

PAT increased by 22% & Operating Income increased by 18%

October 31, 2013

Highlights of H1FY14

- Balance sheet size as on September 30, 2013 - ₹ 69,961 crore
- Gross Loan book as on September 30, 2013 - ₹ 55,957 crore
- Net Interest Income for H1FY14 - ₹ 1,371 crore : 9% Y-o-Y increase
 - Nil Loans for H1FY14 - ₹ 1,273 crore : 11% Y-o-Y increase
- Operating Income for H1FY14 - ₹ 1,911 crore : 18% Y-o-Y increase.
- PAT for H1FY14 - ₹ 1,044 crore : 22% Y-o-Y increase.
- Average spreads on a rolling 12 month period ending Sep-13 – 2.4% (FY13 - 2.5%)
- NIMs for rolling 12 month period ending Sep-13 – 4.1% (FY13 - 4.1%)
- Capital Adequacy at 23.9% as on September 30, 2013 (of which Tier I at 21.6%)
- Gross NPLs at 0.32% and Net NPLs at 0.20% of outstanding loans.
- Average Assets under management – ₹ 48,579 crore

At its 97th Board Meeting held on October 31, 2013, the Board of Directors of IDFC Limited approved financial results for the period April 1, 2013 to September 30, 2013.

BALANCE SHEET

- The balance sheet remained stable at ₹ 69,961 crore as on September 30, 2013.
- Gross Loan book increased by 3% from ₹ 54,137 crore as on September 30, 2012 to ₹ 55,957 crore as on September 30, 2013.
- Gross Approvals increased by 3% from ₹ 14,527 crore in H1FY13 to ₹ 14,976 crore in H1FY14.
- Gross Disbursements decreased by 46% from ₹ 10,487 crore in H1FY13 to ₹ 5,650 crore in H1FY14.
- Cumulative Outstanding Approvals was ₹ 79,358 crore as on September 30, 2013.

INCOME

- Operating Income increased by 18% from ₹ 1,622 crore in H1FY13 to ₹ 1,911 crore in H1FY14.
- Net Interest Income (NII) increased by 9% from ₹ 1,262 crore in H1FY13 to ₹ 1,371 crore in H1FY14.
 - NII from loans increased by 11% from ₹ 1,151 crore in H1FY13 to ₹ 1,273 crore in H1FY14.
 - NII from treasury operations decreased by 11% from ₹ 111 crore in H1FY13 to ₹ 99 crore in H1FY14.
 - Average spreads decreased from 2.5% in FY13 to 2.4% in rolling 12 months period ending Sep-13.
 - NIMs remain stable at 4.1% for rolling 12 month period ending Sep-13.
- Non-Interest Income increased by 52% from ₹ 348 crore in H1FY13 to ₹ 531 crore in H1FY14.
 - Income from principal gains were at ₹ 159 crore in H1FY14 (₹ 51 crore in H1FY13).
 - Asset management Income increased by 48% from ₹ 133 crore in H1FY13 to ₹ 197 crore in H1FY14.
 - Investment banking and Institutional broking income decreased by 31% from ₹ 31 crore in H1FY13 to ₹ 21 crore in H1FY14.
 - Income from Fixed Income Treasury were at ₹ 121 crore in H1FY14 (₹ 32 crore in H1FY13).
 - Loan related and other fees decreased by 68% from ₹ 103 crore in H1FY13 to ₹ 33 crore in H1FY14.



OPERATING EXPENSES

- Operating Expenses increased by 15% from ₹240 crore in H1FY13 to ₹277 crore in H1FY14.
 - HR Expenses were at ₹147 crore in H1FY14.
 - Non-HR Expenses were at ₹130 crore in H1FY14.

PROVISIONS

- Provisions decreased by 18% from ₹133 crore in H1FY13 to ₹109 crore in H1FY14.

PROFITS

- Profit Before Tax increased by 22% from ₹1,249 crore in H1FY13 to ₹1,525 crore in H1FY14.
- After accounting for minority interest, tax and share of profit in associate company, PAT increased by 22% from ₹855 crore in H1FY13 to ₹1,044 crore in H1FY14.
- Net of principal gains, PAT increased by 13% from ₹805 crore in H1FY13 to ₹907 crore in H1FY14.
- Half yearly EPS (diluted) increased from ₹5.64 per share in H1FY13 to ₹6.87 per share in H1FY14.

