IRB InvIT Fund

Results Update

Q4 FY18

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Content

FY18 Performance Review

Revenue growth

- Achieved 10% YoY growth even as GST impact H1FY18 and sand mining ban softened traffic for two projects
- Tariff growth of 3.70% - 6.24% across projects
- Revenue run-rate of Rs 33.3mn/day at end of the year.

NDCF

- **Generated NDCF of Rs 6,554.4 Mn for 318 days of operations**
- Rs 5,827.90 Mn external obligations including one time premium payment of Rs 540 Mn to NHAI for Omalur Salem project and Rs 1,392.9 Mn to NHAI for Tumkur Chitradurga Project.
- 93.4% of NDCF distributed to unitholders

Distribution

- Total distribution of Rs 10.55/unit implying annualised payout of **Rs 12.1/unit – 1% higher than guidance**
- **FY19E* distribution guidance of Rs 12.3/unit: 2% higher than that for FY18**

Leverage

- Total EV of Rs 75bn with Rs 59bn equity and Rs 15bn debt on books ie D:E of 0.2:1
- **Potential to grow by 60% ie add Rs 45bn worth of assets through debt funding, without further equity issuance**
- Each acquisition with a spread of 2-3.5% between discounting and cost of funding to add 10-35bps to InvIT IRR

Growth Strategy

- Target annual EV growth rate of atleast 15-20% by acquiring atleast one project every year
- **Project line-up of over Rs 315Bn** from Sponsor as an option to grow to a size of over Rs 390Bn ie over 5x its current size
- **At 1:1 D:E ie on achieving total EV of Rs 120bn, IRB InvIT would likely have an implied IRR of over 15.5% at CMP**

** Assuming ~10% revenue growth and considering current portfolio of seven assets*

Project Line-up on RoFR basis from Sponsor

Rs. In Mn

Project Name	Type	Project Cost
IRB Ahmedabad Vadodara Super Express Tollway Pvt.Ltd.*	BOT	46,698
Solapur Yedeshi Tollway Private Limited	BOT	15,421
Kaithal Tollway Private Limited	BOT	23,475
Yedeshi Aurangabad Tollway Private Limited	BOT	31,770
AE Tollway Private Limited	BOT	25,350
IRB Westcoast Tollway Pvt. Ltd	BOT	26,390
Udaipur Tollway Private Limited	BOT	20,879
CG Tollway Private Limited	BOT	20,900
Kishangarh Gulabpura Tollway Pvt. Limited	BOT	15,260
IRB Hapur Morarabad Tollway Private Limited	BOT	34,000
VK1 Expressway Private Ltd	HAM	20,430
IRB PS highway Private Ltd	HAM	21,690
IRB PP Project Private Ltd	HAM	12,960
Total		**3,15,223**

Potential to grow EV to over 5x (over Rs 390bn) with the existing project pipeline of Sponsor on RoFR basis

Healthy mix of Projects available – in terms of size, geography, residual life as well as operational visibility (5 projects on 4 to 6 laning and 3 projects on HAM basis)

Availability of **HAM** projects to further strengthen the portfolio with stable Annuity cashflows from NHAI

- Multiple options to source debt at lowest cost, with SPVs being AAA rated

- To be cash yield accretive from day 1

** Under evaluation corresponding to likely scenario on discussion with NHAI wrt competing state facility*

Consolidated Financial Results

Rs. In Mn

Particulars	FY18*	Q4 FY18 (90 Days)	Q3 FY18 (92 Days)	QoQ(%)
Gross Income	**10,051.6**	**2,994.7**	**3,043.7**	**-1.6%**
Earnings before interest, tax and depreciation	**8,191.3**	**2,446.7**	**2,448.2**	**-0.1%**
Finance Costs	992.5	364.8	393.2	-7.2%
Depreciation and Amortisation	4,871.3	1,387.7	1,413.5	-1.8%
Profit Before Tax	**2,327.6**	**694.2**	**641.5**	8.2%
Total Tax Expenses	3.4	4.7	0.9	425.3%
Profit after Tax	**2,324.2**	**689.5**	**640.6**	**7.6%**
Cash Profit	**7,195.5**	**2,077.6**	**2,054.1**	**1.1%**
Cash Earning per Unit (in Rs. Per Unit)	**12.40**	**3.58**	**3.54**	

