



MODELS FOR ACCELERATED REGIONAL GROWTH

Q2 – 2010-11 updates

MARG Limited – Q2 Financial Highlights

MARG Standalone – *Steady growth in revenue*

- Revenues up 32% to Rs. 231.5 crores in Q2 from Rs.174.8 crores in Q1 2010-11
- EBITDA at Rs. 30 crores, up 40% (Q1 2010-11 – 21.4 crores)
- PAT grew in line with top line growth up 18% (Q2 Rs.13.4 as against Rs.11.4 crores in Q1)

Karaikal Port – *robust performance due to aggressive growth*

- Revenue of Rs 47.7 crores, 30% growth in top line in comparison to Q1
- 72% growth in EBITDA (Rs. 27.6 crores in Q2 vs. Rs. 16 crores in Q1)
- PAT at Rs. 10.2 crores, grows more than double from Rs. 4.4 crores of Q1 2010-11

MARG Swarnabhoomi - *stable performance*

- Revenue at Rs. 35.9 crores (Q1 2010 -11: 35.2 crores)
- Rs. 2.7 crores in EBITDA in Q2 as against Rs. 2.6 crores in Q1; EBITDA margins stable
- Stable PAT (Rs. 2.6 crores in Q2 2010-11 vs. Rs. 2.3 crores in Q1)

MARG Limited – Q2 Key Drivers

MARG Standalone

- External EPC – 30% of EPC revenue from external contracts
- Increased contribution from real estate business – 50% increase in Q on Q revenue from real estate
- EPC strengthening human capital in line with revenue expectations and growth (number of employees in standalone entity at 643 at Q2 end as against 509 in Q1 end)

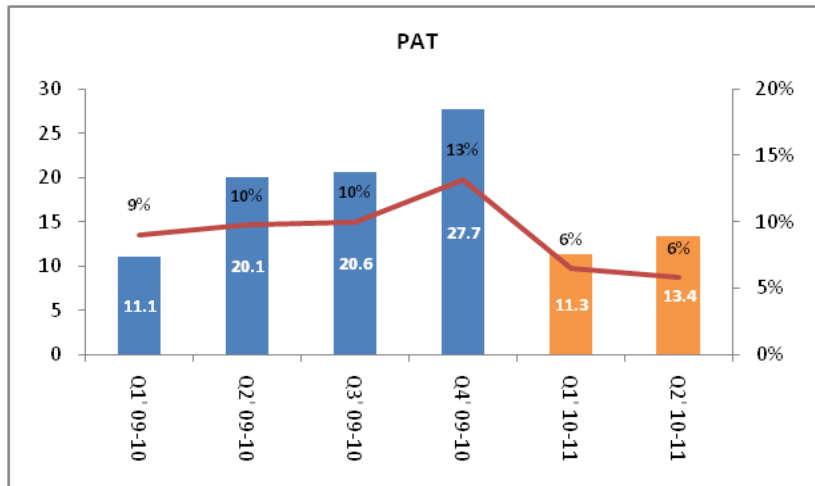
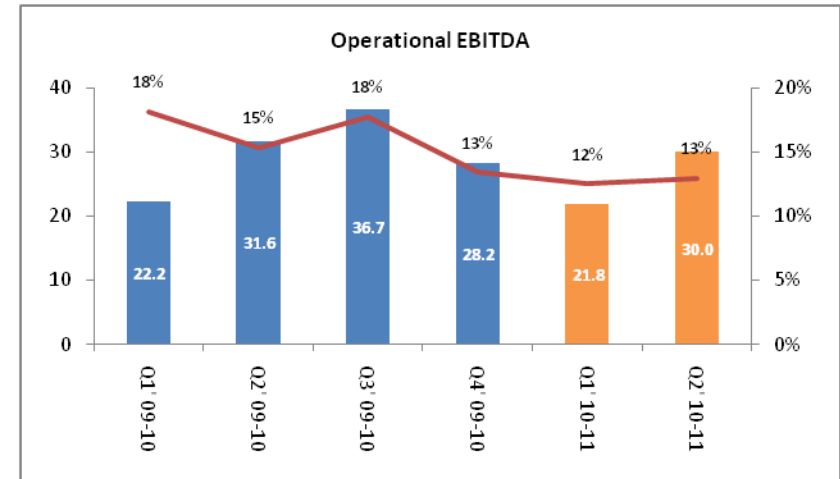
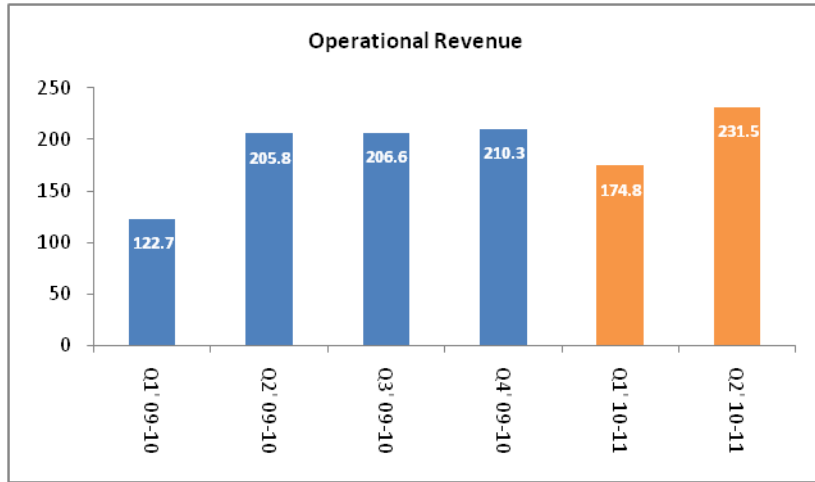
Karaikal Port

