



**Gross Revenue Rs. 20688 Millions - up by 80% and  
Net profit Rs. 1947 Millions - up by 49% on Nine Month basis.**

**Media Release**

**January 29, 2008**

**RESULTS UPDATE**

**Lanco Infratech Limited (LITL)** has announced its consolidated un-audited financial results for the quarter ended December 31, 2007. The consolidated net profit is up by 49% while the gross revenues are up by 80% on nine month basis. LITL is engaged in the business of construction and infrastructure development. The Company is also a holding company with investments mainly in its subsidiaries engaged in the business of Power Generation, Power Trading and Property Development.

**Consolidated performance highlights of LITL for the Nine Months ended December 31, 2007:**

Particulars	Rs. Million		
	9 months ended Dec 07	9 months ended Dec 06	Change %
Net Sales			
Revenue from Construction Activity	9105	3201	184%
Sale from Power Generation	6375	5234	22%
Sale from Power Trading	4683	2728	72%
<b>TOTAL</b>	<b>20163</b>	<b>11163</b>	<b>81%</b>
Operating Profit (Excluding Power Trading)	4050	2866	41%
Operating Profit Margin (Excluding Power Trading)	26%	34%	
Profit Before Interest & Finance Charges	3558	2411	48%
Profit Before Tax	3438	2112	63%
Profit After Tax	2795	1855	51%
PAT After Minority Intt & Profit share in Associates	1947	1311	49%

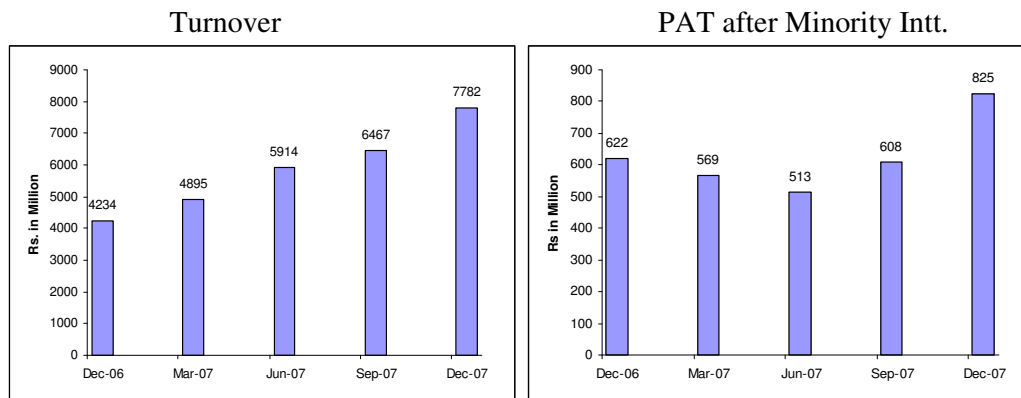
- Turnover of the company during the current nine months of the year was Rs. 20163 million against Rs. 11163 million in corresponding period of the previous year, growth of 81%.
- Operating profits during the current nine months of the year was Rs. 4106 Million against Rs. 2887 Million in the corresponding period in the last year – an increase of 42%.
- Profit before tax during the current nine months of the year was Rs. 3438 Million against Rs. 2112 Million in the corresponding period last year, an increase of 63%.



- Net Profit (After minority interest and Share of profit in Associates) of Rs. 1947 million against Rs. 1311 million in the corresponding nine months of the previous year, an increase of 49%.

**Consolidated performance highlights of LITL for the Quarter ended December 31, 2007:**

- Quarter on Quarter growth in Turnover and PAT (after Minority Interest)



- Turnover of the company during the current quarter was Rs.7782 million against Rs. 4234 million in corresponding quarter of the previous year, an registered a growth of 84% on quarterly basis.
- Operating profits during the current quarter was Rs. 1751 Million against Rs. 887 Million in the corresponding quarter in the last year, an increase of 97%.
- Profit before tax during the current quarter was Rs. 1505 Million against Rs. 753 Million in the corresponding quarter last year, an increase of 100%.
- Net Profit (After minority interest and Share of profit in Associates) of Rs. 825 million against Rs. 622 million in the corresponding quarter of the previous year, an increase of 33%.
- Operating Margin during the quarter was 22.50%.

**Segment results:**

Particulars	3 months ended Dec 07	3 months ended Dec 06	Change %	9 months ended Dec 07	9 months ended Dec 06	Change %
<b>Revenue:</b>						
Construction	3782	1230	207%	8977	3120	188%
Power	4274	2984	43%	11400	8012	42%
<b>Profit before Interest and Tax</b>						
Construction	556	188	196%	1221	602	103%
Power	1006	532	89%	2442	1825	34%



- Construction segment contributed Rs. 3782 million of the consolidated turnover in comparison to Rs. 1230 million in the corresponding quarter of the previous year, a growth of 207%. Profit before Interest and Tax from Construction segment was Rs. 556 million as against Rs. 188 million for the corresponding quarter in the previous year, a growth of 196%.
- Power segment contributed Rs. 4274 million of the consolidated turnover in comparison to Rs. 2984 million in the same quarter in the previous year, growth of 43%. Profit before Interest and Tax from Power business was Rs.1006 million against Rs. 532 million for the corresponding quarter in the previous year, growth of 89%. Further, the EBIT margin has increased to 23.54% against 17.83% in the same quarter in the previous year.

