



IDFC

Think Infrastructure.
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Investor Presentation (FY 2008)

April 28 2008





Snapshot

Balance Sheet & Financials

Concentration and product analysis

Borrowings

Shareholding

Highlights

Consolidated highlights (FY 2008 vs FY 2007)

Consolidated Balance Sheet

- ◆ Consolidated balance sheet increased by 56% from Rs. 17,850 crore to Rs. 27,921 crore
- ◆ Outstanding Borrowings increased by 50% from Rs. 14,903 crore to Rs. 22,304 crore
- ◆ Networth : Rs. 5,593 crore

Consolidated Income Statement

- ◆ Operating income increased by 85% from Rs. 716 crore to Rs. 1,324 crore
- ◆ NII increased by 62% from Rs. 428 crore to Rs. 694 crore
- ◆ Non-interest income increased 2.3 times from Rs. 267 crore to Rs. 618 crore
- ◆ Operating expenses increased 3.1 times from Rs. 82 crore to Rs. 254 crore
- ◆ PBT increased by 62% from Rs. 616 crore to Rs. 1,000 crore
- ◆ PAT increased by 47% from Rs. 504 crore to Rs. 742 crore
- ◆ EPS (diluted) increased by 33% from Rs. 4.45 to Rs. 5.93

Shareholding

- ◆ IDFC stock price moved from 228.56 on December 31 to Rs. 151 on March 31
- ◆ Foreign holding (FII + FDI) as on March 31, 2008 : 47% (December 31, 2007 : 49%)

Consolidated highlights (FY 2008 vs FY 2007)

Project Finance

- ◆ Loan book increased by 47% from Rs. 13,943 crore to Rs. 20,494 crore
- ◆ NII infrastructure increased by 44% from Rs. 392 crore to Rs. 565 crore
- ◆ Exposure increased by 53% from Rs. 22,264 crore to Rs. 34,000 crore
- ◆ Gross Approvals increased by 54% from Rs. 13,203 crore to Rs. 20,309 crore
- ◆ Gross Disbursements increased by 63% from Rs. 7,357 crore to Rs. 12,006 crore

Treasury

- ◆ NII treasury increased 3.5 times from Rs. 37 crore to Rs. 129 crore
- ◆ Treasury assets increased 85% from Rs. 2,848 crore to Rs. 5,260 crore

Principal investments

- ◆ Equity book increased 2.3 times from Rs. 591 crore to Rs. 1350 crore (of these warehoused assets were Rs. 188 crore)
- ◆ Principal Investments Income increased by 63% from Rs. 133 crore to Rs. 216 crore

Asset Management

- ◆ Management fees increased by 2% from Rs. 54 crore to Rs. 56 crore
- ◆ AUM : USD 665 million

IDFC-SSKI

- ◆ IDFC-SSKI Income : Rs. 187 crore

Other fees

- ◆ Other fees increased by 99% from Rs. 80 crore to Rs. 159 crore



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Balance Sheet

(Rs. crore)

Particulars	FY 2007	FY 2008	Growth (FY 08 vs FY 07)
Sources of Funds			
Shareholders' Funds	2,948	5,593	90%
Capital	1,126	1,294	15%
Reserves & Surplus	1,822	4,299	136%
Subordinated Debt	650	650	0%
Loan Funds	14,253	21,654	52%
Minority Interest, Deferred Tax Liability	0	24	na
Total Sources of Funds	17,850	27,921	56%
Application of Funds			
Goodwill on Consolidation	97	294	204%
Fixed Assets	49	385	687%
Infrastructure Loans	13,943	20,494	47%
Gross Loans	14,175	20,742	46%
Less provisions	232	248	7%
Investments	3,586	7,005	95%
Treasury	2,848	5,260	85%
Equity	591	1,350	129%
Strategic, Sub, JVs	147	395	168%
Deferred Tax Asset	86	97	13%
Net Current Assets	90	-355	-494%
Total Applications of Funds	17,850	27,921	56%

Financials

(Rs. crore)

