



Q1 FY17 Analyst Presentation

August 29, 2016



SAFE HARBOUR

This presentation contains certain forward looking statements concerning DLF's future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but not limited to, risks and uncertainties, regarding fluctuations in earnings, our ability to manage growth, competition , economic growth in India, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, government policies and actions with respect to investments, fiscal deficits, regulation etc., interest and other fiscal cost generally prevailing in the economy. The company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time on behalf of the company.

General Business Update

DevCo:

- Sales muted in Q1 in various micro markets, including DLF5; conditions in New Gurgaon and ROI remain same as last quarter
 - Price increases in Camellias in April 2016 have impacted bookings in Q1
- Focus on completing legacy projects thereby fulfilling customer commitments; most getting completed within FY17
- The Company continues to sell from the existing live projects; create finished stock in existing launched projects, ready to be sold when the demand scenario improves

RentCo:

- Office: The current uptick on rentals continues; however new leasing momentum is impacted as it has virtually NIL inventory at most places.
- Given the above, the company is following a strategy to aggregate leasing in favour of 'higher value', large and high credit customers.
 - Pace of execution picks up at the new office project – Cyber Park, ~ 1.6 msf , which is located at a “prime” site just opposite Oberoi & Trident Hotels, Gurgaon
 - Construction of additional blocks at Chennai SEZ project initiated within Q2
- Retail Malls:
 - Mall of India, NOIDA, a ~2msf destination mall, which was officially opened in April 2016, with around 95% leasing ; retailers experience better than expected sales momentum;
 - All other retail malls in the DLF portfolio continue to perform well with average 95% occupancy
 - The finishing of Emporio, Chanakyapuri, a luxury mall, has commenced; targeted soft launch in Q4 FY17

DCCDL CCPS Transaction Update...

- The Information Memorandum was circulated to the investors in April 2016.
- Multiple bids from Sovereign Funds and Global Private Equity firms received in June 2016.
 - All bidders aligned to create a platform partnership on a long term basis to own and develop commercial assets, and acquire assets inorganically in the marketplace
- The Company has shortlisted bidders and allowed access to the Virtual Data Room and Vendor Diligence Reports
- The Company expects to receive binding, updated bids in the form of marked up Shareholder Agreement once the short-listed bidders complete their due diligence.
- The transaction shall be subject to regulatory approval, if any
- The conclusion of the transaction will be an important step to create two 'pure plays' – a DevCo business with a nominal net debt, 100% owned by DLF and an independent RentCo business in which DLF shall have a 60% stake

Business Performance....



Business Performance – Q1 FY 2017

■ DevCo:

- **Gross sales booking of Rs 470 crore in existing projects ; cancellation in legacy projects Rs 265 crore resulting in overall net sales booking of Rs 205 crore**
 - DLF 5 Gurgaon – Gross Sales Rs 260 crore
 - New Gurgaon – Gross Sales Rs 90 crore
 - Delhi / Rest of India – Gross Sales Rs 120 crore
- **Project Completions – 3.63 msf & approx. 1 msf suspended**
- **Project under Construction : 26 msf**

■ RentCo:

- **Gross leasing is 0.86 msf renewed at higher rate than budgeted rates & lease expiry of 0.91 msf during Q1FY17 . Leasing offtake also being affected by virtually Nil inventory in most of the places.**
- **The focus is to aggregate terminations and release at a higher value to ‘high value, high creditworthy’ large customers, thereby improving portfolio quality**
- **Project under Construction : 1.7 msf**

Leased Assets Across India – DLF Group

<u>Cities/Projects</u>		Leasable Area (msf)	% leased
Gurgaon			
DLF Cyber City Developer *	Office	10.59	94.18
Others	Office	0.62	100.00
DAL (SEZ's)	Office	13.42	96.05
Kolkata/Chandigarh	Office	2.93	85.22
Delhi (Corporate Office)	Office	0.17	84.46
Malls			
Delhi	Retail	1.59	87.36
Noida	Retail	1.97	94.67
Chandigarh	Retail	0.19	90.13
* Includes Collaborator area.			

