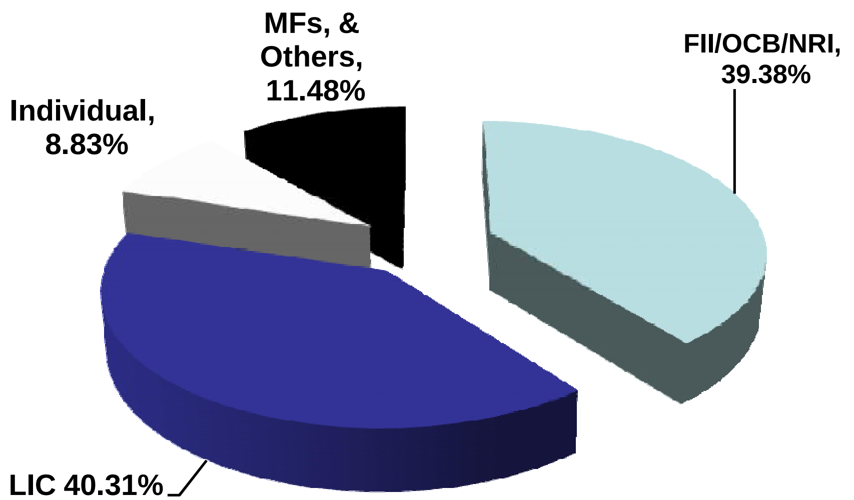
Q4 FY15 Investor Update

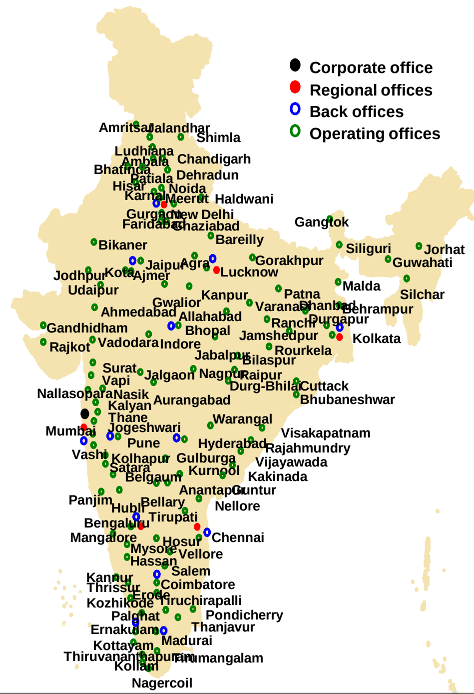
Company Profile

- Promoted by the LIC of India in 1989
- IPO in1994, GDR in 2004
- Listed on BSE, NSE & Luxembourg SE
- Market Capitalisation ~Rs 23000 cr

Shareholding March 2015



Branch Network



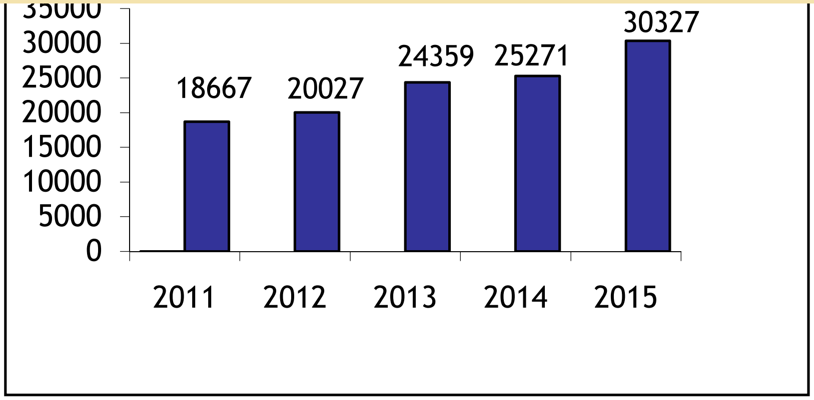
- 1588 Employees
- 219 Marketing Offices
- 16 Back Offices
- 7 Regional Offices
- Rep offices in Dubai & Kuwait

