

PRESS RELEASE

IL&FS Investment Managers Limited reports Q4FY10 and FY10 results

- **Consolidated Revenue at Rs 51.25 Crore for Q4 FY10, up 9% on y-o-y basis**
- **Profit after Tax (PAT) at Rs 23.41 Crore for Q4 FY10, up 19% on y-o-y basis**
- **Consolidated EPS at Rs 1.17 for Q4 FY10**
- **Consolidated Revenues at Rs 181.34 Crore for FY10, up 10% on y-o-y basis**
- **Profit after Tax (PAT) at Rs 73.85 Crore for FY10, up 19% on y-o-y basis**
- **Consolidated EPS at Rs 3.69 for FY10**
- **IL&FS Investment Managers Limited declared a yearly dividend of Rs 1.50 per share**

Mumbai, April 26, 2010 : IL&FS Investment Managers Limited (BSE : 511208; NSE : IVC) today reported its results for the quarter ended March 31, 2010, and for the full year ended March 31, 2010

For Quarter ending March 31, 2010

Consolidated revenue was up 9% at Rs 51.25 Crore compared to Rs. 46.89 Crore for the same quarter in FY09

Consolidated expenditure including depreciation and amortisation was up 12% at Rs 22.42 Crore compared to Rs 19.99 Crore for the same quarter in FY09

Consolidated net profit after tax (PAT) was up 19% at Rs 23.41 Crore compared to Rs 19.74 Crore for the same quarter in FY09

Consolidated EPS stood at Rs 1.17 compared to Rs 0.99 for the same quarter in FY09

For FY10, ending March 31, 2010

Consolidated revenue was up 10% at Rs 181.34 Crore compared to Rs 164.16 Crore in FY09. The year-on-year change was primarily driven by increase in fund management fees

Consolidated expenditures including depreciation and amortization were up 8% at Rs 85.64 Crore compared to Rs 79.56 Crore in FY09. The year-on-year change was driven by an increase in other overheads, which included rent, travelling and legal & professional fees and opening of overseas office

Consolidated net profit after tax (PAT) was up 19% at Rs 73.85 Crore compared to Rs 62.19 Crore in FY09. Final closing of a new infrastructure fund during the year was the key driver for this increase

Consolidated EPS stood at Rs 3.69 compared to Rs 3.13 in FY09

Dr Archana Hingorani, Chief Executive Officer, IL&FS Investment Managers, said, “The global macroeconomic environment has become more conducive this year. While concerns remain, the emerging market story, centered around large economies like India, outshines and continues to generate global interest. We intend to capitalize on this; in terms of fund deployment, in seeking liquidity and returns for our investors. We also intend to use this opportunity to grow our management base, both in terms of quantum of funds under management and the geographic scope of our services”

IL&FS Investment Managers Limited is an asset and investment manager generating value from :

- management fees based on capital committed in its Funds (average life of 7 years)
- back ended carried interest of 20% after meeting hurdle rates of 8-11% on its Funds’ exit

DIVIDENDS

IL&FS Investment Managers Limited has declared a yearly dividend of Rs 1.50 per share with a pay out ratio of 90%. This works out to a dividend yield of around 3.5% on a monthly average price of Rs 45/- per share

INVESTMENTS

In terms of fund deployment through funds under its management, IIML invested Rs 987 Crore across 6 companies in the infrastructure / private equity space and across 5 investments in real estate during the year ended March 31, 2010. With improvement in business sentiment, IIML was able to complete 7 full exits during FY10. Of these exits, 4 were through trade sales and 3 through liquidity events (listing in public markets). This reaffirms IIML’s ability to leverage relationships to make investments and to undertake multiple exit strategies

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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\$ 2.8 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.

This press release 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. Past performance cannot be relied upon as a guide to future performance. Information in this press release reflects the knowledge and information available at the time of its preparation

IL&FS Investment Managers
Consolidated Financials FY 2010

Particulars	Quarter Ended 31/03/2010	Quarter Ended 31/03/2009	Growth %	Year Ended 31/03/2010	Year Ended 31/03/2009	Growth %	Remarks
	Unaudited	Unaudited		Audited	Audited		
1. a) Income from Operations	4,774.38	4,412.15	8.2%	16,983.93	15,393.53	10.3%	Higher due to fee income from SCB Fund
b) Other Operating Income	203.24	130.21	56.1%	611.14	422.32	44.7%	Higher interest income
c) Other Income	147.43	146.7	0.5%	538.61	600.26	-10.3%	Lower due to reduction in foreign exchange gain over previous year
Total Income	5,125.05	4,689.06	9.3%	18,133.68	16,416.11	10.5%	
2. Expenditure							
a) Employees cost	1,110.76	725.84	53.0%	4,279.68	3,172.29	34.9%	Relocation to Dubai Office
b) Depreciation / Amortisation	465.71	442.58	5.2%	1,763.16	2,180.29	-19.1%	Lower amortisation cost of placement fees
c) Other expenditure	665.66	830.45	-19.8%	2,521.62	2,603.27	-3.1%	Lower costs on legal and professional fees and travelling, partly offset by increase in rent cost
Total Expenditure	2,242.13	1,998.87	12.2%	8,564.46	7,955.85	7.6%	
3. Profit from Operations before Other Income, Interest and Exceptional Items (1-2)	2,882.92	2,690.19	7.2%	9,569.22	8,460.26	13.1%	
4. Interest	-	-		-	-		
5. Profit after Interest but before Exceptional Items (3-4)	2,882.92	2,690.19	7.2%	9,569.22	8,460.26	13.1%	
6. Exceptional Items	-	-		-	-		
7. Profit from Ordinary Activities before tax (5+6)	2,882.92	2,690.19	7.2%	9,569.22	8,460.26	13.1%	
8. Tax expense	534.57	721.05	-25.9%	2,153.80	2,226.45	-3.3%	Lower due to Deferred tax impact of reduction in provision of gratuity and leave salary
9. Net Profit from Ordinary Activities after tax (7-8)	2,348.35	1,969.14	19.3%	7,415.42	6,233.81	19.0%	
10. Extraordinary Item (net of tax expense)	-	-		-	-		
11. Net Profit for the period (9-10)	2,348.35	1,969.14	19.3%	7,415.42	6,233.81	19.0%	
12. Minority Interest	7.19	-4.74		30.56	14.98		
13. Profit after Minority Interest (11-12)	2,341.16	1,973.88	18.6%	7,384.86	6,218.83	18.7%	