



Investor Presentation – 3M FY 2011

August 04, 2010

Snapshot

Balance Sheet & Financials

Concentration and product analysis

Borrowings

Shareholding

Highlights

Consolidated highlights (3M FY11 vs. 3M FY10)

Consolidated Balance Sheet

- ◆ Balance sheet increased by 25% from ₹ 30,880 crore to ₹ 38,612 crore
- ◆ Loan book increased by 39% from ₹ 20,854 crore to ₹ 28,901 crore
- ◆ Outstanding Borrowings increased by 28% from ₹ 24,430 crore to ₹ 31,284 crore
- ◆ Net NPAs – 0.15%
- ◆ Net worth – ₹ 7,321 crore

Consolidated Income Statement

- ◆ Operating income increased by 31% from ₹ 468 crore to ₹ 613 crore
- ◆ Net Interest Income increased by 38% from ₹ 244 crore to ₹ 337 crore
- ◆ Non-interest income increased by 22% from ₹ 217 crore to ₹ 266 crore
- ◆ Operating expenses increased by 21% from ₹ 103 crore to ₹ 124 crore
- ◆ PBT increased by 20% from ₹ 372 crore to ₹ 445 crore
- ◆ PAT increased by 23% from ₹ 272 crore to ₹ 335 crore
- ◆ EPS (diluted) increased by 22% from ₹ 2.10 to ₹ 2.56

Shareholding

- ◆ IDFC stock price moved from ₹ 160.9 as on March 31, 2010 to ₹ 179.2 as on June 30, 2010.
- ◆ Foreign holding (FII + FDI) as on as on June 30, 2010 – 45.5% (March 31, 2010 – 45.4%)

Consolidated highlights (3M FY11 vs. 3M FY10)

Project Finance	<ul style="list-style-type: none"> ◆ Loan book increased by 39% from ₹ 20,854 crore to ₹ 28,901 crore ◆ NII infrastructure increased by 39% from ₹ 219 crore to ₹ 304 crore ◆ Gross Approvals tripled from ₹ 4,361 crore to ₹ 13,046 crore ◆ Gross Disbursements quadrupled from ₹ 1,542 crore to ₹ 6,204 crore
Treasury	<ul style="list-style-type: none"> ◆ NII treasury increased by 34% from ₹ 25 crore to ₹ 33 crore
Principal Investments	<ul style="list-style-type: none"> ◆ Equity book increased by 14% from ₹ 1,528 crore to ₹ 1,741 crore (<i>excluding strategic investments</i>) ◆ Principal Investments Income increased by 77% from ₹ 68 crore to ₹ 120 crore
Asset Management	<ul style="list-style-type: none"> ◆ Income from Asset Management decreased by 10% from ₹ 72 crore to ₹ 65 crore ◆ AUM – ₹ 32,074 crore (USD 6.9 billion)
Investment Banking & Broking	<ul style="list-style-type: none"> ◆ Investment Banking & Broking Income decreased by 9% from ₹ 40 crore to ₹ 36 crore
Loan related & other fees	<ul style="list-style-type: none"> ◆ Loan related & other fees increased by 18% from ₹ 37 crore to ₹ 44 crore

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Balance Sheet

₹ Crore

Particulars	Q1 FY 10	Q1 FY 11	FY 2010	% Growth (Y-o-Y)
Sources of Funds				
Shareholders' Funds	6,450	7,321	7,010	14%
Capital	1,295	1,302	1,301	0%
Reserves & Surplus	5,155	6,020	5,709	17%
Loan Funds	24,430	31,284	26,544	28%
Minority Interest	1	7	7	
Total Sources of Funds	30,880	38,612	33,562	25%
Application of Funds				
Goodwill	1,160	1,160	1,160	0%
Fixed Assets	452	445	442	-2%
Infrastructure Loans	20,854	28,901	25,031	39%
Gross Loans	21,268	29,449	25,539	38%
Less provisions	415	548	508	32%
Investments	8,248	7,800	7,043	-5%
Treasury	6,720	6,059	5,043	-10%
Equity	1,528	1,741	2,000	14%
Deferred Tax Asset	139	199	177	43%
Net Current Assets	28	107	-290	
Total Applications of Funds	30,880	38,612	33,562	25%

