

DLF Limited

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



August 27, 2017

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
--	---

Dear Sir,

Sub: Intimation of Analyst Call

In compliance to the Regulation 30 of the SEBI (LODR) Regulations, 2015, kindly find the details of analyst call as under:-

Date	Particulars	Type
August 28, 2017	DLF Limited and GIC enter into DLF Cybercity Developers Limited (DCCDL) Joint Venture	Conference Call (By Invitation)

This is for your kind information and record please.

Thanking you,

Yours faithfully,
for **DLF LTD.**

Subhash Setia
Company Secretary

For clarifications by Stock Exchanges:-

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



Project Gamechanger

Analyst Presentation

August 28, 2017

SAFE HARBOUR

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

Transaction Summary

- DLF and GIC (Sovereign Fund of Government of Singapore) have entered into definitive agreements, under which GIC shall acquire 33.34% equity stake in DLF Cyber City Developers Ltd. “DCCDL”:
- The transaction has been agreed at an Enterprise Value of Rs. 35,617 crore for DCCDL translating into equity value of c. Rs. 30,200 crs. The achieved valuation reflects high quality of assets and premium land parcels for future development in the existing campuses/locations.
- The transaction envisages the following steps:
 - Optimization of the Capital structure of DCCDL via Buyback of a certain portion of the CCPS held by the Promoters:
 - First buyback to be concluded concurrent with Closing; proceeds to Promoter : c. Rs. 1,600 crore
 - Second buyback to be concluded after 12 months; proceeds to Promoter : c. Rs. 1,400 crore
 - Secondary sale of shares, post the conversion of balance Compulsorily Convertible Preference Shares (“CCPS”), for c. Rs. 8,900 crore
 - Potential stake adjustment of upto a max of 0.58% of paid-up capital of DCCDL, at 3 years from closing, if certain terms and conditions of the agreement are not met.
 - Gross proceeds to the Promoters from the Transaction would be c. Rs. 11,900 crore. The net proceeds to the Promoters is estimated to be in excess of Rs 10,000 crore, post applicable taxes
 - Promoters intend to infuse a substantial part of the net transaction proceeds into DLF, while also ensuring compliance with applicable listing regulations
- At Closing, DLF shall own 66.66% of equity in DCCDL, up from current 60% (on a fully diluted basis)
 - DLF would benefit from the enhanced stake in a platform that offers significant growth potential with a capital structure that provides for further growth flexibility
- DLF shall provide customary indemnities and certain specific indemnities to DCCDL
- The transaction is subject to regulatory and shareholder approvals and customary closing adjustments

Steps to Closing

Key steps/approvals to be taken :

- Approval from Competition Commission of India (“CCI”); Application to be made by GIC
- Approval of the shareholders
- Approval of other regulatory authorities, wherever applicable
- Completion of customary ‘condition precedents’ to the Closing of the transaction
- Expected Timelines:
 - Execution of Definitive documents – August, 2017
 - Receipt of all Regulatory Approvals - Mid to End October, 2017 (Best estimates)
 - Closing & Fund Inflow – End November, 2017

Transaction Considerations

- **For DCCDL:**

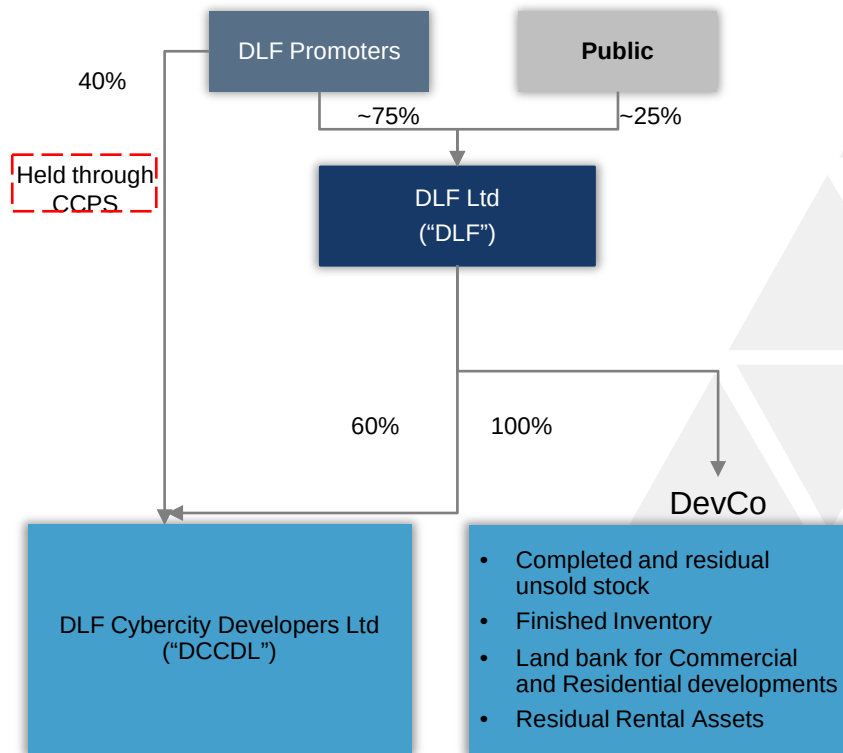
- Creation of a strategic, independent partnership with a very long-term shareholder – the real estate investment arm of GIC (Sovereign Fund of Government of Singapore)
- Ability to accelerate development to capture the growth in the commercial real estate market
- Participation in both organic and inorganic growth without infusion of further equity capital given the free cash generation in the business

