

PRESS RELEASE

For Immediate Release

In H1FY13 - Loan Book increased by 36%, NII Loans increased by 33%, Operating Expenses declined by 2%, PAT net of principal gains increased by 24% and reported PAT increased by 2%

Mumbai, October 26, 2012

Highlights of H1FY13

- Net Interest Income of ₹1,285 crore : an increase of 31%
 - Operating Expenses of ₹240 crore : a decline of 2%
 - Profit After Tax net of principal gains increased by 24% from ₹651 crore in H1FY12 to ₹805 crore in H1FY13. Reported PAT increased by 2% from ₹838 crore in H1FY12 to ₹855 crore in H1FY13.
 - Balance sheet size as on September 30, 2012 - ₹69,831 crore : an increase of 32%
 - Gross Loan book increased from ₹39,923 crore as on September 30, 2011 to ₹54,137 crore as on September 30, 2012: an increase of 36%
 - NIMs on a rolling 12 month basis stable at 4.4%
 - Average spreads on a rolling 12 month basis expand by 6 bps from 252 bps for July '11- June '12 to 258 bps for Oct '11 to Sept '12
 - Capital Adequacy at 21.5% as on Sept 30, 2012 (of which Tier I at 19.2%) versus 21.8% as on June 30, 2012 (of which Tier I at 19.5%)
 - Gross NPAs at 0.28% and Net NPAs at 0.13% of outstanding loans.
 - Average Assets under management – ₹37,155 crore
-

At its 91st Board Meeting held on October 26, 2012, the Board of Directors of IDFC Limited approved financial results for the period April 1, 2012 to September 30, 2012.

BALANCE SHEET

- The balance sheet size grew by 32% from ₹53,040 crore as on September 30, 2011 to ₹69,831 crore as on September 30, 2012.
- Gross Loan book increased by 36% from ₹39,923 crore as on September 30, 2011 to ₹54,137 crore as on September 30, 2012.
- Gross Approvals increased by 5% from ₹13,901 crore in H1FY12 to ₹14,527 crore in H1FY13.
- Gross Disbursements increased by 60% from ₹6,543 crore in H1FY12 to ₹10,487 crore in H1FY13.
- Cumulative Outstanding Approvals was ₹72,441 crore as on September 30, 2012.

INCOME

- Operating Income increased by 8% from ₹1,495 crore in H1FY12 to ₹1,622 crore in H1FY13. Net of principal gains operating income increased by 24% from ₹1,265 crore in H1FY12 to ₹1,571 crore in H1FY13.
- Net Interest Income (NII) increased by 31% from ₹981 crore in H1FY12 to ₹1,285 crore in H1FY13.
 - NII from loans increased by 33% from ₹867 crore in H1FY12 to ₹1,151 crore in H1FY13.
 - NII from treasury operations increased by 17% from ₹114 crore in H1FY12 to ₹134 crore in H1FY13.
- Non Interest Income decreased by 35% from ₹499 crore in H1FY12 to ₹325 crore in H1FY13.



- Income from principal gains decreased by 78% from ₹ 231 crore in H1FY12 to ₹ 51 crore in H1FY13
- Asset management Income decreased by 13% from ₹ 153 crore in H1FY12 to ₹ 133 crore in H1FY13.
- Investment banking and Institutional broking income decreased by 6% from ₹ 38 crore in H1FY12 to ₹ 36 crore in H1FY13.
- Loan related and other fees increased by 38% from ₹ 77 crore in H1FY12 to ₹ 106 crore in H1FY13.

EXPENSES

- Operating Expenses decreased by 2% from ₹ 245 crore in H1FY12 to ₹ 240 crore in H1FY13.
 - HR Expenses decreased by 6% from ₹ 142 crore in H1FY12 to ₹ 134 crore in H1FY13.
 - Non-HR Expenses increased by 3% from ₹ 103 crore in H1FY12 to ₹ 106 crore in H1FY13.

PROFITS

- Profit before Tax increased by 9% from ₹ 1,147 crore in H1FY12 to ₹ 1,249 crore in H1FY13.
- After accounting for minority interest, tax and share of profit in associate company, reported PAT increased by 2% from ₹ 838 crore in H1FY12 to ₹ 855 crore in H1FY13.
- Net of principal gains in H1FY12, PAT increased by 24% from ₹ 651 crore in H1FY12 to ₹ 805 crore in H1FY13.
- EPS (diluted) increased from ₹ 5.51 per share in H1FY12 to ₹ 5.64 per share in H1FY13.

