

DLF LIMITED

DLF Gateway Tower, R Block,
DLF City Phase - III, Gurugram - 122 002, Haryana (India)
Tel. :+91-124-4769000, Fax:+91-124-4769250



July 31, 2019

| | |
|--|---|
| To, The General Manager Dept. of Corporate Services BSE Limited P.J. Tower, Dalal Street, Mumbai 400 001 | To, The Vice-President National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai-400051 |
|--|---|

Sub: Analysts Presentation

Dear Sir,

We are forwarding herewith "DLF Analyst Presentation Q1-FY'2020", 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



**ANALYST PRESENTATION
JULY 2019**

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

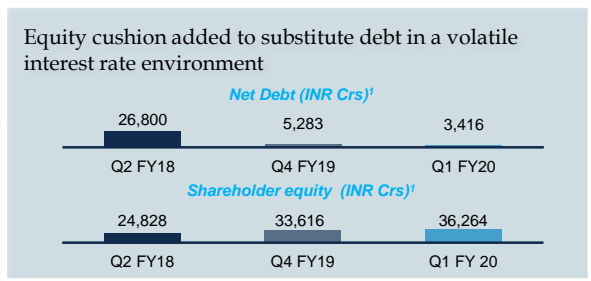
Assurance Framework

- 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



¹ Post deconsolidation of DCCDL pursuant to IND AS policy

Strategy

Capital Structure

- ❖ **Net Debt** : Promoter Infusion of Rs 11,250 crore along with QIP proceeds of Rs 3,173 crore has enabled the residential business to achieve very low levels of leverage. Near Term target is to make it net debt free.

Development Business

- ❖ **Completed Inventory** : Focus on quick monetization of the completed inventory, ~ Rs 10,970 crore; with steady increase in pricing
- ❖ **Planned Development** : Entering into the new cycle of development for replenishment of Completed inventory at select marquee locations. Planned projects of ~ 16 msf under-way.

Rental Business

- ❖ **Operational Portfolio** : Focus on unlocking the embedded potential through contractual escalations and resetting rentals at market rates.
- ❖ **Planned Development** : Growth in the portfolio through buildout of assets at strategic locations.
- ❖ **Target Growth** : Steady state growth at high mid-teens for the portfolio

Land Bank

- ❖ **Unlocking Value** : Well defined strategy to monetize non-core land parcels. Developing key marquee locations at right point of time.

Steady
Free Cash
Flow
Generation

Increasing
ROE

Sustainable
and low
risk growth

Awards and Recognition

❑ National Real Estate Leadership awards 2019 (Zee Business)

- ✓ *DLF Crest – Luxury Project of the Year*

❑ National Awards for Marketing Excellence (BTVI)

- ✓ *DLF Mall of India – Most Admired Shopping Centre of the Year*
- ✓ *Trend – Best In-House Magazine*
- ✓ *Cyber Hub – Best Retail & Leisure Development*

❑ 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 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*

Highlights & Outlook Q1 FY20

| | | | |
|---|---|---|---|
| Net Sales Booking Rs 705 crore | Gross Leasing 0.97 msf | Net Incremental Leasing 0.1 msf | Possession Letters Issued for 747 units 1.56 msf |
| Gross Operating Cash Flow before Interest & tax Rs 347 crore Operating Cashflow Rs 204 crore | Net Debt Rs 3,416 crore; reduced by Rs 1,867 crore | Credit Rating (ICRA)A+ Positive outlook | OC Expected 0.4 msf |

Outlook :

- ❑ *Uptick in new Sales; markets showing marginal improvement*
- ❑ *Given the market fundamentals, the strategy of Build & Sell is working for the company*
- ❑ *Luxury Sales showing consistent & steady growth*

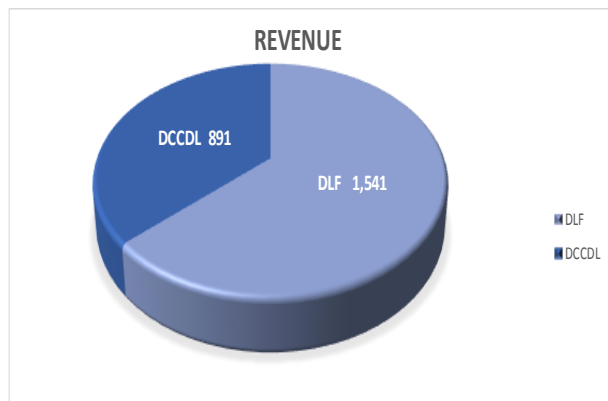
DLF- Summary Consolidated Financial Results^{1&2}

Financial results

- During the Quarter, DLF Ltd. achieved positive operating cashflow, generating INR 204 crore
- Achieved Gross New Sales booking of INR 830 crore & Net Sales bookings³ of INR 705 crore during the Quarter
- Recognized Sales of Rs 1,015 crore based on issuance of 747 PL's (1.56 msf) during the quarter
- DLF net rental for the Quarter, stood at INR 136 crore

REVENUE

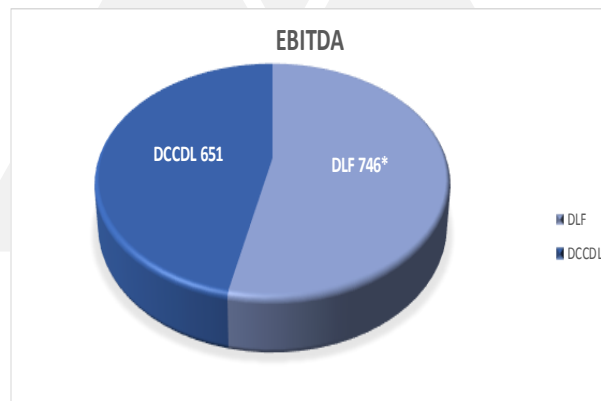
(in Rs crore)



66.67% share of DCCDL numbers

EBITDA

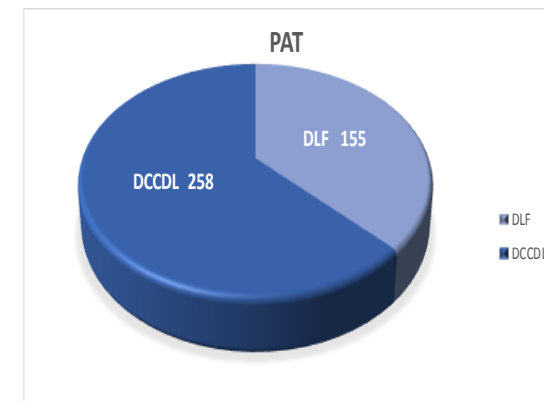
(in Rs crore)



66.67% share of DCCDL numbers

PAT

(in Rs crore)



66.67% share of DCCDL numbers

* This includes profit from sale of Mall of India Noida - Rs. 258 crore., 3 acre land parcel - Rs. 88 crore and land provisions - Rs. (49) crore. In financial results the same is classified as Exceptional items.

