

Delivering Value

Interim Results

15 November 2007

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WORLD CLASS RESOURCES
+ ACCELERATED GROWTH
= DELIVERING VALUE

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Anil Agarwal

Chairman

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Highlights

- Financial Performance in H1 2008
  - Revenues up 29% at $3.9 bn, EBITDA up 6% at $1.4 bn
  - Basic EPS up 4% at 161.6USc
  - Diluted EPS up 4% at 150.0USc
  - Free cash flows, up 112% at $1.3bn
- India provides tremendous opportunities for growth
- Phase II projects well on track

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Navin Agarwal

Deputy Chairman

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Continued growth momentum across our businesses

Aluminium

- On track for completing 1mtpa, ahead of schedule
  - Coal linkages secured
- Opportunities beyond 1mtpa
  - Co-location of high quality bauxite and abundant coal resources
  - India – natural location for Alumina/Aluminium production
  - Exploring a range of initiatives

Zinc

- Capacity expansion to 750 ktpa, ahead of schedule
- Successful exploration results paving the way for 1mtpa

Iron Ore – Sesa Goa

- Capturing ‘low hanging’ fruits including logistics debottlenecking
  - Initiatives to increase production from 11mtpa to 14-15mtpa in the short-term
- Access to additional prospecting and mining leases
- Third-party mining opportunities
- Consolidation opportunities

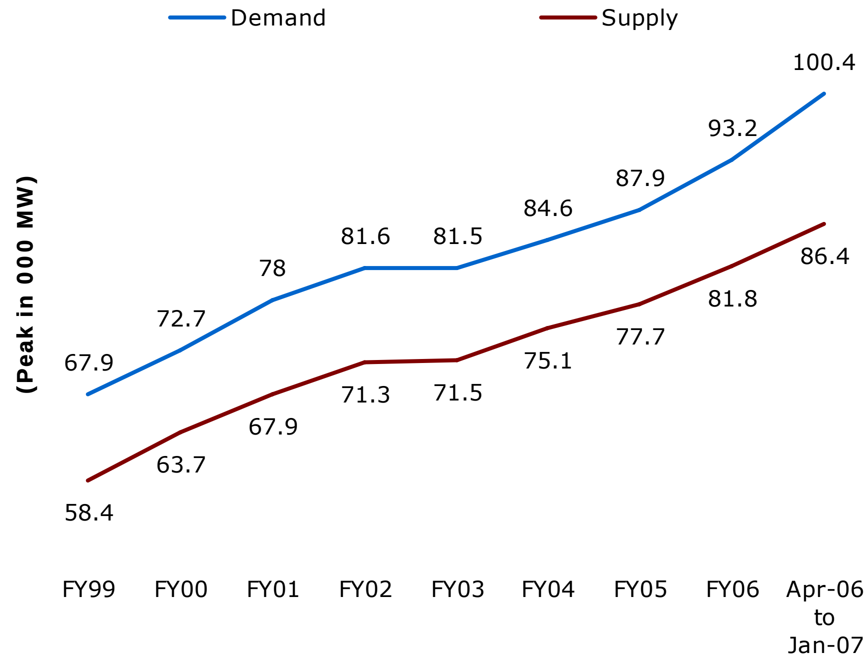
Copper

- Unlock further potential of the world class Konkola ore body

Commercial Energy

- 2,400 MW under construction
  - On track for phased commissioning from Q3 2009
- Plans to scale-up to 10,000MW in five years
  - Captures exceptional opportunity
  - Strong track record of building and operating power plants
  - Integration with our own coal blocks/coal linkages
- 320mt coal blocks secured

Continuing Shortage Despite Significant Capacity Additions



Consolidation of Ownership

- KCM call option – 28.4% from ZCI
- BALCO call option – 49.0%
- HZL option – 29.5%

