



L&T Finance Holdings

Investor Presentation

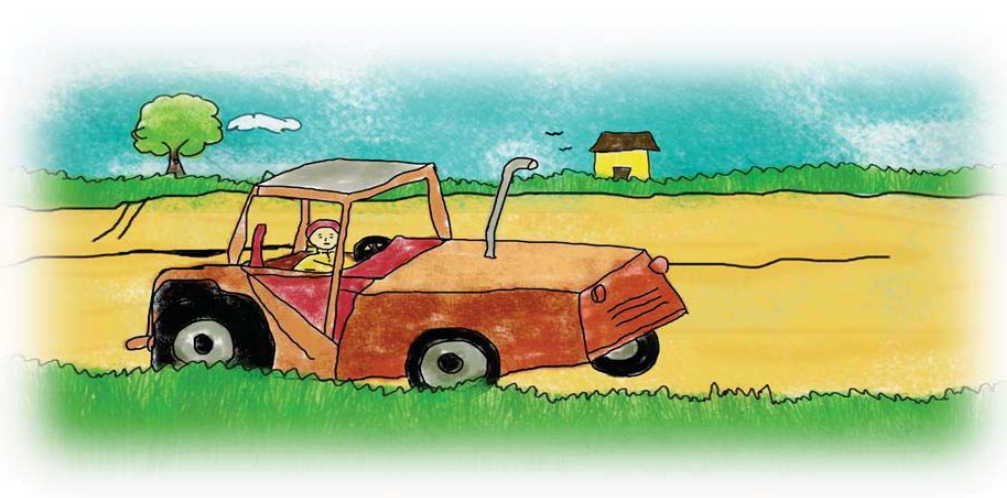
Q2 & H1 FY'13

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Statutory Details: L&T Mutual Fund has been established as a trust under the Indian Trust Act, 1882 by L&T Finance Limited, Sponsor/ Settler (liability restricted to the seed corpus of Rs. 1 lakh) with L&T Mutual Fund Trustee Limited as the Trustee Company and L&T Investment Management Limited as the Investment Manager.

Risk Factors: Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.



Highlights

Macro Environment

- GDP Growth has been revised downward to 5.5% for FY 13
 - Subdued growth all around and grim Euro Zone outlook
- Interest rate reduction subdued on the back of high inflation levels
- Recent FDI measures/diesel price hike improves investment sentiment
 - Robust FII inflows helped sharp appreciation of INR
- Fiscal and current deficits raises concerns of rating downgrade

Retail & Corporate Sector

- Both CE & M&HCV segments experience negative growth of ~10% YoY
- SCV and LCV segments grew by 11% and 33% resp.
- Credit off-take in key mining belts like Orissa and Goa remained muted
- Rural growth remained steady with delayed but average monsoon
- Passenger Vehicles registered a growth of 6% driven by Utility Vehicles

Infrastructure Sector

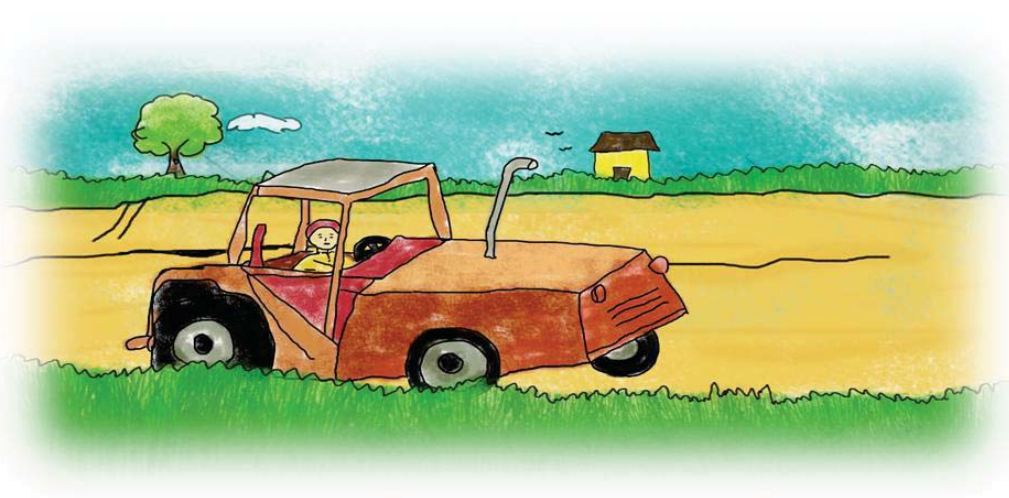
- Credit growth for Infra sector declined to 15.1% between Apr-12 to Aug-12 compared to 23% in same period last year
- Fewer quality opportunities across segments
- Expected to pick up with continued policy reforms
- Increasing stress in sector with more loans under CDR mechanism

Q2FY12	H1FY12	FY12		Q2FY13	H1FY13	Y-o-Y
Lending Businesses (L&T Finance, L&T FinCorp, L&T Infra)						
21,741.8	21,741.8	25,670.6	Loans and Advances (Rs. Cr.)	27,663.8	27,663.8	27.2%
5,337.0	9,805 .0	21,674.0	Disbursements (Rs. Cr.)	4,893.0	8,900.0	(9.2)%
115.8	229.5	466.2	PAT (Rs. Cr.)	143.4	270.6	17.9%
5.62%	5.47%	5.44%	NIM* (%)	5.58%	5.52%	
1.10%	1.10%	1.33%	Gross NPA* (%)	1.56%	1.56%	
17.90%	17.29%	16.32%	ROE* (%)	15.99%	15.53%	
Investment Management						
4,135.5	4,135.5	4468.8	Average AUM (Rs. Cr.)	3,883.1	3,883.1	
(6.0)	(10.3)	(25.3)	PAT (Rs. Cr.)	(8.4)	(16.1)	
L&T Finance Holdings (Consolidated)						
124.24	220.52	454.8	PAT (Rs. Cr.)	143.7	264.4	19.9%
4,570.2	4,570.2	4,752.7	Networth (Rs. Cr.)	5,015.0	5,015.0	9.7%

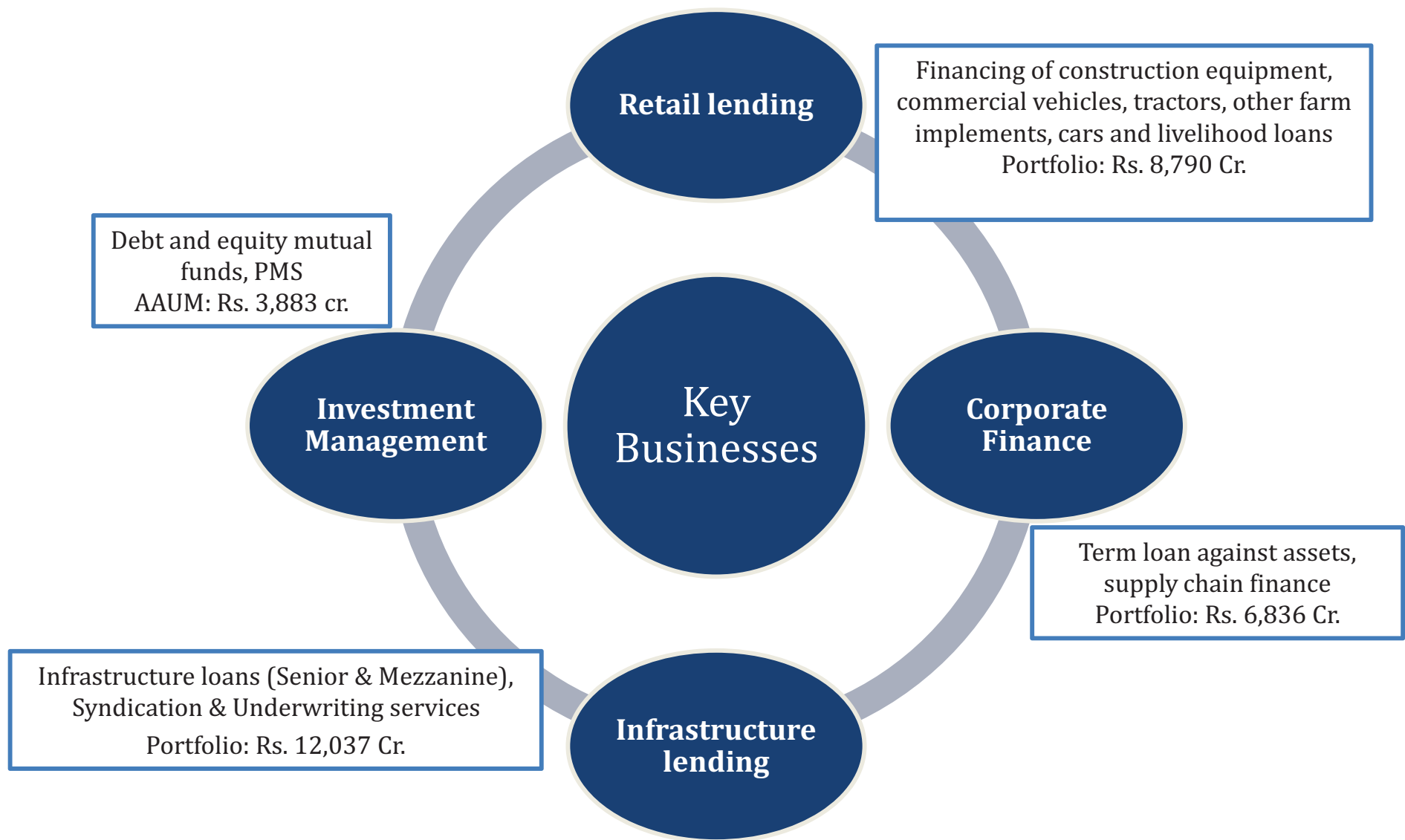
* Adjusted for MFI and corporate assets. Refer annexure