- Average revenue runrate of Rs 33.3mn achieved for Q4FY18 vs Rs 33.1mn in Q3FY18
- Total Revenues at Rs 10,052mn for FY18 – implying ~10% YoY growth.
- EBITDA for FY18 at Rs 8,191mn – inline with estimates
- Cash Profit per unit at Rs 12.4 – before adjusting for the NHAI premium payout
- Continued robust performance for Q4FY18 (comprising 90 days vs 92 days in Q3FY18), with earnings growing by 7.6% QoQ

** From date of acquisition i.e. 9th May 2017 to 31st March 2018*

Project-wise Gross BoT Toll Revenues*

Rs. In Million

Sr. No.	Name of the Project	Q4 FY18 (90 Days)	Q3 FY18 (92 Days)	QoQ (%)	Q4 FY17 (90 Days)	YoY (%)
1	Surat Dahisar BOT Project	1,687	1,687	0%	1,475	14%
2	Tumkur Chitradurga Project	598	591	1%	543	10%
3	Bharuch - Surat BOT Project	580	569	2%	500	16%
4	Jaipur Deoli BOT Project (1)	249	285	-13%	311	-20%
5	Ommalur – Salem – Namakkal	219	222	-2%	193	14%
6	Talegaon Amravati BOT Project	159	161	-1%	148	7%
7	Pathankot Amritsar BOT Project (1)	282	313	-10%	271	4%
	Total	3,773	3,828	-1%	3,441	10%

** From date of acquisition i.e. 9th May 2017 to 31st March 2018*
(1) The toll revenue for Q3 FY18 of Jaipur Deoli and Pathankot Amritsar Project was affected due to lower mining traffic.

Project-wise EBITDA for FY18*

Rs. In Million

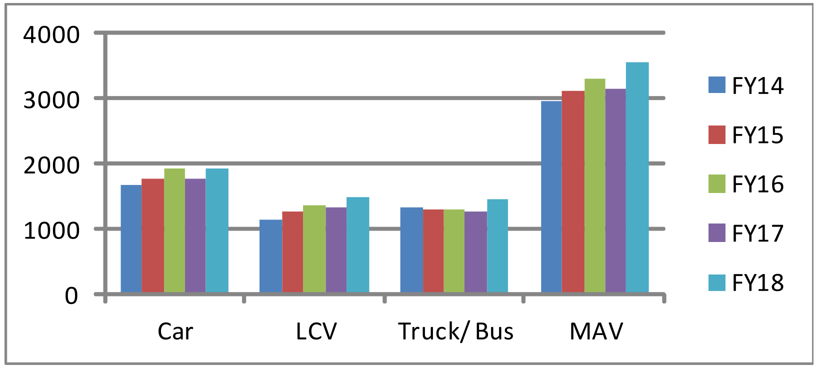
S. No.	Name of the Project	*Total Income*	*Operational Expenses*	*EBITDA*
1	**Surat Dahisar BOT Project**	***3,132.3***	***568.3***	***2,564.0***
2	**Tumkur Chitradurga Project**	***2,073.6***	***188.0***	***1,885.6***
3	**Bharuch - Surat BOT Project**	***1,965.9***	***356.7***	***1,609.2***
4	**Jaipur Deoli BOT Project** (1)	***1,060.7***	***211.6***	***849.2***
5	**Ommalur – Salem – Namakkal**	***605.1***	***123.7***	***481.4***
6	**Talegaon Amravati BOT Project**	***551.9***	***145.7***	***406.2***
7	**Pathankot Amritsar BOT Project** (1)	***617.5***	***152.9***	***464.6***
	Total	**10,007.0**	**1,746.8**	**8,260.1**

** From date of acquisition i.e. 9th May 2017 to 31st March 2018*
(1) The toll revenue for Q3 FY18 of Jaipur Deoli and Pathankot Amritsar Project was affected due to lower mining traffic.