Kuldip Kaura

Chief Executive Officer

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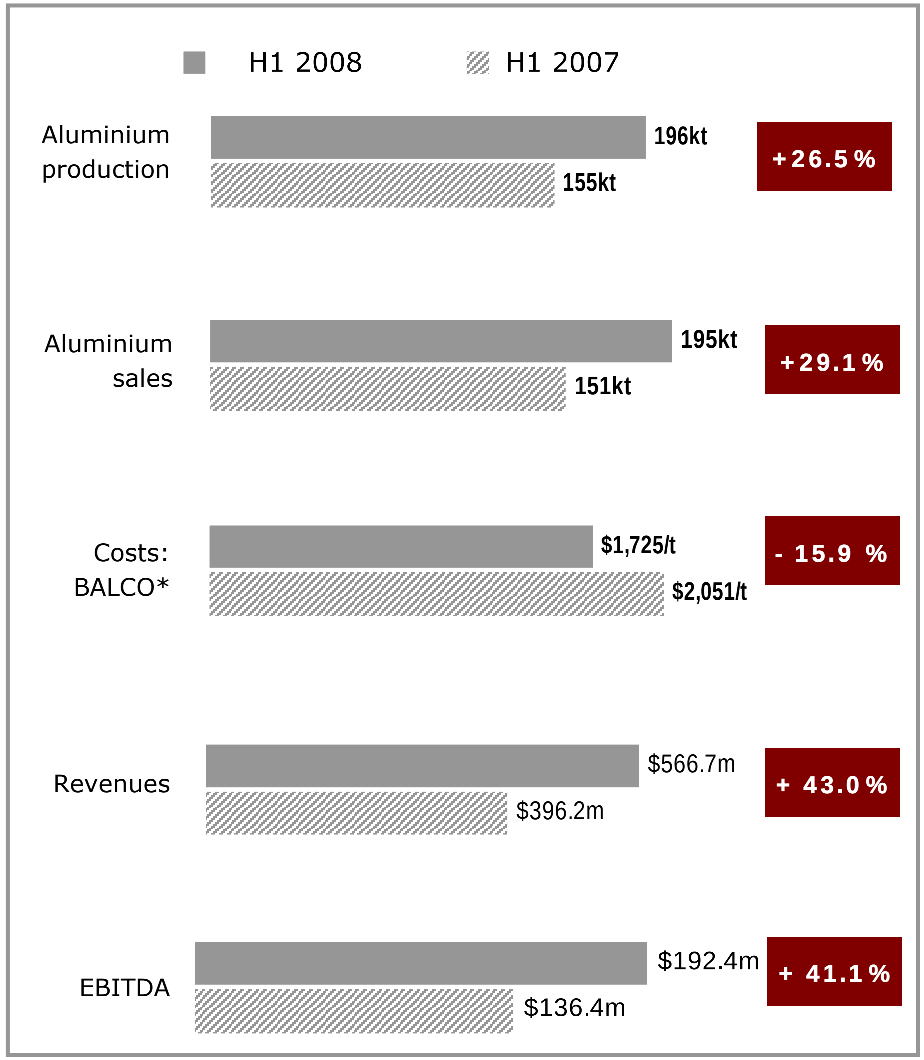
H1 2008 Highlights

- Record financial performance continued with strong volume growth and operational efficiencies
  - Group revenues at $3,887.9m, up 29.4%
  - Group EBITDA at $1,364.6m up 5.7%
- Production volumes at their highest ever in Q2 2008
- Increase in EBITDA due to volume gains, Sesa Goa and cost efficiencies
  - Partially offset by rupee appreciation and lower TCRCs
- First shipment of alumina from Lanjigarh in August 2007
- Expansion projects ahead of schedule for their stated completion
  - New Chanderiya smelter expected commissioning in December 2007, three months ahead of schedule
  - Jharsuguda aluminium smelter Phase 1: First metal out by mid-2008, one year ahead of schedule

Aluminium Operations

- Record production in Q2 of 99,000 tonnes
- 14% reduction in underlying operating costs, excluding alumina
- Higher EBITDA
  - Higher volumes
  - Lower alumina costs
  - Operating efficiencies
  - Offset by rupee appreciation