- **For DLF:**

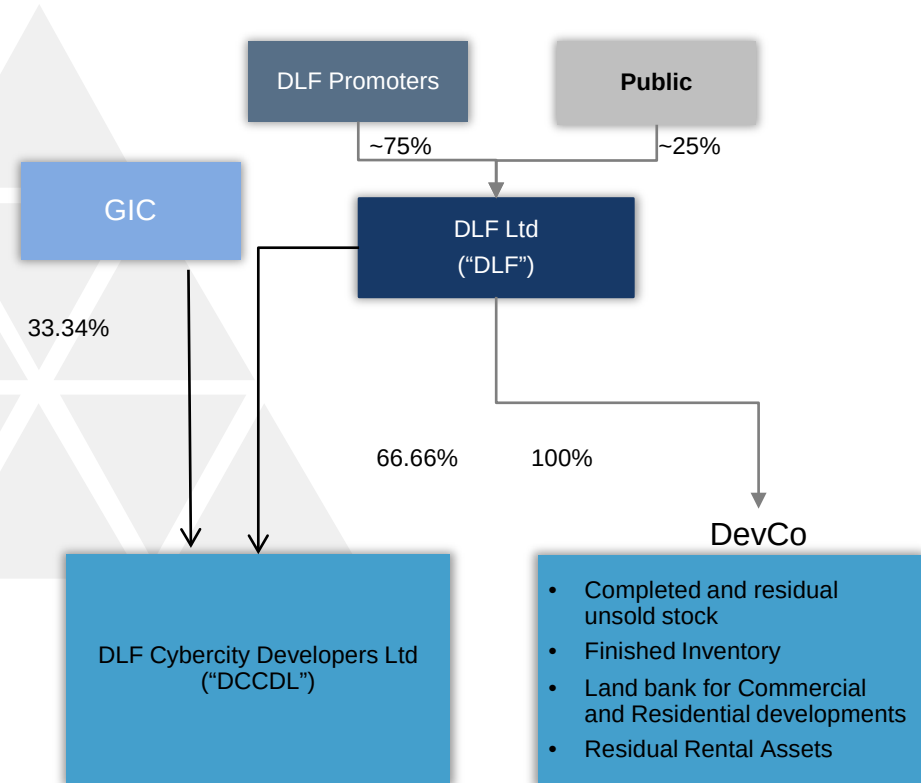
- Removal of perceived conflict of interest and creation of a strong, independent platform to capture growth and value in the commercial leasing business
- Simplified corporate and business structure leading to sharp focus & management efficiencies'
 - Path to create a pure play in residential and commercial segments
- Indirect unlocking of value from the Annuity business
- Significant debt reduction in the DevCo business; This coupled with construction spends substantially completed for ongoing residential projects, will help accelerate free cash flows
- Strong balance sheet which allows a transition to a differentiated business model wherein sales in the residential projects can be affected at a mature stage of the project

Transaction To Simplify Group Structure ...

