



IL&FS Investment Managers Limited



Corporate Profile

Cautionary Statement

Forward Looking Statements

Certain statements included in this presentation may constitute "forward-looking statements" in respect of the Company's/ Fund'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.

This presentation does not constitute or form part of any offer or invitation to sell, or any solicitation of any offer to purchase any shares in the Company, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract or commitment or investment decisions relating thereto, nor does it constitute a recommendation regarding the shares of the Company or participation in a Fund managed/ to be managed by the Company. Past performance cannot be relied upon as a guide to future performance. Information in this presentation reflects the knowledge and information available at the time of its preparation.

A. Overview

- **IL&FS Group**
- **IIML Overview**
- **Business Model**
- **Asset Management Experience**
- **Investor Reach**

IL&FS Group

Earliest Infrastructure Developers

- Formed in 1988
- Initial participants were Indian Banks and Institutions
- International Institutional Investors inducted over the years
 - ORIX Corporation (Japan), Abu Dhabi Investment Authority
 - Earlier stakeholders include IFC, Govt. of Singapore, HSBC

Unique Positioning – Concept to Commissioning

- Multiplicity of roles : As sponsor, developer, advisor, and financier
- Promoted over 100 sector dedicated Special Purpose Vehicle companies
- Developing infrastructure projects worth over ~US\$ 25 billion
- In-house capabilities to take projects from ‘concept’ to ‘commissioning’
- Aggregate Balance Sheet size of ~US\$ 10 billion

Pioneering Development Role Play

- Promoted India’s first private sector toll road and water supply project
- Sponsored India’s first infrastructure focused PE fund with AIG
- Early entrants in niche growth areas like waste management, renewable energy, education with a strong social orientation
- Project development partnerships with various State Governments
- Advisor to Government for developing legal and policy frameworks

IIML - Overview

- **One of the oldest PE Managers in India**
 - Raised and managed 13 funds since 1996; also acquired two real estate Funds
 - AUM of \$ 3.2 billion; Additional US\$ 1.6bn under managed accounts
 - Listed on the National Stock Exchange and Bombay Stock Exchange
- **Invested across wide spectrum**
 - Traditional PE, Real Estate and Infrastructure
 - Portfolio of privately held, listed and majority controlled assets
- **Recognized market presence**
 - One of the largest domestic fund managers
 - Parentage, Performance, Experience and Expertise translate into top of the mind recall

Private Equity	Infrastructure	Real Estate
<ul style="list-style-type: none"> ▪ 3 Funds fully divested; distributed carry ▪ 1 Fund near full divestment ▪ 1 Fund in Monitoring stage ▪ First Close attained for a new PE Fund ▪ Current AUM : ~US\$ 380 mn 	<ul style="list-style-type: none"> ▪ Pan Asia focused Funds ▪ 1 Fund substantially divested ▪ 1 Fund in Monitoring Stage ▪ Current AUM : ~US\$ 700 mn 	<ul style="list-style-type: none"> ▪ First of the real estate funds in India ▪ 2 Opportunistic, 2 Yield and 2 Takeover Funds; all in the divestment stage ▪ Current AUM : ~US\$ 2.0 bn ▪ Also has RE Managed Accounts

Business Model

Revenue Stream

- Management Fee
 - Typically 1-1.5% of income earning AUM for the fund life
 - Highly visible, annuity revenue stream over 6-10 years
- Carry
 - Performance upside through profit share
 - Hurdle rate ranges between 7-11% p.a.; Carry is 20% of profits from investments
- Income from Managed Accounts (for 3rd party investments) - Recurring fee & share of profits on exit