Company Profile

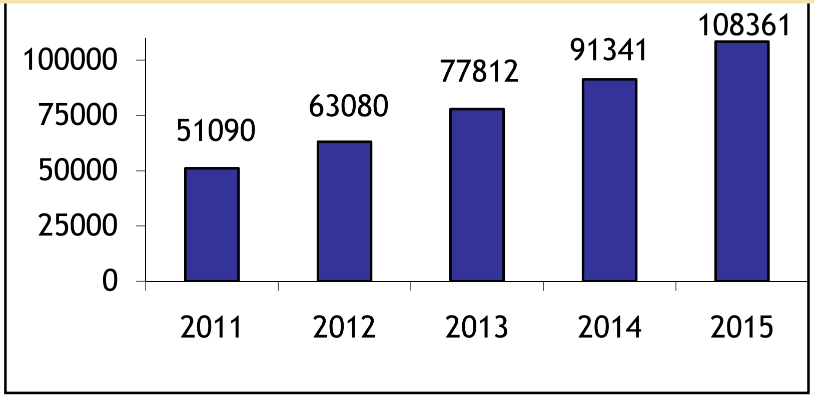
- Total loan book more than Rs 1.08 lakh cr (as on March 2015) with more than 97% of loan assets in retail category
- Cumulative Disbursements Rs 1.68 lakh cr since inception
- Profit making & dividend paying since 1990
- Gross NPAs in retail at 0.24% (March 2015) amongst industry best
- Highest credit ratings (AAA) since 2002