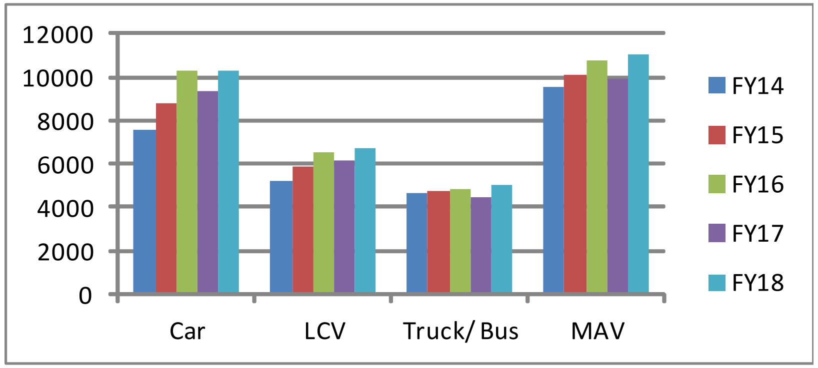
Traffic Movement (1/3)*

Figures in '000

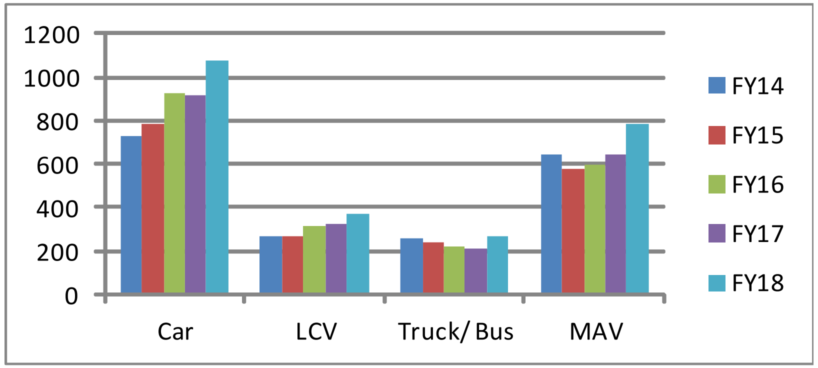
Bharuch - Surat BOT Project					
Particulars	FY14	FY15	FY16	FY17	FY18
Car	1685	1761	1927	1758	1913
LCV	1158	1265	1375	1346	1482
Truck/ Bus	1324	1309	1307	1260	1454
MAV	2959	3131	3295	3149	3545
Total	**7126**	**7466**	**7904**	**7512**	**8394**



Surat Dahisar BOT Project					
Particulars	FY14	FY15	FY16	FY17	FY18
Car	7601	8835	10321	9336	10313
LCV	5187	5882	6555	6166	6697
Truck/ Bus	4618	4734	4803	4499	4991
MAV	9497	10115	10740	9889	11056
Total	**26903**	**29566**	**32419**	**29890**	**33057**



Talegaon Amravati BOT Project					
Particulars	FY14	FY15	FY16	FY17	FY18
Car	725	782	923	919	1077
LCV	269	271	314	328	368
Truck/ Bus	263	236	223	213	271
MAV	641	577	596	649	787
Total	**1898**	**1867**	**2056**	**2109**	**2504**

