



IDFC

IDFC : Investor Presentation (Q1FY16)

July 30, 2015



1. Snapshot

2. Balance Sheet & Financials

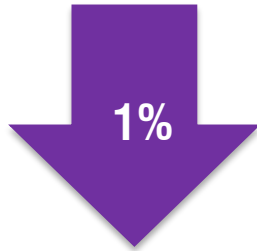
3. Concentration and product analysis

4. Borrowings

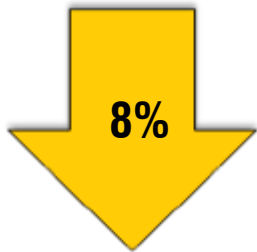
5. Shareholding

6. Highlights

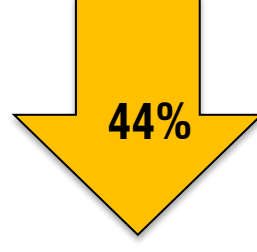
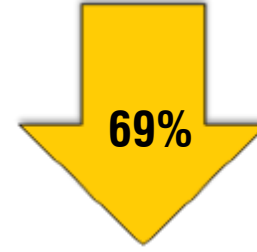
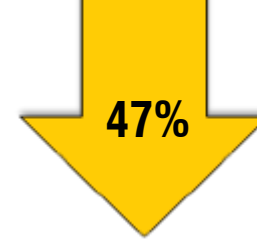
Balance Sheet
₹ 90,367 cr

Loan Book
₹ 53,359 cr

Borrowings
₹ 69,104 cr

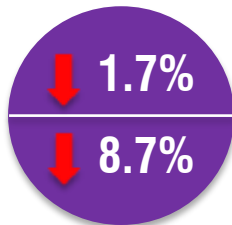
Networth
₹ 17,536 cr

NII
₹ 627 cr

Non-Int Income
₹ 80 cr

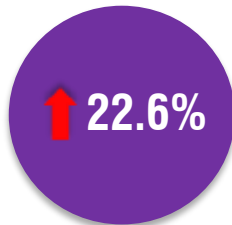
Op. Expenses
₹ 246 cr

Pre-Prov Op Profit
₹ 465 cr

Provisions
₹ 62 cr

PAT
₹ 254 cr


* Adj for Dep write back & Bank related exp, Opex increased by 21% to ₹162 cr

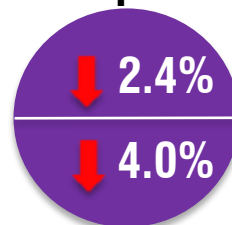
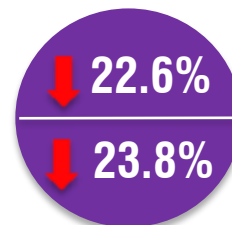
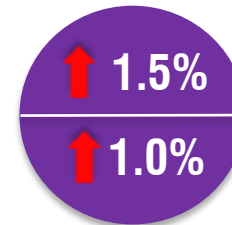
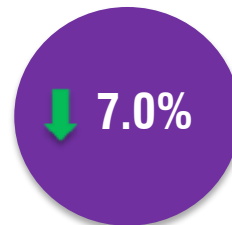
RoA*

RoE*

*Rolling 12 M basis

Cost / Income#

Cost / Income#

#Adjusted Cost / Income : 16.9%

Leverage (Closing)

Loan Spreads*

Loan NIMs*
Tier I

Cap Adeq
Gross NPL

Net NPL
NRL ^


^ Net Restructured Loans

Business Highlights

Project Finance

- Approvals : ₹ 1,692 crore (26% YoY increase – Q1FY15 : ₹ 1,339 crore)
- Disbursements : ₹ 3,104 crore (26% YoY increase – Q1FY15 : ₹ 2,463 crore)
- Cumulative OS Approvals : ₹ 72,027 crore (5% YoY increase)
- Loan Book : ₹ 53,359 crore (1% YoY decrease , 3% Q-o-Q decrease)
- NII Loan Book : ₹ 506 crore (18% YoY decrease, 8% Q-o-Q decrease)
- Loan Related Fees : ₹ 21 crore (166% YoY increase)
- Loan Provisions : ₹ 134 crore (46% YoY decrease)
- Total Provisions / Loans Ratio : 4.9%

