



INVESTOR UPDATE

December 02, 2010

Ramky Infrastructure Ltd.

Stock Info as on 1st December '10

| | |
|--------------------------------|---------------|
| Market Price (BSE) | 347.50 |
| Market Cap in millions (BSE) | 2024.8 |
| Face Value (Rs.) | 10 |
| 52 Week High / Low – BSE (Rs.) | 460/313.20 |
| 52 Week High / Low – NSE (Rs.) | 471.55/311.25 |

Share Price Performance



Investment Destination

Infrastructure sector- large addressable opportunity

- ⇒ Construction expenditure is expected to double to INR12,189bn during 2008-09 to 2012-13 period versus INR 6,217bn during the 2003-04 to 2007-08 period
- ⇒ Between FY2010 and FY2014, government spending on roads alone is targeted at INR5,216bn with increased focus on timely completion

Business model – Execution and capital allocation

- ⇒ Ramky is strategically positioned to realize opportunities in the sector with presence in both EPC and development businesses
- ⇒ Completed 104 Water & Waste Water projects, 82 building construction projects, 15 irrigation projects, 28 transportation projects & 32 industrial projects
- ⇒ With 1.4 bn Fixed Assets and 7 bn Net Working Capital achieved a turnover of 20.09 bn in FY 10.
- ⇒ Steady profit margins (5.2% in FY10) and ROE (24.44% in FY 10)

Diversification – Sectoral & geographical presence

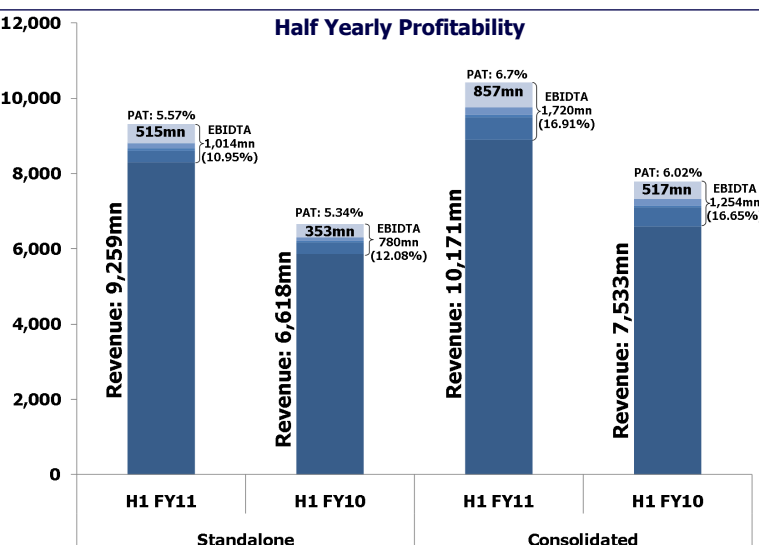
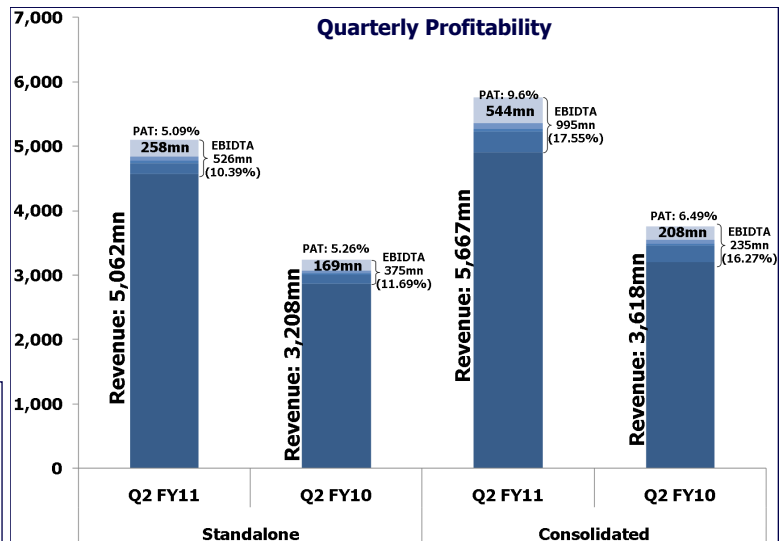
- ⇒ Evolved from a consultant to a EPC player and finally an Infrastructure player
- ⇒ Ramky continued to build on core competency
- ⇒ Reduces the risk of dependency on any one sector and helps in participating in projects across the country

Visibility of earnings – Revenue driven by strong order book

- ⇒ Order book of INR 115984 Mn as on 30th Sept '10 provides high revenue visibility
- ⇒ Proven execution capabilities with planning & execution expertise, ensuring order completion within the estimated budget and time.