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

² DLF has 66.67% share in DCCDL

³ Net of upgradation / shifting / legal case settlement / cancellation

Sales Update - Q1 FY20

| Location | Value (INR crore) |
|-----------------|----------------------|
| DLF 5 | |
| Camellias | 310 |
| Crest & Others | 190 |
| Rest of Gurgaon | 65 |
| National Devco | 140 |
| Total | 705 |

*As per recent note released by Prop Equity, Camellias has emerged as the No. 1 project in Super luxury segment in the country in terms of Price Appreciation and Absorption.
Price appreciation of 88% on absolute basis*

*DLF Crest has been awarded "Luxury Project of the Year" at Zee Business -National Real Estate Leadership Awards, 2019.
8th award in a row.*

Annual Profit & Loss Account (Consolidated)

| Sl.No. | Consolidated Financials | Q1 FY20 (Reviewed) | | Q4 FY19 (Reviewed) | | Q1 FY19 (Reviewed) | | Year Ended March 31, 2019 (Audited) | |
|--------|---|--------------------|-----------------------------|--------------------|-----------------------------|--------------------|-----------------------------|-------------------------------------|-----------------------------|
| | | Ind AS | | Ind AS | | Ind AS | | 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 |
| A) | | | | | | | | | |
| 1 | Sales and Other Receipts | 1,331 | | 2,500 | | 1,507 | | 8,366 | |
| | Other Income * | 506 | | 161 | | 150 | | 663 | |
| | Total Income(A1+A2) | 1,837 | 100% | 2,661 | 100% | 1,658 | 100% | 9,029 | 100% |
| B) | Total Expenditure(B1+B2+B3) | 1,092 | 59 | 1,967 | 74 | 1,199 | 72 | 6,225 | 69 |
| 1 | Construction Cost | 769 | 42 | 1,554 | 58 | 945 | 57 | 4,951 | 55 |
| 2 | Staff cost | 78 | 4 | 102 | 4 | 79 | 5 | 352 | 4 |
| 3 | Other Expenditure | 244 | 13 | 310 | 12 | 175 | 11 | 922 | 10 |
| C) | EBITDA (D/A1) | 746 | 41 | 694 | 26 | 459 | 28 | 2,805 | 31 |
| D) | EBIDTA (Margin) | | 41% | | 26% | | 28% | | 31% |
| E) | Financial charges | 536 | 29 | 535 | 20 | 498 | 30 | 2,062 | 23 |
| F) | Depreciation | 51 | 3 | 57 | 2 | 56 | 3 | 225 | 2 |
| G) | Profit/loss before exceptional items | 159 | 9 | 102 | 4 | (95) | -6 | 518 | 6 |
| H) | Exceptional items - (net) | - | 0 | 127 | 5 | - | 0 | 127 | 1 |
| I) | Profit/loss before taxes and after exceptional items | 159 | 9 | 230 | 9 | (95) | -6 | 646 | 7 |
| J) | Taxes expense | 10 | 1 | 38 | 1 | (26) | -2 | 277 | 3 |
| K) | Extraordinary Items | - | 0 | - | 0 | - | 0 | - | 0 |
| L) | Net Profit after Taxes before Minority Interest | 149 | 8 | 192 | 7 | (69) | -4 | 368 | 4 |
| M) | Minority Interest | 1 | 0 | 2 | 0 | 0 | 0 | 5 | 0 |
| N) | Profit/(loss) of Associates | 265 | 14 | 243 | 9 | 241 | 15 | 946 | 10 |
| O) | Net Profit | 415 | 23 | 437 | 16 | 173 | 10 | 1,319 | 15 |
| P) | Other Comprehensive income /(loss) (net of tax) | (1) | 0 | (27) | -1 | 13 | 1 | (3) | 0 |
| Q) | Total Comprehensive income | 413 | 23 | 410 | 15 | 185 | 11 | 1,316 | 15 |

* This includes profit from sale of Mall of India Noida - Rs. 258 crore., 3 acre land parcel - Rs. 88 crore. and land provisions - Rs. (49) crore. In financial results the same is classified as Exceptional items.

DLF Limited- Consolidated – Balance Sheet

| Assets | | |
|---|---------------|---------------|
| (INR Crs.) | Q1-FY19-20 | FY18-19 |
| Property, plant and equipment | 1,448 | 1,459 |
| Property, plant and equipment - Right to use assets | 264 | - |
| Capital work-in-progress | 87 | 103 |
| Investment property | 3,724 | 3,696 |
| Goodwill | 1,030 | 1,009 |
| Other intangible assets | 156 | 158 |
| Investments in joint ventures and associates | 20,465 | 20,868 |
| Financial assets | | |
| Investments | 109 | 102 |
| Loans | 327 | 295 |
| Other financial assets | 269 | 261 |
| Deferred tax assets (net) | 2,342 | 2,377 |
| Non-current tax assets (net) | 1,279 | 1,298 |
| Other non-current assets | 1,448 | 1,513 |
| Total Non-Current Assets | 32,948 | 33,139 |
| Inventories | 21,650 | 22,009 |
| Financial assets | | |
| Investments | 1,022 | 34 |
| Trade receivables | 877 | 832 |
| Cash and cash equivalents | 1,229 | 4,268 |
| Other bank balances | 573 | 587 |
| Loans | 2,832 | 1,964 |
| Other financial assets | 696 | 687 |
| Other current assets | 826 | 772 |
| Assets held for sale | 445 | 2,630 |
| Total – Current Asset | 30,150 | 33,784 |
| Total Assets | 63,098 | 66,922 |

DLF Limited- Consolidated – Balance Sheet

| Liabilities | | |
|---|-------------------|----------------|
| (INR Crs.) | Q1-FY19-20 | FY18-19 |
| Equity share capital | 495 | 441 |
| Warrant | - | 750 |
| Other equity | 35,745 | 32,385 |
| Non-controlling interests | 24 | 41 |
| Total equity | 36,264 | 33,617 |
| Financial liabilities | | |
| Borrowings | 3,654 | 5,614 |
| Trade payables | 794 | 794 |
| Other financial liabilities | 604 | 462 |
| Long term provisions | 44 | 45 |
| Deferred tax liabilities (net) | 405 | 440 |
| Other non-current liabilities | 68 | 97 |
| Total Non-Current Liabilities | 5,569 | 7,452 |
| Financial liabilities | | |
| Borrowings | 6,226 | 9,164 |
| Trade payables | 1,286 | 1,277 |
| Other financial liabilities | 2,743 | 4,113 |
| Other current liabilities | 10,836 | 11,122 |
| Current tax liabilities (net) | 10 | 7 |
| Provisions | 28 | 26 |
| Liabilities related to assets held for sale | 136 | 143 |
| Total – Current Liabilities | 21,265 | 25,853 |
| Total Liabilities | 63,098 | 66,922 |

Operating Cash Flow

| (INR Crs.) | Q1FY20 | Q4FY19 |
|--|-------------|------------|
| Inflow | | |
| • Collection from sales | 1 632 | 800 |
| • Rentals | 2 104 | 145 |
| Sub-Total | 736 | 945 |
| Outflow | | |
| • Construction | 3 196 | 235 |
| • Government / Land charges | (45) | (3) |
| • Overheads | 238 | 228 |
| Sub-Total | 389 | 460 |
| Operating Cash Flow before Interest & Tax | 347 | 485 |
| • Finance cost (net) | 4 194 | 240 |
| • Tax (net) | (51) | 95 |
| Operating Cash Flow after Interest & Tax | 204 | 150 |
| • Capex outflow / Others | 183 | 140 |
| Net surplus / (shortfall) | 5 22 | 10 |

1 Receivables realization on track (as per payment plan)

2 Mall of India, Noida transferred to DCCDL

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

4 Interest outflow reduction has commenced and will further reduce from Q3 FY20 onwards

5 Aim to strengthen free cash flow

Excludes:

- Inflow from Warrants Rs 2,250 crore in Q1
- Interest payment to DCCDL of Rs 260 crore in Q1
- QIP Related Expenses of Rs 60 crore in Q1
- During Q1FY20 all land commitments of Rs 810 crore paid from promoter's equity infusion, in order to leverage TOD/TDR potential.

