

August 16, 2019

The Manager – Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Bandra-Kurla-Complex, Bandra (East),
Mumbai - 400 051
NSE Scrip Code: IDFC

The Manager – Listing Department
BSE Limited
1st Floor, P.J. Towers,
Dalal Street,
Mumbai - 400 001
BSE Scrip Code: 532659

Sub: IDFC Limited – Presentation on Q1FY20 (Quarter ended June 30, 2019)

Dear Sirs,

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached a copy of the presentation on the financials for the quarter ended June 30, 2019.

This is for your information and records

Thanking you,

Yours faithfully,
For IDFC Limited



Mahendra N. Shah
Company Secretary



Encl.: A/a

I D F C

IDFC LIMITED

IDFC LIMITED – CONSOLIDATED

INVESTOR PRESENTATION

AUGUST 14, 2019



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1. IDFC CONSOLIDATED FINANCIALS

Applicability of Ind As

- ✓ Financials of IDFC Ltd & all its group companies (except IDFC FIRST Bank) have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS)
- ✓ IDFC FIRST Bank has submitted “Fit for consolidation” financials approved by the Audit Committee & reviewed by KPMG

IDFC Consolidated – BS (in crores)

Particulars	Quarter ended June 30, 2019	Year ended March 31, 2019
ASSETS		
Financial assets	8,792	9,019
Non-financial assets	1,125	1,092
Assets directly associated with disposal group classified as held for sale	447	447
Total assets	10,364	10,558
LIABILITIES AND EQUITY		
EQUITY		
Equity share capital	1,596	1,596
Other equity	8,563	8,788
Non-controlling interests (NCI)	-	29
Other financial & non Financial liabilities	205	145
Total liabilities	10,364	10,558

Entity wise PAT contribution

Company Name	INR crore
IDFC Limited	26
IDFC AMC	18
Others*	4
Share of profit of Associate	
IDFC FIRST Bank Limited	(275)
Total Consolidated PAT	(227)

** including increase in carrying cost of IFL*

2. UNLOCKING VALUE OF INR 1,200 CRORE

Update on divestments of non-retail businesses

- ✓ IDFC Capital (Singapore)
 - Sold to Aberdeen and amount repatriated to IDFC Alternatives from IDFC Capital Singapore
 - Liquidator being appointed to wind-up IDFC Capital Singapore

- ✓ IDFC Alternatives/ IDFC Trustee
 - Infrastructure vertical sold to GIP
 - PE, RE verticals sold to Investcorp
 - IDFC Alternatives & IDFC Trustee to be merged with FHCL/ IDFC

- ✓ IDFC IFL
 - 51.48% (Tranche 1) of equity stake sold to NIIF
 - 30.00% (Tranche 2) will be sold by Sept 2019 on fulfillment of CPs for Tranche 2
 - NIIF to form IFC – application made to RBI & approval awaited
 - IDFC to obtain tax exemption notification u/s 10 (47) from CBDT

Update on divestments of non-retail businesses

- ✓ IDFC Securities
 - Post this, entered into an understanding with Mr Dharmesh Mehta along with other investors to purchase 100% equity stake in the business

Current funds position

Company	INR crore
IDFC	~ 450
IDFC FHCL	~ 70
IDFC Trustee	~ 10
IDFC Alternatives	~ 330
TOTAL	A ~ 860

Details	Expected INR crore
IDFC IDF Tranche 2	~ 240
IDFC Securities	~ 150
TOTAL	B ~ 390

$$\mathbf{A} + \mathbf{B} \sim \mathbf{1250}$$

Cash lying in different entities will be up-streamed to IDFC Ltd in a tax compliant and tax efficient way by doing capital reductions/ mergers of some entities. This will also simplify corporate structure.