Financials

₹ Crore

Particulars	Q1 FY 10	Q1 FY 11	FY 2010	% Growth (Y-o-Y)
Net Interest Income	244	337	1,117	38%
Infrastructure	219	304	1,021	39%
Treasury	25	33	96	34%
Non-Interest Income	217	266	950	22%
Principal Investment	68	120	261	77%
Infrastructure	68	119	206	77%
Financial	0	1	55	na
Asset management	72	65	362	-10%
Management Fees	72	65	290	-10%
<i>Mutual Fund</i>	29	28	132	-6%
<i>Alternatives</i>	43	38	157	-12%
Capital Gains & Carry	0	0	72	na
Investment Banking & Broking	40	36	183	-9%
Investment Banking	18	22	111	19%
Institutional Broking	21	14	72	-33%
Loan related & other fees	37	44	144	18%
Other Income	7	10	40	46%
OPERATING INCOME	468	613	2,107	31%
OPERATING EXPENSES	103	124	549	21%
PRE-PROVISIONING PROFITS	366	490	1,559	34%
Provisions	-6	45	130	na
PBT	372	445	1,429	20%
Less : Provision for Tax, Profit in associate co, Minority interest, etc	99	110	366	11%
PAT	272	335	1,062	23%

RoA Tree (rolling 12 months)

(% of daily avg total assets)

Particulars	FY 2008	FY 2009	Oct 08 - Sep 09	Jan 09 - Dec 09	FY 2010	Jul 09 - Jun 10
Net Interest Income	2.9%	3.1%	3.5%	3.5%	3.6%	3.7%
Infrastructure	2.3%	2.6%	3.0%	3.2%	3.3%	3.3%
Treasury	0.6%	0.5%	0.5%	0.3%	0.3%	0.3%
Non-Interest Income	2.6%	2.1%	2.3%	2.8%	3.0%	3.0%
Principal Investment	0.6%	0.6%	0.5%	0.9%	0.8%	0.9%
Infrastructure	0.6%	0.6%	0.5%	0.7%	0.7%	0.8%
Financial	0.0%	0.0%	0.0%	0.2%	0.2%	0.2%
Asset management	0.6%	0.7%	0.9%	1.0%	1.2%	1.1%
Management Fees	0.2%	0.7%	0.9%	1.0%	0.9%	0.9%
<i>Mutual Fund</i>	0.0%	0.2%	0.4%	0.4%	0.4%	0.4%
<i>Alternatives</i>	0.2%	0.5%	0.5%	0.5%	0.5%	0.5%
Capital Gains & Carry	0.3%	0.0%	0.0%	0.0%	0.2%	0.2%
Investment Banking & Broking	0.9%	0.4%	0.4%	0.5%	0.6%	0.5%
Investment Banking	0.5%	0.2%	0.2%	0.3%	0.4%	0.3%
Institutional Broking	0.4%	0.2%	0.3%	0.2%	0.2%	0.2%
Loan related & other fees	0.5%	0.4%	0.4%	0.4%	0.5%	0.5%
Other Income	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
OPERATING INCOME	5.6%	5.3%	5.9%	6.4%	6.7%	6.8%
OPERATING EXPENSES	1.1%	1.2%	1.4%	1.5%	1.8%	1.7%
PRE-PROVISIONING PROFITS	4.5%	4.0%	4.5%	4.9%	5.0%	5.1%
Provisions	0.3%	0.5%	0.5%	0.6%	0.4%	0.5%
PBT	4.2%	3.5%	4.0%	4.3%	4.6%	4.5%
Less : Provision for Tax, Profit in	1.1%	1.0%	1.1%	1.2%	1.2%	1.1%
PAT	3.1%	2.6%	2.9%	3.2%	3.4%	3.4%

■ Key Indicators (rolling 12 months)

Particulars	FY 2008	FY 2009	Oct 08 - Sep 09	Jan 09 - Dec 09	FY 2010	Jul 09 - Jun 10
Overall Spreads	2.1%	2.4%	2.7%	2.6%	2.7%	2.7%
Cost / Income	19.2%	23.6%	23.6%	23.4%	26.0%	25.3%
Effective tax rate	25.8%	27.6%	27.4%	26.6%	25.6%	25.1%
Loan Loss Reserve	1.1%	1.8%	1.8%	1.8%	1.8%	1.7%
Leverage	5.0 x	4.8 x	4.7 x	4.5 x	4.8 x	5.3 x
RoE	15.7%	12.5%	13.7%	14.6%	15.8%	16.2%

Cost / Income : Operating cost / Operating income

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Concentration analysis (June '10 vis-à-vis June '09)