Strong Capital Structure

Net Bank Debt – excluding DCCDL group

| (INR Crs.) | Q1FY20 | Q4FY19 |
|---|--------------|--------------|
| Gross opening debt (Net of IndAS adj.) | 10,143 | 10,196 |
| Less: Debt repaid during quarter | (1,778) | (460) |
| Less: Deconsolidation of JV Debt | (1,348) | (398) |
| Add: New borrowing during quarter | Nil | Nil |
| Less Cash in Hand | (2,795) | (4,855) |
| Land Commitments* | (805) | 800 |
| Net debt position (i/c Land Commitments) | 3,416 | 5,283 |

1 DCCDL settlement status :

- **Mall of India Noida – transferred to DCCDL – May '19 (EV Rs 2,950 crore)**
- **Mall of India Gurgaon (3.05 acres land parcel) - Rs 330 crore (Concluded)**

2 DCCDL Payable reduced from Rs 8,700 crore to Rs 5,600 crore by 1st Jul 2019

Sources of Debt

| (INR Crs.) | o/s. 31.03.19 | Repayment in Q1 | o/s. 30.06.19 | < 1 Year | > 1 < 3 Years | > 3 Years |
|------------------------------|------------------|--------------------|------------------|--------------|------------------|--------------|
| Banks | | | | | | |
| -Private Banks | 560 | 80 | 480 | | | |
| -Foreign Banks | 817 | 108 | 709 | | | |
| -Public Sector Banks | 454 | 5 | 448 | 470 | 1,102 | 1,512 |
| -Other HFC | 436 | 398 | 38 | | | |
| -HDFC Ltd | 2,855 | 1,446 | 1,408 | | | |
| -ECB | 1,167 | 90 | 1,078 | 427 | 651 | |
| -NCD | 1,690 | 1,000 | 690 | 345 | 345 | |
| Working Capital Limits / STL | 1,360 | | 1,360 | | | 1,360 |
| Land Commitments | 805 | 805 | | | | |
| Gross Debt | 10,143 | 3,932 | 6,211 | 1,241 | 2,098 | 2,872 |

Less Cash in Hand (2,795)

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

Overall borrowing cost – 10.59% (including ECB cost of 12%+)

Net Debt Equity Ratio : 0.09

DCCDL Settlement

| Project | Status Update | Value (Rs crs) |
|--|---|----------------|
| Outstanding | As on Jun 30, 2019 | 5,600 |
| DLF Stake in Horizon Centre, Gurugram | Under Execution; Target Closure within Q2FY20 | 850 |
| DLF Place, Saket, New Delhi | Under Execution; Target Closure within Q2FY20 | 1,050 |
| Commercial land parcel, Chennai | Under Execution; Target Closure within Q2FY20 | 1,000 |
| Contracted DAL Settlement (Chennai Sez/ Hyderabad Sez/Residual Assets) | Under Execution; Target Closure within Q2FY20 | 2,700 * |

* Final settlement is expected to include ~ Rs 700 crore of net cash

DLF (ex-DCCDL) – Business Update & Guidance

Capital Restructuring

- ❑ Infusion of **Rs 2,250 crore** by promoters completed during the quarter.
- ❑ Net Worth stands at **~ Rs 36,264 crore**
- ❑ Net Debt at **Rs 3,416 crore**, target net debt zero over the next few quarters.

Inventory/ Project cash flows

- ❑ Residual unsold Inventory at Rs 10,970 crore
- ❑ Pending Receivables – Rs 2,800 crore
- ❑ Pending Outflow – Rs 1,975 crore

Project Updates

- ❑ Midtown (JV with GIC) : ~ 1.9 msf saleable area. Tata Projects appointed as lead contractor; Construction Underway
- ❑ Hines JV : ~ 3 msf high end commercial. Conveyance/registration completed. Appointed Peli Clark Peli as the Design architect after a global competition. In-process for applying for pre-construction approvals. Conveyancing of title done in favour of JV

Sales Guidance

- ❑ Sales target of **Rs 2,700 crore** for FY 2019-20.
- ❑ Expected sales launch of Phase II of Ultima (New Gurgaon) in Q4FY20

Key Considerations for Development Business

01

Quality of DLF's inventory**Track record and ability to achieve right price for DLF projects**

02

03

Development Update**Strategic nature of DLF's land bank**

04

Completed Inventory

1 DLF 5,
Gurugram

2 Rest of
Gurugram

3 National Devco

Total

| | Value (Rs cr) 31.03.2019 | Sale Booking Q1 FY20 | Area (in msf) 30.06.2019 | Value (Rs cr) 30.06.2019 |
|---------------------|-----------------------------|-------------------------|-------------------------------|-----------------------------|
| DLF 5, Gurugram | 5,335 | 500 | 1.55 | 4,850 |
| Rest of Gurugram | 3,550 | 65 | 4.52 | 3,490 |
| National Devco | 2,765 | 140 | 4.71 | 2,630 |
| Total | 11,650 | 705 | 10.79 | 10,970 |

Project Cash Flows – as on 30.06.2019

In Rs crore

| | Sold Value | Residual Inventory | Pending Receivable |
|---------------------------------------|------------|--------------------|--------------------|
| 1 Camellias, DLF5,Gurugram | 5,380 | 4,510 | 887 |
| 2 Crest, DLF5,Gurugram | 3,975 | 15 | 315 |
| 3 Horizon Centre, DLF5,Gurugram | 1,995 | 325* | 144 |
| 4 Ultima, New Gurugram | 775 | 1,135 | 94 |
| 5 ROG, Gurugram | | 2,355 | 310 |
| 6 National Devco | | 2,630 | 1,050 |
| Total | | 10,970 | 2,800 |

* Includes ~ Rs 100 crore of receivables from other projects in DLF 5, Gurugram

Residual EBITDA as on 30th June, 2019

Rs crore

Total EBITDA to be recognized in Sales done till 30th June, 2019 - (A)

5,830

Total EBITDA in unsold inventory – (B)

5,150

Total EBITDA to be recognized in the next 4 to 5 years – (A+B)

10,980

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

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

| Project / SPV | Development Potential | Development Status |
|--|---------------------------------------|---|
| DLF Urban Private Limited (GIC JV) | ~1.9 msf DLF Share – 50% | Tata Projects appointed as a Contractor; Construction Commenced |
| DLF Midtown Private Limited (GIC JV) | ~ 6 msf DLF Share – 50% | Zoning Approvals received, Project under designing stage |
| Aadarshini Real Estate Developers (Hines JV) | ~ 3 msf DLF Share – 67% | Conveyance/registration completed, Design Architect finalized Pre-construction approvals to be applied shortly |
| Premium/Luxury Development, DLF 5 | ~ 2.5 msf DLF Share – 100% | Under Planning |
| Hyderabad SEZ (to be transferred to DLF Assets) | ~ 3 msf DLF Share – 100% | Phase I Design being finalized ~ 0.6 msf Expected Rental ~ Rs 58 psf/month |