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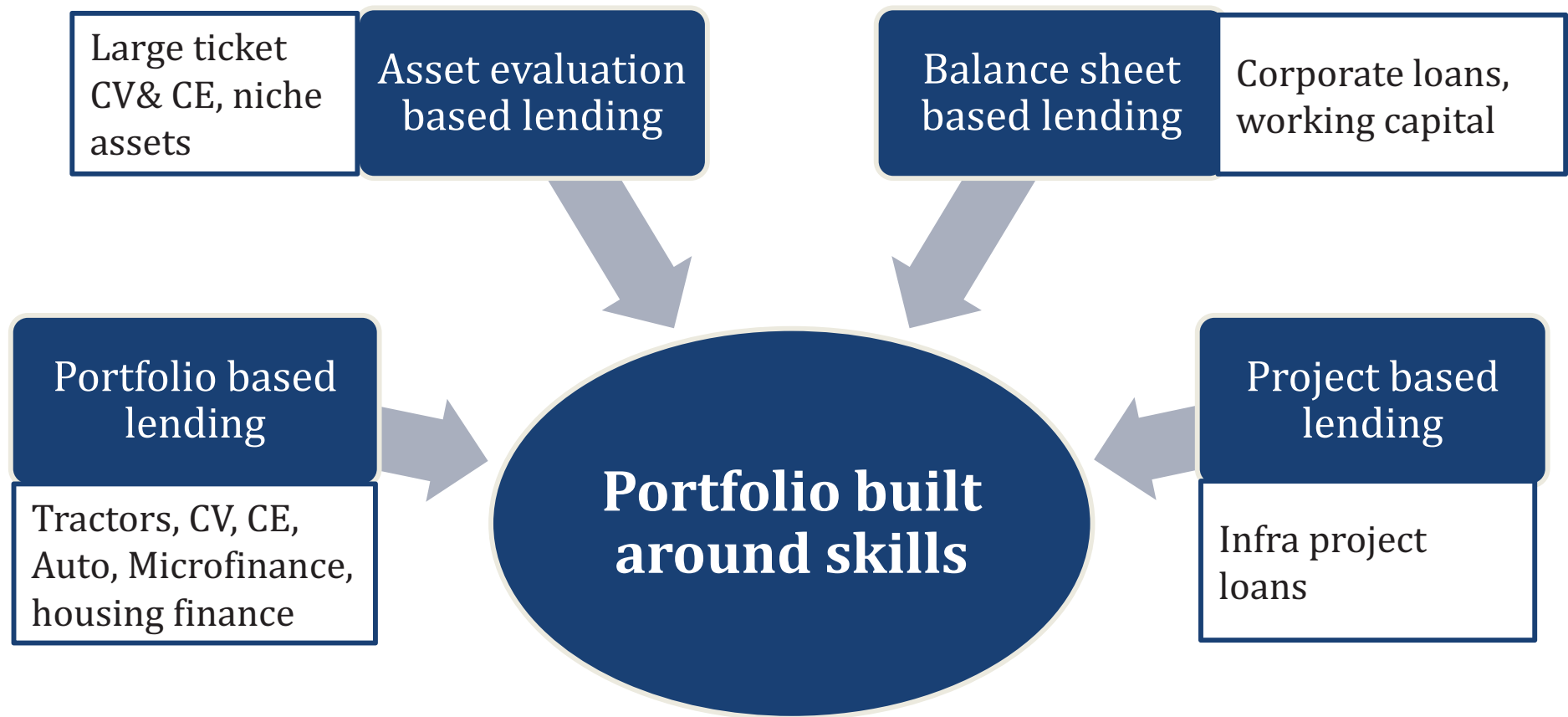
Please refer to annexure at the end of this presentation for the asset wise and geography wise AUM disclosures, disclaimers and risk factors



Company Overview



L&T Finance Holdings will be an admired and inspirational financial institution, creating sustainable value for all its stakeholders.



We have talent with relevant knowledge and deep experience

L&T Finance Holdings

L&T Finance

- Retail Finance
- Corporate Finance
- Financial Products Distribution

L&T Fincorp

- Loan Company for non-AFC⁺ loans

L&T Infra Finance

- Project Finance
- Corporate Loans
- Financial Advisory

IPHF

- Home loans & Builder Finance
- *To be renamed*
- *Acquisition completed on 10th Oct., 2012*

L&T Mutual Fund

- Mutual fund
- Portfolio management
- Wealth Management

Investments*

- 4.70% in Federal Bank valued at Rs. 387.7 cr.
- 4.76% in City Union bank valued at Rs. 114.0 cr

Shareholding as on 30th Sept., 2012

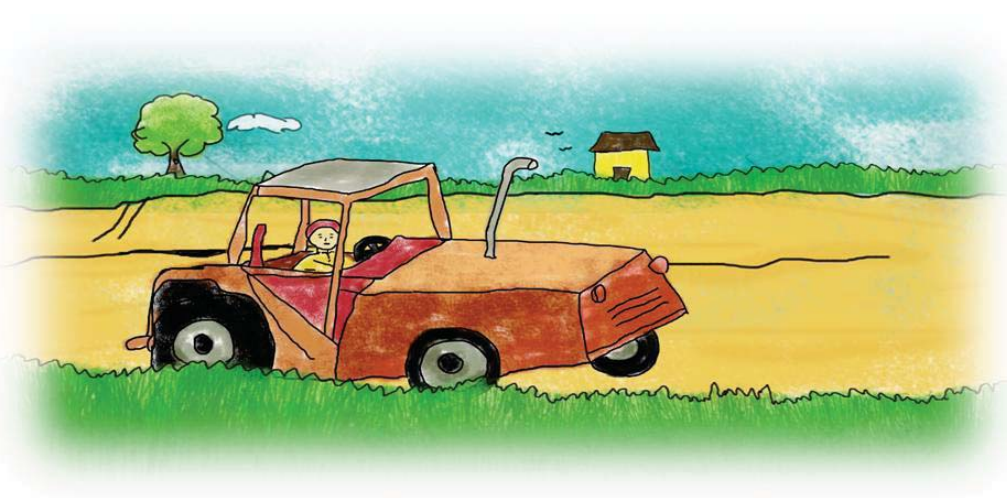
Category	%
Promoter (L&T)	82.65%
Retail	8.02%
FII's	6.05%
DII	3.04%
Others	0.24%