Update – last 5 years

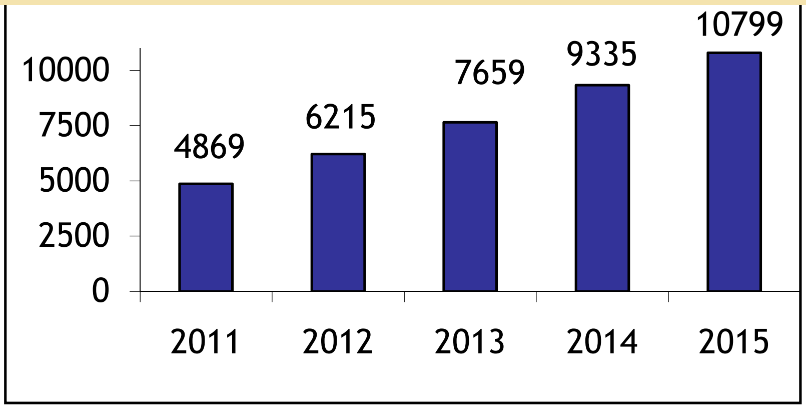
Disbursement (Rs.cr) CAGR 13%



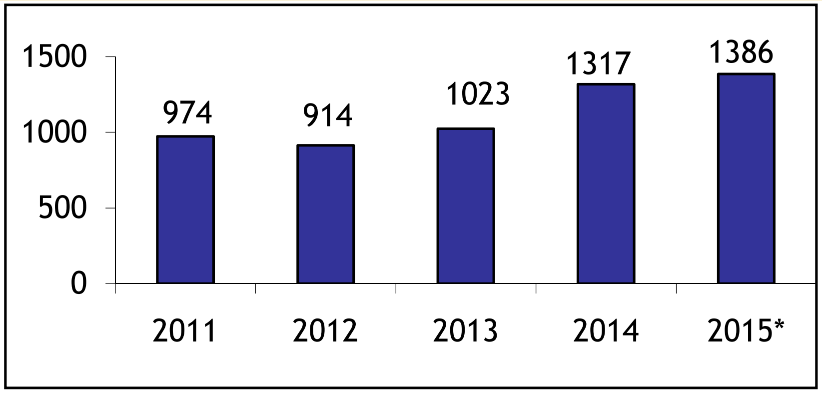
Loan Portfolio (Rs.cr) CAGR 21%



Income (Rs. cr) CAGR 22%

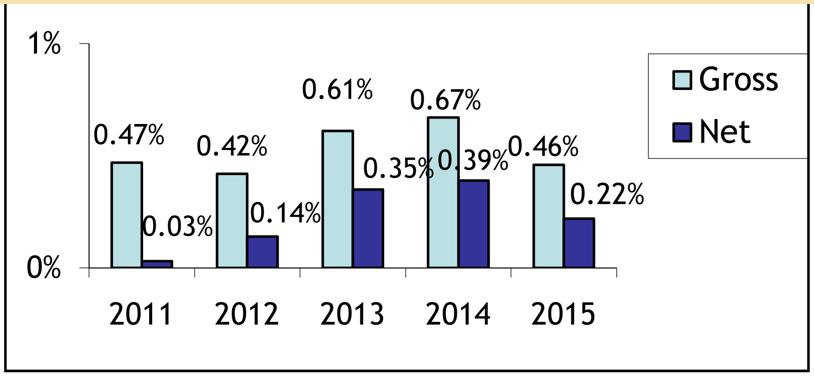


Profit After Tax (Rs. cr) CAGR 9%

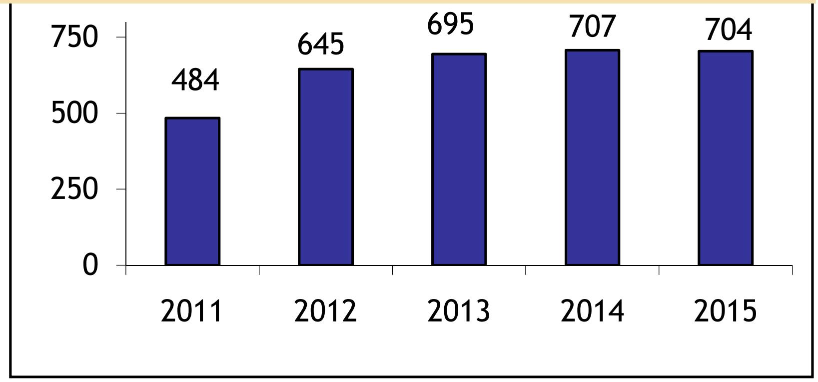


Update – last 5 years

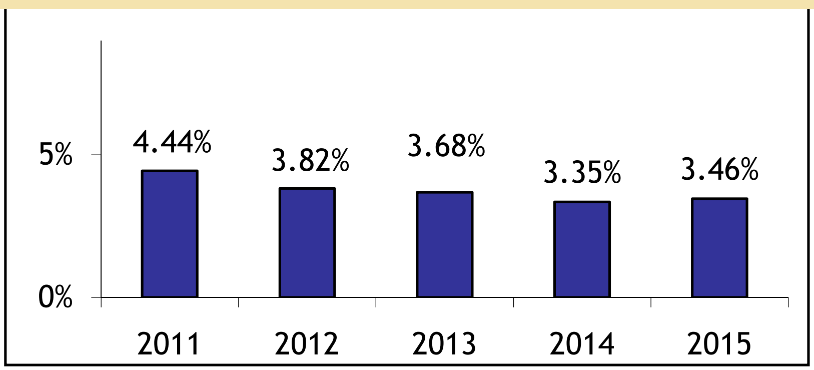
Gross & Net NPAs



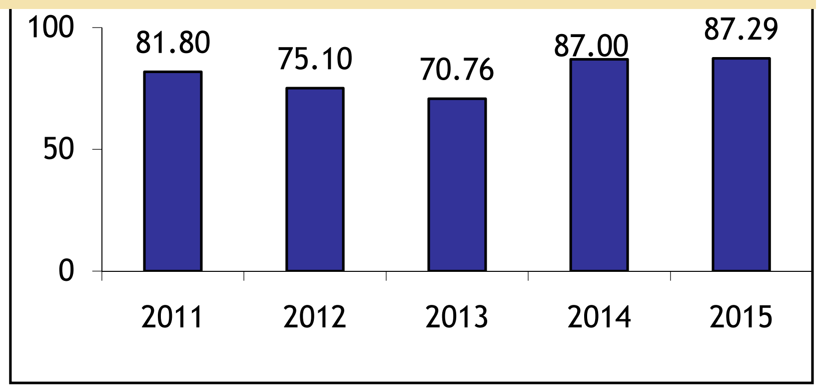
Total Provisions* (Rs cr)



Operating Expense to Total Income



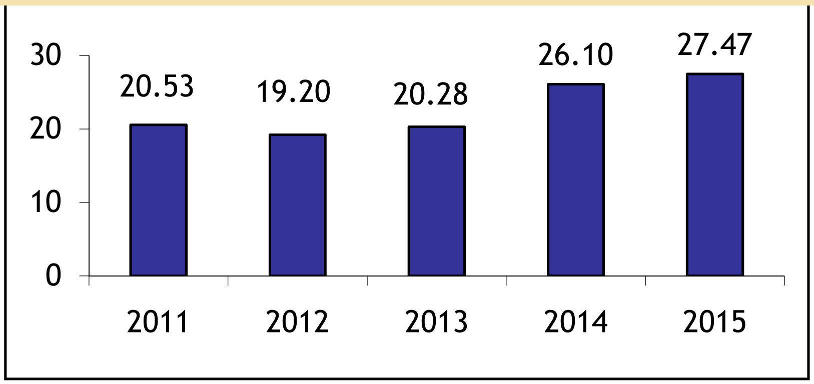
Profit per employee (Rs. lacs)



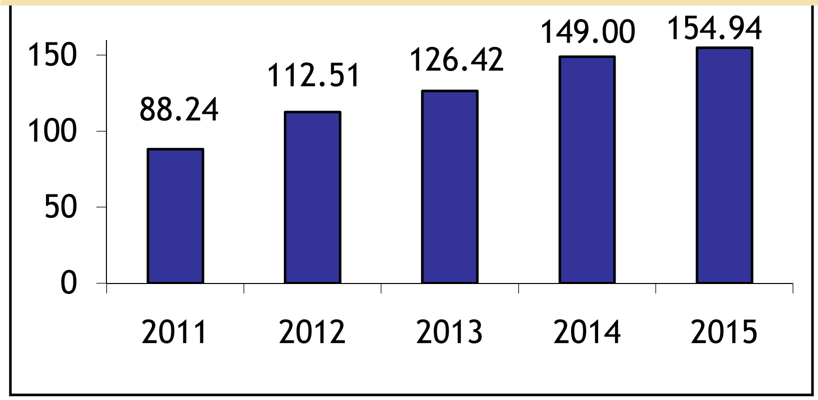
*Provisions Including provisions on std assets & teaser loans

