

The logo for Indiabulls, featuring the word "Indiabulls" in a white, serif font centered within a solid green rectangular background.

Indiabulls

Indiabulls Financial Services Limited
Unaudited Financial Results – Q1 FY 2012-13

July 20, 2012

Safe Harbour Statement

This document contains certain forward-looking statements based on current expectations of Indiabulls management. Actual results may vary significantly from the forward-looking statements in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, and outside India, volatility in interest rates and in Securities markets, new regulations and government policies that might impact the business of Indiabulls, the general state of the Indian economy and the and the management's ability to implement the company's strategy. Indiabulls doesn't undertake any obligation to update these forward-looking statements.

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Business Update

Year-on-Year (Y-o-Y) Comparison – Q1 FY 12-13 v/s Q1 FY 11-12

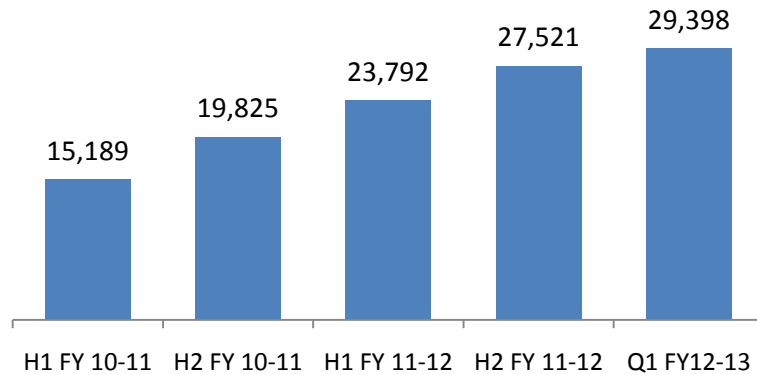
| | Q1 FY 12-13 | Q1 FY 11-12 | Growth (%) |
|--------------------------|-------------|-------------|------------|
| Total Revenues (Rs. Cr.) | 1,056.4 | 840.1 | 25.7% |
| NII (Rs. Cr.) | 462.7 | 429.6 | 7.7% |
| PBT (Rs. Cr.) | 351.9 | 300.7 | 17.0% |
| PAT (Rs. Cr.) | 267.6 | 222.0 | 20.5% |
| EPS (Rs.) | 8.50 | 7.06 | 20.4% |
| RoE (Annualised) | 20.3% | 18.5% | |

- Stock exchange clearance has been received for the proposed reverse merger of Indiabulls Financial Services Limited (IBFSL) with its wholly owned subsidiary Indiabulls Housing Finance Limited (IHFL). The Scheme of Arrangement involving the reverse merger has been filed with the Hon’ble High Court of Delhi.

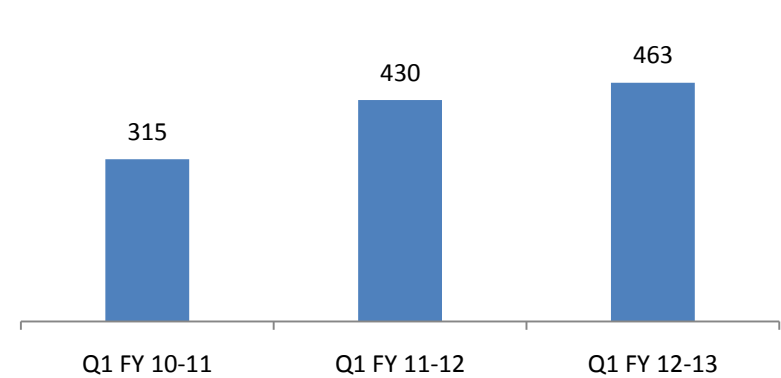
Financial and Operational Highlights

Asset Growth

Assets Under Management (AUM) in Rs. Cr.