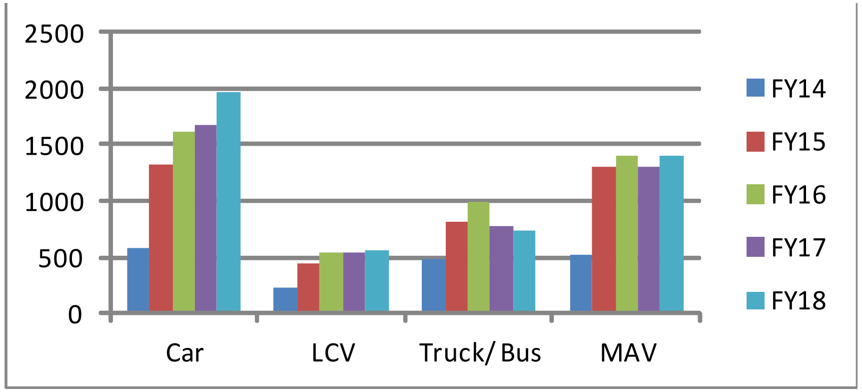


** Total Fee paying count*

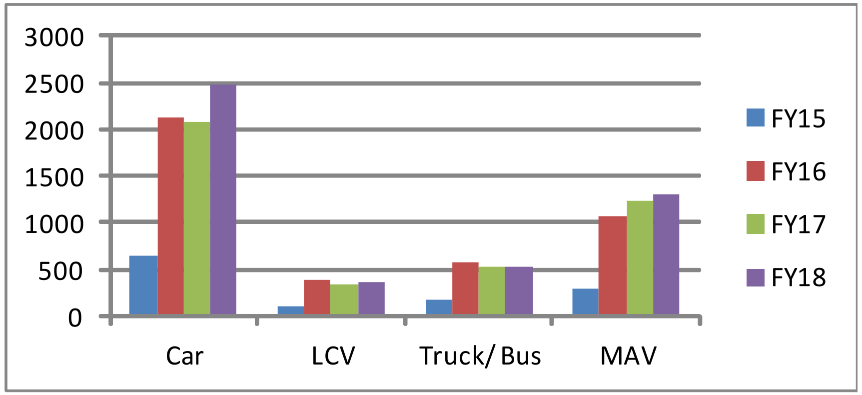
Traffic Movement (2/3)*

Figures in '000

Jaipur Deoli BOT Project					
Particulars	FY14	FY15	FY16	FY17	FY18
Car	572	1324	1623	1666	1962
LCV	224	436	532	533	564
Truck/ Bus	485	812	993	780	726
MAV	529	1311	1392	1310	1403
Total	**1811**	**3881**	**4540**	**4288**	**4655**



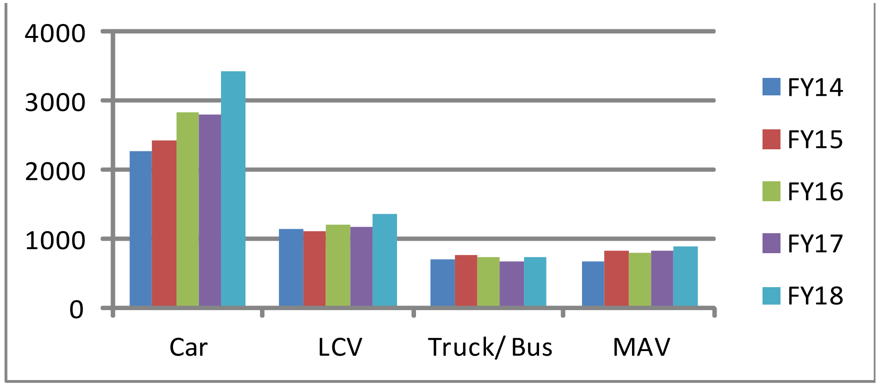
Pathankot Amritsar BOT Project				
Particulars	FY15	FY16	FY17	FY18
Car	641	2115	2084	2477
LCV	112	387	354	364
Truck/ Bus	184	578	540	542
MAV	297	1073	1245	1300
Total	**1234**	**4153**	**4223**	**4683**