Enclosed Annex 'A' provides details on Balance Sheet, Profit & Loss and key ratios on a Y-o-Y basis.

For further details, please contact:

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Annex A
1. Balance Sheet

(₹ crore)

Particular	30-Sep-13	30-Sep-12	% Growth	31-Mar-13	% Growth
Networth	14,752	13,152	12%	13,683	8%
Borrowings	52,670	53,680	-2%	54,227	-3%
Current Liabilities	2,539	3,011	-16%	3,149	-19%
TOTAL LIABILITIES	69,961	69,843	0%	71,059	-2%
Net Loan Book	54,985	53,381	3%	55,736	-1%
<i>Gross Loan Book</i>	55,957	54,137	3%	56,595	-1%
<i>Less Provision</i>	972	756	29%	858	13%
Treasury ¹	7,388	8,889	-17%	9,219	-20%
Consol Equity ^{1,2}	3,171	3,023	5%	3,124	2%
Current Assets	4,417	4,549	-3%	2,980	48%
TOTAL ASSETS	69,961	69,843	0%	71,059	-2%

1 Net of provision

2 Goodwill on consolidation as of Sept 30, 2013 - ₹957 crore

2. Statement of Profit & Loss

(₹ crore)

Particular	H1FY14	H1FY13	% Growth	Q2FY14	Q2FY13	% Growth	Q1FY14	% Growth
Net Interest Income	1,371	1,262	9%	685	642	7%	686	0%
Loans	1,273	1,151	11%	642	596	8%	631	2%
Treasury	99	111	-11%	44	46	-5%	55	-21%
Non-Interest Income	531	348	52%	200	203	-1%	331	-40%
Principal Gains	159	51	214%	96	49	96%	63	52%
Asset Management	197	133	48%	104	69	51%	93	12%
<i>Mutual Fund</i>	131	75	75%	66	40	66%	65	1%
<i>Alternatives</i>	66	58	14%	38	29	32%	27	39%
Investment Banking & Broking	21	31	-31%	8	21	-62%	13	-38%
Fixed Income	121	32	279%	-18	19	na	139	na
Loan Book Related fees	33	103	-68%	10	44	-77%	23	-55%
Other Income	8	11	-26%	4	5	-16%	4	-12%
OPERATING INCOME	1,911	1,622	18%	889	849	5%	1,021	-13%
OPERATING EXPENSES	277	240	15%	138	124	11%	139	-1%
HR	147	134	10%	78	68	15%	69	14%
Non-HR	130	106	22%	59	55	7%	71	-16%
Provisions	109	133	-18%	50	30	67%	59	-15%
Loans	92	66	40%	21	30	-29%	71	-70%
Investments	17	67	na	29	0	na	-12	na
PBT	1,525	1,249	22%	701	696	1%	823	-15%
Tax, Minority int, etc	480	393	22%	214	220	-3%	266	-19%
PAT	1,044	855	22%	487	476	2%	557	-13%
PAT (net of principal gains)	907	805	13%	404	427	-5%	504	-20%

3. Ratios (rolling 12 months)

Particular	Oct12 - Sep13	Jul12 - Jun13	FY13	Jan12 - Dec12	Oct11 - Sep12
NII / Operating Income	71%	71%	74%	78%	76%
Non-int income / Op Income	29%	29%	26%	22%	24%
HR / Operating Income	8.3%	8.1%	8.6%	9.5%	9.6%
Cost / Income*	14.9%	14.7%	15.1%	16.5%	16.7%
RoE	14.5%	14.9%	14.0%	12.8%	12.5%
Leverage (<i>Closing</i>)	4.7 x	5.0 x	5.2 x	5.1 x	5.3 x
Loan Loss Provision Ratio#	2.0%	1.9%	1.8%	1.8%	1.7%
Gross NPL	0.3%	0.3%	0.2%	0.3%	0.3%
Net NPL	0.2%	0.2%	0.1%	0.1%	0.1%
Average Spreads	2.4%	2.4%	2.5%	2.5%	2.5%
NIMs	4.1%	4.1%	4.1%	4.2%	4.3%

* Adjusted for Fungibility Expenses Cost / Income ratio : Oct-Sep'13 : 14.6%, Jul-Jun'13 : 14.5%, FY13 : 15.0%

Total Provision / Total Loans