Fixed Income & Treasury

- NII Treasury : ₹ 121 crore (77% YoY increase)
- Fixed Income : ₹ (42) crore (Q1FY15 : ₹ 22 crore)
- Treasury Assets : ₹ 28,955 crore (Jun 15 : ₹ 14,662 crore)

- Overall Spreads Rolling 12M ending Jun'15 : 1.5% (FY15 : 1.8%)
- Capital Adequacy : 23.8% (of which Tier I : 22.6%) vs 24.3% as on Mar'15

Business Highlights

Investment Banking & Broking

- Institutional Broking and Investment Banking income : ₹ 19 crore (36% YoY increase)

Alternatives

- Average AUM : ₹ 13,567 crore
 - Private Equity : ₹ 3,652 crore
 - Project Equity : ₹ 9,166 crore
 - Real Estate: ₹ 749 crore

Public Market AMC

- Average AUM FY15 : ₹ 55,705 crore (Debt : Equity – 72:28)
- 8th Rank AMC
- Market Share (Q1FY16) : 4.4%
- Asset management Fees from AMC : ₹ 79 crore (15% YoY increase)

Operating Expenses :

- HR expenses : ₹ 127 crore
- Non HR expenses : ₹ 119 crore
- Adjusted for depreciation write back and Bank related expenses, Operating Expenses increased by 21% from ₹ 134 cr to ₹ 162 cr

Cost / Income for rolling 12M ending Jun '15 : 22.6%. Adjusted for depreciation write back and Bank related expenses Cost / Income ratio : 16.9%

1. Snapshot

2. Balance Sheet & Financials

3. Concentration and product analysis

4. Borrowings

5. Shareholding

6. Highlights

Consol Financials : Balance Sheet

₹ crore

Particular	Jun-15	Jun-14	% Growth	Mar-15	% Growth
Shareholders' Funds	17,536	15,526	13%	17,275	2%
Borrowings	69,104	56,814	22%	66,252	4%
Current Liabilities	3,726	3,315	12%	3,542	5%
TOTAL LIABILITIES	90,367	75,655	19%	87,068	4%
Net Loans	50,972	52,300	-3%	52,427	-3%
Gross Loans	53,359	53,848	-1%	54,745	-3%
Less Provisions	2,387	1,548	54%	2,319	3%
Treasury ¹	28,955	14,662	97%	27,651	5%
Equity ^{1, 2}	3,132	4,284	-27%	3,141	0%
Other Assets	7,308	4,409	66%	3,849	90%
TOTAL ASSETS	90,367	75,655	19%	87,068	4%

¹ Net of provision

² Goodwill of Subsidiaries on account of consolidation as of June 30, 2015 – ₹ 957 crore

Consol Financials : Profit & Loss Account ₹ crore

Particular	Q1FY16	Q1FY15	% Growth (Y-o-Y)	Q4FY15	% Growth (Q1-vs- Q4)
OPERATING INCOME	711	887	-20%	1,094	-35%
NII	627	682	-8%	642	-2%
Loans	506	614	-18%	551	-8%
Treasury	121	68	77%	90	34%
NON-INTEREST INCOME	80	134	-40%	423	-81%
Principal Gains & Carry	-32	-9	na	222	na
Asset Management Fees	114	99	14%	120	-5%
IB & Broking	19	14	36%	26	-27%
Fixed Income	-42	22	na	25	na
Loan Related Fees	21	8	166%	29	-26%
Other Income	4	71	-94%	30	-86%
OPERATING EXPENSES	246	55	345%	254	-3%
HR	127	78	62%	116	9%
Non-HR	119	-23	na	138	na
PRE-PROV OP PROFIT (PPOP)	465	832	-44%	840	-45%
Provisions	62	204	-69%	375	-83%
Loans	134	248	-46%	357	-62%
Investments, Others	-71	-44	na	18	na
PBT	403	628	-36%	465	-13%
Tax, Minority Int, Asso co PAT	148	146	1%	83	79%
PAT*	254	482	-47%	382	-34%

