

Media Release

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BOC India Net Profit for 2008 at Rs. 80.04 cr. Board recommends 15 % dividend

Kolkata, 23 February 2009

BOC India Limited, a member of The Linde Group, announced its audited financial results for the year ended on 31 December 2008, which were approved by the Company's Board of Directors at its meeting held earlier today.

The Company reported a gross turnover of Rs. 571.66 crores for the year 2008 as against Rs.327.19 crores achieved in the preceding 9 months accounting period ended 31 December 2007, recording an increase of about 31% on an annualised basis over the preceding 9 months period. While the gases business turnover was up about 19% on an annualised basis, the turnover of the Project Engineering business on the same basis recorded a steep growth of over 170%. The growth in the gases business during the year was mainly driven by higher volumes and improved realisations on argon and argon based products both in bulk and packaged gases, effective execution of sustained liquid oxygen demand from steel majors in the East, and volume growth in healthcare segment. The healthcare business registered a growth of about 12% in total revenues for the second year in succession on the back of higher volume of medical oxygen and double digit growth in nitrous oxide. Special Gases grew by about 30% and the entry into electronic gases to customers in the solar photovoltaic space also made satisfactory contribution to revenues during the year. Welding and safety products, which were launched two years ago in view of their synergy with our gases business, have continued to grow at a fast pace during the year, clocking revenues of around Rs.6 crores.

The Project Engineering Division continued its sterling performance, with turnover of the segment during the year rising significantly on the back of higher billings in its turnkey projects in the refinery and steel sectors. The Division was consistent in winning and executing orders received from prestigious government agencies such as ISRO, Department of Space and Department of Atomic Energy. These third party billings have been over and above the Division's extensive engagement with in-house 1800-tpd Air Separation Unit at JSW Steel works at Bellary which is now in the final stages of commissioning.

The 855 tpd Air Separation Unit in Bellary that the company has invested in through a joint venture has also performed well. These results include a maiden dividend of 10% declared by the joint venture company for the year ended 31 March 2008.

The profit before tax for the year at Rs.107.80 crores includes interest income of Rs.23.72 crores on surplus cash from preferential issue parked in fixed deposits with banks and exceptional income totaling Rs.24.57 crores. The net profit after tax during the year amounted to Rs.80.04 crores, which compares favourably with the profits earned in the immediately preceding 9 months accounting period ended on 31December 2007.

The Company has invested around Rs. 300 crores on capital expenditure in 2008. This has been spent on new projects likely to be commissioned in 2009 and 2010 as also on distribution, storage and other assets. The Company is also in the final stages of bidding for some large supply scheme tonnage contracts. These opportunities would entail sizable investments and are in line with The Linde Group's strategy of becoming a leading gases and engineering company in India. Keeping in view the need to conserve resources for investment in projects, the Board

has recommended an equity dividend of 15% (Rs. 1.50 per equity share) for the year 2008 on the enhanced share capital after the preferential issue to the promoter group, which together with the dividend tax would absorb Rs. 14.97 crores.

Commenting on the financial results, Mr. S K Menon, Managing Director, BOC India Ltd. said, "BOC India has registered another strong performance and has recorded a net profit of Rs.80.04 crores in the year 2008. The performance of the Company has been satisfactory given the sudden change in the business environment in the last quarter as a result of the global economic crisis, which has significantly impacted most of the user industry segments and their operations and expansion plans."

About BOC India Limited: BOC India Limited (BOCI), a member of The Linde Group, is the leader in gases business in India since 1935. BOCI provides a one-stop solution to every sphere of gas and gas-related business as well as manufacture of cryogenic and non-cryogenic vessels and designing and commissioning of projects. BOCI has excelled through successfully blending of local innovation and adaptation with international expertise from The Linde Group. Be it for food processing, medical, domestic or industrial use, BOCI provides tailor-made solutions for its customers. While providing the best solutions to its customers, BOCI has always conformed to the strictest international standards of production and safety.

About The Linde Group: The Linde Group is a world-leading gases and engineering company with more than 50,000 employees working in around 100 countries worldwide. In the 2007 financial year it achieved sales of 12.3 billion euro. The strategy of The Linde Group is geared towards sustainable earnings-based growth and focuses on the expansion of its international business with forward-looking products and services. Linde acts responsibly towards its shareholders, business partners, employees, society and the environment - in every one of its business areas, regions and locations across the globe. Linde is committed to technologies and products that unite the goals of customer value and sustainable development.