



Media Release

Srei concentrates on Consolidation in Quarter 3.

Kolkata, January 29, 2009: The quarter ended 31st December 2008 has been full of uncertainties. Liquidity crisis, interest rate volatility and rapid turn of events in the economy have taken its toll in India also. The global financial crisis till September 2008 did not affect our economy but all of a sudden in the second week of October 2008 the storm took our economy by surprise. Fortunately, both the Government and Reserve Bank of India (RBI) acted with alacrity, taking steps in improving liquidity with the banks so that the confidence in the financial sector remains strong. The Government and RBI have also been working jointly since with NBFIs to improve their liquidity.

Seeing the volatility in the market, Srei Infrastructure Finance Limited (SIFL) took a conscious decision in October to go slow on disbursements, concentrate on improving cost effectiveness and intensify customer relationship till the time a clearer picture on the economy emerged. This strategy is tremendously helping the Company though the consolidated profit after tax for Q3 2008 has fallen to Rs. 8.77 crore from Rs. 27.9 crore in the corresponding quarter of the previous year. Total consolidated income for the quarter December 31, 2008 is Rs.176.94 crore as against Rs.196.01 crore in the corresponding period. The consolidated profit before tax (PBT) for the quarter ended December 31 is Rs.15.37 crore as against Rs.32.20 crore in the corresponding period. The consolidated operating profit for the quarter is Rs.29.84 crore as against Rs.52.96 crore in the corresponding period of the previous year.

Total Consolidated Income for the nine months period ended December 31, 2008 has increased to Rs. 646.10 crore from Rs. 487.84 crore in the corresponding period last year registering an increase of 32%. The consolidated profit before tax (PBT) for the nine months went up to Rs. 121.44 crore from Rs. 95.80 crore showing an increase of 27%. Likewise, consolidated operating profit for the period increased to Rs. 162.79 crore from Rs.147 crore, an increase of 11% from last year. Consolidated profit after tax (PAT) for the same nine months was Rs. 78.15 crore as against Rs.84.41 crore in the corresponding period last year.

Mr. Hemant Kanoria, Chairman and Managing Director, SIFL said, “the Government and RBI are taking proactive steps to alleviate the problems of the financial sector in India, which is highly commendable. The stimulus being provided to the infrastructure sector will definitely help infrastructure financing institutions like ours to improve our business volumes in the immediate future. We are sanguine about the future prospects of the Company, and the last quarter has been good in a way that it has enabled us to consolidate and prepare ourselves for the next jump.”

“During the third quarter, our objective has been to focus on client relationships and improving our efficiency. Though the profits have dipped in Q3, but our quality of assets have not deteriorated and our realisation has been up to our satisfaction. We expect to capitalize on the available opportunities, utilize the available resources and liquidity prudently in the months ahead”, he added.

Mr. Saud Siddique, formerly with International Finance Corporation (World Bank Group) Washington, will be joining as the Joint Managing Director of the company from April 01, 2009. He has extensive experience in infrastructure investments globally, including in India, as well as top management infrastructure operating company experience. He has an MBA from Cornell University, USA and a Bachelor of Science in Engineering from University of Maryland, College Park, USA. He would be spearheading the infrastructure business of Srei.



About Srei Infrastructure Finance Limited

Srei is a Holistic Infrastructure Institution, constantly and consistently ideating to deliver innovative Infrastructure solutions to the nation for over two decades, both in urban and rural India. One of the leading private sector infrastructure organisations, Srei's businesses include Infrastructure Equipment Leasing & Finance; Project Finance, Advisory & Development; Insurance Broking; Venture Capital; Capital Market; and Sahaj e-Village. Srei has a pan India strong network of 61 offices. Srei is the first Indian Infrastructure Financing Institution to be listed on the London Stock Exchange. BNP Paribas Lease Group, a subsidiary of BNP Paribas with an asset base of over EURO 1, 694 Billion has a partnership with Srei.

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