Update – last 5 years

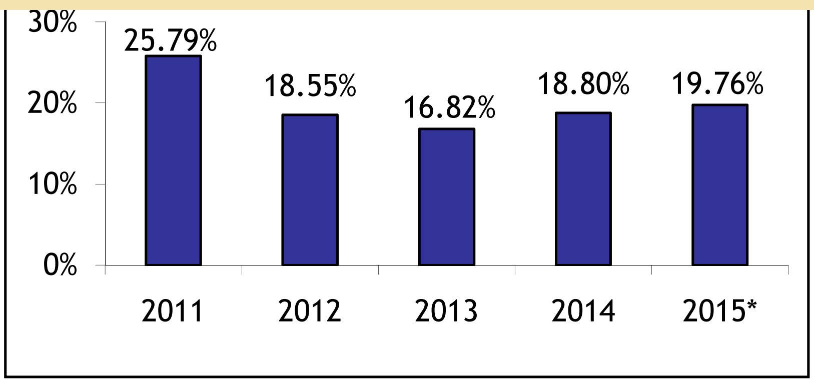
EPS (Rs) (Rs 2 pd up)



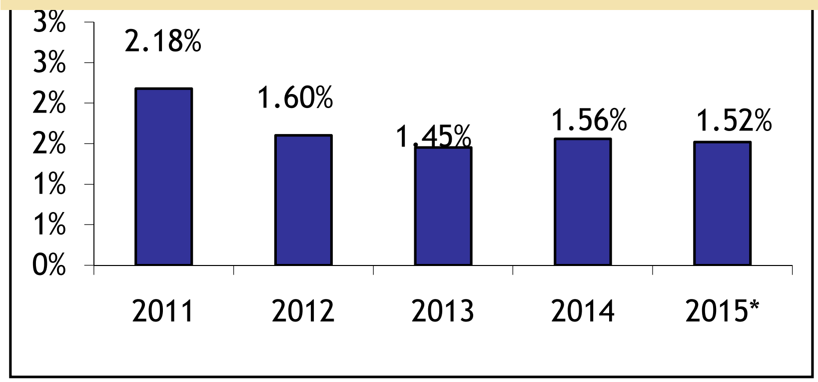
Book Value (Rs)(Rs 2 pd up)



Return on Avg Equity



Return on Avg Loan Assets



*FY 2015 PAT before DTL considered

Executive Summary – Q4/ FY15

(All figures in Rs. Cr unless mentioned)	% Var	FY15	FY14	% Var	Mar-15 Q4FY15	Mar-14 Q4 FY14
Income						
Individual	*17%*	10187.63	8733.82	*17%*	2711.66	2323.75
Project	*6%*	359.04	339.52	*6%*	88.55	83.66
Interest on Housing Loan	*16%*	10546.67	9073.34	*16%*	2800.21	2407.41
Processing Fees & other fees	*14%*	122.67	108.04	*-10%*	32.29	35.90
Other Income	*-16%*	129.32	153.28	*-19%*	28.09	34.63
Gross Income	*16%*	10798.66	9334.66	*15%*	2860.59	2477.94
Interest Expenses	*16%*	8310.25	7174.38	*15%*	2150.38	1874.22
Net Interest Income	*18%*	2236.42	1898.96	*22%*	649.83	533.19
Salary & Other Establishment Exp	*21%*	379.22	313.24	*19%*	124.60	104.32
Total Other Expenses	*-66%*	7.25	21.53	*-146%*	10.31	-22.19
Profit before Tax	*15%*	2101.94	1825.51	*10%*	575.29	521.58
Net Profit after tax before Deferred Tax on Special Reserves	*15%*	1517.05	1317.19	*10%*	408.71	370.02
Deferred Tax on Special Reserve		130.86	-		30.53	-
Net Profit	*5%*	1386.19	1317.19	*2%*	378.18	370.02

