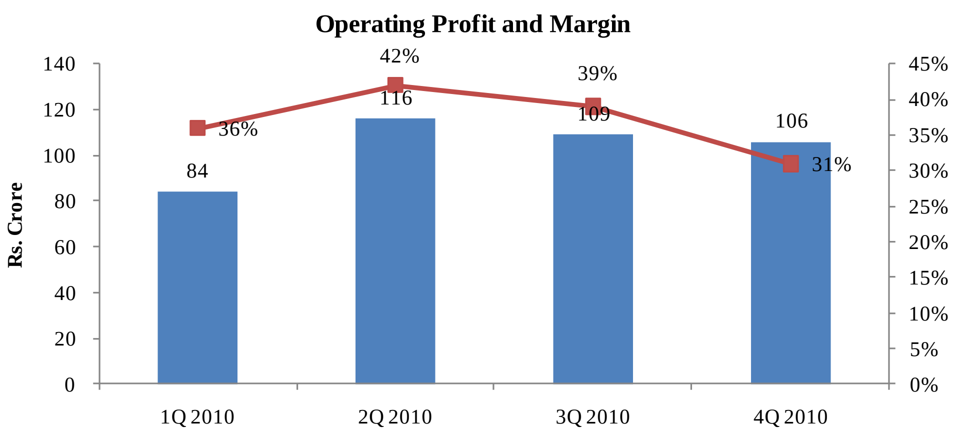
Notes:
1 Gross Revenue includes excise duty



Quarterly Financial Performance

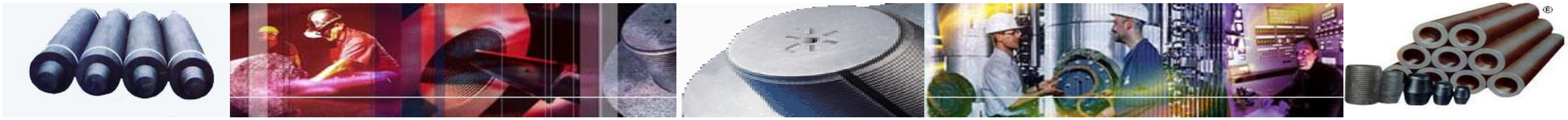


- ❖ Larger volumes in 4Q and better contribution from non-electrode businesses
- ❖ 3Q electrode volume growth flat compared to 2Q
- ❖ Lower electrode sales volume in 2Q mitigated by higher growth in non-electrode business

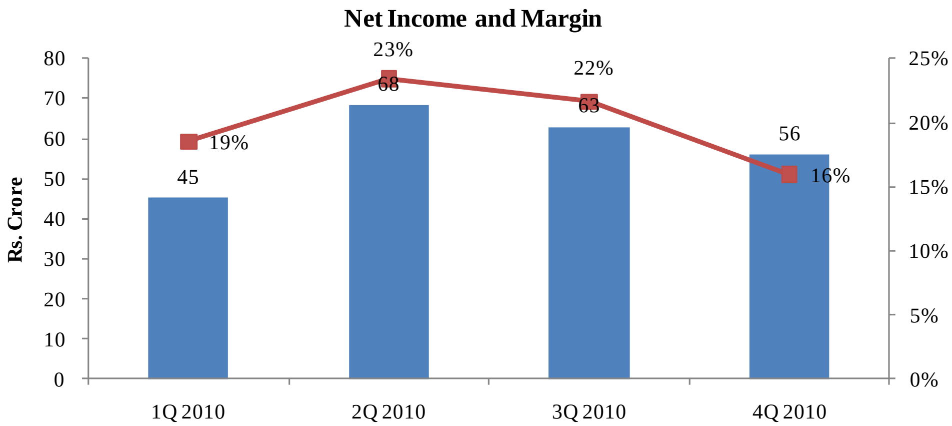


- ❖ Moderation in electrode prices in 4Q impacted margins

Note:
1 All numbers show n are for the standalone business



Quarterly Financial Performance



- Moderation in electrode prices in 4Q partially impacted margins
- Other Income lower by Rs. 4 Crore in 4Q

