

PRESS RELEASE

IL&FS Investment Managers Limited reports FY11 results

- **Consolidated Revenues at Rs 201.22 Crore for FY11, up 11% on y-o-y basis**
- **Profit after Tax (PAT) at Rs 69.02 Crore for FY11, down 6.5% on y-o-y basis**
- **Consolidated EPS at Rs 3.39 for FY11**
- **IL&FS Investment Managers Limited declared a yearly dividend of Rs 1.50 per share**

Mumbai, April 21, 2011 : IL&FS Investment Managers Limited (BSE : 511208; NSE : IVC) today reported its results for the full year ended March 31, 2011

Consolidated revenue was up 11% at Rs 201.22 Crore compared to Rs 181.34 Crore in FY10. Consolidated expenditures including depreciation and amortisation was up 27% at Rs 109.07 Crore compared to Rs 85.64 Crore in FY10. Consolidated net profit after tax (PAT) was marginally down by 6.5% at Rs 69.02 Crore compared to Rs 73.85 Crore in FY10. Consolidated EPS stood at Rs 3.39 compared to Rs 3.69 in FY10

The abovementioned numbers include the impact of the amalgamation of the Saffron entities effective August 1, 2010, being the effective date of the amalgamation. The impact of the growth in AUM is reflected in the enhanced revenue numbers for the year end. However, the same is not translated into growth in profits primarily due to amortisation of the consideration paid for the amalgamation. The amortisation in the financials for the year end includes an amortisation of ` 8.80 Crore

Dr Archana Hingorani, Chief Executive Officer, IL&FS Investment Managers, said :

“This year your company has focussed on consolidating its position as one of the premier fund managers in India. The fund raising environment continues to remain challenging and accordingly fund raising efforts were positioned for the last quarter of FY2011 and expect to bear fruit in FY2012. Despite sluggish markets, the Company managed to provide significant return of capital to its Limited Partners and continue to focus on value enhancing exits across all funds, which will stand us in good stead in our fund raising initiatives. This coming year the focus will be on making investments across sectors in risk mitigated and value enhancing opportunities and on working closely with the investee companies for value maximization. On the fund raising front the focus will be successfully close out the current fund raising initiatives and look at opportunities for new fund raisings through innovative products in niche sectors especially in the infrastructure sector. We are already seeing operational and resource synergies through the Saffron merger and also plan to leverage the Yatra Capital platform to raise other funds during the current year”

DIVIDENDS

IL&FS Investment Managers Limited has declared a yearly dividend of Rs 1.50 per share with a pay out ratio of 96%. This works out to a dividend yield of around 4% on a monthly average price of Rs 38/- per share

INVESTMENTS

In terms of fund deployment through funds under its management, IIML had a strong year during FY2011 the Company invested Rs 8.27 bn as against Rs 5.78 bn in FY2010 across 18 fresh and follow-on investments. In aggregate, the Company attained fifteen full exits / partial exits across all the three verticals realizing US\$221 mn. Six of these exits were by way of trade / strategic sale, in part a reflection on the poor primary markets during the second half of the year, but also a strong expression of the Company's ability to structure exits in challenging market conditions. The Company's portfolio was also able to take advantage of favorable market conditions in the first half with 3 investee companies getting listed during October-November 2010

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About IL&FS Investment Managers Limited

IL&FS Investment Managers Limited (IIML) is India's first and only listed Private Equity firm. IIML has been a pioneer in managing and advising private equity investments, ranging from Real Estate, Infrastructure to sector agnostic Private Equity Funds. IIML has, to date, invested in over 100 investments and managed over 50 exits/liquidity events. IIML manages assets of around US\$ 3.2 bn across sectors and has delivered a gross internal rate of return of over 25% (in US\$ terms)

Some of the representative transactions of IL&FS Investment Managers Limited are Shoppers Stop, Noida Toll Bridge Company, Gujarat Pipavav Port, ibn18 Broadcast, Indraprastha Gas, Godrej Beverage & Foods, Spicejet, ABG Shipyard, Tejas Networks, Bharat Serums & Vaccines, Indiagames, DQ Entertainment, Ramky Infrastructure, Den Networks, DB Realty, Electrosteel Integrated, Orbit Highcity and QVC Realty

IL&FS Investment Managers Limited is publicly traded on Bombay Stock Exchange (BSE Symbol : 511208) and the National Stock Exchange (NSE Symbol : IVC). More on www.iimlindia.com

SAFE HARBOUR

Certain statements included in this press release may constitute "forward-looking statements" in respect of the Company's operations, performance, prospects and/or financial condition. By their nature, forward looking statements involve a number of risks, uncertainties and assumptions and actual results or events may differ materially from those expressed or implied by those statements. Accordingly, no assurance can be given that any particular expectation will be met and reliance should not be placed on any forward-looking statement. Additionally, forward looking statements regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. No responsibility or obligation is accepted to update or revise any forward looking statement resulting from new information, future events or otherwise. Nothing in this presentation should be construed as a profit forecast.

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