



## **MEDIA RELEASE**

### **SREI PROFIT RECORDS STELLAR GROWTH BY 64% Performance Review – Year ended March 31, 2007.**

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*Kolkata, 19 June 2007* – SREI Infrastructure Finance Limited in yet another year of strong performance, recorded a significant upswing in asset growth and profitability.

Approving the company's audited financial accounts for the year ended March 31, 2007 (FY2007), the Board of Directors of the Company at its meeting held at Kolkata on Tuesday, June 19<sup>th</sup> 2007, reported a 64% rise in after tax profits for the year at Rs 79.2 crore compared to Rs 48.4 crore in the previous year.

The total income of the company grew by 76% to Rs 400 crore for FY2007 from Rs 227.2 crore for the year ended March 2006. Assets under management went up to a record Rs 5083 crore, crossing the one billion dollar mark from the level of Rs 3,393 crore achieved in the earlier year.

Net worth grew by 19% to Rs 471 crore for the year ended March 31<sup>st</sup> 2007 from Rs 405 crore in the previous year.

Gross profit for the quarter ended March 31<sup>st</sup> 2007 stood at Rs 44.3 crore, which is higher by 50% compared to Rs 29.6 crore achieved in the corresponding quarter of the previous year ended March 31<sup>st</sup> 2006. Post tax profits also rose significantly to Rs 31.5 crore from Rs 15.9 crore in the comparable quarters, achieving a growth of 98%.

According to Mr Hemant Kanoria, Vice Chairman and Managing Director of SREI, "Our performance has improved as we have consciously worked on all parameters contributing to higher profitability. Furthermore, the business has also grown substantially which has resulted in larger disbursements. In general the year has been good for all our business. We are in a position now to increase our presence in the infrastructure sector exponentially through our recent association with BNP Paribas Lease Group (BPLG), the worldwide lease financing arm of BNP Paribas."

The consolidated income of the SREI group improved to Rs 420.7 crore for period ended March 2007 from Rs 236.8 crore in the previous year largely due to a robust performance by all companies in the group.

Mr. Kanoria termed the joint venture as a very significant step in the Indian financial services market. Explaining the rationale of the JV, he said the collaboration with BPLG will help increase SREI's market share further and also expand its product line into financing of agriculture, information technology, medical and other equipment.

SREI has entered into a 50:50 JV with BPLG. The JV will acquire the former's asset finance division. BPLG is pumping a sum of Rs 775 crore for 50 % of the equity share capital of the new company.

Sharing the benefits of the JV, Mr Kanoria also said that the association with BPLG will not only enable SREI to access low cost international funds on a continuous basis, the partnership will also greatly boost shareholder value.



**About SREI Infrastructure Finance Ltd.**

**SREI, the country's leading private sector infrastructure equipment finance, infrastructure project finance and renewable energy product financing company commenced its operations in the year 1989. SREI is operating across the country with a network of 46 branches and has also expanded its operations overseas. SREI is the first Indian Infrastructure Financing Company to be listed on the London Stock Exchange (LSE). International Finance Corporation (IFC) Washington (World Bank Group), KfW & DEG Germany (Financial Institutions owned by the Government of Germany), FMO the Netherlands (Financial Institution owned by the Government of Netherlands), BIO (Belgium Financial Institutions owned by the Government of Belgium) and FINFUND (Financial Institution owned by the Government of Finland) are among the large stakeholders in the company.**

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