- Steady increase in cargo off take – 15% increase in Q on Q cargo handled [Q2 1.34 MMT; Q1 1.17 MMT]
- Improved productivity
- Diversified cargo base – increased tonnage of fertilizer cargo; approval for urea handling
- Improved average realization

MARG Swarnabhoomi

- Continuing demand in residential units (~200,000 sq ft sold in Q2)
- Enhanced brand visibility through extensive campaigns

MARG Limited – Financial Performance



Change in composition of revenue impacts margins – increased share of external EPC (>30%) revenue influencing overall margins

Key Business Updates

Marine Infrastructure

- The Port handled 1.34 MMT of various cargoes during Q2 of the current financial year
 - Growth rate of over 15% vis-à-vis Q1 traffic of 1.17 MMT
- Dispatched 220 rakes of coal (80%) and fertilizer cargo (20%) by rail in Q2 - a growth of over 90% vis-à-vis the last quarter
- Increase in the share of fertilizer cargo.
 - Port received approval from the government for handling Urea

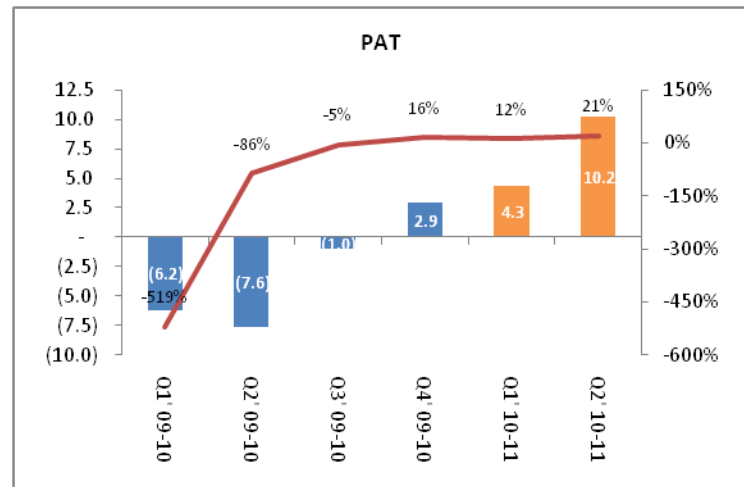
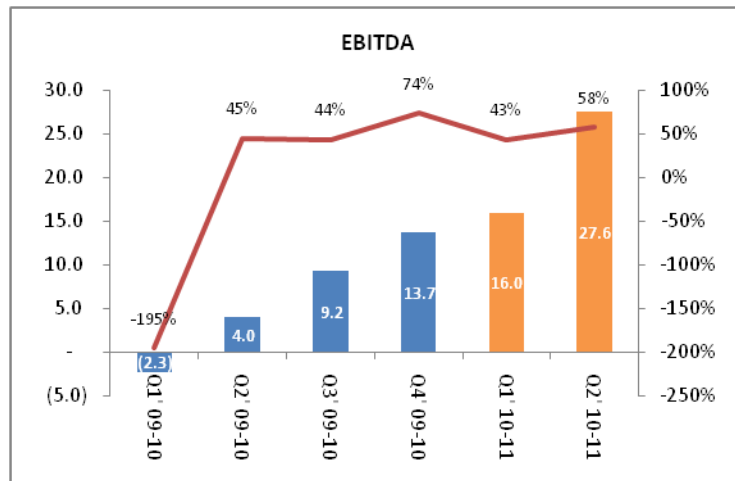
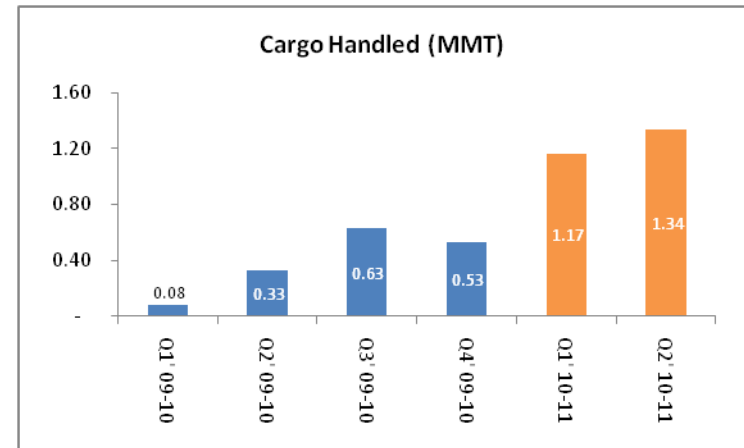
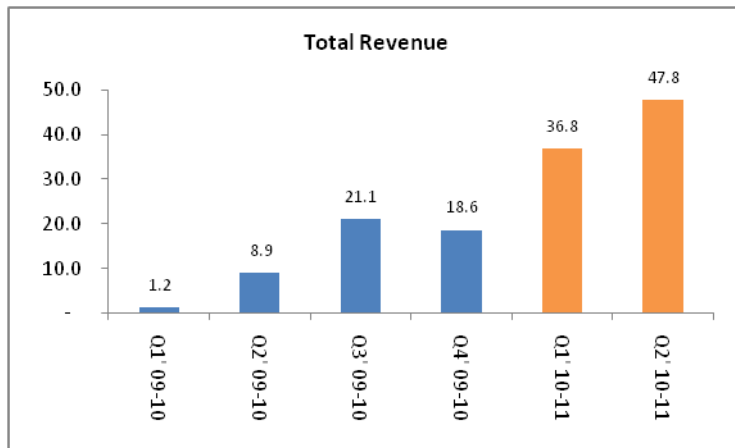


Marine Infrastructure

- Achieved a peak discharge rate of 37,999 MT / day surpassing the previous best of 35,303 MT / day in Q1
- The Phase 2A development is progressing as per schedule and the company successfully commissioned a new OSV / PSV Multi Cargo berth for handling smaller vessels up to 25,000 DWT