Current Holding Structure

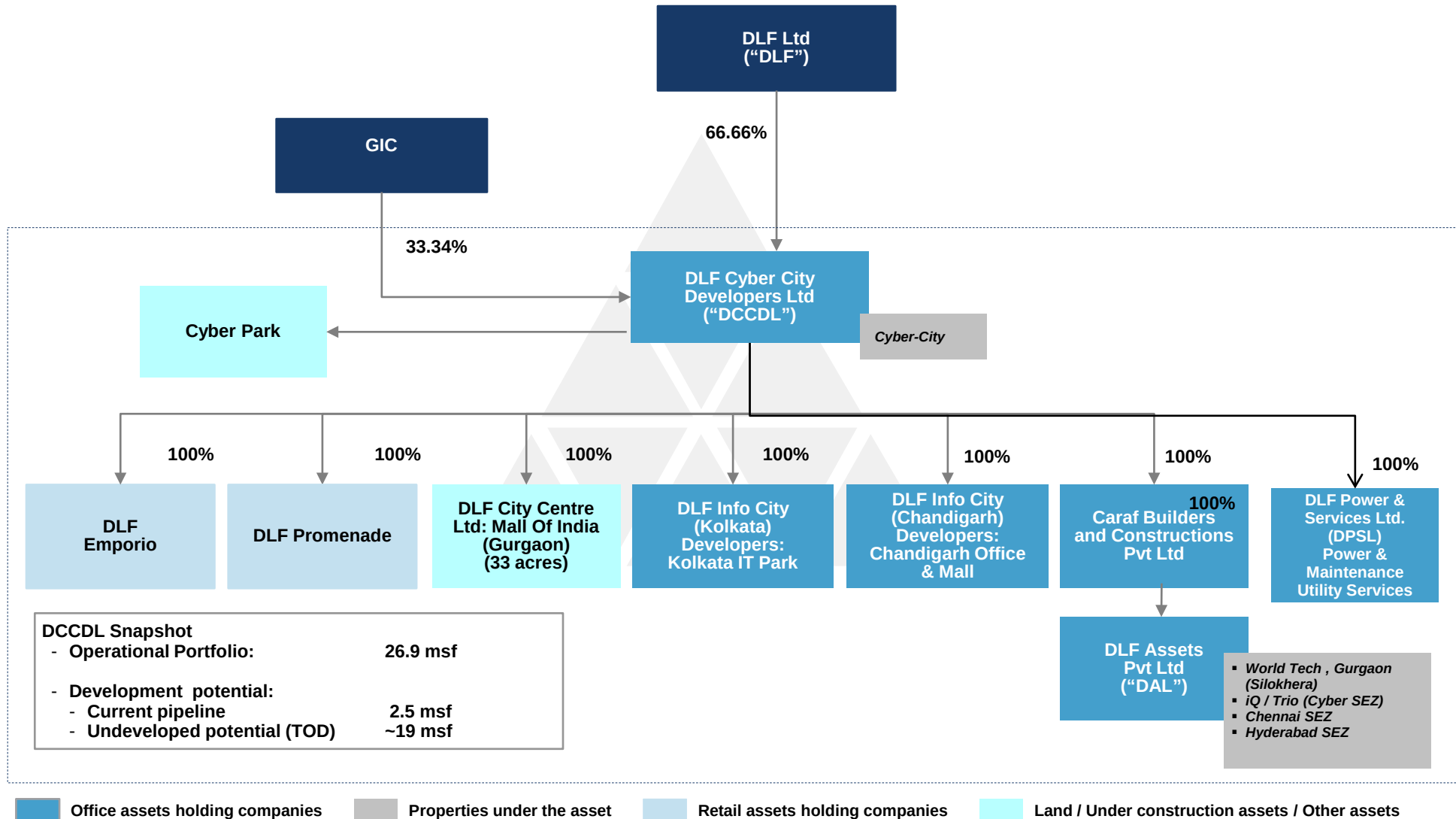


Post Transaction Holding Structure

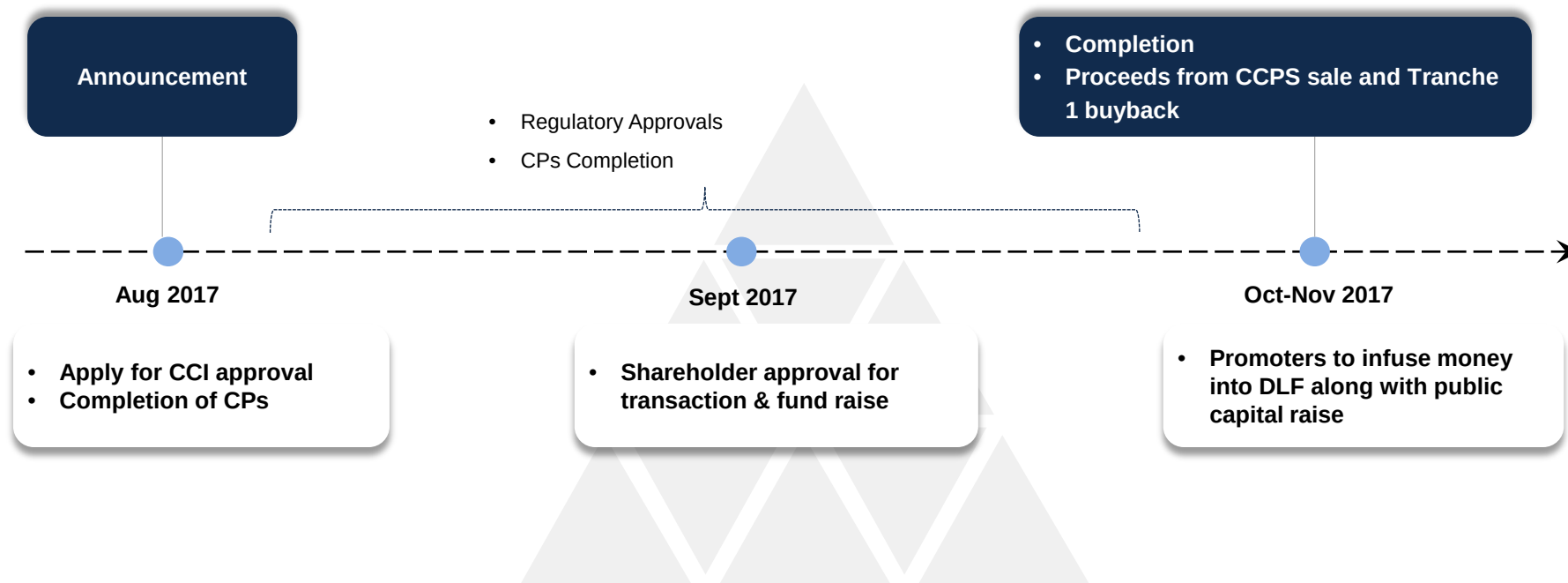


Proposed Transaction – Sale of CCPS held by Promoters of DLF

Post Closing Shareholding Structure of DCCDL



Key Transaction Steps and Indicative Fund Flow



Promoter Proceeds from Sale of CCPS and Tranche I Buyback (Rs crs)

Total Promoter Proceeds	11,900
Sale of CCPS to GIC equivalent to 33.34% interest in DCCDL	8,900
Tranche I Buyback by DCCDL of part of CCPS	1,600
Tranche II Buyback by DCCDL of part of CCPS	1,400

Total Infusion in DLF

Proceeds available for investment into DLF ⁽¹⁾	13,000
Out of which ~ Rs 10,000 crores is net proceed from this transaction	

¹ The Company shall seek shareholder approval at an appropriate time in future for Preferential Allotment of Equity/CCD/Warrants to the Promoters and to Non-Promoters

DevCo - The way forward....

Particulars	INR (crore) Approx.
DLF Net Debt (Consolidated)	26,000
