

## DLF Limited

DLF Gateway Tower, R Block,  
DLF City Phase – III, Gurugram – 122 002,  
Haryana (India)  
Tel. : (+91-124) 4396000



May 22, 2019

To, The General Manager Dept. of Corporate Services <b>BSE Limited</b> P.J. Tower, Dalal Street, Mumbai 400 001	To, The Vice-President <b>National Stock Exchange of India Limited</b> Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai-400051
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### Sub: Analysts Presentation

Dear Sir,

We are forwarding herewith “DLF Analyst Presentation Q4-FY’2019”, for your kind information and record please.

Thanking you,

Yours faithfully,  
for **DLF LTD.**

A handwritten signature in black ink, appearing to read 'Subhash Setia', with a horizontal line underneath.

**Subhash Setia**  
Company Secretary

Encl. : As above

For Stock Exchange’s clarifications, please contact:-

1. Mr. Subhash Setia – 09873718989/setia-subhash@dlf.in
2. Mr. Raju Paul – 09999333687 / paul-raju@dlf.in



# Highlights FY19

<b>Net Sales Booking</b> Rs 2,435 crore 144% ↑ vs FY 17-18	<b>Net Leasing</b> 1.46 msf	<b>Possession Letters Issued</b> 6.64 msf and 3,318 units	<b>Gross Operating Cash Flow before Interest &amp; tax</b> Rs 1,605 crore <b>Operating Cashflow</b> Rs 390 crore
<b>Completion</b> 6.3 msf	<b>Net Debt</b> Rs 4,483 crore in FY19	<b>Rating (ICRA)</b> DLF Ltd A+ with Positive Outlook DCCDL rating upgraded to AA- with Stable Outlook	<b>QIP</b> Rs 3,173 crore

# Highlights Q4 FY19

<b>Net Sales Booking</b> Rs 650 crore	<b>Net Leasing</b> 0.37 msf	<b>Possession Letters Issued</b> 2 msf and 983 units	<b>Gross Operating Cash Flow before Interest &amp; tax</b> Rs 485 crore <b>Operating Cashflow</b> Rs 150 crore
<b>Completion</b> 1.75 msf	<b>Net Debt</b> From Rs 7,224 crore in Q3FY19 to Rs 4,483 crore in Q4 FY19	<b>Rating (ICRA)</b> DLF Ltd A+ with Positive Outlook DCCDL rating upgraded to AA- with Stable Outlook	<b>QIP</b> Rs 3,173 crore



# DLF JOURNEY

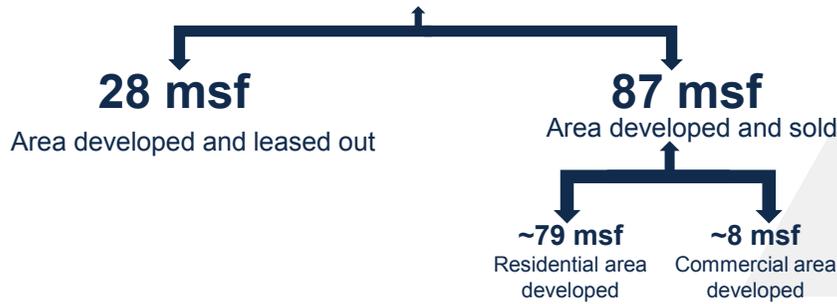


# Journey since IPO

Area developed

**115 msf**

Cumulative area developed and delivered since IPO in 2007

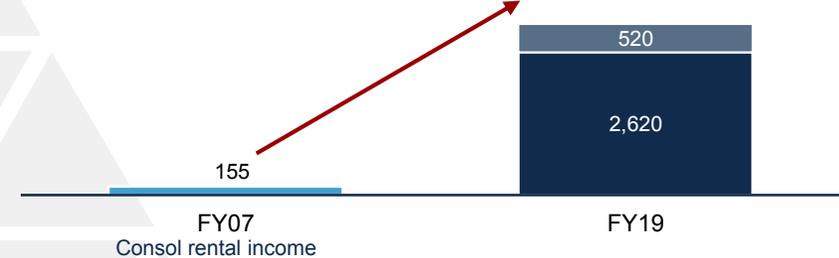


Income

**~18x**

Increase in rental income

■ DCCDL ■ DLF  
Rental income (INR Crs)



Increase in average prices

Healthy increase in residential selling prices across developments

Promoter commitment

Infused INR 9,000 Crore equity in the business with commitment of another 2,250 Crore

Partnerships

Partnering with GIC for DCCDL transaction (Aug-17) – EV of INR 35,617 Crore

Leading real estate company with demonstrated execution capabilities and diversified product offerings

# Recent Developments in the Residential Real Estate Sector

The real estate sector has gone through certain challenges...

## Stalled Projects

- ~160 msf of stalled projects in NCR since 2007<sup>1</sup>

## Credit Dislocation

- Stressed balance sheets for several developers

9.0%

- increase in average realization in NCR from FY14 to FY18<sup>1</sup>

## Structural Reforms

- Stringent provisions due to RERA, GST and other structural reforms resulting in stress on operating cash flows

~80%

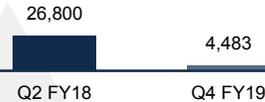
- of inventory under construction<sup>1</sup>

...but DLF has maintained its position, completed execution and delivered its commitment

115 msf

- deliveries by DLF since 2007

Net Debt (INR Crs)



Post de-consolidation of DCCDL

- Reduction in consolidated net debt

>30%

- increase in average selling price across project lifecycle<sup>2</sup>

**DLF**  
Advantage

- Fully compliant

<sup>1</sup> Source: Industry reports;

<sup>2</sup> includes Camellias, Crest, Horizon Centre, Regal Garden, Kings Court, Primus; from project launch till completion

# Strong Vision with Ability to Adjust to Changing Market Environment

1

Generate value for shareholders and maintain leadership position in real-estate sector

2

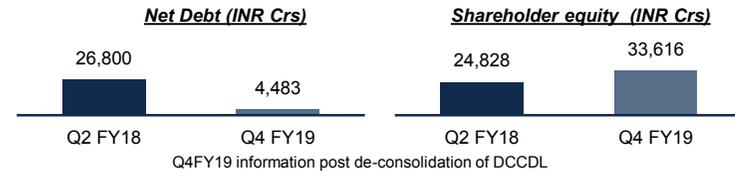
Continue growing and generating positive cash flows across segments

- Stable and recurring income stream from strong portfolio of high quality office and retail properties
- Focus on maintaining cash flow positive earning stream in the residential business with strong focus on monetizing finished inventory

3

Maintain a healthy balance sheet

- Equity cushion added to substitute debt in a volatile interest rate environment



4

Strong promoter commitment and partnership with respected global institutions

- INR 9,000 Crore equity infused by promoters in the business with commitment of another 2,250 Crore
- DCCDL valued at EV of INR 35,617 Crore in August 17. DLF holds 66.7% stake

5

Follow best-in-class corporate governance practices

- S.R. Batliboi (member of EY Group) as statutory auditor with KPMG and Grant Thornton as internal auditors

6

Safety and Compliance

- Awarded Sword of Honour by British Safety Council
- LEED Platinum Certification by USGBC
- DuPont appointed as safety partner in 2011

# Overview of the Verticals



One of the largest rental platform in India

- ✓ **32.8 msf** of operational assets and **3.2 msf** of under construction assets
- ✓ **~19 msf** of development potential
- ✓ **Embedded income growth** through contractual escalation and rental resets
- ✓ **1,600+ tenants** including many Fortune 500 companies

Well poised to benefit from improving market conditions

- ✓ **INR 11,650 Crore** of ready inventory
- ✓ **~202 msf** of strategic land reserves

Sustainable capital structure with a high degree of visibility on cash flows and profitability

<sup>1</sup> Includes rental assets of DCCDL and DLF group.

# Key Differentiators for DLF



## Strong Track Record of High Quality Execution

- 7 decades of experience in real estate development
- Presence across 14 states/UTs and 21 cities across the country
- 153 real estate projects developed
- 331 msf of area developed

## Management Team

- Highly reputed professionals with strong business acumen
- Strong mix of experience across sectors and professional practice

## Best-in Class Governance Practices

- 17 Board members including 9 independent directors of eminence
- Strong audit committee comprising completely of independent directors
- Prominent independent directors in Boards of key subsidiaries

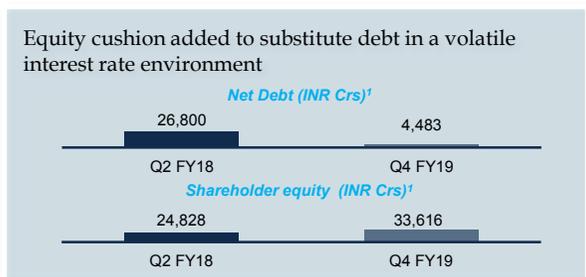
## Assurance Framework

- Statutory audit by SR Batliboi (member of EY group) and internal audit by KPMG and GT
- Mandatory pre audit for all payment transactions beyond a threshold
- Regular system of budget review and updates
- Revenue recognition strictly after receipt of 100% payment and issuance of possession letter

## World Class Partnership

- Partnerships with marquee investors like GIC, Hines
- Long term partnerships spanning across multiple years and projects
- High quality representation on board of joint ventures

## Restructured Balance Sheet



<sup>1</sup> Post deconsolidation of DCCDL pursuant to IND AS policy

# Key Highlights on DLF's Approach to build an Organization with best-in-class Corporate Governance

## Board Composition



- 17 Board members including 9 independent Directors, with 2 woman directors
- Highly reputed professionals with strong business acumen
- Strong mix of experience across sectors and professional practice

## Auditors



- Leading global auditors
  - Statutory auditor – S.R. Batliboi (Member of EY group)
  - Internal auditor – KPMG, Grant Thornton

## Partnerships



- Long term partnerships with marquee global investors spanning across multiple years and multiple projects
  - GIC partnership for DCCDL and Residential projects in Central Delhi
  - Hines partnership for One Horizon Centre and development of high end commercial project.