Exposure					Outstanding Disbursements				
Sector	June 30, 2009		June 30, 2010		Sector	June 30, 2009		June 30, 2010	
	₹ Crore	%	₹ Crore	%		₹ Crore	%	₹ Crore	%
Energy	12,719	39%	22,234	44%	Energy	8,549	37%	12,684	39%
Transportation	7,054	21%	10,553	21%	Transportation	5,457	24%	5,734	18%
Telecom	5,035	15%	11,285	22%	Telecom	3,185	14%	8,222	26%
Others	8,008	24%	6,903	14%	Others	5,967	26%	5,529	17%
Total	32,816		50,976		Total	23,158		32,169	
Growth (Y-o-Y)			55%		Growth (Y-o-Y)			39%	

■ Concentration analysis (June '10 vis-à-vis June '09)

- ◆ Top Exposures
 - Top 20 Company exposures constitute 37% of total exposure
 - June 30, 2009 : 37%
 - Top 20 Industrial Group exposures constitute 64% of total exposure
 - June 30, 2009 : 54%

- ◆ Top Outstanding Disbursements
 - Top 20 Company outstanding disbursements constitute 41% of total outstanding disbursements
 - June 30, 2009 : 37%
 - Top 20 Industrial Group outstanding disbursements constitute 64% of total outstanding disbursements
 - June 30, 2009 : 59%

Product analysis (June '10 vis-à-vis June '09)

Exposure					Outstanding Disbursements				
Sector	June 30, 2009		June 30, 2010		Sector	June 30, 2009		June 30, 2010	
	₹ Crore	%	₹ Crore	%		₹ Crore	%	₹ Crore	%
Loans / Debentures	29,697	90%	46,489	91%	Loans / Debentures	21,053	91%	29,095	90%
Project Loans	16,445	50%	31,396	62%	Project Loans	11,141	48%	14,642	46%
Corporate Loans	11,354	35%	13,554	27%	Corporate Loans	8,381	36%	12,918	40%
Loan Against Shares	1,898	6%	1,540	3%	Loan Against Shares	1,531	7%	1,535	5%
Mezzanine Products	279	1%	423	1%	Mezzanine Products	212	1%	349	1%
Equity / Pref Shares	2,325	7%	2,969	6%	Equity / Pref Shares	1,539	7%	1,799	6%
Non-Funded	514	2%	1,095	2%	Non-Funded	354	2%	926	3%
Total	32,816		50,976		Total	23,158		32,169	

Snapshot

Balance Sheet & Financials

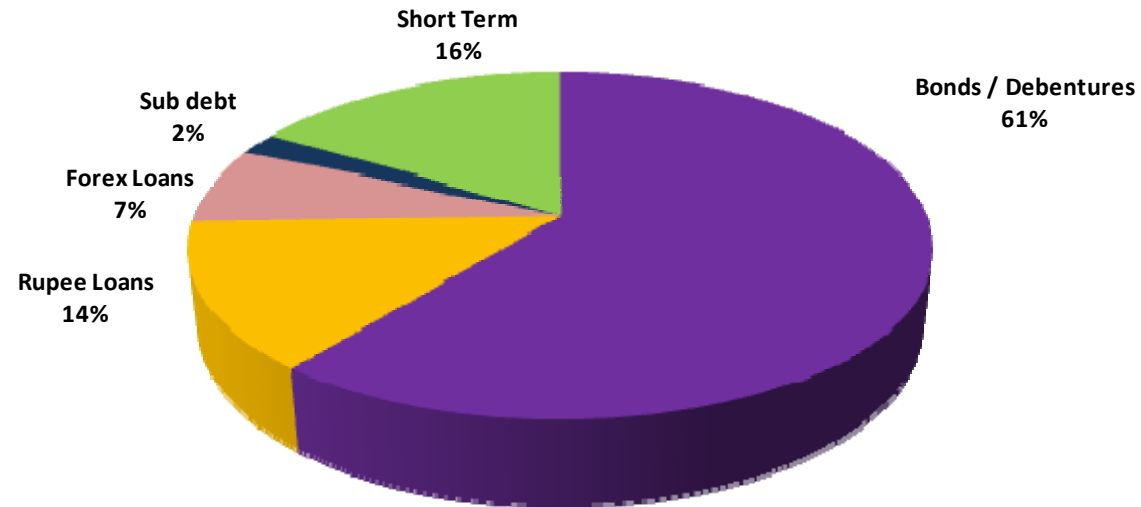
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Borrowing Analysis (June 30, 2010)



