



# **INFRASTRUCTURE DEVELOPMENT FINANCE COMPANY LIMITED**

*Investor Presentation*

*October 14, 2007*

# Consolidated highlights (H1 FY 2008 vs H1 FY 2007) | IDFC



## Consolidated Balance Sheet

- ◆ Consolidated balance sheet increased by 50% from Rs. 14,900 crore to Rs. 22,442 crore
- ◆ Loan book increased by 36% from Rs. 12,400 crore to Rs. 16,818 crore
- ◆ Equity book increased by 177% from Rs. 614 crore to Rs. 1,702 crore
- ◆ Outstanding Borrowings increased by 42% from Rs. 12,087 crore to Rs. 17,130 crore
- ◆ Net NPAs 0%

## Consolidated Income Statement

- ◆ Operating income increased by 64% from Rs. 381 crore to Rs. 625 crore
- ◆ NII increased by 55% from Rs. 213 crore to Rs. 329 crore
- ◆ Non-interest income increased by 92% from Rs. 153 crore to Rs. 293 crore
- ◆ Operating expenses increased 3 times from Rs. 33 crore to Rs. 100 crore
  - HR expenses increased 3.7 times from Rs. 19 crore to Rs. 69 crore
  - Other expenses increased 2.1 times from Rs. 14 crore to Rs. 30 crore
- ◆ PBT increased by 43% from Rs. 350 crore to Rs. 502 crore
- ◆ PAT increased by 31% from Rs. 286 crore to Rs. 375 crore
- ◆ EPS (diluted) increased by 23% from Rs. 2.53 to Rs. 3.11

## Shareholding

- ◆ Raised Rs. 2100 crore @ Rs. 127 per share through a QIP process
- ◆ IDFC stock price moved from 131.65 on June 30 to Rs. 141.05 on September 28
- ◆ Foreign holding (FII + FDI) as on September 30, 2007 - 54%

# Consolidated highlights (H1 FY 2008 vs H1 FY 2007) | IDFC

## Project Finance

- ◆ NII infrastructure increased by 31% from Rs. 191 crore to Rs. 250 crore
- ◆ Exposure increased by 39% from Rs. 19,919 crore to Rs. 27,737 crore
- ◆ Gross Approvals increased by 36% from Rs. 6,317 crore to Rs. 8,593 crore
- ◆ Gross Disbursements increased by 43% from Rs. 3,446 crore to Rs. 4,938 crore
- ◆ Spread for H1 FY 2008 at 2.19%

## Treasury

- ◆ NII treasury increased 3.6 times from Rs. 22 crore to Rs. 80 crore
- ◆ Treasury assets increased by 102%

## Principal investments

- ◆ Capital gains and dividend increased by 29% from Rs. 99 crore to Rs. 127 crore
- ◆ Unrealised gain on the listed equity book as on September 28, 2007 is Rs. 324 crore

## Asset Management

- ◆ AUM - USD 630 million
- ◆ Management fees from private equity - Rs. 26 crore
- ◆ First close in November 2007 ~ USD 600 million