(Rs. Crore)	**Consolidated 4Q 2010**
Secured Debt	156
Unsecured Debt	32
FCCB	136
Total Debt	**324**
Less: Cash & Equivalents	(264)
Net Debt	**60**
Net Interest for FY10	**3.5**
Net Debt / FY10 EBITDA[1]	**0.14x**

- FCCB outstanding is due on October 20, 2010
- Total debt as percentage of equity remains at conservative levels
- Significant financial flexibility available for future capacity expansions or inorganic acquisitions

Notes:
1 EBITDA includes other income
2 All quarterly net income numbers shown in chart above are standalone

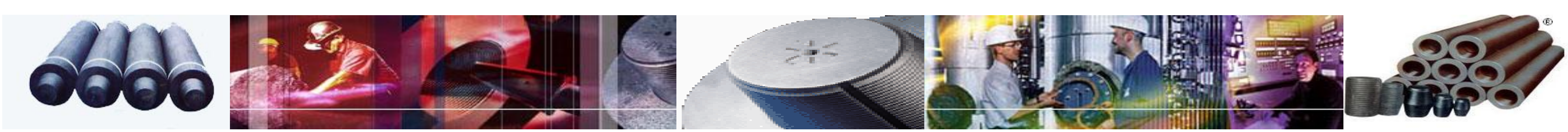
Strategic Initiatives

Durgapur Plant Expansion

- Revised electrode capacity expansion plan from 10,500 tonnes to 20,000 tonnes per annum
  - Continue to position Graphite India as the largest Indian producer of graphite electrodes
  - Key drivers are access to capital at competitive costs and anticipated improvement in electrode demand in the medium term
  - Eco-friendly advanced technology and greater energy efficiency
  - Cost of expansion expected to be Rs. 255 Crore, to be funded through internal accruals and debt. Additional capacity expansion of 9,500 tonnes at a low capex of Rs. 67.5 Crore, as compared to Rs. 187.5 Crore for original expansion of 10,500 tonnes
  - Project completion by 3Q 2012

Power Capacity Expansion

- Board of Directors approved setting up of a coal based thermal power plant of 50 MW capacity at Durgapur at an investment of Rs. 214 Crore in its meeting held on January 28, 2010
  - Power generation capacity to increase to 83 MW
  - Will enable Graphite India to further optimize its cost of production and increase its competitiveness in the global market
  - Company has applied / is applying for various statutory clearances
  - Project to be commissioned by 4Q 2012
  - Additional power capacity will be sufficient for 100% of power requirements of expanded manufacturing capacity at Durgapur plant



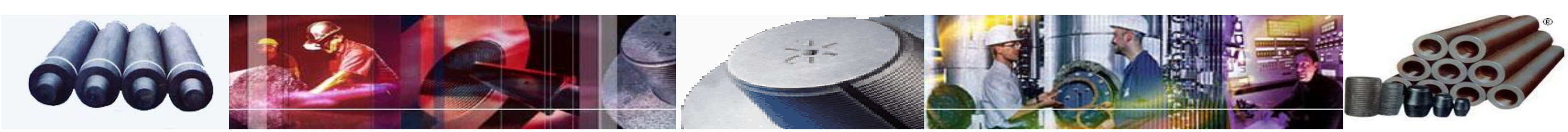
Outlook

Revenues

- Electrode prices expected to moderate in 1Q and 2Q FY 2011, and strengthen thereafter
- Increased production and sales volume due to traction in electrode demand in FY 2011
- Continued strong performance of non-electrode businesses

Costs

- Ongoing cost optimization efforts across all facilities and functions
- Capacity utilization expected to increase to 70-80% in FY 2011
- Fully covered for needle coke requirements for FY 2011



Fact Sheet

COMPANY BACKGROUND

Graphite India is the largest producer of graphite electrodes in India and one of the largest globally, by total capacity. Its manufacturing capacity of approximately 78,000 tonnes per annum is spread over four plants at Durgapur (34KT), Bangalore (13KT), Nashik (13KT) and Nurnberg in Germany (18KT). The company accounts for approximately 6.5% of global electrode capacity. The company has over 40 years of expertise in the industry and is globally competitive. With its corporate office in Kolkata, India, the company services its clients in over fifty countries, with no client accounting for over 6% of revenues. Exports account for approximately 60% of revenues and increased over 3x from 2000–2007. Graphite India manufactures the full range of graphite electrodes but stays focused on the higher margin, large diameter, ultra-high power (“UHP”) electrodes. Approximately 85% of the company’s total capacity is currently UHP.