## LEED Certification



- All office buildings in DCCDL have Platinum LEED certification from US Green Building Council
- New residential developments – Camellias and Crest also have Platinum LEED certification

## Safety Council Awards



- British Safety Council has awarded prestigious 'Sword of Honour' 2018 for 11 DLF sites across India for excellence in occupational, health and safety – only company in the world to achieve such status

# Focus on building a safe, sustainable and compliant ecosystem

## Governance



- Diverse Board with experienced and respected professionals acting as Independent Directors bringing in best standards of corporate governance. Highly reputed professionals with strong business acumen
- 2 woman directors present on the Board now

## Sustainability & Safety



Sword of Honour  
2019 Winner



- Most of the office buildings are LEED Platinum certified by USGBC
- Achieved 5 star rating and Sword of Honor from the British Safety council for a substantial part of its rental portfolio for Occupational Health & Safety Management Systems. First Company across the globe to achieve 11 swords in a single cycle.
- Creating awareness to build an efficient ecosystem. Facilitated first private metro network in the country. Promoting usage of eco-friendly modes for last mile connectivity like Zeebee (E-vehicle), CNG based shuttle services
- Water management : in-house managed STP for recycling sewage water and using it for landscaping, cleaning etc.
- Solid and waste management : Waste segregation, waste composting machine being promoted
- Private Fire stations ; the Company has set up its own private fire stations for increased safety
- Partnerships : the Company, in its ordinary course, partners with Safety agencies like Dupont to evaluate and implement best safety practices.

## Social

- DLF Foundation has taken rural education, Training, Health and Environmental initiatives such as Samarth, Aakansha, Aarogyam etc. since its incorporation, and it looks forward to creating new innovative precedents in areas of Rural Education, Health, and Labor care.

# Awards and Recognition

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## ❑ **Golden Globe Tiger Awards, 2019:**

- DLF Limited – Developer of the Year – Luxury
- DLF Limited – Developer of the Year – Residential
- King's Court – Luxury Project of the Year
- The Crest – Luxury Project of the Year

## ❑ **ET Now Real Estate Awards:**

- DLF – Developer of the Year
- Two Horizon Center : Luxury Project of the Year – Commercial
- DCCDL – Brand of the Year
- DLF Cyber City : Business/IT Park of the Year
- Cyber Hub – Smart Project of the Year - Retail

## ❑ **National Infrastructure Construction Awards, 2018:**

- DLF Limited : Best Real Estate company of the Year
- Two Horizon Center : Green Building Project of the Year
- DLF Golf & Country Club : Leisure Entertainment Project of the Year
- DLF Cyber City : Business/IT Park of the Year
- DLF Foundation : CSR Initiatives of the Year

# Overall Industry Scenario

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- ❑ Successful completion of two major public offerings
  - Embassy REIT and DLF QIP demonstrate renewed investor's interest in the sector
- ❑ Good offtake in Commercial Leasing across geographies
- ❑ Net unsold inventory is on decline
- ❑ Complete clarity on new GST regime
- ❑ Continuing NBFC stress will begin impacting some builders / home buyers

# DLF (ex-DCCDL) – Update & Guidance

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- Successful completion of QIP of Rs 3,173 crore.
  - Oversubscribed 1.8 times
  - Many new marquee investors added
- Completion of capital restructuring
  - Net worth  $\approx$  Rs 33,000 crore +
  - Net Debt will decline to  $\approx$  Rs 2,000 crore in short run
- All project completion achieved. Handing over/ Habitation in progress.
  - Crest : ~40% families moved in, Camellias : ~40% families started fit-outs for their apartments
  - Residual unsold inventory ~ Rs 11,650 crore
  - Residual Receivables ~ Rs 2,750 crore
  - Residual Construction/Capex ~ Rs 2,150 crore
- Commenced construction of DLF Midtown, 1.9 msf residential project with GIC
- Commenced planning of ~ 3 msf Hines JV
- Commenced planning of ~ 2.5 msf residential project in DLF5
- Identified certain commercial assets for further monetization, planning under way
- Targeting sales of ~ Rs 2,700 crore in FY19-20 (i.e. 10% increase over FY18-19)

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**Financial Update**

**DLF (ex DCCDL)**

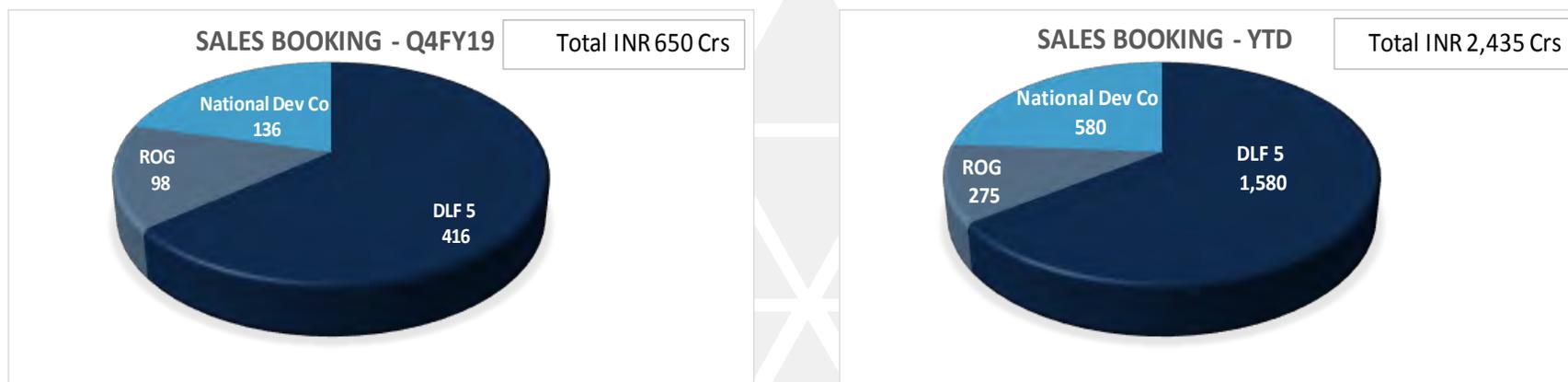
**DCCDL**

**DLF Group Journey**

# DLF- Summary Consolidated Financial Results

## Financial results

- During the Quarter, DLF Ltd. achieved positive operating cashflow, generating INR 150 crore
- Achieved Gross New Sales booking of INR 850 crore & Net Sales bookings<sup>1</sup> of INR 650 crore during the Quarter



- Recognized Sales of Rs 2,145 crore based on issuance of 983 PL's ( 2 msf ) during the quarter
- DLF net rental for the Quarter, stood at INR 174 crore
- Ex-DCCDL, DLF's EBITDA for the Quarter stood at INR 694 crore, and PAT stood at INR 179 crore
  - DCCDL Consolidated EBITDA stood at INR 944 crore
  - 66.67% share in PAT of DCCDL amounted to INR 231 crore & Rs. 127 Crore from Hines JV.
- DCCDL(consolidated) net rental for the Quarter, stood at INR 680 crore

<sup>1</sup> Net of upgradation / shifting / legal case settlement / cancellation

# SALES Update

## Q4 FY19

Location	Value (INR crore)
DLF 5	
Camellias	28
Camellias Upgradation	68
Crest	162
Horizon & Others	158
Rest of Gurgaon	98
National Devco	136
<b>Total</b>	<b>650</b>

## FY19

Location	Value (INR crore)
DLF 5	
Camellias	229
Camellias Upgradation	125
Crest	895
Horizon & Others	331
Rest of Gurgaon	275
National Devco	580
<b>Total</b>	<b>2,435</b>