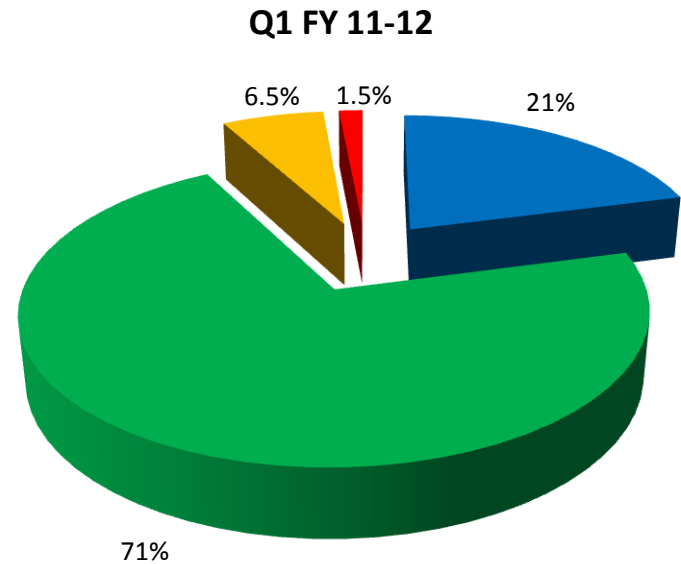
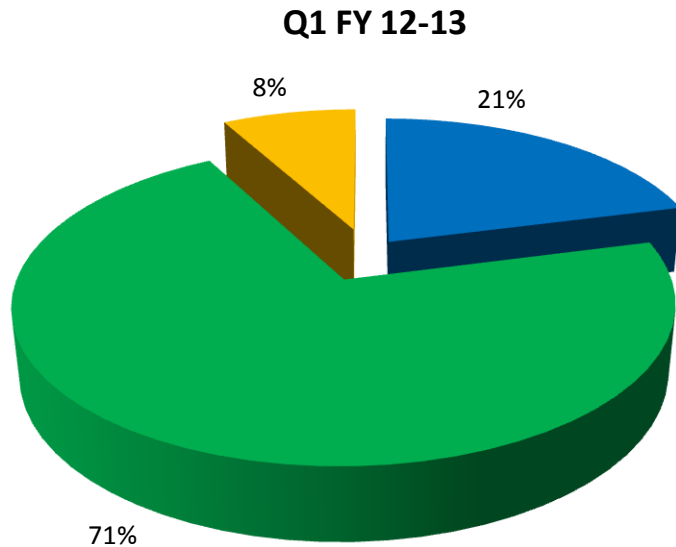
NII in Rs. Cr.



* *NII = Interest Income + Fee Income less Interest Expense*

- Focus on secured, long-term, low-risk mortgage loans has resulted in steady assets growth at a quarterly average of Rs. 2,000 Cr over the course of the last 11 quarters

Asset Composition



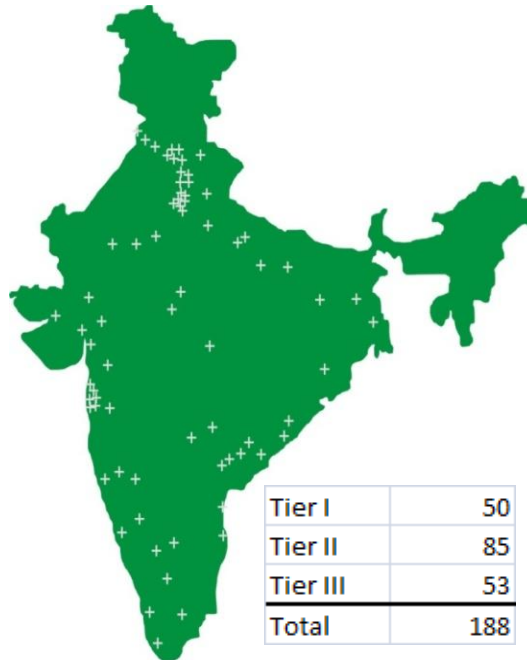
■ Mortgages ■ Commercial Vehicle ■ Corporate Loans ■ Business Loans

- Home loans, which forms the majority of incremental disburseals, are disbursed at an average ticket size of Rs. 23 lacs; average LTV of 64% (at origination)
- Long-term, low-risk mortgage loans' contribution remains steady at 71% of the total assets