DCCDL Net Debt (attributable)	5,500
DLF Net Debt (ex-DCCDL)	20,500
Less: Total Inflow (Promoter Inflow, Others)	(13,000)
Less : Receipts from transfer under DAL arrangement	(1,500)
DLF Net Debt (ex-DCCDL)	6,000
Net Debt Attributable to Rent Generating Assets within DLF (ex-DCCDL)	4,000
Net Debt Attributable to Development Assets (primarily Residential) within DLF (ex DCCDL)	2,000

Finished Inventory / Unsold Stock (Net of costs) : Rs 14,500 crore

Ability to monetize DLF Rent Generating Assets (ex-DCCDL) to hit zero debt

DCCDL's Rental Business



DLF Cyber City Development, Gurgaon



Leased Assets Across India – DCCDL

<u>Cities/Projects</u>		Leasable Area (msf)	% leased
Rent Yielding Building			
Gurgaon			
DLF Cyber City Developer	Office	10.6	95.62
DAL (SEZ's)	Office	13.4	93.68
Kolkata/Chandigarh	Office	1.9	79.29
Malls			
Promenade / Emporio	Retail	0.8	99.10
Chandigarh	Retail	0.2	89.21
Under Construction Building			
DLF Cyber City Developer	Office	2.5	26.78
DAL (SEZ's)	Office	1.6	33.97

