EFS Transportation

IL&FS Transportation Networks Limited Analyst Presentation – August 2012



August 09, 2012



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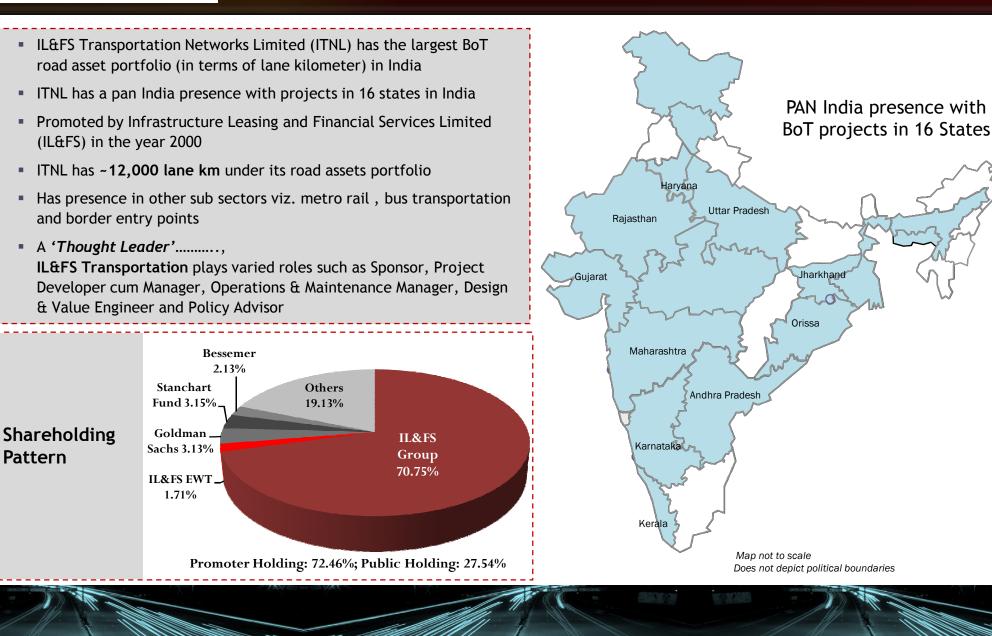


In this presentation...

- Company Overview
- Key Differentiators
- The ITNL Group
- Project Portfolio
- Recent Project Awards and Financial Closures
- Project Pipeline
- Road Sector Opportunity
- Financial Performance Parameters
- Key Quarterly Financial Parameters
- Capital Works Remaining to be Executed
- Toll and Annuity Collection on Operational Projects
- Board of Directors and Key Managerial Personnel
- Road Projects



An Introduction





Key Differentiators







- With around 12,000 lane km comprised in 23 projects in its road assets portfolio ٠
- Forays into other surface transportation sub-sectors like metro, bus & border check-post ۲



- Track Record of Successful Project Implementation
 - Operational portfolio 5,453 lane kms of highways, operating one bus transportation project ۲
 - Projects substantially completed to budget and within time



Strong Parentage of IL&FS

- IL&FS Brand and expertise in finance & other infrastructure areas ۲
- Experience in working with various Government and other Authorities





Partnerships and Bilateral contracts with State Governments

State Highway Concessions in joint venture with the States of Kerala, Gujarat, Rajasthan & ${}^{\bullet}$ Jharkhand

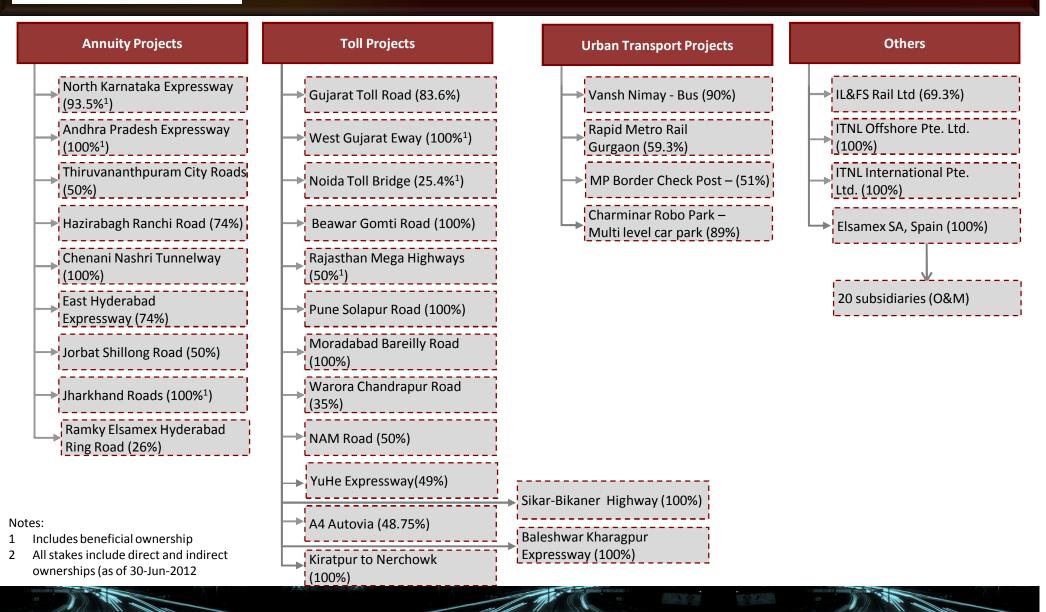
Diversified and de-risked portfolio

- Pan India presence with a fair mix of annuity and toll concessions
- Presence in Europe, Latin America through Elsamex SA
- Acquired Operational road project in China