Completed Inventory at DLF5



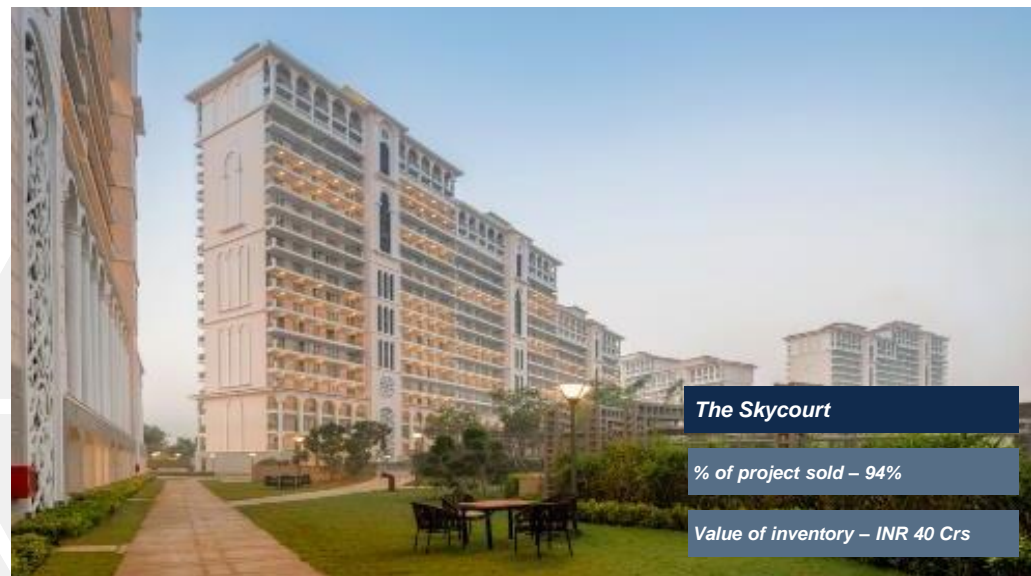
Completed Inventory at Rest of Gurgaon



The Ultima

% of project sold – 42%

Value of inventory – INR 1,135 Crs



The Skycourt

% of project sold – 94%

Value of inventory – INR 40 Crs



Alameda, Gurugram

% of project sold – 80%

Value of inventory – INR 290 Crs

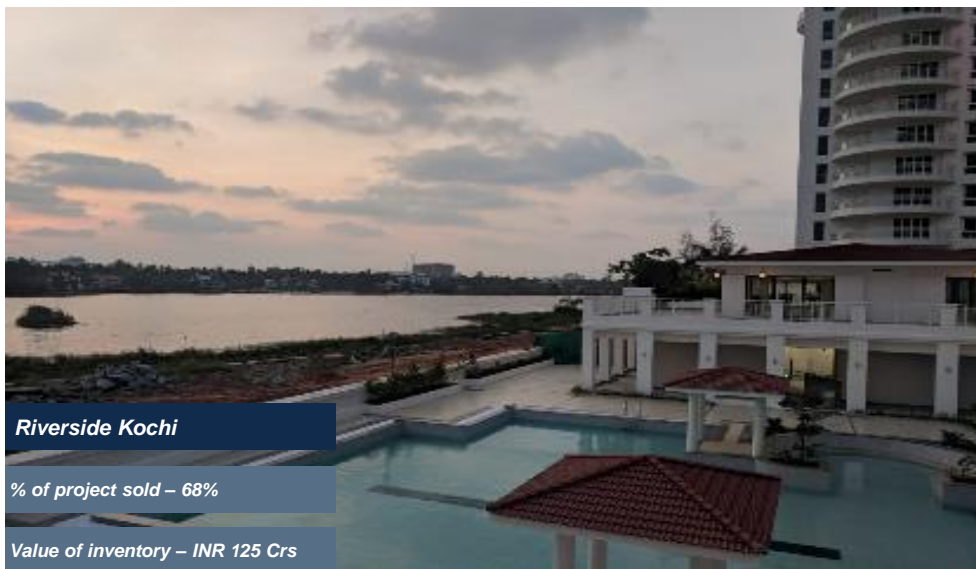


Garden City, Gurugram

% of project sold – 78%

Value of inventory – INR 325 Crs

Completed Inventory at National Devco



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

Large land reserves in strategic locations across India

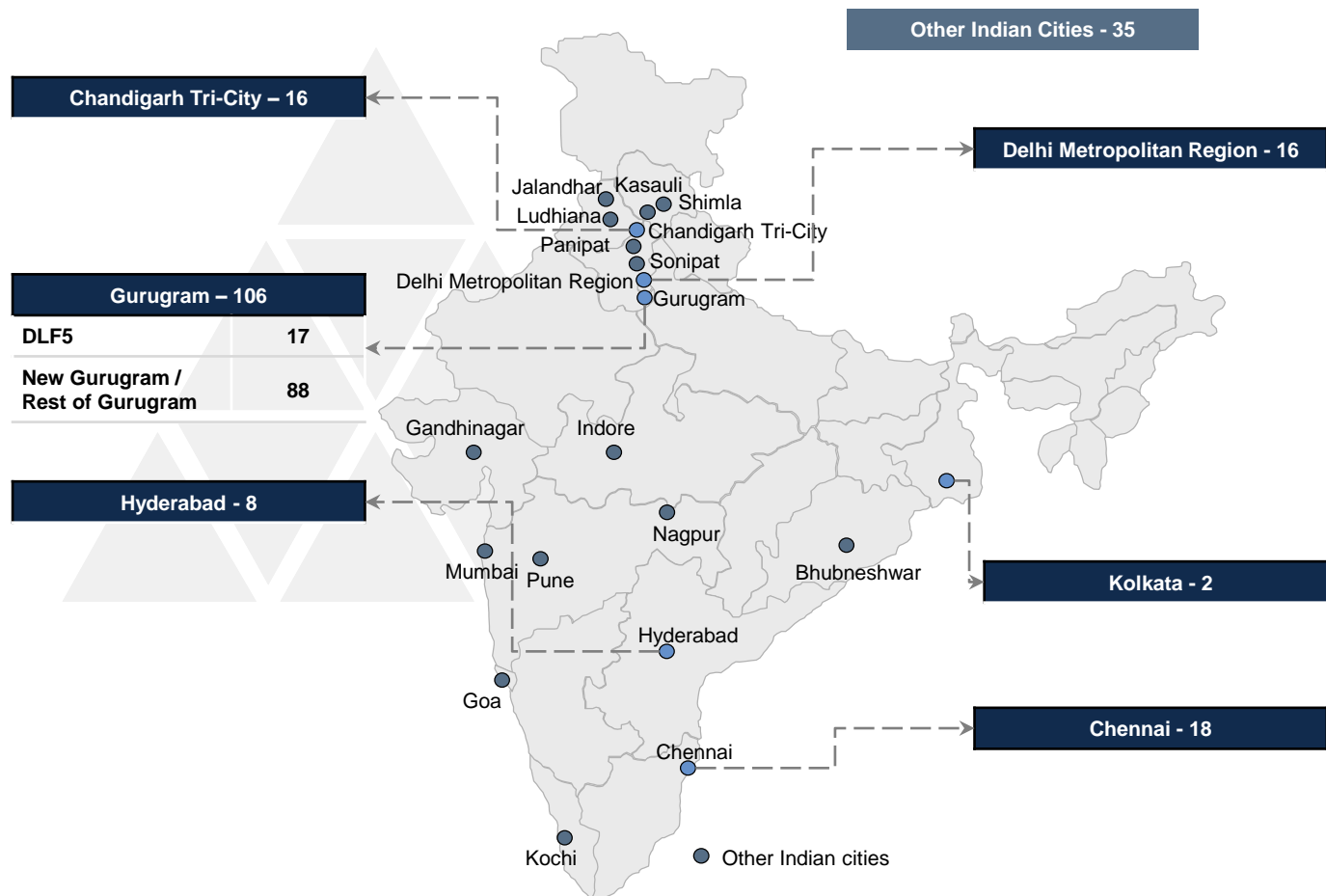
201 msf¹ of development potential

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

201 msf (~) of total development potential¹

(msf)



Note:

¹ As of June 30, 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. The above development potential TOD Potential. Increase TOD potential is under computation based on application filed.
- During the Q1 all land commitments Rs 810 crs paid from promoter's equity infusion to be able to leverage TOD/TDR potential.
- Excluded DLF5 and New Gurgaon TOD / TDR potential.