During FY17, Annuity Revenue to grow to ~ Rs 2700 crore; exit run rate of ~Rs 3,000 crore

Live Projects Across India

<u>Projects</u>	Size (msf)	Sold till Q1-16-17 (msf)	Expected Completion by Mar-2017
Legacy			
Capital Greens*	2.82	2.82	✓
GK King's Court	0.23	0.22	✓
Kochi*	1.16	0.90	
Banglore*	3.26	3.18	✓
Corporate Greens #	0.00	0.00	
Hyderabad	3.44	2.76	✓
Panchkula*	2.01	1.53	✓
Shimla	0.07	0.06	✓
Kasauli	0.57	0.23	✓
	13.56	11.71	
New Projects			
SkyCourt	1.25	0.97	
Ultima	2.18	0.87	
Regal Garden	1.03	0.89	✓
Primus	1.24	1.22	✓
Crest	2.61	1.25	
Camillias	3.55	1.61	
My Pad Lucknow	0.57	0.34	
	12.43	7.16	
<i>* Area handed over is excluded from total size # Suspended</i>			

Our Development Potential

Land Bank as on 30th June 2016			
Cities	Development Business	Lease Business	Total
	Development Potential (msf)		
Gurgaon	104	26	130
Bangaluru	29	0	29
Delhi Metropolitan Region	14	3	17
Chennai	14	5	20
Hyderabad	14	1	15
Chandigarh Tri-City	17	0	17
Kolkata	3	2	4
Other Indian Cities	29	9	38
Total	225	46	271

➤ “The Development Potential is the Best estimate as per the Current Zoning plans on Land owned by the company/Group companies, or lands for which the Company has entered into arrangements with third parties including Joint Development/Joint Venture Agreements/Other Arrangements for Economic Development of said lands owned by such third parties. *Some of these arrangements include making residual payments to the Land Owners before the development potential can be fully exploited.*”

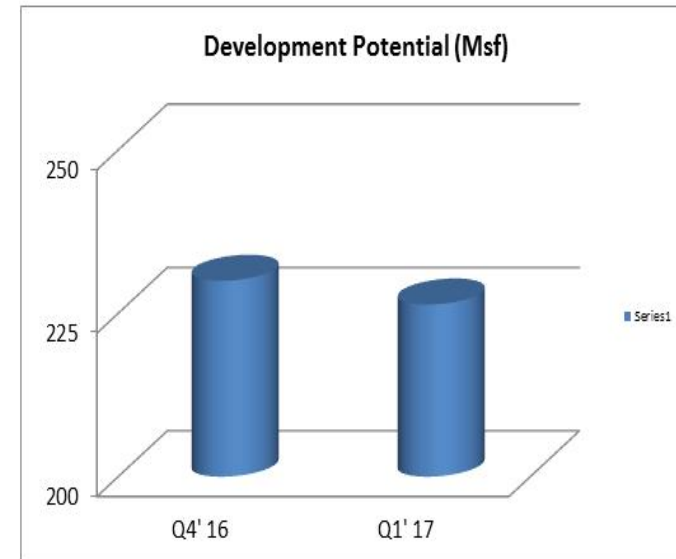
➤ Bangalore Potential - expected reduction post Resimmo/Clogs transaction.

DevCo Q1 FY17

Particulars	Total msf		
	Q1-17	Q4- 16	Q1- 16

<u>Sales Status</u>			
Opening Balance	25.54	28.78	36.70
Add:- Sale Booked During the Qty	(0.03)	0.52	0.16
Less : Completion	(3.63)	(3.75)	(1.21)
Closing Balance	21.88	25.54	35.65

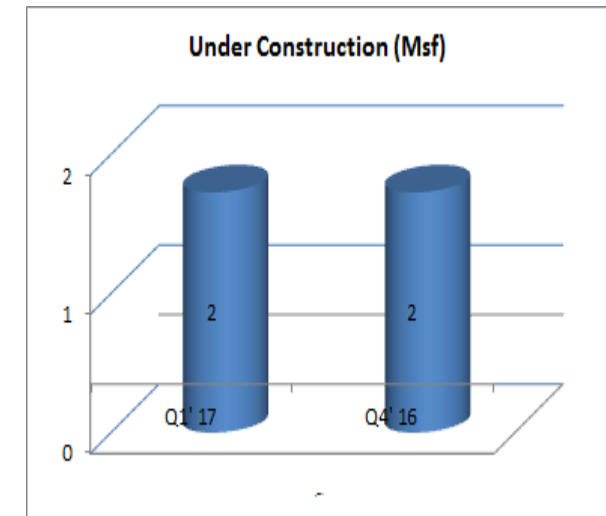
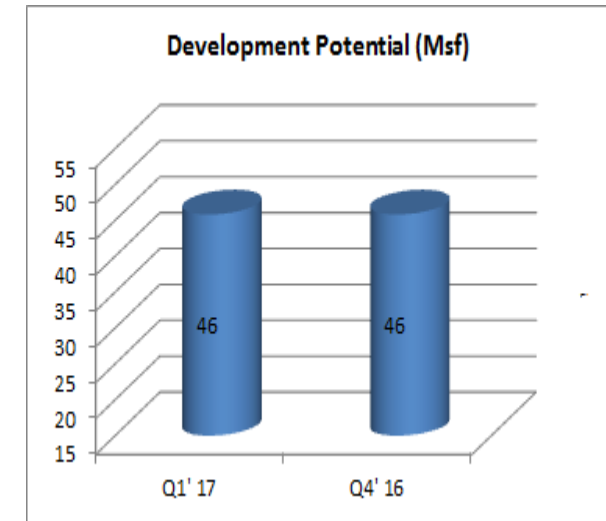
<u>Under Construction</u>			
Opening Balance	31.18	34.93	43.47
New Launches / Additions / Suspended	(1.45)	0.00	0.00
Less:- Completion	(3.63)	(3.75)	(1.21)
Closing Balance	26.10	31.18	42.26