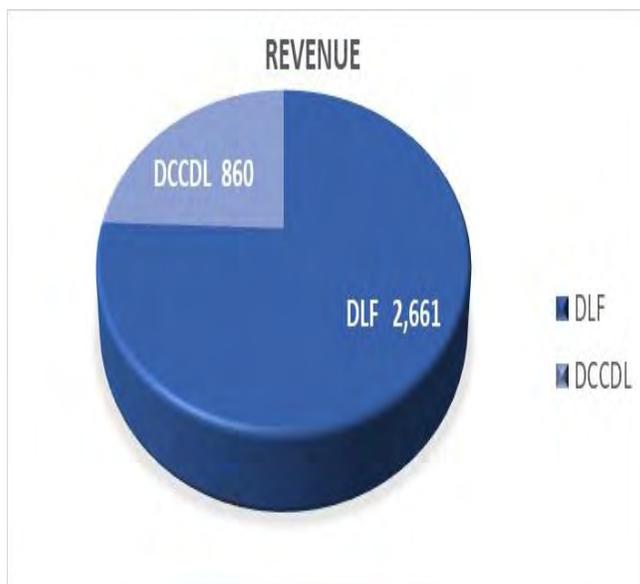
# Annual Profit & Loss Account (Consolidated)

Sl.No.	Consolidated Financials	Q4 FY19 (Reviewed) Ind AS		Q3 FY19 (Reviewed) Ind AS		Q4 FY18 (Audited) Ind AS		Year Ended March 31, 2019 (Audited) Ind AS		Year Ended March 31, 2018 (Audited) Ind AS	
		Rs. Crs.	Percentage of Total Revenue	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	2,500		2,219		1,378		8,366		6,707	
	Other Income	161		187		468		663		957	
	<b>Total Income(A1+A2)</b>	<b>2,661</b>	<b>100%</b>	<b>2,406</b>	<b>100%</b>	<b>1,846</b>	<b>100%</b>	<b>9,029</b>	<b>100%</b>	<b>7,664</b>	<b>100%</b>
B)	<b>Total Expenditure(B1+B2+B3)</b>	<b>1,967</b>	<b>74</b>	<b>1,579</b>	<b>66</b>	<b>1,391</b>	<b>75</b>	<b>6,225</b>	<b>69</b>	<b>4,329</b>	<b>56</b>
1	Construction Cost	1,554	58	1,259	52	1,136	62	4,951	55	3,115	41
2	Staff cost	102	4	90	4	78	4	352	4	344	4
3	Other Expenditure	310	12	230	10	177	10	922	10	870	11
C)	<b>EBITDA (D/A1)</b>	<b>694</b>	<b>26</b>	<b>827</b>	<b>34</b>	<b>454</b>	<b>25</b>	<b>2,805</b>	<b>31</b>	<b>3,334</b>	<b>44</b>
D)	<b>EBIDTA ( Margin)</b>		<b>26%</b>		<b>34%</b>		<b>25%</b>		<b>31%</b>		<b>44%</b>
E)	Financial charges	535	20	533	22	517	28	2,062	23	2,951	39
F)	Depreciation	57	2	56	2	62	3	225	2	534	7
G)	<b>Profit/loss before exceptional items</b>	<b>102</b>	<b>4</b>	<b>237</b>	<b>10</b>	<b>(125)</b>	<b>-7</b>	<b>518</b>	<b>6</b>	<b>(150)</b>	<b>-2</b>
H)	Exceptional items -(net)	127	5	-	0	196	11	127	1	8,765	114
I)	<b>Profit/loss before taxes and after exceptional items</b>	<b>230</b>	<b>9</b>	<b>237</b>	<b>10</b>	<b>71</b>	<b>4</b>	<b>646</b>	<b>7</b>	<b>8,615</b>	<b>112</b>
J)	Taxes expense	38	1	126	5	33	2	277	3	4,323	56
K)	Extraordinary Items	-	0	-	0	-	0	-	0	-	0
L)	<b>Net Profit after Taxes before Minority Interest</b>	<b>192</b>	<b>7</b>	<b>111</b>	<b>5</b>	<b>38</b>	<b>2</b>	<b>368</b>	<b>4</b>	<b>4,292</b>	<b>56</b>
M)	Minority Interest	2	0	2	0	4	0	5	0	(13)	0
N)	Profit/(loss) of Associates	243	9	222	9	205	11	946	10	184	2
O)	<b>Net Profit</b>	<b>437</b>	<b>16</b>	<b>335</b>	<b>14</b>	<b>248</b>	<b>13</b>	<b>1,319</b>	<b>15</b>	<b>4,464</b>	<b>58</b>
P)	Other Comprehensive income /(loss) (net of tax)	(27)	-1	10	0	(4)	0	(3)	0	12	0
Q)	<b>Total Comprehensive income</b>	<b>410</b>	<b>15</b>	<b>345</b>	<b>14</b>	<b>244</b>	<b>13</b>	<b>1,316</b>	<b>15</b>	<b>4,476</b>	<b>58</b>

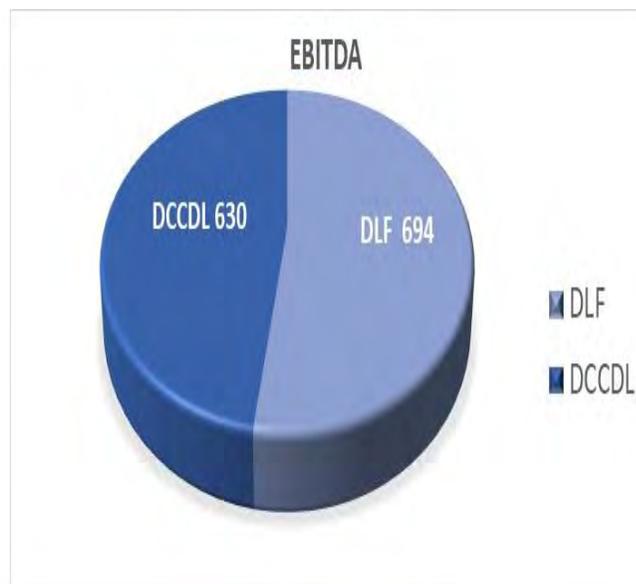
- Last year FY18 PAT includes a one time gain due to Fair Valuation of DCCDL Stake.

# DLF-Q4FY19 Financial Highlights – P&L<sup>1&2</sup>

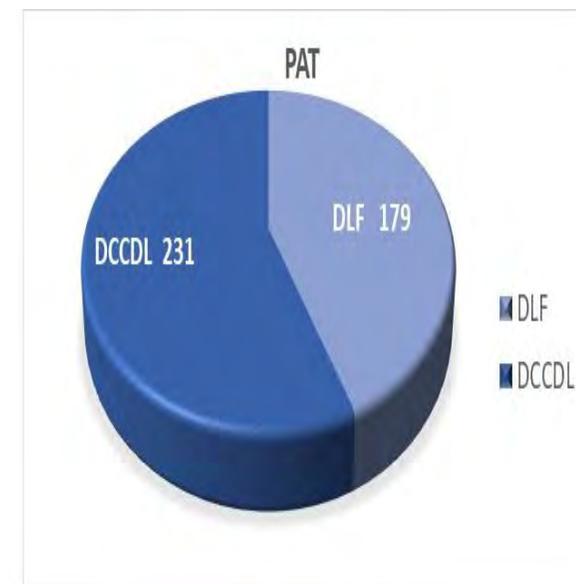
(INR in Crs)



66.67% share of  
DCCDL numbers



66.67% share of  
DCCDL numbers



66.67% share of  
DCCDL numbers

<sup>1</sup> The above table does not consider the impact of inter-company elimination if consolidation were to be effected

<sup>2</sup> DLF has 66.67% share in DCCDL

## Balance Sheet (Consolidated)

<b>Assets</b>		
(INR Crore.)	<b>FY18-19</b>	<b>FY17-18</b>
Property, plant and equipment	1,459	1,549
Capital work-in-progress	103	137
Investment property	3,696	5,361
Goodwill	1,009	1,009
Other intangible assets	158	164
Investments	20,868	19,721
Financial assets	658	581
Deferred tax assets (net)	2,377	2,072
Non-current tax assets (net)	1,298	1,128
Other non-current assets	1,513	1,481
<b>Total Non-Current Assets</b>	<b>33,139</b>	<b>33,201</b>
Inventories	22,009	19,753
Financial assets	8,373	8,062
Other current assets	772	1,139
Assets held for sale	2,630	500
<b>Total - Current Asset</b>	<b>33,784</b>	<b>29,455</b>
<b>Total Assets</b>	<b>66,922</b>	<b>62,656</b>

## Balance Sheet (Consolidated)

<b>Liabilities</b>		
(INR Crore.)	<b>FY18-19</b>	<b>FY17-18</b>
Equity share capital	441	357
Warrant	750	750
Other equity	32,385	34,204
Non-controlling interests	41	49
<b>Total equity</b>	<b>33,617</b>	<b>35,359</b>
Financial liabilities	6,870	7,512
Provisions	45	41
Deferred tax liabilities (net)	440	2,510
Other non-current liabilities	97	148
<b>Total Non-Current Liabilities</b>	<b>7,452</b>	<b>10,211</b>
Financial liabilities	14,554	13,891
Other current liabilities	11,122	3,096
Liabilities related to assets held for sale	143	57
Provisions	34	42
<b>Total - Current Liabilities</b>	<b>25,853</b>	<b>17,086</b>
<b>Total Assets</b>	<b>66,922</b>	<b>62,656</b>

