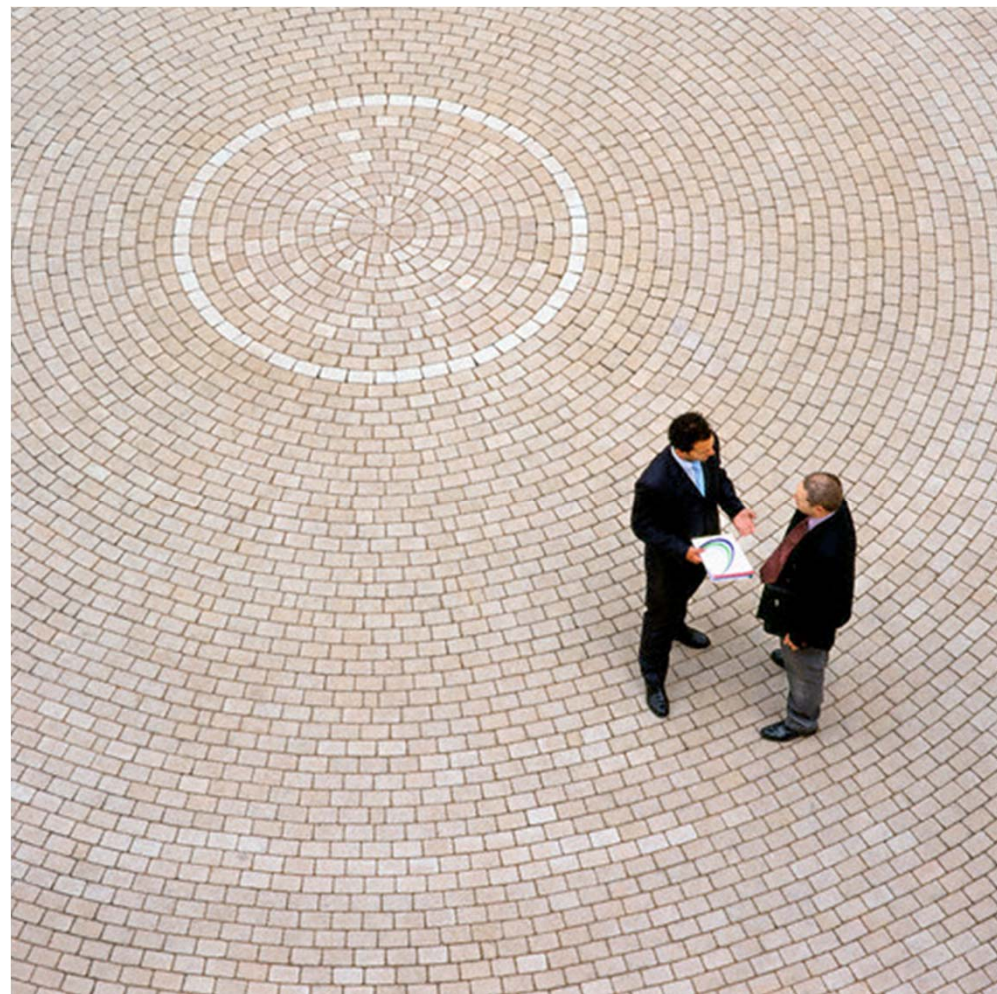




IDFC

IDFC : Investor Presentation (H1FY15)

October 30, 2014



1. Snapshot

2. Balance Sheet & Financials

3. Concentration and product analysis

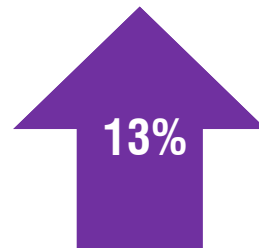
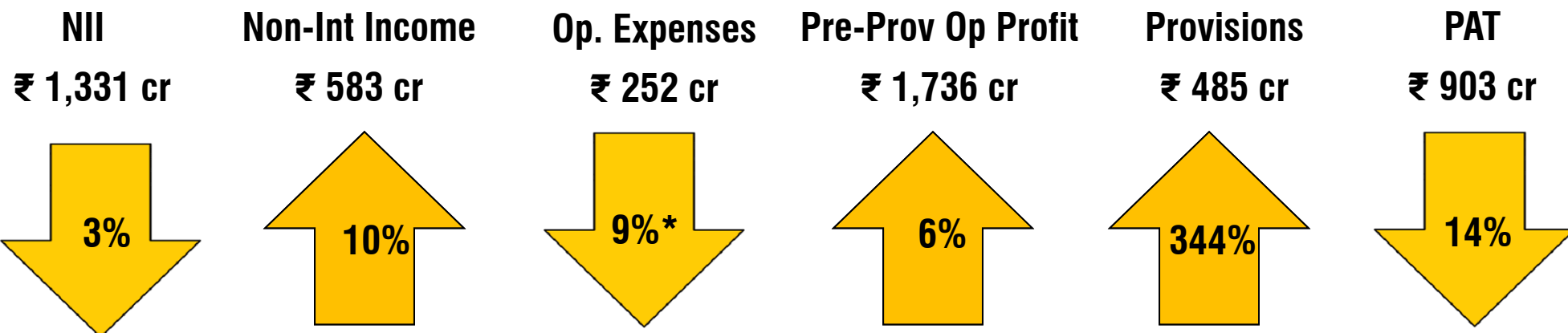
4. Borrowings