Investment Model

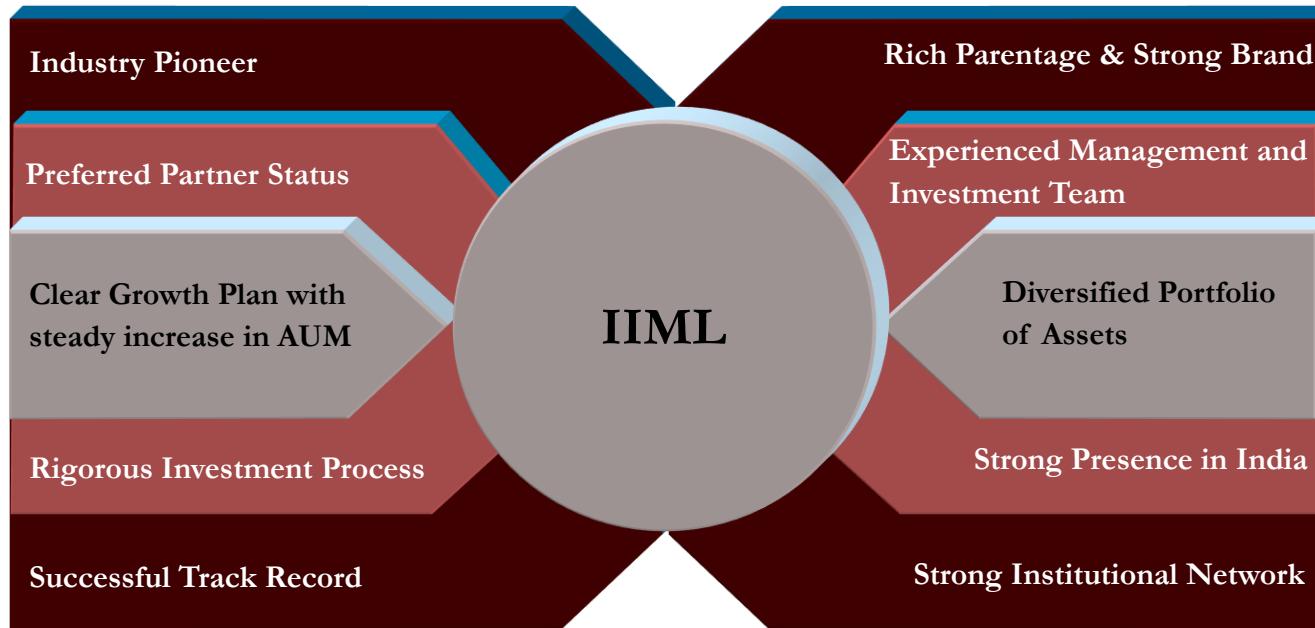
- Long-term investment horizon of 4-7 years
- Majority investments in unlisted companies
- Active investors with clear focus on value creation
- Mitigates risk of stock market volatility

Advantages of Business Model

- Indirect exposure to growth potential of large unlisted companies
- Better positioned to create upsides vs managers of other asset classes
- Documented advantages of PE participation in the value of unlisted companies

Unique Positing in the Industry

IIML is a pioneer and one of the leading private equity players in India



Oldest and one of the Largest Player with Experience Across Sectors

Asset Management Experience

162

Investments

Private Equity	: 57
Infrastructure	: 31
Real Estate	: 62
Yield	: 12

109

Liquidity Events

Fully Exited	: 71	Listed / IPO	: 27%	Private Equity	: 45%
Partial Exited	: 29	Buyback	: 43%	Infrastructure	: 23%
Listed	: 9	Strategic Sale	: 18%	Real Estate	: 28%

Trade Sale	: 12%	Yield	: 4%
------------	-------	-------	------

4

Fully Divested Funds

21% p.a.

Gross Realized IRR *

1.8x

Cash Multiple *

* For 70 Fully Divested Investments

Innovator & First Mover

- Set up India's first infrastructure focused fund in 1996
- First to structure participation of foreign institutions in the PE framework
- Leading role in bringing private equity to the emerging sectors

Telecom	1998		Energy	2000	
Transportation	2000		Retail	2000	
Water	2001		Rail	2004	
Shipyards	2005		Media	2006	
Fund incubated Real Estate Development Company	2007		Waste Management	2009	
Commercial REITs	2010		Agri-warehousing	2011	

Global Investor Reach; Marquee Partners



Americas

38%

Europe, ME

33%

Asia

29%

Long term, institutional capital from SWFs, Pension Funds, Insurance Companies & Institutional Investors