* Refers to BALCO II only

Lanjigarh Alumina Project

- Refinery currently in progressive commissioning
  - Stream 1 commissioned
  - Stream 2 commissioning in December 2007
- Alumina despatches to BALCO started from August 2007
- Lanjigarh permits
  - Hearings concluded by Supreme Court of India
  - We expect positive resolution shortly

Jharsuguda Aluminium Project

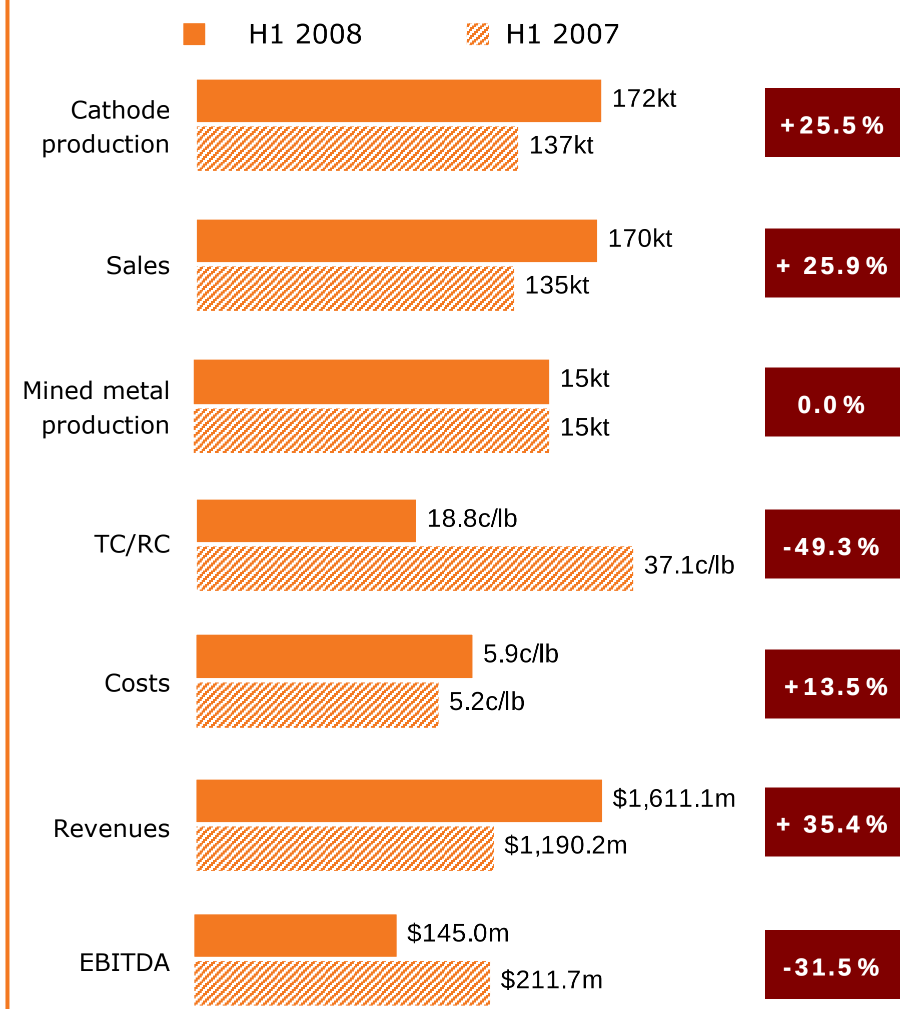
- Project progressing ahead of schedule
  - Phase 1: First metal out by mid-2008, one year ahead of schedule
- 500ktpa Project at Jharsuguda
  - Phase 1: 250ktpa
  - Phase 2: 250ktpa
  - CPP: 1,215MW
- Total capex $2.1bn, on budget