High Quality Land Reserves with Significant Asset Value

DLF 5, Gurugram

- ❖ Development Potential : ~17msf*
- ❖ Strategic location for Super Luxury/Luxury Developments
- ❖ Margins - High

Chanakypuri, New Delhi

- ❖ Development Potential : ~2msf
- ❖ Superior location in Diplomatic area; close proximity to CBD-Connaught Place
- ❖ Margins – Very High

New Gurgaon

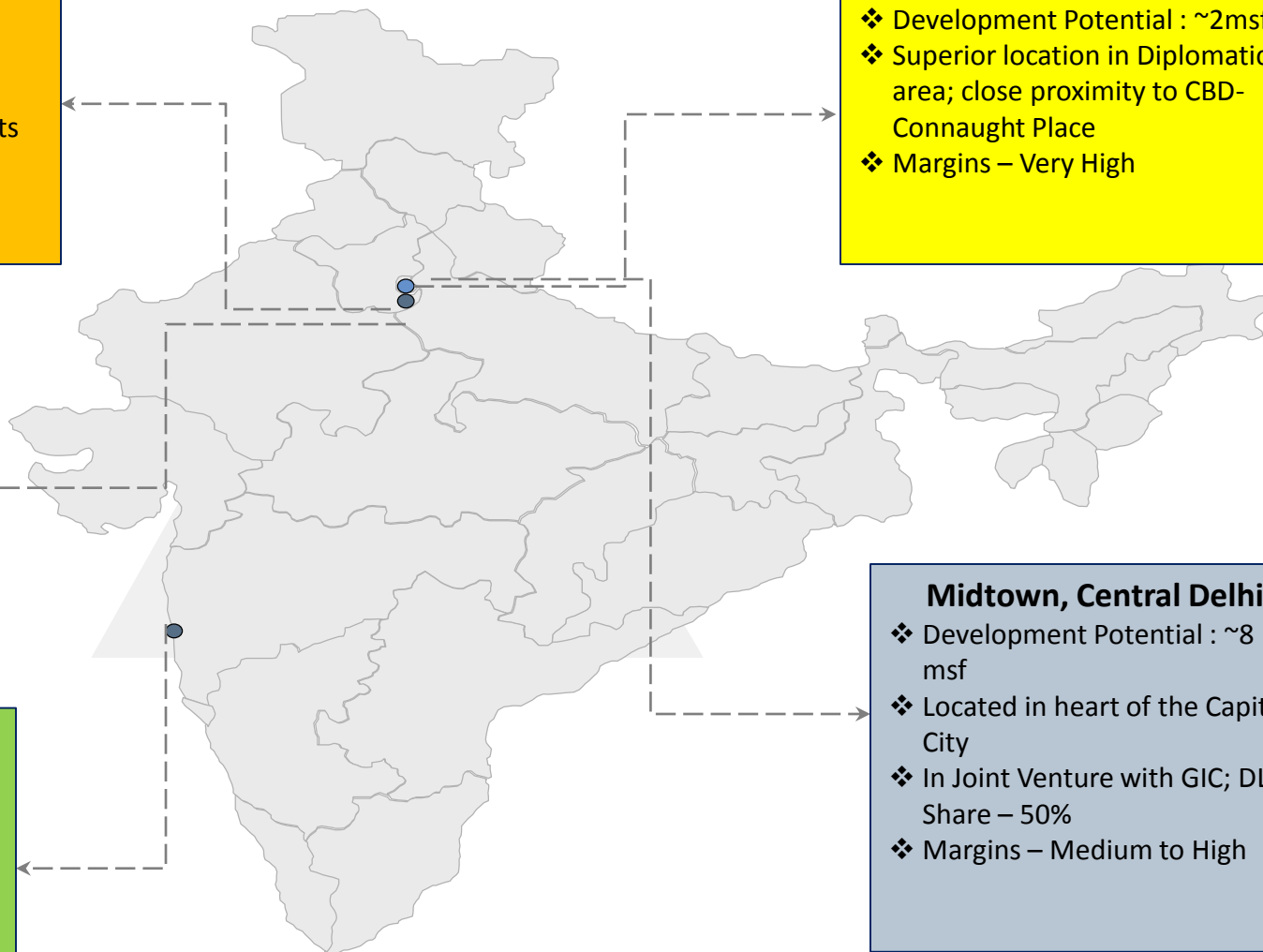
- ❖ Development Potential : ~77msf*
- ❖ Integrated Townships for premium housing and Commercial
- ❖ Margins - Medium

Tulsiwadi, Mumbai

- ❖ Development Potential : ~0.9msf (DLF Share)
- ❖ Premium location; next to iconic Mahalaxmi Race Course
- ❖ Margins - High

Midtown, Central Delhi

- ❖ Development Potential : ~8 msf
- ❖ Located in heart of the Capital City
- ❖ In Joint Venture with GIC; DLF Share – 50%
- ❖ Margins – Medium to High



* Does not include TOD/TDR potential

Overview of DLF's Rental Assets (ex-DCCDL)

| Assets | Total Area | Area Leased | % | Rent (psf/month) | | WALE** |
|---|-------------|-------------|------------|------------------|---------|--------|
| | msf | msf | Leased | In-Place* | Market* | |
| Offices: | | | | | | |
| Kolkata-II | 1.0 | 1.0 | 96.9% | 33 | 30 | 84 |
| DLF centre | 0.2 | 0.1 | 82.6% | 362 | 400 | 92 |
| Amex | 0.5 | 0.5 | 100.0% | 49 | 122 | 26 |
| Total - Office | 1.67 | 1.61 | 96% | | | |
| Retail Mall | | | | | | |
| Saket^ | 0.52 | 0.33 | 64.8% | NA | NA | NA |
| South square | 0.06 | 0.06 | 98.5% | 113 | 111 | 51 |
| Capital Point | 0.09 | 0.09 | 100.0% | 390 | 369 | 46 |
| Chanakya | 0.19 | 0.17 | 91.5% | 187 | 280 | 92 |
| Total - Retail | 0.85 | 0.65 | 77% | | | |
| *Weighted Average for Completed Area **WALE : Weighted Average Lease Expiry | | | | | | |

Note:

^ Proposed to be transferred to DCCDL group

A nighttime photograph of a modern city skyline. The buildings are illuminated with warm interior lights and some have glowing logos. In the foreground, a road with light trails from traffic is visible. The sky is a deep blue. Overlaid on the image are several blue circles of varying sizes and a large white-outlined oval containing the company name.

