



Q1 Gross Revenue up 2.37 times and Net profit up 12.03 times

Media Release

July 26, 2007

RESULTS UPDATE

Lanco Infratech Limited (LITL) has announced its consolidated un-audited financial results for the quarter ended June 30, 2007. The consolidated Q1 net profit is up by 12.03 times while the gross revenues are up by 2.37 times. 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.

Performance highlights of LITL for the quarter ended June 30, 2007:

Consolidated Results

- Total Income of Rs.6,033 million registered a growth of 2.37 times during the current quarter against Rs. 2,547 million in same quarter of the previous year
- Net Profit (after minority interest) of Rs. 513 million registered a growth of 12.03 times against Rs. 43 million in the same quarter of the previous year
- Power segment contributed Rs. 4,415 million of the consolidated turnover in comparison to Rs. 1,592 million in the same quarter in the previous year. Profit before Tax and Interest from Power business was Rs.757 million against Rs. 357 million for the same quarter in the previous year. The contribution of power business to the turnover and profits was around 75%
- Construction segment contributed Rs. 1,479 million of the consolidated turnover in comparison to Rs. 918 million in the same quarter of the previous year. Profit before Tax and Interest from Construction segment was Rs. 236 million as against Rs. 125 million for the same quarter in the previous year. The contribution of Construction segment to the turnover and profits was around 25%.

Performance summary of major operating subsidiary companies for the year ended March 31, 2007:

	Kondapalli			Aban			Lanco Electric Utility			Clarion			Rithwik		
	368 MW Gas Power Project			120 MW Gas Power Project			Power Trading Company			12 Mw Bio mass power			6 Mw Bio mass power		
Particulars	Quarter ended June 07	Quarter ended June 06	Change %	Quarter ended June 07	Quarter ended June 06	Change %	Quarter ended June 07	Quarter ended June 06	Change %	Quarter ended June 07	Quarter ended June 06	Change %	Quarter ended June 07	Quarter ended June 06	Change %
Generation (Mus)	538	534	1%	209.44	190.94	10%	600								
PLF (%)	66.97%	66.39%		80.40%	73.43%										
Availability (%)	84.83%	95.50%		89.01%	91.60%										
Net Sales	1711	1411	21%	469	369	27%	2074	444	367%	85	54	56%	56	37	51%
Profit After Tax	282	248	14%	113	9	1170%	12	2	538%	18	-3	748%	8	1	537%

Recent developments:

Power

- Financial closure achieved for 500 MW, Teesta VI Hydro Power Project in Sikkim, Construction and EPC contract for the same amounting to Rs. 2,400 cr bagged by Lanco Infratech Limited.
- International Finance Corporation, the private sector arm of World Bank takes 5.84% in 600 MW Lanco Amarkantak Power Project.

Roads

- Concession agreements signed for two BOT road projects in Karnataka. The aggregate length of the roads would be 163 kms. The concession agreements are for a period of 20 years for one road and 25 years for another. The total project cost is estimated at Rs. 1006 cr.

Property

- Joint Development agreement signed for development of 47.58 acres property in Chennai.
- Commercial launch of Residential space at Lanco Hills received a very good response and around 4 million square feet has been already been booked.

Construction

- The Construction and EPC division has Rs. 75,412 million worth of orders on hand.

Others

- Lanco Electric Utility Limited – the power trading arm of LITL - traded 598 MUs during the first quarter of FY 2007-08 ranking 2nd in order of volumes traded for the quarter, after PTC.
- 120 MW Aban Power Project becomes the first gas based power project in the world to be registered as Clean Development Mechanism (CDM) project. With this registration the total registered CDM projects of Lanco would be generating Carbon credits totalling to 3 million over a period of 10 years. Additional projects are under various stages for registration.

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 518 MW and additional capacities under construction aggregating to more than 3,200 MW. The Construction and EPC division of the company is executing various orders worth more than Rs 7,500 crore.