GMR Infrastructure Limited

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August 10, 2011

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, Q1- FY 12 Performance Highlights", a copy of which is enclosed.

Kindly take the same on record.

Thanking You,

Yours faithfully,
For GMR Infrastructure Limited

C. P. Sounderarajan
Company Secretary & Compliance Officer

Encl: Press Release [Eight Pages]

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

PRESS RELEASE

Bangalore, August 10, 2011

GMR Infrastructure Limited, Q1-FY 12 Performance Highlights

Financial Highlights for Q1 2011-12 (Rs. Cr.)

Particulars	Quarter ended			Year ended
	June 30, 2011	June 30, 2010	% change	March 31, 2011
Gross Revenue	2,082	1,361	53%	6,425
Net Revenue	1,864	1,231	51%	5,774
EBITDA	498	377	32%	1,555
Interest	372	269	38%	1,230
Other Income	81	98	(17%)	311
Exceptional Items	-	-		(799)
Depreciation	276	165	67%	861
PBT	(69)	42		(1,023)
Tax	65	10		24
PAT before Minority	(135)	32		(1,047)
PAT After Minority	(67)	28		(930)
Cash Profit	162	197		523

The Net Revenue growth of 51% and EBITDA growth of 32% as shown above are mainly due to the following factors:

- Inductional revenue of Male International Airport, which was taken over in November2010. Net revenue of Male Airport for the Quarter: Rs. 225 crores
- Continuing high traffic growth in airports: Traffic growth at Delhi Airport: 23%; Hyderabad Airport: 15% and Turkey Airport: 27%

- Inductional revenue of several new JVs of Delhi Airport, which commenced operations after the first Quarter of the previous financial year.
- Higher EPC Revenues: Up by Rs. 168 crores, i. e. by 415%
- Higher revenues from Energy Sector: Up by Rs. 103 crores, i. e. by 18%

While the tariff revision in Delhi airport is under active approval process with AERA, DIAL continued to earn lower revenues at earlier tariff structure, thus incurring loss of Rs. 192 crores. It may be noted that increased cost of operations of DIAL after commissioning of T3 are being accounted for, without commensurate revision in the tariffs. PAT loss of DIAL has adversely impacted the overall consolidated results, resulting in the aforesaid PAT loss of Rs. 67 crores for the Quarter, after minority share. The 38% rise in interest cost and 67% increase in depreciation are also mostly due the capitalization of Terminal 3 at Delhi Airport. Tax liability of Rs. 65 crores relates to profit making subsidiaries, which includes amortization of the deferred tax asset of Rs. 21 crores, accounted in the earlier years mainly in Vemagiri Power and Hyderabad Airport.

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

"The first Quarter of the year started on a strong note. Our airport assets experienced robust traffic growth and our energy assets turned out healthy plant load factor. During the Quarter, we further reinforced the consolidated equity base of the company by concluding the second tranche of USD 131 million in the Airports Sector, thus concluding a total private equity investment of USD 331 million in the Airports Holding Company. We completed the financial closures of the 800 MW Island Power at Singapore and the 25MW Solar Power Project in Gujarat. We also initiated the tariff approval process with AERA for Delhi Airport.

Revenues of all operating assets are smartly moving up towards the better profitability. Execution of all projects under construction continues to be on schedule.

While rising inflation and consequential higher interest costs are a cause of concern, this situation will not alter the long term viability of the infrastructure projects. The long period concessions of our projects will go through both high and low interest regimes during their life cycle. However, as in the past, we will freeze the interest costs during their low ebbs by tying up long term finances at fixed interest rates, thus mitigating this interest rate risk."

