GMR Infrastructure Limited

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November 09, 2010

The Listing Manager,
The Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

National Stock Exchange of India Ltd.
Exchange Plaza,
Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E),
Mumbai - 400 051

Dear Sir(s),

Sub: Press Release

This is to inform you that the Company is proposing to issue a press release titled "GMR Infrastructure Limited, Q2-FY 10 -11 Performance Highlights ", a copy of which is enclosed.

Kindly take the same on record.

Thanking You,

Yours faithfully,
For GMR Infrastructure Limited

P.V. Varaprasad

C.P. Sounderarajan
Company Secretary

Encl: Press Release [Five Pages]

Regd. Office:
25/1, Skip House,
Museum Road, Bangalore 560 025

Creating tomorrow today

PRESS RELEASE

Date: 10th November, 2010

GMR Infrastructure Limited, Q2-FY 10-11 Performance Highlights

Financial Highlights for Q2 2010-11 (` Cr.)

Particulars	Quarter Ended			Year to date Performance			FY10
	30th September' 10	30th September' 09	% change	30th September' 10	30th September' 09	% change	
Net Revenue	1,221.7	1,194.3	2.3%	2,453.1	2,371.8	3.4%	4,566.5
EBITDA	356.1	380.1	-6.3%	733.5	701.3	4.6%	1,364.3
Interest	249.2	177.1	-40.7%	487.5	336.9	-44.7%	722.3
Other Income	14.3	15.5	-7.7%	81.5	27.5	196.3%	163.4
Exceptional Item	140.3	-	-	140.3	-		-
Depreciation	199.3	140.8	-41.5%	364.1	278.1	-30.9%	612.2
PBT	62.2	77.6	-19.8%	103.8	113.8	-8.8%	193.1
Tax	19.7	18.3	-7.6%	29.5	30.6	3.6%	(32.2)
PAT before Minority	42.5	59.3	-28.3%	74.3	83.3	-10.8%	225.3
PAT After Minority & share of Associates	71.1	53.6	32.7%	99.6	76.1	30.8%	158.4
Cash Profit	238.0	190.3	25.0%	435.4	344.7	26.3%	734.6
Cash Accrual *	95.3	157.3	-39.4%	192.1	268.6	-28.5%	387.7

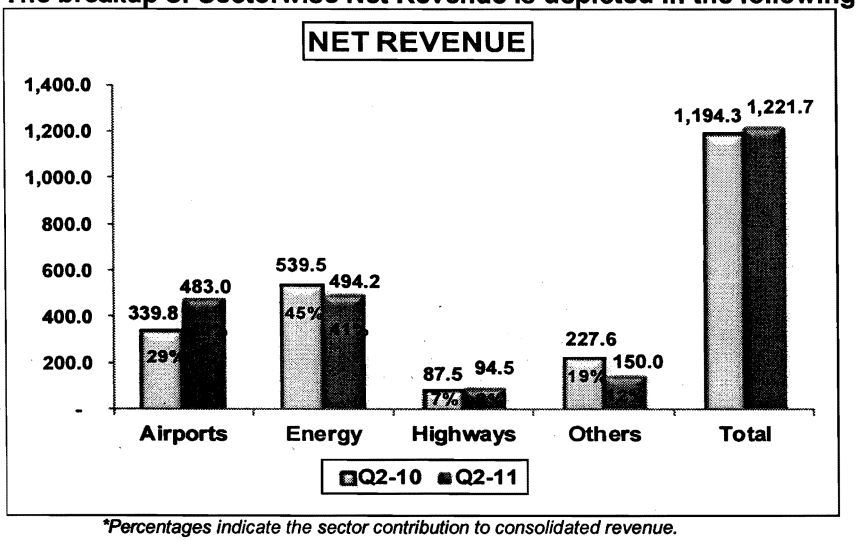
*(Cash Profit- Loan/ installment repayment)

The Company has registered growth in Operating Income and PAT for the second Quarter of FY 2010-11 as compared to the corresponding Quarter.

Capacity costs which include interest charges and depreciation / amortization have increased by ` 131 Crs (41%) over the corresponding Quarter on partial capitalization of T3, the new terminal in Delhi Airport. Cash profits have grown by 25% and free cash flow generation continues to strengthen internal accruals.