Fee based business

Fund based businesses

•Based on share price as on 19th Oct., 2012

• Asset Finance Company, as classified by RBI



Overview of Businesses

Business Segments

Retail Finance Group

- Construction Equipment Finance (CEF)
- Transportation Equipment Finance (TEF)
- Rural Products Finance (RPF)
- Financial Product Distribution (FPD)
- Micro Finance (MFI)

Corporate Finance Group

- Corporate loans and leases (CLL)
- Supply Chain Finance (SCF)
- Capital market products (CMP)

Loan Portfolio

	Q2' 12		Q1' 13		Q2' 13	
CEF	3,195	25%	3,130	21%	3,150	20%
TEF	1,724	14%	2,070	14%	2,106	14%
RPF	2,161	17%	3,074	20%	3,336	21%
SCF	881	7%	893	6%	993	6%
MFI	362	3%	173	1%	198	1%
CLL	3,033	24%	4,320	29%	4,286	27%
CMP	1,245	10%	1,394	9%	1,557	10%
Total	12,601		15,054		15,626	

Business Model & Key Strengths

- Business model based on strong dealer / manufacturer tie-ups / relationships
- Focus on in-house origination model
- Strong rural & semi urban footprint
- Proactive asset management practices
- Industry knowledge of parent helps in identifying opportunities and manage risk
- Organization restructured on geographical basis for leveraging cost efficiencies

Reach & Presence

- Hub and spoke model drives cost efficiency
- Pan India presence to cater to customers across rural, corporate and SME segment
- 100+ branches
- 500+ rural points of presence

Credit risk

- Centralized framework for evaluation of loan proposals
- Strong Analytics team to constantly monitor portfolio and improve quality of sourcing and collection
- Active usage of credit bureaus

LTF + FC w/o MFI	Sep-11	Dec-11	Mar-12	Jun-12	Sep-12
GNPA (In Cr.)	152.2	161.6	151.4	193.5	239.8
NPA Provisions (In Cr.)	62.3	78.9	69.7	73.3	90.3
NNPA (In Cr.)	89.8	82.6	81.6	120.2	149.6
GNPA (%)	1.27%	1.22%	1.06%	1.32%	1.58%
NNPA (%)	0.75%	0.63%	0.57%	0.82%	0.99%
Provisions over RBI norms (In Cr.)	111.3	151.8	90.1	66.5	89.8
Repo Assets (In Cr.)	15.2	19.3	7.3	12.3	19.6

Provisioning policy

- For retails loans provision policies factor potential foreclosure losses
- NPAs upto 540 days, the difference between principal outstanding & notional value of asset provided for
- NPAs beyond 540 days is provided in total
- 100% provision against unsecured loans

**Except MFI of AP portfolio*

Operational risk

- Centralized loan authorization and disbursement
- Quality check to ensure both data and process compliance
- Centralized receipting to control frauds and leakages; advanced stages of implementing an online mobile receipting solution
- Fully implemented PML and KYC verifications including negative profiles filtering

L&T Finance & FinCorp – Summary Financials L&T Finance Holdings

Q2FY12	H1FY12	FY12	Summary P&L (Rs. Cr.)	Q2FY13	H1FY13	Y-o-Y
419.4	800.9	1762.5	Interest Income	539.2	1077.2	34.5%
12.7	22.5	58.9	Fee Income	11.7	24.6	9.5%
240.8	457.0	1,032.0	Interest Expense	323.0	650.8	42.4%
78.9	155.7	337.7	Operating Expense	96.1	195.4	25.5%
41.2	70.4	151.8	Credit Cost	47.5	93.5	32.8%
47.2	95.2	202.2	PAT	61.2	113.9	19.6%
3,532	6,959	15,538	Disbursements	3,632	7,059	1.4%

H1FY12	FY12	Summary BS (Rs. Cr.)	H1FY13	Y-o-Y
12,601.5	14,757.1	Gross Loans & Advances	15,626.5	24.0%
10,763.6	12,631.3	Borrowings	13,569.4	26.1%
2,050.4	2,326.9	Networth	2,439.3	18.9%
354.6	271.8	Gross NPAs	309.9	(12.6)%
196.1	139.6	Net NPAs	178.1	(9.2)%

- Growth in disbursements is largely supported by 32% growth in Rural Product Finance
- Disbursements in CE, CV and corporate segment lower due to environment, lack of opportunity and competitive pricing in quality deals
- Overall PAT growth subdued as a result of elevated credit costs. Excluding MFI, the credit cost was 32.4 cr in Q2FY13 vs. 11.0 cr in Q2FY12, and 61.6 cr for H1FY13 compared to 33.6 cr for H1FY12

All numbers are reported number including MFI

Q2FY12	H1FY12	FY12	Key Ratios	Q1FY13	Q2FY13	H1FY13
14.01%	13.58%	13.63%	Yield	14.45%	14.01%	14.17%
9.37%	9.09%	9.33%	Cost of Funds	10.22%	9.73%	9.94%
6.23%	6.06%	5.87%	Net Interest Margin	5.88%	5.86%	5.90%
6.54%	6.20%	5.87%	NIM (w/o MTM/one-time)	6.03%	5.79%	5.95%
0.42%	0.38%	0.46%	Fee Income	0.34%	0.29%	0.31%
2.40%	2.40%	2.38%	Operating Expenses	2.51%	2.31%	2.40%
0.38%	0.59%	0.47%	Credit Cost	0.79%	0.86%	0.82%
17.23%	15.61%	15.82%	Return on Equity	13.56%	15.17%	14.76%
2.50%	2.27%	2.27%	Return on Assets	1.90%	2.09%	2.04%
5.56	5.56	5.74	Gearing	5.77	5.92	5.92
1.27%	1.27%	1.06%	Gross NPA %	1.32%	1.58%	1.58%
0.75%	0.75%	0.57%	Net NPA %	0.82%	0.99%	0.99%

- Excluding the bulk disbursements in the last week of Sept and adjusted for Q1FY13 gearing there is an improvement of approx 10 bps in the NIM as compared to Q1FY13
 - Portfolio margin as on 30th Sept., 12 better by around 20 bps vs. 30th Jun., 12
- Credit cost deterioration caused mainly due to corporate lending book
- RoA improves even with increase in gearing levels

Capital Adequacy					
	Sep-11	Dec-11	Mar-12	Jun-12	Sep-12
Tier 1	14.99%	13.80%	15.73%	15.49%	14.88%
Tier 2	0.78%	2.10%	0.71%	0.70%	0.67%
CRAR	15.77%	15.90%	16.44%	16.19%	15.55%

Note: All ratios are calculated based on adjusted numbers for MFI and Corporate Assets. Please refer to the computation of adjusted numbers in Annexure
The denominator for all ratios have been taken as the average of opening and closing numbers for the period
Credit costs include provisions, write offs, foreclosure losses, interest provisions/reversals

Business Segments

- Project Finance
 - *Senior Debt*
 - *Mezzanine Debt*
- Equity Investment
- Financial Advisory including Syndication & Underwriting Services for infrastructure sector

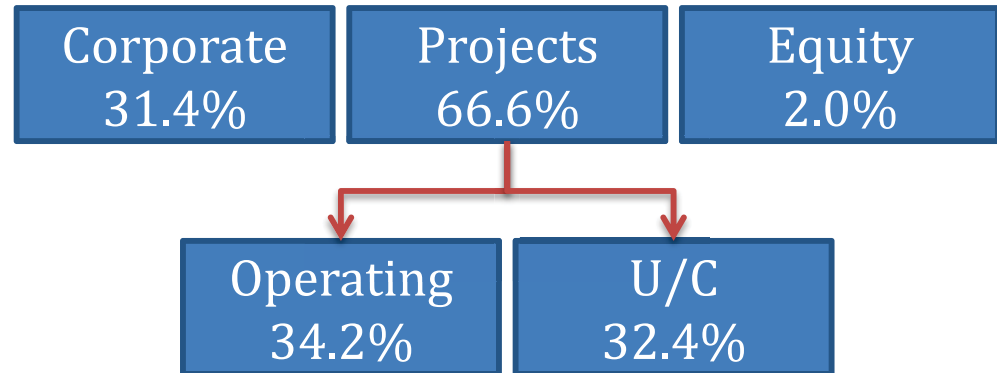
Business Model & Key Strengths

- Team with deep experience in corporate & project finance
- Strong appraisal skills
- Ability to understand customer requirement and tailor solutions
- Leverage domain knowledge / expertise
- Effective use of L&T ecosystem
- Leveraging strong relationship with corporate clients
- Benefits of IFC and PFI status