Executive Summary – Q4/ FY15

(All figures in Rs. Cr unless mentioned)	% Var	FY15	FY14	% Var	Mar-15 Q4FY15	Mar-14 Q4 FY14
Disbursements						
Individual	*20%*	29256	24290	*24%*	9550	7707
Project	*9%*	1071	982	*8%*	388	361
Total	*20%*	30327	25271	*23%*	9938	8068
		-	-		-	-
Outstanding Portfolio		-	-		-	-
Individual				*19%*	105630	88559
Project				*-2%*	**2731**	**2782**
Total				*19%*	108361	91341
Gross NPA(90 days)				*-19%*	494.68	609.00
Gross NPA %					0.46%	0.67%
Provisions					260.24	255.42
Net NPA					234.43	353.58
Net NPA %					0.22%	0.39%
Provisioning Cover					52.61%	41.94%
Provisions including teaser rate provisions & std assets prov					704.25	706.81
Net NPA %					-0.19%	-0.11%
Provision cover considering teaser rate provisions & std assets prov					142.36%	116.06%
Net Interest margins(%)		2.24%	2.25%		2.47%	2.40%
Borrowings during the period		33720	29930		10394	8792
Incremental Cost (for the year)		9.25%	9.74%			
Incremental Yield(overall, annualised)		11.00%	11.10%			
Incremental Spreads for the year		1.74%	1.36%			

LIC HFL
LIC HOUSING FINANCE LTD

Distribution Network

219
Marketing Offices

13300
Agents
Growth of 27%

HOME LOAN AGENTS (HLAs)
(Agents of LIC)

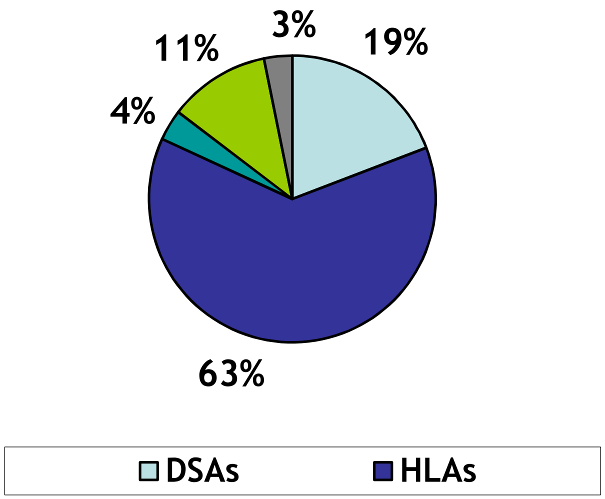
DIRECT SALES AGENTS (DSAs)
(Small Firms/Companies etc)

CUSTOMER RELATIONS ASSOCIATES (CRAs)
(Individual Agents)

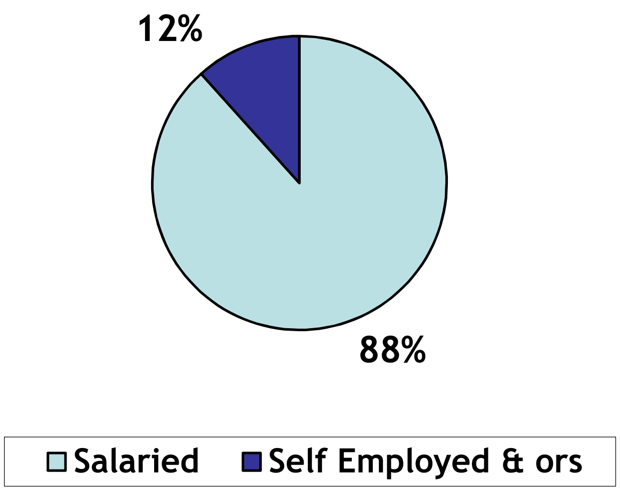
38 branches of
LICHFL Financial Services
(100% subsidiary of LICHFL)

Business trends – FY 2015

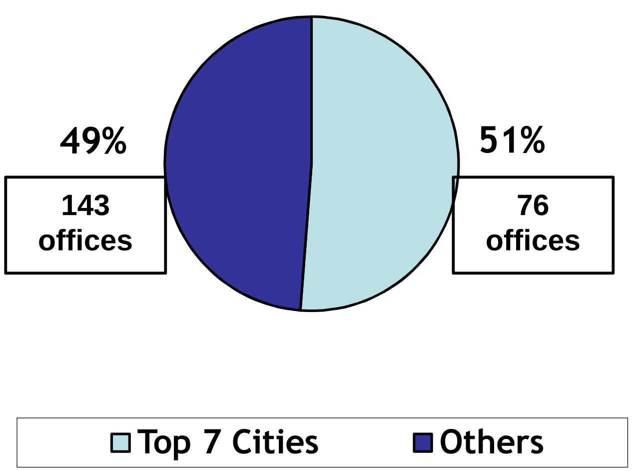
Originations-by Source(amt)