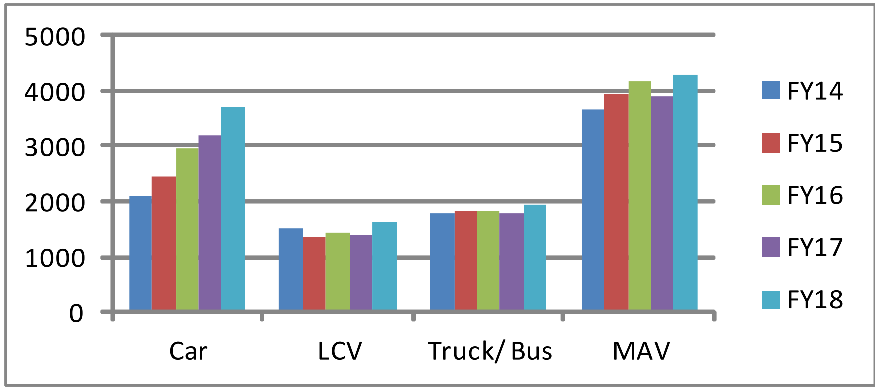
Traffic Movement (3/3)*

Figures in '000

Ommalur – Salem – Namakkal					
Particulars	FY14	FY15	FY16	FY17	FY18
Car	2280	2436	2834	2806	3436
LCV	1141	1130	1194	1191	1373
Truck/ Bus	721	779	730	672	726
MAV	679	835	799	828	897
Total	**4820**	**5180**	**5557**	**5497**	**6432**



Tumkur Chitradurga Project					
Particulars	FY14	FY15	FY16	FY17	FY18
Car	2097	2449	2976	3187	3683
LCV	1508	1338	1444	1382	1631
Truck/ Bus	1784	1828	1817	1769	1931
MAV	3647	3940	4188	3896	4299
Total	**9036**	**9555**	**10425**	**10233**	**11544**