Particulars	FY 2007	FY 2008	Growth (FY 08 vs FY 07)	Q4 FY 07	Q4 FY 08	Growth (Q4 FY 08 vs Q4 FY 07)
NII	428	694	62%	99	187	89%
Infrastructure	392	565	44%	97	166	70%
Treasury	37	129	254%	2	21	1244%
Non-Interest Income	267	618	131%	59	131	122%
Principal Investment	133	216	63%	5	16	195%
Asset management	54	56	2%	14	16	15%
IDFC-SSKI	0	187	na	0	63	na
Other fees	80	159	99%	40	36	-10%
Other Income	20	12	-40%	5	7	56%
OPERATING INCOME	716	1,324	85%	162	325	100%
OPERATING EXPENSES	82	254	209%	30	86	189%
PRE-PROVISIONING PROFITS	634	1,070	69%	133	239	80%
Provisions	17	70	302%	17	40	139%
PBT	616	1,000	62%	116	199	71%
Less : Provision for Tax	124	248	100%	27	50	86%
Add : Profit in Associate Company	12	5	-61%	4	4	7%
Less : Minority Interest	0	15	na	0	3	na
PAT	504	742	47%	93	149	61%

RoA Tree (FY 2008 vis-à-vis FY 2007)

(% of Avg Total Assets)

Particulars	FY 2007	FY 2008	Q4 FY 07	Q4 FY 08
NII	2.8%	2.9%	2.2%	2.6%
Infrastructure	2.6%	2.4%	2.2%	2.3%
Treasury	0.2%	0.5%	0.0%	0.3%
DCM	0.0%	0.0%	0.0%	0.0%
Non-Interest Income	1.7%	2.6%	1.3%	1.8%
Principal Investment	0.9%	0.9%	0.1%	0.2%
Asset management	0.4%	0.2%	0.3%	0.2%
IDFC-SSKI	0.0%	0.8%	0.0%	0.9%
Other fees	0.5%	0.7%	0.9%	0.5%
Other Income	0.1%	0.1%	0.1%	0.1%
OPERATING INCOME	4.7%	5.6%	3.7%	4.6%
OPERATING EXPENSES	0.5%	1.1%	0.7%	1.2%
PRE-PROVISIONING PROFITS	4.1%	4.5%	3.0%	3.4%
Provisions	0.1%	0.3%	0.4%	0.6%
PBT	4.0%	4.2%	2.6%	2.8%
Less : Provision for Tax	0.8%	1.0%	0.6%	0.7%
Add : Profit in Associate Company	0.1%	0.0%	0.1%	0.1%
Less : Minority Interest	0.0%	0.1%	0.0%	0.0%
PAT	3.3%	3.1%	2.1%	2.1%

Key Indicators

Particulars	FY 2007	FY 2008
Overall Spreads	1.9%	2.2%
Cost to Income *	11.5%	19.2%
Effective Tax Rate	20.1%	24.8%
Gross NPAs	0.2%	0.2%
Loan Loss Reserve Ratio	1.4%	1.1%
RoE	17.7%	15.7%
EPS (Diluted) (Rs)	4.45	5.93
PAT per employee (Rs. Crore)	1.71	2.16
Leverage	6.1 x	5.0 x
Book Value (Rs.)	26.2	43.2

* Cost to Income : Operating Costs / Operating Income



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Concentration analysis (March 08 vis-à-vis March 07)

Exposure

Sector	March 31 2007		March 31 2008	
	Rs. Crore	%	Rs. Crore	%
Energy	8,497	38.2%	12,532	36.9%
Transportation	5,947	26.7%	7,915	23.3%
Telecommunication & IT	3,809	17.1%	5,356	15.8%
Industrial & Commercial	2,561	11.5%	3,811	11.2%
Tourism	1,227	5.5%	2,102	6.2%
Cement & Steel	0	0.0%	897	2.6%
Other Misc	224	1.0%	1,386	4.1%
Total	22,264		34,000	

Growth (YoY)

52.7%

Outstanding Disbursements

Sector	March 31 2007		March 31 2008	
	Rs. Crore	%	Rs. Crore	%
Energy	6,634	42.4%	8,020	34.3%
Transportation	4,272	27.3%	5,661	24.2%
Telecommunication & IT	1,899	12.1%	4,475	19.1%
Industrial & Commercial	1,517	9.7%	3,404	14.6%
Tourism	748	4.8%	987	4.2%
Cement & Steel	0	0.0%	209	0.9%
Others	566	3.6%	634	2.7%
Total	15,637		23,392	

Growth (YoY)

49.6%

Excludes investments in subsidiaries, JVs, Associates and Treasury assets

Product analysis (March 08 vis-à-vis March 07)