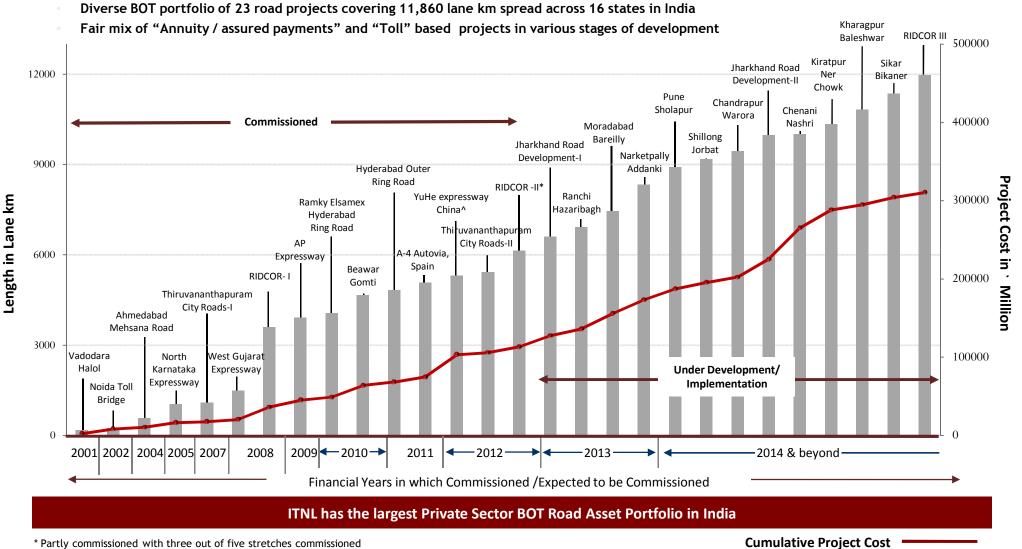


Organization Chart



L&FS Transportation

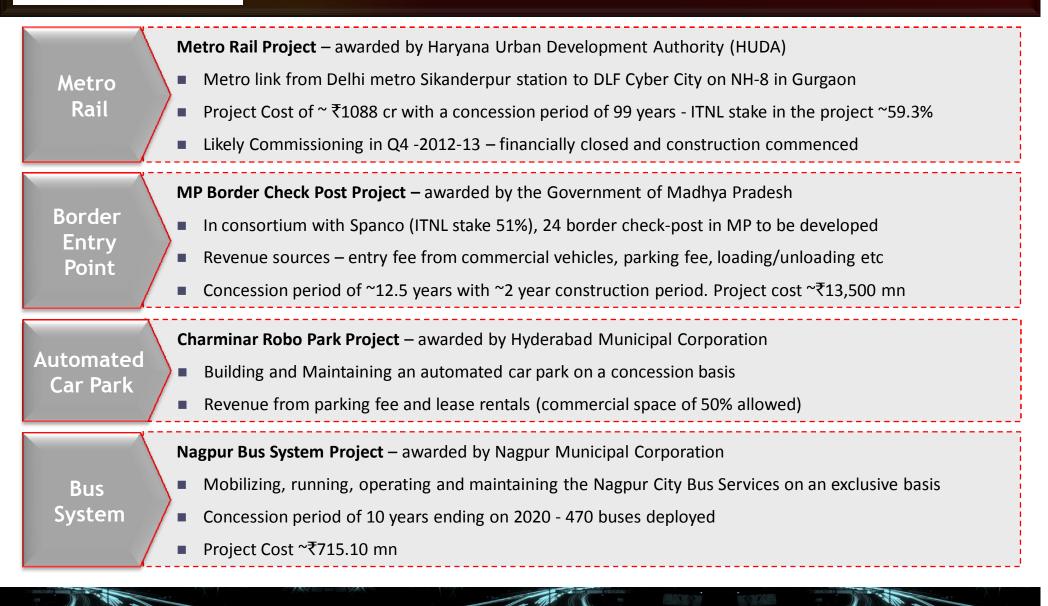
Portfolio: Road Projects



^ The operational project was acquired in Dec, 2011



Portfolio: Non Road Projects





Recent Project Awards & Financial Closures

ITNL Secured projects worth around ₹ 74 billion each year

in the last 2 financial years

Project	Authority	ВОТ Туре	Length (lane km)	Estimated Cost (₹Million)
Road Sector		туре		
Mega Highways-II	GoR	Toll	698	8,126
Chennai to Nashri in J&K	NHAI	Annuity	38	37,200
Jorabat to Shillong in North East	NHAI	Annuity	262	8,240
Narkatpally to Addanki in AP	GoAP	Toll	888	17,605
Madhya Pradesh Entry Point	GoMP	Fee	-	13,500
Two stretches under JARDP*	GoJ	Annuity	198	6,732
Kiratpur to Ner-Chowk in HP	NHAI	Toll	327	22,910
Baleshwar Kharagpur in West Bengal and Orissa	NHAI	Toll	477	6,544
RIDCOR III	GoR	Toll	607	6,113
IRIDCL II	MORTH	Toll	332	12,000
Sikar Bikaner in Rajasthan	GoR	Toll	540	8,029
Total				146,999

Debt Tied-up

Project	Debt tied-up (₹Million)
Mega Highways –II	6,098
Chenani Nashri Tunnelway	33,480
Jorabat to Shillong	7,400
Narkatpally to Addanki	10,600
MP Border Check Post	11,475
Additional two stretches under JARDP	5,545
Kiratpur Ner Chowk	16,556
Total Debt tied –up	91,154

ITNL Offshore Pte. Ltd. an fully owned subsidiary of ITNL has raised \$100 million by selling dim sum bonds, which are denominated in Yuan and issued in Hong Kong, this is a first dim sum offering by an Indian non-financial corporate.

