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Ashoka Buildcon subsidiary raises USD 150 mn from SBI Macquarie Joint Venture

Mumbai, 13th August 2012: Ashoka Buildcon Limited ("Ashoka") today announced that Macquarie SBI Infrastructure Fund (MSIF) and SBI Macquarie Infrastructure Trust (SMIT), both of which are private equity funds managed by the State Bank of India and Macquarie, will together invest USD 150 mn in Ashoka's 100% subsidiary Ashoka Concessions Limited ("ACL").

Ashoka is a leading highway concessionaire and EPC company, which is listed on the BSE & NSE. With its 16 years of experience as a highway developer, Ashoka has till date executed ~ -3,100 lane kms of highways and currently has an unexecuted order book of = ~ USD 1 bn. One of the pioneers in the road PPP space in India, Ashoka currently has a portfolio of 25 BOT road projects - 20 operational BOT projects and 5 BOT projects under construction/development. Ashoka witnessed the first private equity placement from a pedigreed investor, IDFC Private Equity in 2006. The Company got listed in 2010 with a market capitalization of Rs. 1,700 cr.

Ashok Katariya, Chairman of Ashoka, stated, "Ashoka derives its strength from its vast experience of development and operating highway projects and will continue to focus on its core competency of highway development."

ACL will currently domicile a portfolio of 7 large sized projects amounting to a project cost of.~ USD 1.6 bn. It is raising USD 150 mn from private equity funds managed by the above Joint Venture for funding the existing portfolio of ACL. While Ashoka shall continue to bring in its engineering, construction and project management capability, association with the SBI Macquarie Joint Venture will enhance its credentials.

Speaking on the occasion Satish Parakh, Managing Director of Ashoka, said, "We are pleased to have the SBI Macquarie Joint Venture as an investor in our road BOT business. We are confident that this will help us strengthen our position as a leading highway developer in India. There are opportunities to be tapped in the Indian roads space, and now we are well positioned to make the most of it. Our conscious and continuous strategy has been cautious aggression while bidding for projects and the same strategy is paying off in today's volatile environment. We continue to be on the path of creating shareholder value"

Suresh Goyal, Chief Executive Officer of SBI Macquarie Infrastructure Management (P) Ltd., commented, "We remain optimistic on the India infrastructure story of which roads sector is a critical component. The investment into ACL reflects the continued execution of the funds' investment strategy, which is to partner with the best in the industry. Ashoka, who are one of the pioneers of highway concession projects in India, have a proven track record of 15 years. This is a long term partnership and together we will look forward to taking this business to greater heights."

Ernst & Young acted as the exclusive financial advisor to Ashoka for this fund raising exercise. Sushy Shyamal, Partner at Ernst & Young, highlighted, "This investment vindicates our long standing position that quality assets developed by rational concessionaires will continue to witness interest from large credible PE investors. The current environment will only favour the long term players in the India highway space who have a clearly thought out strategy for survival and growth."