Consolidated P&L DCCDL – Q1 FY18

DLF Cyber City Developers Limited CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE QUARTER ENDED				
Particulars	June 17 Unaudited	June 16 Unaudited	March 17 Unaudited	(Rs in Crs) 2016-17 Audited
Income				
Revenue from operations	1,068	899	933	3,662 *
Other income	228	112	160	510
	<u>1,296</u>	<u>1,011</u>	<u>1,092</u>	<u>4,172</u>
Expenses				
Cost of land, plots, constructed properties and development rights	303	214	232	864
Employee benefits expense	21	22	19	89
Finance costs	418	326	345	1,319
Depreciation and amortisation expense	102	105	102	412
Other expenses	85	83	127	385
	<u>928</u>	<u>751</u>	<u>826</u>	<u>3,070</u>
Profit before exceptional and extraordinary items and tax	368	260	266	1,103
Exceptional items	-	(328)	12	(364)
Profit from continuing operations before tax	368	588	254	1,467
Tax expense	48	97	(27)	262
Profit after tax	320	491	281	1,205
Share of profit in associates	-	9	9	37
Minority interest	(13)	(8)	(17)	(17)
Profit for the year (PAT)	307	492	273	1,225
Other Comprehensive Income for the year	(0)	-	(0)	(0)
Total Comprehensive Income for the year	307	492	273	1,225
* This include Gross Rental Income of Rs 2140 crore				

Consolidated Balance Sheet DCCDL – June 30, 2017

DLF CYBER CITY DEVELOPERS LIMITED CONSOLIDATED FINANCIAL STATEMENT AS AT	
Particulars	June 30, 2017 (Unaudited)
ASSETS	
Non-current assets	
Property, plant and equipment	811
Capital work in progress	82
Investment property	14,531
Goodwill	69
Other intangibles assets	1
Financial assets	
Investments	1
Trade receivables	71
Loans	431
Other financial assets	30
Deferred tax assets (net)	917
Assets for non-current tax	394
Other non-current assets	375
Total non current assets	17,713
Current assets	
Inventories	1,554
Financial Assets	
Trade receivables	304
Cash and cash equivalents	721
Other bank balances	581
Loans	6,963
Other financial assets	7
Assets for current tax	4
Other current assets	275
Total current assets	10,410
Assets held for sale	-
TOTAL ASSETS	28,123

Consolidated Balance Sheet DCCDL – June 30, 2017

DLF CYBER CITY DEVELOPERS LIMITED	
CONSOLIDATED FINANCIAL STATEMENT AS AT	
Particulars	June 30, 2017 (Unaudited)
EQUITY AND LIABILITIES	
Equity	
Equity share capital	1,501
Other equity	7,503
Equity contributable to owners of Holding Company	9,005
Non- controlling interests	3
Total equity	9,008
Non-current liabilities	
Financial Liabilities	
Borrowings	15,047
Other financial liabilities	778
Provisions	13
Deferred tax liabilities (net)	29
Other non current liabilities	397
Total non-current liabilities	16,263
Current liabilities	
Financial Liabilities	
Borrowings	506
Trade payables	326
Other financial liabilities	1,402
Provisions	1
Liabilities for current tax	11
Other current liabilities	607
Total current liabilities	2,852
TOTAL EQUITY AND LIABILITIES	28,123

DLF's Office Platform

Overview – Office Asset Portfolio

Cybercity, Gurgaon

Area: 132.2 acres

- TLA: ~ 13.5 msf
- Includes Cyber Hub (0.4msf)
- Cybercity has transformed into the CBD of NCR region attracting top multinational corporates

World Tech Park, Gurgaon

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

Other Assets³ (Gurgaon)

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

[Gandhinagar]