RentCo Q1 FY16

Particulars	Total msf		
	Q1-17	Q4- 16	Q1- 16
Lease Status			
Opening Balance #	29.60	29.20	27.11
Add:- Lease Booked During the Qtr	0.86	1.15	0.60
Less :- Termination	(0.91)	(0.75)	(0.39)
Less :- Sold / Adjustment	-	-	-
Closing Balance	29.54	29.60	27.32

Under Construction			
Opening Balance	1.73	1.73	1.96
New Launches / Additions	0.00	0.00	0.00
Less:- Handed over	(0.00)	(0.00)	(0.00)
Less :- Suspension/Adju	-	-	-
Closing Balance	1.73	1.73	1.96



Summary Financials....



Consolidated P&L

SI.No.	Consolidated Financials	Q1 FY17 (Reviewed)		Q4 FY16 (Reviewed)		Q1 FY16 (Unaudited)		Q1 FY16 (Reviewed)	
		Ind AS		IGAAP		Ind AS		IGAAP	
		Rs. Crs.	Percentage of Total Revenue	Rs. Crs.	Percentage of Total Revenue	Rs. Crs.	Percentage of Total Revenue	Rs. Crs.	Percentage of Total Revenue
A)									
1	Sales and Other Receipts	1,867		2,336		2,389		2,231	
	Other Income	158		160		131		114	
	Total Income(A1+A2)	2,026	100%	2,496	100%	2,520	100%	2,346	100%
B)	Total Expenditure(B1+B2+B3)	1,123	55	1,461	59	1,520	60	1,404	60
1	Construction Cost	897	44	1,023	41	1,264	50	1,151	49
2	Staff cost	74	4	74	3	69	3	71	3
3	Other Expenditure	152	7	364	15	186	7	182	8
C)	EBITDA (D/A1)	903	45	1,035	41	1,000	40	942	40
D)	EBIDTA (Margin)		45%		41%		40%		40%
E)	Financial charges	748	37	633	25	622	25	604	26
F)	Depreciation	146	7	152	6	132	5	136	6
G)	Profit/loss before exceptional items	9	0	250	10	246	10	201	9
H)	Exceptional items - (net) *	329	16	(1)	0	(48)	-2	(48)	-2
I)	Profit/loss before taxes and after exceptional items	338	17	249	10	199	8	154	7
J)	Taxes expense	55	3	100	4	43	2	31	1
K)	Extraordinary Items	-	-	-	-	-	-	-	-
L)	Prior period expense/(income) (net)	-	-	12	0	0	0	0	0
M)	Net Profit after Taxes before Minority Interest	283	14	137	5	155	6	122	5
N)	Minority Interest	(0)	(0)	3	0	0	0	3	0
O)	Profit/(loss) of Associates	(21)	(1)	(8)	0	(30)	-1	(4)	0
P)	Net Profit	261	13	132	5	126	5	122	5
Q)	Other Comprehensive income /(loss) (net of tax)	(0)	(0)	-	-	(0)	(0)	-	-
R)	Total Comprehensive income	261	13	132	5	126	5	122	5

* Exceptional Item - include one time profit of Rs 372 crs from DT Cinema Sales & Rs 43 crs Chennai IT Park Loss

Key changes from IGAAP to Ind AS

■ Revenue Recognition of Developed Properties

- Front ended recognition of Rebate & Compensation
- Higher threshold for Sales recognition and Sales cancellation

■ Impact on Lease Income Straight lining

- Security Deposit treatment
- Recognition of Financial Assets & Loans
- Fair value of Financial instruments & Investments
- Dividend accounting
- Changes in consolidation policy