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

For further details, please contact:

Mr. Arun Raste

IDFC Limited

Tel: + 91 22 4222 2019

Email: arun.raste@idfc.com



Annex A

1. Balance Sheet

(Amounts in ₹ crore)

Particular	30-Sep-12	30-Jun-12	31-Mar-12	30-Sep-11	% Growth	
					Y-o-Y	Q-o-Q
Shareholders' Funds	13,152	12,683	12,285	12,073	9%	4%
Borrowings	53,680	50,012	46,435	39,576	36%	7%
Current Liabilities	2,998	2,321	2,259	1,391	115%	29%
TOTAL LIABILITIES	69,831	65,017	60,979	53,040	32%	7%
Net Loan Book	53,381	50,157	48,185	39,310	36%	6%
<i>Gross Loan Book</i>	<i>54,137</i>	<i>50,892</i>	<i>48,888</i>	<i>39,923</i>	<i>36%</i>	<i>6%</i>
<i>Less Provision</i>	<i>756</i>	<i>734</i>	<i>704</i>	<i>614</i>	<i>23%</i>	<i>3%</i>
Treasury ¹	9,014	8,249	6,612	7,149	26%	9%
Equity ^{1,2}	2,999	3,051	2,993	3,090	-3%	-2%
Current Assets	4,436	3,560	3,189	3,491	27%	25%
TOTAL ASSETS	69,831	65,017	60,979	53,040	32%	7%

¹ Net of provision

² Goodwill of Subsidiaries on account of consolidation as of Sept 30, 2012 - ₹957 crore

2. Profit & Loss Account

(Amounts in ₹ crore)

Particular	H1FY13	H1FY12	% Growth	Q2FY13	Q1FY13	Q2FY12	% Growth	
							Q2 Vs Q2	Q2 Vs Q1
Net Interest Income	1,285	981	31%	656	629	498	32%	4%
Loans	1,151	867	33%	596	555	438	36%	8%
Treasury	134	114	17%	60	74	59	1%	-19%
Non-Interest Income	325	499	-35%	189	137	389	-51%	38%
Principal Gains	51	231	-78%	49	2	232	-79%	na
Asset Management	133	153	-13%	69	64	91	-24%	8%
<i>Mutual Fund</i>	<i>75</i>	<i>67</i>	<i>11%</i>	<i>40</i>	<i>35</i>	<i>35</i>	<i>15%</i>	<i>14%</i>
<i>Alternatives</i>	<i>58</i>	<i>86</i>	<i>-33%</i>	<i>29</i>	<i>29</i>	<i>57</i>	<i>-49%</i>	<i>1%</i>
Investment Banking & Broking	36	38	-6%	27	9	23	15%	182%
Loan Related & Other Fees	106	77	38%	44	62	42	5%	-29%
Other Income	11	15	-27%	5	7	4	27%	-30%
OPERATING INCOME	1,622	1,495	8%	849	772	890	-5%	10%
OPERATING EXPENSES	240	245	-2%	124	117	132	-6%	6%
HR	134	142	-6%	68	66	77	-11%	3%
Non-HR	106	103	3%	55	51	55	1%	9%
Provisions	133	103	29%	30	103	63	-52%	-71%
PBT	1,249	1,147	9%	696	553	696	0%	26%
Tax, Minority int, etc	393	309	27%	220	173	172	28%	27%
PAT	855	838	2%	476	380	524	-9%	25%
PAT (net of principal gains)	805	651	24%	427	378	335	27%	13%



3. Ratios (rolling 12 months)

Particular	Oct11- Sep12	Jul11 - Jun12	FY12	FY11
NII / Operating Income	78%	72%	71%	65%
Non-int income / Operating Income	22%	28%	28%	34%
HR / Operating Income	9.6%	9.7%	10.2%	11.6%
Cost / Income	16.7%	16.7%	17.5%	20.9%
RoE	12.5%	13.2%	13.0%	12.9%
Leverage (<i>Closing</i>)	5.3 x	5.1 x	5.0 x	4.4 x
Loan Loss Reserve (<i>Closing</i>)	1.5%	1.6%	1.5%	1.6%
Gross NPA	0.28%	0.30%	0.30%	0.21%
Net NPA	0.13%	0.14%	0.15%	0.10%
Average Spreads	2.6%	2.5%	2.4%	2.2%
NIMs	4.4%	4.4%	4.3%	4.2%