DLF Cyber City Developers Limited

Highlights Q1 FY20

| | | | |
|---|---|--------------------------------------|---|
| Run Rate[#] Rs 2,935 crore | Operational Portfolio 29.8 msf | Gross Leasing 0.82 msf | Net Incremental Leasing 0.03 msf |
| Operating Cashflow Gross** – Rs. 789 crore Net - Rs. 693 crore | Projects under Construction 3.4 msf | Net Debt Rs 17,560 crore | Credit Rating upgraded to (ICRA)AA (-) Stable outlook |
| Run rate FY19 2,675 crore | Anticipated Run rate FY20 3,750 crore | WALE[^] 5.7 years | |
| Growth ~ 40% | | | |

[#] Rental Run Rate for Completed Properties for Q1FY20

^{**} Gross Operating Cash Flow before Interest & Tax

[^] WALE : Weighted Average Lease Expiry

Portfolio Snapshot- Q1FY20



Rental Revenue
Rs 723 crore

Mark-to-Market Potential
20% (Offices)

Development Pipeline
~ 22.5 msf (excl. Chennai commercial)

Occupancy
94.33%




Operational Portfolio
Leased ~ 28.1 msf
Inventory – 1.7 msf



DCCDL - Summary Consolidated Financial Result

- DCCDL net operating cashflow: INR Rs 693 crore
- Gross Leasing of 0.82 msf & Net Leasing of 0.03 msf during the Quarter.

| Q1FY20 | Gross Area Leased (msf) | Net Area Leased (msf) |
|---------|--------------------------|-------------------------|
| Offices | 0.7 | 0.01 |
| Retail | 0.1 | 0.02 |

- DCCDL(consolidated) net rental for the Quarter, stood at INR 723 cr  vs Rs 680 cr in Q4FY19.
- DCCDL Consolidated EBITDA* stood at Rs 976 cr  vs Rs 944 cr in Q4FY19
- DCCDL Consolidated PAT stood at Rs 389 cr  vs Rs 347 cr in Q4FY19
- DCCDL Consolidated net debt** Rs 17,560 crore
- **Annualized Annuity Run Rate # Rs 3,066 crore**
- Cyber Park 0.52 msf handed over to tenant for fitout, OC expected soon.

#for Completed Properties

*Incl. Other Income

**Gross Bank Debt Less Cash in Hand (excl. Ind-AS impact)

DCCDL Consolidated – Q1FY20 Financial Indicators

In Rs Crore

| Particulars | Q1FY20 | Q4FY19 |
|----------------|------------|------------|
| REVENUE | 1,336 | 1,289 |
| EXPENSES | 360 | 345 |
| EBITDA* | 976 | 944 |
| FINANCE COST | 426 | 420 |
| DEPRECIATION | 114 | 106 |
| PBT | 436 | 418 |
| TAX | 47 | 71 |
| PAT | 389 | 347 |
| NET DEBT** | 17,560 | 16,447 |
| NET DEBT / NOI | 5.5 | 5.7 |

*Includes Other Income

**Gross Bank Debt Less Cash in Hand (excl. Ind-AS impact)

DCCDL Balance Sheet Abstract (Consolidated)

In Rs Crore

| Particulars | Q1FY20 | Q4FY19 |
|--------------------------|---------------|---------------|
| Non-current assets | 22,851 | 19,322 |
| Current assets | 7,203 | 8,366 |
| Total Assets | 30,054 | 27,688 |
| Equity | 7,853 | 7,464 |
| Non-current liabilities | 19,557 | 17,353 |
| Current liabilities | 2,644 | 2,871 |
| Total Liabilities | 30,054 | 27,688 |

DCCDL Cash Flow Abstract (Consolidated)

| (INR Crs.) | Q1FY20 | Q4FY19 |
|---|------------|------------|
| Inflow | | |
| Operating Cash Flow before Interest & Tax* | 789 | 739 |
| • Finance cost (net) | 19 | (61) |
| • Tax | (115) | (131) |
| Operating Cash Flow after Interest & Tax | 693 | 546 |
| • Capex | (101) | (205) |

Optimum cash flow to finance future development and maintain strong liquidity

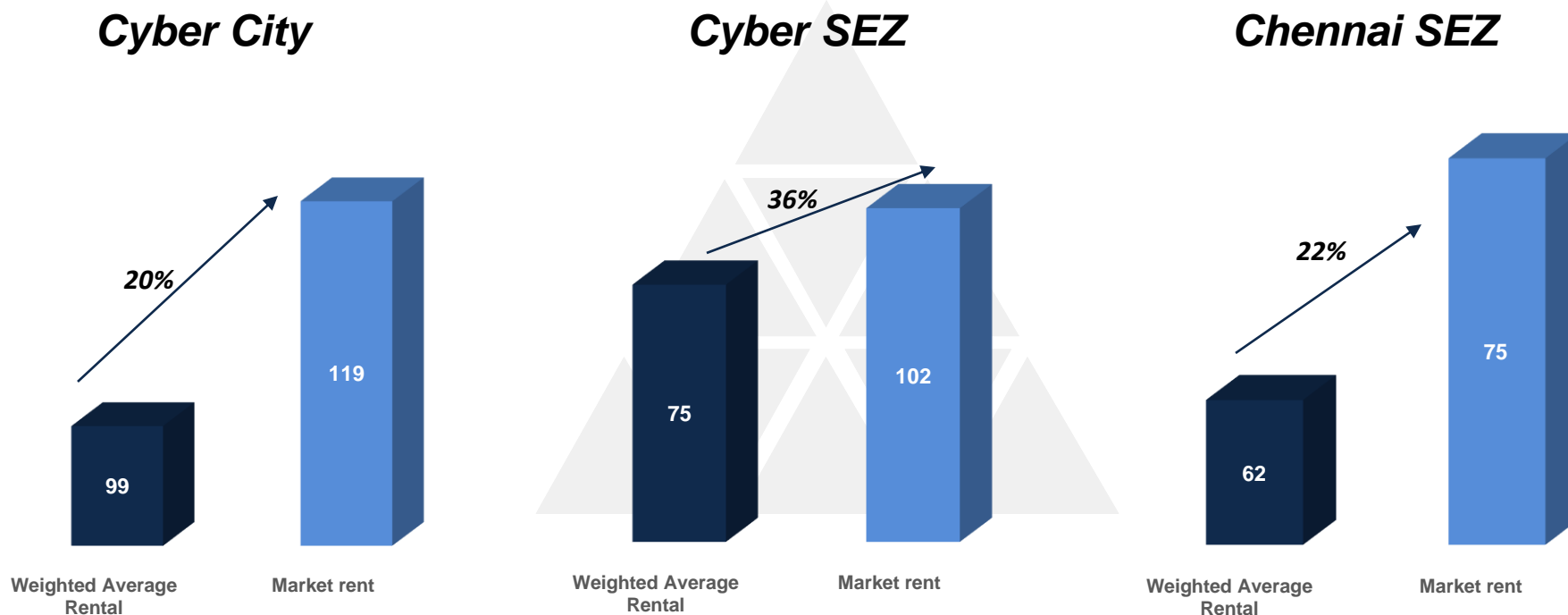
*Operating cash flow includes inflow from rent, service, power and other operating income

