

# RESULTS PRESENTATION

Fourth quarter and Financial Year 2010



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# CONTENTS

**Company overview**

**Corporate information**

**Financial performance analysis**

**Projects information**

**Sector update & company outlook**

**Annexure**

# OVERVIEW

# GODREJ PROPERTIES OVERVIEW

## Part of the Godrej Group

- Established in 1897
- US \$ 2.8 billion in revenues
- 25,000 employees
- Diversified, accomplished, trusted
- Real estate is a major focus and has been identified as one of four *hero businesses of the Group*

## Pan – India presence

- Established in 1991
- Projects in 10 cities across India
- Approximately 82 million square feet of upcoming developable area
- Residential | commercial | townships

## Joint development model

- Capital efficient, asset light, easily scalable
- Track record of successful joint development projects
- High return on investment

# VALUE CREATION

## Leverage the Godrej Brand

- Among India's most trusted brands
- Ranked the 4<sup>th</sup> best brand in India by The Week magazine

## Focus on execution

- Strategic partnerships with development process service providers
- Focus on Customer Centricity

## Differentiated business model

- Capital efficient with strong focus on economic value added
- Reduced exposure to land price risk

## Opportunities with group companies

- MOUs in Bengaluru, Hyderabad and Mohali

## Experienced management

- Centralized HR allows access to talent pool within Godrej group

# **CORPORATE INFORMATION**

# HIGHLIGHTS

## **GPL witnessed considerable momentum in sales in FY 2010**

- Approximately 1.89 mn sq. ft. of area was booked during the year.
- 3.9 mn sq. ft. of developed area handed over in FY 2010, significant compared to 3.7 mn sq. ft. delivered from inception until FY 2009.
- The Company is well placed to deliver higher sales year-on-year going forward.

## **Private equity deals**

- Private equity companies bought stake in three SPVs developing projects in Kolkata, Chennai and Chandigarh.
- Part of ongoing business strategy to monetize projects at an appropriate stage assisting the Company to reduce risk leading to better capital efficiency.

## **Awards & accolades**

- Planet Godrej received “Best Residential Project” award from CNBC.
- Awarded “Best Business Practices” by Accommodation Times.
- Ranked # 1 in the Real Estate & Construction category in the Great Places to Work survey 2009.
- Ranked amongst Top 10 Construction & real estate companies by Construction World.

# **FINANCIAL PERFORMANCE**

## **2010**

# FINANCIAL STATEMENTS – P&L

*INR Million*

Particulars	FY 2010	FY 2009	% change	Q4 FY 2010	Q4 FY 2009	% change
Sales & operating income	3,134.3	2,555.2	22.7	1,709.6	799.5	113.8
Other income	1,426.4	421.1	238.7	726.0	215.2	237.4
<b>Total Income</b>	<b>4,560.8</b>	<b>2,976.3</b>	<b>53.2</b>	<b>2,435.5</b>	<b>1014.7</b>	<b>140.0</b>
<b>EBIDTA</b>	<b>2,312.1</b>	<b>1,627.9</b>	<b>42.0</b>	<b>889.6</b>	<b>405.6</b>	<b>119.3</b>
<b>Profit before tax</b>	<b>1,623.7</b>	<b>1,089.4</b>	<b>49.1</b>	<b>748.0</b>	<b>259.1</b>	<b>188.7</b>
<b>Profit after tax</b>	<b>1,239.8</b>	<b>756.1</b>	<b>64.0</b>	<b>584.8</b>	<b>185.9</b>	<b>214.6</b>
- Minority Interest	11.6	9.3	24.5	9.8	5.1	94.7
<b>Net Profit</b>	<b>1,228.1</b>	<b>746.8</b>	<b>64.5</b>	<b>575.0</b>	<b>180.8</b>	<b>217.9</b>