■ Tax impact of above

■ Net Impact of Opening Net Worth ~ (Rs 2,500) crore

■ Balance Sheet to be released with September'16 Accounts

■ Balance Sheet as at 31st Mar-16 [Audited as per IndAS] will be released along with 31st Mar-17 [Audited as per IndAS]

Liquidity Update – Consolidated Net Debt

Net Debt Position	Q4 16	Q1 17	Q1 17	Net Change
	IGAAP	IGAAP	INDAS	IGAAP
Opening Gross Debt	25416	26893	25623	
Less : Repayment during the Qtr	-932	-774	-774	
Add : New Loans	2409	1360	1360	
Gross Debt as per Balance Sheet	26893	27479	26209	
Less : Equity shown as Debt / JV Co Debt	1270	1270	4	
Less : Ind As Impact			363	
Gross Debt (Net of Equity shown as Debt / JV Co Debt)	25623	26209	25842	
Gross Debt Position (Net of Equity shown as Debt / JV Co Debt)	25623	26209	25842	
Less : Cash in hand	-3421	-3722	-3722	
Net Debt Position *	22202	22487	22120	285

Impact of INDAS

JVCo - no consolidation, hence Rs 1266 crs reduced from Gross Debt

Loss on Reinstatement & Recognition of Swap derivative - approx. Rs 223 crs

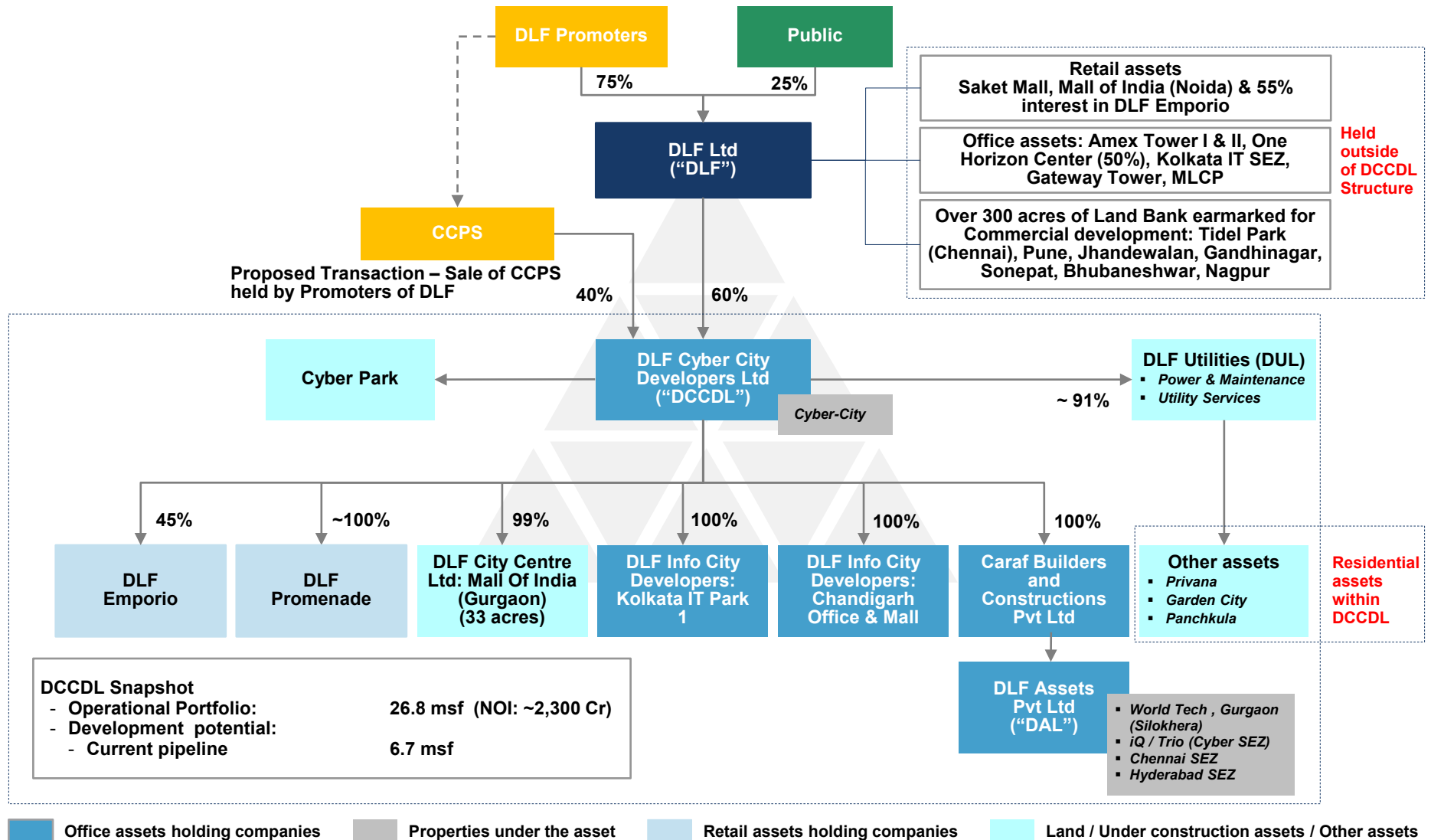
Reinstatement of Amortized fee - approx. Rs (586) crs