**Corporate loans to Power companies*

Includes Rs. 2 Cr investment in Venture Capital Units

Loan assets break-up



Loan Portfolio

	Q4' 12		Q1' 13		Q2' 13	
Ports	133	1.2%	135	1.2%	550	4.6%
Thermal Power	1,542	14.1%	1,608	14.4%	1,583	13.2%
Renewable Power	2,101	19.3%	2,309	20.7%	2,525	21.0%
Power T&D	-	-	-	-	21	0.2%
Power- Corp*	1,205	11.0%	1,192	10.7%	1,366	11.4%
Roads	1,440	13.2%	1,481	13.3%	1,501	12.5%
Telecom	1,216	11.1%	1,225	11.0%	1,236	10.3%
Oil & Gas	248	2.3%	241	2.2%	239	2.0%
IT Parks, SEZ etc	881	8.1%	768	6.9%	727	6.0%
Others	2,146	19.7%	2,174	19.5%	2,291	19.0%
Total	10,912		11,133		12,039#	

Credit Risk

- Proposals are evaluated as per internal model & presented to central committee
- Investment & credit committee headed by external director to authorize proposals
- Regular portfolio review by risk management committee chaired by independent director

	Sep-11	Dec-11	Mar-12	Jun-12	Sep-12
GNPA (In Cr.)	77.6	143.7	177.7	153.2	177.8
NPA Provisions (In Cr.)	13.3	22.5	25.9	20.4	23.1
NNPA (In Cr.)	64.2	121.2	151.8	132.8	154.6
GNPA (%)	0.88%	1.48%	1.69%	1.43%	1.54%
NNPA (%)	0.73%	1.25%	1.45%	1.24%	1.34%
Provisions over RBI norms (In Cr.)	12.0	11.5	33.7	50.9	72.0

Asset Liability Management

- Combination of short term and long term borrowings to effectively match yield and maturities
- Good mix of floating and fixed rate loans to manage basis risks
- Pricing matrix in place to price loans, with periodic review to capture interest rate movement

Provisioning policy

- Provision on standard assets @0.25% to 0.50%
- Contingency provision of 3% for all assets overdue in 4-6 months bracket

Restructured Cases

- Restructured cases amounts to 1.3% of the portfolio
- All of them remain standard assets

Concentration Analysis

- Top 10 borrowers represent 21% of the exposure & Top 10 borrower groups form 30% of the exposure

Q2FY12	H1FY12	FY12	Summary P&L (Rs Cr.)	Q2FY13	H1FY13	Y-o-Y
280.1	518.2	1163.0	Interest Income	385.3	749.8	44.7%
10.1	19.4	30.0	Fee Income	10.4	15.5	(20.0)%
179.0	323.9	717.4	Interest Expense	234.7	462.4	42.8%
10.2	19.9	55.1	Operating Expense	18.8	36.3	82.0%
3.8	5.2	45.8	Credit Cost	25.2	43.9	741.6%
68.6	134.3	264.0	PAT	82.2	156.7	16.7%
1,805	2,846	6,136	Disbursements	1,261	1,841	(35.2)%

H1FY12	FY12	Summary BS (Rs. Cr)	H1FY13	Y-o-Y
9,140.3	10,913.5	Gross Loans & Advances	12,037.3	31.7%
7,588.0	8,942.1	Borrowings	10,091.1	33.0%
1,486.5	1,834.0	Networth	1,988.6	33.7%
77.6	177.7	Gross NPAs	177.8	130%
64.2	151.8	Net NPAs	154.6	142%

- Drop in disbursement and fee income on account of fewer opportunities and conservative credit selection
- Credit cost includes additional provision of Rs. 35.26 cr. for H1FY13 on certain standard assets with overdues

Q2FY12	H1FY12	FY12	Key Ratios	Q1FY13	Q2FY13	H1FY13
13.25%	12.43%	12.64%	Yield	13.22%	13.30%	13.07%
10.24%	9.41%	9.49%	Cost of funds	9.96%	9.66%	9.72%
4.78%	4.66%	4.87%	Net Interest Margin	4.96%	5.20%	5.01%
0.48%	0.47%	0.32%	Fee Income	0.18%	0.36%	0.27%
0.48%	0.48%	0.60%	Operating Expenses	0.63%	0.65%	0.63%
0.18%	0.13%	0.50%	Credit Cost	0.68%	0.87%	0.76%
18.67%	19.36%	16.91%	Return on Equity	15.92%	16.89%	16.39%
3.17%	3.16%	2.81%	Return on Assets	2.64%	2.74%	2.66%
5.10	5.10	4.88	Gearing	4.90	5.07	5.07
0.88%	0.88%	1.69%	Gross NPA %	1.43%	1.54%	1.54%
0.73%	0.73%	1.45%	Net NPA %	1.24%	1.34%	1.34%

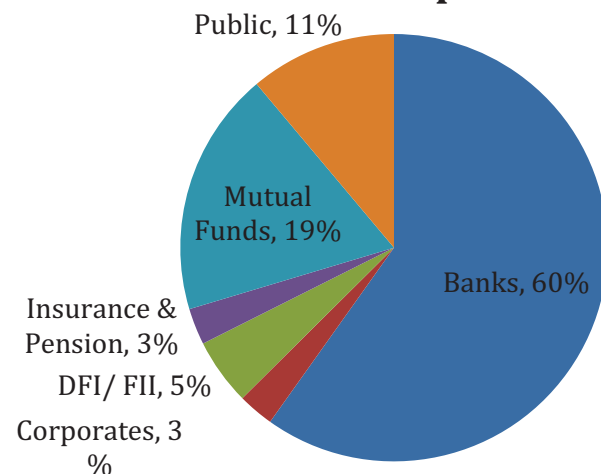
- Improvement in NIMs by 25bps Q-o-Q on account of decrease in interest costs
- Increase in Credit Cost is largely owing to additional provision on certain standard assets with overdues
- GNPA increase due to slippage on one additional account

Capital Adequacy					
	Sep-11	Dec-11	Mar-12	Jun-12	Sep-12
Tier 1	15.55%	16.35%	16.02%	14.13%	14.19%
Tier 2	0.23%	0.23%	0.34%	1.88%	1.78%
CRAR	15.78%	16.58%	16.36%	16.01%	15.98%

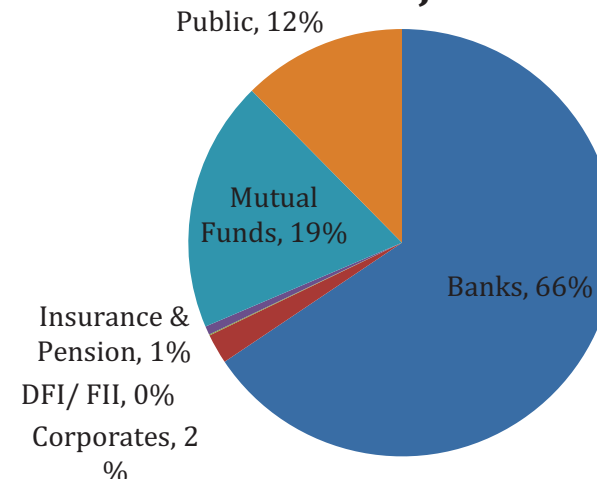
*Note: The denominator for all ratios have been taken as the average of opening and closing numbers for the period
Credit costs include provisions, write offs, foreclosure losses, interest provisions/reversals*