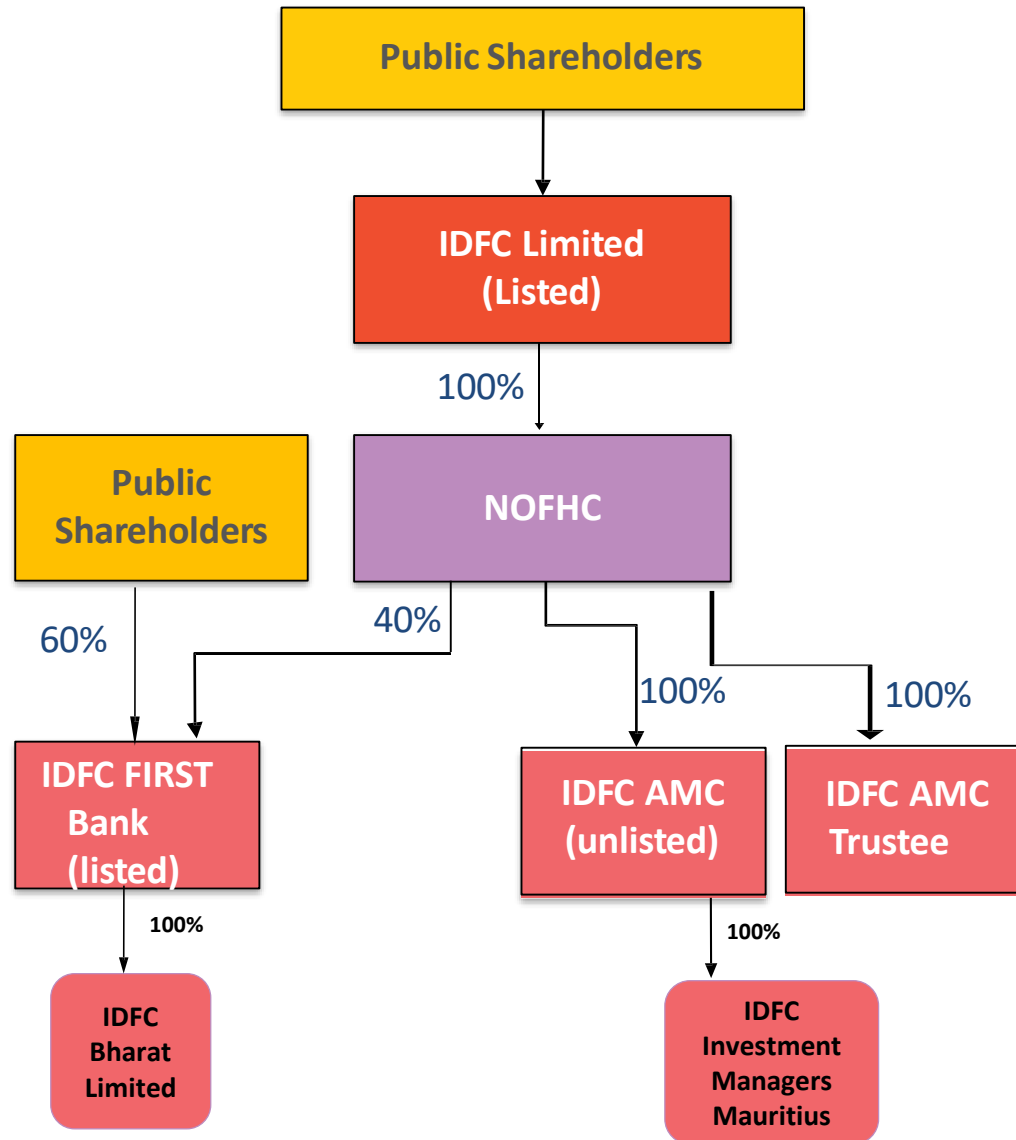
Dividend tax @ 20.55% will be applicable in case of cash dividend

Steps and indicative timelines involved

Post tax on buyback imposed in the budget recently, cash dividend will be paid-out to investors – this could be done in two or more tranches

Activity	By
Liquidation of IDFC Capital Singapore	Oct 2019
Merger of IDFC Alternatives & Trustee Co. with FHCL/ IDFC	Oct 2019 filing and Jan 2020 completion
Capital Reduction by IDFC FHCL (NCLT led process)	Oct 2019 NCLT filing and Jan 2020 NCLT approval

Revised IDFC Group structure post sale of IDFC IDF, IDFC Securities and merger of Alternatives & Trustee Co.