# Operating Cash Flow

(INR Crs.)	Q4FY19	
Inflow		
• Collection from sales	1	800
• Rentals		145
Sub-Total		945
Outflow		
• Construction	2	235
• Government / Land charges		(3)
• Overheads		228
Sub-Total		460
<b>Operating Cash Flow before Interest &amp; Tax</b>		<b>485</b>
• Finance cost (net)	3	240
• Tax		95
<b>Operating Cash Flow after Interest &amp; Tax</b>		<b>150</b>
• Capex outflow / Others		140
<b>Net surplus / (shortfall)</b>	4	<b>10</b>

1 Receivables realization on track

2 Complete / near complete projects to limit burden of cash outflow

3 Interest outflow to reduce from Q1 due to equity infusion via QIP & Promoter Infusion

4 Aim to sustain free cash flow and maintain strong liquidity position

Excludes:

Reduction in land liabilities of Rs 160 crs in Q4  
Interest payment to DCCDL of Rs 270 crs in Q4

Optimum cash flow to finance future development and maintain strong liquidity

# Strong Capital Structure

## Net Bank Debt – excluding DCCDL group

(INR Crs.)	Q4FY19	Q3FY19
Gross opening debt (Net of IndAs adj.)*	10,196	8,923
Less: Debt repaid during quarter	(460)	(1,068)
Less: Deconsolidation of JV Debt	(398)	-
Add: New borrowing during quarter	Nil	2,430
Less Cash in Hand	(4,855)	(3,061)
<b>Net debt position</b>	<b>4,483</b>	<b>7,224</b>
<b>Less : Promoter Infusion (Q1 FY20)</b>	<b>(2,250)</b>	<b>-</b>
<b>Land Commitments</b>	<b>800</b>	<b>960</b>

\*Reclassified

### 1 DCCDL settlement status :

- Mall of India Noida – Rs 2,950 crs ( under closure – May '19)
- Mall of India Gurgaon (3.05 acres land parcel) - Rs 330 crs  
--- (Concluded) ---

2 DCCDL Payable reduced from Rs 8,700 crs to Rs 5,450 crs by May 2019

3 Rs 1625 crs of promoter funds received, balance Rs. 625 Cr by June-19

## Sources of Debt

(INR Crs.)	o/s. 31.03.19	Repayment till 21.05.2019	Prepayment –till June 2019	< 1 Year	> 1 < 3 Years	> 3 Years
<b>Banks</b>						
-Private Banks	560	43	3,250	545	500	700
-Foreign Banks	817	24				
-Public Sector Banks	454	3				
-Other HFC	436	7				
-HDFC Ltd	2,855	49				
-ECB	1,167	90		314	762	
-NCD	1,690	1,000		345	345	
Working Capital Limits / STL	1,360					1,360
<b>Gross Debt</b>	<b>9,338</b>	<b>1,216</b>	<b>3,250</b>	<b>1,205</b>	<b>1,607</b>	<b>2,060</b>
<b>Less Cash in Hand</b>	<b>(4,855)</b>					

- Short Term loans of Rs. 1,360 crs are part of the working capital limits, assumed to be rolled over (considered in > 3 yrs repayments)

Overall borrowing cost – 10.24%

Net Debt Equity Ratio : 0.13

Interest outflow set to reduce to ~ Rs 100 crs per quarter by Q3FY20 onwards

# DCCDL Settlement

Project	Status Update	Value (Rs crs)
Outstanding	As on 31 <sup>st</sup> Dec, 2018	8,700
Mall of India, Noida ( 1.97 msf )	Under transfer - to be concluded by May-19	( 2,950 )
3.05 Acre land parcel near Mall of India, Gurugram	Transferred to DCCDL. Transaction Concluded	( 330 )
Outstanding	As on 31 <sup>st</sup> May, 2018	~ 5,450
DLF Stake in Horizon Centre, Gurugram	Target Closure by Q1FY20	850
DLF Place, Saket, New Delhi	Target Closure by Q2FY20	1,050
Commercial land parcel, Chennai	Target Closure by Q2FY20	1,000
Contracted DAL Settlement ( Chennai / Hyderabad IT Parks )	Under execution	1,100
Residual ( Asset Transfer )	Under discussion stage	1,450

# Key Considerations for Development Business

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1

- Quality of DLF's inventory

2

- Track record and ability to achieve right price for DLF projects

3

- Development Update

4

- Strategic nature of DLF's land bank

# Completed Inventory

	Value (Rs crs) 31.12.2018	Sale Booking Q4 FY19 Rs crs	Area ( in msf ) 31.03.2019	Value (Rs crs) 31.03.2019
1 DLF 5, Gurugram	5,750	416	1.72	5,335
2 Rest of Gurugram	3,650	98	4.76	3,550
3 National Devco	2,900	136	6.44	2,765
<b>Total</b>	<b>12,300</b>	<b>650</b>	<b>12.92</b>	<b>11,650</b>

## Snapshot of Inventory/ Receivables

Status as on 1st April 2019				
Residential project	Total Value	Sold Value	Residual Inventory	Rs. Crs.
				Pending Receivable
Camellias	9,910	5,085	4,825	790
Crest	3,980	3,795	185	310
Horizon	2,200	1,995	205	140
Other DLF5	-	-	105	50
Ultima	1,910	775	1,135	100
ROG			2,425	330
National Devco			2,765	1,045
<b>Total</b>			<b>11,645</b>	<b>2,765</b>

## Residual EBITDA as on 1<sup>st</sup> April, 2019

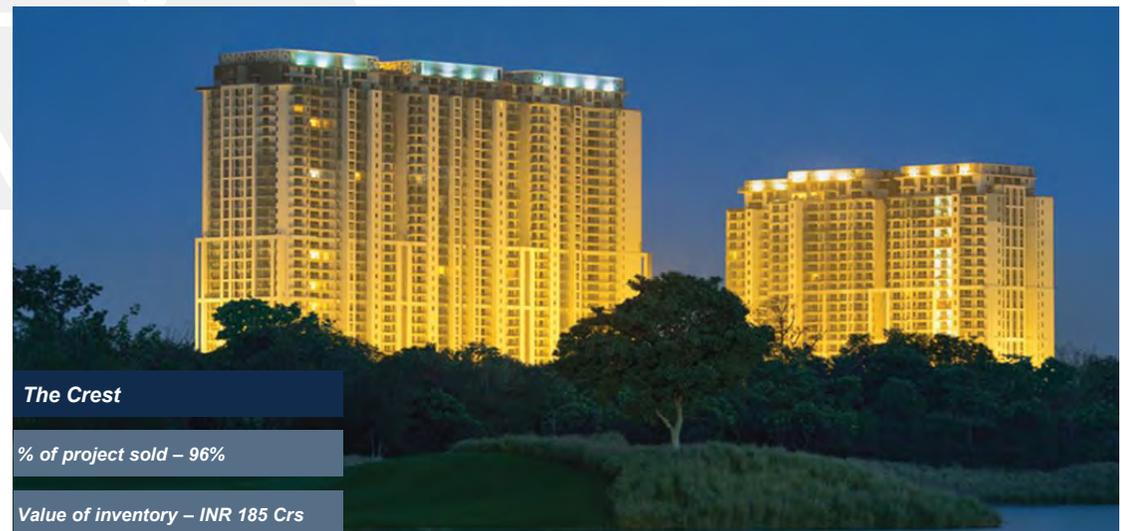
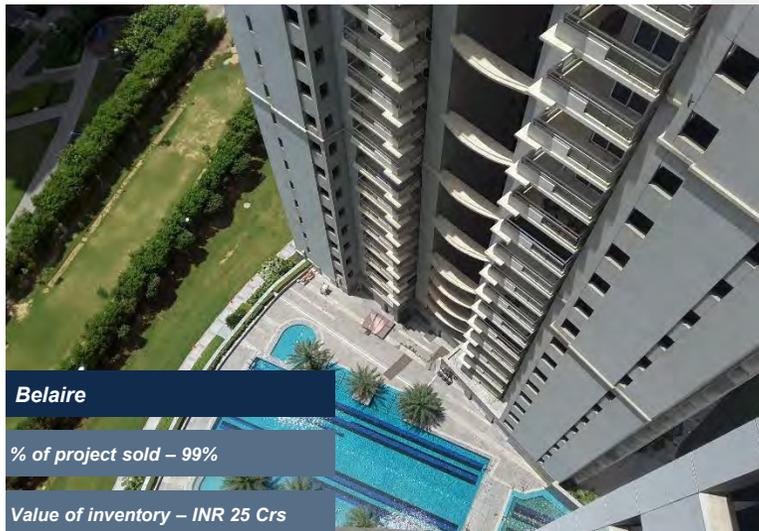
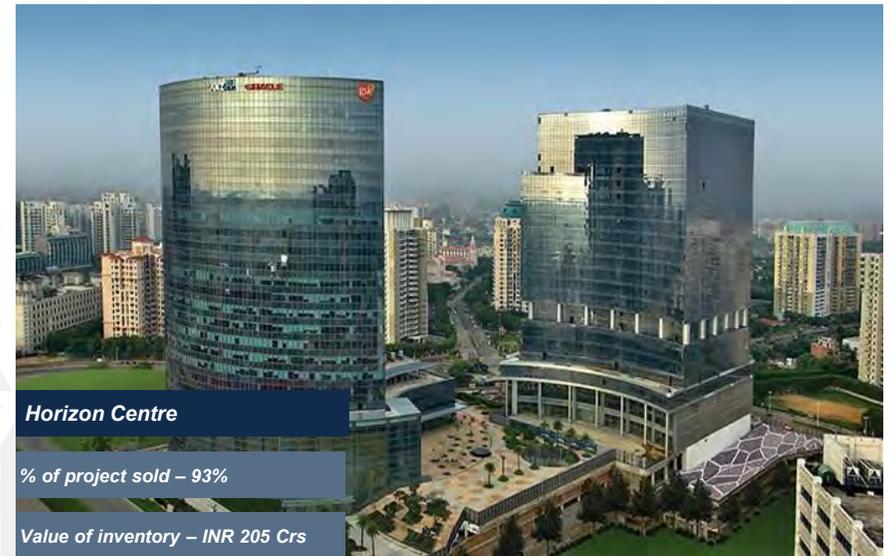
	Rs crs
<b>Total EBITDA to be recognized in Sales done till 31<sup>st</sup> March, 2019</b>	5,900
<b>Total EBITDA in unsold inventory</b>	5,400
<b>Total EBITDA to be recognized in the next 4 to 5 years</b>	11,300