Potline 1

Potroom inside view

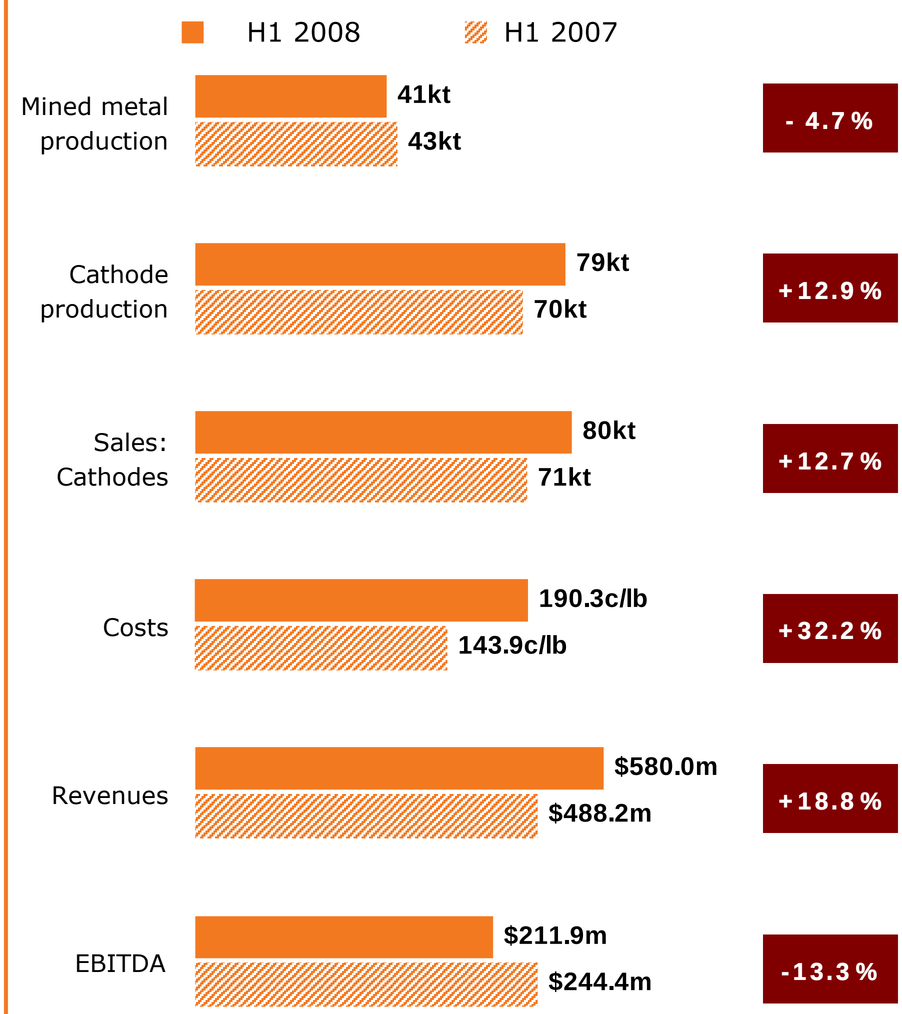
Copper-India and Australia Operations

- Highest ever quarterly production
- Overall efficiencies improved
- Increase in recovery of copper and improved by-product management helped in offsetting higher energy prices
- Global softening in TC/RC market
  - Further softening expected



Copper-Zambia Operations

- Stable TLP oxide operations
  - Highest ever quarterly production in Q2 of 18,000 tonnes
- Mined metal production showing improving trend
- Increase in COP primarily due to
  - Labour costs
  - Repairs and maintenance expenditure
- Continued focus on operational improvements



Copper-Zambia Project

KCM expansion

	Earlier scope	Revised scope
KDMP (mtpa)	2.0 to 6.0	2.0 to 7.5
Concentrator (mtpa)	3.0	6.0
Smelter (kt)	250.0	300.0

