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Vedanta Resources Plc
Unaudited Results for the Third Quarter and Nine Months Ended 31 December 2007

Highlights

- Revenues for the quarter ("Q3") and nine months ended ("nine months period") ended 31 December 2007 was $1,888.2 million and $5776.1 million, up 7% and 21% respectively as compared with the corresponding prior period
- EBITDA for the nine months period crosses the $2 billion mark on the back of volume growth, operating efficiencies and the acquisition of Sesa Goa, offset by the sharp appreciation of the Indian rupee and the decline in the LME prices of zinc and aluminium
- Highest ever quarterly zinc production
- Production across all the metals generally higher than that in the corresponding prior quarter
- Chanderiya II smelter commissioned three months ahead of schedule
- Stable cost of production ("COP"), despite increases in energy and related costs.

Aluminium

Aluminium production in Q3 at 99,000 tonnes was consistent with trends in the corresponding prior quarter and the rated capacity.

Despite higher sales volumes, revenues for Q3 were marginally lower at $261.9 million as compared with $279.7 million in the corresponding prior quarter due to lower LME prices of aluminium by 10% and the sharp appreciation of the Indian rupee against the US dollar by 12%. EBITDA for Q3 was at $73.4 million as compared with $128.8 million in the corresponding prior quarter. While COP was stable in INR terms, EBITDA was also adversely impacted by the aforesaid reasons.

The first stream of the Lanjigarh alumina refinery has stabilised and produced 115,000 tonnes of calcined alumina during Q3. The second stream of the Lanjigarh refinery has now been tested.

With regard to the environmental clearances for the Lanjigarh bauxite mines, we are now progressing as per the directions provided by the Honourable Supreme Court of India and are hopeful of a positive resolution of the matter soon.

Work on the first phase of the 500,000 tpa aluminium smelter and the associated captive power plant at Jharsuguda, Orissa is progressing well. Equipment deliveries are progressing as per schedule and the plant erection work has commenced. Phase 1 of this project comprising a 250,000 tpa smelter and the associated captive power plant is on track for commissioning with first metal out by mid-2008, one year ahead of schedule.

Copper – India and Australia

During Q3, the copper cathode production at the Tuticorin custom smelter at 77,000 tonnes was lower than our expectations, on account of unscheduled plant maintenance. Overall the plant performance was good, with copper recoveries highest ever, during Q3. This alongwith better by-product management contributed to significantly lower cost of production.

Mined metal production at our Australian mines was in line with our expectation at 7,000 tonnes in Q3.

Revenues for Q3 were lower at $669.4 million as compared with $717.5 million in the corresponding prior quarter. The decrease in revenues was primarily on account of lower volumes and the sharp appreciation of the Indian rupee against the US dollar by 12%.

Despite TcRcs being at 50% of their prior levels, EBITDA during Q3 at $91.4 million was generally in line with the corresponding prior quarter, as a result of better operating efficiencies and other income.

Copper – Zambia

During Q3, KCM produced 38,000 tonnes of copper cathode as compared with 35,000 tonnes in the corresponding prior quarter. Whilst, the tailings leach plant production system is fairly stabilised, the mining feed to smelter was 20,000 tonnes in Q3. The various improvement initiatives being undertaken are likely to improve the mining performance and thereby also the operating cost going forward.

Revenues for Q3 were $232.1 million as compared with $211.4 million in the corresponding prior quarter. EBITDA for Q3 was lower at $52.8 million as compared with $79.4 million in the corresponding prior quarter mainly on account of higher cost of production.

Work on the Konkola Deeps mine expansion project is progressing well with the sinking of the main hoisting shaft and other auxiliary shafts on schedule. Work at the Nchanga smelter expansion project remains on track with major equipment delivered on site and erection activities progressing in line with our schedule.

Zinc

HZL recorded its highest ever quarterly production in Q3 for both zinc and lead. It produced 104,000 tonnes of zinc and 14,500 tonnes of lead, an increase of 12% and 21% respectively as compared with the corresponding prior quarter. The mined metal production was 135,000 tonnes in Q3 as compared with 128,000 tonnes in the corresponding prior quarter.

The Chanderiya II new hydro zinc smelter was commissioned in December 2007, three months ahead of its schedule. The ramp up of production is developing in an excellent manner and we expect to achieve rated production much ahead of schedule.

Sales during Q3 were augmented by the sale of 72,000 dry metric tonnes of surplus zinc and lead concentrate.

Revenues in Q3 were $424.5 million as compared with $549.6 million in the corresponding prior quarter. EBITDA for Q3 was $276.8 million as compared with $425.2 million in the corresponding prior quarter. Whilst sales volume were higher and the overall cost of production was stable in INR terms, the revenues and EBITDA were affected primarily on account of lower metal prices and the sharp appreciation of the Indian rupee against the US dollar. Average zinc LME for Q3 was $2,646 per tonne, a decrease of 37% as compared with $4,194 in the corresponding prior quarter. The Indian rupee appreciated by 12% during the quarter as compared with the corresponding prior quarter.