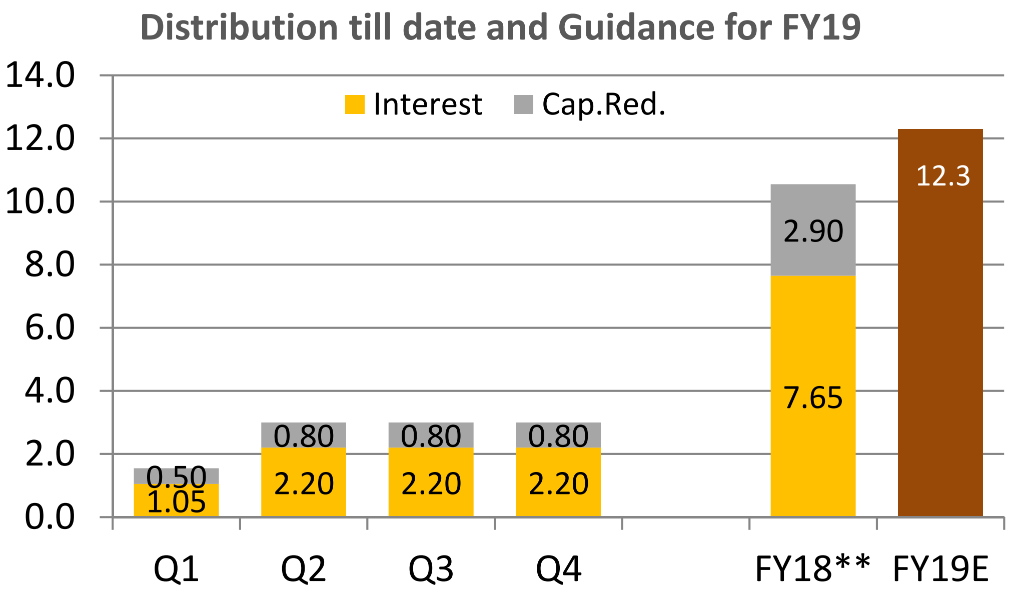
** Total Fee paying count*

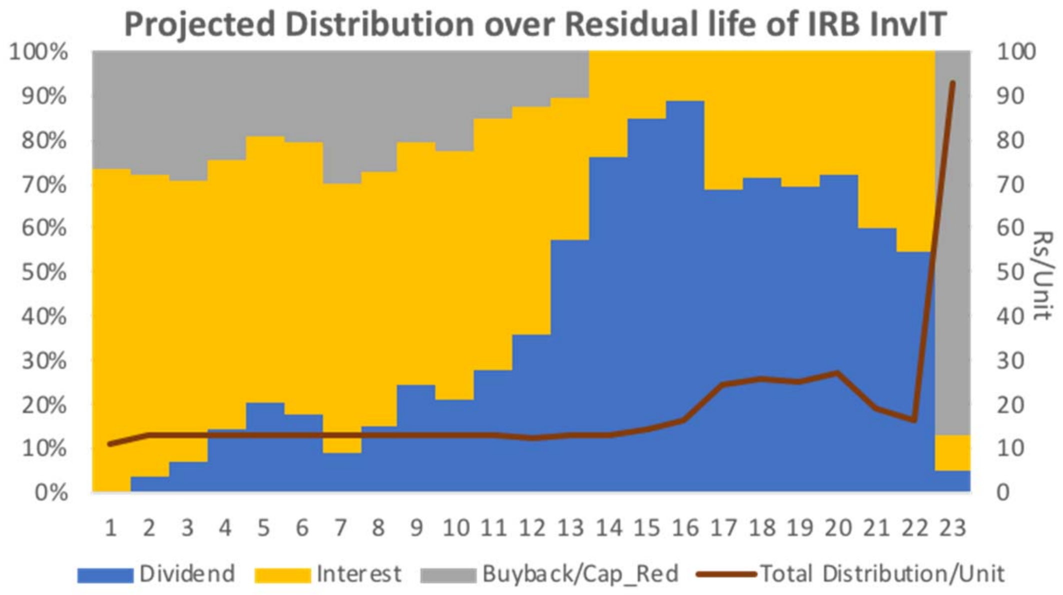
Standalone Financial Results & NDCF Working-FY18

Rs. In Million

Particulars	FY18	% Cont.
Gross Income	5,156.9	100%
Earnings before interest, tax and depreciation	5,043.5	98%
Finance Costs	641.3	12%
Profit Before Tax	4,402.2	85%
Total Tax Expenses	-	0%
Profit after Tax	**4,402.2**	**85%**
Cash Profit	4,402.2	85%
Cash Earning per Unit (in Rs. Per Unit)	7.6	
Net Distributable Cash Flows		
Cash flows received from Project SPVs in the form of Interest	5,112.3	
Cash flows received from Project SPVs in the form of Dividend	-	
Any other income accruing at the Trust level and not captured above, including but not limited to interest/return on surplus cash invested by the Trust	44.6	
Cash flows received from the project SPVs towards the repayment of the debt issued to the Project SPVs by the Trust	2,191.2	
Total cash inflow at the Trust level (A)	**7,348.1**	
Less:	-	
Any payment of fees, interest and expense incurred at the Trust level, including but not limited to the fees of the Investment Manager	(754.7)	
Repayment of external debt	(39.0)	
Total cash outflows / retention at the Trust level (B)	**(793.6)**	
Net Distributable Cash Flows (C) = (A+B)	**6,554.4**	

Distribution Composition and Build-up





- Total Payout of Rs. 10.55 / Unit for FY18 (for 318 days) including Rs. 3.00 / Unit for Q4FY18
  - Distribution of Rs 1,741.5 Mn for the quarter
- Implied distribution of 12.1% on issue price of Rs. 102
- Guidance / Projection
  - DPU guidance of Rs 12.3 for FY19E*
  - Total Projected Distribution* of over Rs. 438/unit over the life of IRB InvIT (terminal year being liquidation proceeds), comprising 38% as Dividend, 36% as Interest and balance 26% as Buyback/Capital reduction
- Underlying assumptions:
  - Current InvIT portfolio of 7 assets considered with present capital & financing structure
  - Traffic Growth of 5.5% p.a., WPI of 4.5% p.a.
  - Implied Revenue CAGR ~10%