* Q1FY15 PAT adjusted for depreciation reversal, interest on tax refund & reversal of tax provision for earlier years was ₹ 321 crore. YoY decline in PAT based on adjusted Q1FY15 PAT was 21%

Consol Financials : RoA Tree

% of Avg Total Assets

Particular	Jul 14 – Jun 15	FY15	Jan 14 – Dec 14	Oct 13 – Sep 14	Jul13 – Jun 14	FY14
OPERATING INCOME	4.5%	4.9%	5.0%	5.0%	4.9%	5.1%
NII	3.0%	3.2%	3.4%	3.5%	3.7%	3.7%
Loans	2.5%	2.8%	3.0%	3.1%	3.3%	3.4%
Treasury	0.5%	0.4%	0.4%	0.4%	0.3%	0.3%
NON-INTEREST INCOME	1.5%	1.6%	1.5%	1.4%	1.1%	1.4%
Principal Gains	0.6%	0.7%	0.5%	0.6%	0.3%	0.4%
Asset Management Fees	0.5%	0.5%	0.6%	0.5%	0.5%	0.5%
IB & Broking	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Fixed Income	0.1%	0.2%	0.2%	0.0%	0.0%	0.1%
Loan Related Fees	0.1%	0.1%	0.1%	0.2%	0.1%	0.2%
Other Income	0.0%	0.1%	0.1%	0.1%	0.1%	0.0%
OPERATING EXPENSES	1.0%	0.9%	0.7%	0.7%	0.6%	0.7%
PRE-PROV OP PROFIT (PPOP)	3.5%	4.1%	4.2%	4.3%	4.2%	4.4%
Provisions	1.0%	1.2%	1.4%	1.3%	1.0%	0.9%
PBT	2.5%	2.8%	2.8%	3.0%	3.2%	3.5%
Tax, Minority Int, Asso co PAT	0.8%	0.8%	0.8%	0.8%	0.8%	1.0%
PAT	1.7%	2.1%	2.0%	2.2%	2.3%	2.5%

Consol Financials : Ratios

Particular	Jul 14 - Jun 15	FY15	Jan 14 – Dec 14	Oct 13 – Sep 14	Jul 13 – Jun 14	FY14
RoA	1.7%	2.1%	2.0%	2.2%	2.3%	2.5%
RoE	8.7%	10.3%	9.9%	10.8%	11.5%	12.2%
EPS (₹)	9.3	10.7	9.9	10.4	11.4	11.9
Leverage (Closing)	5.2 x	5.0 x	5.0 x	4.7 x	4.9 x	5.0 x
Book Value (₹)	110	109	109	107	102	99
Cost / Income*	22.6%	17.3%	14.9%	13.6%	13.2%	14.6%
HR / Operating Income	11.2%	9.6%	8.5%	8.3%	8.3%	7.7%
Gross NPL (% of Loans)	1.5%	0.7%	0.7%	0.6%	0.6%	0.6%
Net NPL (%)	1.0%	0.2%	0.5%	0.4%	0.4%	0.4%
Total Loans Prov (% of Loans)**	4.9%	4.5%	3.9%	3.6%	3.1%	2.4%
Average Spreads	1.5%	1.8%	2.0%	2.1%	2.3%	2.3%
<i>of which Loan spreads</i>	<i>2.4%</i>	<i>2.6%</i>	<i>2.7%</i>	<i>2.7%</i>	<i>2.8%</i>	<i>2.8%</i>
NIMs	3.2%	3.4%	3.7%	3.8%	4.0%	4.0%
<i>of which Loan NIMs</i>	<i>4.0%</i>	<i>4.2%</i>	<i>4.3%</i>	<i>4.4%</i>	<i>4.5%</i>	<i>4.5%</i>