Home Loans: Streamlined Loan Fulfilment



Indiabulls' Distribution Network



Best Employer Brand Award



Celebrate happy moments in your new home!
Get Home Loans @

10.5%



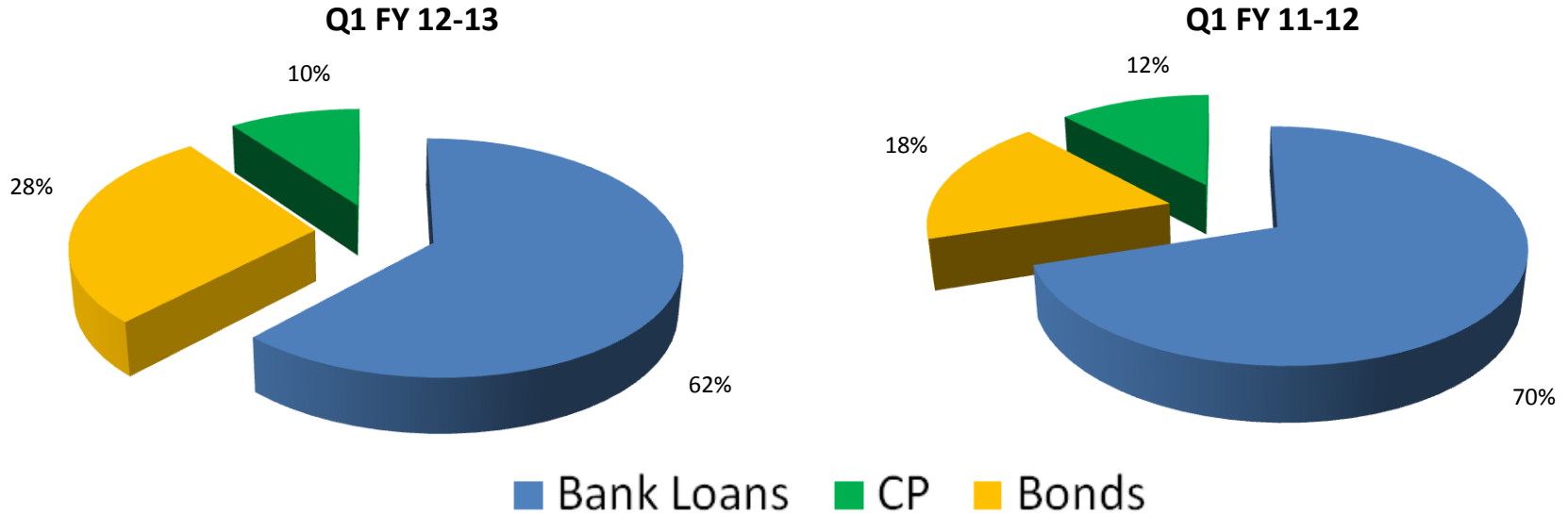
Indiabulls HOME LOANS

Ab Ghar Aa Jao

HELPLINE: 1800 200 7777 | SMS: 'HOME' TO 56677

- The company continues to grow its branch network and now has 188 branches spread across the country
- The company's cost to income ratio was 18.7% for FY 2011-12
- The company has a well-trained, in-house Direct Sales' Team of over 1,700 people to promptly attend to prospective customers
- Indiabulls Housing Finance Limited was awarded "The Best Employer Brand" award by Institute of Public Enterprise - BFSI