3. IDFC FIRST BANK

IDFC FIRST Bank

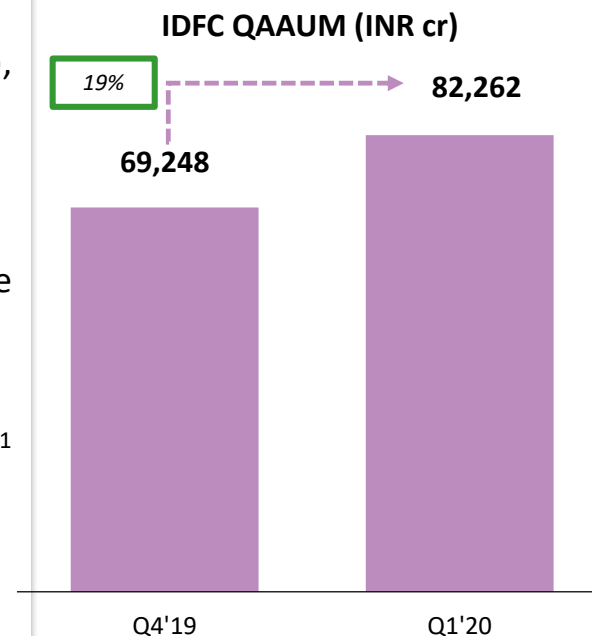
Detailed IR presentation on IDFC FIRST Bank available at:

<https://www.idfcfirstbank.com/content/dam/IDFCFirstBank/PDF/IDFC-FIRST-Bank-Investor-Presentation-Q1-FY20-updated-new.pdf>

4. IDFC AMC

Performance Summary

- In Q1, IDFC MF Average AUM (AAUM) grew by ~19% (vs. industry growth of 4.7%), with Q1 Average AUM crossing the Rs. 82,000 cr mark
 - ✓ Overall market share increased from 2.9% (Q4'19) to 3.2% (Q1'20), with non-cash market share improving from 3.1% to 3.5% QoQ
 - ✓ Rank improved to # 10 from # 12 this quarter
- **Fixed Income**
 - ✓ QAAUM increased to Rs. 58,000 cr (+23% QoQ); Market share increased to 4.4% from 3.7% QoQ
- **Equity**
 - ✓ QAAUM increased to Rs. 24,000 cr (+9% QoQ); Market share¹ increased to 2.0% from 1.9% QoQ
- **Steady Product Performance**
 - ✓ Strong Fixed Income performance with a high quality portfolio stance
 - ✓ Equity portfolios positioned for earnings recovery



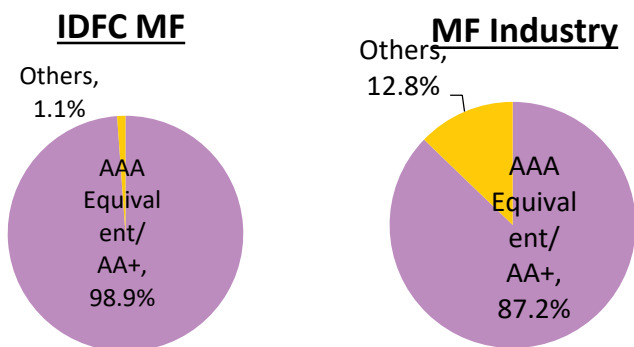
AAUM = Average Assets Under Management
QAAUM = Quarterly Average Assets Under Management
AUM data source: ICRA MFI Explorer
1. Excluding ETFs

Fixed Income: Continue to witness strong inflows with better than industry credit quality

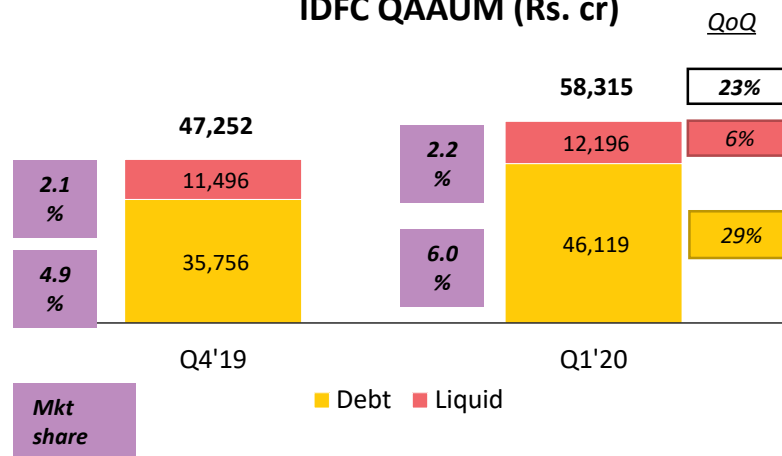
Credit concerns and a slowing economy have led to an investor preference shifting towards safer portfolios with superior risk-adjusted returns

