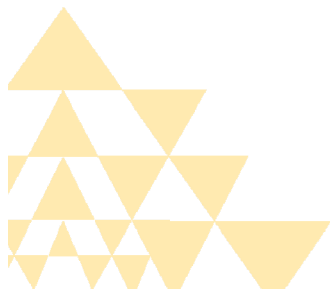


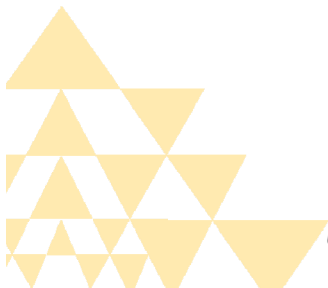


Results for Quarter ending June 30th, 2009

July 17, 2009



- **Performance highlights**
- Business review
- Corporate overview
- Business strategy
- Industry



Performance highlights- Q1FY10

Overall financial performance

- Quarterly Income at Rs2.57bn up 37% qoq
- EBIDTA margin for the quarter was 37.4%, as compared to 30.3% in the previous quarter
- PBT and PAT were at Rs816.9 mn, and Rs516.8mn, up 180% qoq and 104% qoq respectively

Equities

- Overall market share on the NSE stood at 3.63% compared to 3.53% in the previous quarter
- Average daily volumes stood at Rs32.25 bn as compared to Rs19.16 bn in Q4FY09, an increase of 68% qoq
- Strategic agreement with Interactive Brokers LLC will provide India Infoline clients access to 80 exchanges across 18 countries

Life Insurance

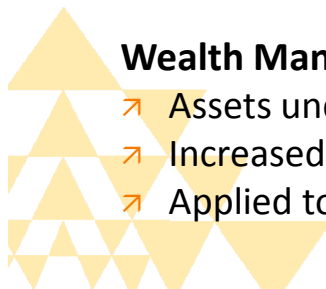
- Commenced business for several insurance companies including Max New York Life Insurance, MetLife, Reliance Life Insurance, Birla Sunlife and Kotak Life Insurance
- Annualized Premium Income mobilized stood at Rs.38.40 crores
- While the outlook of the business will remain linked with the industry fortune, the company's position as a broker will improve over next few quarters

Credit and Finance

- Re-commenced Mortgage business in June 2009 given easing of credit markets
- Book size Rs9.22bn at the end of June 2009

Wealth Management

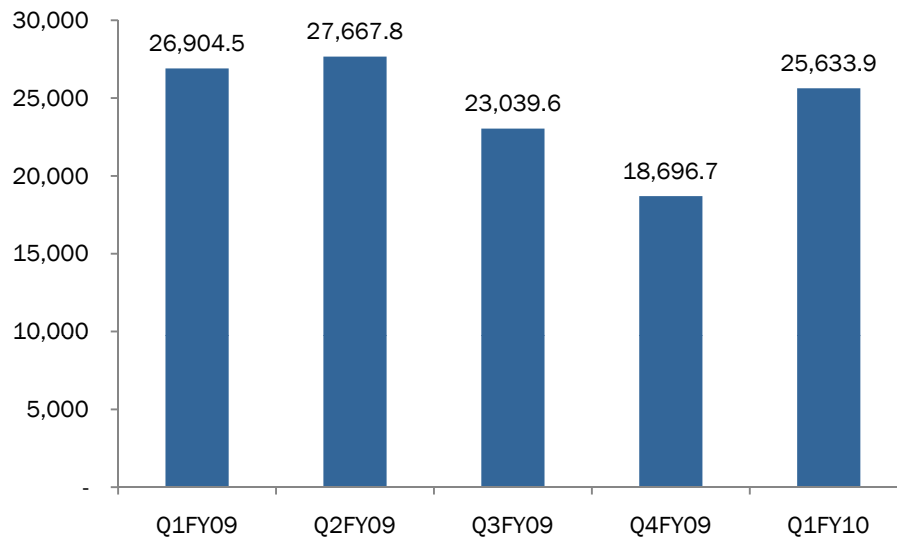
- Assets under management crossed Rs20 bn
- Increased the base for families under advisory
- Applied to the FSA in United Kingdom for licence



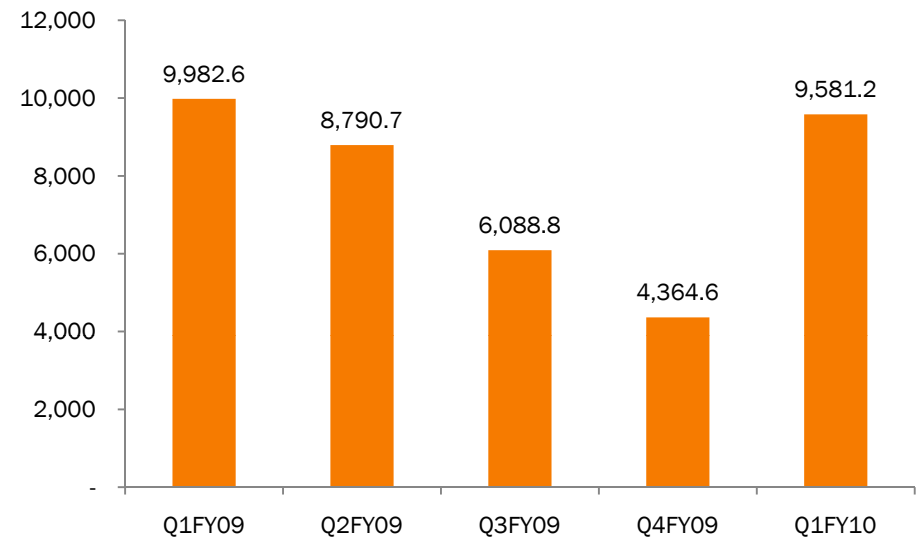
Performance in pictures- Q1FY10

Performance review

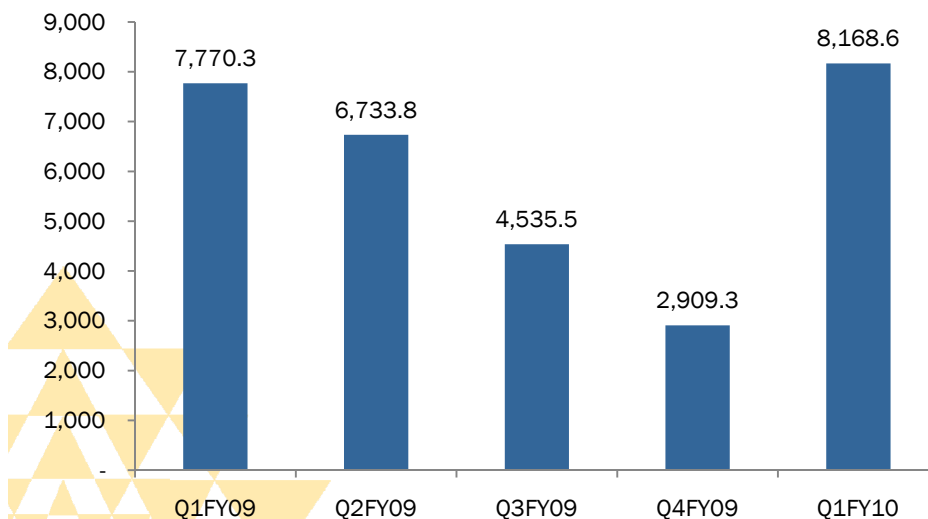
Revenues (Rs Mn)