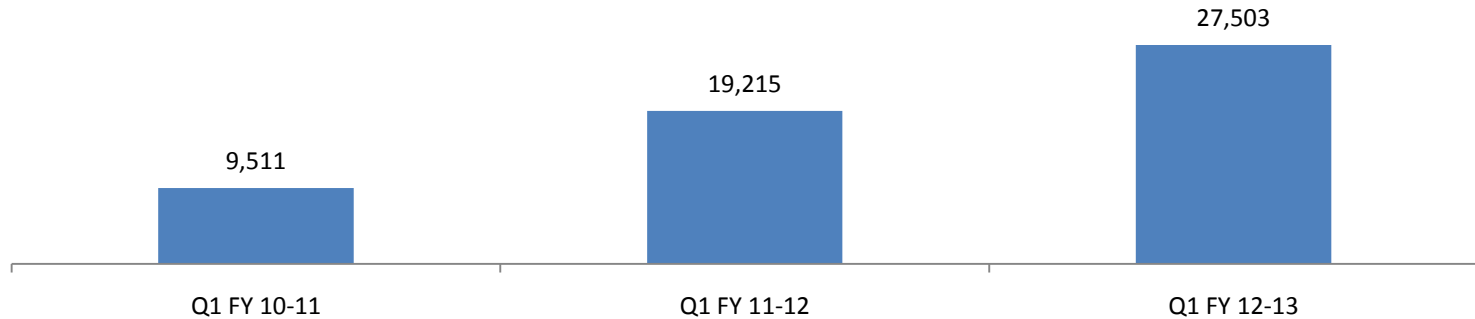
Improving Liability Profile



- In keeping with its stated strategy, the company continues to maintain healthy levels of liquidity with cash, cash equivalents and investments in liquid debt instruments adding up to Rs. 6,241.91 Cr at the end of Q1 FY 12-13
- Focus on long-term debt: In Q1 FY 2012-13 the company raised Rs. 1,500 Cr of bonds and term loans of 10 years or longer
- Funds raised through bonds has grown to Rs. 7,739 Cr in Jun 2012, up from Rs. 3,515 Cr in Jun 2011
- The company has further reduced its reliance on short-term money to 10% of total borrowings, well within its target limit of 15%

Diversified Borrowing Programme

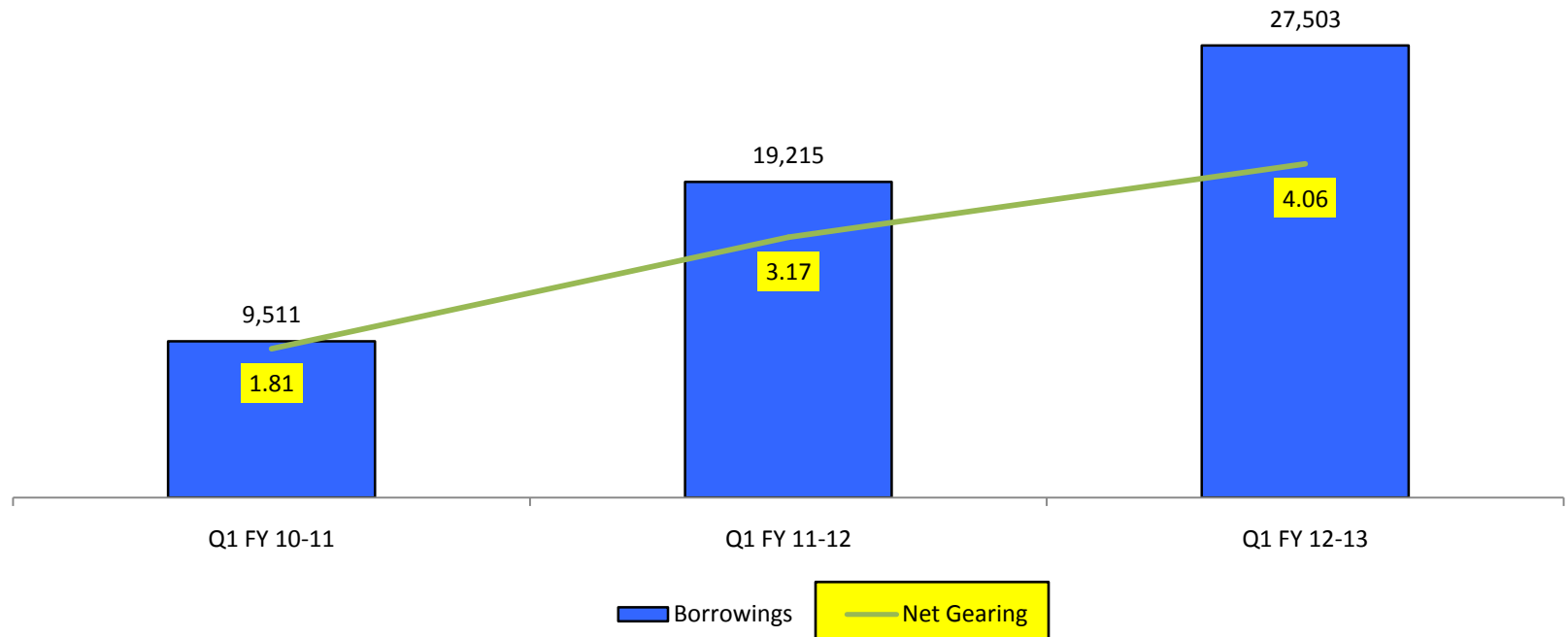
Borrowings (Rs. Cr.)



| Total Borrowings (Rs. Cr.) | | | Contribution in Incremental Borrowing |
|----------------------------|---------------|---------------|---------------------------------------|
| | Jun-12 | Jun-11 | Last 12 months |
| Bank Loans | 17,032 | 13,440 | 43% |
| NCD | 7,739 | 3,515 | 51% |
| CP | 2,732 | 2,260 | 6% |
| Total | 27,503 | 19,215 | 100% |