# FINANCIAL STATEMENTS–BALANCE SHEET

INR Million

Particulars	31-Mar-10	31-Mar-09
<b>Liabilities</b>		
Capital	698.5	604.2
Reserves & surplus	7,474.2	2,384.5
Loan	7,095.8	6,563.4
Minority interest	29.7	16.8
<b>Total liabilities</b>	<b>15,298.2</b>	<b>9,568.9</b>
<b>Assets</b>		
Fixed assets	278.3	392.0
Investments	2,078.1	0.03
Deferred tax asset	2.7	4.9
Net current assets	12,939.1	9,171.9
Miscellaneous expenditure	0.03	0.05
<b>Total assets</b>	<b>15,298.2</b>	<b>9,568.9</b>

# PERFORMANCE ANALYSIS

## Key ratios

Ratio	31-Mar-10	31-Mar-09
ROCE (Avg. CE)	18.15%	21.97%
ROE (Avg. Equity)	21.40%	27.67%
Gross Debt (in Rs million)	7095.82	6563.42
Net Debt / Equity	0.55	2.20

## Comments

- Net Debt stands at Rs 4,518 million
- Highly comfortable with current debt levels
- The Company would look to raise more debt for suitable projects as necessary going forward

# PERFORMANCE ANALYSIS

**GPL delivered a healthy performance in FY 2010 on the back of increased sales and completion**

- Delivered 3.9 mn sq. ft. area during FY10

**Total Income was 53.2% higher on y-o-y basis and major projects contributing to the top-line are:**

Project	Area Sold (mn. sq. ft.)*	Booking Value (Rs. million)
Godrej Garden City, Ahmedabad	0.80	1,820
Godrej Prakriti, Kolkata	0.18	404
Godrej Waterside, Kolkata	0.18	812
GVD/ MPM	0.14	343

*\* Only GPL's share from the booking income reflected in the Total Income*

**Private Equity deals worth Rs. 1,561 million to HDFC PMS & Milestone contributed to performance**

- Proceeds were taxed at a lower rate and therefore helped increase profitability
- Part of the ongoing business strategy to monetize assets at an appropriate stage to use the incomes to fund new and existing projects

# PERFORMANCE ANALYSIS

**Operating Profit of Rs 2,312.1 million in FY 2010 as compared to Rs 1,627.9 million in FY 2009; a growth of 42.0%**

- Volumes from two new launches, Garden City & Prakriti, contributed meaningfully to operating profits.
- EBITDA for Q4 FY2010 stood at Rs 889.6 million as compared to Rs 405.6 million in Q4 FY 2009

**Profit After Tax registered a significant growth of 64.0% in FY 2010**

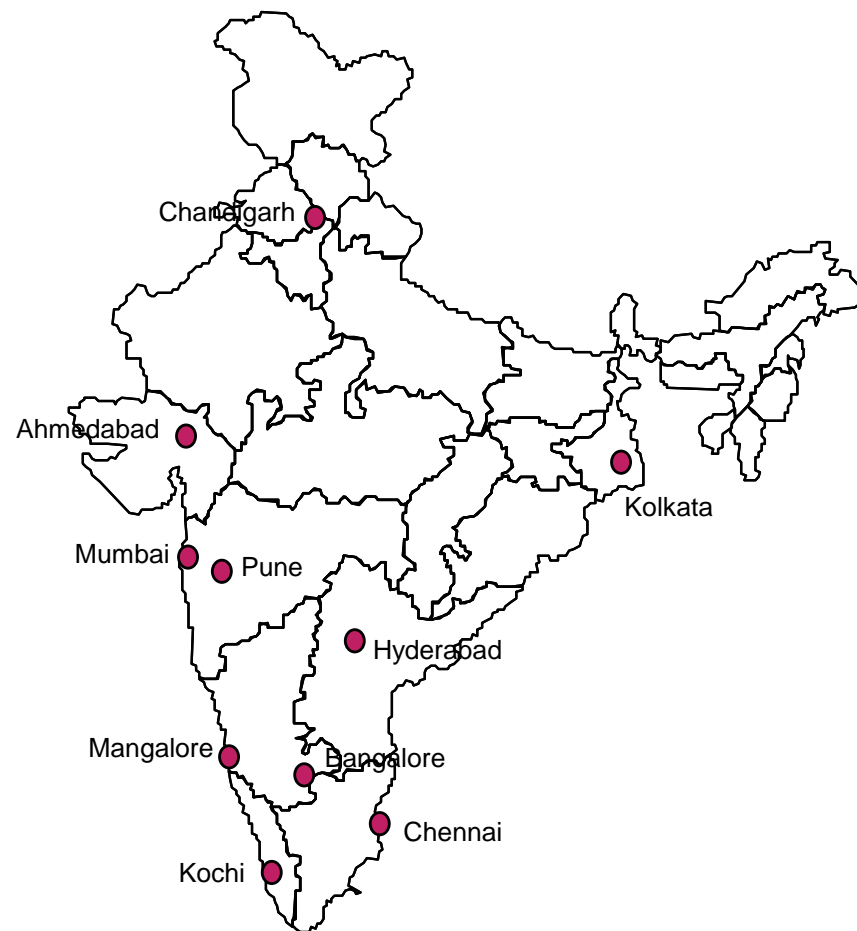
- Profit After Tax grew from Rs 746.8 million in FY 2009 to Rs 1228.1 million in FY 2010
- Tax Rate for the period was less than maximum marginal rate due the Private Equity Deals attracting a lower tax rate of 22.66%