L&T Finance

LTF as on 30th Sep 2012



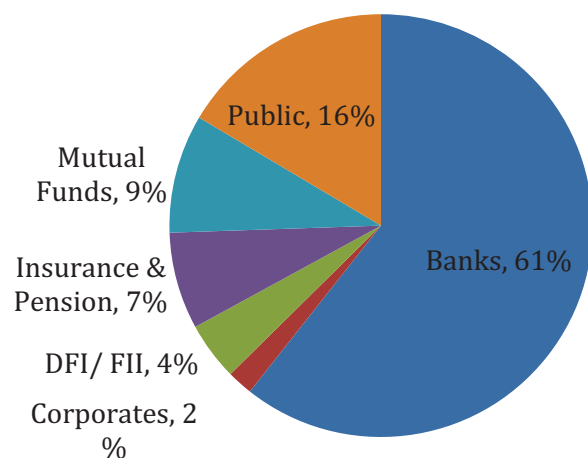
LTF as on 30th Jun 2012



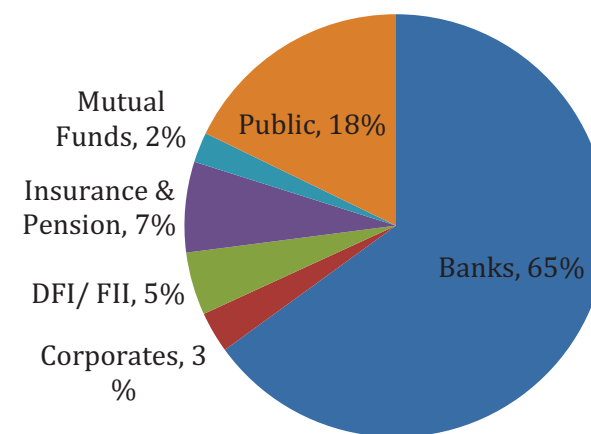
Note: LTF includes LT Fincorp

L&T Infra

LTIF as on 30th Sep 2012



LTIF as on 30th Jun 2012



- Started AMC business in 2010 with acquisition of DBS Chola
- Update of Fidelity acquisition
 - Received SEBI approval for the acquisition subject to exit option
 - Exit option in progress and expires on 15 Nov., 2012
 - Integration plan, including organization structure, fully in place
 - Fund management team strengthened with addition of Fund Managers and Analysts
 - Soumendra Nath Lahiri (ex. Canara Robeco AMC) as Head of Equity
 - Shriram Ramanathan as Head of Fixed Income
- With Fidelity integration the debt-equity composition will improve

Summary Financials (Rs. Cr.)			
FY 12	Q2FY12		Q2FY13
12.1	3.4	Operating Revenue	2.1
38.6	9.3	Operating Expenses	10.3
(25.3)	(6.0)	PAT	(8.4)
4,468.8	4,135.5	Average AUM	3,883.1
0.27%	0.34%	Operating Revenue	0.22%
0.87%	0.91%	Operating Expenses	1.07%

Note: Past performance may or may not be sustained in the future. Please refer to the website www.lntmf.com for further details.

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Bifurcation of the AUM into debt/equity/ balanced etc, and percentage of AUM by geography (i.e. top 5 cities, next 10 cities, next 20 cities, next 75 cities and others)

Fidelity AMC		Particulars (Rs. Cr.)	(L&T + Fidelity) AMC *
FY12	FY11		FY12
62.6	59.8	Net Fees	72.5
68.9	64.3	Operating Revenue	81.0
36.1	38.0	Employee Cost	52.9
77.9	96.9	Other Expenses	99.7
(20.8)	(62.4)	Operating Profit	(46.1)
0.72%	0.66%	Net Fees	0.55%
0.79%	0.71%	Operating Revenue	0.62%
0.42%	0.42%	Employee Cost	0.40%
0.90%	1.07%	Other Expenses	0.76%
(0.24)%	(0.69)%	Operating Profit	(0.35)%
7,936	9,892	Closing AUM	10,278
8,682	9,070	Average AUM	13,150

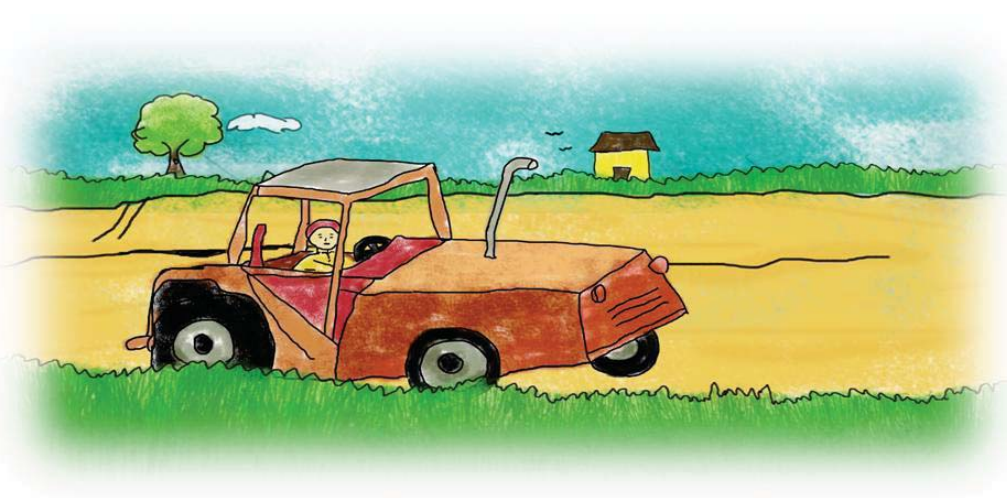
**pro-forma based on simple addition of financial numbers*

Combination of margin improvement, synergies and increase in AUM would result in early break even

Note: Past performance may or may not be sustained in the future. Please refer to the website www.lntmf.com for further details.

Please refer to annexure at the end of this presentation for the asset wise and geography wise AUM disclosures, disclaimers and risk factors

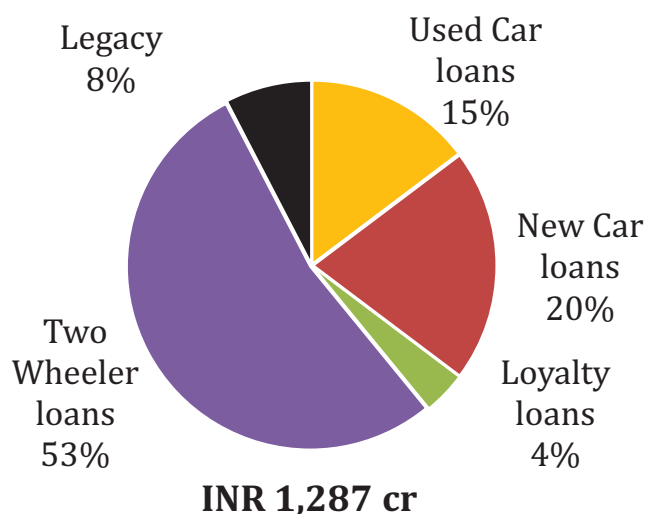
Bifurcation of the AUM into debt/equity/ balanced etc, and percentage of AUM by geography (i.e. top 5 cities, next 10 cities, next 20 cities, next 75 cities and others)



Update on Acquisition

- A wholly-owned subsidiary of Société Générale Consumer Finance, FamilyCredit Limited (FCL) is an NBFC involved in two-wheeler financing and auto financing
- Société Générale acquired FCL through the acquisition of Apeejay Finance in the year 2007
- Presence in 16 states through 53 branches; customer base exceeding 400,000
- 475 on-roll employees and 1,432 off-roll employees (Jun-12)
- Preferred financier for leading two-wheeler manufacturers and auto OEMs
- Sourcing quality improving due to stricter credit norms & conservative provisioning norms
- Legacy portfolio was acquired from Apeejay Finance, and is not core to the business. New disbursements have been discontinued from Sep09 and has been entirely provisioned for

Portfolio mix as of Q1FY13



Key financials as of Q1FY13

Average quarterly disbursements for last 5Qs
= Rs. 200 cr – 250 cr

Amounts in INR cr	Q1FY13
Disbursements	215.4
PAT	5.0
NIM%	13.6%
Net NPA	0.22%
CRAR	16.5%

Strategic Fit

- In line with LTFS' vision of being a full-scale financial services provider, with presence across product ranges and customer segments