- Amongst its lenders, the company now counts 75 strong relationships: 23 PSU banks, 15 Private and Foreign banks and 37 other Mutual Funds, Provident Funds, Pension Funds and Insurance Companies

Headroom for Growth

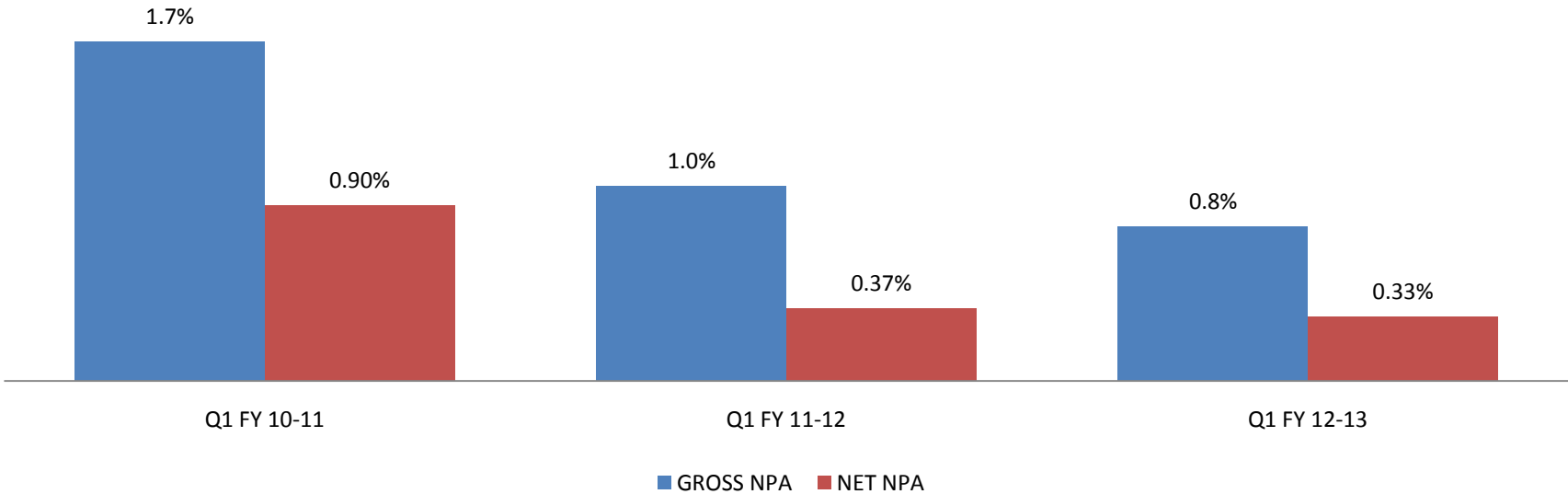


Net Gearing: Borrowings Net of 'Cash & Cash Equivalents' and 'Investments in Liquid Debt Instruments'

- With a Net Gearing of only 4.06, the company is one of the least geared amongst its peers in Mortgage Finance and has adequate headroom and balance sheet strength to support an expanding loan book