Segment-wise Financials and Highlights during Q1 FY12

I Airports Segment

Assets Portfolio:

Assets under Operation		Assets under Construction	
Sl. No.	Asset	Sl. No.	Asset
1	Delhi Airport	1	Male International Airport
2	Hyderabad Airport		
3	Istanbul Airport		
4	Male International Airport		

Financials:

Asset	30-Jun-11				30-Jun-10			
	Net Revenue	EBITDA	EBITDA Margin	PAT	Net Revenue	EBITDA	EBITDA Margin	PAT
Delhi	193	53	27.3%	(192)	143	66	46.4%	8
Hyderabad	146	98	67.0%	10	109	60	55.5%	(21)
Istanbul (40%)	181	35	19.1%	(24)	140	27	19.4%	(23)
Male	225	24	10.5%	21	-	-	-	-
Others	103	40	38.4%	19	19	-	2.3%	11
TOTAL	**847**	**248**	**29.3%**	**(165)**	**410**	**154**	**37.6%**	**(25)**

Business Highlights:

Delhi International Airport (DIAL)

- Passenger traffic grew by 23% and Air Traffic Movements (ATMs) by 15%.
- While the tariff revision is waiting for approval, EBITDA went up to 27% from negative margins in Q4, 2010-11 due to higher revenues and better cost management
- DIAL ASQ scores maintained at 4.7 for the Quarter
- DIAL was ranked 5th best worldwide in Airport Service Quality (ASQ) out of 180 airports; ranked 2nd out of 20 airports in the 25-40 million passengers per annum (mppa) category.
- India's first transit hotel at the new terminal T3 commenced operations during the Quarter.
- City check-in facilities became operational for passengers using Airport Express Metro service – another first in India
- DTC buses introduced for Inter-terminal connectivity
- DIAL T3 project won the Essar Steel Infrastructure Excellence Award

GMR Hyderabad International Airport (GHIAL)

- Passenger traffic grew by16% and ATMs by 18%
- Regional connectivity takes off.
- EBITDA margins increased to 67% from 55%.
- GHIAL's ASQ score for Q1 stands at 4.6
- GHIAL was ranked 2nd in ASQ worldwide out of 55 participating airports in the 5-15 mppa category
- Agreement signed between Spice Jet and GHIAL to improve and strengthen regional connectivity out of Hyderabad.
- Lufthansa Cargo certified GHIAL to be one of its key cargo hub in South Asia for transport of temperature sensitive pharmaceuticals.

Istanbul SabihaGokcen International Airport (ISGIA)

- ISGIA continues to witness a strong traffic growth of 27%during the quarter.
- ISGIA is now the fastest growing airport in the world.
- The 2nd runway expropriation kicked off

Male International Airport (MIAL)

- Continues to generate strong free cash flow
- Operations stabilized after takeover in Nov 2010.
- Processes in place for improving service levels; positive feedback from airlines and passengers.

II Energy Segment:

Assets Portfolio:

Assets under Operation		Assets under Construction	
Sl. No.	Asset	Sl. No.	Asset
1	220 MW Kakinada Plant (GEL)	1	768 MW Rajahmundry
2	200 MW Chennai Plant (GPCL)	2	600 MW Warora
3	388 MW Vemagiri Plant (VPGL)	3	1400 MW Kamalanga
4	2.1 MW Wind Energy Plant, Gujarat	4	1370 MW Chhattisgarh
5	Kendal Mine, South Africa	5	25 MW Gujarat Solar
		6	800 MW Island Power, Singapore

Financials:

Asset	30-Jun-11				30-Jun-10			
	Net Revenue	EBITDA	EBITDA Margin	PAT	Net Revenue	EBITDA	EBITDA Margin	PAT
GEL	136	55	40.3%	29	-	(8)	-	(4)
GPCL	254	24	9.6%	22	210	18	8.7%	15
VPGL	236	58	24.5%	15	183	51	27.6%	15
Others	62	(4)	(6.6%)	(17)	190	(4)	(2.1)%	2
TOTAL	**688**	**133**	**19.3%**	**48**	**584**	**57**	**9.8%**	**27**

Business Highlights

- Achieved Financial Closure of 800 MW Island Power at Singapore and 25 MW solar project at Gujarat.
- Construction started for 1370 MW Chhattisgarh thermal power project and 25 MW Solar Power project.
- Successfully commissioned 2.1 MW Gujarat wind power project at the end of the Quarter.
- Achieved higher PLF than planned in the 388 MW Vemagiri plant and the 220 MW barge-mounted Kakinada plants due to enhanced gas availability. Vemagiri achieved a PLF of 88% and the Barge Mounted Plant 66%.
- Realized merchant tariff for the Quarter: Rs.4.12
- Operations at the HEG Kendal Mines in South Africa are on course towards profitability.
- Significant progress made at PTBSL Coal Mines in Indonesia; commercial operations expected to commence during Q2 FY12.
- Work at all other projects are progressing as per plan.

