

Wednesday, 28 January 2004

Vedanta Resources plc

Indian listed subsidiaries' third quarter results

Vedanta Resources plc announces that its Indian listed subsidiaries, Sterlite Industries (India) Limited "Sterlite", Hindustan Zinc Limited, "HZL" and Madras Aluminium Company "MALCO" have today released their third quarter results in accordance with Indian regulatory requirements.

Highlights

- Net sales have benefited from increased volumes as set out in the production report issued on 7th January 2004 and from rising commodity prices, particularly in the third quarter. Sterlite (copper) and HZL (zinc) net sales rose by 49% and 61% respectively in this period.
- The operating profit of the Sterlite group show strong growth, benefiting from operational improvements and better sales realisation in all three divisions, especially zinc. Meanwhile, in copper, higher raw material costs were offset by production gains, efficiency improvements and a stronger performance from the Australian mines. Aluminium results were in line with expectations

Anil Agarwal, CEO of Vedanta Resources plc, said;

"These strong results underpin the confidence we expressed at the time of our listing in December. We are pleased with the operational improvements in all our businesses and, in particular, the excellent results from HZL, the most recent addition to the group. I look forward to reporting our full year results in June."

Full details of the results are available on www.vedantaresources.com.

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Notes to editors

Sterlite has this year, for the first time, reported consolidated figures and, therefore, comparative prior year numbers are not available. The consolidated figures for Sterlite (table 1A) include its Indian copper business, Bharat Aluminium Company (BALCO), HZL and the Australian mines. The results of Indian copper (Table 1B), zinc (Table 1C), and MALCO (Table 2) have also been announced to the Bombay Stock Exchange and these results are summarised in this release. Figures are presented in Indian GAAP and Rupees.

Vedanta's current effective ownership of Sterlite is 65.8% and 80% of MALCO. Sterlite, itself, has a 64.9% interest in HZL, 51% in BALCO and 100% of the Australian mines.

Vedanta issued a production report for the third quarter to 31st December 2003 on 7th January 2004. Copies of this release are available on www.vedantaresources.com.

Sterlite Industries (India) Limited (Sterlite Group)
Table 1A: Consolidated Summary Data – Copper, Zinc and Aluminium (4)

	Third Quarter	9 Months	12 Months
INR million	31/12/03	31/12/03	31/03/03
Net Sales (1)	15,280	40,960	43,892
Other income	319	1,080(2)	1,384
Operating costs	11,702	32,107(3)	35,960
Operating profit	3,897	9,933	9,316
Interest paid	396	1,113	1,806
Depreciation	724	2,104	3,018
Profit before tax	2,777	6,716	4,492

(1) Net of excise duty recovered

(2) In accordance with Indian GAAP, Other income includes interest received INR539m

(3) In accordance with Indian GAAP, Operating costs include Voluntary Retirement Scheme (VRS) costs of INR650m

(4) Does not include MALCO results, see table below.

Sterlite Industries (India) Limited (Sterlite Copper)
Table 1B: Company Summary Data – Indian Copper (3)

INR million	Third Quarter		9 months		12 months
	31/12/03	31/12/02	31/12/03	31/12/02	31/03/03
Net Sales (1)	8,212	5,505	21,854	15,465	22,079
Other income	33	31	108(2)	107	180
Operating costs	7,192	4,459	19,017	12,357	17,747
Operating profit	1,053	1,077	2,945	3,215	4,512
Interest paid	318	389	893	1,145	1,510
Depreciation	267	252	801	778	1,059
Profit before tax	468	436	1,251	1,292	1,943

1. Net of excise duties recovered

2. In accordance with Indian GAAP, other income includes interest received INR76m

3. Includes the conductor business

Hindustan Zinc Limited (HZL)
Table 1C: Company Summary Data - Zinc

INR million	Third Quarter		9 months		12 months
	31/12/03	31/12/02	31/12/03	31/12/02	31/03/03
Net Sales (1)	4,977	3,083	13,243	9,103	14,113
Other income	178	170	581(2)	523	760
Operating costs	2,911	2,344	8,528(3)	7,471	11,809
Operating profit	2,244	909	5,296	2,155	3,064
Interest paid	2	1	4	2	3
Depreciation	177	163	528	487	767
Profit before tax	2,065	745	4,764	1,666	2,294

1. Net of excise duties recovered
2. In accordance with Indian GAAP, other income includes interest received INR291m
3. In accordance with Indian GAAP, operating costs include VRS of INR461m

Madras Aluminium Company Limited (MALCO)
Table 2: Company Summary Data – Aluminium (excluding BALCO)

INR million	Second Quarter		6 months		12 months
	31/12/03	31/12/02	31/12/03	31/12/02	30/06/03
Net Sales (1)	690	626	1,386	1,291	2,637
Other income	2	13	20	16	27
Operating costs	514	473	1,037	966	1,910
Operating profit	178	166	369	341	754
Interest paid	27	42	51	89	161
Depreciation	48	49	95	98	196
Profit before tax	103	75	223	154	397

- (1) Net of excise duties recovered
- (2) Excludes results of Indian Foils Limited (IFL), an associated undertaking