Customer profile

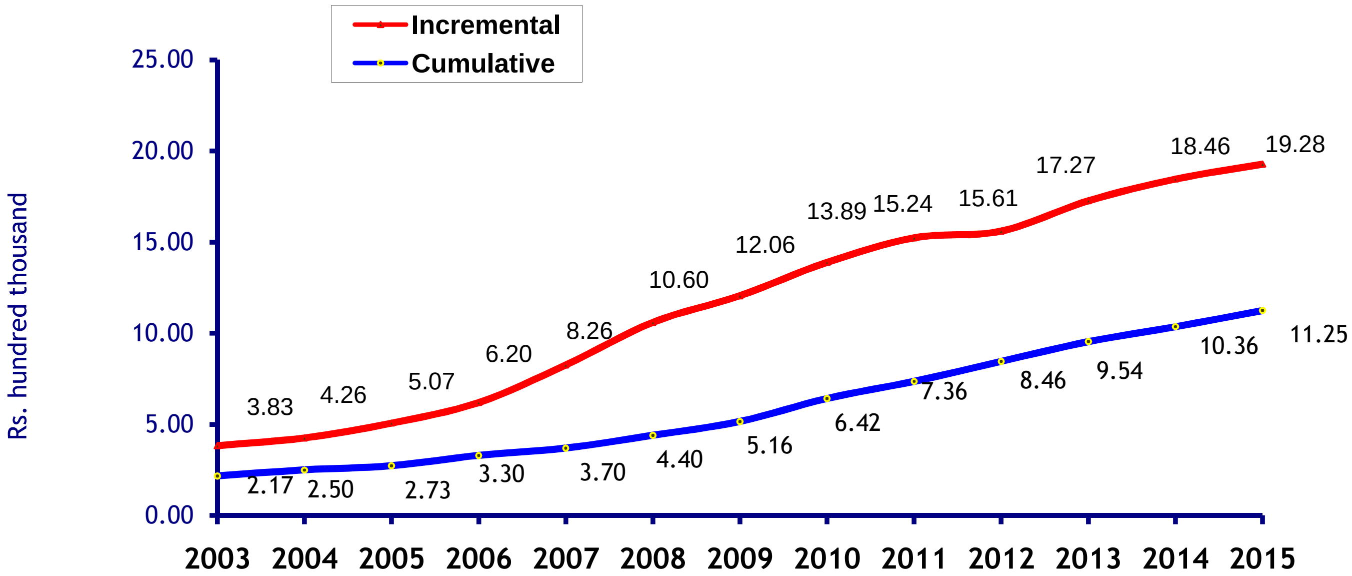


Large Cities & others



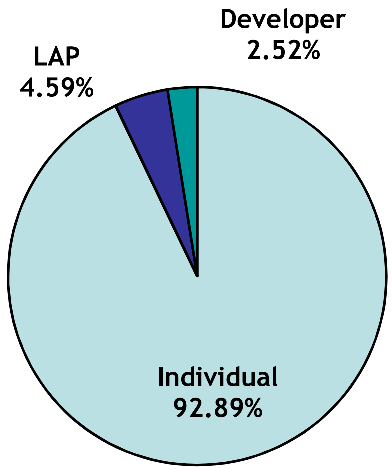
***Top 7 cities: Mumbai, NCR, Chennai, Bangalore, Hyderabad, Pune & Kolkata**

Average Ticket Size



Loan Book Composition

As on 31.3.2015



Category	O/s Portfolio	% Var
Individual (Including LAP)	105630	19.27%
Developer	2731	(1.84%)
Total	108361	18.63%

Individual Loans – Portfolio Stats

Pure Floating Rate Loans To Outstanding Portfolio (See Note below)	
As of FY 12	34%*
As of FY 13	49%*
As of FY14	42%*
As of FY15	37%*

Loan To Value Ratio On Incremental Sanctions	
For FY12	55.81%
For FY 13	59.67%
For FY14	54.52%
For FY15	50.94%

Prepayment Lump Sum/ opening book	
For FY12	7.1%
For FY 13	7.8%
For FY14	9.3%
For FY15	8.4%

Installment to Net Income Ratio On Incremental Sanctions	
For FY12	38.44%
For FY 13	39.92%
For FY14	34.72%
For FY15	33.86%

**Excludes floating rate products like Advantage -5, Super 3, Super Choice, Bhagyalakshmi etc which are floating rate products with initial fixed rate*

