

PRESS RELEASE**IL&FS Investment Managers Limited reports Q1 FY2013 results**

- Consolidated Revenues at ₹ 58.2 Crore for Q1 FY2013, up 10% on q-o-q basis
- Profit after Tax (PAT) at ₹ 18.1 Crore for Q1 FY2013, up 5% on q-o-q basis
- Consolidated EPS at ₹ 0.87 for Q1 FY2013

Mumbai, July 24, 2012: IL&FS Investment Managers Limited (BSE: 511208; NSE: IVC) today reported its results for the quarter ended March 31, 2012 and for the quarter ended June 30, 2012

For Quarter ending June 30, 2012

Consolidated revenue was up 10% at ₹ 58.2 Crores compared to ₹ 53.1 Crores for the same quarter in FY2011

Consolidated expenditure including interest, depreciation and amortisation was up 8% at ₹ 34.0 Crores compared to ₹ 31.6 Crores for the same quarter in FY2011

Consolidated Net Profit After Tax (PAT) was up 5% at ₹ 18.1 Crores compared to ₹ 17.2 Crores for the same quarter in FY2011

Consolidated EPS stood at ₹ 0.87 compared to ₹ 0.84 for the same quarter in FY2011

Dr Archana Hingorani, Chief Executive Officer, IL&FS Investment Managers, said, "In a consistently deteriorating environment, the Company continues to exhibit a stable performance and continues to focus on delivering returns to its investors. The country has faced its worst quarter in nine years. This combined with a weakening rupee has had an impact on the operating environment for the Company. Whilst we expect that in the short to medium term the stress that we have seen in the past few quarters will continue to impact performance, the long term fundamentals continue to be strong. The Company is focusing on the basics and ensuring that it is in a strong position to take advantage of the potential improvement in the operating environment"

INVESTMENTS

During the quarter, IIML invested ₹ 247 Crores across companies in the verticals of Infrastructure and Real Estate. In spite of a challenging market scenario and a slowing economic climate, IIML was also able to record exits/partial exits of ₹ 650 Crores. The Company continues to work with several investee partners to ensure that further exits can be undertaken as market conditions improve

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 150 investments and managed over 77 exits/liquidity events. IIML manages assets of around US\$ 3.2 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, ABG Shipyard, Tejas Networks, Indiagames, Arch Pharmedlabs, DQ Entertainment, Ramky Enviro Engineers, Ramky Infrastructure, Den Networks, 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

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