Exposure

Product	March 31 2007		March 31 2008	
	Rs. Crore	%	Rs. Crore	%
Loans / Debentures	19,930	89.5%	29,396	86.5%
Project Loans	12,242	55.0%	17,836	52.5%
Corporate Loans	6,762	30.4%	8,988	26.4%
Loan Against Shares	926	4.2%	2,571	7.6%
Mezzanine Products	784	3.5%	855	2.5%
Sub-debt	260	1.2%	265	0.8%
Preference Shares	525	2.4%	590	1.7%
Equity / Pref Shares	832	3.7%	2,271	6.7%
Financial Equity	224	1.0%	686	2.0%
Infrastructure Equity	396	1.8%	1,021	3.0%
Venture Capital Units	213	1.0%	563	1.7%
Non-Funded	718	3.2%	1,479	4.3%
Total	22,264		34,000	

Outstanding Disbursements

Product	March 31 2007		March 31 2008	
	Rs. Crore	%	Rs. Crore	%
Loans Products	14,118	90.3%	20,066	85.8%
Project Loans	8,096	51.8%	9,621	41.1%
Corporate Loans	5,289	33.8%	7,984	34.1%
Loan Against Shares	733	4.7%	2,462	10.5%
Mezzanine Products	58	0.4%	676	2.9%
Sub-debt	33	0.2%	86	0.4%
Preference Shares	25	0.2%	590	2.5%
Equity / Pref Shares	591	3.8%	1,350	5.8%
Financial Equity	224	1.0%	379	1.6%
Infrastructure Equity	271	1.2%	852	3.6%
Venture Capital Units	95	0.4%	118	0.5%
Non-Funded	871	5.6%	1,299	5.6%
Total	15,637		23,392	

Concentration analysis

❑ Top Exposures

- Top 20 company exposures constitute 33% of total exposure
 - March 31, 2007 : 41%
- Top 20 industrial group exposures constitute 56% of total exposure
 - March 31, 2007 : 56%

❑ Top Outstanding Disbursements

- Top 20 company outstanding disbursements constitute 37% of total exposure
 - March 31, 2007 : 46%
- Top 20 industrial group outstanding disbursements constitute 58% of total exposure
 - March 31, 2007 : 65%



Snapshot

Balance Sheet & Financials

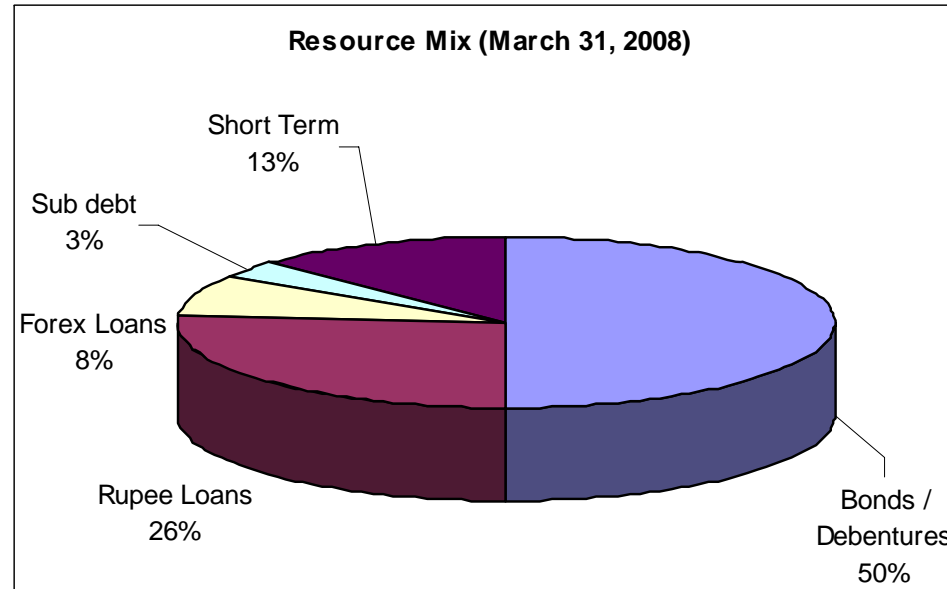
Concentration and product analysis

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Borrowing Analysis (March 31, 2008)



Product	March 31 2007		March 31 2008	
	Amount (Rs. Cr)	% of Total	Amount (Rs. Cr)	% of Total
Long Term	12,946	86.9%	19,449	87.2%
Bonds / Debentures	6,781	45.5%	11,122	49.9%
Rupee Loans	4,378	29.4%	5,870	26.3%
Forex Loans	1,136	7.6%	1,806	8.1%
Sub debt	650	4.4%	650	2.9%
Short Term	1,957	13.1%	2,855	12.8%
Total	14,903		22,304	