Industry

- Consolidates LTF's position in auto financing – LTF is already present in car financing
- TW financing
 - Sizeable market (INR 10,800 cr (FY13E) to grow at 15-17% CAGR) offers huge opportunity
 - Finance penetration to increase – Tier-3 / Tier-4 locations to support growth
 - LTVs expected to increase on account of higher risk appetite of financiers
 - Opportune time to enter – profitability improving with the advent of CIBIL

Company

- Ready operating platform offers time and cost-advantage than organic growth
- Improving operating metrics – FCL has a healthy portfolio, backed by conservative provisioning policies
- Robust systems and efficient processes enable easy scale-up

Synergy Opportunities

- Branch rationalization – overlap with LTFH branches in 42 of 53 locations
- Centralized back-office hub at Bhubaneswar operating at <50% of capacity
- Scope to improve borrowing cost from current levels

Valuation

- The consideration would be ~120 crs, subject to closing adjustments

Integration

- To implement a detailed transition plan to ensure smooth and efficient integration with minimal impact on customers and external stakeholders

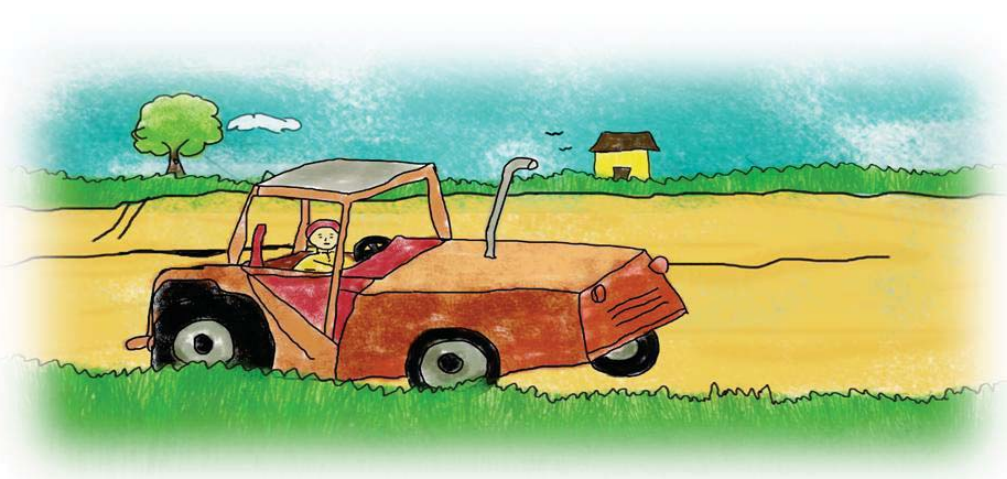
- Acquisition of Indo-Pacific Housing Finance Ltd. completed on 10th Oct., 2012 for a consideration of Rs. 110 cr. ,subject to closing audit
- Brief snapshot of IPHF:

Q1FY12*	Q2FY12*	Particulars (Rs. Cr.)	Q1FY13*	Q2FY13*
190.2	179.1	Loans Book	169.7	181.7
116.3	117.3	Networth	120.5	124.5
0.2	1.2	PAT	1.6	5.6

** Unaudited numbers*

- Book consists primarily of loans to self-employed and low-income group borrowers
- Plan to build a balanced portfolio by adding salaried and urban customers by leveraging L&T's presence as a contractor and developer
- Loan against property & lease rental discounting to enhance yield
- Utilize strengths of different group companies to target different segments:

Customer Segment	Company
High net-worth	L&T Wealth Management
Middle class urban customers	IPHF & L&T Access
Rural Customers	L&T Finance – branch network



Details of Networth and Cash Balances

Rs. Crore	Network
L&T Finance*	1,850.2
L&T Fincorp	314.5
L&T Infra^	1,982.0
LTF investment in LTIM & L&T Trustee	180.1
Investment in Federal Bank & CUB	151.7
Perpetual in L&T Finance	200.0
Others	336.6
Total Consolidated Network	5,015.1

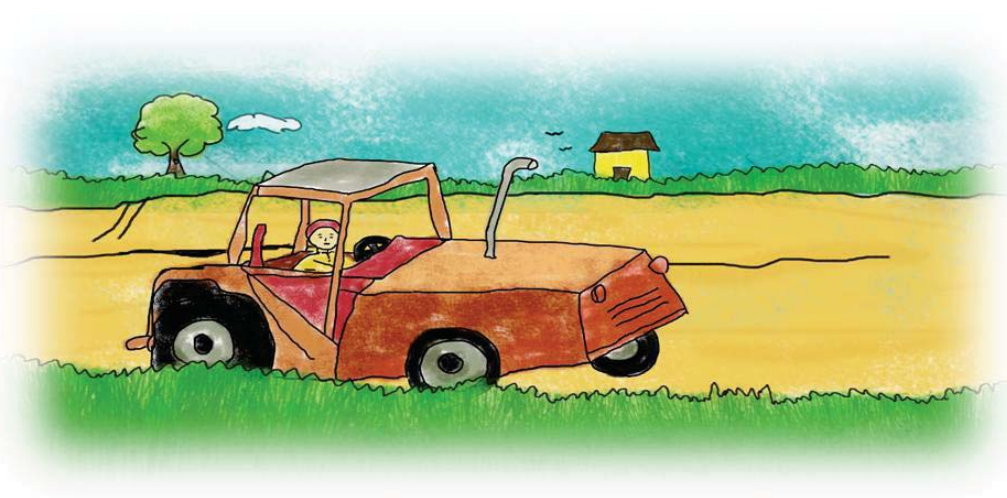
*Consolidated NW, excluding investment in LTIM & L&T Trustee

Cost of investment in LTIM: Rs 180 crs

^Consolidated NW - net of L&T Infra Investment partners advisory & L&T Infra Investment Partners Trustee

Liquid and available sources of Funds (Rs Cr.)	
Investment in L&T Finance Perpetual debt	200.0
ICDs in subsidiaries	22.6
Mutual fund investments	290.4
Market value of investments in banks [^]	501.7
TOTAL	1,014.7

[^]Cost of investment in banks – Federal Bank Rs 123.8 cr, City Union Bank Rs 27.9 cr.



Outlook

Segment	Outlook
Rural Products	<ul style="list-style-type: none"> ▪ Delayed monsoon has pushed the kharif crop sowing season but output is comparable to the average of last 5 years ▪ A sharp increase in MSP of kharif crops (15%-53%) is expected to help sales ▪ Agricultural output expected to improve in the second half ▪ Demand for utility and small commercial vehicles robust
Construction Equipment	<ul style="list-style-type: none"> ▪ Demand likely to improve in H2 with mining ban being lifted in many mines and with government expediting investment decisions ▪ Sector is poised for growth in the real estate and infrastructure segments as well
Auto and Transportation	<ul style="list-style-type: none"> ▪ Current hike in diesel prices and increasing asset costs may see some slowdown in the sector ▪ With scope for economic development, improvement is expected in this segment ▪ Festive season typically boosts sales
Corporate	<ul style="list-style-type: none"> ▪ Stress likely to continue and a higher number of corporations taking the CDR route and settlements through legal means expected ▪ We continue to remain cautious in this segment
Margins	<ul style="list-style-type: none"> ▪ Improvement expected on the back of decreasing borrowing costs

Segment	Outlook
Thermal Power	<ul style="list-style-type: none"> ▪ Limited market appetite for new projects due to coal allocation issues, fuel availability and SEB related issues ▪ Opportunities of gap financing in coal thermal projects provided there is comfort on fuel linkages
Renewable energy	<ul style="list-style-type: none"> ▪ Continuing thrust on renewable energy; large opportunities available
Roads	<ul style="list-style-type: none"> ▪ This sector might be impacted due to pending financial closure of projects, tighter net worth criteria for large projects & stricter funding by banks ▪ Focus on securitization & joint underwriting opportunities
Others	<ul style="list-style-type: none"> ▪ Telecom – Clarity in the sector anticipated once auction of 2G license takes place in Q4 ▪ Coal Mining – Coal sector issues expected to be resolved soon ▪ Refinancing opportunities across all sectors
Margins	<ul style="list-style-type: none"> ▪ Expected to remain stable/marginal reduction with reduction in L&T Infra PLR