* Cost / Income (excluding) depreciation write back & Bank related expenses adjustment for rolling 12M ending Jun 15 : 16.9%, Mar 15 : 15.8%

** Of which available for appropriation towards stressed assets : Jun'15 : 3.7%, Mar'15 : 3.6%

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6. Highlights

Concentration Analysis *(Sector)*

(Amounts in ₹ crore)

Cumulative OS Approvals

Particular	Jun-15	% of Total	Mar-15	% of Total	Jun-14	% of Total
Energy	28,070	39%	28,016	37%	28,188	41%
Transportation	17,476	24%	17,737	23%	15,358	22%
Telecom	14,844	21%	18,279	24%	15,050	22%
Others	11,637	16%	11,540	15%	10,223	15%
TOTAL	72,027	100%	75,573	100%	68,819	100%

- Top 20 Companies : 44% of total (Mar'15: 45%, Jun'14: 40%)
- Top 20 Industrial Groups : 72% of total (Mar'15: 72%, Jun'14: 66%)

(Amounts in ₹ crore)

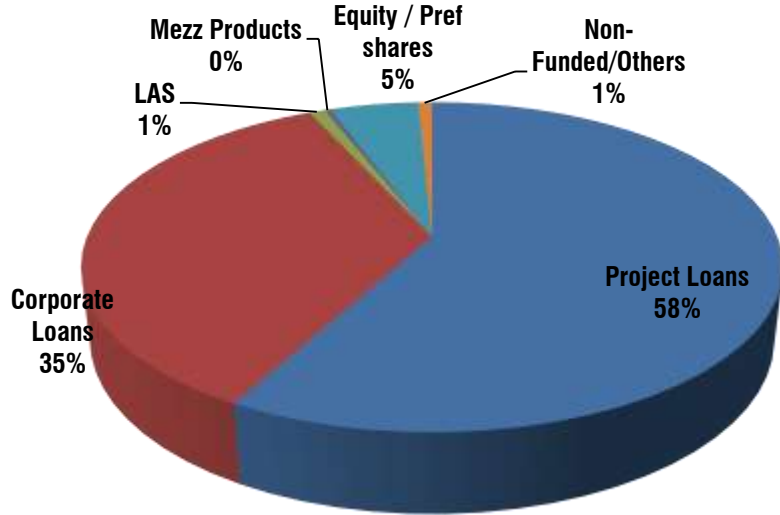
Outstanding Disbursement

Particular	Jun-15	% of Total	Mar-15	% of Total	Jun-14	% of Total
Energy	23,529	42%	23,710	41%	25,796	44%
Transportation	13,155	24%	13,098	23%	13,122	23%
Telecom	10,094	18%	13,029	23%	10,565	18%
Others	9,125	16%	7,544	13%	8,547	15%
TOTAL	55,904	100%	57,381	100%	58,030	100%

- Top 20 Companies : 43% of total (Mar'15: 45%, Jun'14: 45%)
- Top 20 Industrial Groups : 70% of total (Mar'15: 71%, Jun'14: 66%)