Portfolio Snapshot- as on June 30, 2019

| Project/ Location | Leasable Area (msf) | | | Occupancy* | Rent (psf/month) | | MTM* | WALE* (in years) |
|---------------------------------------|----------------------|-----------------------|-------------|-------------------------------------|------------------|-----------|--------------|---------------------|
| | Completed | Under Construction | Total | | In-Place* | Market* | | |
| OFFICE | | | | | | | | |
| Cyber City Gurugram | 10.2 | 2.5 | 12.7 | 98.2% | 99 | 119 | 19.6% | 5.7 |
| Cyber SEZ Gurugram | 2.9 | - | 2.9 | 98.3% | 75 | 102 | 35.2% | 6.0 |
| Silokhera SEZ, Gurugram | 1.9 | - | 1.9 | 53.1% | 61 | 68 | 10.8% | 7.1 |
| Chennai SEZ | 6.6 | 0.9 | 7.5 | 97.4% | 62 | 75 | 21.9% | 5.8 |
| Hyderabad SEZ | 2.9 | - | 2.9 | 99.3% | 49 | 58 | 19.1% | 5.2 |
| Kolkata IT Park | 1.3 | - | 1.3 | 85.5% | 39 | 30 | -22.2% | 5.0 |
| Chandigarh IT Park | 0.6 | - | 0.6 | 87.7% | 51 | 56 | 9.4% | 5.5 |
| Sub-Total | 26.4 | 3.4 | 29.9 | 94.0% | 75 | 90 | 20.0% | 5.7 |
| RETAIL | | | | | | | | |
| Mall of India, NOIDA | 2.0 | - | 2.0 | 99.4% | 102 | - | - | 6.0 |
| Emporio, New Delhi | 0.3 | - | 0.3 | 99.2% | 357 | - | - | 3.4 |
| Promenade, New Delhi | 0.5 | - | 0.5 | 100.0% | 173 | - | - | 5.9 |
| Cyber Hub, Gurugram | 0.4 | - | 0.4 | 100.0% | 122 | - | - | 5.6 |
| City Centre, Chandigarh | 0.2 | - | 0.2 | 57.8% | 25 | - | - | 4.6 |
| Sub-Total | 3.4 | - | 3.4 | 97.2% | 188 | - | - | 5.6 |
| Weighted Average | | | | 94.3% | | | | 5.7 |
| * Weighted Average for completed area | | | | WALE: Weighted Average Lease Expiry | | | | |

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

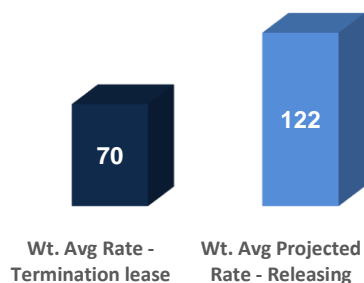
* Weighted Average Rentals is the weighted base rental for leased area

**Market rent means weighted average rate for new leases entered till June '19

Rental Growth – Re-leasing Upside (Anticipated Rentals)*

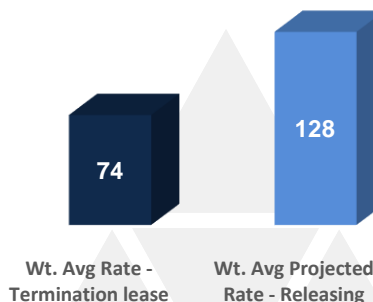
Gurugram- Cyber City (Non-Sez)

FY20



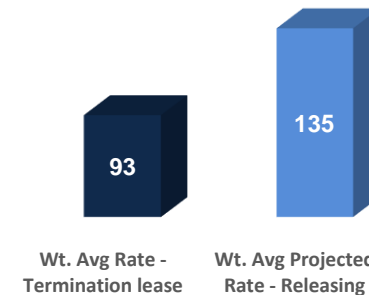
Annualized incremental revenue – INR 25 crore**

FY21



Annualized incremental revenue – INR 50 crore**

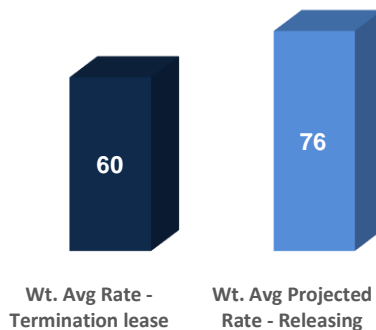
FY22



Annualized incremental revenue – INR 49 crore**

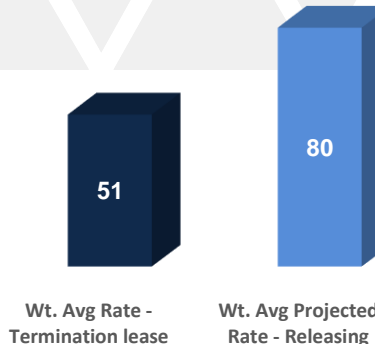
Chennai

FY20



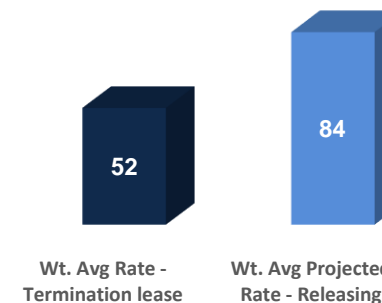
Annualized incremental revenue – INR 7 crore**

FY21



Annualized incremental revenue – INR 26 crore**

FY22



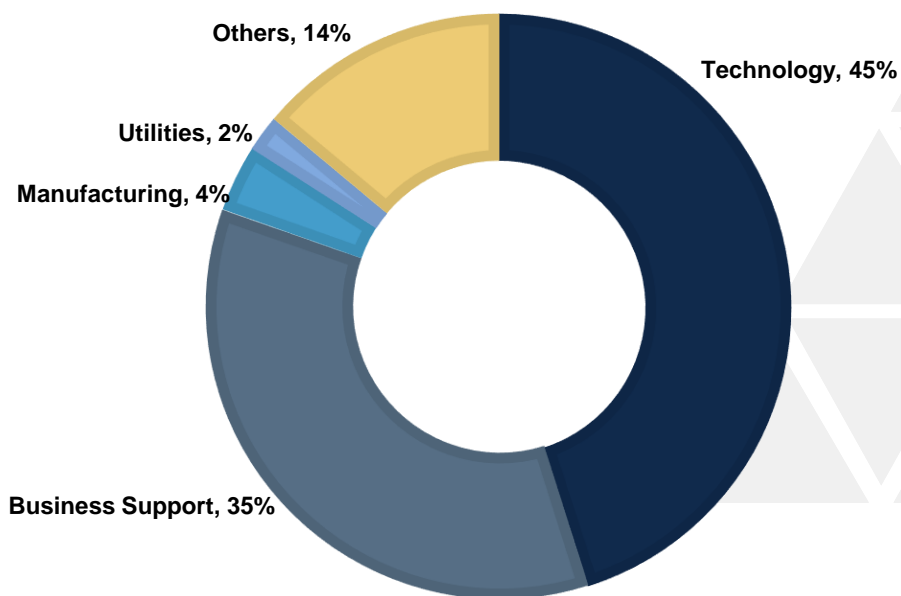
Annualized incremental revenue – INR 20 crore**