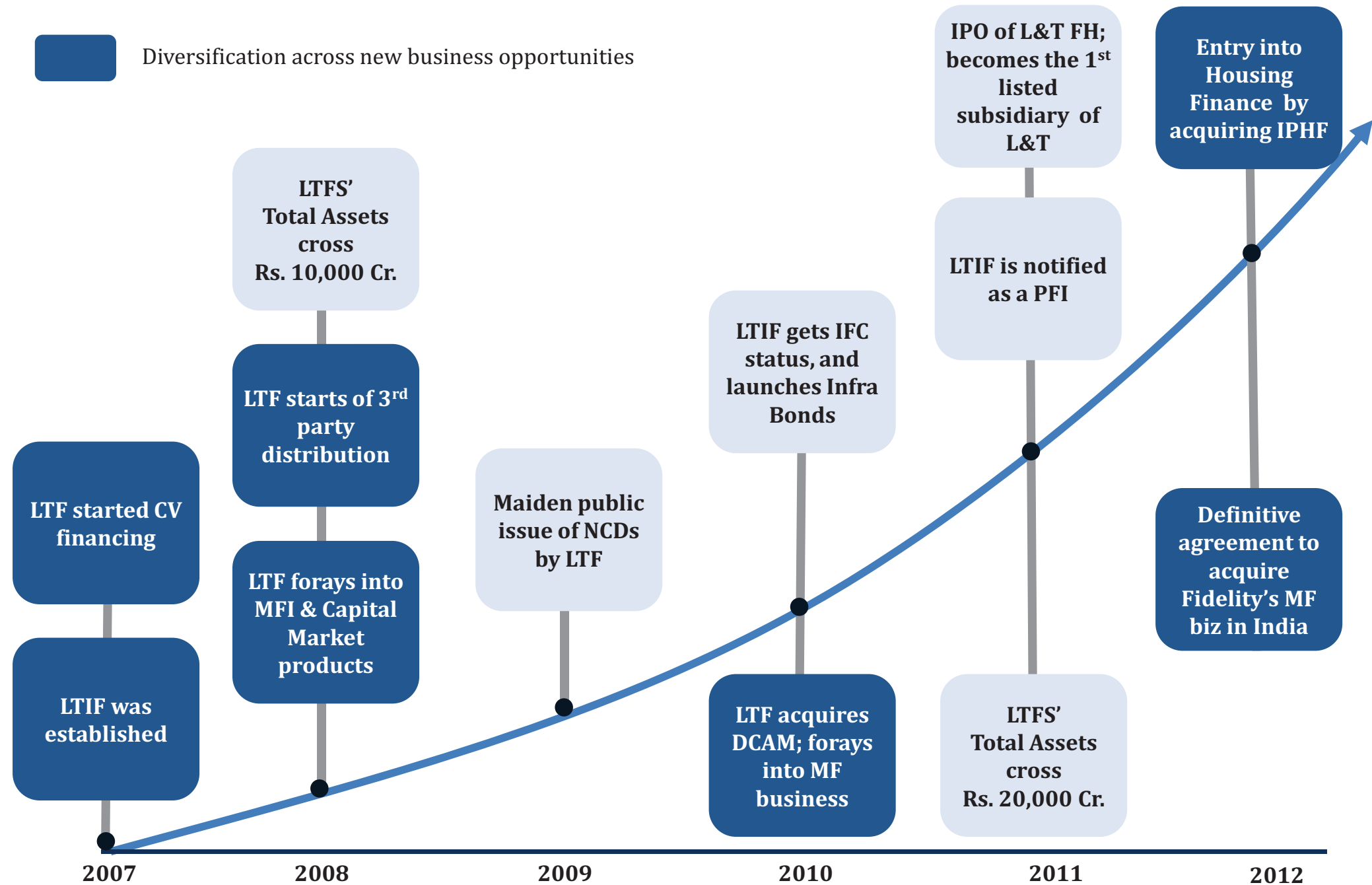
Segment	Outlook
Impact recent regulatory changes	<p>Profitability</p> <ul style="list-style-type: none"> ▪ Opportunity to improve revenue with the recent SEBI circulars <ul style="list-style-type: none"> ▪ Service tax on management fees to be charged over and above the TER (12 bps) ▪ Incremental 20 bps in lieu of exit loads ▪ Fungibility of Total Expense Ratio (TER) is favourable ▪ Additional TER of 30 bps if the incremental inflows from cities beyond top 15 are minimum 30% of total incremental inflows <p>Market Penetration</p> <ul style="list-style-type: none"> ▪ Incentive for AMCs to go beyond the top 15 cities ▪ Favourable distribution registration process
Company Outlook	<ul style="list-style-type: none"> ▪ The integration of Fidelity with L&T will be complete by end-Nov 2012 ▪ Further opportunity for incremental revenue by optimising the existing reach beyond the top 15 cities ▪ Run-rate on equity sales is likely to be driven by investor sentiment <ul style="list-style-type: none"> ▪ Industry has seen equity redemptions with investors booking profits ▪ Trend likely to reverse if investor sentiment and outlook towards the market improves



Annexures

Key Milestones

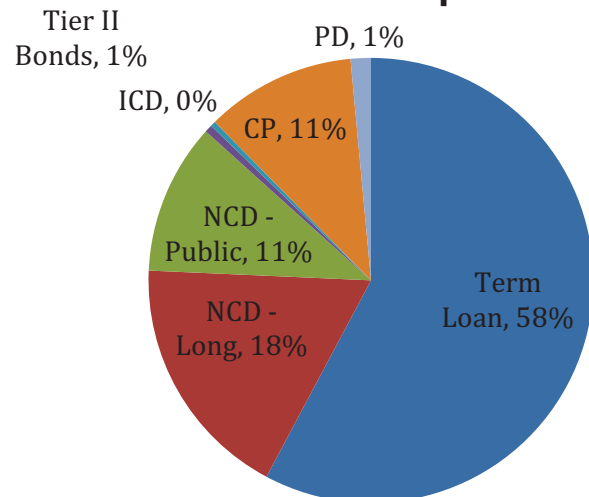
 Diversification across new business opportunities



Responsibility	Age (Yrs)	Qualification	Previous Experience	Exp @LTFH (Yrs)	Total Exp (Yrs)
Chief Executive – LTF	46	B.E., MBA	SBI, BNP	5	22
Chief Executive – LTIF	54	B.Sc., MBA	ICICI, SREI	6	30
Chief Executive – LTMF	45	MBA	Kotak Mahindra Asset Mgmt	1	22
Chief Operating Officer – LTF	55	PGDM	Sundaram Finance, Royal Sundaram	1	34
Head, Branch Business (Retail) - LTF	49	B.E., MBA	SREI	15	25
Corporate Finance Business - LTF	46	B.Com., CA	IL&FS	17	24
Head Credit - LTF	46	PG	BNP Paribas, Burgan Bank	1	24
Project Finance Group & FAS - LTIF	44	B.E., MBA	Reliance Infra	3	21
Structured Products & Planning - LTIF	39	MBA - Finance	IDFC	1	16
Head, Private Equity -LTIF	41	B.E,MMS	Q India Investment Partners	1	18
Head, Corporate & Strategic Affairs - LTIF	59	BA,MA,MDM	AFIC	6	36
Head Credit - LTIF	49	B.E, MBA	MIRC Electronics, ICICI, E&Y	1	19
Executive Business Advisor - LTFH	51	MBA	UTI, HSBC AMC, Matrix AMC	2	28
Treasury – LTF & LTIF	53	B.Com., ICWAI	Fujitsu ICIM	16	30
Head, Accounts & Investor Relations – LTFH	57	B.Com., CA	American Exp, L&T Infotech	1	30