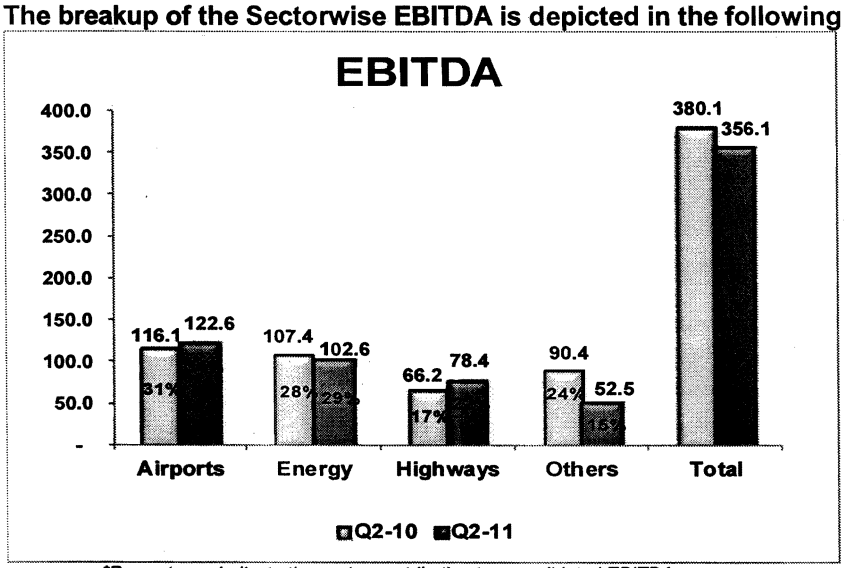
Airports Sector registered a growth of 42% in net revenue and 6% in EBITDA. Energy Sector revenues are down by 8% due to lower operations in Chennai Power plant and lower trading revenues. Highways Sector revenue and EBITDA have registered growth of 8% and 18% respectively.

The breakup of Sectorwise Net Revenue is depicted in the following graph:



**Percentages indicate the sector contribution to consolidated revenue.*

The breakup of the Sectorwise EBITDA is depicted in the following graph:



**Percentages indicate the sector contribution to consolidated EBITDA*

Commenting on the performance during the Quarter, Mr. G M Rao, Group Chairman said:

"The second Quarter of the year started off with the inauguration and commencement of operations of our brand new terminal T3 at Delhi International Airport well ahead of the Commonwealth Games. Our relocated barge-mounted power plant at Kakinada commenced combined cycle operations. The long awaited enhancement of UDF for domestic and international passengers at Hyderabad airport was approved. We also won two prestigious awards: Asian Infrastructure Developer of the Year and the British Construction Industry Award for the Best International Project. Traffic at all our 3 operating airports was higher than originally envisaged and the forecast for the rest of the year is also optimistic. We are confident that we will close the year on a high note".

Major developments during Q2 FY 11

Airports Sector

Airports business of the Company consists of 2 airports at Delhi and Hyderabad in India and 2 airports abroad, one in Istanbul in Turkey and the other being the recently won Male international airport through global competitive bidding process conducted by IFC, a part of World Bank.

Briefly presented below are the significant developments in these 4 assets during the Quarter:

Delhi International Airport (DIAL)

- Terminal T3 commercial operations commenced from 28th Jul'10.
- International operations in T3 have stabilized and running smoothly.
- Passenger traffic increased from 12.24 Mn YTD 09 to 14.03 Mn YTD 10, 15% upside
- Awarded Best International Project by the British Construction Industry Award (BCIA) at a ceremony in London on 14th Oct'10.

GMR Hyderabad International Airport (GHIAL)

- Passenger traffic increased from 3.15 Mn YTD 09 to 3.66 Mn YTD 10, 16% upside
- User Development Fee increased – for domestic from ` 375 to ` 430 and for international from ` 1000 to ` 1700. Service tax extra in the revised UDF.
- Wins "Best Greenfield Airport" award for the year 2009 from Air Passengers Association of India

Istanbul Sahiba Gokcen International Airport (ISGIA)

- Passenger traffic increased from 3.43 Mn YTD 09 to 6.38 Mn YTD 10, 86% upside.
- Selected as the Best Airport at the World Low Cost Airlines Awards function in London.

Male International Airport (MIAL)

- Airport being taken over in November 2010.
- Blueprint for the development of the airport underway.

Energy Sector

GMR has 3 operating assets with cumulative capacity of 808 MW and has 11 projects in hand totaling 8448 MW, out of which 4138 MW is under construction and 4310 MW is under development.

The recently relocated 220 MW barge mounted power plant to Kakinada commenced combined cycle operations in August 2010.

During the Quarter we achieved significant milestones for projects which are under different stages of construction:

- At 768 MW GREL project (Vemagiri expansion), physical progress of the project is as per schedule. Its Financial Closure was achieved on 14th Sep'10.

