

April 15, 2013

## GMR INFRASTRUCTURE LTD.

BSE Code: 532754

NSE Code: GMRINFRA

Reuters Code:

GMRI.NS

Bloomberg Code: GMRI:IN

GMR Infrastructure, Ltd. (GMRINFRA), is India-based Company, which provides infrastructure services. The GMR Group is establishing a 2X300 MW coal-based power project at Warora in Chandrapur District, near Nagpur. The Company is a holding company with investments engaged in specific infrastructure projects. GMR Infrastructure operates in four segments: airports, energy, roads, sports and urban infrastructure. In November 2012, Lantana Properties Private Limited and GMR Hyderabad Airport Power Distribution Limited have become the subsidiaries of the Company. In February 2013, GMR Airports (Mauritius) Ltd became the subsidiary of the Company.

### Investor's Rationale

#### Revenue rose 7.8% YoY on robust revenue from Airport and Road segment

GMRINFRA registered a growth of 7.8% YoY in its top-line at ₹23.6bn in Q3FY'13 largely on account of higher Airport income (up 44% to ₹16.0bn) and Roads revenue (up 22% to ₹1.2bn). The revenue of airports improved with revised tariffs as well as contribution from Male Airport for the part of the quarter till Dec 6, 2012 post which the operations was taken over by Maldivian Airport Company. On the other hand growth in roads revenue was due to traffic & tariff increase as well as incremental revenue for part period of the quarter on account of commencement of tolling in 2 of the road project.

#### PAT in red as loss rose to ₹2.2bn dragged by higher interest, depreciation and lower other income

GMRINFRA recorded consolidated net loss (after minority interest) of ₹2.2bn, which was more than doubled from a loss of ₹1.1bn YoY and was mainly triggered by lower other income (31%), higher interest cost (23.9%), depreciation (6.2%) and tax (11.1%). Further, forex loss also dragged the bottom-line which was higher by 60% YoY to ₹0.3bn.

#### EBITDA margin expanded 412bps YoY on better operating leverage

The company's EBITDA grew 30.0% YoY to ₹5.5bn mainly due to decline in consumption of fuel, raw material and employees cost by 44.6%, 26.2% and 69.4% YoY respectively. Thus EBITDA margin expanded by 412bps YoY to 23.2% against 19.1%.

### Market Data

CMP (₹)	21.4
Target Price	25.0
Stop Loss	19.5
Duration	Short-term
52-week High-Low (₹)	31.8/16.8
Rise from 52WL (%)	27.8
Correction from 52WH (%)	32.6
Beta	1.3
1 year Average Volume (mn)	8.7
Stock Return (%)	3M- 4.2 6M- (11.6) 1Y- (31.3)
Market Cap (₹bn)	83.3
Book Value (₹)	18.6

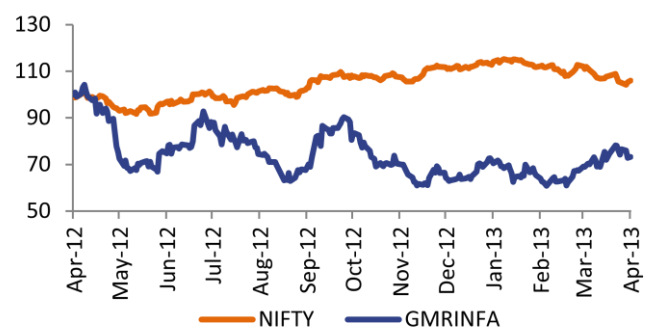
### Shareholding Pattern

	Mar'13	Dec'12	Chg
Promoters (%)	71.64	71.64	-
FII (%)	11.54	10.78	0.76
DII (%)	7.29	7.34	(0.05)
Public & Others (%)	9.53	10.24	(0.71)

### Quarterly Performance (Consolidated)

(₹bn)	Q3 FY'13	Q3 FY'12	Q2 FY'13	YoY Change(%)	QoQ Change(%)
Revenue	23.6	21.9	23.7	7.8	(0.7)
Op. exp	18.3	18.0	18.9	1.5	(3.2)
EBITDA	5.5	4.2	5.1	30.0	7.8
OPM (%)	23.2	19.1	21.3	412bps	187bps
Net profit	(2.2)	(1.1)	(1.8)	-	-
NPM (%)	-	-	-	-	-
EPS (₹)	(0.6)	(0.3)	(0.5)	100.0	21.7

### One Year Price Chart





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