Quarterly Financial Highlights

- ⇒ **Standalone** Revenue of the Company for Q2 FY11 increased by 57.77 per cent at Rs. 5,062 million, while net profit increased by 52.72 per cent at Rs. 258 million.
- ⇒ **Consolidated** Revenue of the Company for Q2 FY11 increased by 56.64 per cent at Rs. 5,667 million, while net profit increased by 94.49 per cent at Rs. 404 million.
- ⇒ Q2FY11 **Standalone EPS** has registered 52.79 per cent growth to Rs. 5.21 from Rs. 3.41 when compared with Q2FY10. During the same period **Consolidated EPS** registered 94.52 per cent growth from Rs. 4.20 to Rs. 8.17

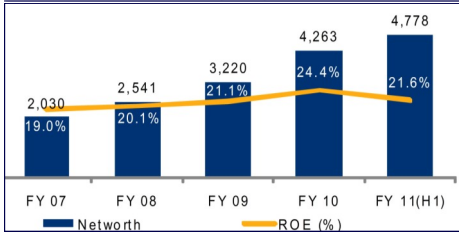


Half Yearly Financial Highlights

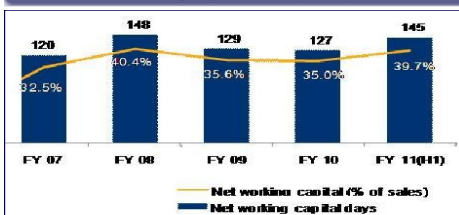
- ⇒ **Standalone** Revenue of the Company for H1 FY11 increased by 39.91 per cent at Rs. 9,259 million, while net profit increased by 45.98 per cent at Rs. 515 million.
- ⇒ **Consolidated** Revenue of the Company for H1 FY11 increased by 35.03 per cent at Rs. 10,172 million, while net profit increased by 50.39 per cent at Rs. 682 million.
- ⇒ H1FY11 **Standalone EPS** has registered 45.87 per cent growth to Rs. 10.43 from Rs 7.15 when compared with H1FY10. During the same period **Consolidated EPS** registered 50.38 per cent growth from Rs. 9.17 to Rs. 13.79.

A strong Balance Sheet...

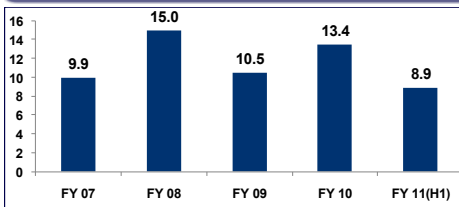
Networth (INRm) & ROE



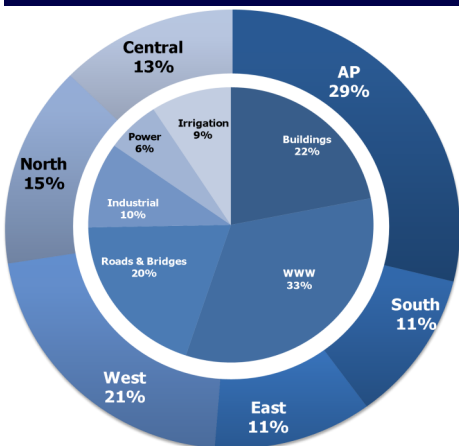
Working Capital ratios (INR m)



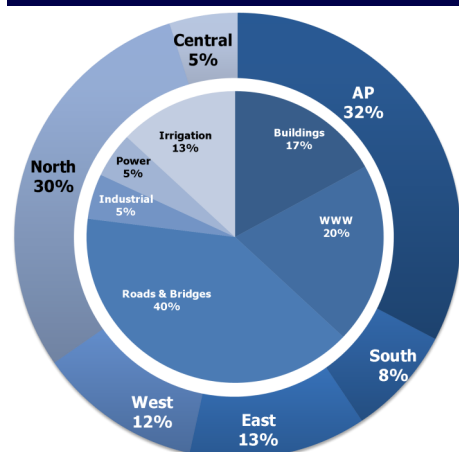
Fixed Asset Turnover Ratio



Geographical and Sectoral split of Revenue as of Sept 30th 2010



Geographical and Sectoral split of Order book as of Sept 30th 2010 – INR 115,984 mn



Strong balance sheet driven company

- ⇒ Seen as 'Capital turnover' business with steady earnings profile
- ⇒ High fixed asset turnover achieved through deliberated capital deployment policies
- ⇒ One of industries best net Working Capital companies with positive cash flow in last two years.
- ⇒ Steady margins maintained though conscious diversification (sectoral & geographical) of order book
- ⇒ Cherry picking orders meeting capital deployment criterion & with least uncontrollable risk

Business Profile:

The company operates through two principal business segments as follows:

1. construction business operated by the company and
2. Developer business operated through subsidiaries & SPVs

Construction business:

Water and Waste Water: Is the spearhead of construction business. The company provides complete solution in the WWT infrastructure. The capacity built allows us to be the leaders in this space. A good technically capable team of more than 50 design engineers provide effective solutions.