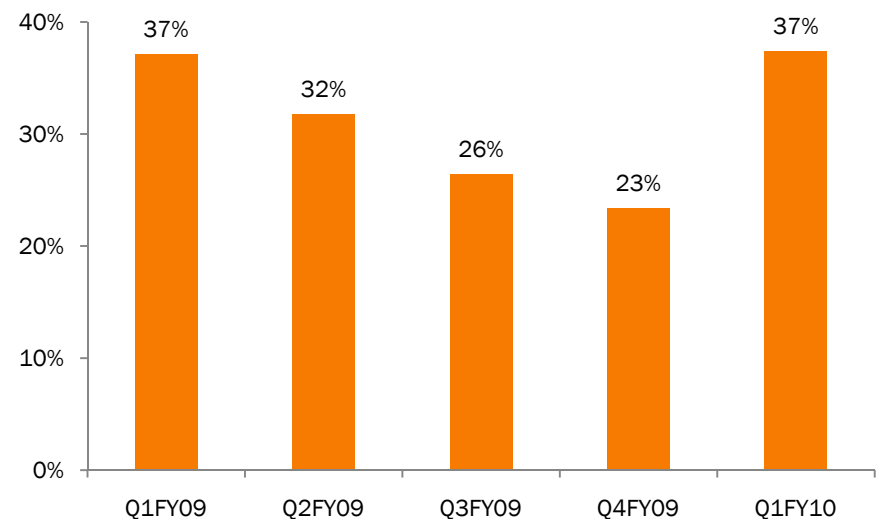
EBITDA (Rs Mn)



PBT (Rs Mn)



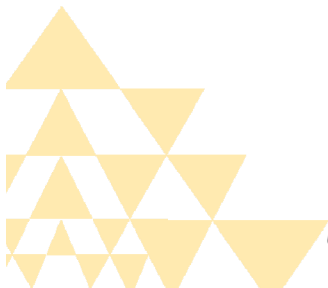
EBITDA margin (%)



Financial highlights- Q1FY10

Rs Mn	Q1FY10	Q1FY09	Q4FY09	Y-Y	Q-Q
Income from operations	2,562.6	2,684.0	1,867.1	-4.5%	37.3%
Equities brokerage & related	1,768.0	1,584.9	1,152.6	11.5%	53.4%
Financing and Investment	488.8	649.8	345.2	-24.8%	41.6%
Marketing and online media	96.1	175.8	169.3	-45.3%	-43.2%
Life Insurance distribution	83.7	155.6	89.3	-46.2%	-6.2%
Commodities brokerage & related	66.0	49.9	55.0	32.2%	19.9%
Wealth and Mutual fund advisory	50.9	63.5	55.4	-19.8%	-8.1%
Merchant Banking	9.0	4.4	0.3	103.3%	2982.2%
Other income	0.8	6.5	2.6	-87.1%	-68.2%
Total Income	2,563.4	2,690.5	1,869.7	-4.7%	37.1%
A. Direct cost	567.1	561.9	384.3	0.9%	47.6%
B. Employee cost	642.8	626.2	632.6	2.7%	1.6%
C. Administration expenses	395.4	504.1	416.3	-21.6%	-5.0%
EBITDA	958.1	998.3	436.5	-4.0%	119.5%
Interest	7.2	136.2	22.8	-94.7%	-68.6%
Depreciation & amortisation	134.1	85.0	122.7	57.7%	9.3%
Profit / (Loss) before tax	816.9	777.0	290.9	5.1%	180.8%
Provision for taxation	269.7	243.1	31.2	11.0%	765.8%
Profit/(Loss) after tax after extraordinary	547.1	534.0	259.8	2.5%	110.6%
Minority Interest	30.4	38.6	6.9		339.3%
Profit / (Loss) After Tax	516.8	495.4	252.9	4.3%	104.4%

- Performance highlights
- **Business review**
- Corporate overview
- Business strategy
- Industry



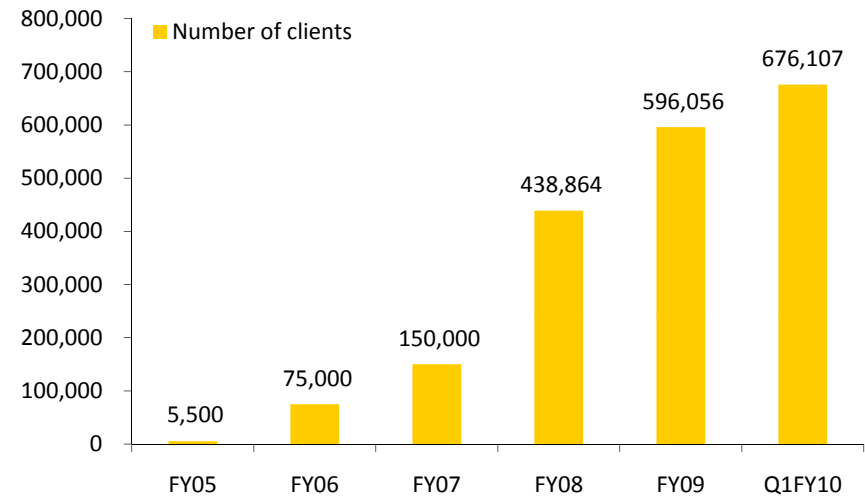
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Retail equities

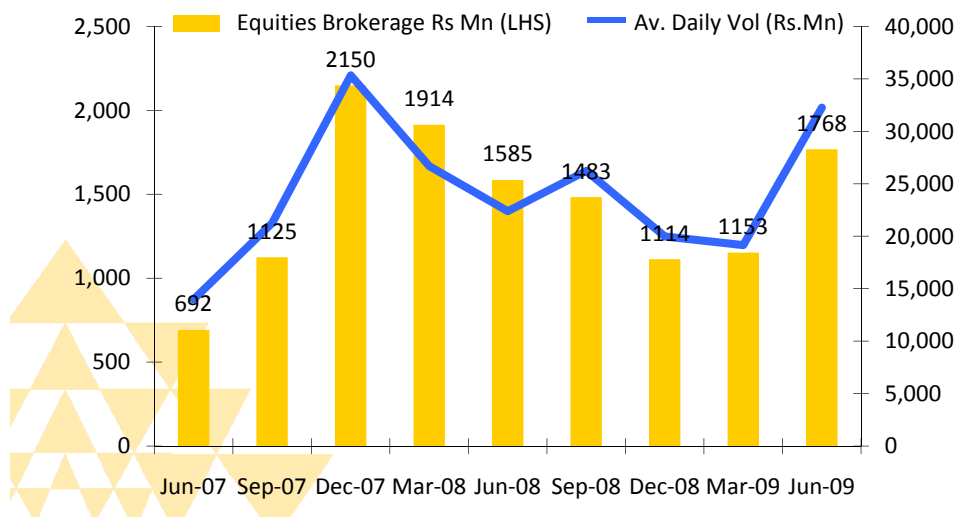
Performance review

- Market share on NSE at 3.63% in Q1FY10 as compared to 3.53% in the previous quarter
- Average daily turnover up 68% yoy to Rs32.25 bn in Q1FY10 as compared to Rs19.16 bn in the previous quarter
- Retail customer base has increased by 36% yoy to 0.67 mn in Q1FY10
- Tie-up with Interactive brokers will provide clients access to 80 exchanges in 18 countries