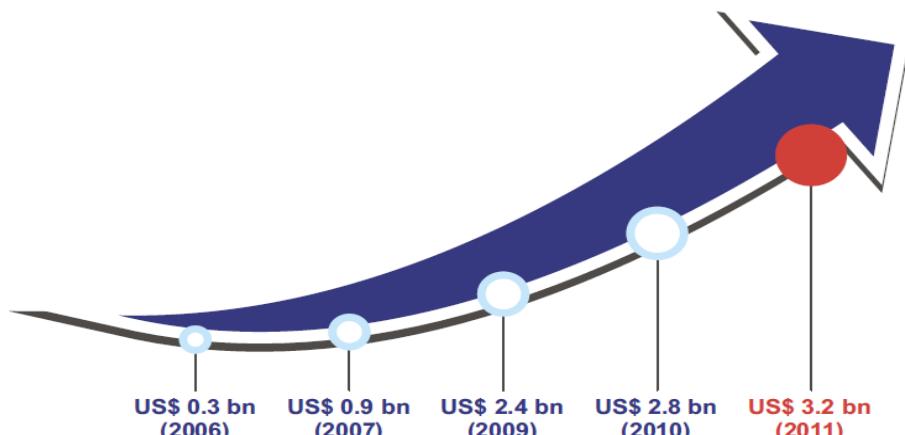
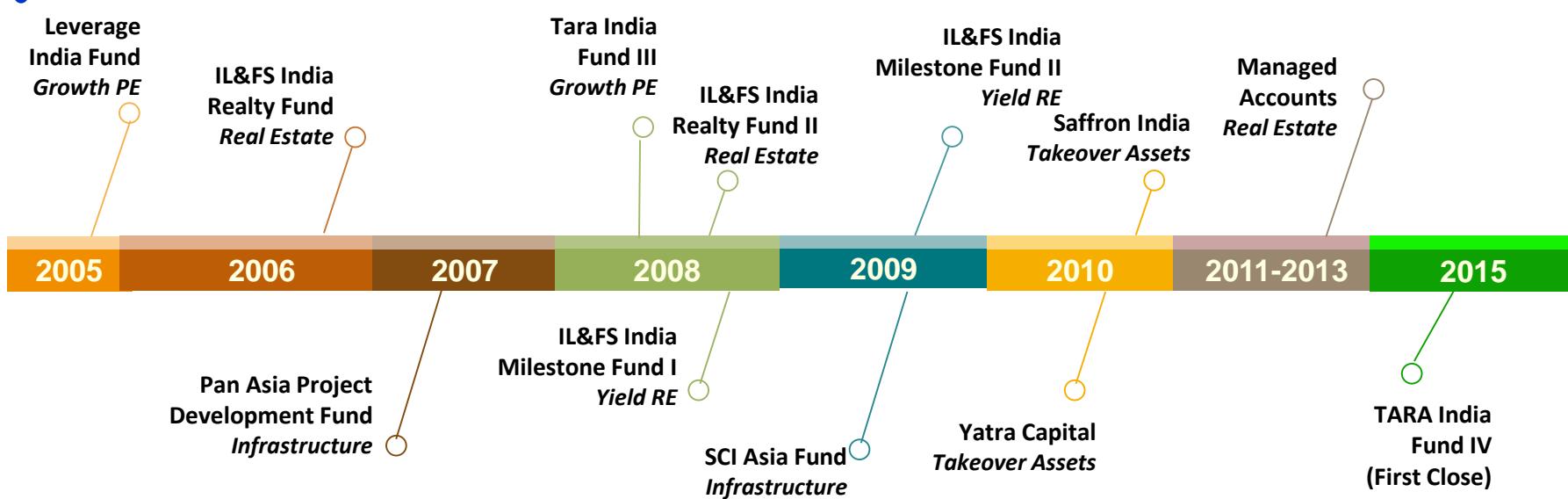


Partners Group

B. Funds Under Management

- **Fund Raise Milestones**
- **Fund Verticals**
 - **Private Equity**
 - **Infrastructure**
 - **Real Estate**
- **Notable Exits**

Fund Raise Milestones



AUM grew at a CAGR of 60% during FY2006 to FY2011

Fund Verticals

Private Equity

- 5 Funds raised since 1996, aggregating US\$ 509 mn and 1 fund announced first close at US\$ 40 mn
 - 3 Funds fully divested
- One Fund near full divestment
- One Fund in monitoring stage
- First Close of US\$ 40 mn attained for a new PE Fund (Tara India Fund IV)

Infrastructure

- Spun off as a separate Vertical in 2006
- Two Pan Asia focussed Funds aggregating US\$ 703 mn
 - Both in JV (with ORIX and Standard Chartered)

Real Estate (Opportunistic & Yield Funds)

- Funds aggregating US\$ 1.6bn
 - Two opportunistic RE Funds aggregating US\$ 1.4 bn
 - Focus Residential and Commercial RE
 - Two yield Funds aggregating US\$ 220 mn in JV format

