

PAT increased by 18% & Operating Income increased by 12%

January 31, 2014

Highlights of 9MFY14

- Balance sheet size as on December 31, 2013 - ₹ 70,073 crore
- Gross Loan book as on December 31, 2013 - ₹ 54,552 crore
- Net Interest Income for 9MFY14 - ₹ 2,036 crore : 6% Y-o-Y increase
 - NII Loans for 9MFY14 - ₹ 1,883 crore : 7% Y-o-Y increase
- Operating Income for 9MFY14 - ₹ 2,763 crore : 12% Y-o-Y increase.
- PAT for 9MFY14 - ₹ 1,545 crore : 18% Y-o-Y increase.
- Average spreads on a rolling 12 month period ending Dec-13 – 2.3% (FY13 - 2.5%)
- NIMs for rolling 12 month period ending Dec-13 – 4.0% (FY13 - 4.1%)
- Capital Adequacy at 24.8% as on December 31, 2013 (of which Tier I at 22.5%)
- Gross NPLs at 0.6% and Net NPLs at 0.5% of outstanding loans.
- Average Assets under management – ₹ 52,597 crore
 - IDFC Alternatives raised a new fund - India Infrastructure Fund II, first close of US\$ 645 mn (₹ 3,992 cr)

At its 98th Board Meeting held on January 31, 2014, the Board of Directors of IDFC Limited approved financial results for the period April 1, 2013 to December 31, 2013.

BALANCE SHEET

- The balance sheet remained stable at ₹ 70,073 crore as on December 31, 2013.
- Gross Loan book increased by 1% from ₹ 54,104 crore as on December 31, 2012 to ₹ 54,552 crore as on December 31, 2013.
- Gross Approvals increased by 8% from ₹ 18,838 crore in 9MFY13 to ₹ 20,376 crore in 9MFY14.
- Gross Disbursements decreased by 41% from ₹ 13,070 crore in 9MFY13 to ₹ 7,659 crore in 9MFY14.
- Cumulative Outstanding Approvals was ₹ 81,064 crore as on December 31, 2013.

INCOME

- Operating Income increased by 12% from ₹ 2,459 crore in 9MFY13 to ₹ 2,763 crore in 9MFY14.
- Net Interest Income (NII) increased by 6% from ₹ 1,921 crore in 9MFY13 to ₹ 2,036 crore in 9MFY14.
 - NII from loans increased by 7% from ₹ 1,762 crore in 9MFY13 to ₹ 1,883 crore in 9MFY14.
 - NII from treasury operations decreased by 4% from ₹ 159 crore in 9MFY13 to ₹ 153 crore in 9MFY14.
 - Average spreads decreased from 2.5% in FY13 to 2.3% in rolling 12 months period ending Dec-13.
 - NIMs remain stable at 4.0% for rolling 12 month period ending Dec-13.
- Non-Interest Income increased by 38% from ₹ 519 crore in 9MFY13 to ₹ 718 crore in 9MFY14.
 - Income from principal gains were at ₹ 235 crore in 9MFY14 (₹ 58 crore in 9MFY13).
 - Asset management Income increased by 36% from ₹ 220 crore in 9MFY13 to ₹ 298 crore in 9MFY14.
 - Investment banking and Institutional broking income increased by 3% from ₹ 39 crore in 9MFY13 to ₹ 40 crore in 9MFY14.
 - Income from Fixed Income Treasury were at ₹ 91 crore in 9MFY14 (₹ 62 crore in 9MFY13).



- Loan related and other fees decreased by 62% from ₹141 crore in 9MFY13 to ₹54 crore in 9MFY14.

OPERATING EXPENSES

- Operating Expenses increased by 9% from ₹374 crore in 9MFY13 to ₹406 crore in 9MFY14.
 - HR Expenses were at ₹224 crore in 9MFY14.
 - Non-HR Expenses were at ₹182 crore in 9MFY14.

PROVISIONS

- Provisions decreased by 21% from ₹185 crore in 9MFY13 to ₹146 crore in 9MFY14.

PROFITS

- Profit Before Tax increased by 16% from ₹1,900 crore in 9MFY13 to ₹2,211 crore in 9MFY14.
- After accounting for minority interest, tax and share of profit in associate company, PAT increased by 18% from ₹1,310 crore in 9MFY13 to ₹1,545 crore in 9MFY14.
- Net of principal gains, PAT increased by 6% from ₹1,240 crore in 9MFY13 to ₹1,310 crore in 9MFY14.
- EPS (diluted) increased from ₹8.62 per share in 9MFY13 to ₹10.17 per share in 9MFY14.