Order book for WWT: INR 23080 million

Irrigation: The Company is a total irrigation solution provider including lift irrigation, dams, barrages and cross drainage work. It mitigates risks in the vertical by only retaining core activities of design and supervision while subcontracting all other areas.

Order book for Irrigation: INR 14910 million

Roads & Bridges: Builds highways and excels in execution through early completion of the projects.

Order book for Roads and Bridges: INR 46820 million

Buildings: The company is substantially in government built institutional buildings like education campuses, hospitals etc.

Order book for Buildings: INR 19670 million

Power: Includes electricity transmission networks, substation feeder lines and low tension distribution lines

Order book for Power: INR 5470 million

Industrial: Includes industrial parks, SEZs and related works where by the complete civil infrastructure viz roads, buildings, T&D etc are built

Order book for Industrial: INR 5940 million

After adjusting for company's BOT road project of INR 26380 m in the total road order book of INR 46810 m the order book split is as follows: WWW – 26%, Roads- 21%, Buildings- 23%, Power- 6%, Irrigation- 17%, Industrial – 7%.

Developer business:

- ◆ Assets are built by plough back of either from the customer advances in the projects or through construction margins executing the project
- ◆ Build assets to generate 1/3rd PAT in next 3 years

| Ramky Pharma City | | |
|----------------------------|------------|-----------|
| Total land | 2146 Acres | |
| Salable land | 1455 Acres | |
| Average project cost /acre | INR 350 m | |
| Balance Salable land | SEZ | 106 Acres |
| | Non-SEZ | 236 Acres |
| In Procurement | SEZ | 193 Acres |
| Average sales price/ Acre | SEZ | INR12.1m |
| | Non-SEZ | INR 9 m |

Key areas of focus:

Industrial parks for polluting industries:

- ◆ Provide state of art civil infrastructure and industry specific environmental services & related facilities viz , STP, incineration plant, Secured Land Fill etc and provide a plug & play, 'pay by drink' facility in the identified industry.
- ◆ Revenue model: Land sales and perpetual O&M revenue on cost plus basis
- ◆ 5 assets in development

Roads:

- ◆ Highways with revenue certain cash flows (substantially annuity based) with EPC of such works completely rest with the company.
- ◆ 2 Assets : 1 completed and 1 in progress

Integrated Townships:

- ◆ Revenue sharing model with government/ lead bodies with complete upside on sales to the a/c of company
- ◆ 2 assets in development
- ◆ Assets will be built out of internal accruals of the projects or cash margins from constructions.

| Ramky Elsamax Hyderabad Outer Ring Road Project | |
|---|-------------------------------|
| Km developed | 12.63 |
| Execution period | 2 years |
| Cost | INR 3994 m |
| Semi-Annuity | INR 315 m |
| # years of Annuity | 12.5 |
| Annuity commencement date | 1 st November 2010 |

Upcoming projects

| Bids profile | |
|--------------|-----|
| Sector | % |
| WWW | 18% |
| Buildings | 8% |
| Roads | 36% |
| Irrigation | 9% |
| Power | 28% |
| Others | 1% |

Power: Majorly Transmission & Distribution projects

Construction: Total bids outstanding INR 257170 million

Developer:

Water and Waste Water (WWW): High strike rate in WWW sector should increase the order book position.

Building: Mainly pertaining to hospitals

Roads & Bridges: Substantially National Highway projects concentrated majorly in south & central India

Irrigation: Chiefly in Madhya Pradesh

Addanki - Narkatpalli project:

- ◆ 212.5 Kms of Road project with toll and projected cost of INR 12890m of Ramky's construction part
- ◆ Total concession period of 24 years including 2.5 years for construction
- ◆ Financial closure at an advanced stage

Srinagar-Banihal Project:

- ◆ 66.76 Kms of road project on INR 1348.2 m semi-annuity basis
- ◆ Total concession period of 20 years including 3 years for construction

Jorbat-Shillong Project:

- ◆ 61.85 Kms of road project on INR 725.1 m semi-annuity basis

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