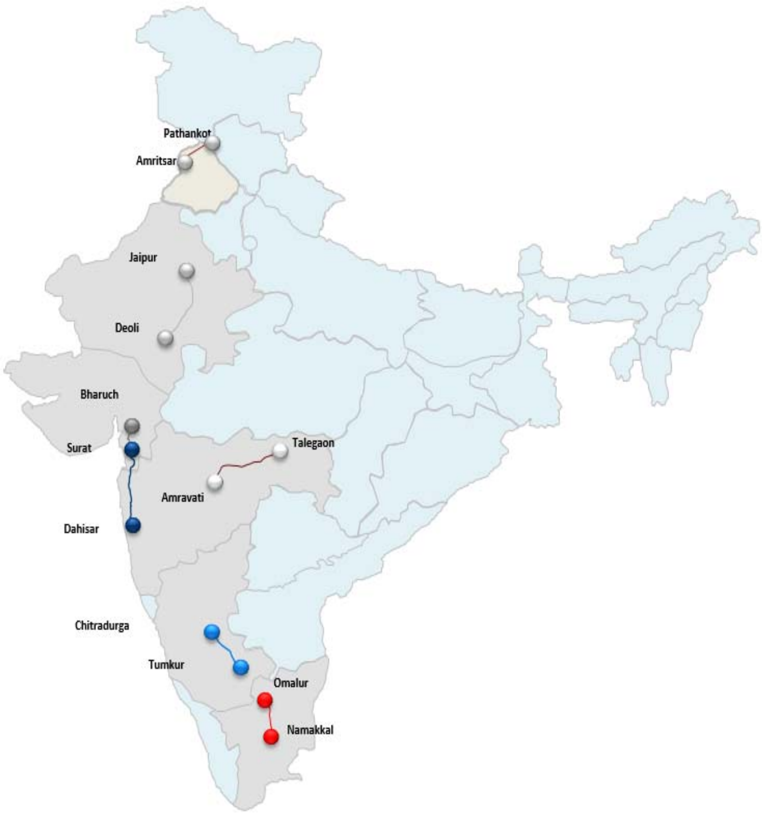
** Indicative, subject to actual performance*
*** For 318 days*

InvIT Assets Portfolio

IRB InvIT comprises of seven operational road projects having length of 4,055 lane Kms with Four of the road projects forming part of Golden quadrilateral and one being part of East-West corridor.

Presence across 6 states in India with average residual concession period of ~17 Years

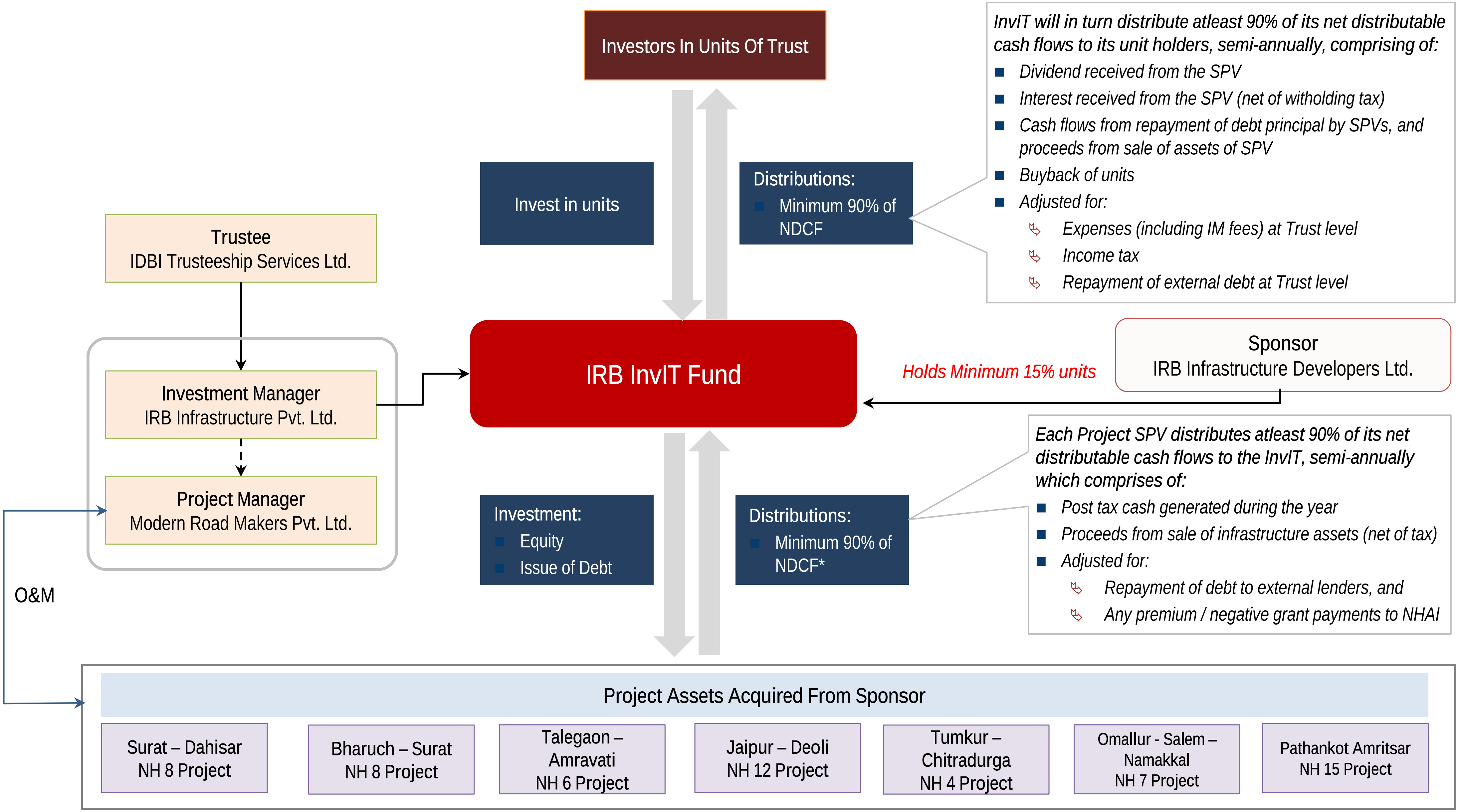
Project	Commencement of toll collection	End of concession period	Trust's Equity Stake	Outstanding debt to Trust (Rs. In Million)*	Loan Repayment till
Surat – Dahisar NH 8 (ISDTPL)	Feb-09	Jan-22	100%	6,276.7	FY21
Tumkur – Chitradurga NH 4 (ITCTPL)	Jun-11	Jun-37	100%	10,105.1	FY36
Bharuch – Surat NH 8 (IDAAIPL)	Sep-09	Jan-22	100%	4,349.6	FY22
Jaipur – Deoli NH 12 (IJDTPL)	Sep-13	Sep-37	100%	9,576.9	FY36
Omalur – Salem – Namakkal NH 7 (MITPL)	Aug-09	Aug-26	100%	2,209.3	FY26
Talegaon – Amravati NH 6 (ITATPL)	Apr-13	Jan-37	100%	4,605.9	FY33
Pathankot – Amritsar NH 15 (IPATRPL)	Nov-14	Jan -35	100%	10,899.1	FY31