Resource Mix

Sector	June 30, 2009		June 30, 2010	
	₹ Crore	%	₹ Crore	%
Long Term	20,509	84%	26,086	83%
Bonds / Debentures	12,014	49%	19,019	61%
Rupee Loans	5,619	23%	4,279	14%
Forex Loans	2,227	9%	2,137	7%
Sub debt	650	3%	650	2%
Short Term	3,921	16%	5,198	17%
Total	24,430	1	31,284	1
Growth (Y-o-Y)			28%	

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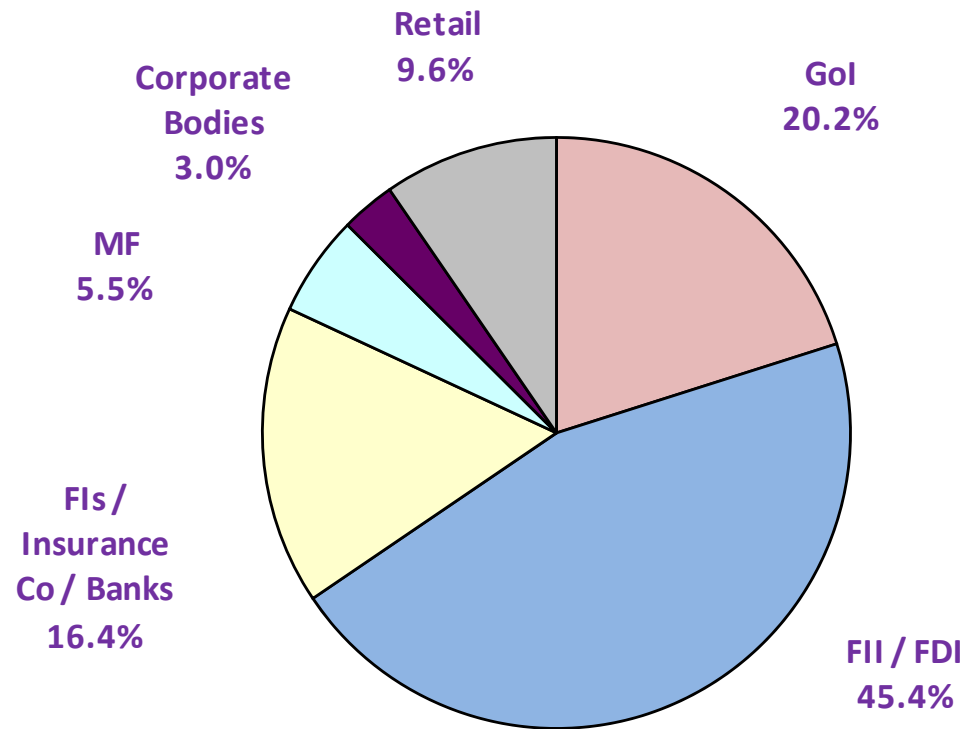
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Shareholding Pattern (June 30, 2010)



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Other Highlights

- ◆ Duration
 - Assets – 2.18 years (March 31, 2010 – 1.95 years)
 - Liabilities – 2.19 years (March 31, 2010 – 1.75 years)

- ◆ Assets under management :

Fund Name	AUM	
	₹ Crore	USD* (bn)
IDFC Private Equity	5,992	1.29
Fund I	844	0.2
Fund II	1,988	0.4
Fund III	3,160	0.7
IDFC Project Equity Fund	3,837	0.8
IDFC Mutual Fund	22,245	4.8
Investment Advisor	762	0.2
Equity	4,772	1.0
Debt	16,711	3.6
Total	32,074	6.9

*Exchange rate: 1 USD = ₹ 46.45 as on June 30, 2010.



Thank You

- **Project Finance**

- **Principal Investment**

- Treasury
- Equity

- **Asset Management**

- Alternative Asset Management
- Private Equity
- Project Equity
- Fund – of – Funds
- Mutual Fund

- **Investment Banking**

IDFC

2nd – 6th Floor, Naman Chambers,
C32, G-Block,
Bandra Kurla Complex,
Bandra (East),
Mumbai 400 051

Tel: + 91.22.4222.2000

Delhi

IDFC

The Capital Court,
2nd Floor,
Olof Palme Marg,
Munirka,
New Delhi – 110 067

Tel: + 91.11.4600.6100

Website: www.idfc.com