



PRESS RELEASE

SREI Group records 85 % increase in Profit After Tax in Q1

Kolkata, July 30, 2008: SREI Infrastructure Finance Limited has posted an impressive consolidated profit after tax of Rs. 43.20 crore for the first quarter ended June 30, 2008. This is a 85% rise over the corresponding quarter's profit of Rs. 23.32 crore in the previous year. Country's leading Infrastructure Institution in the private sector, SREI has continued to maintain the tempo of growth of the last fiscal with consolidated Assets under Management going up to Rs. 9190.87 crore in Q1 as against Rs. 5689.72 crore achieved in the same period of the previous year resulting in an increase of 62%.

The financials reflect the company's business post transfer of the asset finance business to its joint venture with BNP Paribas Lease Group, subsidiary of the BNP Paribas Bank.

The consolidated business done during this quarter is Rs. 1787 crore as against Rs. 1461 crore in the corresponding period last year, registering a growth of 22%. The consolidated operating profit this quarter increased by 94% to Rs. 76.84 crore from Rs. 39.65 crore in the first quarter of the last fiscal on a consolidated total income of Rs. 221.92 crore (Rs. 127.84 crore in the same period of the previous year). Likewise, consolidated pre-tax profits upped to Rs. 65.60 crore in Q1, 2008 from Rs. 25.08 crore in the corresponding quarter of last year, a rise of 162%.

SREI has strategically positioned itself in the Indian Infrastructure development sector to capitalise on the huge business potential in this area. "With the Public Private Partnership (PPP) route to developing key infrastructure, fast gaining ground, the company has put in place a strong team of professionals internally and a string of technical partnerships externally to make bids for large infrastructure projects in the ports, roads and power plants sectors, among others," said **Mr. Sunil Kanoria, Director of the Company**. "SREI and its subsidiaries are also extending its financial assistance to sectors like aviation, oil and gas, transport, telecom, industrial parks etc," he added.

SREI has continued to utilise its long-standing strategic relationships with the manufacturers as well as construction companies on a pan India basis, which has helped the company to position itself strongly in terms of its delivery.

The company's 'pride' project, Srei Sahaj e-Village Limited has made rapid strides in the past one year in its effort to implement the central government sponsored e-governance project. Under the National e-Governance Plan (NeGP), the company has already bagged nearly 25 per cent of the ambitious target of Government of India to set up a hundred thousand common service centres in rural areas. The company successfully bid for CSCs in six states covering nearly 1.5 lakh villages and a population size of over 21 crore.

SREI has also decided to up its ante in overseas countries. While its Russian operation has begun to stabilize and hopes to cross an AUM size of 150 million USDs in a year's time, the company is looking to replicate similar asset financing models in other target areas such as the middle eastern countries and South East Asia.

Announcing the results, Mr. Sunil Kanoria, Director, SREI said, "We have been working continuously towards enhancement of stakeholder value. With the growth in infrastructure sector in our country and SREI's focus in this segment, we are confident of continuous growth in the future. In spite of the present challenges in the economy, we believe that the infrastructure sector would continue to provide enough growth opportunities for the company."



About SREI Infrastructure Finance Limited

SREI is an Integrated 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 largest private sector infrastructure organizations, SREI's business ranges from Infrastructure Equipment Finance, Project Finance, Project Advisory and Project Development to E-governance, Investment Banking, Venture Funds, Insurance Broking and Equipment Rental through QUIPPO. SREI operates across the country with a network of 55 offices and also has its operations in Russia with 3 offices. SREI is the first Indian Infrastructure Financing institutions to be listed on the London Stock Exchange (LSE). International Finance Corporation (IFC) Washington (World Bank Group), KfW Germany & 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 Finland (Financial Institution owned by the Government of Finland) are among the large stakeholders in the Company. BNP Paribas Lease Group, a subsidiary of BNP Paribas Bank with an asset base of over EURO 1, 694 Billion has a partnership with SREI.

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