*Under Jharkhand Accelerated Development Program Government of Jharkhand signed concessions for Chaibasa Kandra Chowka & Adityapur Kandra roads.



Project Pipeline for FY12



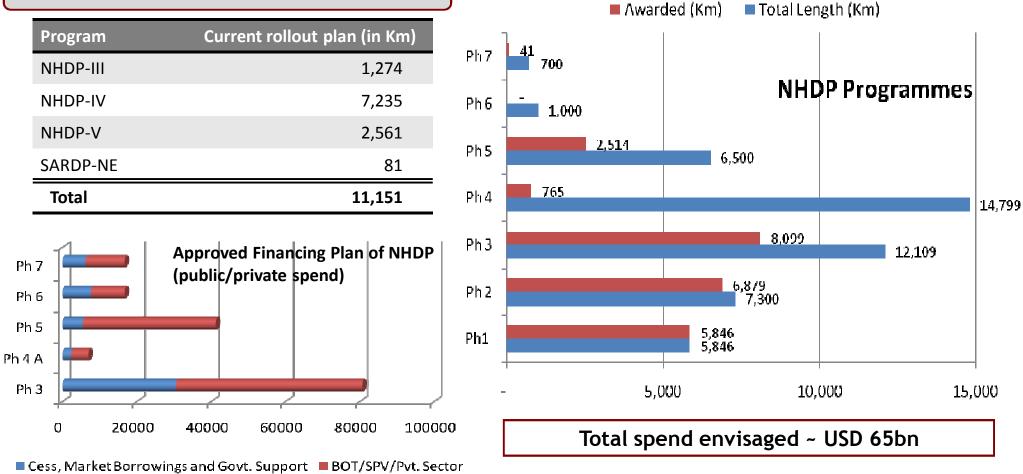
As of July 31, 2012

BID PIPELINE								
	RFP	Stage (Post Qua	lification)	RFQ	Stage (Pre Quali	fication)		
	Projects Length (km) Cost (₹Mn)			Projects	Length (km)	Cost (₹ Mn)		
NHAI	8	1004	78,340	29	3,670	2,81,696		
State	4	277	9,670	3	257	8,200		
BRO	-	-	-	1	6.5	30,600		
Total	12	1,281	88,010	33	3,933	3,20,496		



Road Sector Opportunity

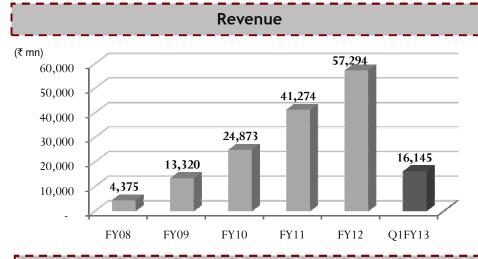
~23,000 km of award pending under NHDP - to be substantially executed under PPP

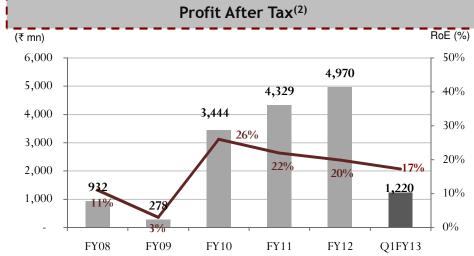


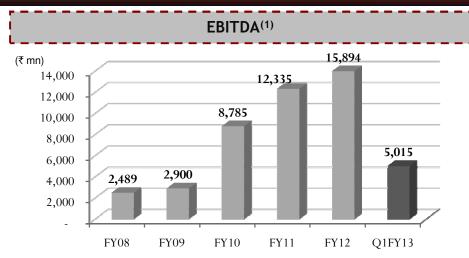
NHAI has targeted award of around 8,800 km in FY13

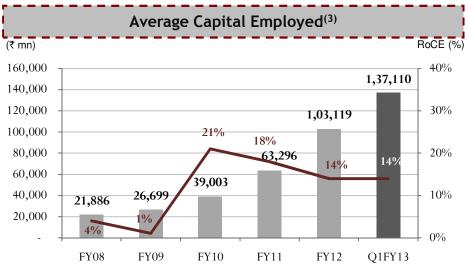


Financial Parameters (Consolidated)