5. Shareholding

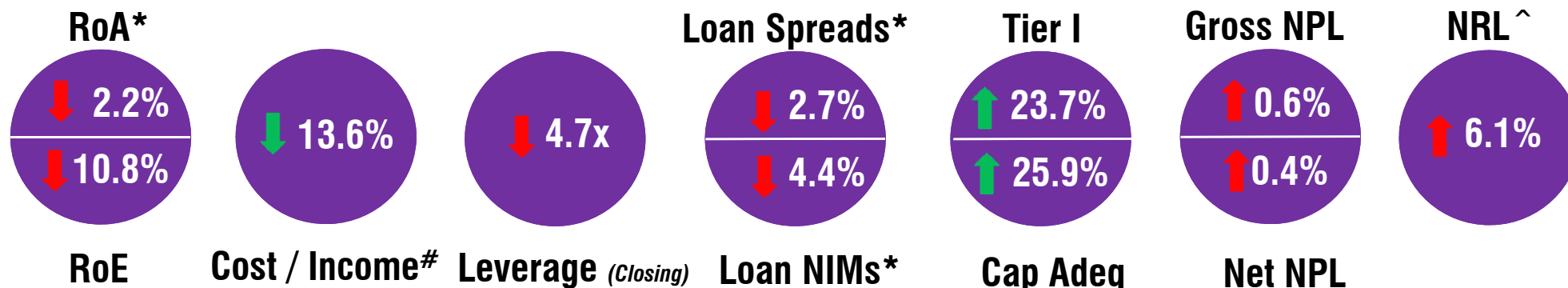
6. Highlights

Balance Sheet
₹ 79,259 cr

Loan Book
₹ 54,851 cr

Borrowings
₹ 59,564 cr

Networth
₹ 16,945 cr


* Adj for Dep Writeback Opex increased by 22% to ₹ 337 cr



*Rolling 12 months Oct'13-Sep'14 #Adjusted Cost / Income : 15.8%

^ Net Restructured Loans

Business Highlights

Project Finance

- Approvals : ₹ 10,213 crore (33% YoY decrease – H1FY14 : ₹ 15,251 crore)
- Disbursements : ₹ 6,854 crore (20% YoY increase – H1FY14 : ₹ 5,714 crore)
- Cumulative OS Approvals : ₹ 73,793 crore (7% YoY decrease)
- Loan Book : ₹ 54,851 crore (2% YoY decrease , 2% Q-o-Q increase)
- NII Loan Book : ₹ 1,173 crore (8% YoY decrease, 9% Q-o-Q decrease)
- Loan Related Fees : ₹ 35 crore (4% YoY increase)
- Loan Provisions : ₹ 516 crore (393% YoY increase)
- Total Provisions / Loans Ratio : 3.6%

Fixed Income & Treasury

- NII Treasury : ₹ 158 crore (59% YoY increase)
- Fixed Income : ₹ 26 crore (H1FY14 – ₹ 121 crore)
- Treasury Assets : ₹ 17,885 crore (Sep 13 : ₹ 7,518 crore)

- Overall Spreads Rolling 12M ending Sep'14 : 2.1% (FY14 : 2.3%)
- Capital Adequacy : 25.9% (of which Tier I : 23.7%) vs 24% as on Sep'13

Resources :

- Fitch reaffirmed IDFC's international rating at "BBB-" with stable outlook.