Net Ind AS impact - Rs 363 crs [i.e. Rs 586 crs less Rs 223 crs]

DCCDL's Rental Business



DCCDL Holding Structure



Leased Assets Across India – DCCDL Consolidated

DCCDL Leasing Performance as on 30th June-2016							
DCCDL Structure	Total Area	Area Leased	%	Rental	Rental	Run Rate	Run Rate
	Lacs sqft	Lacs sqft	Leased	fy-2015-16	Q1 FY17	Rs. Crs.	Rs. Crs.
						as on 1 April-16	as on 1 July-16
DAL - SEZ							
Hyderabad	29.1	29.1	100%	801.4	202.7	157.0	154.8
Cyber City SEZ	28.9	27.7	96%			237.4	233.1
Silokhera SEZ	19.4	12.8	66%			83.8	86.2
Chennai	56.7	59.3	104%			393.8	387.3
Total - DAL SEZ	134.2	128.9	96%	801.4	202.7	871.8	861.4
Cyber Non SEZ							
Cyber Non SEZ	105.9	99.7	94%	954.8	243.7	977.3	1,000.1
Kolkata IT Park 10 Acres	12.9	9.7	75%	57.7	14.0	56.4	48.5
Chandigarh IT Park	8.4	7.7	92%	35.7	9.4	39.1	40.2
Total - Office	261.3	246.0	94%	1,849.7	469.8	1,944.7	1,950.3
Retail Mall							
Emporio	3.1	3.1	100%	116.6	29.8	121.1	123.0
Promenade	4.6	4.5	98%	84.7	22.3	78.4	84.0
Total - Retail	7.7	7.6	99%	201.2	52.0	199.4	207.0
Total - Rental	269.0	253.6	94%	2,051.0	521.9	2,144.1	2,157.3
Utilities							
Utilities				130.0	63.5	165.0	166.0
Maintenance				81.5	33.0	85.0	90.0
DT Cinema				30.0	-		
Total				2,292.5	618.3	2,394.1	2,413.3

DCCDL Consolidated Profitability

CONSOLIDATED PROFITABILITY - DLF CYBER CITY DEVELOPER LTD				
Profitability	June-16 Unaudited	Mar-16 Audited	Sept-15 Unaudited	Mar-15 Audited
	Ind AS	IGAAP	IGAAP	IGAAP
	All figures in Rs Crs			
Sales & Other Income	1,011	3,643	1,848	3,467
Operating Expenses	297	1,285	661	1,317
Staff Cost	22	89	44	95
EBIDTA	691	2,269	1,144	2,055
EBIDTA %	68%	62%	62%	59%
Finance Charges	326	782	319	561
Depreciation, Amortisation & impairment	105	433	218	425
PBT	260	1,053	607	1,069
Exceptional Items	328	(32)	(15)	(38)
PBT	588	1,022	591	1,031
Tax	97	138	74	118
PAT	491	883	517	912
Minority Interest	1	38	20	47
Prior Period	-	(0)	0	-
PAT	492	921	537	959
Note: Minority interest including share of profit in associates				
Minority Interest (loss)	8	(3)	(3)	(17)
Share of Profit in associates	(9)	(35)	(17)	(30)
	(1)	(38)	(20)	(47)