Note: EBITDA of DLF rental assets/ new projects not included above

## DLF (ex DCCDL) – Development Update (near term)

Project	Development Potential & Status	Expected Sales Price
DLF Urban Private Limited (Joint Venture - Central Delhi)	1.90 msf Construction Commenced	Rs 20,000 psf
DLF Midtown Private Limited (Joint Venture - Central Delhi)	~ 6 msf All approvals in place Under Design Stage	Rs 20,000 psf
Luxury Residential, DLF5, Gurugram	~ 2.5 msf Under Planning	Rs 25,000 psf
HSI IDC- ~11.76 acres, Gurugram	~ 3 msf JV Closed	Rs 25,000 psf
Hyderabad SEZ ( To be transferred to DAL under co-developer agreement )	~ 3 msf Under Design Stage	Rs 10,000 psf
Commercial Complex, New Gurgaon	~ 2.5 msf Under Design Stage	Rs 8,000 psf

# Completed Inventory at DLF5



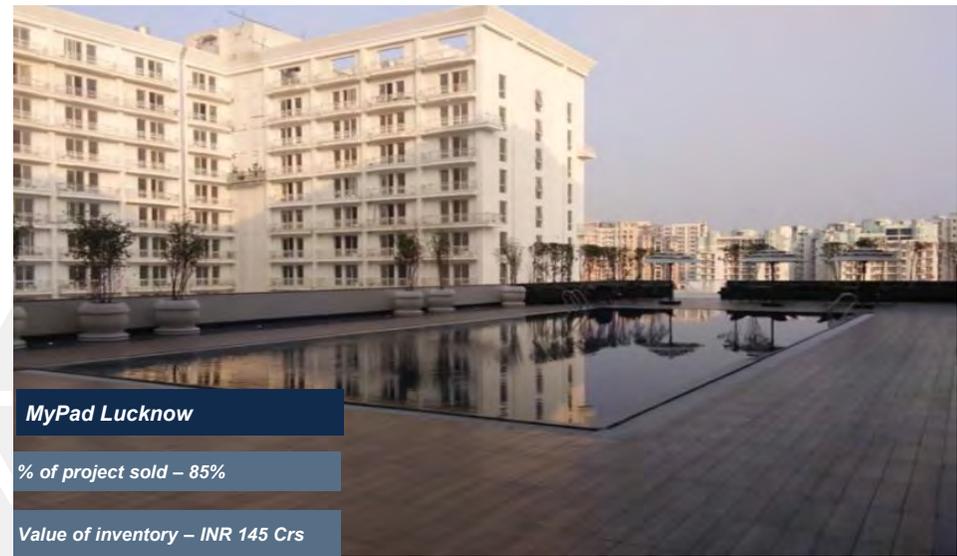
# Completed Inventory at Rest of Gurgaon



# Completed Inventory at Rest of Gurgaon



# Completed Inventory at National Devco



# Completed Inventory at National Devco



# Significant Land Reserves for Future Growth – DLF (ex DCCDL)

Large land reserves in strategic locations across India

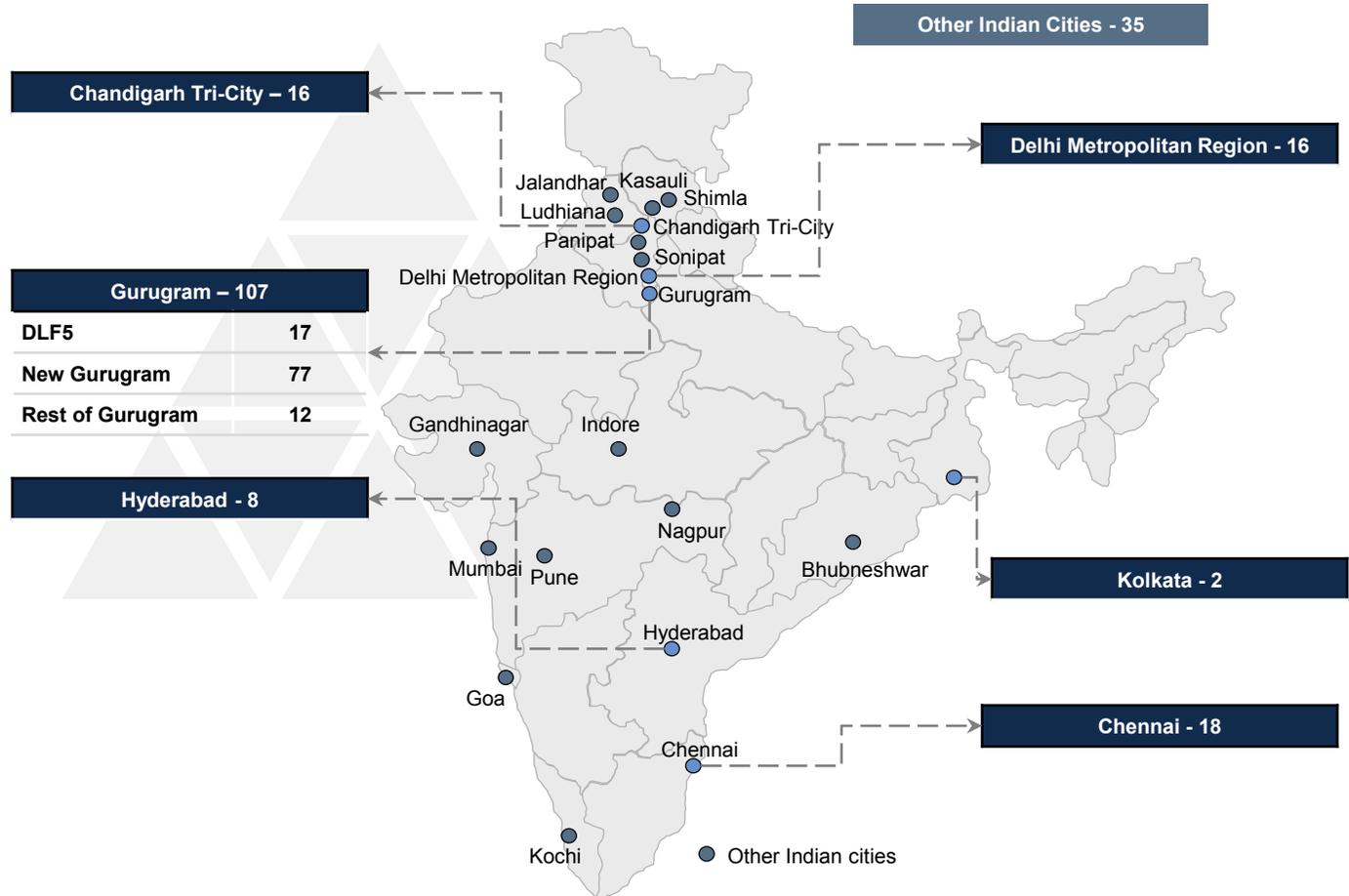
202 msf<sup>1</sup> of development potential

Ability to take advantage of favorable market conditions by launching projects quickly without having to acquire land

Rationalize land reserves in areas with limited potential and selectively replenish reserves in strategic locations

202 msf (~) of total development potential<sup>1</sup>

(msf)



**Note:**

<sup>1</sup> As of March 31, 2019

- Includes TOD Potential in Delhi
- The Development Potential is the best estimate as per the current zoning plans on lands 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. Sum of these arrangements include making residual payments of ~ Rs 800 crs to the land owners before the development potential can be fully exploited. The above development potential TOD Potential. Increase TOD potential is under computation based on application filed.
- Excluded DLF5 and New Gurgaon TOD / TDR potential.

