

GMR Infrastructure Limited, Q3-FY 10-11 Performance Highlights

Financial Highlights for Q3 2010-11 (Rs. Cr.)

Particulars	Quarter Ended			Nine Month Ended			FY10
	31st Dec'10	31st Dec'09	% change	31st Dec'10	31st Dec'09	% change	
Net Revenue	1,359.8	1,066.7	27%	3,811.8	3,441.6	11%	4,566.5
EBITDA	381.3	345.4	10%	1,114.8	1,049.7	6%	1,364.3
Interest	294.0	162.8	81%	781.5	499.6	56%	722.3
Other Income	14.6	31.9	-54%	96.2	56.3	71%	163.4
Exceptional Item				140.3			
Depreciation	235.7	170.0	39%	599.8	448.1	34%	612.2
PBT	(133.9)	44.5	-401%	(30.0)	158.4	-119%	193.1
Tax	(82.0)	13.3	716%	(52.5)	43.9	-220%	(32.2)
PAT before Minority	(51.9)	31.2	-266%	22.5	114.5	-80%	225.3
PAT After Minority & Share of Associate	(22.3)	9.2	-342%	77.3	85.4	-9%	158.4

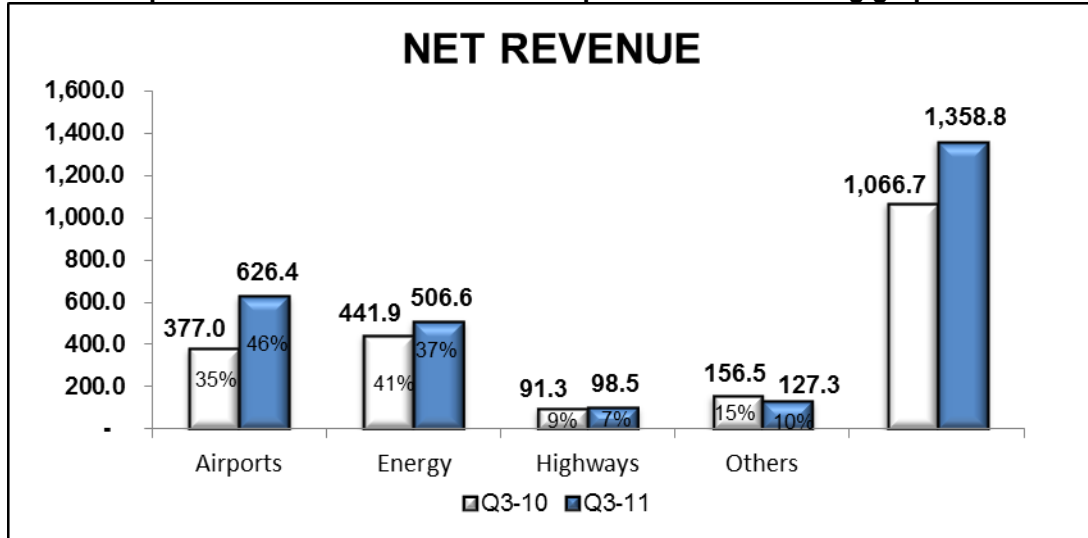
The Company has registered healthy growth of 27% in Revenues. The induction of Male Airport and Homeland Energy revenues for part of the quarter has contributed to this rise in revenues.

The EBITDA also registered a positive growth of 10%, though it has not grown in tune with the revenues due to newly inducted businesses and seasonal factors of some other existing business.

Capacity costs which include interest charges and depreciation have increased by Rs.197 Crs (59%) over the corresponding Quarter primarily on capitalization of T3, the new terminal in Delhi Airport. This sharp rise in the interest and depreciation costs of Delhi Airport has adversely impacted the Profit before tax and profit after tax for the quarter.

Airports Sector registered a growth of 66% in net revenue and 19% in EBITDA. Energy Sector revenues and EBITDA are higher by 15% and 50%. Toll road projects recorded a significant growth of 24% in the revenues due to growth in traffic volume and inflation adjusted higher toll rates while the EBITDA for highways sector rose by 7%.