Takeover Assets & Managed Accounts

- Two Funds aggregating US\$ 393 mn acquired in 2010
 - Funds had distressed assets; Acquisition completed with LP support
 - Focus on generating value above acquired NAV
- Real Estate focussed Managed Accounts
 - Mandates aggregating US\$ 1.6 bn

Private Equity

IIML's Experience

- ▶ US\$ 450 mn invested across 82 investments
- ▶ Early investors in Retail, Shipyard, Media

Growth PE Funds

	Vintage	Corpus (US\$ mn)
AIG Indian Sectoral Equity Fund ¹	1996	91
Leverage India Fund	2004	153
Tara India Fund III	2007	225
Tara India Fund IV	2015	40

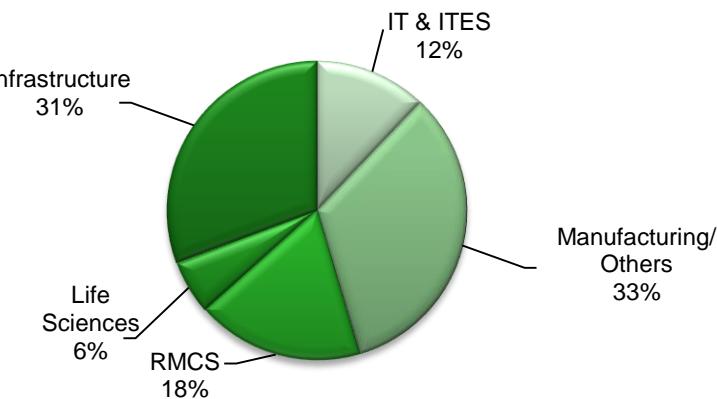
VC / Sector Specific Funds

India Auto Ancillary Fund ¹	1998	15
South Asian Regional Apex Fund ¹	1995	25

Investee Companies



Investments – Across Sectors



* Spun off as a separate vertical

¹ Fully Divested

Infrastructure

IIML's Experience

- ▶ ~US\$ 547 mn invested in 31 transactions ¹
- ▶ Early investors in Telecom, Roads, City Gas, Rail

Infrastructure Funds

AIG Indian Sectoral Equity Fund ² 1996 91

SCI Asia Infra Growth Fund 2008 658

Project Development Funds

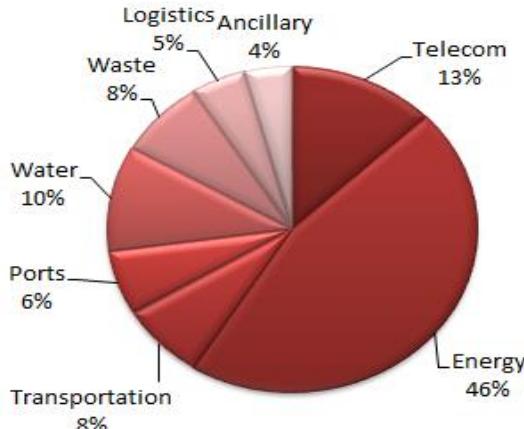
India Project Development Fund ² 2000 16

Pan Asia Project Development Fund 2006 45

Investee Companies



Investments – Across Sectors



¹ Incl. transactions undertaken under PE Vertical, prior to spin off

² Fully Divested

Real Estate

IIML's Experience

- ▶ Pioneer in India - First RE fund launched in 2005
- ▶ Early investors in Urban rejuvenation projects and Industrial Parks
- ▶ Opened up yield based commercial investing in Fund format