## Investment banking

- ◆ Fees from investment banking Rs. 91 crore

## Advisory

- ◆ Fees from advisory Rs. 4 crore

# Financials (H1 FY 2008 vis-à-vis H1 FY 2007)



Particulars	H1 FY 2007		H1 FY 2008		FY 2007	
	(Rs. Crore)	Contribution to RoA@	(Rs. Crore)	Contribution to RoA@	(Rs. Crore)	Contribution to RoA@
<b>Net Interest Income</b>	<b>213</b>	<b>3.1%</b>	<b>329</b>	<b>3.2%</b>	<b>428</b>	<b>2.8%</b>
<i>Infrastructure*</i>	191	2.8%	250	2.4%	392	2.6%
<i>Treasury</i>	22	0.3%	80	0.8%	37	0.2%
<b>Non Interest Income</b>	<b>153</b>	<b>2.2%</b>	<b>293</b>	<b>2.8%</b>	<b>267</b>	<b>1.7%</b>
<i>Fees income</i>	54	0.8%	166	1.6%	134	0.9%
<i>Dividend</i>	3	0.0%	4	0.0%	9	0.1%
<i>Profit on sale of equity</i>	95	1.4%	124	1.2%	124	0.8%
Miscellaneous income	16	0.2%	2	0.0%	20	0.1%
<b>OPERATING INCOME</b>	<b>381</b>	<b>5.5%</b>	<b>625</b>	<b>6.0%</b>	<b>716</b>	<b>4.7%</b>
<b>OPERATING EXPENSE</b>	<b>33</b>	<b>0.5%</b>	<b>100</b>	<b>1.0%</b>	<b>82</b>	<b>0.5%</b>
Pre-Provisioning Profits	348	5.0%	525	5.0%	634	4.1%
Provisions & Losses	-2	0.0%	23	0.2%	17	0.1%
<b>PBT</b>	<b>350</b>	<b>5.1%</b>	<b>502</b>	<b>4.8%</b>	<b>616</b>	<b>4.0%</b>
Tax, Minority interest	70	1.0%	127	1.2%	124	0.8%
Share of Associate Company	6	0.1%	0	0.0%	12	0.1%
<b>PAT</b>	<b>286</b>	<b>4.1%</b>	<b>375</b>	<b>3.6%</b>	<b>504</b>	<b>3.3%</b>

\* Nil Infrastructure for FY 2007 after adjusting for one time income of Rs. 15 crore in Q1 FY 2007

@ % of daily average total assets

# Financials RoA Tree (Rolling 12 months)



Particular	FY 2006	FY 2007	Jul 06 - Jun 07	Oct 06 - Sep 07
<b>Net Interest Income *</b>	<b>3.00%</b>	<b>2.79%</b>	<b>2.73%</b>	<b>2.97%</b>
Infrastructure*	2.87%	2.55%	2.37%	2.47%
Treasury	0.13%	0.24%	0.36%	0.50%
<b>Non Interest Income</b>	<b>2.22%</b>	<b>1.74%</b>	<b>2.20%</b>	<b>2.16%</b>
Fees income	0.93%	0.87%	1.15%	1.31%
Dividend	0.06%	0.06%	0.05%	0.05%
Profit on sale of equity	1.22%	0.81%	0.99%	0.81%
Miscellaneous income	0.02%	0.13%	0.03%	-0.04%
<b>OPERATING INCOME</b>	<b>5.24%</b>	<b>4.66%</b>	<b>4.96%</b>	<b>5.09%</b>
<b>OPERATING EXPENSE</b>	<b>0.53%</b>	<b>0.54%</b>	<b>0.70%</b>	<b>0.79%</b>
Pre-Provisioning Profits	4.71%	4.13%	4.26%	4.30%
Provisions & Losses	0.38%	0.11%	0.14%	0.22%
<b>PBT</b>	<b>4.33%</b>	<b>4.01%</b>	<b>4.12%</b>	<b>4.07%</b>
Tax, Minority interest	0.51%	0.81%	0.92%	0.96%
Share of Associate Company	0.00%	0.08%	0.07%	0.04%
<b>PAT</b>	<b>3.82%</b>	<b>3.28%</b>	<b>3.27%</b>	<b>3.15%</b>

\* Ratios for FY 2007 after adjusting for one time income of Rs. 15 crore in Q1 FY 2007  
% of daily average total assets

# Key Indicators (Rolling 12 months)



Ratios	FY 2006	FY 2007	Jul 06 - Jun 07	Oct 06 - Sep 07
Overall Spread	1.77%	1.90%	1.89%	2.02%
Cost to Income	5.27%	5.23%	6.41%	7.09%
Effective tax Rate	11.72%	20.14%	22.35%	23.60%
Loan Loss Reserve Ratio	2.26%	1.70%	1.66%	1.62%
Leverage	4.5x	5.4x	5.7x	5.2x
RoE	17.0%	17.7%	18.8%	16.4%

\* Ratios for FY 2007 after adjusting for one time income of Rs. 15 crore in Q1 FY 2007