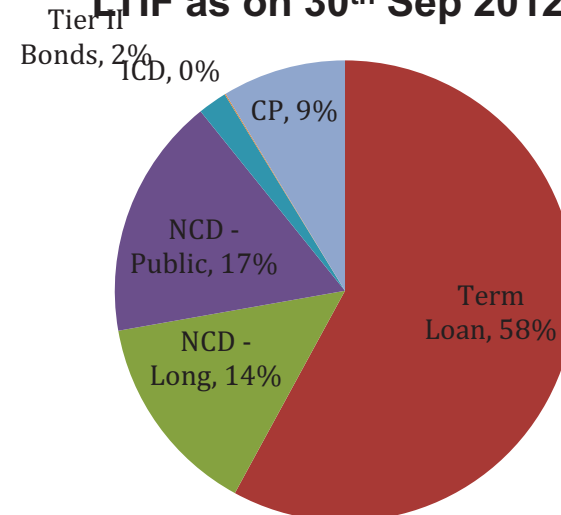
LTFS has a well-layered management team in place, and has successfully attracted and retained best of talent from the industry

LTF as on 30th Sep 2012



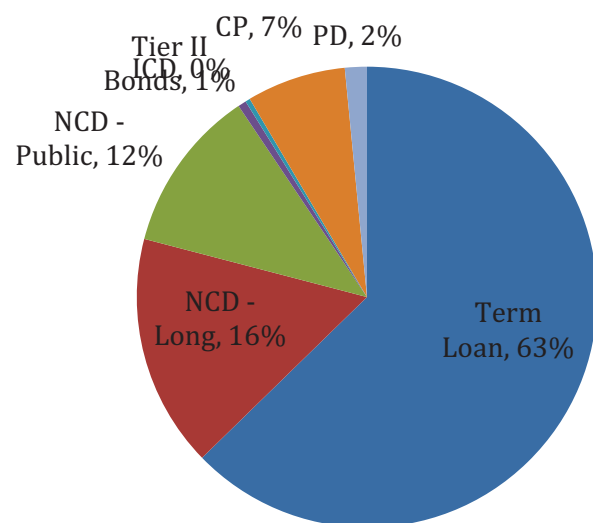
Total Debt – Rs. 13593 Cr.

LTIF as on 30th Sep 2012



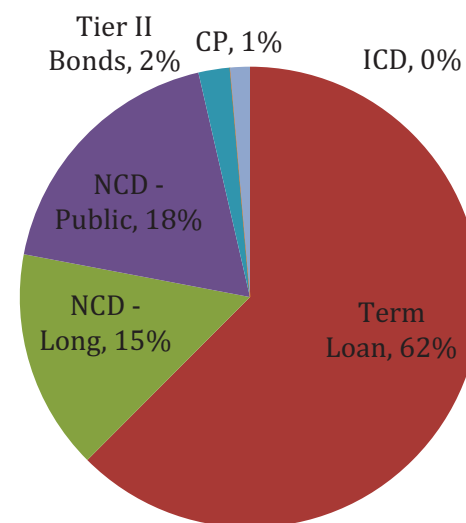
Total Debt – Rs. 10105 Cr.

LTF as on 30th Jun 2012



Total Debt – Rs. 12991 Cr.

LTIF as on 30th Jun 2012



Total Debt – Rs. 9342 Cr.

Note: LTF includes LT Fincorp

Summary P&L and Balance Sheet	Q2FY13				Q2FY12			
	Reported	MFI	Corp. Assets	Adjusted	Reported	MFI	Corp. Assets	Adjusted
Total Gross Income	550.8	6.4	2.7	541.7	432.1	10.1	3.7	418.3
<i>Includes Fee Income</i>	11.7	0.6		11.1	12.7	0.4		12.2
Interest Expense	323.0	4.0	10.5	308.4	240.8	7.7	7.7	225.4
MTM/One Time Items	(3.1)	(0.1)	(0.1)	(3.0)	9.3		0.3	9.0
Total Operating Cost	96.1	8.6		87.5	78.9	9.5		69.4
Credit Cost	47.5	15.1		32.4	41.2	30.26		11.0
PBT	84.3	(21.2)	(7.8)	113.3	71.2	(37.4)	(4.0)	112.5
PAT	61.2	(15.4)	(5.7)	82.3	47.2	(24.8)	(2.6)	74.6
Networth	2,439.3	30.9	243.1	2,165.3	2,050.4	58.7	169.4	1,822.3
Borrowings	13,569.4	171.9	585.5	12,811.9	10,763.6	308.3	327.2	10,128.0
Loan & Advances	15,626.5	198.0		15,428.5	12,601.5	361.0		12,240.5
Total Assets	17,023.5	215.7	828.7	15,979.2	13,508.2	387.0	496.6	12,624.6

Corporate Assets (Rs Cr)	Q2FY13	Q2FY12
Investments, AMC and Others	644.5	312.7
Under Construction Property	184.2	183.9
Total Corporate Assets	828.7	496.6

Table I			Table II	
AUM REPORT FOR THE QUARTER ENDED (DD/MM/YYYY)			AUM REPORT FOR THE QUARTER ENDED (DD/MM/YYYY)	
Asset class wise disclosure of AUM & AAUM			Disclosure of percentage of AUM by geography	
	Rs. in Lakhs			
Category	AUM as on the last day of the Quarter	Average AUM for the Quarter	Geographical Spread	% of Total AUM as on the last day of the Quarter
Income	167234	244926	Top 5 Cities	90%
Equity (other than ELSS)	25320	25512	Next 10 Cities	8%
Balanced	0	0	Next 20 Cities	2%
Liquid	140789	247503	Next 75 Cities	1%
Gilt	145	149	Others	0%
Equity - ELSS	3345	3380	Total	100%
GOLD ETF	0	0		
Other ETF	0	0		
Fund of Fund investing overseas	0	0		
Total	336833	521471		

Table I		
AUM REPORT FOR THE QUARTER ENDED (30/06/2012)		
Asset class wise disclosure of AUM & AAUM		
	Rs. in Lakhs	
Category	AUM as on the last day of the Quarter	Average AUM for the Quarter
Income	133384	152187
Equity (other than ELSS)	22842	22665
Balanced	0	0
Liquid	147313	126606
Gilt	219	182
Equity - ELSS	3053	2976
GOLD ETF	0	0
Other ETF	0	0
Fund of Fund investing overseas	0	0
Total	306811	304617

Mutual Fund Investments are subject to Market Risks, read all Scheme related documents carefully.

Table II	
AUM REPORT FOR THE QUARTER ENDED (30/06/2012)	
Disclosure of percentage of AUM by geography	
Geographical Spread	% of Total AUM as on the last day of the Quarter
Top 5 Cities	88%
Next 10 Cities	7%
Next 20 Cities	3%
Next 75 Cities	2%
Others	0%
Total	100%

Table I

AUM REPORT FOR THE QUARTER ENDED (DD/MM/YYYY)

Asset class wise disclosure of AUM & AAUM

Rs. in Lakhs

Category	AUM as on the last day of the Quarter	Average AUM for the Quarter
Income	128446	162508
Equity (other than ELSS)	23511	24283
Balanced	0	0
Liquid	147763	223477
Gilt	125	134
Equity - ELSS	2989	3146
GOLD ETF	0	0
Other ETF	0	0
Fund of Fund investing overseas	0	0
Total	302833	413549

Table II

AUM REPORT FOR THE QUARTER ENDED (DD/MM/YYYY)

Disclosure of percentage of AUM by geography

Geographical Spread	% of Total AUM as on the last day of the Quarter
Top 5 Cities	84%
Next 10 Cities	10%
Next 20 Cities	3%
Next 75 Cities	2%
Others	1%
Total	100%

Table I		
AUM REPORT FOR THE QUARTER ENDED (30/09/2012)		
Asset class wise disclosure of AUM & AAUM		
	Rs. in Lakhs	
Category	AUM as on the last day of the Quarter	Average AUM for the Quarter
Income	204924	157079
Equity (other than ELSS)	22747	22588
Balanced	0	0
Liquid	278992	205227
Gilt	539	352
Equity - ELSS	3199	3065
GOLD ETF	0	0
Other ETF	0	0
Fund of Fund investing overseas	0	0
Total	510400	388312

Mutual Fund Investments are subject to Market Risks, read all Scheme related documents carefully.

Table II	
AUM REPORT FOR THE QUARTER ENDED (30/09/2012)	
Disclosure of percentage of AUM by geography	
Geographical Spread	% of Total AUM as on the last day of the Quarter
Top 5 Cities	91%
Next 10 Cities	6%
Next 20 Cities	2%
Next 75 Cities	1%
Others	0%
Total	100%