Graphite India is well poised in the global graphite electrode industry through its quality, scale of operations and low cost production base. The company’s competitive edge was particularly evident during the last decade, when low prices for graphite electrodes resulted in many of the leading players generating losses, but Graphite India however remained consistently profitable and declared dividends. The company experienced steady double digit revenue growth over the past five years despite a global slowdown. Graphite India currently has a conservative leverage profile, with significant dry powder for organic or inorganic expansion.

The company’s strategy is to become further vertically integrated, continue its penetration of new markets and clients as well as pursue value enhancing inorganic growth opportunities. Graphite India currently manufactures Calcined Petroleum Coke (“CPC”) for use in electrode manufacturing. It is also enhancing its presence in value added graphite products for the auto, aerospace, chemical, pharmaceutical, metallurgical and machine tool industries.

Graphite India is currently rationalizing production operations between plants. The company is further targeting focused reductions in its manufacturing costs. A capacity expansion plan has been initiated in its Durgapur (West Bengal) plant, to increase capacity by 20,000 tonnes per annum, taking the total capacity towards 100,000 tonnes per annum.

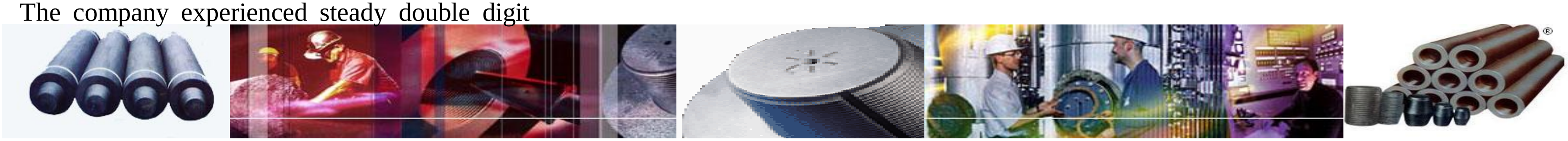
The company also has facilities designed for the manufacture of impervious graphite equipment and glass reinforced plastic pipes and tanks. It has an installed capacity of 33 MW of power generation through hydel and multi-fuel routes, which will be enhanced to 83 MW with installation of a 50 MW thermal power plant.

INDUSTRY

Graphite electrodes are used in electric arc furnace (“EAF”) based steel mills and is a consumable item for the steel industry. The graphite electrode industry is highly consolidated with the top five major global players accounting for 75% of the high end UHP electrode capacity. Majority of this capacity however, is currently located in high cost regions like US, Europe and Japan. The manufacturing process, for the high end UHP electrodes is technology intensive and is a significant barrier for the entry of new players.

Due to the global economic recession, demand for electrodes is currently far less than total installed capacity of 1.2 million tonnes, of which UHP capacity is 0.9 million tonnes. Global steel production continues to recover post-recession.

The EAF method of manufacturing steel is becoming increasingly beneficial to investors due to its low capital costs, lower breakeven tonnage, flexibility in locating plants closer to consumption points and significantly lower pollution levels than in the blast furnace steel plants. As a result, EAF production capacity has increased from 180 million tonnes or 25% of total steel production capacity in 1985 to an estimated 418 million tonnes or 34% of total steel production capacity in 2010.



Contact Details:

Graphite India Limited

31 Chowringhee Road, Kolkata 700 016

S. Chaudhary Graphite India	schaudhary@graphiteindia.com +91 33 2229 3792
Vikram Rao Churchgate Partners LLP	vikram@churchgatepatners.com +44 (0) 207 389 7914
Sudhir Shetty AdFactors	sudhir.shetty@adfactorspr.com +91-22-2281-3565