# High Quality Land Reserves with Significant Asset Value

## Focus on land reserves in key markets

	Development potential (Approx. msf)*	Commentary
Phase V	17 msf	Strategic location and connectivity to DLF Golf Course provides attractive development potential
Chanakya Puri	2 msf	Diplomatic enclave in New Delhi
Capital Greens	8 msf	Land parcel in central Delhi located in close proximity to Connaught Place
Tulsiwadi (Mumbai)	0.9 msf <sup>^</sup>	Premium location next to iconic Mahalaxmi Race Course
New Gurgaon	77 msf	Integrated township which include Group Housing, Commercial, Plotted and IT SEZ

\* Does not include TOD/TDR potential

<sup>^</sup> DLF Share

# Overview of DLF's Rental Assets (excluding DCCDL)

## Retail assets

Project	Leasable area (msf)	Occupancy (%)	In-place Rental <sup>1</sup> (INR psf)
DLF Place, Saket <sup>2</sup>	0.5	49.1%	108
Chanakya	0.2	92.0%	162
Capitol Point	0.1	100%	382
South Square	0.1	99.4%	116
	<b>0.9</b>		

Mall of India, Noida



## Commercial assets

Project	Leasable area (msf)	Occupancy (%)	In-place Rental <sup>1</sup> (INR psf)
Kolkata II	1.0	97.0%	34
Amex Tower	0.5	100%	49
DLF Centre	0.2	84.4%	363
Gateway	0.1	100%	116
Horizon One*	0.4	97%	143
	<b>2.2</b>		

The Chanakya



DLF Saket



Certain rental properties and land parcels of DLF are intended to be transferred to DCCDL to settle inter-company payables

<sup>1</sup> as of March 2019

<sup>2</sup> Under refurbishment, planned to be transferred to DCCDL during Q2, FY20

\* DLF Share

# High Visibility on Future Cash Flows

## Other inflows / outflows

- Stable dividend flows expected from DCCDL
- Residual Receivables more than residual construction outflow
- increasing selling price over time could further add to the inflows
- Cash outflows for overheads targeted to reduce in the medium term
- Limited tax outflow on account of existing deferred tax assets / MAT credit
- Interest outflow set to reduce to ~ Rs 100 crs per quarter by Q3FY20 onwards

Strengthen Free Cash Flow

# Ongoing Construction of Residential Projects



**Ultima, Gurugram (Under construction): 0.31 msf**

**Already completed 1.87 msf**

**Hand over date: Fiscal 2020**



**Capital Greens Phase IV GIC JV : 1.9 msf**

A nighttime photograph of a modern, multi-story building with a curved facade and large glass windows. The building is illuminated from within, and the sky is a deep blue. In the foreground, there is a rooftop lounge area with red leather seating, tables, and small lanterns. The overall scene is a mix of urban architecture and leisure.

# **DLF Cyber City Developers Limited**

# Highlights FY19

<b>Gross Leasing</b> 5.57 msf	<b>Net Leasing</b> 1.54 msf	<b>Leased Portfolio</b> 28.7 msf	<b>Operating Cash Flow</b> Gross <sup>1</sup> : Rs 2,719 Crore Net : Rs 1,482 Crore
<b>Under Execution</b> 3.2 msf	<b>Net Debt</b> Rs 16,447 crore	<b>Rating (ICRA)</b> DCCDL rating upgraded to AA- with Stable Outlook	<b>Run Rate Annual<sup>2</sup></b> Rs 2,800 crore

1. Gross operating cash flow before interest and tax

2. Includes maintenance & power EBITDA

# Highlights Q4 FY19

<b>Gross Leasing</b> 1.8 msf	<b>Net Leasing</b> 0.33 msf	<b>Leased Portfolio</b> 28.7 msf	<b>Operating Cash Flow</b> Gross <sup>1</sup> : Rs 739 crore Net : Rs 546 crore
<b>Under Execution</b> 3.2 msf	<b>Net Debt</b> Rs 16,447 crore	<b>Rating (ICRA)</b> DCCDL rating upgraded to AA- with Stable Outlook	<b>Run Rate<sup>2</sup> Q4 FY19</b> Rs 700 crore

1. Gross operating cash flow before interest and tax

2. Includes maintenance & power EBITDA

# DCCDL Consolidated - FY19 Financial Indicators

*In Rs Crore*

Particulars	FY19	FY18
REVENUE	5,088	4,948
EXPENSES	(1,294)	(1,406)
EBITDA	3,794	3,541
FINANCE COST	(1,723)	(1,702)
DEPRECIATION	(430)	(417)
PBT	1,640	1,422
EXCEPTIONAL ITEM/ MINORITY INTEREST	Nil	235*
TAX	(241)	(240)
<b>PAT</b>	<b>1,400</b>	<b>1,418</b>
NET DEBT	16,447	16,549
NET DEBT / NOI	5.7	5.8

\*Includes exceptional gain on sale of shares

## DCCDL Balance Sheet Abstract (Consolidated)

*In Rs Crore*

Particulars	FY19	FY18
Non-current assets	19,322	18,524
Current assets	8,366	9,737
<b>Total Assets</b>	<b>27,688</b>	<b>28,261</b>
Equity	7,464	7,752
Non-current liabilities	17,353	18,200
Current liabilities	2,871	2,309
<b>Total Liabilities</b>	<b>27,688</b>	<b>28,261</b>

## DCCDL Cash Flow Abstract (Consolidated)

(INR Crs.)	Q4FY19	FY18-19
Inflow		
<b>Operating Cash Flow before Interest &amp; Tax*</b>	739	2,719
• Finance cost (net)	(61)	(807)
• Tax	(131)	(430)
<b>Operating Cash Flow after Interest &amp; Tax</b>	<b>546</b>	<b>1,482</b>
• Capex	(205)	(755)

Optimum cash flow to finance future development and maintain strong liquidity

\*Operating cash flow includes inflow from rent, service, power and other operating income

# DCCDL - Summary Consolidated Financial Result

- During the Quarter, DCCDL achieved positive operating cashflow, generating INR Rs 546 crore
- Achieved Gross Leasing of 18 lacs sft & Net Leasing of 3.3 lacs sft during the Quarter. The Company has achieved Gross Leasing of 55.7 lacs sft & Net Leasing 15.4 lacs sft in the FY19.

Q4FY19	Gross Area Leased ( lacs sft )	Net Area Leased ( lacs sft )
Offices	17.0	3.0
Retail	1.0	0.3

- DCCDL(consolidated) net rental for the Quarter, stood at INR 680 cr  vs Rs 665 crs in Q3FY19. Run rate Rs 700 crs.
- DCCDL Consolidated EBITDA stood at Rs 944 crs   vs Rs 970 crs in Q3FY19
- DCCDL Consolidated PAT stood at Rs 347 crs  vs Rs 335 crs in Q3FY19
- DCCDL Consolidated net debt Rs 16,447 crs
- Annualized Annuity Run Rate Rs 2,800 crs
- Cyber Park 4.8 lacs sft handed over to tenant for fitout, OC expected soon.

 Due to annual CSR provisions

## DCCDL – Development Update (near term)

Project	Development Potential & Status	Expected Rental
Cyber Park	2.53 msf Advanced stage of completion OC expected in Q2 FY19	Achieved Avg. Rental Rs 120 psf per month
Chennai IT Park	~ 0.7 msf Under Advanced Stage of Construction	Rental Rs 70 psf per month
DLF Downtown, Gurugram	~ 3 msf (Phase 1) Under Design Stage	Rental Rs 120 psf per month
Commercial land parcel, Chennai	~ 4 msf Under Design Stage	Rental Rs 85 psf per month