Business Highlights

Investment Banking & Broking

- Institutional Broking and Investment Banking income : ₹ 40 crore (90% YoY increase)

Alternatives

- Average AUM : ₹ 13,097 crore
 - Private Equity : ₹ 3,820 crore
 - Project Equity : ₹ 8,528 crore
 - Real Estate: ₹ 749 crore

Public Market AMC

- Average AUM H1FY15 : ₹ 46,020 crore (Debt : Equity – 78:22)
- 8th Rank AMC
- Market Share (Q2FY15) : 4.3%
- Asset management Fees from AMC : ₹ 140 crore (7% YoY increase)

Operating Expenses :

- HR expenses : ₹ 175 crore (19% YoY increase)
- Non HR expenses : ₹ 77 cr. Adjusted for depreciation write back for prior years Non-HR Expenses increased by 25% to ₹ 162 cr.
- Cost / Income for rolling 12 M ending Sep14 : 13.6%. Adjusted for depreciation write back for prior years Cost / Income ratio 15.8%

1. Snapshot

2. Balance Sheet & Financials

3. Concentration and product analysis

4. Borrowings

5. Shareholding

6. Highlights

Consol Financials : Balance Sheet

₹ crore

Particular	Sep-14	Sep-13	% Growth	Mar-14	% Growth
Shareholders' Funds	16,945	14,752	15%	15,040	13%
Borrowings	59,564	52,670	13%	56,565	5%
Current Liabilities	2,751	2,539	8%	3,557	-23%
TOTAL LIABILITIES	79,259	69,961	13%	75,163	5%
Net Loans	53,038	54,985	-4%	58,546	-9%
Gross Loans	54,851	55,957	-2%	59,829	-8%
Less Provisions	1,813	972	87%	1,284	41%
Treasury ¹	17,885	7,518	138%	9,181	95%
Equity ^{1, 2}	4,162	3,171	31%	3,222	29%
Other Assets	4,174	4,287	-3%	4,215	-1%
TOTAL ASSETS	79,259	69,961	13%	75,163	5%

¹ Net of provision

² Goodwill of Subsidiaries on account of consolidation as of Sep 30, 2014 - 957 crore

Consol Financials : Profit & Loss Account

₹ crore

Particular	H1FY15	H1FY14	% Growth (Y-o-Y)	Q2FY15	Q2FY14	% Growth (Q2-o- Q2)	Q1FY15	% Growth (Q2-o- Q1)
OPERATING INCOME	1,988	1,911	4%	1,101	889	24%	887	24%
NII	1,331	1,371	-3%	648	687	-6%	682	-5%
Loans	1,173	1,273	-8%	559	642	-13%	614	-9%
Treasury	158	99	59%	90	46	96%	68	31%
NON-INTEREST INCOME	583	531	10%	449	198	127%	134	234%
Principal Gains & Carry	277	170	63%	286	107	168%	-9	na
Asset Management Fees	205	186	11%	107	93	15%	98	9%
IB & Broking	40	21	90%	24	8	190%	17	40%
Fixed Income	26	121	-79%	5	-20	na	21	-76%
Loan Related Fees	35	33	4%	27	10	163%	8	254%
Other Income	74	8	na	4	4	-9%	71	-95%
OPERATING EXPENSES*	252	277	-9%	197	138	43%	55	256%
HR	175	147	19%	96	78	23%	78	23%
Non-HR	77	130	-41%	100	59	69%	-23	na
PRE-PROV OP PROFIT (PPOP)	1,736	1,634	6%	904	751	20%	832	9%
Provisions	485	109	344%	281	50	459%	204	38%
Loans	516	105	393%	268	19	na	248	8%
Investments, Others	-31	4	na	13	31	-57%	-44	na
PBT	1,251	1,525	-18%	623	701	-11%	628	-1%
Tax, Minority Int, Asso co PAT	348	480	-28%	201	214	-6%	146	38%
PAT	903	1,044	-14%	421	487	-14%	482	-13%

* Opex (adjusted for depreciation write back for prior years) increased by 22% to ₹ 337 cr