III Highways Segment:

Assets Portfolio:

Assets under Operation		**Assets under Construction**	
Sl. No.	Asset	Sl. No.	Asset
1	236 Lane-Kms Tuni- Anakapalli	1	1090 Lane-Kms Hyderabad – Vijayawada
2	372 Lane-Kms Tambaram- Tindivanam	2	178 Lane-Kms Chennai Outer Ring Road
3	412 Lane-Kms Adloor -Pochanpalli	3	396 Lane-Kms Hungund-Hospet
4	140 Lane-Kms Ambala- Chandigarh		
5	232 Lane-Kms Thondapalli - Jadcherla		
6	292 Lane-Kms Tindivanam-Ulundurpet		

Financials:

Asset	30-Jun-11				30-Jun-10			
	Net Revenue	EBITDA	EBITDA Margin	PAT	Net Revenue	EBITDA	EBITDA Margin	PAT
Tuni Anakapalli	15	12	80.4%	3	15	12	80.0%	2
TambaramTindivanam	20	16	77.4%	4	20	15	75.5%	3
Adloor Pochanpalli	27	25	92.7%	3	27	24	88.6%	(1)
Ambala Chandigarh	6	5	81.0%	(6)	5	4	70.6%	(10)
Thondapalli Jadcherla	14	12	86.0%	1	12	9	77.5%	(3)
Tindivanam Ulundurpet	18	16	87.0%	(5)	20	17	86.4%	(2)
Others	-	-	-	(3)	-	-	-	(2)
TOTAL	**100**	**85**	**85.1%**	**(3)**	**98**	**81**	**82.1%**	**(14)**

Business Highlights

- All 3 assets under construction had already achieved financial closure; all the projects are progressing rapidly.

IV EPC Segment

Financials:

Asset	30-Jun-11				30-Jun-10			
	Net Revenue	EBITDA	EBITDA Margin	PAT	Net Revenue	EBITDA	EBITDA Margin	PAT
EPC	208	14	6.7%	12	40	8	20%	6

Business Highlights

- EPC Division got a number of projects to execute and increased its capabilities rapidly, especially in Highways and Energy sectors.

V Others Segment

This includes hotels at Hyderabad Airport and Turkey Airport, aviation business, investment operations etc. The financials of this segment are not furnished in this release as they are not very significant

About GMR: The Company is a Bangalore headquartered global infrastructure major with interests in Airports, Energy, Highways and Urban Infrastructure. It has successfully employed the public-private partnership model to build a portfolio of high quality assets. The Company has 16 power projects of which 3 are operational and 13 are under various stages of implementation and 9 road projects, of which 6 are operational and 3 are under construction. The Company is setting up an 800 MW gas based power project in Jurong Island in Singapore. In the Airports sector, it has developed and commissioned the green field International Airport at Hyderabad. Around this airport, it is developing a modern Aerotropolis. The Company, besides operating the existing Delhi International Airport, has also built a brand new integrated terminal T3 which was commissioned in time for the Commonwealth Games in October 2010. It has also upgraded and constructed the Istanbul Sabiha Gökçen International Airport and operating it. It recently acquired the Male international airport in the Maldives. It is also developing 3 large urban infrastructure projects – a port based, an airport based and a city based Special Economic Zones. The Company has also ventured into Sports and through its subsidiary, GMR Sports, owns the IPL promoted Delhi's T-20 cricket team – the Delhi Daredevils. The Company is also committed to social development initiatives and executes these through its Corporate Social Responsibility arm, the GMR Varalakshmi Foundation.

For further information about GMR Group, visit **http://www.gmrgroup.in/index.html**

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