Our Fixed Income portfolio positioning with better than industry credit quality has continued to gain investor confidence, leading to strong inflows

Portfolio credit rating distribution¹



IDFC QAAUM (Rs. cr)



1. As on end of June 2019

Industry data includes top 15 AMCs excluding IDFC

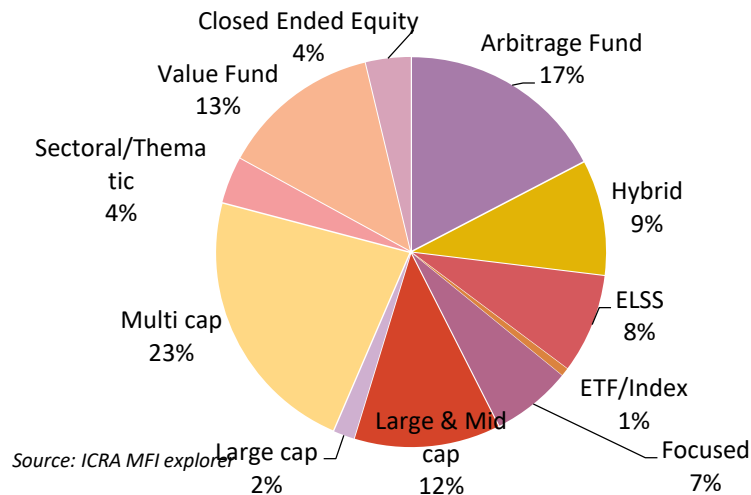
Source: ICRA MFI explorer

Equity: Diversified product suite; well positioned for growth

IDFC Equity QAAUM grew 9%

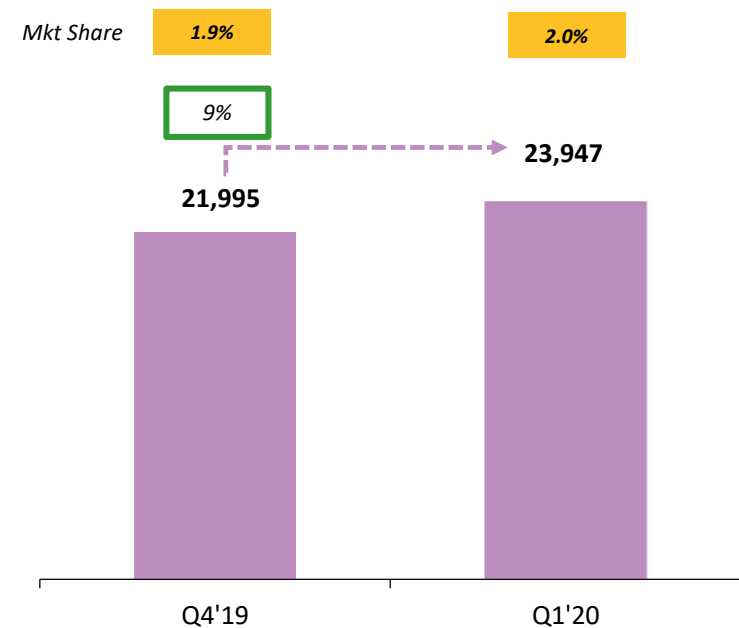
- We increased our equity QAAUM by ~9% or ~Rs. 2,000 cr in Q1, largely driven by growth in the Arbitrage fund
- Our equity market share¹ improved to 2.0% from 1.9%

Product proportion in IDFC Equity QAAUM (Q1'20)



1. Excluding ETFs

IDFC Equity QAAUM (INR cr)





THANK YOU