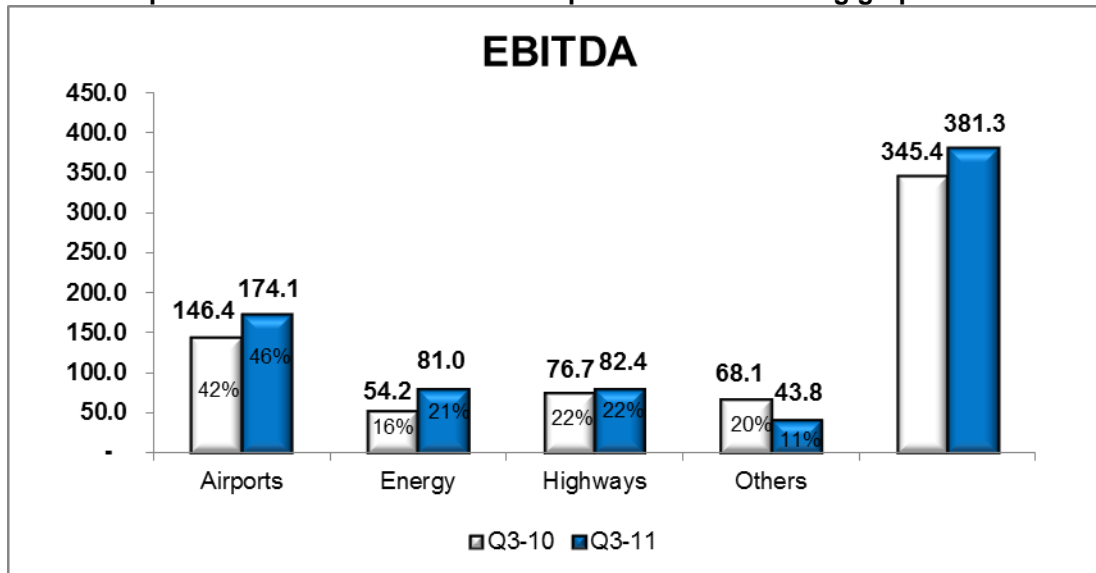
The breakup of Sectorwise Net Revenue is depicted in the following graph:



*Percentages indicate the sector contribution to consolidated revenue.

(figures in rupees crores)

The breakup of the Sectorwise EBITDA is depicted in the following graph:



*Percentages indicate the sector contribution to consolidated EBITDA

(figures in rupees crores)

Commenting on the performance during the Quarter, Mr. G M Rao, Group Chairman said:

“The third Quarter of the year saw some significant value creating business developments in GMR. We successfully took over Male Airport operations. The enhanced UDF at Hyderabad airport was effected in November’2010. Our Delhi airport was ranked 5th best airport worldwide out of 151 airports by Airports Council International. It was also ranked 2nd out of 19 airports in the 25-40 mppa category.

We achieved Financial Closures of our Male Airport, 1370 MW Chattisgarh Thermal Power project and Hungud - Hospect Road Project.

We also received the Enviromental Clearance for the 180 MW Bajoli Holi Hydro power project in Himachal Pradesh. Our Vemagiri Power plant won the prestigious National Energy Conservation award.

All our Energy and Highway projects are progressing as per schedule. There has been significant growth in traffic at all our operating airports with the Sabiha Gokcen Airport in Istanbul recording a 75% growth. All these augur well for us to close the year on a positive note

The adverse impact of the rise in interest and depreciation costs due to commissioning of Delhi Airport will be mitigated once the impending tariff revision process of this airport is concluded in the next few months.”

Major developments during Q3FY 11

Airports Sector

Airports business of the Company consists of 2 airports at Delhi and Hyderabad in India and 2 airports abroad, one in Istanbul in Turkey and the other being the Male International airport, which we have taken over in November 2010.

Briefly presented below are the significant developments in these 4 assets during the Quarter:

Delhi International Airport (DIAL)

- Domestic operations in T3 commenced from 11th Nov’10.
- ASQ scores rose from 4.61 in last quarter to 4.70 in this quarter
- Delhi airport was ranked 5th worldwide out of 151 airports. Also, ranked 2nd out of 19 airports in the 25-40 mppa category.
- DIAL was awarded at a ceremony in London on 14th Oct’10, the British Construction Industry Award (BCIA) for the Best International Project.
- 12.5% increase in PAX from 19.32 Mn last year (9 mths) to 21.73 Mn (9 mths)
- 23.2% growth in Cargo from 0.36 Mn tons last year (9 mths) to 0.45 Mn tons (9 mths)
- Jet airways has started a new direct route from New Delhi to Milan from Dec’10

GMR Hyderabad International Airport (GHIAL)

- Passenger traffic grew by 17.48% Y-O-Y for Q3
- Increased UDF effected from November 1st, 2010. The new UDF is Rs.430 + ST & Rs.1700 + ST respectively for each domestic and international departing passenger.

Istanbul SabihaGokcenInternational Airport (ISGIA)

- ISGIA witnessed a traffic growth of 75% in the calendar year 2010; International traffic has grown by 88%
- ISGIA revenue has grown by 88% in the calendar year 2010
- THY-OPET started its own fuel operations serving Anadolujet airlines. This poses potential revenue loss for ISGIA. Alternate strategy being worked on.
- ISGIA's earthquake-safe facility was ranked 2nd in the engineering category of the Innovation of the Year award by 'Popular Science' magazine.

Male International Airport (MIAL)

- Airport taken over in November 2010.
- Blueprint for the development of the airport underway.