Stable Asset Quality

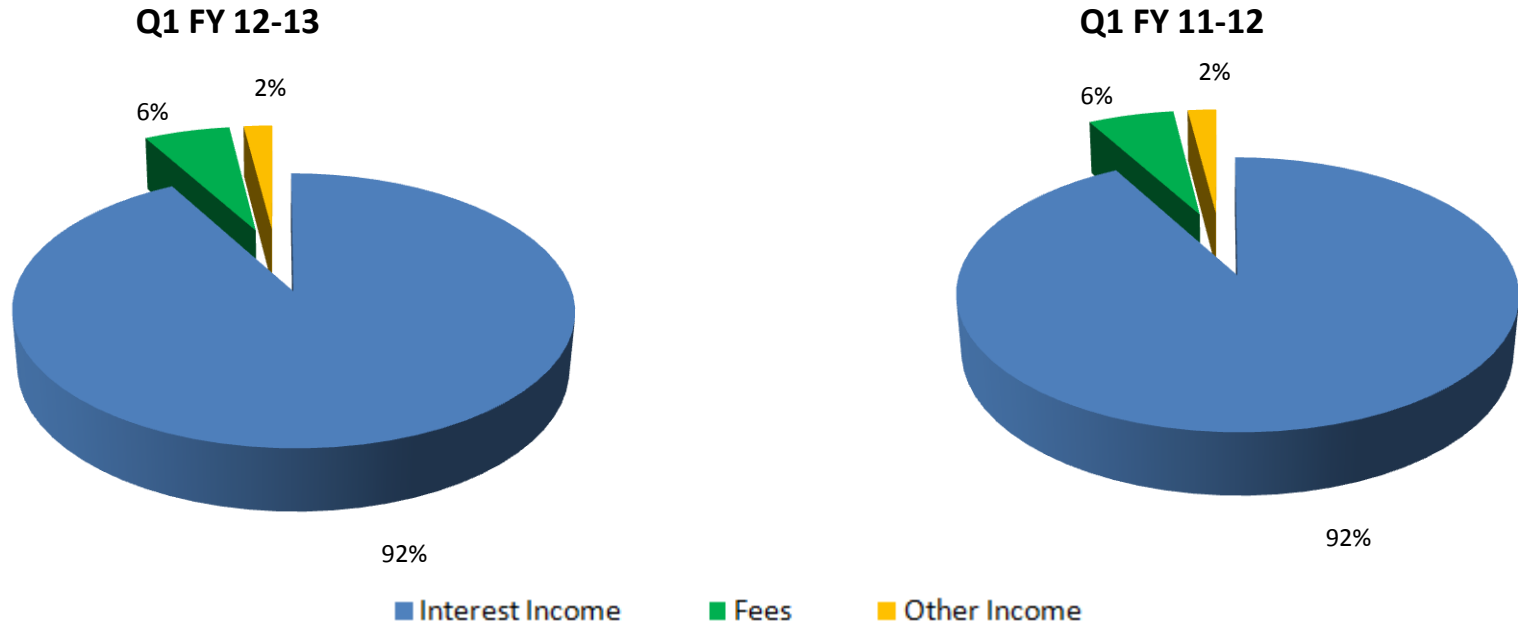
NPA Levels



** Without deducting 'Floating Provision' and RBI prescribed 'Standard Asset Provision' from Gross NPA*

- Low Gross and Net NPA levels as low-risk mortgage portfolio increases the asset base, while contributing very low incremental delinquencies

Income Sources



- 'Interest Income' and 'Fee Income' continue to be significant income streams for the company
- Improving recoveries from written off assets and misc income, has led to 'Other Income' maintaining its contribution to the total income

Consolidated Balance Sheet

| Statement of Assets and Liabilities Particulars | (Rupees in Crore) | |
|--|-------------------------|-----------------------|
| | As at | |
| | 30.06.12 (Unaudited) | 31.03.12 (Audited) |
| I. EQUITY AND LIABILITIES | | |
| (1) Shareholder's Funds | | |
| (a) Share Capital | 62.40 | 62.36 |
| (b) Reserves and Surplus | 5,040.04 | 4,843.10 |
| (c) Money received against share warrants | 112.82 | - |
| (2) Minority Interest | 134.05 | 131.50 |
| (3) Non-Current Liabilities | | |
| (a) Long-term borrowings | 18,822.88 | 14,222.94 |
| (b) Other Long term liabilities | 3.18 | 1.81 |
| (c) Long term provisions | 631.23 | 565.07 |
| (4) Current Liabilities | | |
| (a) Short-term borrowings | 6,406.05 | 4,809.51 |
| (b) Trade payables | 0.10 | 1.62 |
| (c) Other current liabilities | 3,106.98 | 7,146.37 |
| (d) Short-term provisions | 198.32 | 441.28 |
| Total | 34,518.05 | 32,225.56 |
| II. Assets | | |
| (5) Non-current assets | | |
| (a) Fixed assets | 45.61 | 44.51 |
| (b) Non-current investments | 16.75 | 16.72 |
| (c) Deferred tax assets (net) | 113.84 | 109.77 |
| (d) Long term loans and advances | 23,443.71 | 21,472.93 |
| (e) Other non-current assets | 180.82 | 191.60 |
| (6) Current assets | | |
| (a) Current investments | 3,795.61 | 1,780.06 |
| (b) Trade receivables | 0.18 | 21.31 |
| (c) Cash and cash equivalents | 2,446.30 | 4,195.56 |
| (d) Short-term loans and advances | 4,075.32 | 3,994.56 |
| (e) Other current assets | 399.91 | 398.54 |
| Total | 34,518.05 | 32,225.56 |