# Provisions (September 07 vis-à-vis September 06)



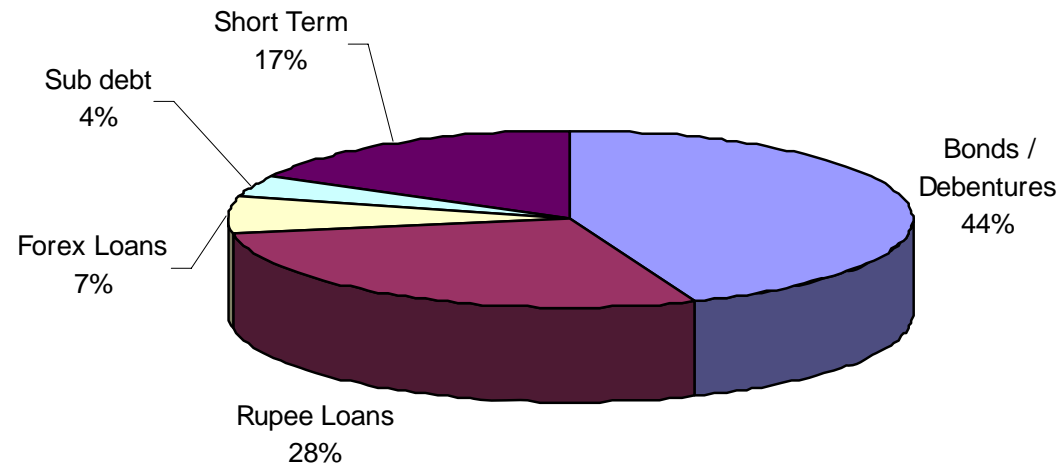
Sr No	Category	Schedule	Cumulative Provision		
			Sept 30 2006	March 31 2007	Sept 30 2007
1	<b>Infrastructure Portfolio</b>		<b>217</b>	<b>235</b>	<b>254</b>
	<i>Equity Investments</i>	5	3	3	3
	<i>Doubtful Loans</i>	6	28	28	28
	<i>Repriced Assets</i>	6	66	51	44
	<i>Provision against standard assets</i>	6	120	154	179
2	<b>Treasury Portfolio</b>		<b>3</b>	<b>5</b>	<b>9</b>
	<i>GOI / Bonds Mark to Market</i>	5	3	5	9
3	<b>Sundry Debtors</b>	7	<b>1</b>	<b>1</b>	<b>1</b>
	<b>TOTAL</b>		<b>221</b>	<b>242</b>	<b>264</b>

- Cumulative provision increased from Rs. 221 crore to Rs. 264 crore
  - Provision on Infrastructure Portfolio during year
    - ❖ Provision on re-pricing of loans decreased from 51 crore to Rs. 44 crore
      - Reversal of provision of Rs. 7 crore during the year
    - ❖ Provision against standard asset increased from 154 crore to Rs. 179 crore
      - Provision of Rs. 25 crore during the year @ 0.5% of incremental gross disbursement

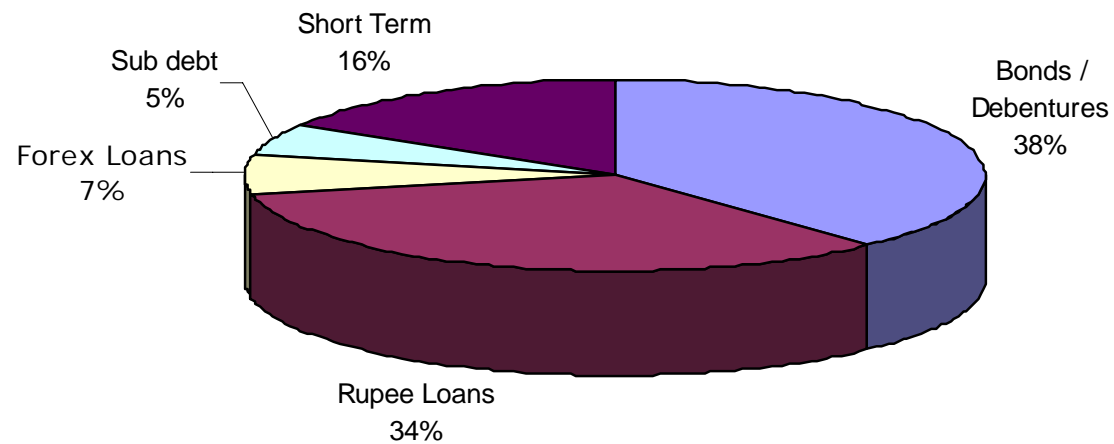
# Borrowing Analysis (September 30 2007)



