Financial Highlights

Q2 FY09 compared to Q1 FY09

- Consolidated Revenue at Rs 3,840 crore, as compared to Rs 3,846 crore
- EBIDTA at Rs 2,313 crore, as compared to Rs 2,380 crore
- Consolidated PAT at Rs 1,934 crore, as compared to Rs 1,864 crore
- EPS (non-annualised) at Rs 11.34, EPS (annualised) at Rs 45.37

Q2 FY09 compared to Q2 FY08

- Consolidated Revenue at Rs 3,840 crore, up by 15% from Rs 3,349 crore
- EBIDTA at Rs 2,313 crore, as compared to Rs 2,363 crore
- Consolidated PAT at Rs 1,934 crore, as compared to Rs 2,018 crore

H1 FY09 compared to H1 FY08

- Consolidated revenue at Rs 7,686 crore, up by 19% from Rs 6,470 crore
- EBIDTA at Rs 4,693 crore, as compared to Rs 4,614 crore
- Consolidated PAT at Rs 3,829 crore, up by 8% from Rs 3,542 crore

Highlights - Q2 FY09

- 64 msf of area under construction at the end of the quarter, this is after delivering 2 msf of built-up space in Commercial Offices and Homes segment
- Launched premium homes in New Gurgaon and Kochi in the range of Rs 4.5 – 7.0 mn
- Sold 3.12 msf of space including 2.79 msf of homes and 0.33 msf of commercial complexes
- Sold 1,546 units (2.74 msf) of premium homes (mid-income) in Q2
- Plans to launch more residential projects in New Delhi, Gurgaon, Hyderabad, Bangalore, Indore and Panchkula. Commercial complexes to be launched in Hyderabad, Amritsar and Panipat

Industry Outlook

- Real estate continues to face tight monetary conditions, which has had an impact on the sector. If restrictive conditions continue, we expect industry outlook to weaken further.
- If real estate sector is treated at par with other productive sectors of the economy, it can contribute significantly to economic growth in these uncertain times.

Management's View

- Company's outlook on business is stable, subject to stabilization of macroeconomic conditions.
- Company is well positioned to capitalise on future growth opportunities, given its strong foundation and current strategy, once the business environs become more conducive.
- Margins are likely to be protected given the downturn in the commodity cycle whilst the volume may be impacted due to volatile market conditions.
- Robust business model, geographic and product segment spread across has benefitted the company's performance. Product launches and deliveries are progressing as scheduled, with new benchmarks being set. Sold approx. 450 apartments in Oct 2008. Pre-leases provide buffer till Dec 2009.
- Liquidity being focused upon with caution being exercised on capital commitments and strong cash management. Technological upgradation and commodity cycle savings would get reflected in cost reduction in the forthcoming months
- No issue with respect to discharging all capital and stakeholders commitments
- Proceeding on share buyback in a conservative manner

New Delhi, October 31, 2008: DLF Limited, India's largest real estate company, recorded consolidated revenues of Rs 3,840 crore for the quarter ended September 30, 2008, an increase of 15% from Rs 3,349 crore in the corresponding quarter, Q2 FY08. EBIDTA stood at Rs 2,313 crore, as compared to Rs 2,363 crore in corresponding quarter. Net profit was at Rs 1,934 crore, as compared to Rs 2,018 crore in Q2 FY08. The non-annualised EPS for the quarter was Rs 11.34.

Commenting on the results, Mr. Rajiv Singh, Vice Chairman, DLF Limited said, "Our performance has been consistent with our plans, despite tighter liquidity scenario and looming prospects of lower GDP growth. The success achieved in sales of premium homes projects allows us to remain optimistic about consolidating our business and financials in the short term and to exploit opportunities in the longer term."

Commenting on the strategy that DLF plans to adopt to face the current turbulence in the real estate industry, Mr. Singh added, "DLF's balance sheet and liquidity continues to remain healthy and management has been proactive towards reducing the gearing still further, so as to have sufficient cash to meet commitments and take advantage of opportunities which may arise. Reduction in construction costs with softening of raw material prices will help us maintain our product margins in challenging times. We also plan to shorten our planning/design cycle, prioritize execution of projects in line with demand/product mix and reduce non-essential costs to achieve maximum efficiency."

"We have plans to launch more projects in the coming quarters, and we expect our strong execution capabilities to contribute in a positive way in the prevailing turbulent conditions. Our efforts are aimed at increasing liquidity and optimizing returns at acceptable levels through appropriate pricing of products offered across different product segments", he added.

Mr Singh emphasized that management would, in the short term reduce capital intensity of the business model by bringing enhanced focus on the sales program (premium homes & commercial complexes) and rationalize capital spend by focusing on development of properties either pre-sold or pre-leased. "This would result in enhanced focus on product mix and further increase customer orientation", he stressed

On DLF Assets Private Ltd (DAL), Mr Singh added, "While steps to monetize DAL through the next round of equity funding have overshot the originally set timeline, teams continue to work on it. However, the management continues to retain the opportunity to monetize the assets, internationally or domestically, based on the cash flows, over and above the equity funding process currently underway, an option which we intend to exploit in due course. By the end of March '09, DAL would have fully leased and occupied portfolio of 10 msf, yielding rentals in excess of Rs 600 crore per annum".

DLF also commenced buyback of shares from the open market in October 2008, after receiving the necessary approvals from SEBI.

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.