**Board of Directors recommend Dividend of Rs. 4 per equity share of Rs. 10/- each for FY2010**

# PROJECTS

# NATIONAL PRESENCE

City	Est. Total Dev Area (mn sq ft)
Ahmedabad	40.43
Pune	12.32
Hyderabad	9.6
Kolkata	6.93
Mumbai	3.69
Chennai	3.23
Kochi	2.52
Bengaluru	2.51
Mangalore	0.83
Chandigarh	0.68
<b>Total</b>	<b>82.74</b>



# KEY PROJECTS

## **Godrej Garden City, Ahmedabad**

- GPL launched it's first state of the art township in Ahmedabad in March 2010
- Project received an overwhelming response
- Booked approximately 1.3 mn sq. ft. of area within 10 days of the launch
- Phase II expected to be launched in Q1 FY 2011

## **Godrej Prakriti, Kolkata**

- Approximately 0.2 mn sq. ft. of area booked since it's launch in Q4 FY 2009

## **Godrej Waterside, Kolkata**

- Phase I with area of approximately 0.3 mn sq ft is completely sold out & delivered
- OC has been obtained and handing over is in progress

## **Godrej Coliseum, Mumbai**

- Phase III was sold out and delivered in FY 2010

## **Godrej Woodsman, Bangalore**

- Phase I with 1.4 m sq. ft has been delivered
- Handing over is in progress

# PROJECT STATUS

Name	Location	Project type	Est. Saleable Area (mn sq ft)	Current status
Godrej Prakriti	Kolkata	Residential mixed use	3.14	Infrastructure and basement work
Godrej IT SEZ	Hyderabad	IT park	5.09	Pre development planning
Godrej Eternia	Chandigarh	Commercial & retail	0.50	Basement in progress
Godrej Garden City	Ahmedabad	Township	40.43	Phase 1 – all construction approvals received
Godrej Avalon	Mangalore	Residential	0.61	Pre development planning
Godrej Chennai	Chennai	Residential	1.66	Pre development planning
Godrej Cochin	Kochi	Residential	2.20	Pre development planning
Godrej Genesis	Pune	Commercial	0.48	Pre development planning
Godrej Genesis	Kolkata	Commercial	1.50	Pre development planning
Godrej Waterside	Kolkata	Commercial	1.80	Tower 1 – 100% complete
Sanjay Khan Project	Bangalore	Residential	0.79	Pre development planning
Woodsman Estate II	Bangalore	Residential	0.44	Pre development planning
Woodsman Estate III	Bangalore	Residential	0.07	Pre development planning
Godrej Riverside	Kalyan	Residential	1.74	Tower 1 & 2 structure completed
Godrej Vikhroli	Mumbai	Commercial mixed use	2.78	Pre development planning
Godrej Gold County	Bangalore	Residential	0.41	Pre development planning

# SECTOR UPDATE & COMPANY OUTLOOK

# SECTOR UPDATE

**The Real Estate sector recovered better than expected in FY10**

**The Residential segment experienced a marked recovery brought about by strong end user Interest.**

- Strong recovery in Tier-1 cities (Mumbai, Bangalore & NCR), especially in the mid income segment.
- Affordable and mid-income housing expected to observe sizable growth in demand in the near future.