DCCDL Net Debt Q1FY17

Company Name	Loan received					Loans given to DLF Group	Net DCCDL Debt	Net Receivables/ (Payables)			Cash and bank balances	Net Debt
	Loan from Bank/NBFC/ Debentures	INDAS Adjustment	Loan as per INDAS	Loan from DLF Group	Total DCCDL Debt			Receivables from DLF Group	Payable to DLF Group	Net receivables to DLF Group		
All figures in Rs Lacs	A			B	C=A+B	D	E=C-D	F	G	H=F-G	I	J=E-H-I
DCCDL	4,82,251	13,094	4,69,157	139	4,69,296	1,79,317	2,89,978	13,374	2,245	11,129	26342.21	2,52,507
DAL	4,59,535	4,795	4,54,740	-	4,54,740	35,750	4,18,990	1,31,125	85,230	45,895	14820.52	3,58,274
DUL	1,28,355	7,483	1,20,871	24,835	1,45,707	-	1,45,707	8,632	18,118	(9,486)	37285.87	1,17,907
CARAF	-	-	-	-	-	-	-	-	-	-	610.97	(611)
Kolkata	30,688	36	30,652	-	30,652	28,156	2,496	2,859	-	2,859	1323.63	(1,686)
Chandigarh	6,459	17	6,442	-	6,442	-	6,442	-	3	(3)	730.46	5,714
Promenade	37,500	1,061	36,439	-	36,439	-	36,439	-	109	(109)	1374.23	35,174
City Centre	-	-	-	693	693	-	693	-	64	(64)	37.37	720
Hycintia	-	-	-	-	-	-	-	-	750	(750)	2.29	747
Ariadne	-	-	-	250	250	250	-	24	4,702	(4,678)	1.31	4,677
DLF Energy	-	-	-	-	-	-	-	-	-	-	526.66	(527)
Cyber Consol	11,44,788	26,487	11,18,300	25,918	11,44,218	2,43,474	9,00,744	1,56,014	1,11,221	44,793	83055.52	7,72,896
Emporio	52,500	1,475	51,025	-	51,025	52,397	(1,372)	7,681	396	7,285	1772.08	(10,430)
DCCDL + Emporio	11,97,288	27,963	11,69,325	25,918	11,95,243	2,95,871	8,99,372	1,63,695	1,11,616	52,078	84,828	7,62,466

DLF's Office Platform

Overview – Office Asset Portfolio

Cybercity, Gurgaon

- Area: 132.2 acres
- TLA: 13.3msf¹
- Includes Cyber Hub (0.4msf)
- Cybercity has transformed into the CBD of NCR region attracting top multinational corporates

World Tech Park, Gurgaon

- Area: 37.0 acres
- TLA: 2.0msf
- Only integrated work space on NH8, Gurgaon

Other Assets(Gurgaon)

- Amex Towers (I & II)
 - TLA: 0.5mm
- One Horizon Centre
 - TLA: 0.8msf⁴
- Gateway Tower
 - TLA: 0.1msf

[Gandhinagar]

- 25 acres

Nagpur IT Park

- 140.2 acres

DCCDL assets

Other assets

Chandigarh IT Park

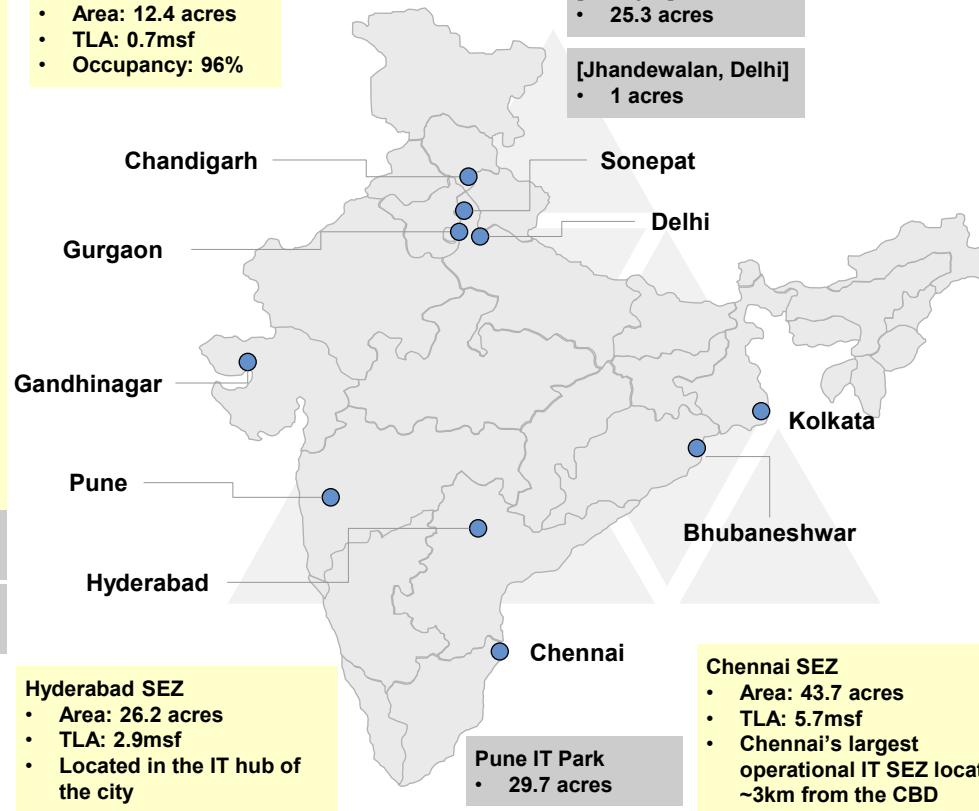
- Area: 12.4 acres
- TLA: 0.7msf
- Occupancy: 96%