* Outstanding long term debt to Trust as on March 31, 2018

Notes: *Map is for illustrative purposes only, is not to scale and is subject to change at any time*

Structure of IRB InvIT Fund



*Subject to applicable provisions of Companies Act, 2013

Unit Holding Pattern

Unit holding Pattern as on March 31, 2018	
Category	% Holding
Sponsor(s) / Investment Manager / Project Manager(s) and their associates/related parties	16.04%
Mutual Funds	10.82%
Financial Institutions/Banks	0.38%
Foreign Portfolio Investors	36.70%
Individuals (Non- institutional)	13.44%
Trust (Non Institutional)	0.90%
Alternative Investment Funds	1.61%
Non Resident Indian	0.27%
Body Corporates	19.21%
Clearing Members	0.24%
NBFC's registered with RBI	0.39%
Total	100%

Top 10 Investors *(Non-Sponsors)*	%
Government Of Singapore	7.17
PRUSIK UMBRELLA UCITS FUND PLC/PRUSIK ASIAN EQUITYINCOME FUND	4.61
Reliance Capital Trustee Co Ltd A/C-reliance Regular Savings Fund-balanced Option	3.91
Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Balanced 95 Fund	3.6
India Infoline Finance Limited	3.29
IIFL WEALTH FINANCE LIMITED	2.87
Monetary Authority Of Singapore	2.57
Deutsche Global Infrastructure Fund	2.48
NOMURA SINGAPORE LIMITED	2.4
Schroder Asian Asset Income Fund	2.17
Total	35.07

During the quarter, IRB Infrastructure Developers Limited, the Sponsor has acquired additional ~0.59% stake from the open market.

Thank You