- 25 acres

Nagpur IT Park

- 140.2 acres

Chandigarh IT Park

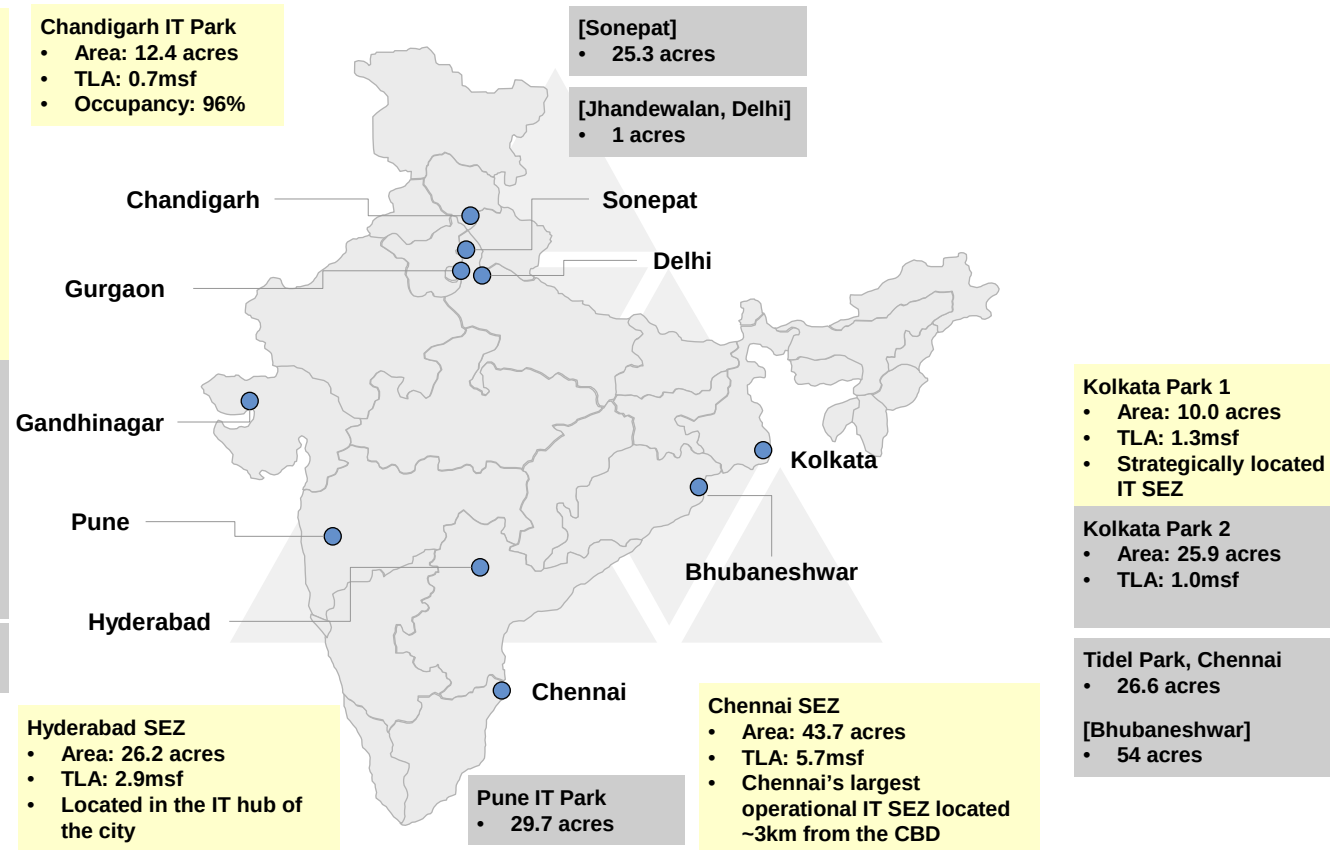
- Area: 12.4 acres
- TLA: 0.7msf
- Occupancy: 96%

[Sonepat]

- 25.3 acres

[Jhandewalan, Delhi]

- 1 acres



Source: Company information; TLA – Total Lettable Area; Note: Occupancy and TLA as of June-17