Rs. 6,241.91 Cr
of Cash & Cash
Equivalents and
Investments in
Liquid Debt
Instruments

Consolidated Income Statement

| | | (Rupees in Crore) | | | |
|----|--|-------------------------|-------------------------|-------------------------|-----------------------|
| | Particulars | Quarter ended | | | Year ended |
| | | 30.06.12 (Unaudited) | 31.03.12 (Unaudited) | 30.06.11 (Unaudited) | 31.03.12 (Audited) |
| 1 | Income from operations | | | | |
| | a) Income from Operations | 969.36 | 949.27 | 757.66 | 3,386.75 |
| | b) Other Operating Income | 70.18 | 159.36 | 57.23 | 395.13 |
| | Total | 1,039.53 | 1,108.63 | 814.88 | 3,781.88 |
| 2 | Expenses | | | | |
| | a) Employee benefits expense | 55.88 | 53.12 | 45.76 | 192.37 |
| | b) Depreciation and Amortisation Expenses | 2.24 | 2.35 | 2.19 | 9.10 |
| | c) Operating Expenses | 9.70 | 7.26 | 8.26 | 32.52 |
| | d) Administrative & Other Expenses | 62.64 | 123.24 | 90.63 | 370.34 |
| | Total | 130.48 | 185.97 | 146.84 | 604.33 |
| 3 | Profit from Operations before Other Income, Finance costs & Exceptional Items (1-2) | 909.06 | 922.65 | 668.05 | 3,177.56 |
| 4 | Other Income | 16.90 | 13.07 | 25.26 | 64.44 |
| 5 | Profit from ordinary activities before Finance costs & Exceptional Items (3+4) | 925.96 | 935.72 | 693.31 | 3,242.00 |
| 6 | Finance costs | 574.03 | 560.58 | 392.66 | 1,920.06 |
| 7 | Profit from ordinary activities after Finance costs but before Exceptional Items (5-6) | 351.93 | 375.14 | 300.64 | 1,321.94 |
| 8 | Exceptional Items | - | - | - | - |
| 9 | Profit from Ordinary Activities before Tax (7-8) | 351.93 | 375.14 | 300.64 | 1,321.94 |
| 10 | Tax expense | 84.29 | 72.14 | 78.69 | 315.57 |
| 11 | Net Profit from Ordinary Activities after Tax (9-10) | 267.65 | 303.01 | 221.95 | 1,006.37 |
| 12 | Extraordinary Items (net of tax expenses Rs. NIL) | - | - | - | - |
| 13 | Net Profit for the year before Minority Interest (11-12) | 267.65 | 303.01 | 221.95 | 1,006.37 |
| 14 | Share of Profit of Associate | 0.03 | 0.03 | 0.02 | 0.10 |
| 15 | Minority Interest for the period / year | 2.55 | 0.45 | 2.46 | 8.33 |
| 16 | Net Profit from Ordinary Activities after Tax, Share of Profit / (Loss) of Associates and Minority Interest (13+14-15) | 265.12 | 302.59 | 219.52 | 998.14 |
| 17 | Paid-up Equity Share Capital (Face Value of Rs.2 per Equity Share) | 62.40 | 62.36 | 62.23 | 62.36 |
| 18 | Reserves excluding Revaluation Reserves | 5,040.04 | 4,843.10 | 4,673.83 | 4,843.10 |
| 19 | Minority Interest | 134.05 | 131.50 | 123.55 | 131.50 |
| 20 | Earnings per Share before extraordinary items (Face Value of Rs.2 per Equity Share) <i>*(EPS for the quarters are not annualised)</i> | | | | |
| | -Basic | 8.50* | 9.64* | 7.06* | 32.00 |
| | -Diluted | 8.42* | 9.56* | 7.00* | 31.75 |
| | Earnings per Share after extraordinary items (Face Value of Rs.2 per Equity Share) <i>*(EPS for the quarters are not annualised)</i> | | | | |
| | -Basic | 8.50* | 9.64* | 7.06* | 32.00 |
| | -Diluted | 8.42* | 9.56* | 7.00* | 31.75 |

Thank you