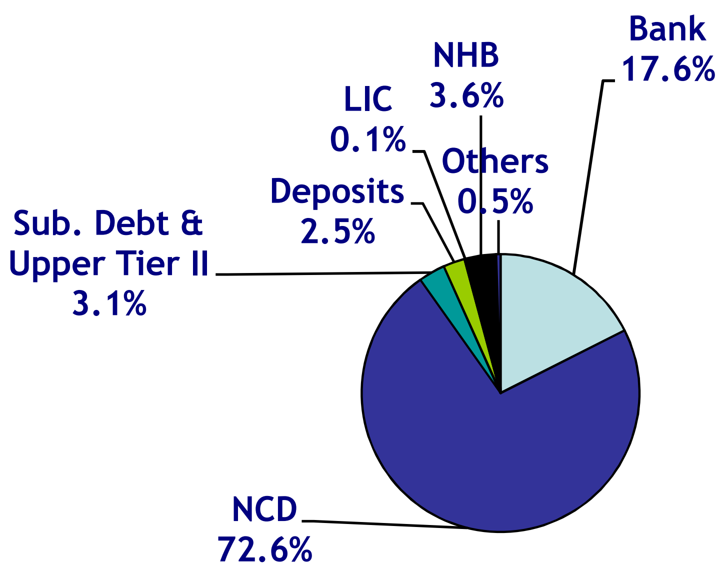
Financial Highlights

	FY 2015	FY 2014
Return on Average Equity (%)	19.76%*	18.80%
Return on Average Assets (%)	1.52%*	1.56%
Earnings per share (on Rs 2 pd up)	27.47	26.10
Dividend per share (on Rs 2 pd up)	5.00	4.50
Capital Adequacy Ratio	Sept 2014	Sept 2013
Tier I	12.49	12.48
Tier II	4.05	4.93
Total	16.54	17.41