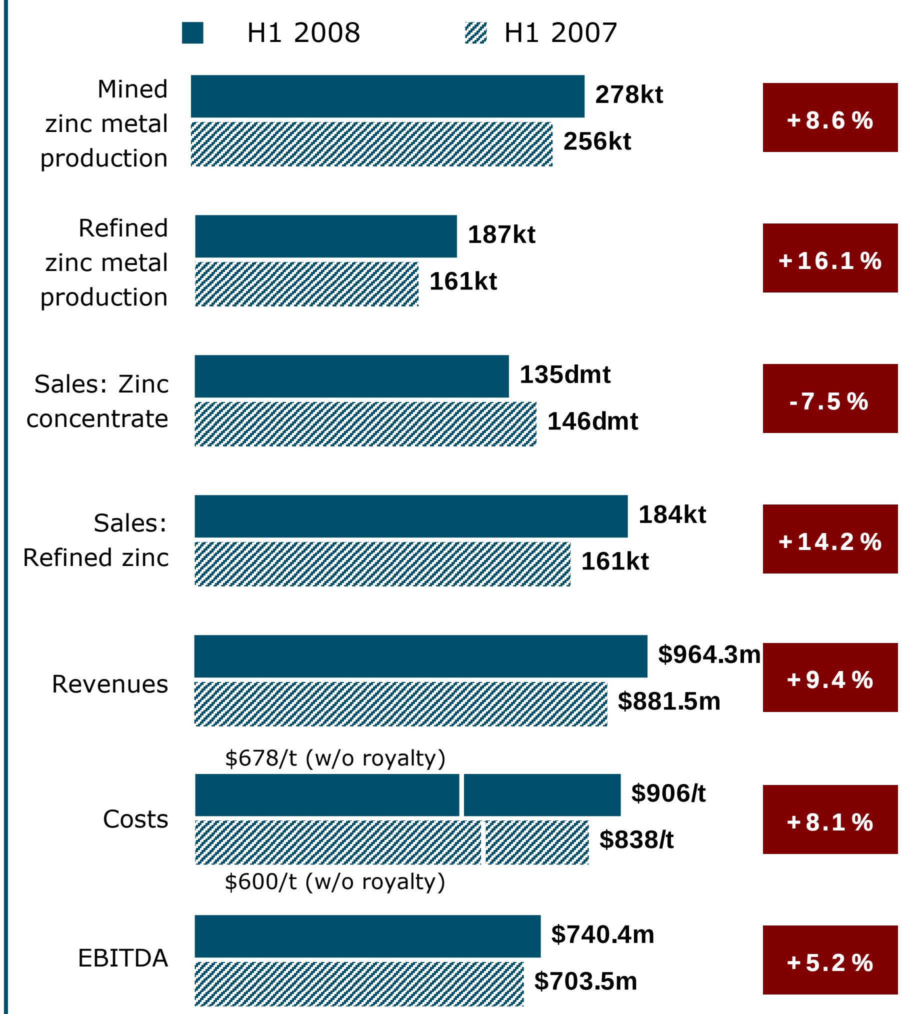
- Mine production commencement advanced to early 2009
- Smelter commissioning mid-2008
- Cost of projects revised from $680 million to $1,046 million

Concentrator-Regrind mill under construction

View of ESP, Boiler, Smelter building

Zinc Operations

- Highest ever quarterly production of Mined metal at 143,000 tonnes
- Production from new hydro smelter 81,000 tonnes in H1 2008
- Stable underlying operating costs
- Exploration success : Increase in reserves and resources by 32 million tonnes during the year
- Green energy initiative
  - 63.2 MW wind power plants commissioned



HZL – Exploration Success

- 60% additions to reserves and resources – 65.7m tonnes post depletion of 16.3mt
  - 2003: 143.7mt
  - 2007: 209.4mt

- Composition of reserves and resources position at 31 March 2007
  - Proven and probable reserves: 76.6mt (contained metal ~ 10.2mt)
  - Measured and indicated reserves: 64.8mt
  - Inferred resources: 68.0mt