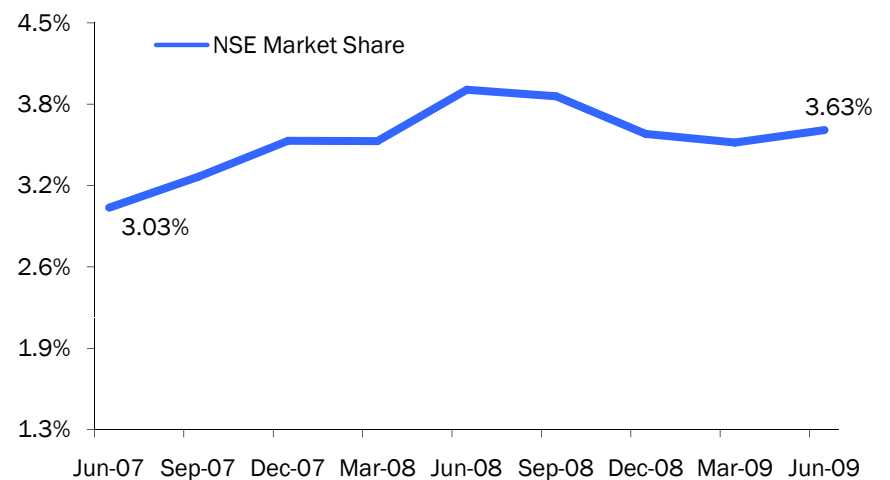
Retail customer base for equity broking



Equities broking (Cash & FAO)



III market share



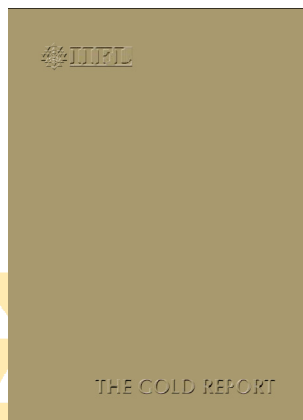
Institutional equities

Performance review

- Trading for most local institutions and over 100 global investors in India
- Increased presence in the US markets by hiring of a senior resource stationed in New York
- 150+ stocks under coverage, targeting to double coverage universe
- In-depth and thematic printed reports on 'Gold', 'Protectionism' and 'India and CHina chartbook' (a compendium of 100 charts comparing the 2 economies) were well received by clients
- Established credentials in executing large block deals
- Deal flow for the Investment banking division expected to improve with improving market sentiments

Research offering

Sectoral special on Gold with a foreword by 'Jim Rogers'



Thematic research that goes far beyond balance sheets and P&L accounts



Sizing Up India & China: 100 charts to compare and contrast the two economies

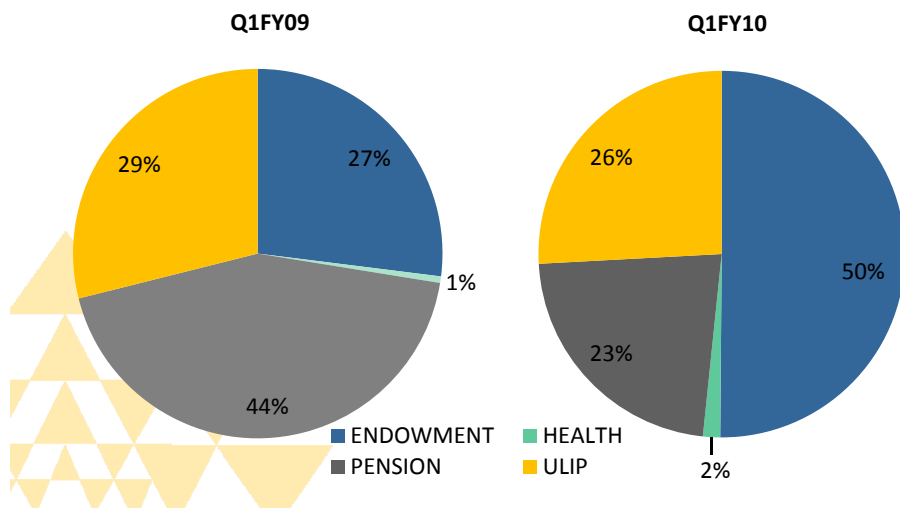


Insurance

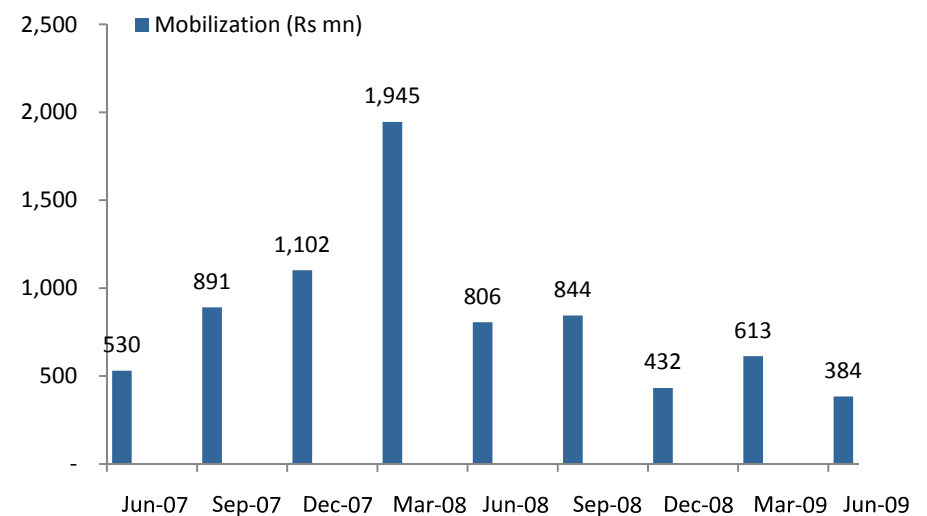
Performance review

- Most leading private sector players in Life Insurance industry have recorded a yoy decline
- Insurance mobilization in Q1FY10 stood at Rs384 mn
- Product mix has been significantly changed to increase the contribution of endowment products
- Outlook of the business will remain linked with the industry fortunes, but the company's position as a broker will improve over next few quarters

Changing product mix



Mobilization (Rs Mn)