Consol Financials : RoA Tree

% of Avg Total Assets

Particular	Oct13 - Sep14	Jul13 - Jun14	FY14	Jan13 - Dec13	Oct12 - Sep13	Jul12 - Jun13	FY13
OPERATING INCOME	5.0%	4.9%	5.1%	5.2%	5.3%	5.3%	5.2%
NII	3.5%	3.7%	3.7%	3.7%	3.8%	3.8%	3.8%
Loans	3.1%	3.3%	3.4%	3.4%	3.5%	3.5%	3.5%
Treasury	0.4%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
NON-INTEREST INCOME	1.4%	1.1%	1.4%	1.5%	1.5%	1.5%	1.3%
Principal Gains & Carry	0.6%	0.3%	0.4%	0.5%	0.5%	0.4%	0.3%
Asset Management Fees	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.4%
IB & Broking	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Fixed Income	0.0%	0.0%	0.1%	0.2%	0.3%	0.4%	0.2%
Loan Related Fees	0.2%	0.1%	0.2%	0.1%	0.2%	0.2%	0.3%
Other Income	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
OPERATING EXPENSES	0.7%	0.6%	0.7%	0.8%	0.8%	0.8%	0.8%
PRE-PROV OP PROFIT (PPOP)	4.3%	4.2%	4.4%	4.5%	4.5%	4.6%	4.4%
Provisions	1.3%	1.0%	0.9%	0.4%	0.5%	0.4%	0.5%
PBT	3.0%	3.2%	3.5%	4.0%	4.0%	4.1%	3.9%
Tax, Minority Int, Asso co PAT	0.8%	0.8%	1.0%	1.2%	1.2%	1.2%	1.1%
PAT	2.2%	2.3%	2.5%	2.9%	2.9%	2.9%	2.8%

Consol Financials : Ratios

Particular	Oct13 - Sep14	Jul13 - Jun14	FY14	Jan13 - Dec13	Oct12 - Sep13	Jul12 - Jun13	FY13
RoA	2.2%	2.3%	2.5%	2.9%	2.9%	2.9%	2.8%
RoE	10.8%	11.5%	12.2%	14.4%	14.5%	14.9%	13.9%
EPS (₹)	10.4	11.4	11.9	13.7	13.4	13.3	12.1
Leverage (Closing)	4.7 x	4.9 x	5.0 x	4.6 x	4.7 x	5.0 x	5.2 x
Book Value (₹)	106.6	102.4	99.2	100.6	97.3	94.1	90.3
Cost / Income*	13.6%	13.2%	14.6%	14.8%	15.0%	14.7%	15.1%
HR / Operating Income	8.3%	8.3%	7.7%	7.9%	8.1%	7.9%	8.4%
Gross NPL (% of Loans)	0.6%	0.6%	0.6%	0.6%	0.3%	0.3%	0.2%
Net NPL (%)	0.4%	0.4%	0.4%	0.5%	0.2%	0.2%	0.1%
Total Loans Prov (% of Loans)	3.6%	3.1%	2.4%	2.0%	2.0%	1.9%	1.8%
Average Spreads	2.1%	2.3%	2.3%	2.3%	2.4%	2.4%	2.5%
<i>of which Loan spreads</i>	<i>2.7%</i>	<i>2.8%</i>	<i>2.8%</i>	<i>2.8%</i>	<i>2.9%</i>	<i>2.8%</i>	<i>2.9%</i>
NIMs	3.8%	4.0%	4.0%	4.0%	4.1%	4.1%	4.1%
<i>of which Loan NIMs</i>	<i>4.4%</i>	<i>4.5%</i>	<i>4.5%</i>	<i>4.5%</i>	<i>4.5%</i>	<i>4.5%</i>	<i>4.5%</i>

* Adjusted for depreciation write back for prior years Cost / Income for rolling 12M ending Sep 14 : 15.8%

1. Snapshot
2. Balance Sheet & Financials
3. Concentration and product analysis
4. Borrowings
5. Shareholding
6. Highlights

Concentration Analysis (Sector)

Cumulative OS Approvals

(Amounts in ₹ crore)

Particular	Sep-14	% of Total	Mar-14	% of Total	Sep-13	% of Total
Energy	28,013	38%	28,602	37%	27,136	34%
Transportation	16,198	22%	17,194	22%	19,478	25%
Telecom	18,418	25%	22,075	28%	20,550	26%
Others	11,165	15%	9,765	13%	12,194	15%
TOTAL	73,793	100%	77,636	100%	79,358	100%

- Top 20 Companies : 42% of total (Mar'14: 41%, Sep'13: 42%)
- Top 20 Industrial Groups : 68% of total (Mar'14: 65%, Sep'13: 62%)

Outstanding Disbursement

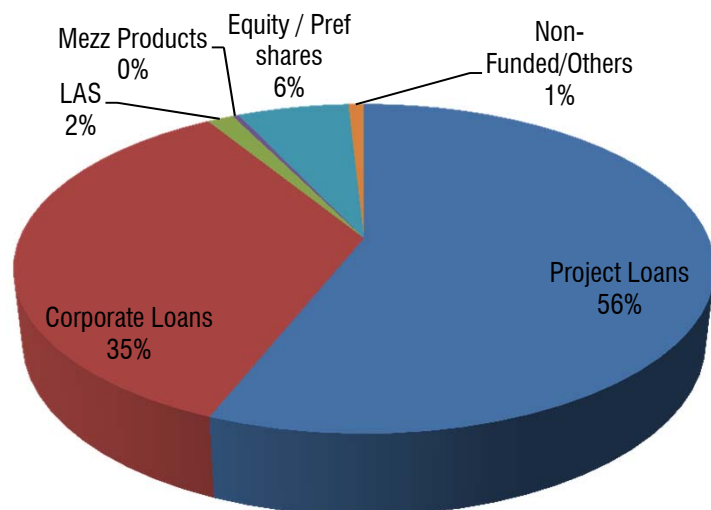
(Amounts in ₹ crore)