- Investing in exploration
  - Technological upgrade to high speed drilling, 'digitisation' of data, etc
  - Continuous skill development programmes
  - Consulting global expertise
  - Team strengthened to 25 geo-scientists

Chanderiya Zinc Project

Chanderiya II expansion

- 170ktpa Zinc expansion project
- 80MW captive power plant
- Mine expansion +1mtpa
- Ahead of target completion date
  - Advanced to December 2007

Debottlenecking project

- Metal production +88,000mt
- 80MW captive power plant
- On schedule for completion mid-2008

Cell house

Smelter Roaster section

Iron Ore Operations

Business Overview

- India's largest producer-exporter of iron ore
- Operations in three iron ore rich Indian states of Goa, Karnataka and Orissa
- Reserves of ~200mt
- 2007 production of 11mt
- Pig iron and metcoke capacity of c.250ktpa each
- Globally cost competitive

Performance

- Production of saleable ore for the post acquisition period of five months is 3.8mt
- H1 production at 4.7mt compared with 4.2mt in the corresponding previous period
- H1 production and shipments seasonally lower
- EBITDA for the post acquisition period of five months is $78.1m
- Initiatives underway to increase production to 14-15mtpa
- Extremely strong pricing outlook

Coal Block Allocation

- Largest coal block allocation in this phase
- Coal blocks allotted
  - Madanpur: 30m tonnes
  - Rampiya: 112m tonnes
  - Taraimar: 210m tonnes
- Secures sustainable power generation at low costs
- Leverages our mining skills

H2 2008 Outlook

- Demand for commodities to remain healthy in H2 2008
- Production volumes across all businesses expected to increase progressively
- KCM on the threshold of higher performance
- TC/RCs softening
- Unit costs of production expected to remain stable or show improvement
- Strong iron ore pricing



DD Jalan

Chief Financial Officer

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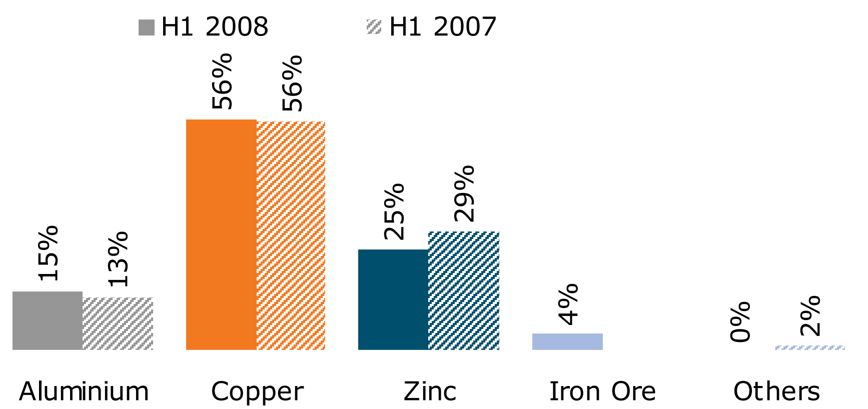
Financial Highlights

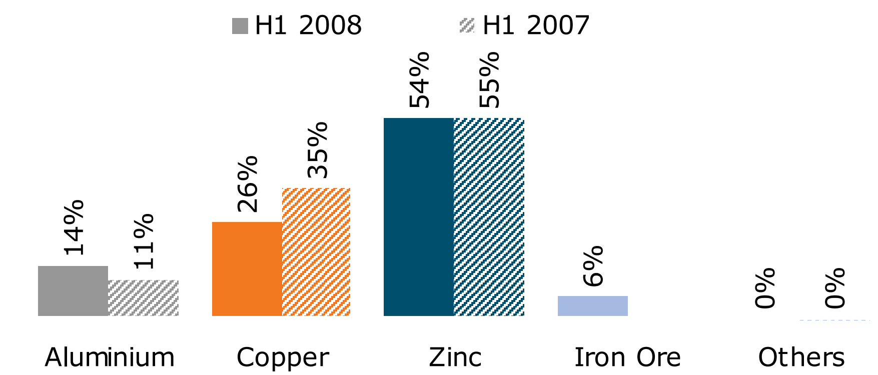
- Record earnings
- Free cash of $1.3 billion in H1 2008 – more than double the previous half year
- Strong cash position to fund future growth, net cash of $2.3 billion after $1 billion acquisition of Sesa Goa
- Strong ROCE of 74% in H1 2008 (excluding Sesa Goa)
- $2 billion raised by Sterlite ADR on NYSE
- SILL will be a SOX compliant company by March 2008, one year ahead of required schedule