# Ongoing Construction of High-end Commercial Projects



**Cyber Park, Gurugram: 2.5 msf**

**Area pre-leased: ~2.3 msf**

**Current rentals: ~INR 122 psf**

**Weighted average rentals: ~INR 119 psf**

**Rent commencement: Sep 2019**



**Chennai IT SEZ (Phase III): 1.6 msf<sup>1</sup>**

**Area pre-leased: ~1.0 msf**

**Current rentals: ~INR 75 psf**

**Weighted average rentals: ~INR 69 psf**

**Rent commencement: Aug 2019**

**Under-construction Portfolio – 3.24 msf**

<sup>1</sup> Only 0.7 msf under construction

# Office Portfolio

Cyber City Non-SEZ – 10.17 msf

Cyber City SEZ – 2.89 msf



DLF Hyderabad IT SEZ – 2.91 msf



DLF Silokhera IT SEZ – 1.94 msf



DLF Chennai IT SEZ – 6.57 msf



Chandigarh – 0.65 msf



Kolkata IT Park – 1.29 msf



Operational assets – ~26.5 msf

# Retail Portfolio

## DLF Emporio

- Location: Vasant Kunj, Delhi
- Commission Date: Aug' 08
- TLA: 0.3 msf

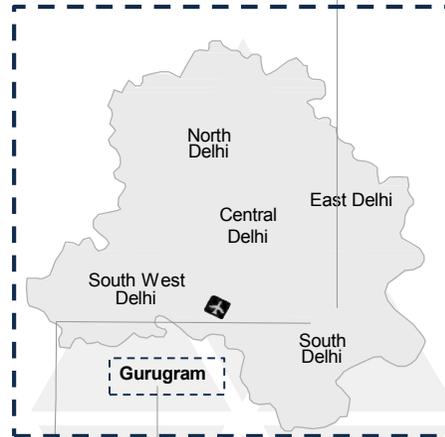


## DLF Promenade

- Location: Vasant Kunj, Delhi
- Commission Date: Jan' 09
- TLA: 0.5 msf



## Chandigarh



## City Centre

- Location: Chandigarh
- Commission Date: May' 08
- TLA: 0.2 msf



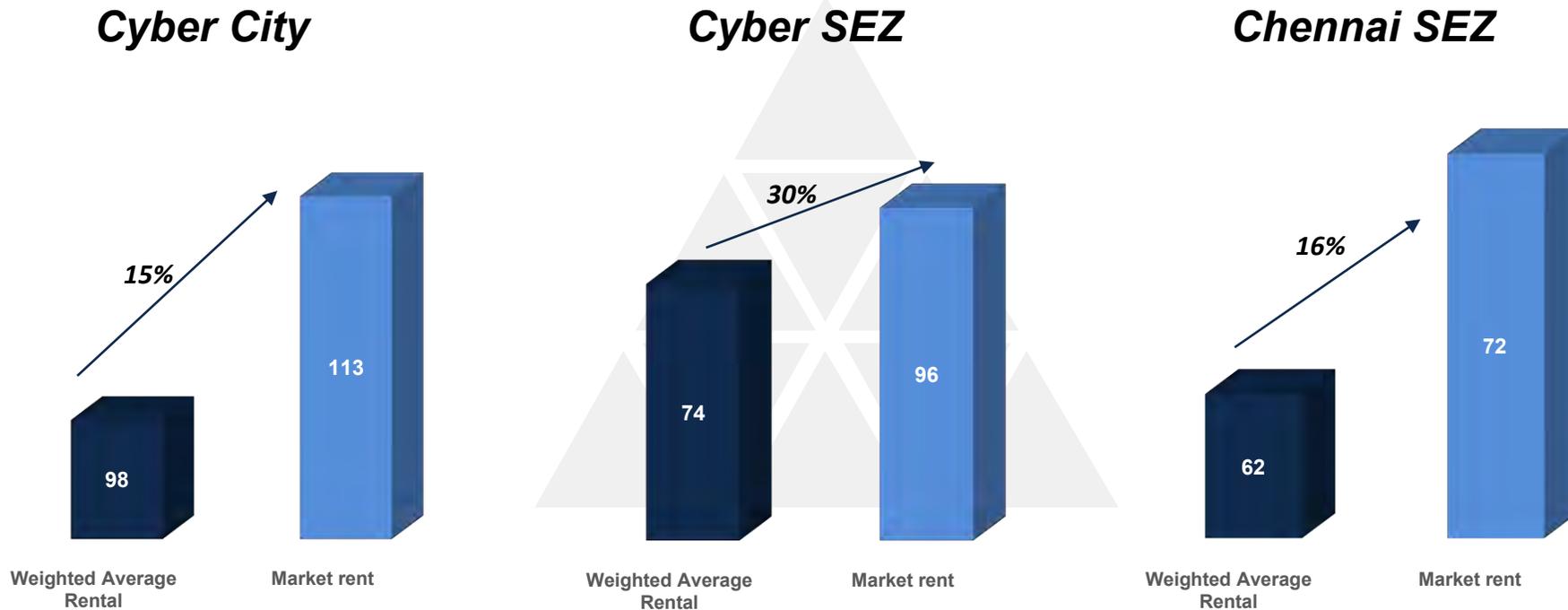
## Cyberhub

- Location: Gurugram
- Commission Date: 2014
- TLA: 0.4 msf



# Significant Mark to Market Potential on Existing Commercial Portfolio

## Mark-to-market Potential: Significant Room for Rent Revisions



Re-leasing at market rent to drive significant value creation

\* Weighted Average Rentals is the weighted base rental for leased area

\*\*Market rent means weighted average rate for new leases entered in FY 19

# Rental Growth – Re-leasing Upside (Budgeted)\*

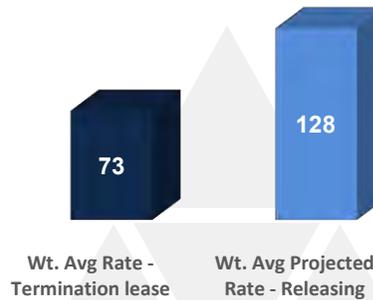
## Gurugram- Cyber City (Non-Sez)

**FY20**



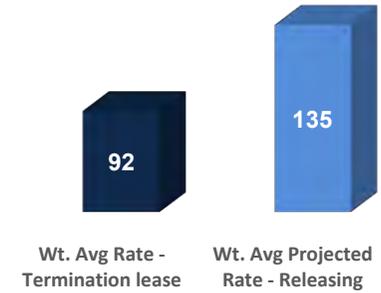
**Annualized incremental revenue\*\* – INR 31 crore**

**FY21**



**Annualized incremental revenue\*\* – INR 50 crore**

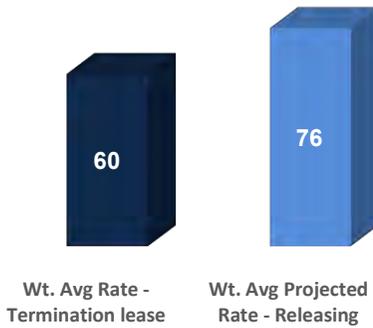
**FY22**



**Annualized incremental revenue\*\* – INR 51 crore**

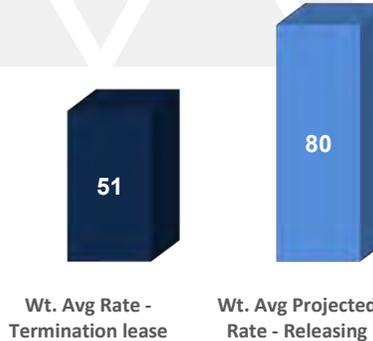
## Chennai

**FY20**



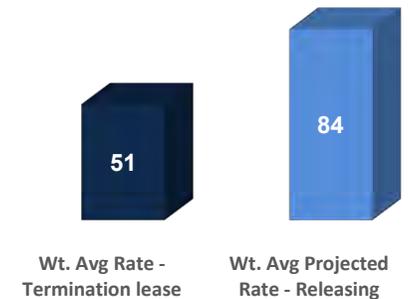
**Annualized incremental revenue\*\* – INR 7 crore**

**FY21**



**Annualized incremental revenue\*\* – INR 26 crore**

**FY22**



**Annualized incremental revenue\*\* – INR 20 crore**

\* Budgeted rentals for area that would be coming up for releasing based on management estimates

\*\*Annualised incremental revenue impact has been calculated on rent rate differential multiplied by gross leasing area coming up for renewal.

# Rental Portfolio – Operational assets ~ 27.8 msf

- ❑ *Diversified Tenant Base of > 1000 tenants*
- ❑ *Healthy portion leased to Fortune 500 MNCs, with excellent credit profile*

## Key Tenants

### IT/ITES

*COGNIZANT, IBM, Concentrix, TCS, BT Global*

### BFSI

*Yes Bank, GE Capital, Standard Chartered*

### CONSULTING

*EY, PWC, KPMG, Deloitte, Protiviti*

### Co-Working

*We Work, TEC, Regus, Innov8*

# DCCDL Group: Future Development Opportunities

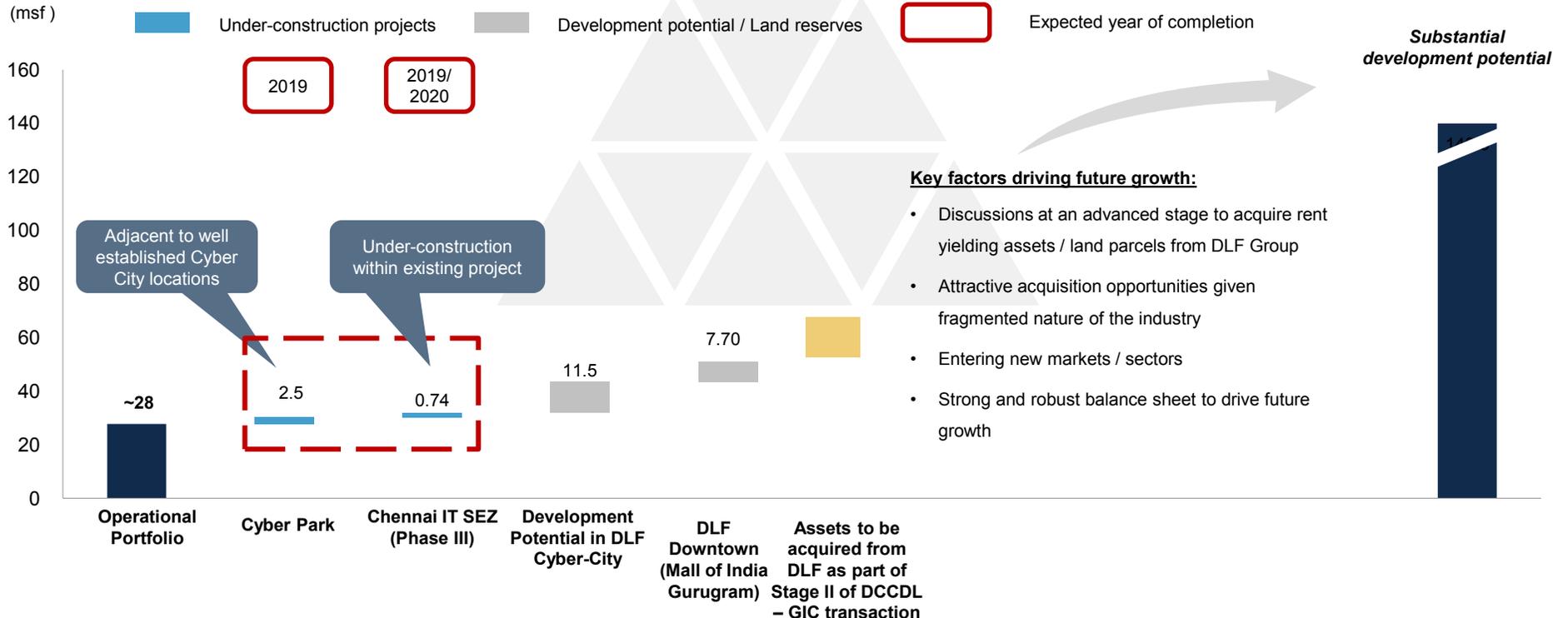
Unique platform strength offering significant growth opportunities