50%



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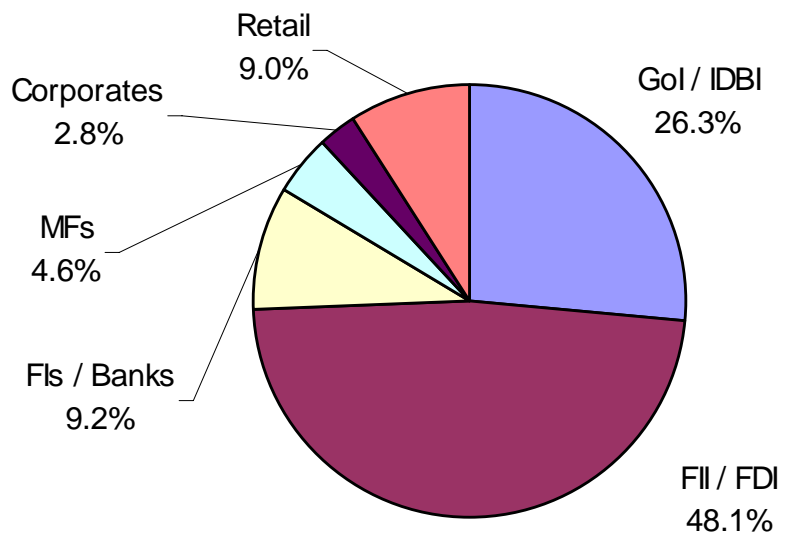
Borrowings

Shareholding

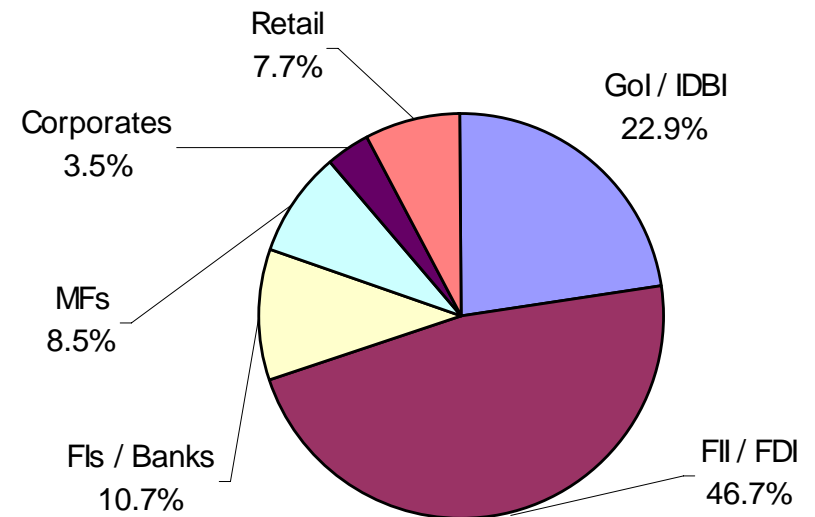
Highlights

Shareholding Pattern (March 31 2008 vis-à-vis March 31 2007)

Shareholding - March 31, 2007



Shareholding - March 31, 2008





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Project Finance (Q4 highlights)

❑ Approvals

- Wardha Power Company Private Limited (Energy) : Rs. 1000 crore
- GMR Kamalanga Energy Limited (Energy) : Rs. 700 crore
- Jindal Steel & Power Limited (Energy) : Rs. 300 crore
- JSW Steel Limited (Steel) : Rs. 300 crore
- Ashoka Highways Bhandara Limited (Transportation) : Rs. 285 crore
- Unitech Limited (C&I) : Rs. 200 crore
- Essar Steel Orissa Limited (Steel) : Rs. 200 crore
- Siva Ventures Limited (Telecom) : Rs. 200 crore
- Lodha Elevation Buildcon Private Limited (Tourism) : Rs. 180 crore

❑ Disbursements

- Unitech infrastructure Private Limited (group companies) (Telecom) : Rs. 882 crore
- BPL Mobile Communications Limited (Telecom) : Rs. 250 crore
- Siva Ventures Limited (Telecom) : Rs. 200 crore
- Swan Telecom Private Limited (Telecom) : Rs. 198 crore
- Walden Properties Private Limited (C&I) : Rs. 152 crore
- SHL Property Holdings Ltd. (SHPL) Chennai (Energy) : Rs. 150 crore
- Lodha Healthy Constructions and Developers Private Limited (C&I) : Rs. 145 crore