- At 600 MW EMCO project, boiler foundation RCC & TG Excavation is in progress.
- At 1370 MW Chhattisgarh project, order for BTG placed. Engineering is underway.
- At 1370 MW SJK Shahdol project, Stage 1 of Environment clearance obtained, land acquisition underway.
- At the 1370 MW Chhattisgarh project, land acquisition is complete, environment clearance awaited.

With the completion of all these projects, the total operational capacity will be 4261 MW in the next 3 years, resulting in substantial increase in our steady revenue stream.

Highways

The GMR Group has 6 highway projects under operation across India measuring 421 km (1684 lane kms). These include 3 annuity based projects: Tuni-Anakapalli, Tambaram-Tindivanam, Adloor Yellareddy-Gundla Pochanpalli and 3 toll based projects: Ambala-Chandigarh, Thondapalli - Jadcherla and Tindivanam – Ulundurpet.

We also have 3 projects under development totaling 310 km (1664 lane kms): Hyderabad – Vijayawada, Chennai Outer Ring Road and Hungund – Hospet.

With the Financial Closure of Hungund – Hospet completed in September 2010, all 3 projects have now achieved financial closure.

Urban Infrastructure

Krishnagiri SEZ

Pursuant to an MoU entered into with the state of Tamil Nadu, an SEZ is being developed at Krishnagiri district through a joint venture with Tamil Nadu Industrial Development Corporation. The Krishnagiri SEZ is expected to be dedicated to biotechnology, information technology, traditional electronics and engineering companies. It is planned to be spread over 3,300 acres, approximately 60% of which has already been acquired. Commercial operation of this SEZ is expected to commence in the year 2014.

We are developing a master plan to dedicate 312 acres as a special zone for the Solar Energy industry

Property Development

In Delhi airport area, the hospitality district development is in full swing. In the first phase, out of 45 acres of land divided into 14 asset areas, the Company had awarded 7 asset areas (21.8 acres) to successful bidders for commercial property development in 2008-09 during the first round of bidding. In 2009-10, the remaining assets of the first round as well as 6 more from the second round were successfully awarded. Second phase development is expected to start in FY11. Common infrastructure development like roads etc are being developed by us as per schedule.
In Hyderabad Aerotropolis, we plan to develop around 1000 acres of land. Various themes of development have been conceptualized and some of them are expected to fructify during FY11. Progress on these themes is taking place according to plan.

Sector wise Financial Review - Net Revenues (` Cr.)

Sectors	Quarter ended			Half Year ended		
	30th Sep'10	30th Sep'09	% change	30th Sep'10	30th Sep'09	% change
Airports	483.0	339.8	42.1%	897.8	655.0	37.1%
Energy	494.2	539.5	-8.4%	1,078.0	1,168.8	-7.8%
Highways	94.5	87.5	8.1%	192.9	163.9	17.7%
Others	150.0	227.6	-34.1%	284.4	384.1	-26.0%
Total	**1,221.7**	**1,194.3**	**2.3%**	**2,453.1**	**2,371.8**	**3.4%**

Sector wise Financial Review - EBITDA (` Cr.)

Sectors	Quarter ended			Half Year ended		
	30th Sep'10	30th Sep'09	% change	30th Sep'10	30th Sep'09	% change
Airports	122.6	116.1	5.6%	276.0	231.8	19.1%
Energy	102.6	107.4	-4.4%	159.5	195.1	-18.2%
Highways	78.4	66.2	18.3%	159.1	131.6	20.9%
Others	52.5	90.4	-41.9%	138.9	142.8	-2.8%
Total	**356.1**	**380.1**	**-6.3%**	**733.5**	**701.3**	**4.6%**

About GMR Group:

GMR Group is a Bangalore headquartered global infrastructure major with interests in Airports, Energy, Highways and Urban Infrastructure. Besides its stake in InterGen, the Company has 14 power projects of which 3 are operational (808 MW) and 11 projects (8448 MW) are under various stages of implementation. It has 9 road projects, of which 6 are operational (421 km) and 3 are under construction (309 km). In the Airports sector, it has developed and commissioned the greenfield International Airport at Hyderabad. The Group, besides operating and modernizing the existing Delhi International Airport, has built a brand new integrated terminal T3 which was inaugrated on 3rd July 2010. It has also built a new terminal, designed to handle 20 million passenger capacity, at the Istanbul Sabiha Gökçen International Airport in Turkey and is operating it successfully. GMR has recently won the bid to expand and operate Malé International Airport. The Group is also committed to social development initiatives and executes these through its Corporate Social Responsibility arm, the GMR Varalakshmi Foundation (GMRVF).

For further information about GMR Group, visit www.gmrgroup.in

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