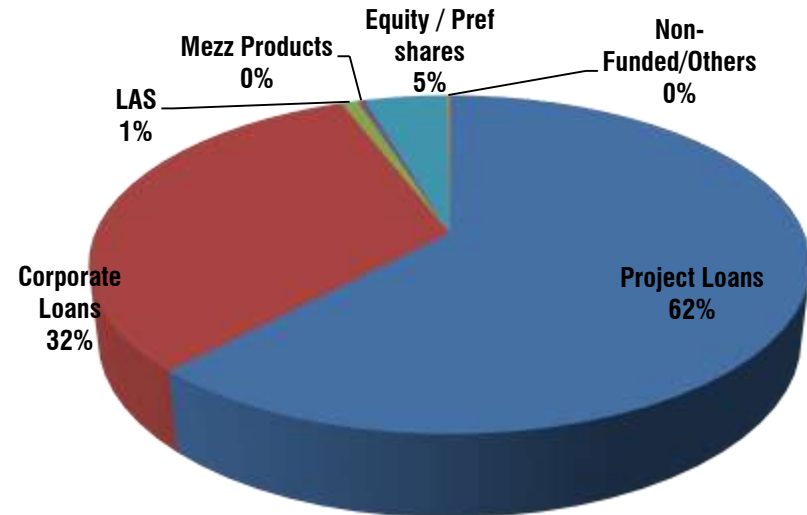
Concentration Analysis (Product)

Product wise Cum OS Approvals (June 30, 2015)



Product type	Amount in ₹ crore			% of total		
	Jun-15	Mar-15	Jun-14	Jun-15	Mar-15	Jun-14
Loans / Debentures	67,966	71,420	63,036	94.4%	94.5%	91.6%
<i>Project Loans</i>	41,762	42,616	36,548	58.0%	56.4%	53.1%
<i>Corporate Loans</i>	25,348	27,853	25,097	35.2%	36.9%	36.5%
<i>LAS</i>	625	719	1,146	0.9%	1.0%	1.7%
<i>Mezz Products</i>	232	231	246	0.3%	0.3%	0.4%
Equity / Pref shares	3,496	3,589	5,083	4.9%	4.7%	7.4%
Non-Funded/Others	565	565	700	0.8%	0.7%	1.0%
TOTAL	72,027	75,573	68,819	100.0%	100.0%	100.0%

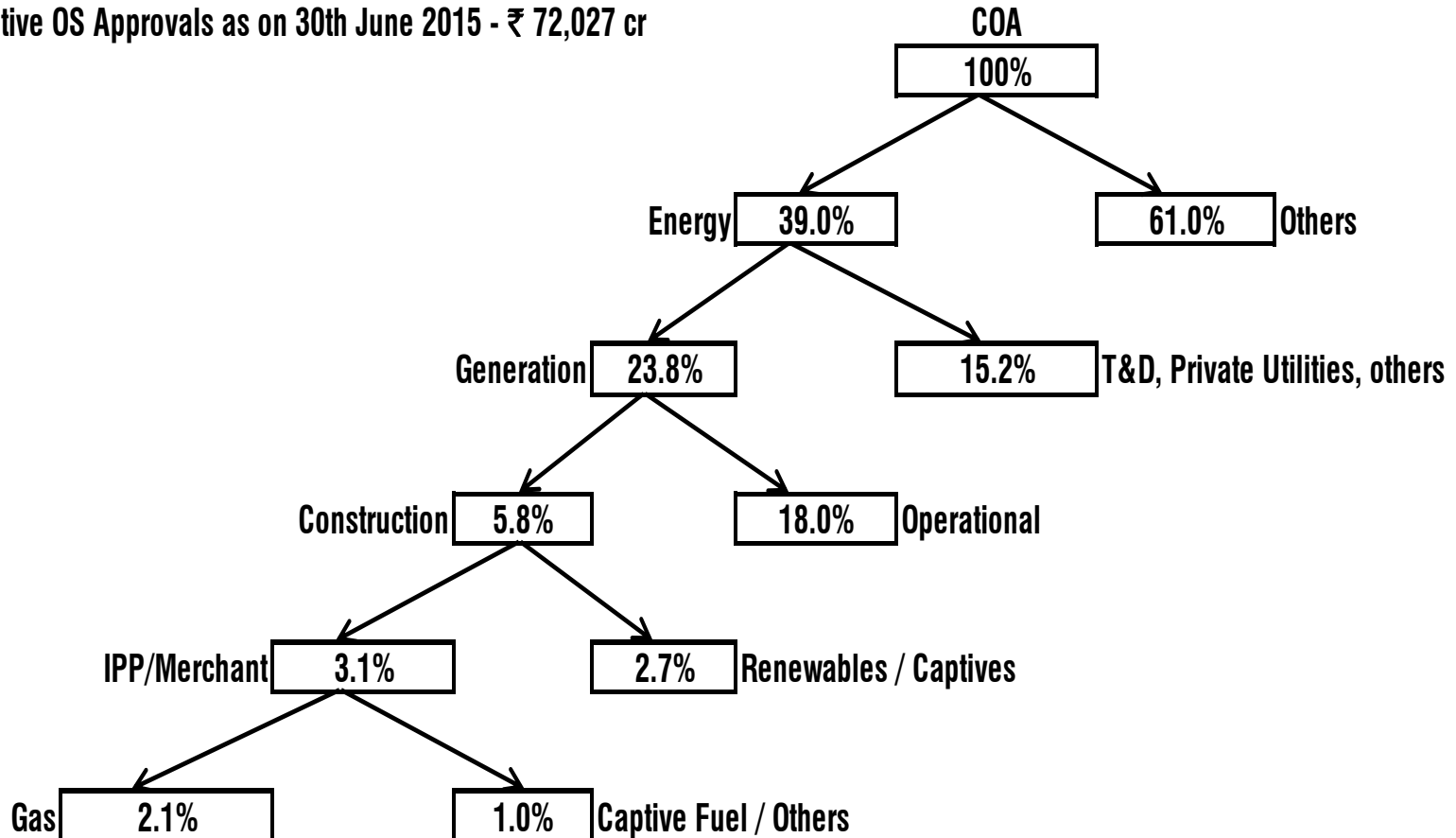
Product wise OS Disbursements (June 30, 2015)