**Commercial segment showed stability after the downturn and a pronounced recovery is expected in FY11**

- A market equilibrium between tenants and landlords is expected by end of the year.
- Several markets have already shown signs of cautious optimism, with strengthening of demand for office space as well as an increase in capital market transactions.

# COMPANY OUTLOOK

## Focus on high growth markets-Mumbai, Bangalore and NCR

- Mumbai – pursuing several new business and redevelopment opportunities across the city.
- Bangalore - evaluating opportunities and looking to build on an established track record.
- NCR – pursuing several new business opportunities.

## Launches in four new cities

- GPL is scheduled to launch new projects in Mangalore, Chennai, Kochi and Hyderabad in FY 2011.
- With the launch of these projects, the Company's presence will increase to 10 cities in India.

## Township projects

- Part of the strategy is to develop expertise in township projects.
- Launched first township in Ahmedabad in March 2010.
- Plan to launch two new townships in Kalyan & Pune in FY2011.

## Equity partners

- Company strategy to work with equity partners to increase scale and mitigate risk without affecting the development intent/ rights of GPL.

**THANK YOU FOR YOUR TIME  
AND CONSIDERATION.**

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# ANNEXURE

# A. RESIDENTIAL PROJECTS

Name	Location	Project type	Est. Saleable Area (mn sq ft)	Share structure
Godrej Garden City	Ahmedabad	Apartment/ Villas / Row Houses	26.28	Area Sharing - 67.6%
Pune Township	Pune	Apartment/ Villas / Row Houses	9.44	Share in SPV - 10%; DM Fee 162/ sq ft
Chennai Project – I	Chennai	Apartment Complex	2.49	Revenue Sharing - 70%
Godrej Prakriti	Kolkata	Apartment Complex	2.72	Own. 51% Share in SPV
Kochi Project – I	Kochi	Apartment Complex	2.24	Revenue Sharing - 70%
Tumkur Road- II	Bangalore	Apartment Complex	0.79	Revenue Sharing - 78%
Vikhroli Project – I	Mumbai	Apartment Complex	0.60	Profit Sharing - 60%
Godrej Avalon	Mangalore	Apartment Complex	0.41	Area Sharing - 73.5%
Godrej Gold County	Bangalore	Villas and Apartments	0.30	Profit Sharing - 50%
Godrej Woodsman Estate – Annex	Bangalore	Apartment / Row Houses	0.07	Revenue Sharing - 59%
Kalyan Township	Kalyan	Apartment/ Villas / Row Houses	0.10	Revenue Sharing - 95%

## B. COMMERCIAL PROJECTS

Name	Location	Project type	Est. Saleable Area (mn sq ft)	Share structure
Godrej Prakriti	Kolkata	Commercial office space, Retail, Hospital	0.40	Own. 51% Share in SPV
Godrej Genesis	Kolkata	IT park	1.30	GPL owns 51% profit share of 62% area share
Godrej Eternia	Chandigarh	Commercial office space, Retail	0.50	GPL owns 51% profit share of 46% revenue share
Pune Township	Pune	Mixed commercial	2.36	Share in SPV - 10%; DM Fee 162/ sq ft
Godrej Waterside	Kolkata	IT park	1.80	GPL owns 51% profit share of 61% area share
Godrej Genesis	Pune	IT park	0.48	GPL owns 51% profit share of 62% area share
Godrej Avalon	Mangalore	Commercial office space, Hotel	0.20	Area Sharing - 73.5%
Godrej Genesis	Hyderabad	IT SEZ	9.57	100% owned by GPL