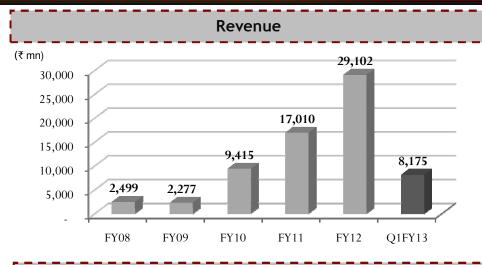


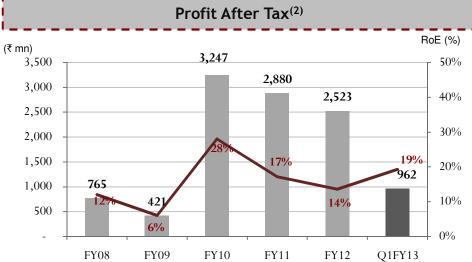


- 1. Includes other income and excludes gain from Foreign exchange fluctuation
- 2. RoE based on average equity;
- 3. RoCE based on average capital employed;



Financial Parameters (Standalone)

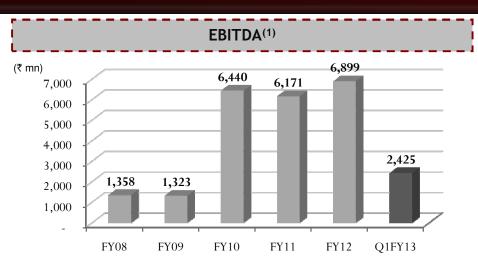


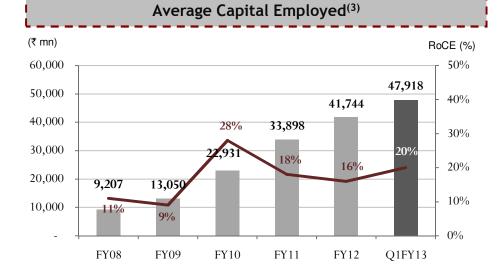


1. Includes other income and including gain from Foreign exchange fluctuation

2. RoE based on average equity;

3. RoCE based on average capital employed;







Profit & Loss Accounts Highlights

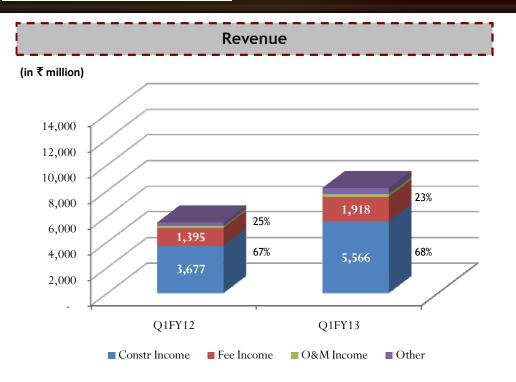
(All figures in ₹ million)

	Consolidated			Standalone		
Key Parameters	Q1FY13	Q1FY12	% Change	Q1FY13	Q1FY12	% Change
Revenue	16,145	11,156	45%	8,175	5 <i>,</i> 484	49%
Other Income	349	230	52%	482	268	80%
EBITDA	5,015	3,537	42%	2,425	1,599	52%
EBITDA Margin	31%	32%		30%	29%	
Interest	2,520	1,426	77%	860	559	54%
Depreciation	242	161	50%	25	25	0%
Profit Before Tax	2,253	1,951	15%	1,539	1,014	52%
PAT after minority interest	1,220	1,157	5%	962	621	55%

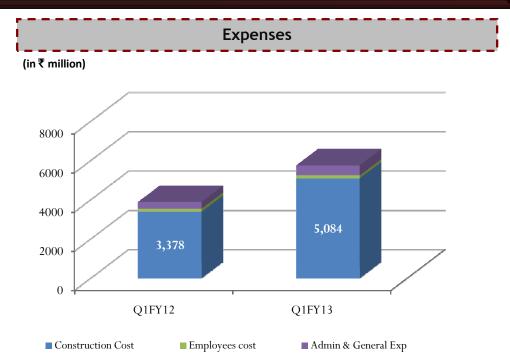
* In consolidated results, as per the relevant accounting policy, annuity projects are treated as financial assets and shown as receivable in the balance sheet. Hence interest during construction on annuity projects is charged to P&L unlike for toll projects where it is capitalized



Standalone Revenue & Expenses



- On year on year basis, the revenue from construction increased as in the last one year the construction progress has picked up and more projects have been added on to the order book
- Fee income comprised mainly income from Sikar Bikaner project, Baleshwar Kharagpur and Kiratpur Ner Chowk project

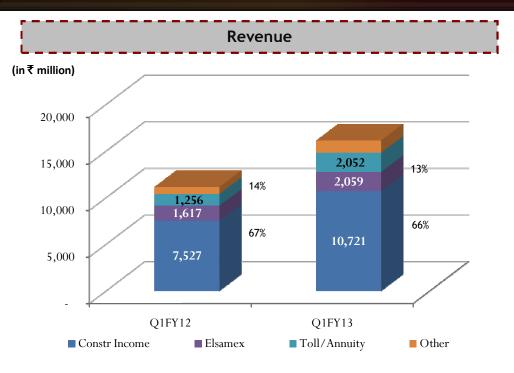


- The overall EBITDA margins during Q1 increased marginally mainly due to a higher fee income and increase in construction margins. On an absolute level EBITDA margins have gone up by *826 million year on year
- O&M Expenses have gone up which are commensurate with the increase in income