[Sonepat]

- 25.3 acres

[Jhandewalan, Delhi]

- 1 acres



Kolkata Park 1

- Area: 10.0 acres
- TLA: 1.3msf
- Strategically located IT SEZ

Kolkata Park 2

- Area: 25.9 acres
- TLA: 1.0msf

Tidel Park, Chennai

- 26.6 acres

[Bhubaneswar]

- 54 acres

Source: Company information; TLA – Total Lettable Area; Note: Occupancy and TLA as of Sep-15

¹ Including SEZ TLA and entertainment area (Cyber Hub); ² Multiple project commissioning dates within asset; ⁴ Excluding area sold to third party

DLF's Retail Mall Platform

DCCDL has a Portfolio of Leading Malls in India

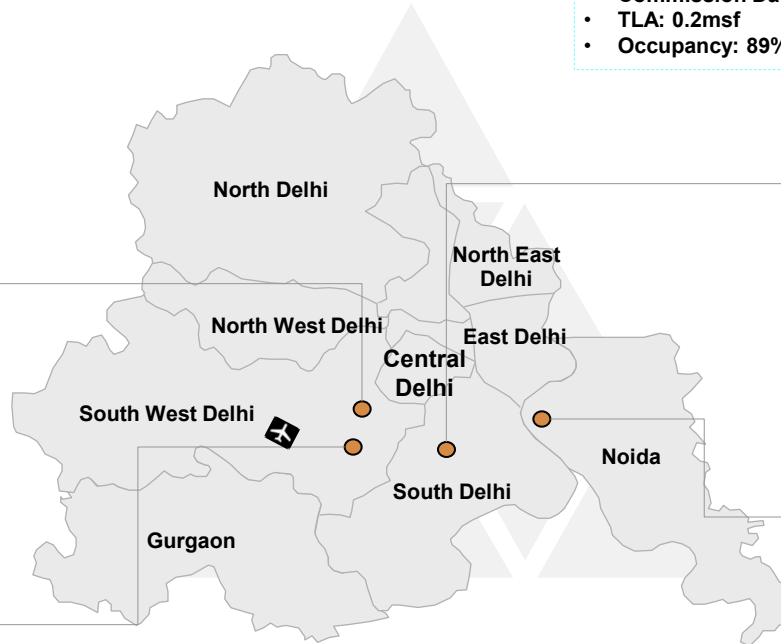
Overview – Retail Asset Portfolio



- DLF Emporio³**
- Location: Vasant Kunj, Delhi
 - Commission Date: Aug' 08
 - TLA: 0.3msf
 - Occupancy: 99%



- DLF Promenade**
- Location: Vasant Kunj, Delhi
 - Commission Date: Jan' 09
 - TLA: 0.5msf
 - Occupancy: 95%



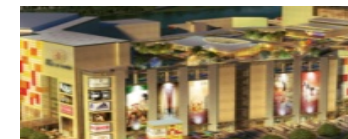
- CityCentre**
- Location: Chandigarh
 - Commission Date: May' 08
 - TLA: 0.2msf
 - Occupancy: 89%



- DLF Place**
- Location: Saket, Delhi
 - Commission Date: Nov' 08
 - TLA: 0.5msf
 - Occupancy: 79%



- Mall of India, Noida**
- Location: Noida, NCR²
 - Commission Date: 2016
 - TLA: 2.0msf



Source: Company information

Note: CityCentre is part Chandigarh IT Park; Occupancy as of Sep-15

² National Capital Region; ³ DCCDL owns ~45% in DLF Emporio

DCCDL – Overview of Key Buildings within CyberCity, Gurgaon



Building 10

- TLA: 2.2msf
- Design by renowned architect, Hafeez Contractor
- Spectacular complex with futuristic amenities



Cyber Greens

- TLA: 0.9msf
- Design by renowned architect – Mohit Gujral; DLF's first project with amenities and breakout areas



