

DLF announces Q3 FY10 results
Revenue at Rs 2,152 cr, Net profit at Rs 468 cr

Editors Synopsis:

Financial Highlights –

Q3 FY10 (all comparisons with Q2 FY10)

- Consolidated Revenue at Rs 2,152 crore, up by 19% from Rs 1,810 crore
- EBITDA (core operations) at Rs 1,020 crore, similar to Q2 FY10
- EBIDTA at Rs 969 crore as compared to Rs 973 crore
- Consolidated PAT at Rs 468 crore, up by 6% from Rs 440 crore
- EPS for the quarter at Rs 2.75

Q3 FY10 (all comparisons with Q3 FY09)

- Consolidated Revenue at Rs 2,152 crore, up by 43% from Rs 1,503 crore
- EBITDA (core operations) at Rs 1,020 crore, as compared to Rs 933 crore
- EBIDTA at Rs 969 crore as compared to Rs 908 crore
- Consolidated PAT at Rs 468 crore, down by 30% from Rs 671 crore

Balance Sheet

- Realized approx Rs 170 crore during the quarter from sale of non-core assets, taking the total divestment in FY10 to Rs 1,234 crore
- Enhanced visibility on approx. Rs 1,250 crore of asset sales / refunds due by end FY 10 taking the total for the year to Rs 2,500 crore, with the balance going to FY 11
- Net gearing at around 0.50
- Company remains focused to become net debt zero in the medium term

Highlights – Q3 FY10

Industry

- Positive macro-economic factors and strengthening of buyer confidence
- Robust demand across all segments - luxury, premium, mid-income - of the housing market
- Volume recovery strengthened - sustained demand in both suburban & city centric residential segments
- Pricing environment stronger in luxury / high end homes segment, marginal price increases in suburban / mid-income homes
- Signs of recovery in leasing of office space

Business

- Commenced construction on approx. 2.6 msf comprising homes and commercial complexes in Gurgaon & New Gurgaon during the quarter
- Well balanced mix between luxury/ high end & premium homes: ~ 3.1 msf sales booked in the quarter, YTD FY10 sales booked ~ 8.5 msf
- More than 550 luxury/ high end apartments (~ 2 msf) sold in NCR
- ~1 msf of premium homes sold in the quarter
- Handed over 0.73 msf of homes (luxury) during the quarter, 9mths YTD FY10 ~ 1.6 msf
- Increased action in pre - leasing activity; number of enquiries have been steadily improving
- 51 msf of projects area under construction at the end of the quarter
- Total developable area at 430 msf

DLF-DAL Integration

- DLF – DAL Integration closure expected by Q4 end
- Substantial Consolidation of Group's rental assets with stable income
- Resolution of "Perceived" Conflict of Interest
- Estimated consolidated rental income post integration expected to be approx. Rs1,500 crore in FY11

Outlook

- Continue to focus on sales / launch of Mid – Income housing projects PAN India [Hyderabad, Chennai, Kochi].
- Focus on launch of Homes at City Center locations in Chennai / Kochi at attractive price points
- Focus on meeting deliveries of outstanding pre-leases
- Buy out of Laing O' Rourke's stake in DLF-LOR to strengthen delivery mechanism to meet the anticipated demand in the near future
- High degree of confidence in achieving divestment targets of non-core assets / businesses by FY11
- Substantially improved cash flows from operations given the success of recent launches as well as slew of launches yet to be done
- Cash flows (net of construction) over next quarters expected to further improve, with start of construction of SBM and other projects
- Continue to use all free cash flows to reduce debt on an accelerated basis
- Keep improving the tenure and quality of debt

New Delhi, January 27, 2010: DLF Limited, India's largest real estate company, recorded consolidated revenues of Rs 2,152 crore for the quarter ended December 31, 2009, a q-o-q increase of 19% from Rs 1,810 crore in Q2 FY10. EBIDTA stood at Rs 969 crore as compared to Rs 973 crore in the previous quarter. Net profit was at Rs 468 crore, up by 6% q-o-q from Rs 440 crore. The non-annualised EPS for the quarter was Rs 2.75.

Commenting on the results, Mr. Rajiv Singh, Vice Chairman, DLF Limited said, "With the economy on path of recovery, we witnessed renewed demand for luxury / high end housing, in addition to stable demand for residential homes. Overall though we remain cautious, we are on track to meet our targets in current fiscal. We are seeing an increase in inquiries in commercial segment and hope recovery strengthens in the near future, allowing DLF to improve on all its performance parameters."

Commenting on the integration of Caraf Builders & Constructions Private Limited (alongwith DLF Assets Pvt Ltd) with DLF Cyber City Limited, DLF's subsidiary, Mr. Singh added "We shall have a strong consolidated entity encompassing all rental assets of the group under a single umbrella. It also provides us an opportunity to unlock value in this integrated company, or any assets thereof, once all legal structures and enablers are in place."

About DLF Limited

More information about the company is available on www.dlf.in

Forward Looking Statement

Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward looking statements. DLF Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

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