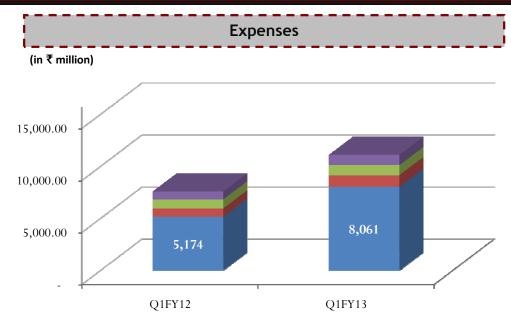




Consolidated Revenue & Expenses



- The total Income during this quarter increased, as compared to relevant quarter of last year, mainly on account of increased construction activity and increase in toll & annuity revenues. Elsamex contribution to revenues also increased by around 27% year on year
- Toll and annuity income has also increased due to increase in tariff and traffic on toll roads and increase in finance income recognized from annuity projects



Construction Cost Deter Operating Expenses Employees cost Admin & General Exp

- In the consolidated expenses for Q1 quarter, the main expense has been construction expense. In the other expenses, its gone up marginally mainly on account of increase in insurance expenses
- The margins in Q1 have slightly come off as compared to relevant quarter of last year, but have improved quarter on quarter



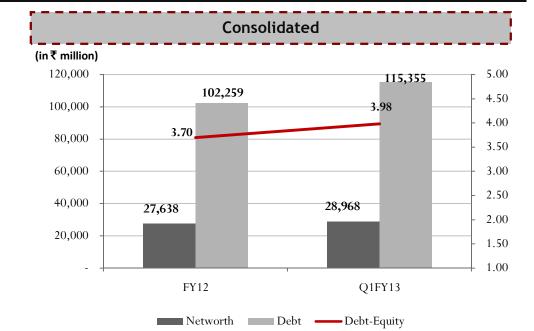
Debt Equity Analysis

Standalone (in ₹ million) 120,000 5.00 4.50 100,000 4.00 80,000 3.50 3.00 60,000 2.5040,000 2.00 27,261 28,707 19,438 20.430 1.50 20,000 1.40 1.41 1.00 0.50 FY12 Q1FY13 Networth Debt — Debt-Equity

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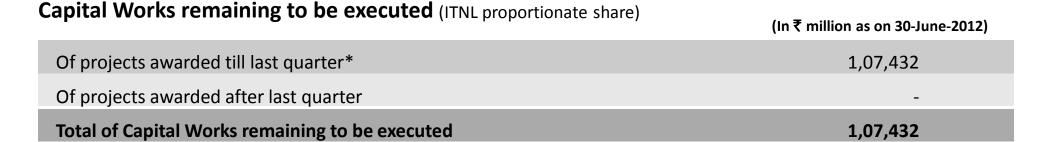
- The Debt Equity at the standalone level has marginally increased mainly on account of debt taken for investments made into projects during this quarter
- The standalone debt is mostly unsecured debt for on-lending to SPVs as sub-debt or for equity infusion into projects against cash accruals expected from them

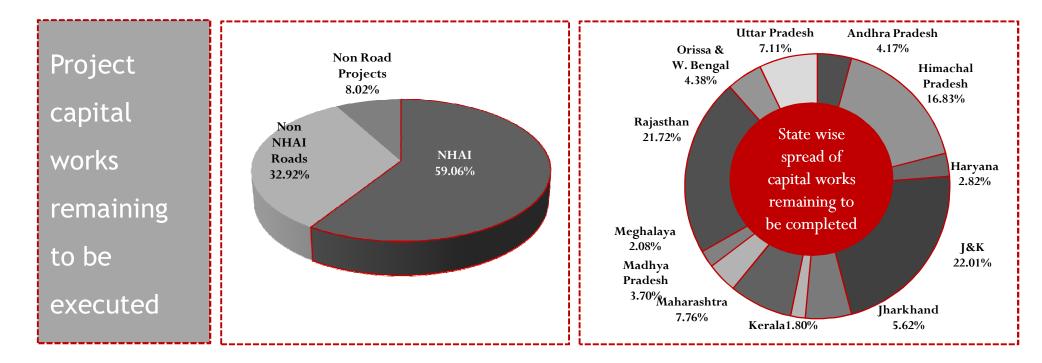


- The increase in debt at consolidated level is mainly on account of drawdown happening from sanctioned debt in accordance with construction progression
- In this quarter the debt equity has gone up mainly on account of increase in debt and less than commensurate increase in networth. With drawdown of grant in coming quarters, it is likely to improve

Incremental Equity Commitment for existing projects is around ₹ 10,000 million Total Investments made till 30-June-12 (including advance against equity) is approximately ₹ 27,983 million











Revenue Collection on Operational Road Projects

Not adjusted for ITNL's stake (All fig

(All figures in ₹ million)

Toll Projects under Operation	Average DailyToll Collection					
	In FY11	In FY 12	In Q1 FY 13			
Ahmedabad Mehsana Road (Gujarat)	1.32	1.59	1.70			
Vadodra Halol Road (Gujarat)	1.01	1.24	1.28			
NoidaToll Bridge (UP)	1.91	2.11	2.24			
Mega Highways – Rajasthan	2.91	4.23	5.70			
Rajkot to Jetpur – Gondal (Gujarat)	0.92	1.04	1.25			
Beawer Gomti (Rajasthan)	0.43	0.46	0.47			