¹ Excluding area sold to third party

DLF's Retail Mall Platform

Overview – Retail Asset Portfolio



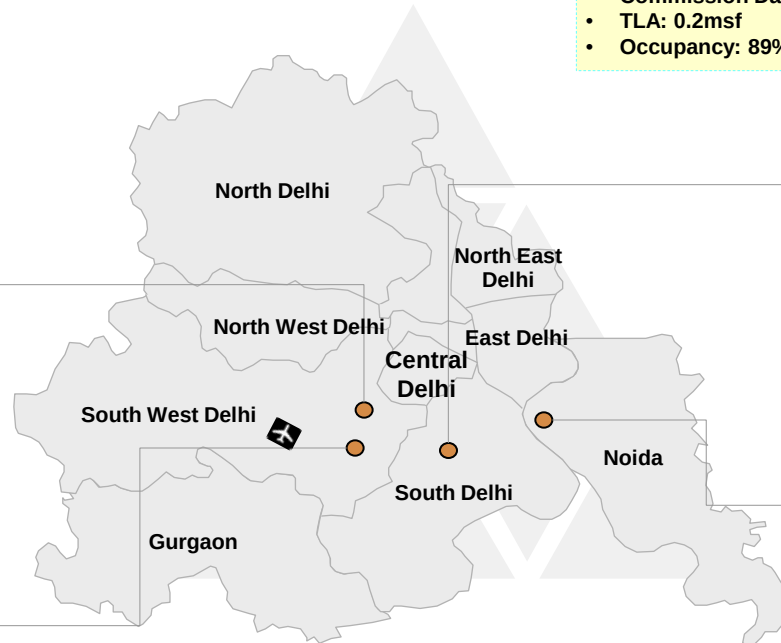
DLF Emporio

- Location: Vasant Kunj, Delhi
- Commission Date: Aug' 08
- TLA: 0.3msf
- Occupancy: 98%



DLF Promenade

- Location: Vasant Kunj, Delhi
- Commission Date: Jan' 09
- TLA: 0.5msf
- Occupancy: 100%



CityCentre

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

DLF Place¹

- Location: Saket, Delhi
- Commission Date: Nov' 08
- TLA: 0.5msf
- Occupancy: 88%

Mall of India, Noida

- Location: Noida, NCR¹
- Commission Date: 2016
- TLA: 2.0msf
- Occupancy: 97%



DCCDL assets

Other assets

Source: Company information

Note: CityCentre is part Chandigarh IT Park; Occupancy as of June-17

¹ National Capital Region

DCCDL – Overview of Key Buildings within CyberCity, Gurgaon



Building 10

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



Cyber Greens

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



Epitome (Building 5)

- TLA: ~ 2.1msf
- Designed by renowned architect, Hafeez Contractor
- Iconic Building over 10.6 acres with 40MW captive gas power plant



Building 7A & 7B

- TLA: 0.4msf



Innov8 (Building 8)

- TLA: 1.6msf



Ericsson Forum

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



Building 9 A & B

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



iQ SEZ (Building 14)

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



Infinity Tower

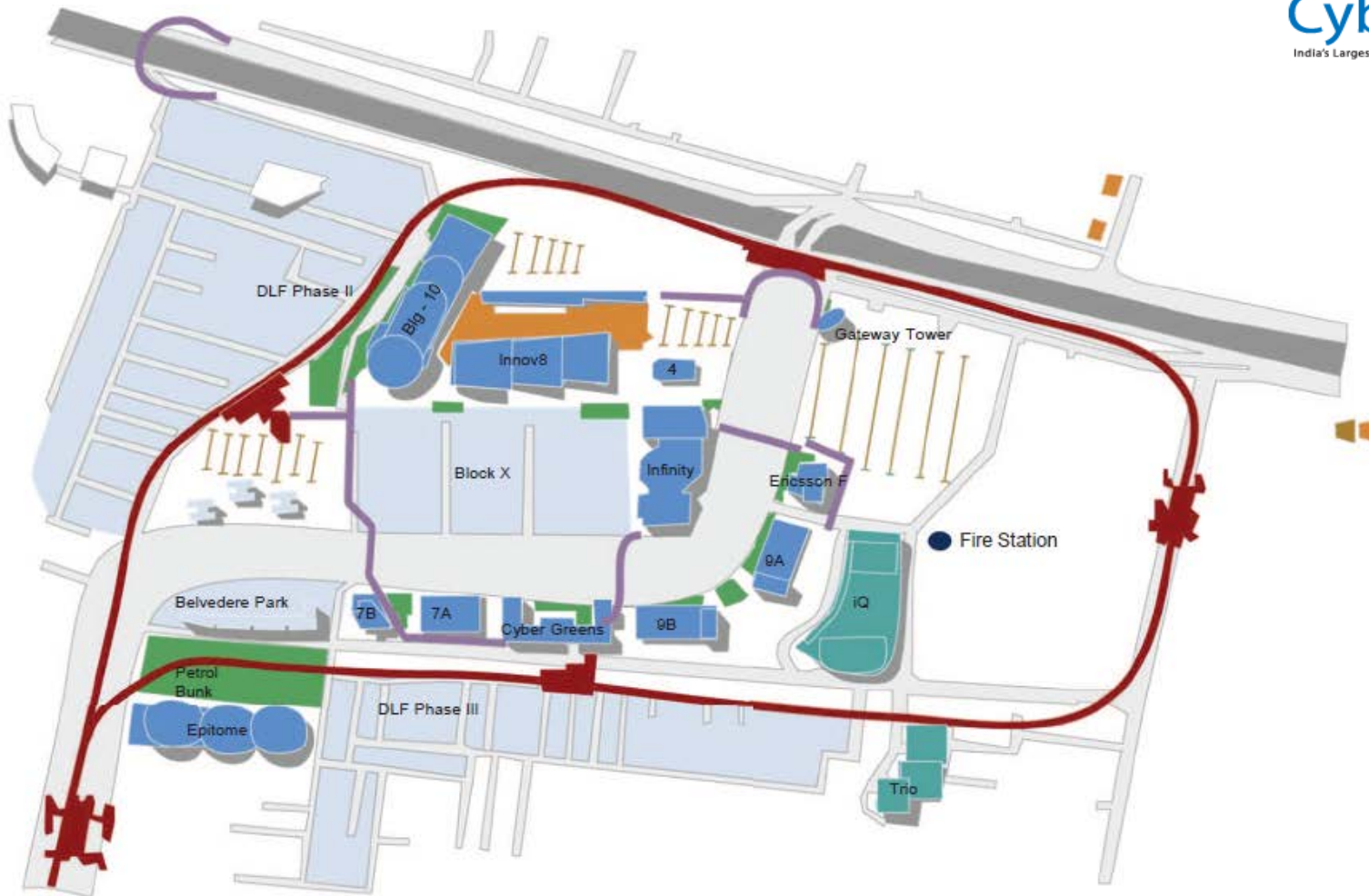
- TLA: 1.3msf
- Design by renowned architect, Hafeez Contractor



