

DLF announces financial results for Q2 FY08
Turnover at Rs 3,349 crore, Net profit at Rs 2,018 crore
100% interim dividend for FY07-08

Editors Synopsis

Financial Highlights (all comparisons with Q1 FY08)

- Consolidated Revenue at Rs 3,349 crore, up by 7.3 % from Rs 3,121 crore
- EBIDTA at Rs 2,363 crore, up by 5% from Rs 2,251 crore
- Consolidated PAT at Rs 2,018 crore, an increase of 32% from Rs 1,524 crore
- EPS (non-annualised) at Rs 11.83, EPS (annualised) at Rs 47.34
- 100% interim dividend for FY07-08, outgo in excess of Rs 400 crore (incl. of DDT)
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Operational Highlights for Q2FY08

- Increased delivery in the office segment, an increase by 67% (Q/Q) with growth in margins by 19%
- Bookings grew by 55% (Q/Q) in the retail mall business
- Total developable area at 738 mn sq ft, an increase of 123 mn sq ft from 615 mn sq ft
- Qualitative improvement in the land reserves with the Super Metro/Metro share growing from 74% to 80%
- Area under construction at the end of the quarter was 54 msf, growing by 10% on Q/Q basis
- Bagged the prestigious project to develop the 'New Bangalore' in Bidadi, with a potential value creation of approx. Rs. 50,000 crore
- Acquired 38 acre land in Central Delhi for an integrated development, with a potential value creation in excess of Rs 10,000 crore
- Launched two IT SEZs in Gandhinagar and Nagpur; and second IT Park in Kolkatta
- Bagged Durgapur Township Project
- Aggressive ramp up in the hotels business - 39 sites acquired; 19 projects under various phases of development. First hotel to be operational by Q3 FY09
- DLF Hotels also entered into agreement with Four Seasons Hotels to operate a proposed super luxury hotel in Gurgaon

Business Strategy

- Strategy in place to enter the Mid-Income segment in residential SBU, with first launch planned within Q3FY08. On track for launches in Chennai, Bangalore, etc

New Delhi, October 30, 2007: DLF Limited, India's largest real estate Company, recorded consolidated revenues of Rs 3,349 crore for the quarter ended September 30, 2007, an increase of 7.3% from Rs 3,121 crore in the first quarter of the current fiscal. EBIDTA was at Rs 2,363 crore, an increase of 5% as compared to Rs 2,251 crore in Q1 FY08. Net profit stood at Rs 2,018 crore, up by 32% from Rs 1,524 crore. The non annualized EPS for the quarter was Rs 11.83.

The Board of Directors have recommended 100% interim dividend of Rs 2 per share (FV Rs 2 per share). Inclusive of dividend distribution tax, this would involve outgo in excess of Rs 400 crore.

Commenting on the company's performance, Mr. Rajiv. Singh, Vice Chairman, DLF Limited said, "The results depict the robust performance of the company, which is in line with our strategy to keep up the pace and performance to serve the interest of our stakeholders."

During the quarter, DLF struck one of the largest real estate deal with potential value creation in excess of Rs 12,000 crore by entering into an agreement to acquire 38 acre land in Central Delhi. Having already owned 25 acre land in adjoining area, this acquisition has given a strategic position to DLF to fully leverage the efficiency of the contiguous parcels of land adjoining a greenbelt of approximately 100 acres.

During the quarter, DLF was also awarded the project to develop the 'New Bangalore' in Bidadi, Karnataka. The project is expected to generate value in excess of Rs 50,000 crore, which is the single largest investment in real estate in India. Spread over an area of 9178 acres and located at the beginning of the Bangalore-Mysore Highway, the project would be executed by the DLF in a JV with Limitless Group, a part of Dubai World. California based Calthrope Associates would develop the master plan for the project.

Commercial

DLF added 17 mn sq ft to its developable land reserves in the offices segment. The company booked 2.45 mn sq ft and handed over 2.24 mn sq ft during the quarter. The margins in the offices segment registered an increase of 19% on Q/Q basis. DLF's presence in commercial segment increased significantly to 42 mn sq ft in the Metro cities as compared to 25 mn sq ft in the last quarter.

At the end of Q2 FY08, DLF had 34.43 mn sq ft of projects in the offices segment under construction, a growth of 16% on Q/Q basis.

New projects won included IT Park in Raidurg, Hyderabad and Tidal Park in Chennai.

Retail

DLF added 16 mn sq ft to its developable land reserves in retail malls segment across locations, particularly the metros, in the quarter. The sales booked during Q2 FY08 were 1.07 mn sq ft, which included sales in the retail malls in Delhi and Gurgaon. This is an increase of 55% on Q/Q basis from 0.69 mn sq ft in Q1 FY08.

At the end of Q2 FY08, DLF had 13.44 mn sq ft of projects in the retail segment under construction, an increase of 3.5% from 12.98 mn sq ft.

New acquisitions during the quarter included projects in Ludhiana, Dwarka Convention Centre (Retail), Banjara Hills and SBM (Retail).

Residential

The company added 89 mn sq ft to its residential projects to its land reserves, specifically in mid-income homes segment. At the end of Q2 FY08, DLF had 6.68 mn sq ft of projects in the luxury segment under construction.

In Q3 FY08, DLF would be launching two prestigious projects in Chennai and Kolkata alongwith a premium residential project in Kochi.

Hotels

In line with the company's plans to build and own India's largest hotel assets in next 7-10 years, DLF Hotel Holdings Ltd is now fully functional to meet the strategic initiative of the group. DLF now has 39 sites and 19 projects in various locations across India at advanced stages of design and development, under joint venture with Hilton International.

In the second quarter, DLF Hotels also signed an agreement with Four Seasons Hotels and Resorts to operate its first super luxury hotel at DLF Golf Links in Gurgaon. DLF has also won the bid for the esteemed International Convention center project at Dwarka in New Delhi. With 2 mn sq ft of development, this would be Asia's largest multi-activity facility.

Various sites have also been acquired pan-India for Luxury/Business Hotels, and the company expects its first business hotel, Hilton Garden, to be operational in Delhi by Q3 FY08.

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.