Operational Annuity Projects	Annuity receivable Per Annum	Accrued
		in Q1FY13
Maharashtra Border to Belgaum (Karnataka)	1,010.34	252.58
Thirvananthapuram City Roads (Ph-I) (Kerala)	118.00	29.50
Kotakatta to Kurnool (Andhra Pradesh)	1130.40	282.60
East Hyderabad Expressway Limited	666.60	166.50

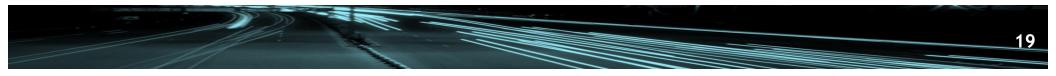
Total Average Daily Collection from toll and annuity in Q1FY13 has been around ₹ 20.68 million

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Rs in million

Sr.No	Name of the Project	Toll Revenue start date	2007-08	2008-09	2009-10	2010-11	2011-12
1	Ahmedabad Mehsana Road (Gujarat)	Feb-03	614	660	747	850	1037
2	Vadodra Halol Road (Gujarat)	Oct-00	014	000	, , ,	050	1037
3	Noida Toll Bridge (UP)	Feb-01	547	659	706	696	774
4	Mega Highways - Rajasthan (Ph - I)	Mar-08	93	546	826	1063	1548
5	Rajkot to Jetpur - Gondal (Gujarat)	May-08	121	225	312	337	380
6	Beawer Gomti (Rajasthan)	Aug-10			-	94	168
	Total		1,375	2,090	2,591	3,040	3,907



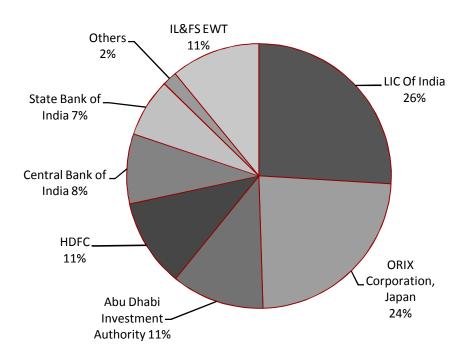


IL&FS - Strong Parentage

IL&FS Overview

- Incorporated in 1987 as a JV between the Central Bank of India (CBI), Housing Development Finance Corporation Limited (HDFC) and Unit Trust of India (UTI) to commercialize infrastructure projects and work with public & private sector project sponsors
 - Offers a full range of financial, project development and management services including investment banking, project financing, project development, management and implementation, asset management, corporate advisory and back office services through Group companies
 - Identifies need-driven projects including roads, bridges, power, ports, water supply, area development which can be commercially viable and works on structural / financial solutions to enhance project viability
- Has expertise across diverse sectors such as transportation, area development, cluster development, finance, power, ports, water and waste management, urban infrastructure, environment, education and tourism
 - Track record of promoting and financing public infrastructure projects in India for over 22 years
- Strategic relations with Governments of 17 states across India and on-going relationships with various departments of the Central Government
 - Benefits to ITNL in negotiating bilateral contracts with state and central government entities when such bodies are seeking customized proposals

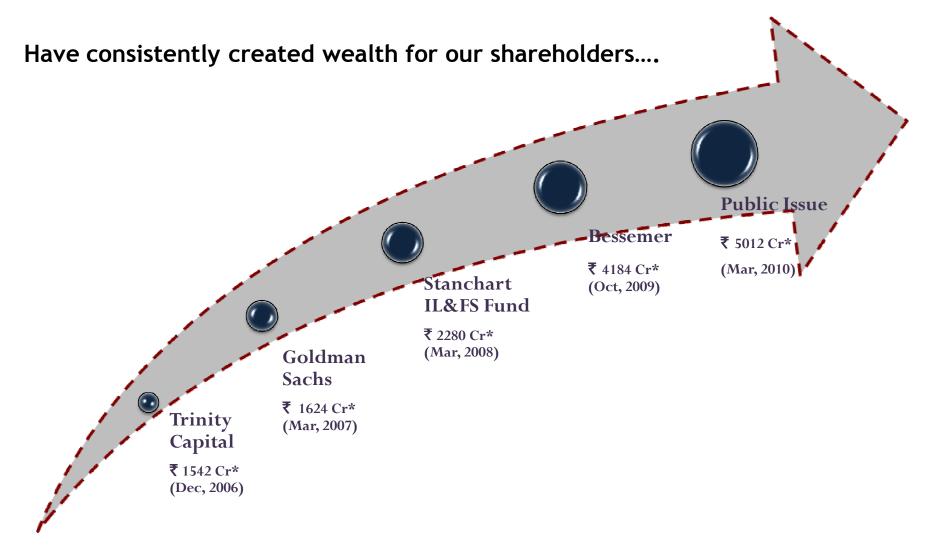
IL&FS Shareholding







Value for Shareholders



* Post money valuation



Experienced Board of Directors

Independent Directors

Name	Designation
Mr Deepak Dasgupta	Chairman; Former Chairman, NHAI
Mr RC Sinha	Former Vice Chairman & MD, Maharashtra Airport Development Company Limited
Mr HP Jamdar	Former Principal Secretary, Government of Gujarat
Mr Deepak Satwalekar	Former Managing Director, HDFC