Segmentation Analysis

Revenue: H1 2008 ($3,887.9m); H1 2007 ($3,004.5m)



EBITDA: H1 2008 ($1,364.4); H1 2007 ($1290.5m)



Revenue ($m)	H1 2008	H1 2007
Aluminium	566.7	396.2
Copper		
India	1,611.1	1,190.2
Zambia	580.0	488.2
Zinc	964.3	881.5
Iron Ore	161.4	-
Others	4.4	48.4
Total	**3887.9**	**3,004.5**

EBITDA ($m)	H1 2008	H1 2007
Aluminium	192.4	136.4
Copper		
India	145.0	211.7
Zambia	211.9	244.4
Zinc	740.4	703.5
Iron Ore	78.1	
Others	(3.2)	(5.5)
Total	**1364.6**	**1,290.5**

Summary Income Statement and Balance Sheet

Summary Income Statement ($m, except as stated)	H1 2008	H1 2007
Revenues	3,887.9	3,004.5
EBITDA	1,364.6	1,290.5
EBITDA margin	*35.1%*	*43.0%*
Profit before tax	1,312.6	1,166.6
Depreciation and amortisation	(157.6)	(93.8)
Profit for the period	465.0	447.6
Base EPS (USc)	161.6	156.1
Underlying EPS (USc)	151.3	161.5
Effective tax rate	*26.0%*	*27.5%*
Minority interests	506.5	398.5
Dividend per share (USc)*	16.5	15.0

*** Proposed for H1 2008**

- EBITDA growth of 5.7% on account of higher volume and Sesa acquisition partly offset by Rupee appreciation and TCRC
- Strong EBITDA margin 35.1%
- Attributable profit increased from $448m to $465m
- Lower effective tax rate reflects initiatives
- Interim dividend at 16.5USc

Balance Sheet ($m, except as stated)	H1 2008	H1 2007
Property, plant and equipment	7,228.5	3,054.7
Net assets	8,430.7	3,110.8
Net debt/(cash)	(2,277.2)	(216.0)
Gearing	*NA*	*NA*
ROCE (excluding CWIP)	*44.3%*	*86.0%*

- Strong Group Balance Sheet
  Net cash of $2,277.2m
- Annualised ROCE at 44.3%% before CWIP

Summary Cash Flow Statement

Summary Cash Flow Statement ($m)	H1 2008	H1 2007
EBITDA	1,364.6	1,290.5
Special items	29.8	(22.6)
Working capital movements	168.7	(340.2)
Changes in long term creditors and non-cash items	26.4	(28.1)
Sustaining capital expenditure	(98.7)	(94.5)
Sale of tangible fixed assets	-	1.7
Net interest (paid)/received	15.1	(25.2)
Dividend received	32.9	
Taxes paid	(255.0)	(175.6)
Free cash flows	**1,283.8**	**606.0**
Expansion capital expenditure	(722.0)	(285.8)
Acquisitions	(755.7)	(36.6)
Dividends paid	(86.3)	(55.1)
Sale of non core business/ subsidiary	83.1	-
Issue of shares of subsidiary to minority	1,969.4	-
Other movements	72.2	(0.6)
Movement in net (debt)/cash	**1,844.5**	**227.9**

- Strong cash flow of $1,283.8m
- Improved working capital cycle
- Higher expansionary capital expenditure