- Augmented infrastructure facility by adding a 3rd Mobile Harbor Crane
- The company has obtained the ISO 9001: 2008 certification and the statutory clearance for 12.5 meters draft valid till 2014
- Renewal of investable grade credit rating from CARE
- Work commenced for Phase 2A expansion – contractors for 2 new berths identified; mechanization order worth ~Rs. 280 crores placed
- Second tranche of CCP of Rs. 40 crores received from IDFC (Total Received till date – Rs. 110 crores)



Marine Infrastructure (Karaikal Port) – Financial Performance



Significant increase in average realization per ton causes improvement in profit margins

Urban and Industrial Infrastructure

Engineering Services

- Vanspall and Grundfos have commenced their operations in H1.
- Start of construction for Virgo and Polyhose set on land parcel of 10 & 11.5 Acres respectively.
- MOU with BPPL, a subsidiary of Vemspa, Italy, for manufacture of Engineering Products

Multi Services

- MOU Signed with Exemplarr Worldwide for 56,000 sq ft and DC approval obtained to start operations by them in Q3 of 2010.
- Pipeline for high potential client such as Color Amalgamation - 20,000 sq ft and Fairmacs – 5000 sq ft

Residential Sales

- More than 1000 residential units sold in MARG Swarnabhoomi till September 2010
- In Q2 2010-11 the company sold ~200 homes in Swarnahoomi