Trio SEZ (Building 6)

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

DCCDL – Overview of CyberCity



- | | | | |
|----------------------------------|------------------------|-------------------------|----------------------------|
| ■ Operational Building (Non SEZ) | ■ Rapid Metro Station | ■ Hotels and Recreation | ┌ Surface Parking |
| ■ Operational Building (SEZ) | — Rapid Metro Line | ■ Open/Green Area | ■ 16 Lane Road (coming up) |
| ■ Residential | — Skywalks (coming up) | ■ Open/Green Area | |

DCCDL – Overview of Key Buildings within DLF Assets Ltd.



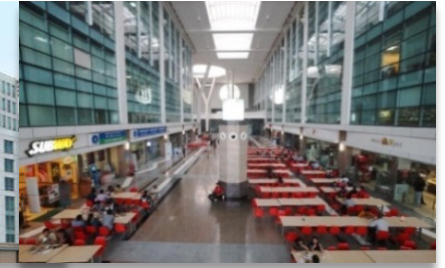
DLF Chennai SEZ

- TLA: 5.7msf



DLF Hyderabad SEZ

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



iQ SEZ (Building 14)

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



DLF World Tech Park

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



Trio SEZ (Building 6)

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

DCCDL – Overview of Key Developments in Kolkata



Project Statistics

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

¹ As of June 30, 2017



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



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



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

Location



DCCDL – Overview of Chandigarh IT Park



IT Park Chandigarh



Project Statistics

Location	Chandigarh
OC Date	Oct '05
Total Lettable Area ¹	0.7msf
No. of floors	Ground + 3 + Basement 1
Architect	Design Plus
Main contractor	J.J.Ram and B.L.Gupta
Car parking	669
Occupancy ¹	87%

¹ As of June 30, 2017

Source: Company information

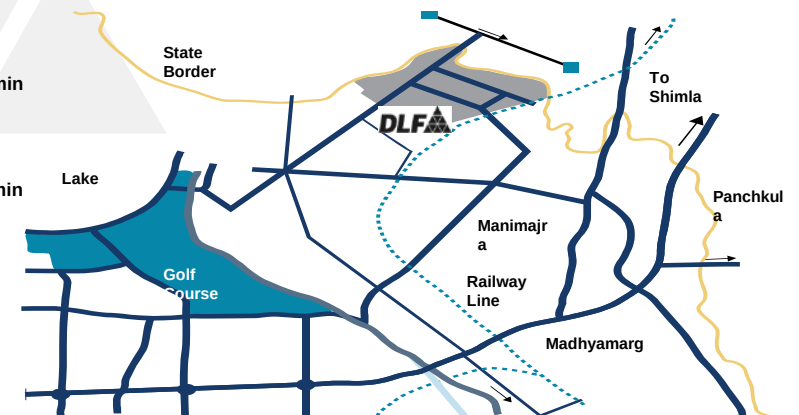


Airport
Distance: 10km
Travel Time: ~20min



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

Location





Thank You