Energy Sector

GMR has 3 operating assets with cumulative capacity of 808 MW and has 11 projects in hand totalling 8448 MW, out of which 4138 MW is under construction and 4310 MW is under development.

During the Quarter we achieved significant milestones for projects which are under different stages of construction:

- At 768 MW GREL project (Vemagiri expansion), physical progress of the project is as per schedule. About 77% of EPC work has been completed.
- At 600 MW EMCO project, progress is as per schedule. About 40% of the EPC work completed.
- The 1370 MW Chhattisgarh project achieved Financial Closure on 10th Dec 2010. Total debt of Rs 6217 Cr has been tied up.
- At 1050MW (Stage 1) Kamalanga project, obtained Stage II Forest Clearance.
- Received Environment Clearance for the 180 MW BajoliHoli Hydro Project.

With the completion of all these projects (with the exception of BajoliHoli), the total operational capacity will be 4596MW in the next 3 years, resulting in substantial increase in our steady revenue stream.

Highways

The GMR Group has 6 highway projects under operation across India measuring 421 km (1684 lane kms). These include 3 annuity based projects: Tuni-Anakapalli, Tambaram-Tindivanam, AdloorYellareddy-GundlaPochanpalli and 3 toll based projects: Ambala-Chandigarh, Thondapalli - Jadcherla and Tindivanam – Ulundurpet.

We also have 3 projects under development totaling 310 km (1664 lane kms): Hyderabad – Vijayawada, Chennai Outer Ring Road and Hungund – Hospet.

All three projects have achieved Financial Closure and are progressing as per schedule.

Urban Infrastructure

Krishnagiri SEZ

Pursuant to aMoU entered into with the state of Tamil Nadu, a SEZ is being developed at Krishnagiri district through a joint venture with Tamil Nadu Industrial Development Corporation. The Krishnagiri SEZ is expected to be dedicated to biotechnology, information technology, traditional electronics and engineering companies. It is planned to be spread over 3,300 acres, the majority of which has been acquired. Applied to GoTN for acquisition of Government land and for water. Commercial operation of this SEZ is expected to commence in the year 2014.

We are developing a master plan to dedicate 312 acres as a special zone for the Solar Energy industry

Property Development

In Delhi airport area, the hospitality district development is in full swing. In the first phase, out of 45 acres of land divided into 14 asset areas, the Company had awarded 7 asset areas (21.8 acres) to successful bidders for commercial property development in 2008-09 during the first round of bidding. In 2009-10, the remaining assets of the first round as well as 6 more from the second round were successfully awarded. Common infrastructure development like roads etc are being developed by us as per schedule.

In Hyderabad Aerotropolis, we plan to develop around 1000 acres of land. We have signed an MOU with Ryan International School to set up an International School; have also signed up with Schulich Business School, Canada for them to start their Business School. Various other themes are being conceptualized and worked upon.

Sector wise Financial Review - Net Revenues (Rs. Cr.)

Sector	Quarter Ended			Nine Month Ended		
	31st Dec'10	31st Dec'09	% change	31st Dec'10	31st Dec'09	% change
Airports	626.4	377.0	66%	1,524.2	1,032.1	48%
Energy	506.6	441.9	15%	1,584.7	1,610.7	-2%
Highways	98.5	91.3	8%	291.4	255.2	14%
Others	127.3	156.5	-19%	411.6	543.6	-24%
Total	1,358.8	1,066.7	27%	3,811.8	3,441.6	11%

Sector wise Financial Review - EBITDA (Rs. Cr.)

Sector	Quarter Ended			Nine Month Ended		
	31st Dec'10	31st Dec'09	% change	31st Dec'10	31st Dec'09	% change
Airports	174.1	146.4	19%	450.1	378.7	19%
Energy	81.0	54.2	50%	240.6	248.9	-3%
Highways	82.4	76.7	7%	241.5	208.3	16%
Others	43.8	68.1	-36%	182.6	213.9	-15%
Total	381.3	345.4	10%	1,114.8	1,049.7	6%

About GMR Group

GMR Group is a Bangalore headquartered global infrastructure major with interests in Airports, Energy, Highways and Urban Infrastructure. The Company has successfully employed the public-private partnership model to build a portfolio of high quality assets. The Company has 14 power projects of which 3 are operational (808 MW) and 11 projects (8448 MW) are under various stages of implementation. It has 9 road projects, of which 6 are operational (421 km) and 3 are under construction (309 km). In the Airports sector, the group operates 4 airports located at Delhi and Hyderabad in India, Istanbul in Turkey and Malé in the Maldives. Additionally, the Group is committed to social development initiatives and executes these through its Corporate Social Responsibility arm, the GMR Varalakshmi Foundation (GMRVF).

For further information about the GMR Group, visit www.gmrgroup.in

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