* 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 ~ 29.8 msf

TENANT MIX



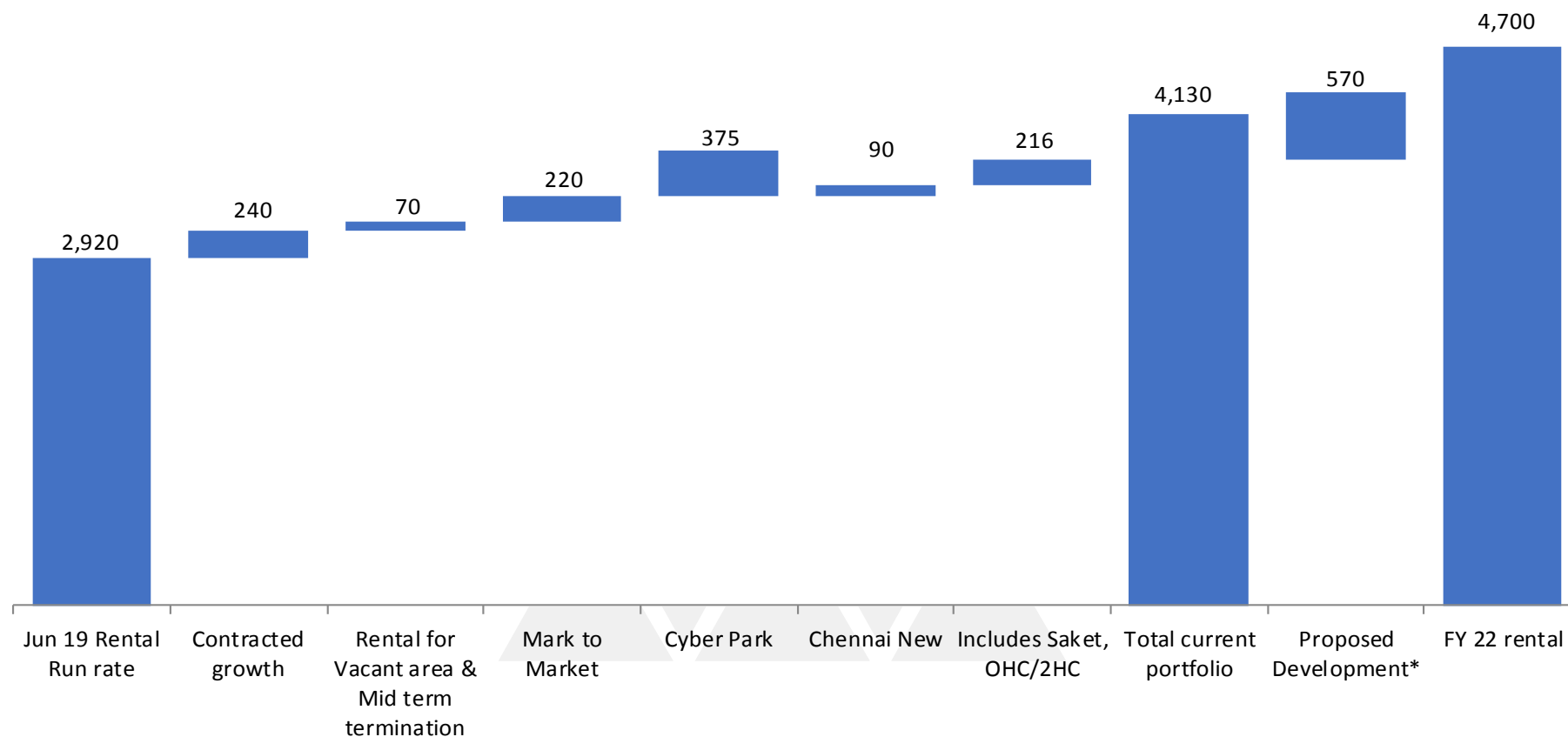
Top 10 Tenants contributing 17% of Gross Revenue

| Top 10 Tenants | Sector | % of Rentals |
|--------------------|----------------------------|--------------|
| Cognizant Tech | Technology | 4% |
| IBM India | Technology | 3% |
| Concentrix | Technology | 2% |
| TCS | Technology | 2% |
| BT Global | Technology | 1% |
| Fluor Daniel | Engineering & Construction | 1% |
| RBS Services India | Business Support | 1% |
| Wework India | Business Support | 1% |
| Barclays | Business Support | 1% |
| Deloitte | Business Support | 1% |
| Total | | 17% |

DCCDL – Development Update (near term)

| Project / SPV | Leasable Area | Development Status |
|--|-------------------|--|
| Cyber Park, Gurugram | ~2.5 msf | OC expected soon. Rent commencement from October |
| Chennai IT SEZ | ~0.9 msf | Advanced stage of construction. Expected completion FY20 |
| Commercial Development, in close proximity to DLF Cyber City | ~ 3 msf (Phase I) | Design under finalization. Bhoomi puja done. Expected Rental ~ Rs 120 psf/month |
| Chennai Commercial* | ~ 4 msf (Phase I) | Design being finalized Expected Rental ~ Rs 85 -90 psf/month |

Rental Portfolio – Buildup in Medium term



Run Rate FY19 Rs 2,675 crore
Anticipated Run Rate FY22 Rs 4,700
CAGR ~ 20%

*These are indicative numbers

DCCDL Group: Future Development Opportunities

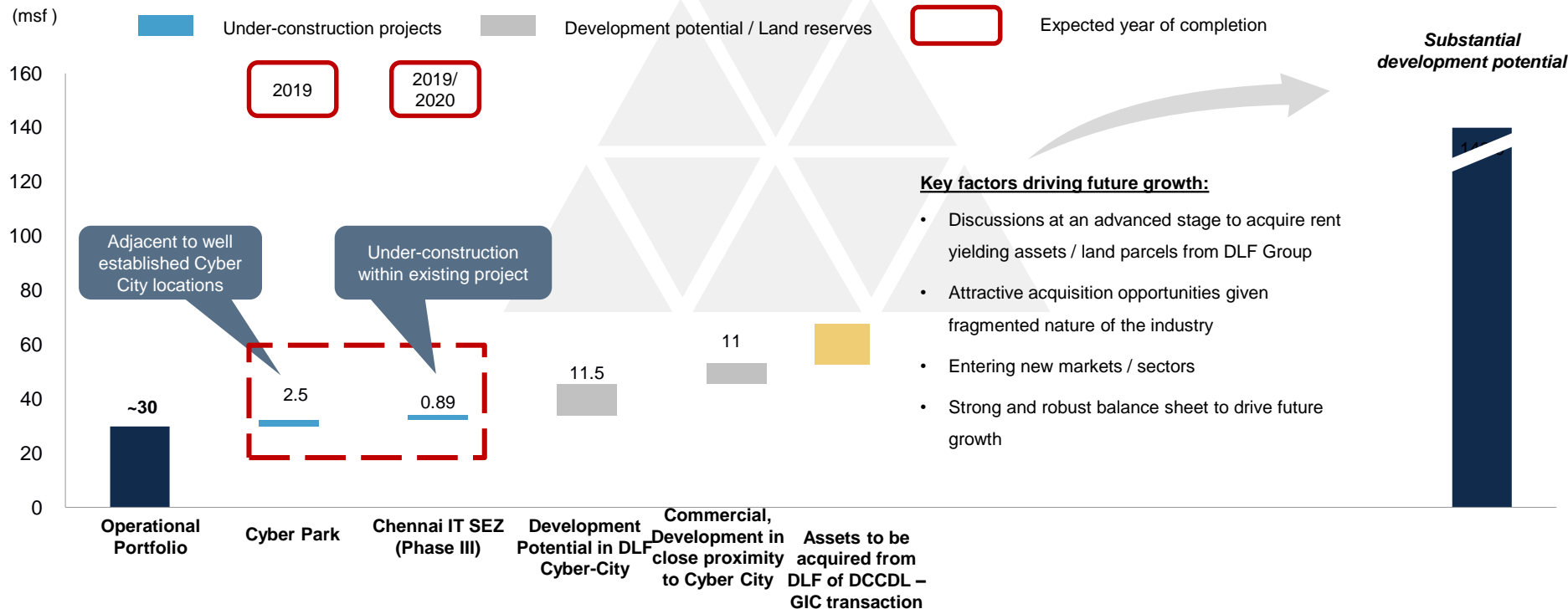
Unique platform strength offering significant growth opportunities

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



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



Ongoing Construction of High-end Commercial Projects



Cyber Park, Gurugram: 2.5 msf

Area pre-leased: ~2.4 msf

Current rentals: ~INR 129 psf

Weighted average rentals: ~INR 119 psf

Rent commencement: October 2019



Chennai IT SEZ (Phase III): 1.7 msf¹

Area pre-leased: ~1.0 msf

Current rentals: ~INR 72 psf

Weighted average rentals: ~INR 74 psf

Rent commencement:

1st Phase : Q2 FY20

2nd Phase : Q1 FY21

Under-construction Portfolio – 3.4 msf

¹ Only 0.9 msf under construction

Disclaimer

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.



THANK YOU