Vanspall Factory Shed



Grundfos Factory Shed



Urban and Industrial Infrastructure

- Swarnabhoomi Academy of Music campus was inaugurated in September 2010; Six months' long courses have commenced and a new short, instrument focused program has also been added

Science Park

- New Sign up with Strand Genomics concluded for 40,000 sq ft, and a healthy pipeline of prospects being developed.
- Phase 1 construction activity, comprising an area of 175,000 sq ft wet labs, was initiated in the august presence of Dr. Rajendra Pachouri, Director General of TERI, in September, 2010

Indian Green Building Council (IGBC) Pilot Project

- MARG Swarnabhoomi has been shortlisted by IGBC as a pilot project for “Platinum” rated city in India



MARG EPC

- Tied up with **International Infrastructure Consultants (IIC)** for Management, strategy, structure and Processes within EPC division in Oct, 2010.
 - The IIC is intended to strengthen MARG's EPC competence and position it strongly against the competitors.
- Signed **MOU with PYCSA INFRAESTRUCTURAS, SL of Spain** for taking up works in infrastructures works like Roads, Bridges, Highways, Flyovers and hydraulic resources & water quality
- Steady **order book Rs. 2822 crores (external orders of Rs. 636 crores)** at end of Q2 (Q1 – 2800 crores)
- Prequalified/listed with NBCC for executing orders to the tune of Rs.100 crores to Rs.200 crores
- Continued strengthening of human capital resulting in 26% increase in workforce vs. Q1 (number of employees in standalone entity at 643 at Q2 end as against 509 in Q1 end)

Real Estate

Residential – MARG ProperTies

- In Q2 2010-11, the company sold more than 400 homes across various categories – strong demand was witnessed across units in affordable categories in Chennai and Swarnabhoomi region
- The projects like Pushpadruma, Vishwashakthi, Tapovan, Lakshna, Savithanjali, Navaratna, Utsav are doing well in terms of sales and revenue

Commercial – MARG Junction

- Project funding to the tune of Rs. 217 crores is complete. The Mall is expected to go into fully operational by April/May 2012.

H1 2010-11 Highlights

H1 2010/11 – Key Highlights

MARG Standalone – *20% growth in H1'11 revenue over H1'10*

- Long term strategy of broad basing EPC portfolio to external contracts paying off
- Steady EPC order book (Rs. 2822 crores at end of Q2); delivering top line growth
- EPC strengthening human capital base in line with revenue expectations
- Continuing demand of residential units (sold 0.8 million sq ft in H1-11 as against 1.24 million sq ft of full year 2009-10)

Karaikal Port – *Augmenting shareholder value through rapid growth and sustained healthy margins*

- Rs. 84.5 crores in H1 revenue – 52% in EBITDA margins and 17% in PAT margins
- Consolidating its position as one of the efficient ports in the region
 - Attracts large sized vessels
 - Improved turn around time (2.4days) and has average coal discharge rates(28,322 MT/day) – best in region
 - Demonstrated capability in efficiently handling cargo through rail (handled more than 220 rakes)
- Progressing steadily towards capacity expansion
 - Phase 2A expansion on schedule – contractors for 2 new berths identified; mechanization order worth ~280 crores placed
 - New equipments acquired to enhance efficiency
 - Long term MoU's with power plants and other clients to ensure cargo and strengthen revenue base

H1 2010/11 – Key Highlights

MARG Swarnabhoomi – *steady growth in revenue; stability in margins*

- Continues to make rapid strides in the area of urban/industrial infrastructure
- Till date, signed up for more than 250,000 sq ft and ~70 acres for land sales
- Clients include top names from engineering and research
- MoU signed with Virginia Tech University, USA to establish a 30 acres campus.
- Consistent demand for residential units (~1 million sq ft sold)

MARG Junction– *on track to be completed on time, generating significant interest for space sales*

- Financial closure achieved
- Mall to go fully operational by April/May 2012
- MoU's with PVR Cinemas, Shoppers Stop and Hyper City
- MoU with Shangri La Hotel for hotel and serviced apartment operations



For further details, please contact

MARG Limited

392/393, Rajiv Gandhi Salai,
Kottivakkam, Chennai – 600 041

Tel: +91-44-24542311

Fax: +91-44-24542321

Disclaimer: The information in this presentation contains certain forward-looking statements. These include statements regarding outlook on future development schedules, business plans and expectations of capital expenditures. These statements are based on current expectations that involve a number of risks and uncertainties which could cause actual results to differ from those anticipated by the Company.