

PRESS RELEASE**IL&FS Investment Managers Limited reports Q2 & H1 FY2013 results**

- Consolidated Revenues at ₹ 56.8 Crore for Q2 FY2013, down 2% as compared to Q1 FY2013
- Profit after Tax (PAT) at ₹ 17.3 Crore for Q2 FY2013, down 4% as compared to Q1 FY2013
- Consolidated EPS at ₹ 0.83 for Q2 FY2013

Mumbai, October 26, 2012: IL&FS Investment Managers Limited (BSE: 511208; NSE: IVC) today reported its results for Quarter and Half Year ended September 30, 2012

For Quarter ending September 30, 2012

Consolidated revenue was down 2% at ₹ 56.8 Crores compared to ₹ 58.2 Crores for Q1 FY2013

Consolidated expenditure including interest, depreciation and amortisation was at ₹ 34.03 Crores which is the same as last quarter

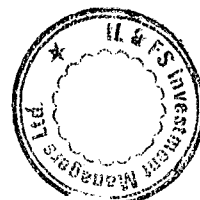
Consolidated net profit after tax (PAT) was down 4% at ₹ 17.3 Crores compared to ₹ 18.1 Crores for the same quarter in FY2012

Consolidated EPS stood at ₹ 0.83 compared to ₹ 0.87 for the same quarter in FY2012

Dr Archana Hingorani, Chief Executive Officer, IL&FS Investment Managers, said, “While the challenges in the markets continue, sentiment has improved towards the end of the quarter, due to positive policy announcements. In light of these difficult conditions, the Company has delivered a largely stable performance. While long term fundamentals are intact, specific focus on near term macro-economic factors is imperative for jump starting the economy. In the interim, the company continues to focus on selectively investing in attractive opportunities, creating exits and working with investee companies to improve performance”

INVESTMENTS

During the quarter, IIML invested ₹ 214 Crores across companies in the Real Estate vertical. IIML was also able to record partial exits of ₹ 102 Crores in the real estate vertical which should hold the company in good stead as it looks to further establish its track record of performance across market cycles



About IL&FS Investment Managers Limited

IL&FS Investment Managers Limited (IIML) is India's first and only listed Private Equity firm. IIML has been a pioneer in managing and advising private equity investments, ranging from Real Estate, Infrastructure to sector agnostic Private Equity Funds. IIML has, to date, invested in over 160 investments and managed over 78 exits/liquidity events. IIML manages assets of around US\$ 3.2 bn across sectors and has delivered a gross internal rate of return of over 25% (in US\$ terms)

Some of the representative transactions of IL&FS Investment Managers Limited are Shoppers Stop, Noida Toll Bridge Company, Gujarat Pipavav Port, ibn18 Broadcast, Indraprastha Gas, Godrej Beverage & Foods, ABG Shipyard, Tejas Networks, Indiagames, Arch Pharmalabs, DQ Entertainment, Ramky Enviro Engineers, Ramky Infrastructure, Den Networks, Electrosteel Integrated, Orbit Highcity and QVC Realty

IL&FS Investment Managers Limited is publicly traded on Bombay Stock Exchange (BSE Symbol: 511208) and the National Stock Exchange (NSE Symbol: IVC). More on www.iimlindia.com

SAFE HARBOUR

Certain statements included in this press release may constitute "forward-looking statements" in respect of the Company's operations, performance, prospects and/or financial condition. By their nature, forward looking statements involve a number of risks, uncertainties and assumptions and actual results or events may differ materially from those expressed or implied by those statements. Accordingly, no assurance can be given that any particular expectation will be met and reliance should not be placed on any forward-looking statement. Additionally, forward looking statements regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. No responsibility or obligation is accepted to update or revise any forward looking statement resulting from new information, future events or otherwise. Nothing in this presentation should be construed as a profit forecast.

This press release does not constitute or form part of any offer or invitation to sell, or any solicitation of any offer to purchase any shares in the Company, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract or commitment or investment decisions relating thereto, nor does it constitute a recommendation regarding the shares of the Company. Past performance cannot be relied upon as a guide to future performance. Information in this press release reflects the knowledge and information available at the time of its preparation

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