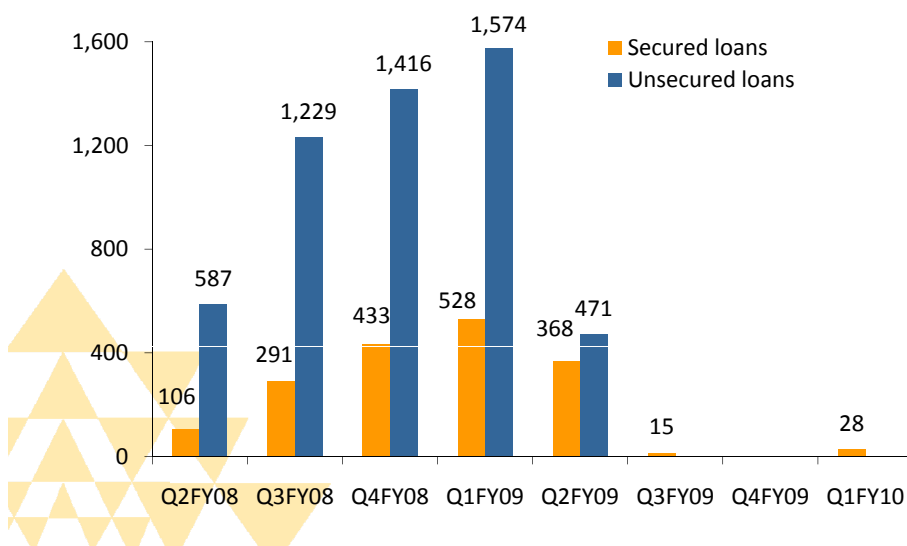


Credit and finance

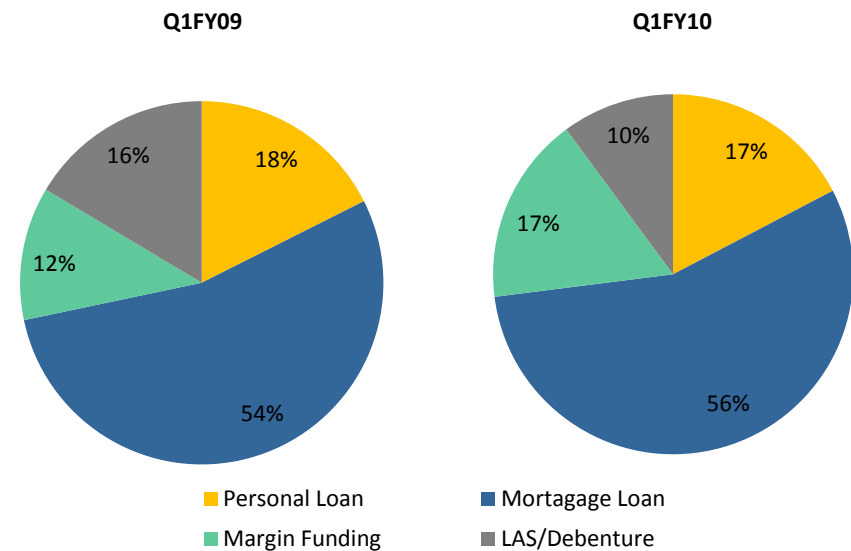
Performance review

- Total portfolio size was Rs9.22bn as on June 30th, 2009
- Economy has shown signs of recovery and the demand for credit also is picking up
- Have resumed secured lending against the security of residential and commercial property

Number of disburseals



Portfolio break-up



Wealth management

Performance review

- Assets under management crossed Rs20 bn with increased traction for Family office offering
- Products include structures notes, NABARD and bonds, and long-dated options
- Growing domestic and international presence
- Created markets for primary/secondary NABARD bonds, Long-dated options and FCCBs

IIFL Private Wealth's Product Proposition

Managed Accounts

- Independent Asset Managers
- Partners for the USD 200,000 opportunity
- Commodity and currency PMS/trusts
- Mutual Funds
- RE and PE Funds

Advisory Accounts

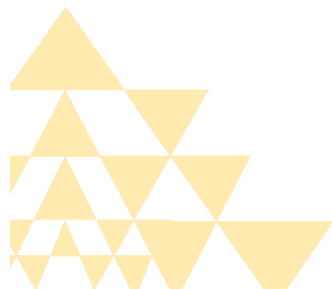
- In-house equity and debt advisory
- 'Pure Advisory' agreements
- Derivatives and Options strategy
- Real Estate advisory
- Private Placements
- International platform
- Structured Notes
- Term Cover insurance

Executionary Platform

- In-house equity broking
- NBFC credit
- Commodity trading
- Currency trading

Custody and Trust

- Family Office proposition
- Trust services and succession planning



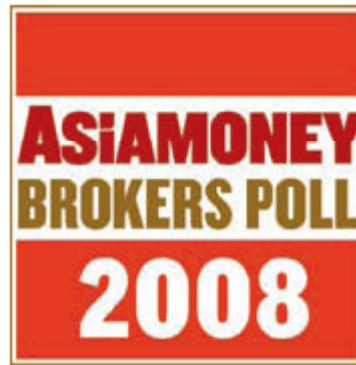
Recent awards and accolades



FinanceAsia
COUNTRY AWARDS
FOR ACHIEVEMENT
2008

BEST BROKER - INDIA


Awarded 'Best Broker-India' by FinanceAsia as a part of its survey of financial services firms across Asia for 2008



ASIAMONEY BROKERS POLL
2008

MOST IMPROVED - INDIA

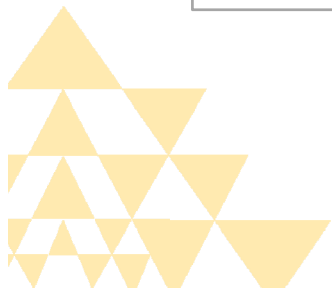
Awarded 'Most Improved brokerage' in India by AsiaMoney as a part of its survey of brokerages in countries across Asia for 2008



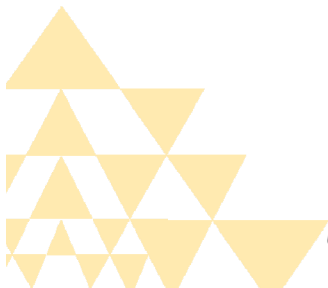
D&B
Decide with Confidence

FASTEST GROWING - LARGE BROKER

Awarded 'Fastest growing Equity Broking House – Large firms' in India for the year 2008 by Dun & Bradstreet