Non-Independent Directors

Name	Designation
Mr Ravi Parthasarthy	Chairman, IL&FS
Mr Hari Sankaran	Managing Director, IL&FS
Mr Arun K Saha	Joint Managing Director, IL&FS
Mr Vibhav Kapoor	Group Chief Investment Officer, IL&FS
Mr Pradeep Puri	Managing Director, NTBCL
Mr K Ramchand	Managing Director
Mr Mukund Sapre	Executive Director





K. Ramchand Managing Director	He has over 31 years of experience in urban and transport infrastructure development sector
Mukund Sapre Executive Director	He has over 28 years of experience in the industry.
Harish Mathur Chief Executive	Has over 34 years of experience in various road construction projects.
George Cherian Chief Financial Officer	He has over 36 years of experience in accounting and finance. Responsible for Financial and Accounting matters, Statutory Compliances and Financial Planning
V. K. Raina Technical Director	He has over 41 years of experience in the industry and is our in-house expert on structures including bridges and RoBs. He has been associated with many projects & has authored books on the subject too
S C Mittal Senior Vice President	He has over 29 years of experience in the industry. He heads our in-house design unit
Krishna Ghag AVP & Company Secretary	He has over 29 years of experience in the industry. He is the compliance officer, legal adviser and Company Secretary



Road Projects



Operational Projects

Name of Project	North Karnataka Expressway Limited (NKEL)	West Gujarat Expressway Limited (WGEL)	Noida Toll Bridge (NTBCL)	Vadodara Halol Toll Road (GRICL)	Ahmedabad - Mehsana Road (GRICL)
Authority	NHAI	NHAI	NOIDA	Govt. of Gujarat	Govt. of Gujarat
State	Karnataka	Gujarat	Delhi & Noida	Gujarat	Gujarat
ВОТ Туре	Annuity	Toll	Toll	Toll	Toll
Project (Lane Km)	472	389	60	190	333
Project Cost (Rs Mn)	5,995	2,758	5,888	1,709	3,422
Debt Outstanding as at June 30, 2012 (Rs. Mn)	3,644	1,868	1019	2,250	
Date of Start (Concession)	June-02	Sept-05	Dec-98	Apr-99	Apr-2000
Concession Period	17.5 years	20 Years	30 yrs (extendable)	30 yrs (extendable)	30 yrs (extendable)
Description	4 laning of the section of the Belgaum to Maharashtra Border aggregating 77 km on BOT (Annuity) basis	Widening / Improvement of the Rajkot – Jeptur - Gondal Section from 2 Iane to 4 Iane; on National Highway No. 8 B (NH-8B) in state of Gujarat	Development of a toll bridge and approach roads connecting Delhi to NOIDA on BOOT basis	4 Laning of Vadodara Halol road Km 8.0 to 40.0 of SH 87 with service road in the state of Gujarat on BOOT Basis	4-Laning of Ahmedabad Mehsana Road (SH-41) with service roads from Km 19.0 to 70.6 and Kadi spur road (11.5 Km) in the state of Gujarat on BOOT Basis



Operational Projects

Name of Project	Andhra Pradesh Expressway (APEL)	Thiruvananthapuram City Roads (Phase I) (TRDCL)	Mega Highways Project Rajasthan (RIDCOR)	Beawar Gomti Road (IRIDCL)	East Hyderabad Expressway Ltd (EHEL)
Authority	NHAI	KRFB	Govt. of Rajasthan	MORTH	HUDA
State	Andhra Pradesh	Kerala	Rajasthan	Rajasthan	Andhra Pradesh
ВОТ Туре	Annuity	Annuity	Toll	Toll	Annuity
Project (Lane Km)	328	51	2106	248	173
Project Cost (Rs Mn)	8,629	1,083	16,500	3,550	4,278
Debt Outstanding as on June 30, 2012 (Rs. Mn)	7,117	487	17,254	3,218	3,473
Date of Start (Concession)	Sept-06	Jul-07	Jan-06	Oct-09	Dec-07
Concession Period	20 years	17.5 Years	32 Years	30 Years if 4 lane is done otherwise 11 Years	15 Years
Description	Kotakatta Bypass to Kurnool on NH-7 in the state of Andhra Pradesh under North South Corridor (NHDP Phase II) on BOT (Annuity) Basis	Thiruvananthapuram City Roads Improvement Project	Improvement of following project road stretches aggregating 1053 km - Phalodi to Ramji ki Gol, Hanumangarh to Kishangarh, Alwar to Sikandra, Lalsot to Kota and Baran to Jhalawar	Widening of 2-lane road to 2-lane + Paved Shoulder in Beawar – Gomti Section of NH- 8 from km 58.245 to km 177.050 in the State of Rajasthan on DBFOT Basis	8 – Laning Outer Ring Road in Hyderabad from Pedda Amberpet to Bongulur from Km 95.000 to Km 108.000 on BOT (Annuity) basis