Opportunistic RE Funds

IL&FS India Realty Fund 2006 525¹

IL&FS India Realty Fund II 2007 895

Yield Based Funds

IL&FS Milestone Fund I & II 2007/09 220

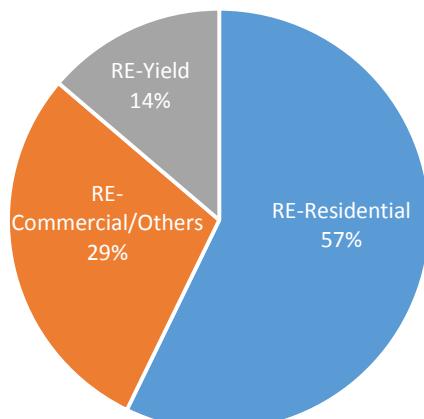
Investee Companies



The Phoenix Mills Limited



Investments – Across Asset Classes



¹ Excl. US\$ 155 mn of line of credit

Notable Exits

Company	IRR, Cash Multiple	Divestment Amount ¹ (₹ mn)	Exit Type
ABG Shipyard	67%, 4.0x	1,262	Listed / IPO
Continental Warehousing	28%, 2.9x	981	Trade Sale to Warburg
DQ Entertainment	34%, 3.4x	144	Listed / IPO
Futuresoft	88%, 2.9x	270	Strategic Sale to Flextronics
Godrej Beverages	54%, 1.6x	1,199	Strategic Sale to Hershey
Hotel Leelaventures	95%, 2.4x	469	Listed / IPO
ibn18	37%, 2.8x	1,120	Listed / IPO
iMetrix Technologies	28%, 2.4x	427	Strategic Sale to Siemens
Indiagames	72%, 14.0x	206	Strategic Sale to Tom Online
Indraprastha Gas	65%, 6.9x	1,924	Listed / IPO
Max Telecom	22%, 4.5x	2,605	Strategic Sale to Essar
Noida Toll Bridge	23%, 2.9x	585	Listed / IPO
RPG Cellular	37%, 2.0x	926	Strategic Sale to Aircel
Sasken Communication	69%, 1.8x	305	Listed / IPO
Shoppers Stop	24%, 3.8x	572	Listed / IPO
Tejas Networks	22%, 2.1x	511	Trade Sale to Mayfield

¹ Incl. dividends

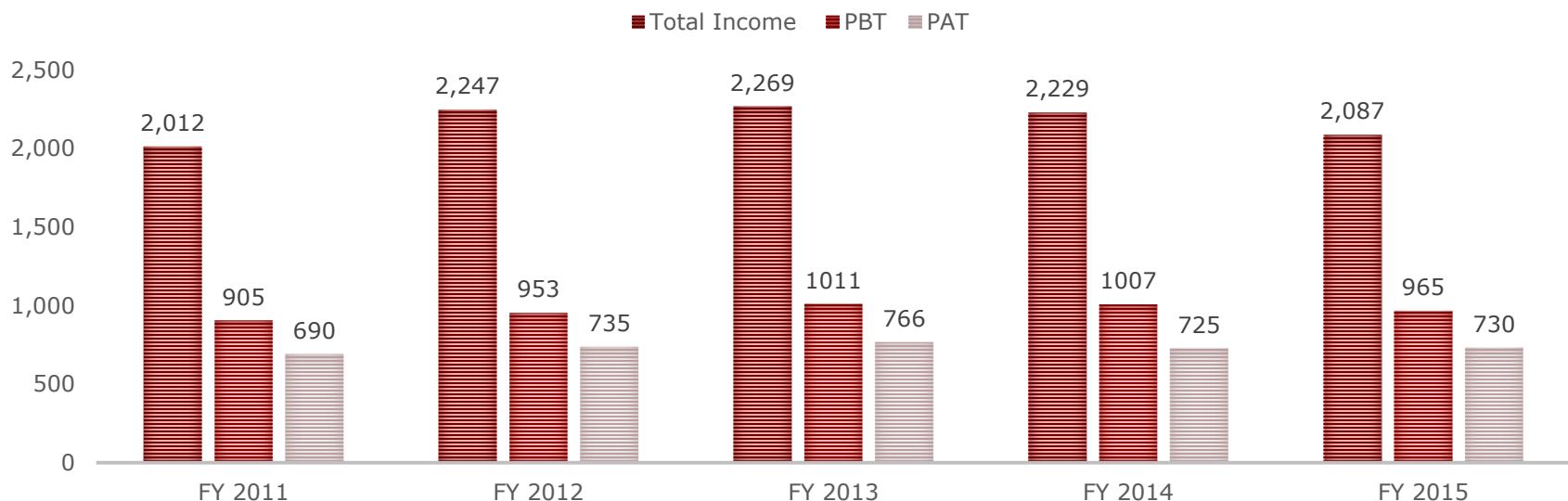
C. Financial Performance

Financial Performance

Particulars	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Total Income	2,012	2,247	2,269	2,229	2,087
Total Costs	1,107	1,294	1,258	1,222	1,122
PBT	905	953	1011	1007	965
PAT	690	735	766	725	730
PAT Margin (%)	34	33	34	33	35
EPS (Rs)*	2.3	2.4	2.5	2.3	2.3
Dividend (%)	75	75	75	65#	65#

*Adjusted for splits and bonuses. FV of Rs 2 per share

Post Bonus of 1:2



Thank You