The work on the 88,000 tonne debottlenecking project and the associated captive power plant is progressing well and is on schedule for commissioning by mid-2008.

Iron Ore

During Q3, the shipment of iron ore was 4.0 million tonnes, as compared with 3.1 million tonnes in the corresponding prior quarter, taking the total shipment of iron ore to 7.4 million tonnes in the year to date.

Revenues for Q3 and the post acquisition period of eight months were $303.5 million and $464.9 million respectively, with the corresponding EBITDA at $182.2 million and $260.3 million. The revenues and EBITDA were higher as compared with the immediately preceding quarter due to higher sales volumes and improved sales realisation.

Commercial Energy

Work on our 2400 MW (4x600 MW) coal based independent thermal power plant is progressing well. The EPC contract has been placed and engineering and procurement activities are on track. The construction activities are in full swing and the project is on schedule.

As part of our green energy initiative, we have commissioned 68.8 MW wind power plants as of December 2007 and we expect to take this to 124 MW by March 2008.

Production Summary (Unaudited)

(in '000 tonnes, except as stated)

	Q3[1]			Nine Months[1]		
	2007-08	2006-07	Change	2007-08	2006-07	Change
Alumina						
Korba / Mettur	68	69	(1.4%)	213	220	(3.2%)
Lanjigarh	115	-	-	143	-	-
Aluminium	99	98	1.0%	295	253	16.6%
Copper India/Australia						
Mined metal content	7	7	-	22	22	-
Cathodes	77	86	(10.5%)	249	224	11.2%
Rods	55	41	34.1%	162	127	27.6%
Copper Zambia						
Mined metal content	20	21	(4.8%)	61	65	(6.2%)
Cathodes	38	35	8.6%	117	105	11.4%
Zinc						
Mined metal content	135	128	5.5%	413	384	7.6%
Refined metal	104	93	11.8%	291	253	15.0%
Iron Ore[2]						
Saleable ore[3]	2,999	-	-	6,781	-	-

1. *Q3 – third quarter ended 31 December 2007 and 2006, respectively, Nine Months – Nine month period ended 31 December 2007 and 2006, respectively*
2. *Nine month number represents production in post acquisition period of 8 months to 31 December 2007, and are not directly comparable with the corresponding prior periods*
3. *Saleable ore is reported on wet tonnes basis*

Financial Summary (Unaudited)

(in $ million, except as stated)

	Q3[1]			Nine Months[1]		
Revenue	2007-08	2006-07	Change	2007-08	2006-07	Change
Aluminium	261.9	279.7	(6.4%)	828.6	675.9	22.6%
Copper						
Copper - India/Australia	669.4	717.5	(6.7%)	2,280.5	1,907.7	19.5%
Copper Zambia	232.1	211.4	9.8%	812.1	699.6	16.1%
Zinc	424.5	549.6	(22.8%)	1,388.8	1,431.1	(3.0%)
Iron Ore[2]	303.5	-	-	464.9	-	-
Others	(3.2)	2.2	-	1.2	50.6	-
Total	**1,888.2**	**1,760.4**	**7.3%**	**5,776.1**	**4,764.9**	**21.2%**
EBITDA						
Aluminium	73.4	128.8	(43.0%)	265.8	265.2	0.2%
Copper						
Copper - India/Australia	91.4	92.4	(1.1%)	236.4	304.1	(22.3%)
Copper Zambia	52.8	79.4	(33.5%)	264.7	323.8	(18.3%)
Zinc	276.8	425.2	(34.9%)	1,017.2	1,128.7	(9.9%)
Iron Ore[2]	182.2	-	-	260.3	-	-
Others	(5.1)	(1.5)	-	(8.3)	(7.0)	-
Total	**671.5**	**724.3**	**(7.3%)**	**2,036.1**	**2,014.8**	**1.1%**

1. *Q3 – third quarter ended 31 December 2007 and 2006, respectively, Nine Months – Nine month period ended 31 December 2007 and 2006, respectively*
2. *Nine month numbers represents revenues and EBITDA for post acquisition period of 8 months to 31 December 2007, and are not directly comparable with the corresponding prior periods*

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About Vedanta Resources plc
Vedanta Resources plc is a London listed FTSE 100 diversified metals and mining group. Its principal operations are located throughout India, with further operations in Zambia and Australia. The major metals produced are aluminium, copper, zinc, lead and iron ore. For further information, please visit www.vedantaresources.com.

Disclaimer
This press release contains "forward-looking statements" – that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance, and often contain words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "should" or "will." Forward–looking statements by their nature address matters that are, to different degrees, uncertain. For us, uncertainties arise from the behaviour of financial and metals markets including the London Metal Exchange, fluctuations in interest and or exchange rates and metal prices; from future integration of acquired businesses; and from numerous other matters of national, regional and global scale, including those of a political, economic, business, competitive or regulatory nature. These uncertainties may cause our actual future results to be materially different that those expressed in our forward-looking statements. We do not undertake to update our forward-looking statements.