Project Under Implementation

Name of Project	Thiruvananthapuram City Roads (Phase II & III) (TRDCL)	Jharkhand Accelerated Road Development Programme (JRPICL)	Hazaribagh Ranchi Expressway Limited (HREL)	Pune Sholapur Road Development Company Limited (PSRDCL)	Mega Highways Project, Rajasthan (Additional) (RIDCOR)
Authority	KRFB	GOJ	NHAI	NHAI	Govt. of Rajasthan
State	Kerala	Jharkhand	Jharkhand	Maharashtra	Rajasthan
ВОТ Туре	Annuity	Annuity	Annuity	Toll	Toll
Project (Lane Km)	107	466	319	571	715
Project Cost (Rs Mn)	2,626	16,290	9,302	14,027	8,126
Debt Outstanding as at June 30, 2012 (Rs. Mn)	1189	14,473	7,400	4,520	4,454
Grant (Rs. Mn)	1,190 (award)	-	-	-	-
Appointed Date	Jun -09	Apr-10 – RRR Mar 10	Aug-10	Sept - 11	-
Scheduled Project Completion Date	Earlier 30 Nov 2011 New dates not yet received	Oct-12	Jan-13	Jan-14	Jan-13
Concession Period	15 years	17.5 years	18 years	20 years	32 years
Description	Thiruvananthapuram City Roads Improvement Project	Improvement works of Jharkhand Roads - Ranchi Ring Road - Ranchi Patratu - Patratu Ramgarh	4 Ianing of Hazaribagh – Ranchi Section Of NH-33 in State Of Jharkhand Under NHDP Phase III On BOT (Annuity) Basis	4 laning of Pune - Sholapur Section of NH-9 from in the state of Maharashtra under NHDP phase III on DBFOT basis	Improvement of 6 new project roads :Alwar to Bhiwadi Road, Arjunsar to Pallu, Jhalawar to Jhalawar Road, Hanumangarh to Sangaria, Kapren to Mangrol & Jhalawar to Ujjain



Project Under Implementation

Name of Project	Chandrapur Warora WCBTRL)	Moradabad to Bareilly (MBEL)	Chennani - Nashri (CNTL)	Jorabat Shillong (JSEL)	Narketpally - Addanki (NAMEL)	M P Border Check Post (MPBCDCL)
Authority	PWD, Maharashtra	NHAI	NHAI	NHAI	Govt. of Andhra Pradesh	MPRDC
State	Maharashtra	Uttar Pradesh	Jammu & Kashmir	Assam & Meghalaya	Andhra Pradesh	Madhya Pradesh
ВОТ Туре	Toll	Toll	Annuity	Annuity	Toll	Fees Collection
Project (Lane Km)	275	522	38	262	888	NA
Project Cost (Rs Mn)	6,886	19,836	37,200	8,240	17,605	13,500
Debt Outstanding as at June 30, 2012 (Rs. Mn)	-	8,240	10,703	2,780	5,130	2,835
Grant (Rs. Mn)	1763	4433	-	-	-	-
Appointed Date	Jan -11	Dec - 10	May - 11	Jan - 11	Jan - 11	May – 11
Scheduled Project Completion Date	Jan-14	Jun-13	Nov-15	Jan-14	July-13	Jan -14
Concession Period	30 years	25 years	20 years	20 years	24 years	12.5 years
Description	4 Laning of Warora Chandrapur Ballarpur Bamni road on SH 264 in Maharashtra on DBFOT basis	4 Laning Of Moradabad Bareilly Section Of Nh- 24 in Uttar Pradesh Under NHDP Phase III	4 Lanning of Chenani to Nashri section of NH-1A including 9 Km long tunnel on BOT (Annuity) basis in Jammu and Kashmir	4 Laning of Jorabat- Shillong (Barapani) section of NH-40 in Assam & Meghalaya	4-Laning of Narketpally – Addanki – Medarametla Road (SH-2) in Andhra Pradesh	Development of 24 Border Check post in MP on BOT Basis



Project Under Implementation

Name of Project	Chaibasa Kandra Chowka Road (JRPICL)	Adityapur Kandra Road (JRPICL)	Kiratpur Ner Chowk (KNEL)	Kharagpur Baleshwar Road (BKEL)	Sikar Bikaner	Beawer Gomti (Additional)
Authority	Govt of Jharkhand	Govt of Jharkhand	NHAI	NHAI	MoRTH	MoRTH
State	Jharkhand	Jharkhand	Himachal Pradesh	West Bengal & Orissa	Rajasthan	Rajasthan
ВОТ Туре	Annuity	Annuity	Toll	Toll	Toll	Toll
Project (Lane Km)	137.4	60.4	327	477	540	217
Project Cost (Rs Mn)	4,910	2,420	22,910	6,544	8,029	12,000
Debt Outstanding as at June 30, 2012 (Rs. Mn)	Included in Debt of JRPICL	Included in Debt of JRPICL	-	-	-	-
Grant (Rs. Mn)	Nil	Nil	1,345.7	350 (Premium)	2473	-
Appointed Date	Nov-11	Feb-12	Pending	Financial closure pending	Financial closure pending	Financial closure pending
Scheduled Project Completion Date	May-14	Oct – 2012	-	-	-	-
Concession Period	17.5	15.75	28	24 Years	25 Years	30 Years
Description	Two laning of the Chaibasa-Kandra-Chowka stretch (total length of 68.70 kms) in Jharkhand on BOT Annuity basis	Four laning of the Adityapur-Kandra stretch (total length of 15.1 kms) in Jharkhand on BOT Annuity basis	Four laning of Kiratpur-Ner Chowk section of NH 21 in Himachal Pradesh on BOT (Toll)	-		Four laning of existing two lane section on the Beawar Gomti section of National Highway No.8 in Rajasthan

Thank You



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