Particular	Sep-14	% of Total	Mar-14	% of Total	Sep-13	% of Total
Energy	24,865	43%	25,206	40%	24,420	41%
Transportation	13,953	24%	13,715	22%	15,501	26%
Telecom	11,383	19%	16,882	26%	12,013	20%
Others	8,302	14%	7,938	12%	8,207	14%
TOTAL	58,502	100%	63,741	100%	60,142	100%

- Top 20 Companies : 42% of total (Mar'14: 44%, Sep'13: 39%)
- Top 20 Industrial Groups : 68% of total (Mar'14: 65%, Sep'13: 61%)

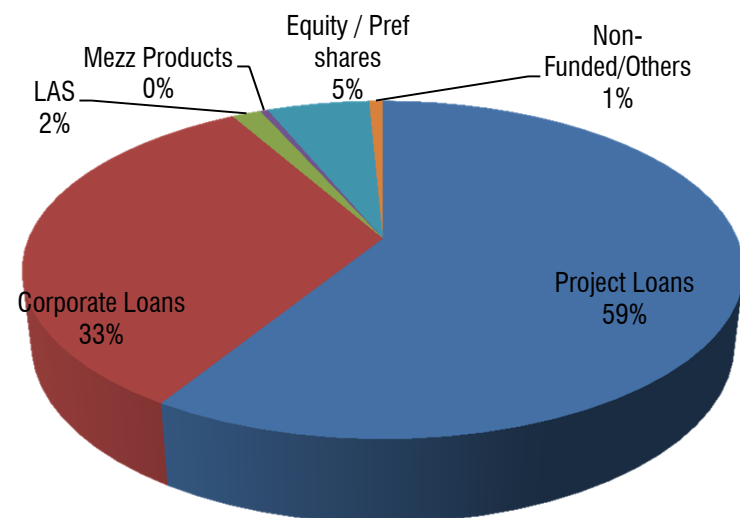
Concentration Analysis (Product)

Product wise Cum OS Approvals (September 30, 2014)



Product type	Amount in ₹ crore			% of total		
	Sep-14	Mar-14	Sep-13	Sep-14	Mar-14	Sep-13
Loans / Debentures	68,617	72,439	72,956	93.0%	93.3%	91.9%
<i>Project Loans</i>	41,362	38,093	41,009	56.1%	49.1%	51.7%
<i>Corporate Loans</i>	25,939	32,596	29,961	35.2%	42.0%	37.8%
<i>LAS</i>	1,070	1,505	1,730	1.4%	1.9%	2.2%
<i>Mezz Products</i>	246	246	257	0.3%	0.3%	0.3%
Equity / Pref shares	4,544	3,516	4,100	6.2%	4.5%	5.2%
Non-Funded/Others	632	1,680	2,302	0.9%	2.2%	2.9%
TOTAL	73,793	77,636	79,358	100.0%	100.0%	100.0%