**Resources Mix (September 30 2007)**



**Resources Mix (September 30 2006)**





# Exposure and Outstanding Disbursements (September 07 vis-à-vis September 06)



## Exposure

Sector	September 30 2006		March 31 2007		September 30 2007	
	Rs. Crore	%	Rs. Crore	%	Rs. Crore	%
Energy	7,619	38.2%	8,516	38.0%	9,961	35.9%
Transportation	5,426	27.2%	5,927	26.4%	7,687	27.7%
Telecommunication & IT	3,505	17.6%	3,809	17.0%	3,490	12.6%
Industrial & Commercial	1,198	6.0%	1,940	8.7%	2,630	9.5%
Tourism	1,179	5.9%	1,227	5.5%	1,733	6.2%
Cement & Steel	0	0.0%	0	0.0%	443	1.6%
Others	682	3.4%	621	2.8%	1,098	4.0%
Strategic & Other Investments	310	1.6%	371	1.7%	695	2.5%
<b>Total</b>	<b>19,919</b>		<b>22,411</b>		<b>27,737</b>	

Growth (YoY)

39.2%

## Outstanding Disbursements

Sector	September 30 2006		March 31 2007		September 30 2007		Product	September 30 2006		March 31 2007		September 30 2007	
	Rs. Crore	%	Rs. Crore	%	Rs. Crore	%		Rs. Crore	%	Rs. Crore	%	Rs. Crore	%
Energy	5,531	40.0%	6,643	42.1%	7,292	38.0%	Loans Products	12,384	89.6%	14,114	89.4%	16,760	87.4%
Transportation	3,712	26.9%	4,272	27.1%	5,602	29.2%	Mezzanine Products	16	0.1%	33	0.2%	648	3.4%
Telecommunication & IT	2,498	18.1%	1,899	12.0%	2,281	11.9%	Equity / Pref Shares	613	4.4%	763	4.8%	1,112	5.8%
Industrial & Commercial	835	6.0%	1,517	9.6%	1,984	10.4%	Non-Funded	806	5.8%	871	5.5%	646	3.4%
Tourism	609	4.4%	748	4.7%	877	4.6%	<b>Total</b>	<b>13,820</b>		<b>15,781</b>		<b>19,166</b>	
Cement & Steel	0	0.0%	0	0.0%	75	0.4%							
Others	324	2.3%	330	2.1%	453	2.4%							
Strategic & Other	310	2.2%	371	2.4%	602	3.1%							
<b>Total</b>	<b>13,820</b>		<b>15,781</b>		<b>19,166</b>								

Growth (YoY)