**1** Development opportunity given predominant freehold land and licensed land

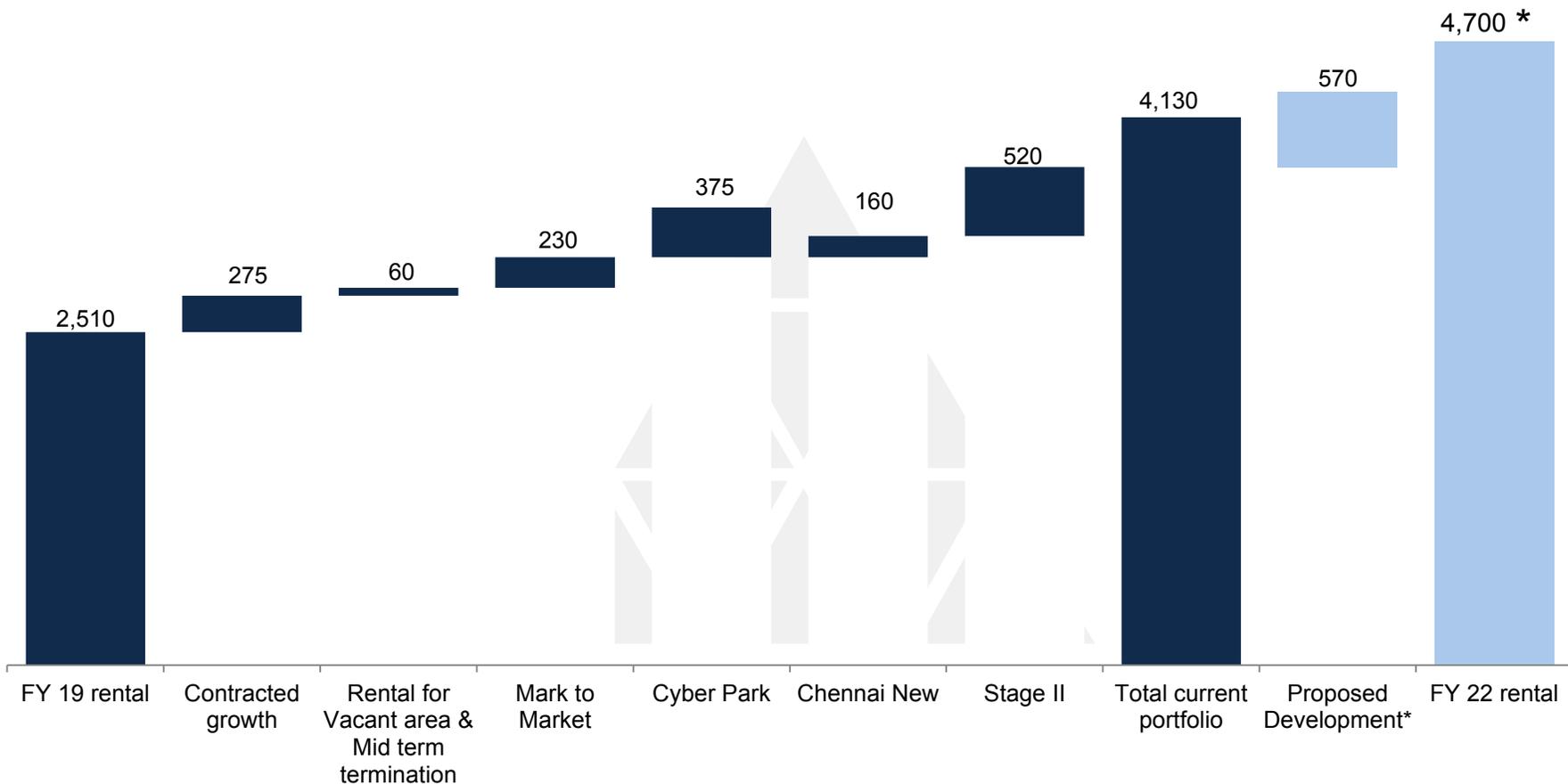
**2** Land reserves at strategic locations with significant infrastructure investments already made

**3** Ability to grow on sustainable basis given strong free cash flows

## Identified development opportunities



# Rental Portfolio – Buildup in Medium term



Forecasted Rental Run Rate CAGR of 20%

\* These are indicative numbers

# Environment & Sustainability

## Carbon Emission:

- DLF buildings have achieved 13% reduction in Carbon Emission vis-à-vis previous year
- Replaced conventional lights with LED – 40 lac electricity units saved

## Natural Resources:

- Zero discharge of water from all STPs
- Rain water harvesting – collected water recharged into ground raising water level

## Pollution & Waste:

- Regular monitoring of all toxic emissions – CO2 sensors are installed in all buildings
- **Waste management:** Segregated & measured in all categories & disposed as per statutory norms e.g. biodegradable, non-biodegradable, dry waste, e-waste

**ISO Certification:** Both Commercial & Retail buildings are ISO certified

**LEED Platinum Certification:** all 27.3 msf offices buildings are LEED platinum certified by USGBC



Certificate for Building 10 as an example

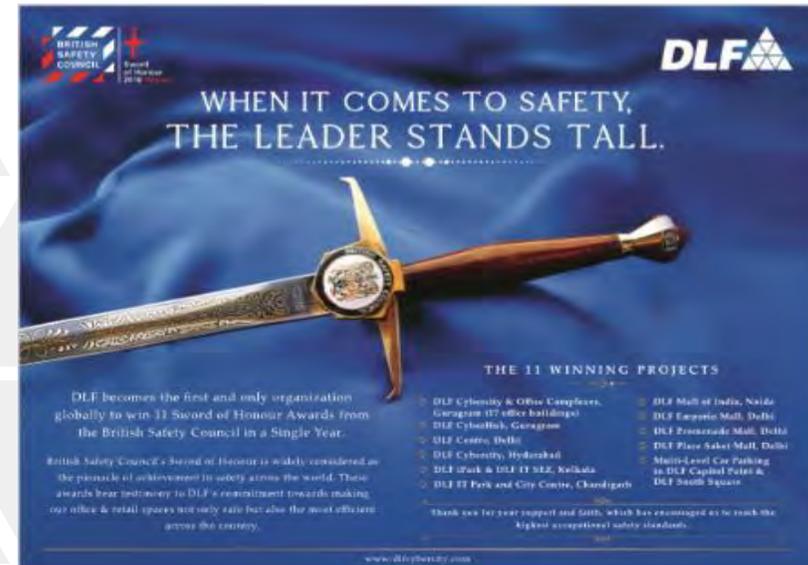
# DLF Safety

DLF has won 11 Swords of Honour from British Safety Council in a single year



## The 11 winning projects

- DLF Cybercity & Office Complexes, Gurugram (17 office buildings)
- DLF CyberHub, Gurugram
- DLF Centre, Delhi
- DLF Cybercity, Hyderabad
- DLF iPark & DLF IT SEZ, Kolkata
- DLF IT Park and City Centre, Chandigarh
- DLF Mall of India, Noida
- DLF Emporio Mall, Delhi
- DLF Promenade Mall, Delhi
- DLF Place Saket Mall, Delhi
- Multi-Level Car Parking in DLF Capitol Point & DLF South Square



- DuPont was appointed as our Safety Partner in 2011 in our efforts towards building a “Safer and Productive” workplace and mitigating risks of Fire Safety. Till now, 15 DLF Safety standards have been developed in conjunction with DuPont and 332 employees are certified trainers to impart trainings on these standards
- Built 1 level above the seismic zone requirements, i.e., Zone 5

# Disclaimer

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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.

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**THANK YOU**