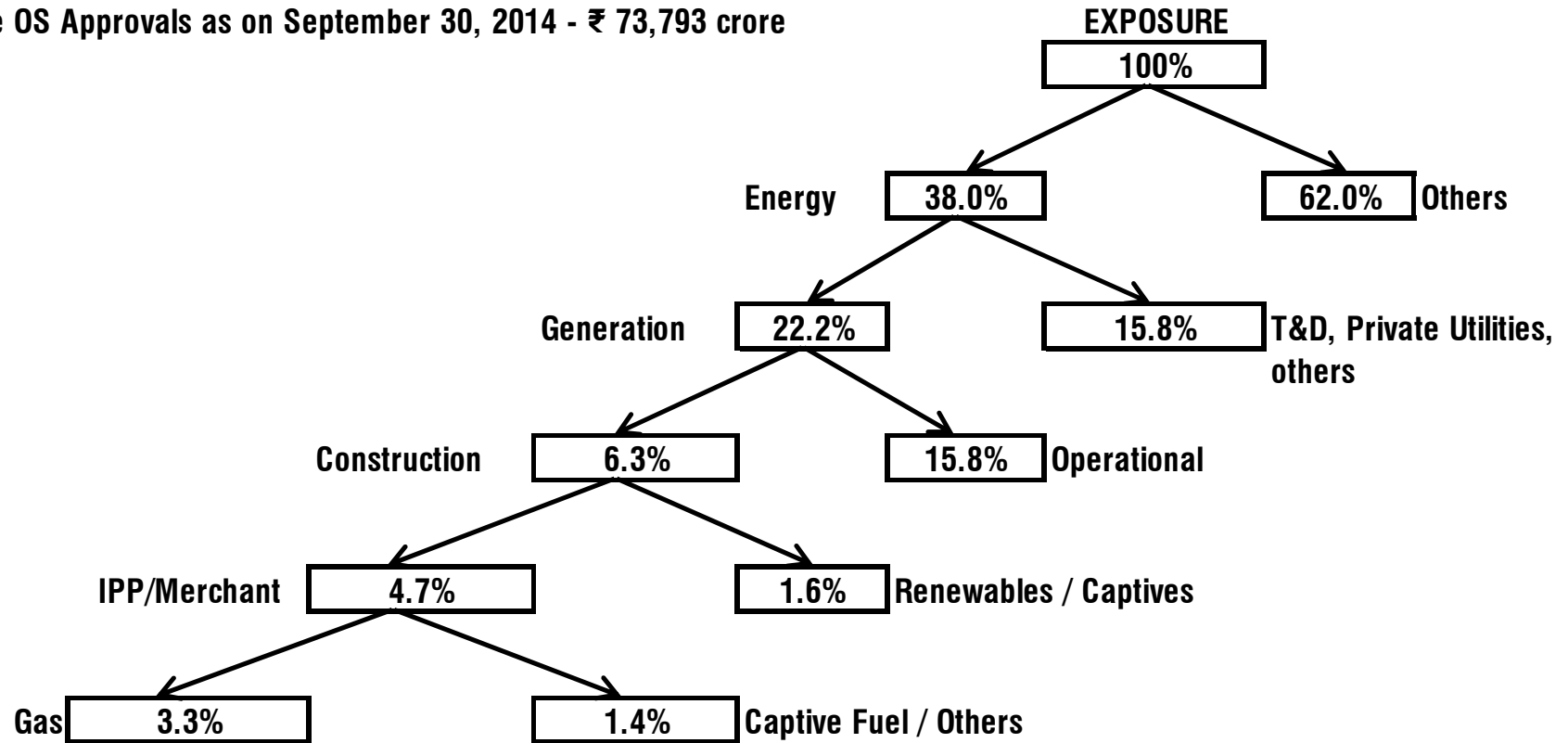
Product wise OS Disbursements (September 30, 2014)



Product type	Amount in ₹ crore			% of total		
	Sep-14	Mar-14	Sep-13	Sep-14	Mar-14	Sep-13
Loans / Debentures	54,851	59,829	55,957	93.8%	93.9%	93.0%
<i>Project Loans</i>	34,416	32,219	33,871	58.8%	50.5%	56.3%
<i>Corporate Loans</i>	19,283	26,009	20,206	33.0%	40.8%	33.6%
<i>LAS</i>	915	1,363	1,628	1.6%	2.1%	2.7%
<i>Mezz Products</i>	237	239	252	0.4%	0.4%	0.4%
Equity / Pref shares	3,216	2,513	2,268	5.5%	3.9%	3.8%
Non-Funded/Others	434	1,399	1,917	0.7%	2.2%	3.2%
TOTAL	58,502	63,741	60,142	100.0%	100.0%	100.0%