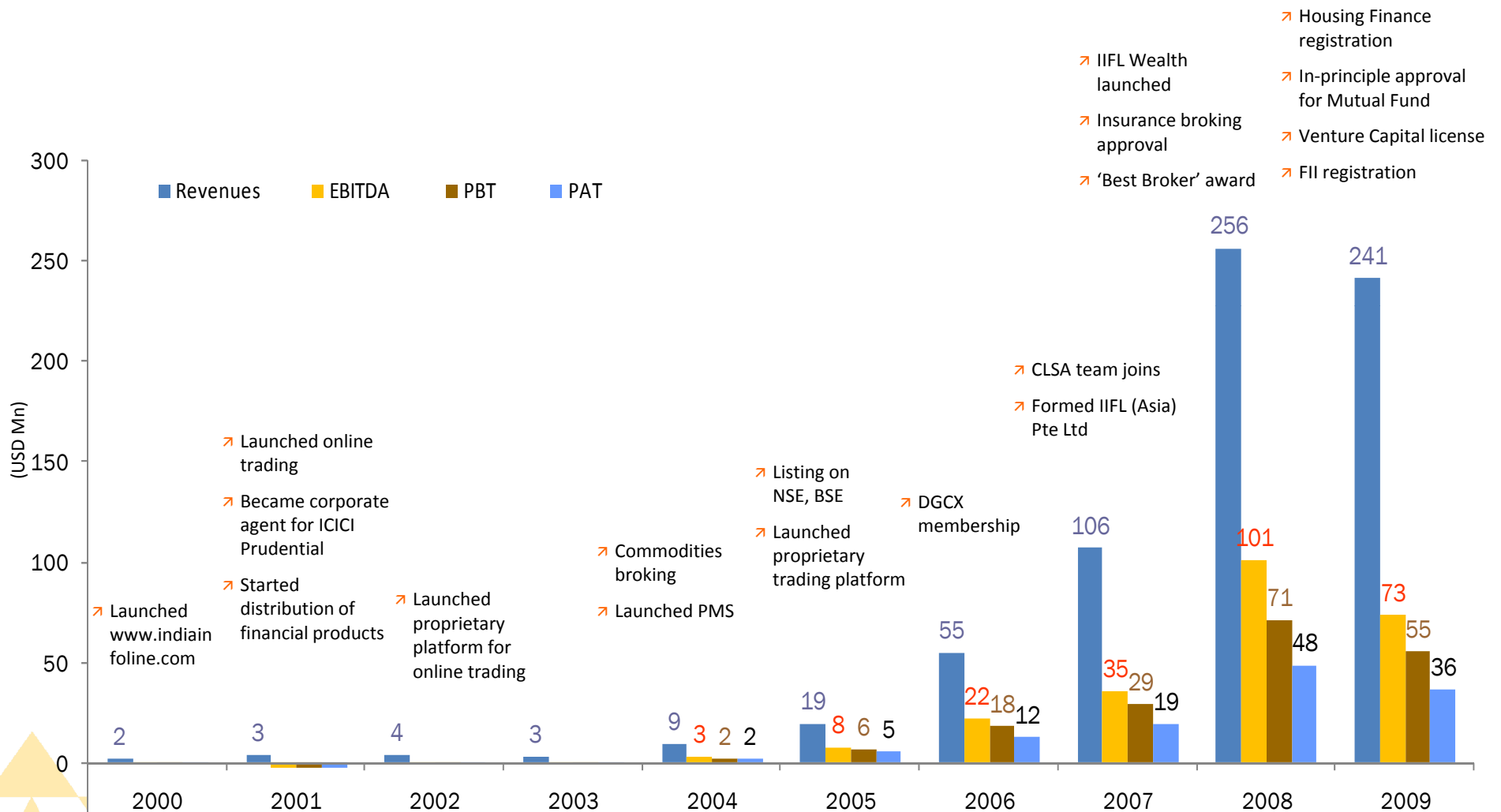
- Performance highlights
- Business review
- **Corporate overview**
- Business strategy
- Industry



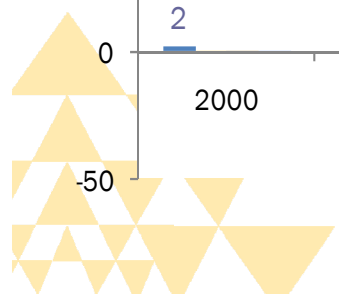
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The journey so far

Corporate overview



- Housing Finance registration
- IIFL Wealth launched
- Insurance broking approval
- 'Best Broker' award
- In-principle approval for Mutual Fund
- Venture Capital license
- FII registration



Business Strategy

- Focus on core competence in financial services
- Multiple products and diverse revenue streams ensure de-risked businesses
- Asset-heavy or long-gestation businesses through separate JVs/ group companies

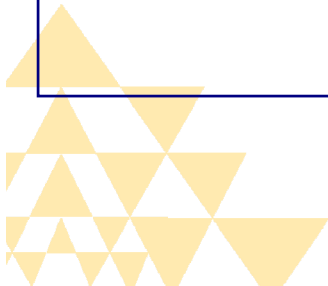
Vision

TO BECOME THE MOST RESPECTED COMPANY IN THE FINANCIAL SERVICES SPACE

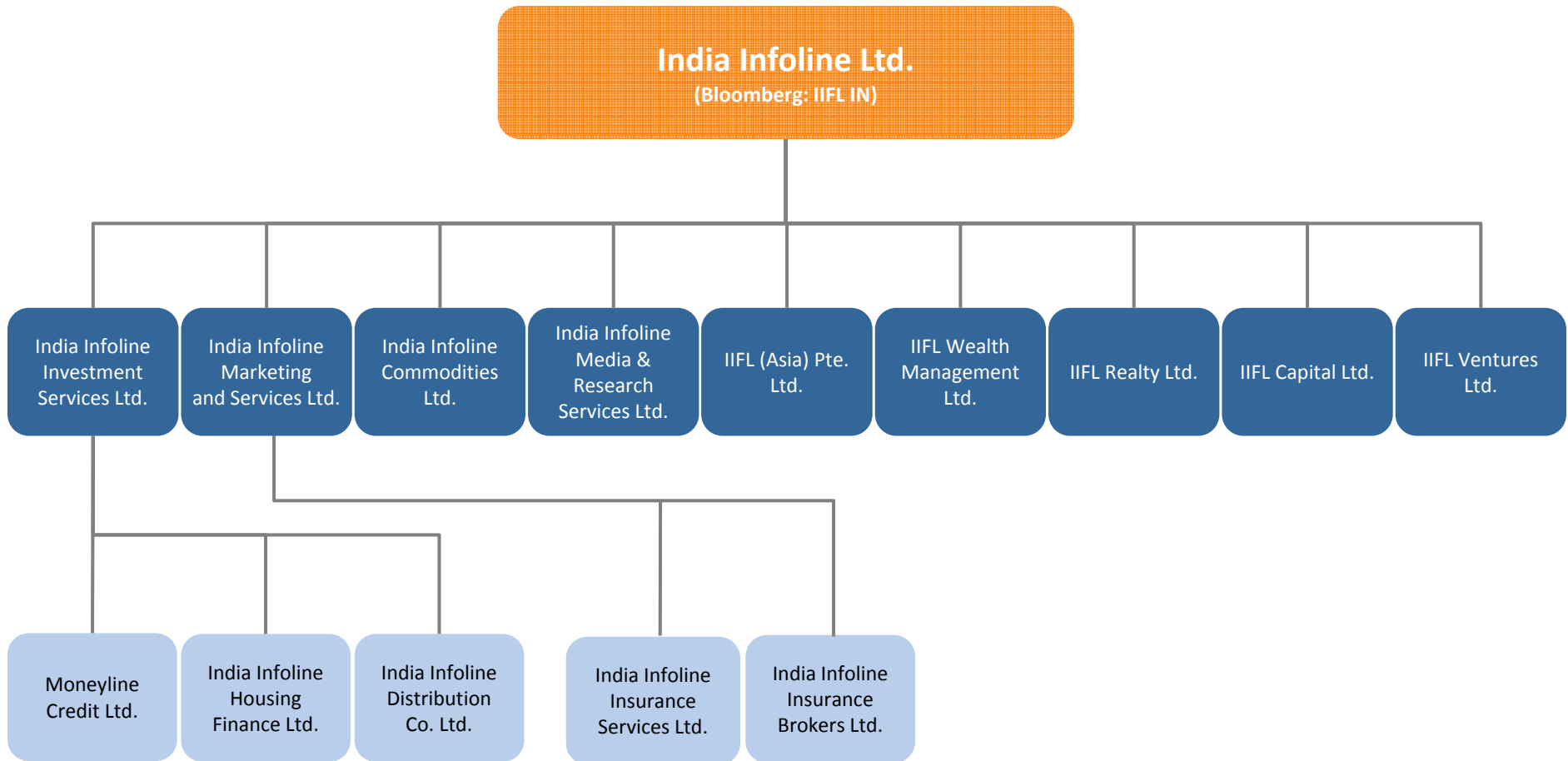
- **Shareholders:** High ROCE, ROE
- **Customers:** Value and experience
- **Employees:** Rewards and growth