Product type	Amount in ₹ crore			% of total		
	Jun-15	Mar-15	Jun-14	Jun-15	Mar-15	Jun-14
Loans / Debentures	53,359	54,745	53,848	95.4%	95.4%	92.8%
<i>Project Loans</i>	34,648	34,467	32,451	62.0%	60.1%	55.9%
<i>Corporate Loans</i>	17,988	19,458	20,149	32.2%	33.9%	34.7%
<i>LAS</i>	500	597	1,009	0.9%	1.0%	1.7%
<i>Mezz Products</i>	223	223	238	0.4%	0.4%	0.4%
Equity / Pref shares	2,470	2,487	3,535	4.4%	4.3%	6.1%
Non-Funded/Others	75	149	648	0.1%	0.3%	1.1%
TOTAL	55,904	57,381	58,030	100.0%	100.0%	100.0%

Energy Sector Cumulative OS Approvals

Total Cumulative OS Approvals as on 30th June 2015 - ₹ 72,027 cr



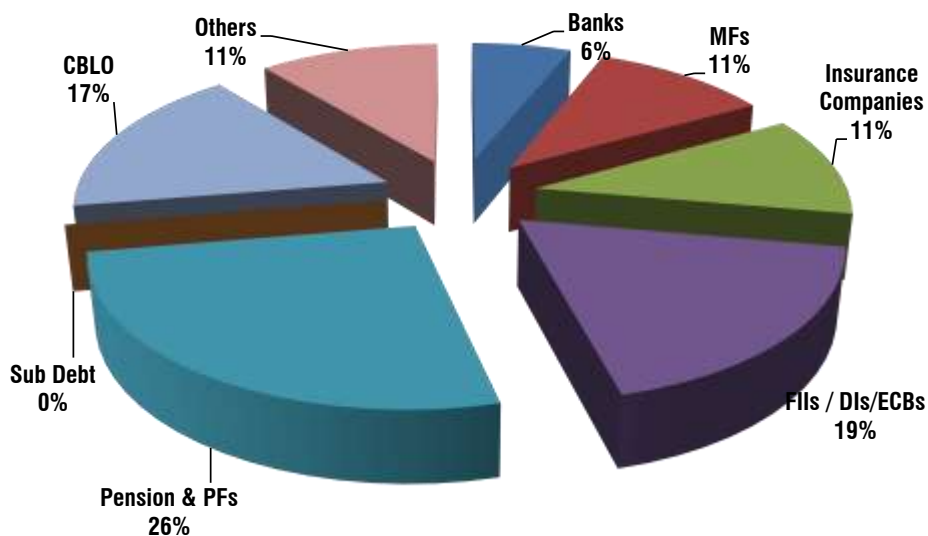
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Borrowings Analysis