**Performance summary of major operating subsidiary companies for the Quarter ended December 31, 2007:**

Particulars	Kondapalli			Aban			Lanco Electric Utility		
	368 MW Gas Power Project			120 MW Gas Power Project			Power Trading Company		
	Quarter ended Dec 07	Quarter ended Dec 06	Change %	Quarter ended Dec 07	Quarter ended Dec 06	Change %	Quarter ended Dec 07	Quarter ended Dec 06	Change %
Generation (Mus)	578	310	86%	231	190	22%	667	274	143%
PLF (%)	71%	38%		87%	72%				
Availability (%)	94%	72%		99%	90%				
Net Sales	1422	1118	27%	484	460	5%	1840	1249	47%
Profit After Tax	394	232	70%	296	85	248%	16	9	78%
Operating Margin	37%	33%		50%	50%		1.47%	1.12%	
PBIT Margin	22%	14%		34%	33%		1.47%	1.12%	
PBT Margin	31%	23%		69%	20%		1.36%	1.12%	
PAT Margin	28%	21%		61%	18%		0.87%	0.72%	

- In respect of Kondapalli Power Station even though the generation has increased by 86% as compared to the same quarter in the previous year, the sales realisations have not increased comparably due to the fact that the power station earned full fixed charges on the basis of availability at 80% for both periods under review.
- In Aban Power station, there was realisation from sale of carbon credit to the tune of around Rs. 210 million in the current quarter of the year while for kondapalli power station the sale of carbon credit amounted to Rs. 132 millions.
- Lanco Electric Utility has traded around 666.88 Mus against 274.18 Mus in the corresponding Quarter of the previous year, increase in volume by 143%.



### **Recent developments:**

#### **Power**

1. Development plans are underway for setting up of a 2640 MW (660MW x 4) coal based power plant in Orissa:
  - a. Allocation of coal mining blocks in the State of Orissa in favour of Lanco to be used for firing power plant with a generating capacity of 1,000 MW.
  - b. Balance coal to come from Coal Linkages
  - c. Long term power take off agreement with Haryana and Madhya Pradesh for 1000 MW secured through competitive bidding process.
2. Financial Closure under progress for 600 MW of Amarkantak-III
3. Loan Sanctions for 1200 MW Anpara 'C' received
4. Lanco-Genting qualifies to bid for 4000 MW Tilaya Ultra-Mega Power Project located in Jharkhand
5. Lanco submits bid for setting up of power plant in Indonesia.
6. Lanco has taken 5% stake in India Energy Exchange floated by Financial Technologies (India) Ltd and PTC India Ltd. Other major stakeholders of the Indian Energy Exchange are Infrastructure Development Finance Company, Adani Enterprises, Reliance Energy Ltd., Rural Electrification Corporation, Tata Power.

#### **Construction**

- Letter of Acceptance received from Andhra Pradesh Health & Medical Housing & Infrastructure Dev. Corporation (APMHIDC), for the Construction of 500 Bedded Hospital & Ancillary Structures, Medical College, & Auditorium, Hostels & Staff Quarters for Rajiv Gandhi Institute of Medical Sciences (RIMS) at Ongole in Prakasam District and Srikakulam distt. in Andhra Pradesh of a total Contract Value of Rs.1585.40 Millions.
- Letter of Acceptance received for Civil Works Chabi-Shahpura-Umaria Road Project in the State of Madhya Pradesh from Madhya Pradesh Road Development Corporation Limited, Bhopal, for a total Contract Value of Rs.1010.30 Millions.
- Letters of Acceptance received for Supply and Erection of 33/11 KV Substations and 33/11 KV Lines in the Five Districts of Mahabubnagar, Kurnool, Nalgonda, Medak and Ananthapur in the State of Andhra Pradesh,



from Central Power Distribution Company of A.P. Limited, for a total Contract Value of Rs. 672.40 Millions.

- The order book position as on December 31, 2007 is as follows:

Rs Million

	Work to Execute
<i>Power Projects</i>	
Amarkantak – I & II	5319
Teesta VI – Sikkim	23210
Anpara “C”	36050
Nagarjuna Power Corporation Ltd.	34520
Others	2670
<b>Total Power Projects</b>	<b>101769</b>
<i>Building Projects</i>	
NBCC – Kolkata	767
AAI - Varanasi Airport	805
TTD - University at Tirupati	728
APSHMIDC- Ongole	854
APSHMIDC- Srikakulam	732
Karnataka Health Systems Dev & reform Project	335
Others	4421
<b>Total Building Projects</b>	<b>8642</b>
<i>Road Projects</i>	
MP Road Dev. Corp. Ltd.	1010
Others	953
<b>Total Road Projects</b>	<b>1963</b>
Irrigation Projects	1151
Pipeline Projects	90
Transmission Line Projects	959
<b>Total Order Book</b>	<b>114574</b>

#### Others

- Lanco qualifies for bidding for port development at Paradip and Vizhinjam (Kerala)
- Lanco shortlisted for bidding for Dharavi Redevelopment Project.

#### **About Lanco**

Lanco Infratech Limited is one of the fastest growing corporate entities in India having a gross revenue of Rs. 16,473 million and a net worth of Rs. 15,105 million for



the year 2006-07. It has more than two decades of experience operating in the core sectors of Power Generation, Power Trading, Realty, Engineering and Construction and other Infrastructure projects. At present, the power portfolio includes an operating capacity of 519 MW and additional capacities under construction aggregating to around 3500 MW. The Construction and EPC division of the company is executing various orders worth more than Rs 114,000 Million.