Customer Strategy

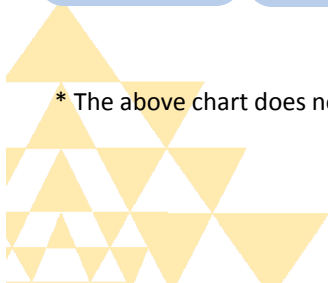
- Drive customer stickiness through quality advice, best value and a delightful experience
- Cutting-edge proprietary technology for execution, back-office and customer service
- Wide, multi-modal network serving as one-stop shop to customers



Corporate structure



* The above chart does not cover all group companies



Management team with proven track record

- Attract and build a team with impeccable academic and professional credentials
- Open door, transparent and performance oriented culture
- Increasing level of employee ownership

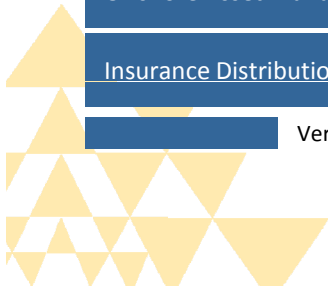
Executive Directors	Non-Executive Directors	Independent Directors
Nirmal Jain, R Venkataraman	Sat Pal Khattar	A . K. Purwar, N.Vikamsey, K. Sinha

Key Management Personnel

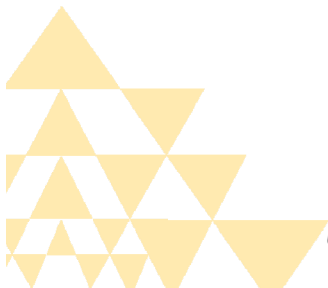
Institutional Equities	H. Nemkumar, Vasudev Jagannath, Aniruddha Dange	Finance	Kapil Krishan
Investment Banking	Ajit Menon, Donald D'Souza	Compliance	R Mohan
Consumer Finance	Apul Nayyar	Operations	Narendra Jain
Retail Broking	Nandip Vaidya	Audit	Upendra Jaiswal
Wealth Management	Karan Bhagat, Yatin Shah	Human Resources	Capt R Sharma
International Operations	Bharat Parajia	Technology	Titus G
Offshore Asset Management	Deepesh Pandey, Manish Srivastava		
Insurance Distribution	Sateesh Kumar		

Verticals

Corporate Functions



- Performance highlights
- Business review
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- **Business strategy**
- Industry

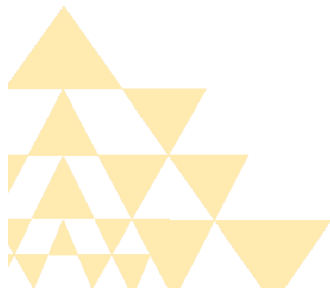


Well-diversified financial services company



Our service offerings





How we differentiate ourselves

Business and Strategy

Managerial depth

- Promoted by first generation professional entrepreneurs
- Management team unmatched in terms of professional credentials, experience as well as academic background

Well-capitalized

- Net worth approximately Rs **16** bn with negligible debt
- Well-funded to not just weather but take advantage of downturn

Distribution reach

- Present at 1,616 business locations, with over 500 own branches
- Effectively cover 445 cities across India

Owner-mindset

- The top management is driven by pride and reward of ownership
- To think and work like an owner is part of organization's DNA

Technology edge

- Only player with proprietary trading platform
- Effectively harnessed technology to facilitate processes and provide superior customer experience



Focus going forward

Business and Strategy

Execution to advisory

- Focus on sharpening research capabilities
- Training and development of human resources

Operational excellence

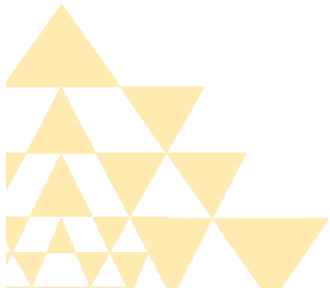
- Focus on perfecting processes
- Leveraging technology

Skill development

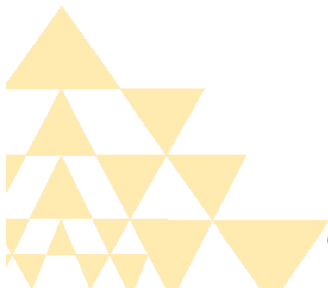
- Focus on attracting the best talents
- Giving them superior environment and training

Customer experience

- Focus on personalized skilled service
- Use of technology to give the best experience