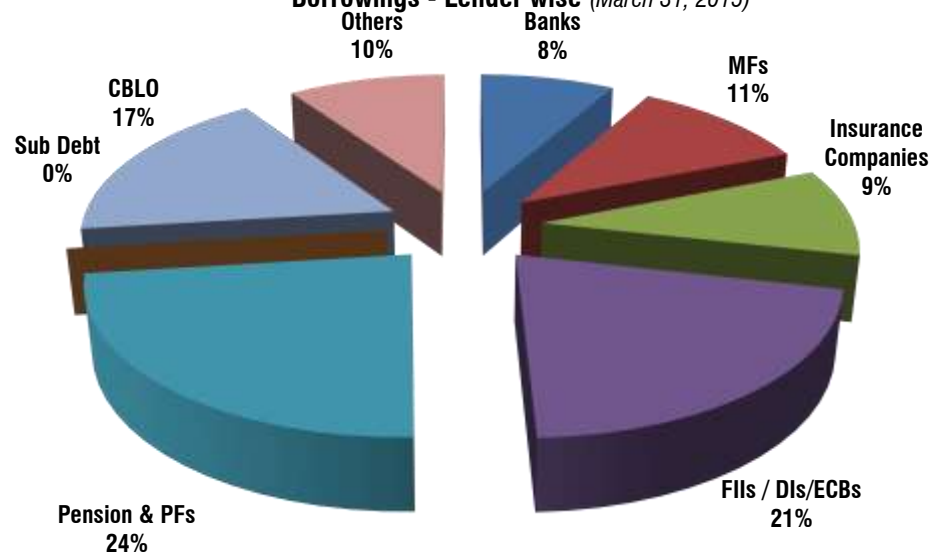
(Amounts in ₹ crore)

Particular	Amount			% of total			% Growth	
	30-Jun-15	31-Mar-15	30-Jun-14	30-Jun-15	31-Mar-15	30-Jun-14	Y-o-Y	Q-o-Q
LT Rupee Loans	3,261	4,301	3,062	5%	6%	5%	6%	-24%
LT Bonds / Debentures	44,056	41,232	34,079	64%	62%	60%	29%	7%
Sub Debt	0	0	650	0%	0%	1%	na	na
Foreign Currency Loans	8,752	8,632	8,668	13%	13%	15%	1%	1%
Short Term	13,036	12,086	10,355	19%	18%	18%	26%	8%
TOTAL	69,104	66,252	56,814	100%	100%	100%	22%	4%

Borrowings - Lender wise (June 30, 2015)