Energy Sector Cumulative OS Approvals

Cumulative OS Approvals as on September 30, 2014 - ₹ 73,793 crore



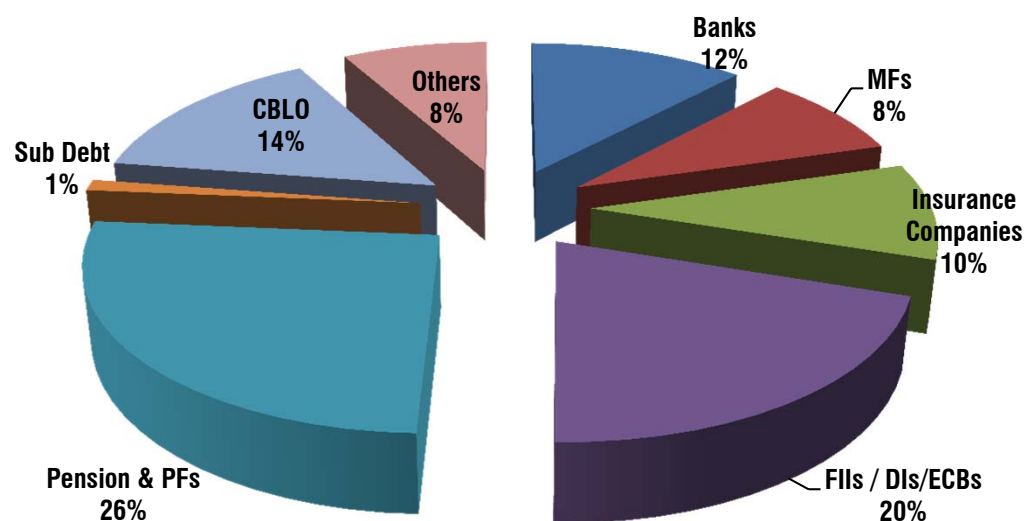
1. Snapshot
2. Balance Sheet & Financials
3. Concentration and product analysis
4. Borrowings
5. Shareholding
6. Highlights

Borrowings Analysis

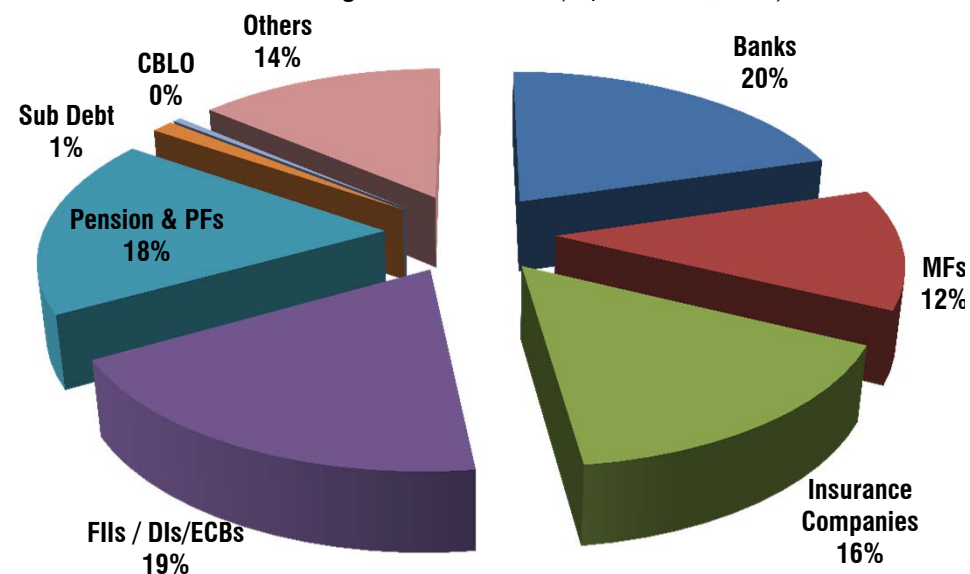
(Amounts in ₹ crore)

Particular	Amount			% of total			% Growth	
	30-Sep-14	31-Mar-14	30-Sep-13	30-Sep-14	31-Mar-14	30-Sep-13	Y-o-Y	YTD
LT Rupee Loans	4,862	6,336	6,014	8%	11%	11%	-19%	-23%
LT Bonds / Debentures	34,854	34,552	34,473	59%	61%	65%	1%	1%
Sub Debt	650	650	650	1%	1%	1%	0%	0%
Foreign Currency Loans	8,806	7,201	6,687	15%	13%	13%	32%	22%
Short Term	10,392	7,826	4,847	17%	14%	9%	114%	33%
TOTAL	59,564	56,565	52,670	100%	100%	100%	13%	5%

Borrowings - Lender wise (September 30, 2014)



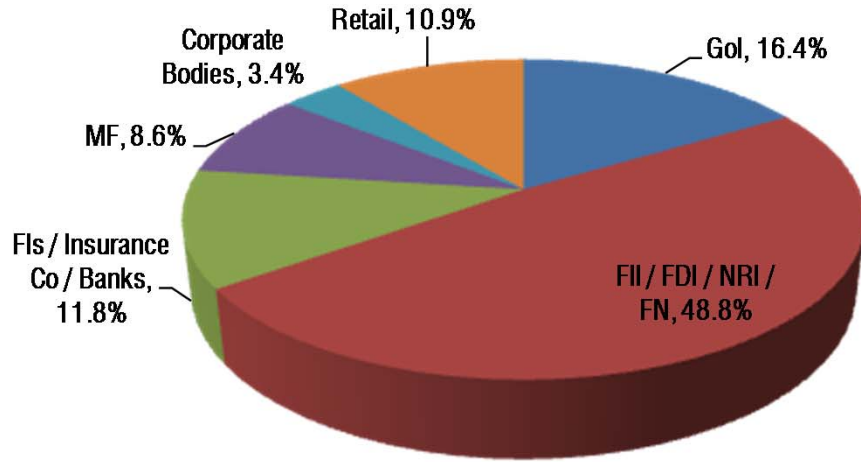
Borrowings - Lender wise (September 30, 2013)