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	31-Dec-13	31-Dec-12	% Growth	31-Mar-13	% Growth
Networth	15,250	13,614	12%	13,683	11%
Borrowings	51,630	51,634	0%	54,227	-5%
Current Liabilities	3,192	3,682	-13%	3,149	1%
TOTAL LIABILITIES	70,073	68,930	2%	71,059	-1%
Net Loan Book	53,565	53,325	0%	55,736	-4%
<i>Gross Loan Book</i>	54,552	54,104	1%	56,595	-4%
<i>Less Provision</i>	987	779	27%	858	15%
Treasury ¹	9,015	8,544	6%	9,094	-1%
Consol Equity ^{1,2}	2,978	3,044	-2%	3,124	-5%
Current Assets	4,515	4,017	12%	3,105	45%
TOTAL ASSETS	70,073	68,930	2%	71,059	-1%

1 Net of provision

2 Goodwill on consolidation as of Dec 31, 2013 - ₹957 crore

2. Statement of Profit & Loss

(₹ crore)

Particular	9MFY14	9MFY13	% Growth	Q3FY14	Q3FY13	% Growth	Q2FY14	% Growth
Net Interest Income	2,036	1,921	6%	664	659	1%	685	-3%
Loans	1,883	1,762	7%	610	611	0%	642	-5%
Treasury	153	159	-4%	54	48	12%	44	24%
Non-Interest Income	718	519	38%	187	171	9%	200	-7%
Principal Gains	235	58	306%	76	7	948%	96	-21%
Asset Management	298	220	36%	101	87	16%	104	-3%
<i>Mutual Fund</i>	195	121	61%	64	45	41%	66	-4%
<i>Alternatives</i>	103	99	5%	38	42	-11%	38	-1%
Investment Banking & Broking	40	39	3%	19	8	129%	8	134%
Fixed Income	91	62	48%	-30	30	na	-18	na
Loan Book Related fees	54	141	-62%	21	39	-47%	10	99%
Other Income	9	18	-48%	1	7	-83%	4	-69%
OPERATING INCOME	2,763	2,459	12%	852	837	2%	889	-4%
OPERATING EXPENSES	406	374	9%	129	134	-4%	138	-6%
HR	224	216	4%	77	82	-6%	78	-2%
Non-HR	182	158	15%	52	52	0%	59	-12%
Provisions	146	185	-21%	37	52	-30%	50	-27%
Loans	103	87	19%	11	21	-47%	21	-47%
Investments, others	42	98	na	25	31	na	29	na
PBT	2,211	1,900	16%	687	651	5%	701	-2%
Tax, Minority int, etc	667	590	13%	186	196	-5%	214	-13%
PAT	1,545	1,310	18%	501	455	10%	487	3%
PAT (net of principal gains)	1,310	1,240	6%	404	435	-7%	380	6%

3. Ratios (rolling 12 months)

Particular	Jan13 - Dec13	Oct12 - Sep13	Jul12 - Jun13	FY13	Jan12 - Dec12
NII / Operating Income	71%	71%	71%	74%	78%
Non-int income / Op Income	29%	29%	29%	26%	22%
HR / Operating Income	8.1%	8.3%	8.1%	8.6%	9.5%
Cost / Income*	14.8%	15.0%	14.7%	15.1%	16.5%
RoE	14.4%	14.5%	14.9%	14.0%	12.8%
Leverage (<i>Closing</i>)	4.6 x	4.7 x	5.0 x	5.2 x	5.1 x
Loan Loss Provision Ratio#	2.0%	2.0%	1.9%	1.8%	1.8%
Gross NPL	0.6%	0.3%	0.3%	0.2%	0.3%
Net NPL	0.5%	0.2%	0.2%	0.1%	0.1%
Average Spreads	2.3%	2.4%	2.4%	2.5%	2.5%
NIMs	4.0%	4.1%	4.1%	4.1%	4.2%

* Adjusted for Fungibility Expenses Cost / Income ratio : Jan-Dec'13 : 14.3%, Oct-Sep'13 : 14.5%, Jul-Jun'13 : 14.3%, FY13 : 14.7%

Total Provision / Total Loans