Epitome (Building 5)

- TLA: 2.0msf
- Designed by renowned architect, Hafeez Contractor
- Iconic Building over 10.6 acres with 40MW captive gas power plant



Building 7A & 7B

- TLA: 0.4msf



Innov8 (Building 8)

- TLA: 1.6msf



Ericsson Forum

- TLA: 0.2msf
- Represents Ericsson's Indian corporate office



Building 9 A & B

- TLA: 1.5msf
- Elegant 16 floor mirror image twin towers



iQ SEZ (Building 14)

- TLA: 2.0msf
- Aesthetically designed architectural wonder with modern and well planned work spaces



Infinity Tower

- TLA: 1.3msf
- Design by renowned architect, Hafeez Contractor



Trio SEZ (Building 6)

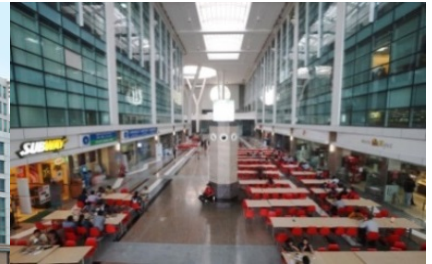
- TLA: 0.9msf
- One of the premier emerging technology centers in the country

DCCDL – Overview of Key Buildings within DLF Assets Ltd.



DLF Chennai SEZ

- TLA: 5.7msf



DLF Hyderabad SEZ

- TLA: 2.9msf
- Design by renowned architect – Mohit Gujral; DLF's first project with amenities and breakout areas



IQ SEZ (Building 14)

- TLA: 2.0msf
- Aesthetically designed architectural wonder with modern and well planned work spaces



DLF World Tech Park

- TLA: 2.0msf
- Destination of choice for corporates in Gurgaon



Trio SEZ (Building 6)

- TLA: 0.9msf
- One of the premier emerging technology centers in the country

DCCDL – Overview of Key Developments in Kolkata



Project Statistics

Location	Kolkata
OC Date	May '11 – Jun '12
Total Lettable Area ¹	1.3msf
No. of floors	Block A: Ground + 12 + Basement 1 Block B: Ground + 9 + Basement 1 Block C: Ground + 15 + Basement 1 Block D: Ground + 11 + Basement 1 Block E: Ground + 3 + Basement 1
Architect	Mohit Gujral
Main contractor	DLF – LOR
Car parking	1,072
Occupancy ¹	75%

¹ As of September 30, 2015



NSCB Airport
Distance: 10km
Travel Time: ~15min



Chitpur Railway Station
Distance: 11km
Travel Time: ~20min



Bus Terminus
Distance: 1km
Travel Time: ~5min

Location



DCCDL – Overview of Chandigarh IT Park



IT Park Chandigarh



Project Statistics

Location	Chandigarh
OC Date	Oct '05
Total Lettable Area ¹	0.7msf
No. of floors	Ground + 3 + Basement 1
Architect	Design Plus
Main contractor	J.J.Ram and B.L.Gupta
Car parking	669
Occupancy ¹	96%

¹ As of September 30, 2015

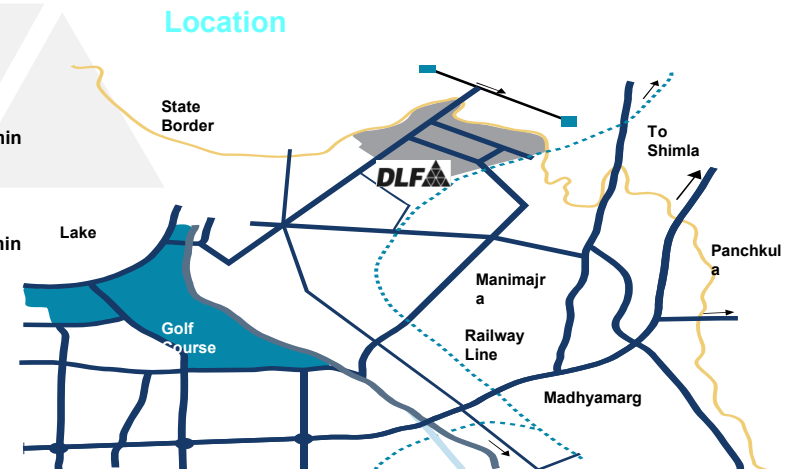
Source: Company information



Airport
Distance: 10km
Travel Time: ~20min



Chandigarh Railway Station
Distance: 6km
Travel Time: ~10min





Thank You