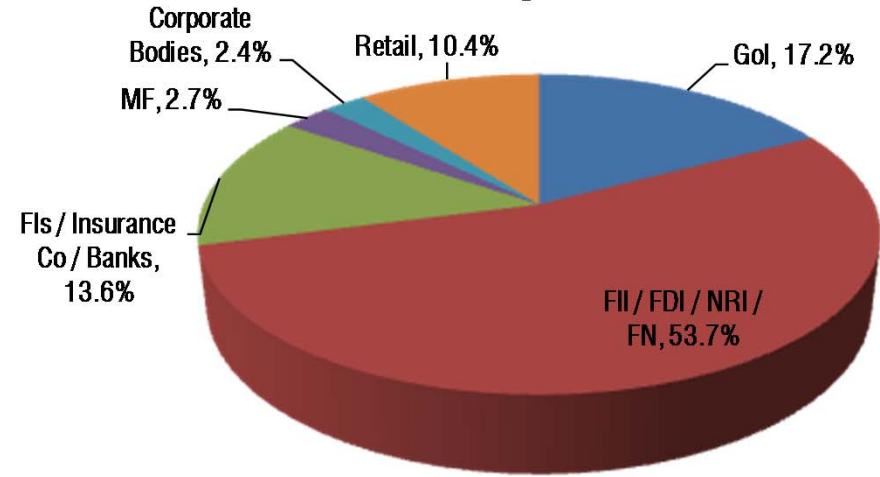
1. Snapshot
2. Balance Sheet & Financials
3. Concentration and product analysis
4. Borrowings
5. Shareholding
6. Highlights

Shareholding

Shareholding : 30-Sep-14



Shareholding : 31-Mar-14



% of Top 10 shareholders

Sr No	Name	Category	30-Sep-14	31-Mar-14
1	Government Of India	Gol	16.4%	17.2%
2	Sipadan Investments (Mauritius)	FII	9.5%	10.0%
3	Life Insurance Corporation Of India	IFI	5.0%	6.8%
4	The Royal Bank Of Scotland	FII	3.8%	6.8%
5	Platinum Investment Management	FII	2.9%	2.4%
6	Prudential ICICI Trust Ltd.	MF	2.9%	0.1%
7	Actis Hawk Limited	FII	2.3%	2.4%
8	Orbis Sicav - Asia Ex-Japan Equity Fund	FII	2.0%	2.1%
9	Reliance Capital	MF	1.5%	0.5%
10	HSBC Global Investment Funds	FII	1.4%	1.7%

- 1. Snapshot**
- 2. Balance Sheet & Financials**
- 3. Concentration and product analysis**
- 4. Borrowings**
- 5. Shareholding**
- 6. Highlights**

Other Highlights

▪ Adjusted Duration :

- Assets : 1.6 years (June 30, 2014 : 1.5 years)
- Liabilities : 1.5 years (June 30, 2014 : 1.6 years)

▪ Assets Under Management :

Fund Name	AUM (September 30, 2014)	
	₹ Crore	USD* (bn)
IDFC Private Equity*	3,820	0.8
<i>Fund II</i>	<i>1,376</i>	<i>0.3</i>
<i>Fund III</i>	<i>2,445</i>	<i>0.5</i>
IDFC Project Equity Fund*	8,528	1.7
<i>India Infrastructure Fund</i>	<i>3,676</i>	<i>0.9</i>
<i>India Infrastructure Fund II</i>	<i>4,852</i>	<i>0.8</i>
IDFC Real Estate Yield Fund	749	0.1
IDFC Mutual Fund (AAUM)	46,020	7.5
<i>Equity</i>	<i>11,372</i>	<i>1.8</i>
<i>Debt</i>	<i>34,647</i>	<i>5.6</i>
Total	59,117	10.1

**Exchange rate: Pvt & Proj Eq - rate prevailing at the time of Fund Close; Others 1 USD = ₹ 61.61 as on Sep 30, 2014