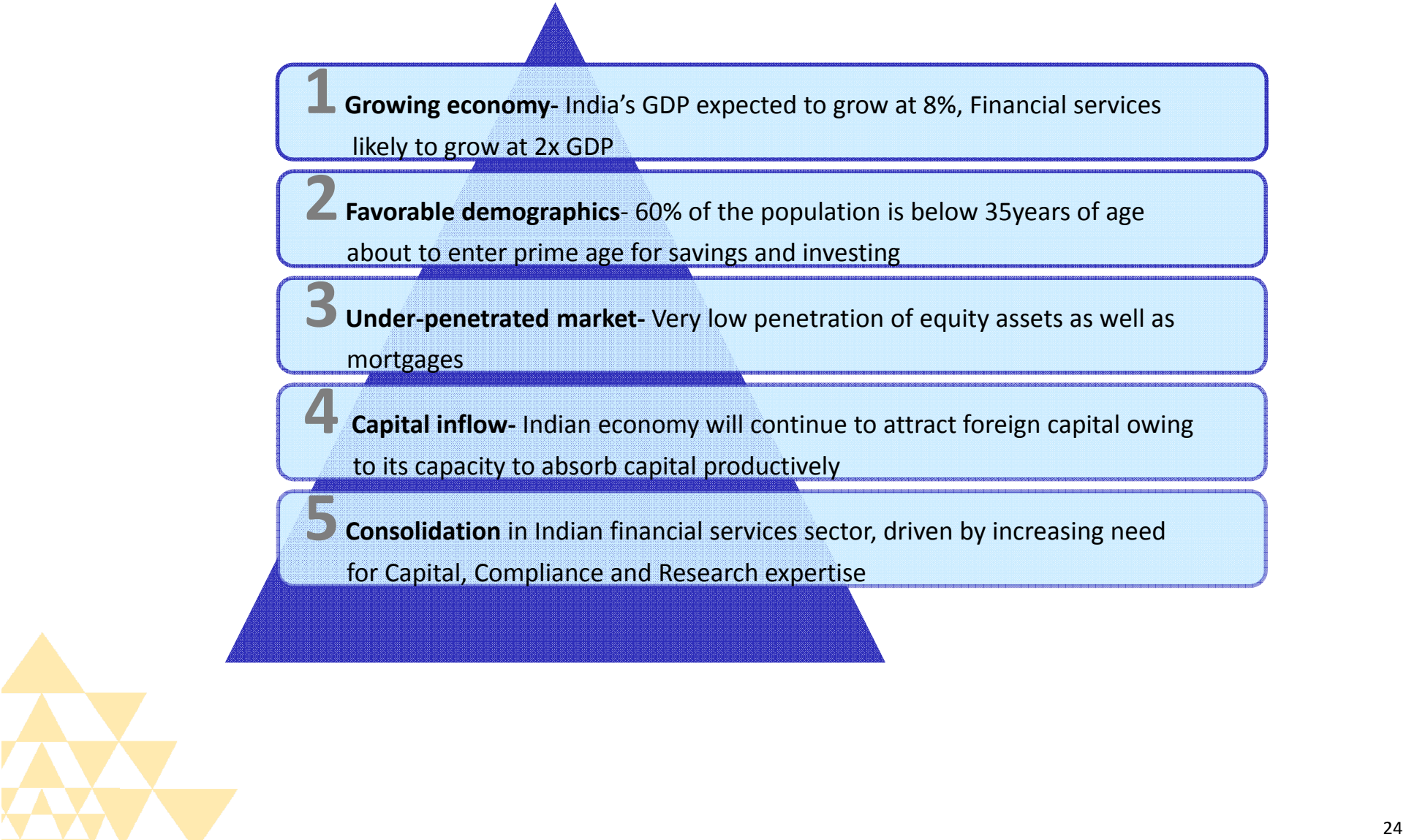


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Long term macro growth drivers



1 Growing economy- India's GDP expected to grow at 8%, Financial services likely to grow at 2x GDP

2 Favorable demographics- 60% of the population is below 35years of age about to enter prime age for savings and investing

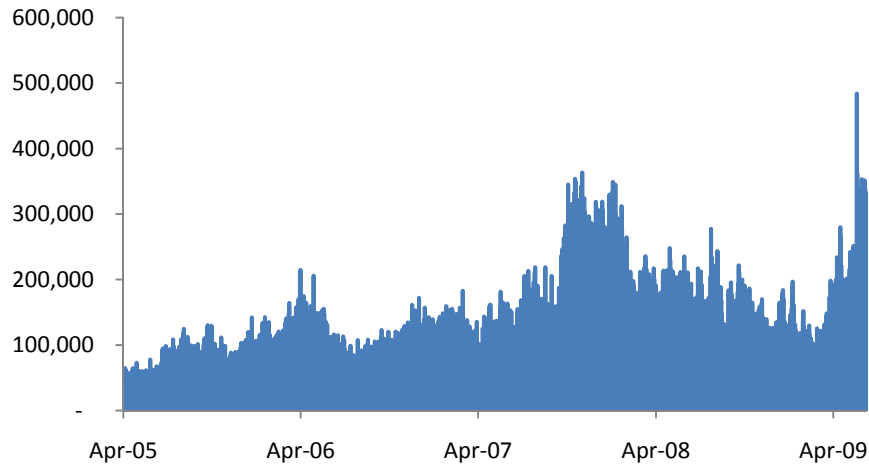
3 Under-penetrated market- Very low penetration of equity assets as well as mortgages

4 Capital inflow- Indian economy will continue to attract foreign capital owing to its capacity to absorb capital productively

5 Consolidation in Indian financial services sector, driven by increasing need for Capital, Compliance and Research expertise

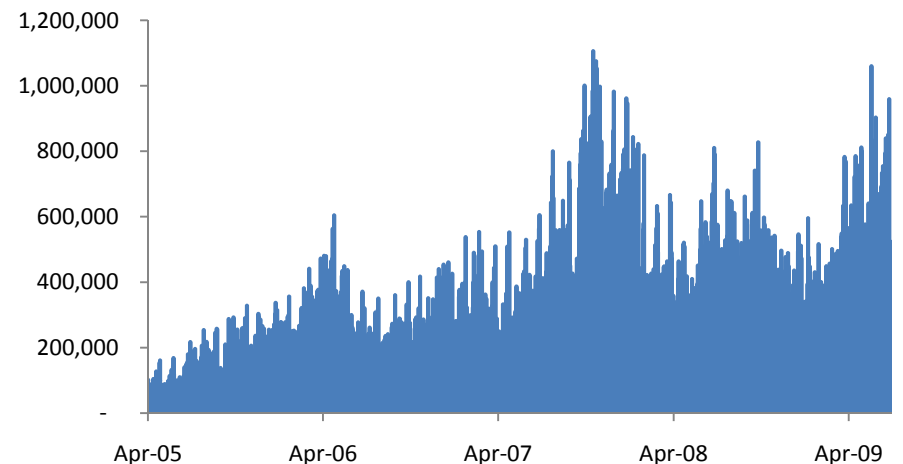
Industry

Total cash market turnover (Rs mn)



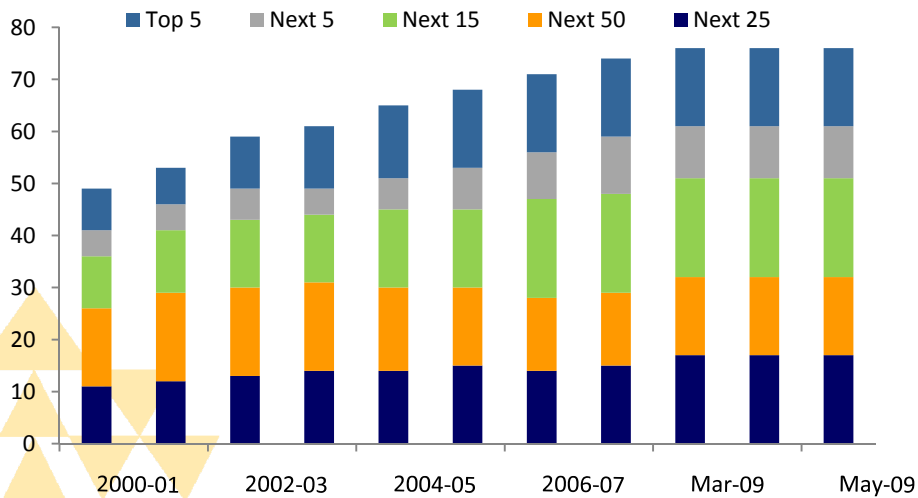
Source: NSE, BSE

Total derivatives market turnover (Rs mn)



