

## MARG delivers yet another year of robust performance

*Standalone revenue crosses 1000 crores for the first time, FY11 revenue at Rs.1084 crores  
Listed by Dun & Bradstreet among “India’s Top 500 Companies 2010”  
Consolidated turnover jumps 2.5 times*

### Financial Highlights

#### Full year FY2010-11

- Standalone revenue of 1084 crores, EBITDA of 130 crores, PAT of 59 crores
- Revenue grew by 45%, EBITDA increased by 10% Y-o-Y
- Consolidated group turnover likely to cross 900 crores, a growth of 2.5 times over FY10

#### Q4 2010-11

- Standalone revenue of 361 crores, increase of 14% over Q3FY11
- EBITDA for Q4FY11 was 43 crores, increase of 23% over Q3FY11
- PAT grew by 15% - Q4FY11 at 18 crores compared to 16 crores in Q3FY11

### Business Highlights

- Karaikal Port handled 4.75 MMT of cargo in FY 2010-11, revenue for the full year was 170 crores with an impressive EBITDA margin of 47% and PAT margin of 14%
- EPC revenue at 1005 crores in FY2010-11, increase of 43% YoY – share of external EPC increased from 17% of total EPC revenue in FY2009-10 to 47% in FY2010-11
- Current EPC order book (unexecuted) at around 3350 crores
- MARG Swarnabhoomi ends the year with 198 crores in revenue, revenue increased by 32% YoY
- MARG ProperTies, the real estate arm of MARG has sold 0.89 million sq ft (879 units) in FY2010-11, sales value of 228 crores
- Construction progress on MARG Junction Mall, the soon to be launched largest mixed use development in Chennai is on schedule; deals for ~35% of the leasable space in the mall area have been finalized

#### Note

1. MARG Standalone financial numbers are ‘Reviewed’
2. Consolidated and other group level/subsidiary numbers are ‘Unaudited’ and ‘Provisional’
3. All financial numbers rounded to nearest whole number

## MARG Limited – Standalone Entity

### Financial Performance

<i>INR Crores</i>	<b>Q4 2010-11</b>	<b>Q3 2010-11</b>	<b>QoQ Change</b>	<b>FY2010-11</b>	<b>FY2009-10</b>	<b>YoY Change</b>
<b>Revenue</b>	361	317	14%	1084	745	45%
<b>EBITDA</b>	43	35	23%	130	119	10%

## Performance of Business Verticals

### EPC Business

- EPC revenues in Q42010-11 at 338 crores, growth of 13% Q-o-Q. The full year revenue stands at 1005 crores, increase of 43% Y-o-Y
  - 47% of EPC business revenue from external customers, 474 crores in FY11 (Q4FY11 – 217 crores)
- Current order book (unexecuted) of around Rs.3350 crores
- Strategic alliances with
  - PYCSA S.L., a Spain based company, for jointly developing urban & rural infrastructure projects
  - LAGAN Construction (Ireland based) for collaboration to strengthen the development on constructions of Roads, Airports, Marine structures, Water & Sewage Treatment Plants
  - AECOM for master planning the Bijapur Airport
  - BEFESA, Tecpro Systems Ltd, Jyoti Ltd, MR Vision Pipeline, Yashika Enterprises, Abhav Ocean WJ construction in areas including water systems, material handling, submarine/onshore/offshore pipelines etc.
  - International Infrastructure Consultants (IIC) for Management, strategy, structure and Processes with the intention of strengthen MARG’s EPC competence and position it strongly against the competitors.

## Marine Infrastructure

### Karaikal Port

- During FY 2010-11 port earned revenue of Rs.170 crores, EBITDA of Rs.79 crores and PAT of Rs.24 crores
- Earned a revenue of Rs. 42 crores and EBITDA of Rs. 18 crores in Q4 FY2011
- Handled a cumulative traffic of 4.75 MMT in the current FY 2010-11 as against 1.57 MMT in FY 2009-10
- The port has achieved a record peak discharge rate of 55,912 MT of coal in 24 hrs (through conventional handling) in March 2011 surpassing previous record of 55,576 MT in December 2010
- Handled 228 rakes in Q4 (highest number of rakes handled in a quarter till date); discharged 745 rakes in full year FY11
- IDFC has invested 150 crores including 40 crores in April 2011
- Awarded ISO 9001: 2008, ISO 14001: 2004 and OSHAS 18001: 2007 certifications
- Government Notification for handling urea received – handled 0.47 MMT of fertilizer cargo in FY11
- Credit rating of Karaikal Port Private Limited(KPPL) upgraded to “Triple B”
- Phase 2A expansion to 21 MMT is on schedule – one berth out of the three planned in Phase2A already commissioned

### Karaikal Port – Financial Performance

<i>INR Crores</i>	<b>FY2010-11</b>	<b>FY2009-10</b>	<b>YoY Change</b>
<b>Revenue</b>	170	50	240%
<b>EBITDA</b>	79	25	220%
<b>PAT</b>	24	-8	398%