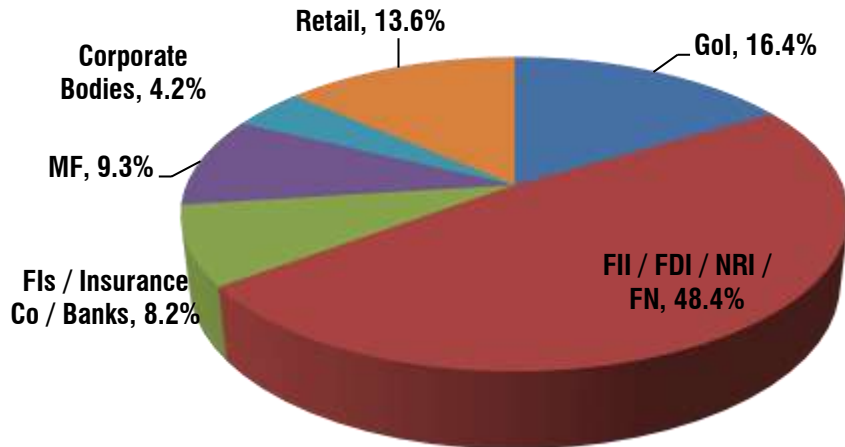
Borrowings - Lender wise (March 31, 2015)



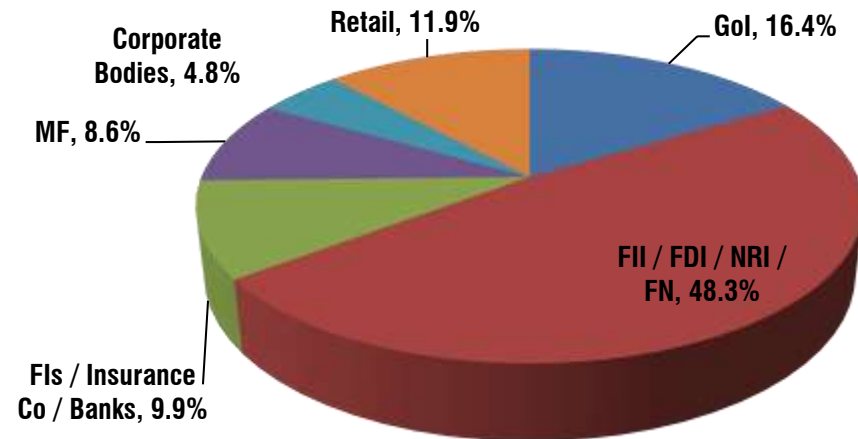
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Shareholding

Shareholding : 30-Jun-15



Shareholding : 31-Mar-15



% of Top 10 shareholders

Sr No	Name	Category	Jun-15	Mar-15
1	Government Of India	Gol	16.4%	16.4%
2	Sipadan Investments (Mauritius)	FII	9.5%	9.5%
3	The Royal Bank Of Scotland	FII	5.7%	4.7%
4	Actis Hawk Limited	FII	2.3%	2.3%
5	Orbis Sicav - Asia Ex-Japan Equity Fund	FII	2.0%	2.0%
6	Platinum Investment Management	FII	2.0%	2.4%
7	Life Insurance Corporation Of India	IFI	1.8%	2.9%
8	Reliance Capital	MF	1.8%	1.4%
9	Birla SunLife Trustee Co.Pvt Ltd.	MF	1.7%	1.2%
10	Prudential ICICI Trust Ltd.	MF	1.7%	1.4%

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Other Highlights

■ Adjusted Duration :

- Assets : 1.9 years (Mar 31, 2015 : 1.9 years)
- Liabilities : 1.8 years (Mar 31, 2015 : 1.7 years)

■ Assets Under Management :

Fund Name	AUM (June 30, 2015)	
	₹ Crore	USD* (bn)
IDFC Private Equity*	3,652	0.8
<i>Fund II</i>	1,210	0.3
<i>Fund III</i>	2,442	0.5
IDFC Project Equity Fund*	9,166	1.8
<i>India Infrastructure Fund</i>	3,666	0.9
<i>India Infrastructure Fund II</i>	5,500	0.9
IDFC Real Estate Yield Fund	749	0.1
IDFC Mutual Fund (AAUM)	55,705	8.7
<i>Equity</i>	16,226	2.5
<i>Debt</i>	39,479	6.2
Total	69,271	11.4

*Exchange rate: Pvt & Proj Eq - rate prevailing at the time of Fund Close; Others 1 USD = ₹ 63.75 as on June 30, 2015.