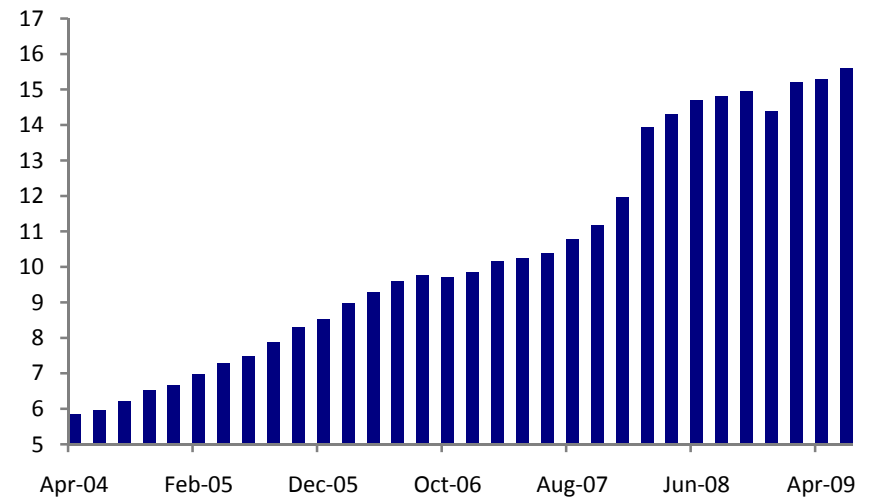
Source: NSE,

Share of top 'N' brokers (%)



Source: NSE

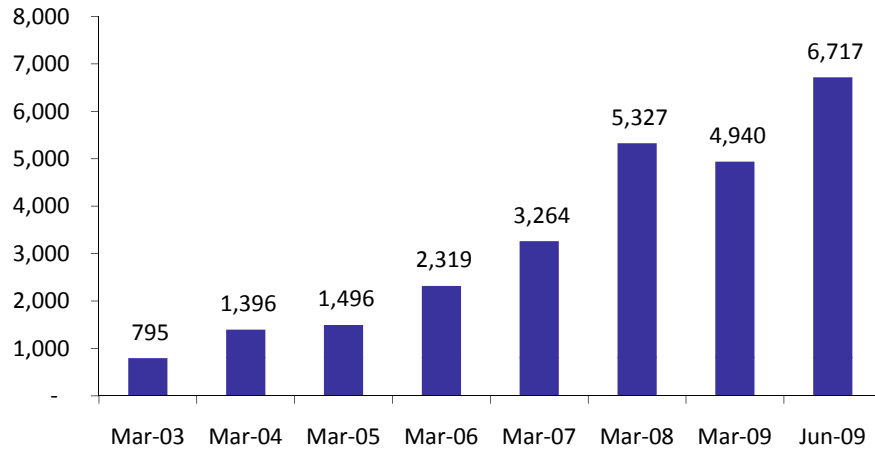
Demat accounts (mn)



Source: NSDL, CDSL

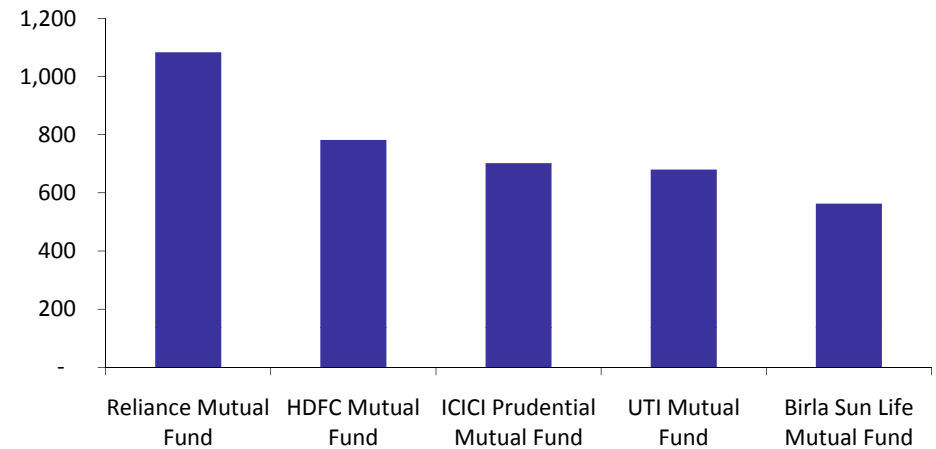
Industry

Total AUM for the industry (Rs bn)



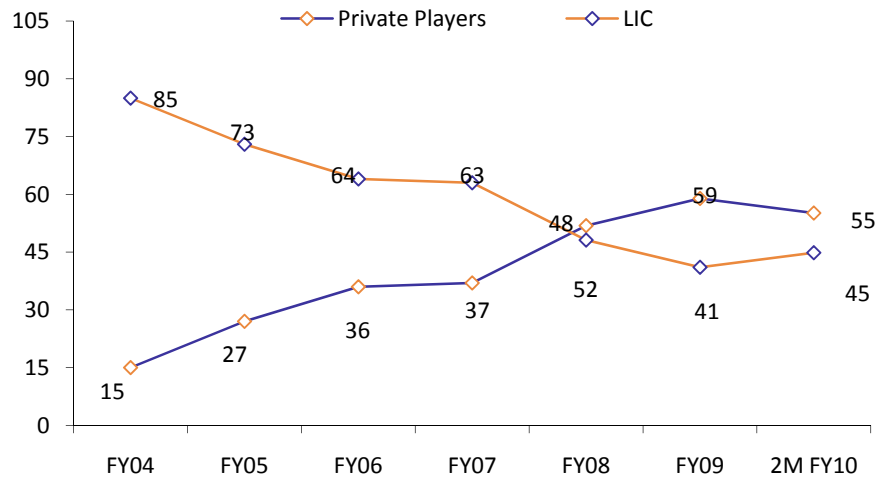
Source: AMFI

Top 5 AMCs contribution (Rs bn)



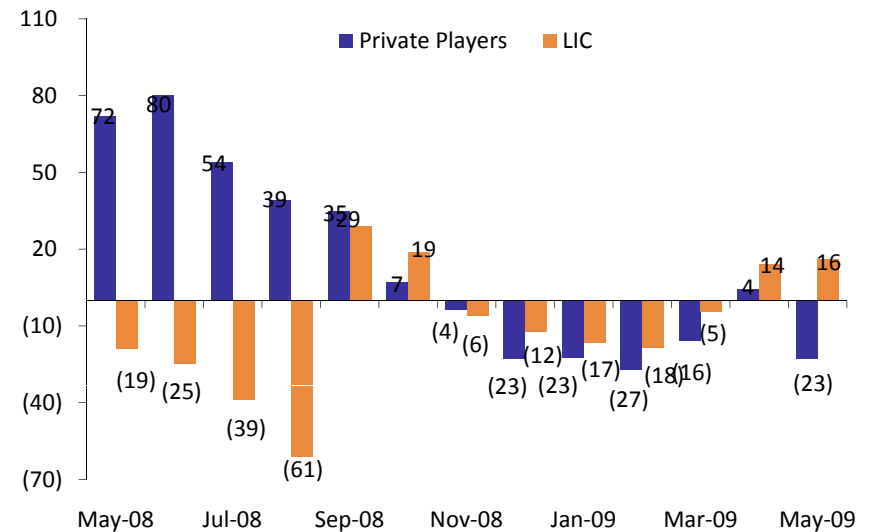
Source: AMFI

APE market share (%)



Source: IRDA

APE growth yoy (%)



Source: IRDA

Thank you

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