38.7%

# Top Exposures (September 30, 2007)



## ■ Top Exposures –

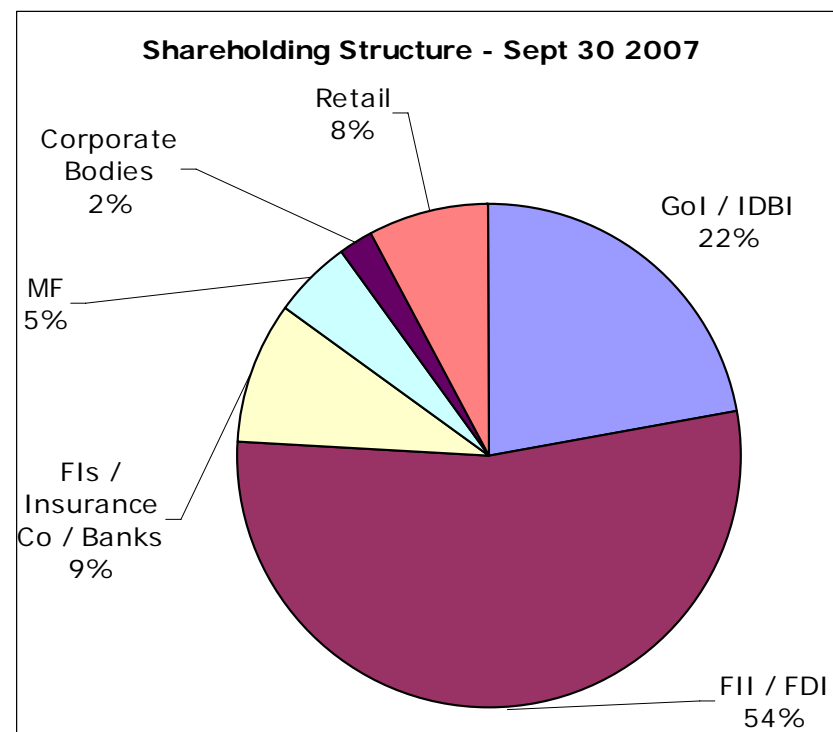
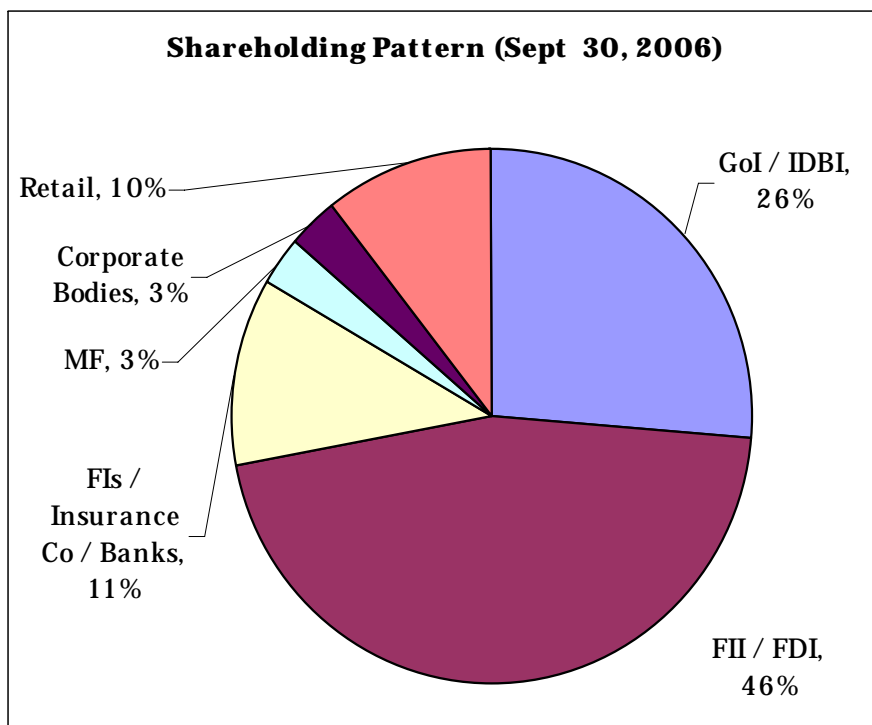
- Top 20 company exposures constitute 34% of the total Exposure
  - ❖ September 30, 2006 – 39%
- Top 20 industrial group exposures constitute 54% of the total Exposure
  - ❖ September 30, 2006 – 60%

## ■ Top Outstanding Disbursements

- Top 20 company outstanding disbursements constitute 42% of the total outstanding disbursements
  - ❖ September 30, 2006 – 46%
- Top 20 industrial group outstanding disbursements constitute 63% of the total outstanding disbursements
  - ❖ September 30, 2006 – 66%



# Shareholding Pattern (Sept 30 2007 vis-à-vis Sept 30 2006) | IDFC



# Major Deals



## ■ Approvals

- Jetlite (India) Private Limited
- Monnet Power Company Limited
- Barmer Lignite Mining Company Limited
- Torrent Power Grid Limited
- Gagan Sponge Iron Private Limited
- Pallazzio Hotels & Leisure Limited

## ■ Disbursements

- Jetlite (India) Private Limited
- JSW Investments Pvt Ltd
- Aspen Infrastructures Limited
- Adarsh Prime Projects Pvt Ltd
- Adani Infrastructure Services Private Limited