## Urban and Industrial Infrastructure

### **MARG Swarnabhoomi**

#### *Engineering SEZ*

- LOI's signed with leading companies including Techpro Energy Systems, Kwik® Patch, Sumeet Research Holdings for setting up their robotics, appliances and R&D unit
- Grundfos and Vanspall have commenced their operations and have started shipping orders
- Virgo and Polyhose has started construction of factory premises and are expected to be operational by Q2 of FY 11-12

#### *Science Park*

- Construction of phase-I of Wet Laboratory building underway and the building would be ready for occupation by March,2012
- Existing clients like Symphony, Micro Labs and Laxai Avanti; apart from that Biophenolika Polymers has been signed up for setting up an R&D Center in Polymers
- Department of Biotechnology (DBT), Government of India has approved for the Biotechnology Incubation Center (BTIC) that is being set up under association with ICRISAT. The Incubation Center shall be functional in Q3 2011-12

#### *Knowledge Hub*

- The company signed MoU with Virginia Tech, USA for setting up a centre of higher education in the advanced engineering space
- Swarnabhoomi Academy of Music (SAM) and MARG Navjyothi Vidyalya (School) are functional
- Apart from this, various leads were generated from foreign universities and Higher Education Institutions (HEIs) in the field of science & technology, hospitality training institutes, humanities & fine arts

#### *Residential*

- A total of 607 (0.618 million sq ft) apartments were sold during FY11 taking the total sales since inception to 1.25 million sq ft; Mahautsav with 496 apartments was launched in Sept 2010

**MARG Swarnabhoomi – Financial Performance**

<i>INR Crores</i>	<b>FY2010-11</b>	<b>FY2009-10</b>	<b>YoY Change</b>
<b>Revenue</b>	198	150	32%
<b>EBITDA</b>	55	49	12%
<b>PAT</b>	54	45	22%

**Real Estate**

**MARG ProperTies – Residential Business**

- Brand presence in South India has been enhanced by the launch of **MARG Shoppe**, first of its kind in the real estate industry and new **Mascot (Mr. Joy)**, both have received tremendous response
- Sales of 0.89 million sq ft (879 units) in FY2010-11, sale value of 228 crores
- Total sales (ITD) till March 2011 is 1385 units (1.37 million sq ft) at sales value of 343 crores
- Projects like Pushpadruma, Lakshana and Viswasakti (Phase1) are all sold out and are scheduled for handover in the FY 2011 – 2012
- MARG ProperTies launched 2.97 million sq ft of new projects in various categories in FY11, further 1.47 million sq ft of projects are in pipeline to be launched in FY12
- CMDA is projecting demand for 0.4 million residential units in 2011 and 0.6 million units by 2016 in Chennai, the company is positioned well to cater to this demand

**MARG Junction, OMR – Commercial Business**

- Financial closure for the Retail space (Mall) has been achieved, the project is scheduled for operations by Q1 2012
- So far, deals for 35% of the leasable space have been finalized – healthy pipeline for remaining space
- Key clients include PVR, Shoppers Stop, HyperCity, Rayban, HP etc
- Agreement with Shangri-La Hotel for development of hotel

### MARG Consolidated Financial Performance (Unaudited provisional figures)

- Consolidated turnover likely to grow by 2.5 times, crossing 900 crores in FY11 as compared to 360 crores in FY10
- Operational EBITDA likely to double, crossing 150 crores in FY11 as compared to 83 crores in FY10
- PAT likely to be more than Rs.17 in FY11, an increase of about 50% as compared to FY10 levels

### Other key Highlights

#### Awards

- Listed by Dun & Bradstreet among “India’s Top 500 Companies 2010”
- India’s Most Admired Infrastructure Company 2011 at India Leadership Conclave 2011
- Excellence in Social Service at India Leadership Conclave 2011
- Innovative CEO of the year to Mr. GRK Reddy at the India Leadership Conclave 2011
- CII Tamil Nadu Emerging Entrepreneur award to Mr. GRK Reddy for vision and willingness to Dream Big
- Mr. GRK. Reddy has been awarded the ‘South East CEO Conclave Award 2010’ for Corporate Social Responsibility – 31st July 2010
- Awarded the prestigious Sir Visvesvaraya Industrial Award by All India Manufacturers organization (TNSB) – 16th Aug 2010
- MARG has been acknowledged as the ‘Second fastest growing construction company (Medium Category) Award’ at the 8th Construction World Annual Awards ‘2010 – 19th Oct 2010
- India Shining Star Award 2011 for outstanding work in CSR in the Infrastructure Sector by Wockhardt Foundation - 19th Feb 2011
- 3rd Construction Industry Development Council Vishwakarma Awards 2011 for achievement in CSR – 7th March 2011

#### Business Restructuring

- PwC, the Consultant firm has completed its evaluation and submitted its recommendations to the management; these suggestions are currently under review.