*FY 2015 PAT before DTL considered

Liability Profile

Outstanding Borrowings - Rs. 96547 cr

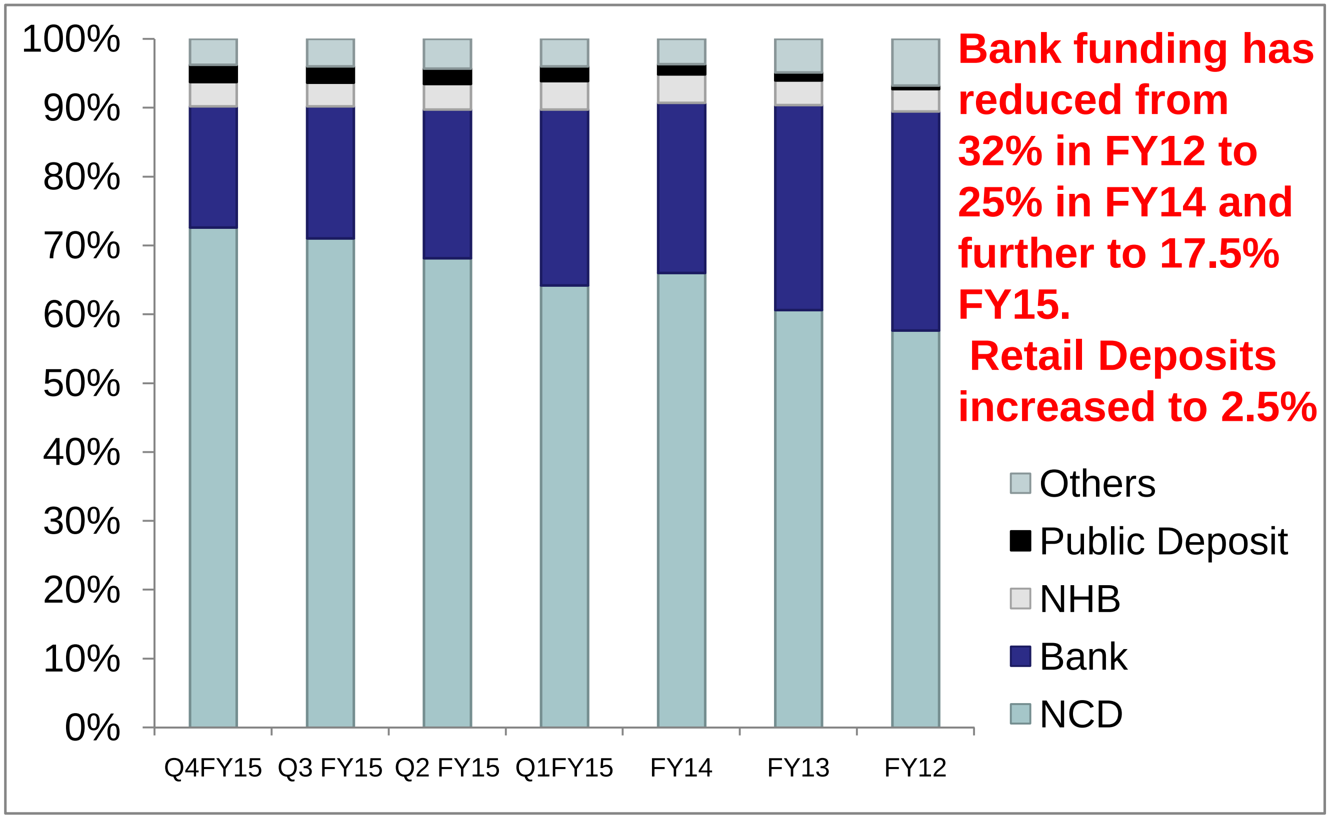


as on 31.3.2015

Source	Wtd Avg Cost (%)
Banks	10.60%
NCD	9.24%
LIC- Term Loan	6.82%
NHB	9.01%
Sub. Bonds & Upper Tier II	8.90%
Others	9.25%
Deposits	9.63%
Total	**9.48%**

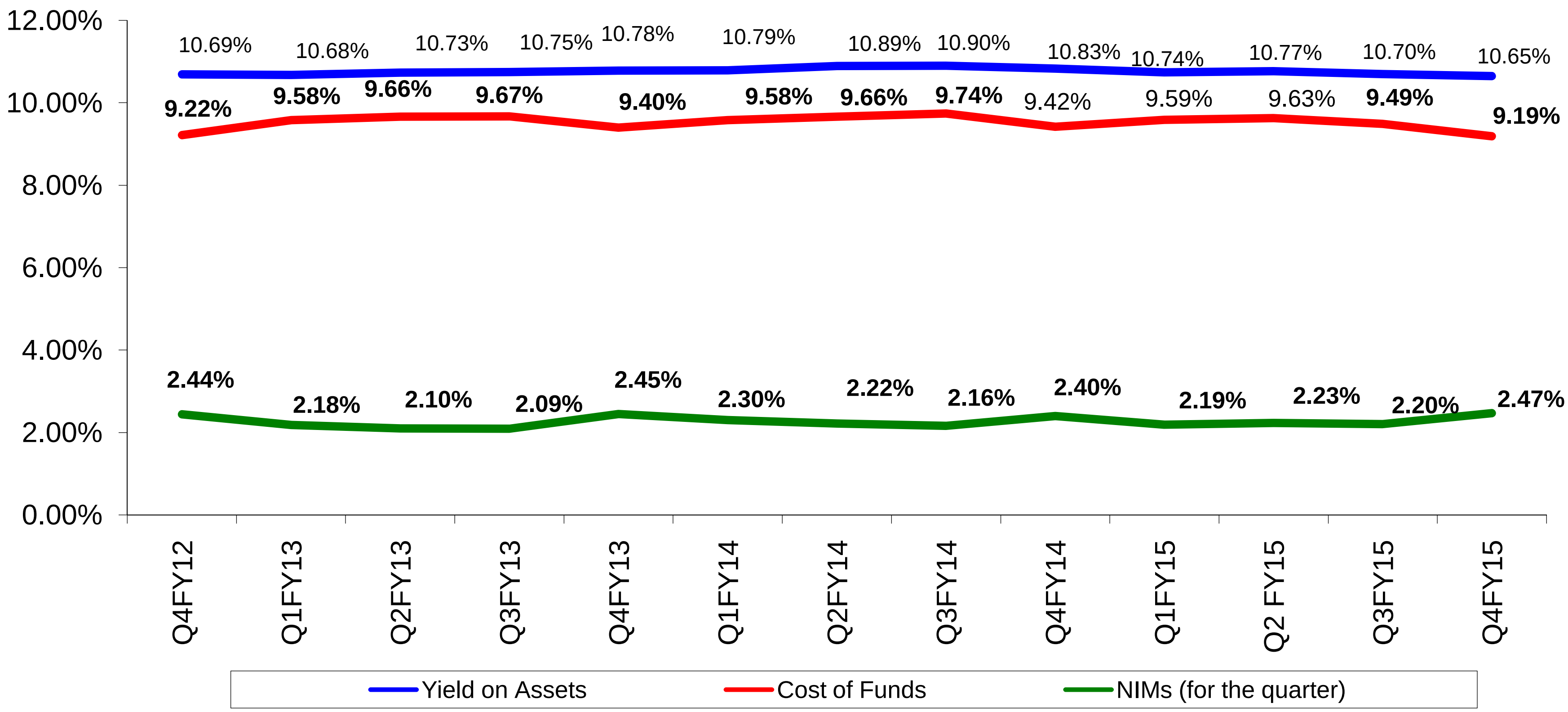
Borrowings during the year Rs 33719 cr at incremental cost of 9.25%

Change in Liability Mix- last 4 yrs



Wtd. Avg. cost of Funds	9.48	9.59%	9.68%	9.75%	9.75%	9.76%	9.77%

Yield, Cost & NIMs



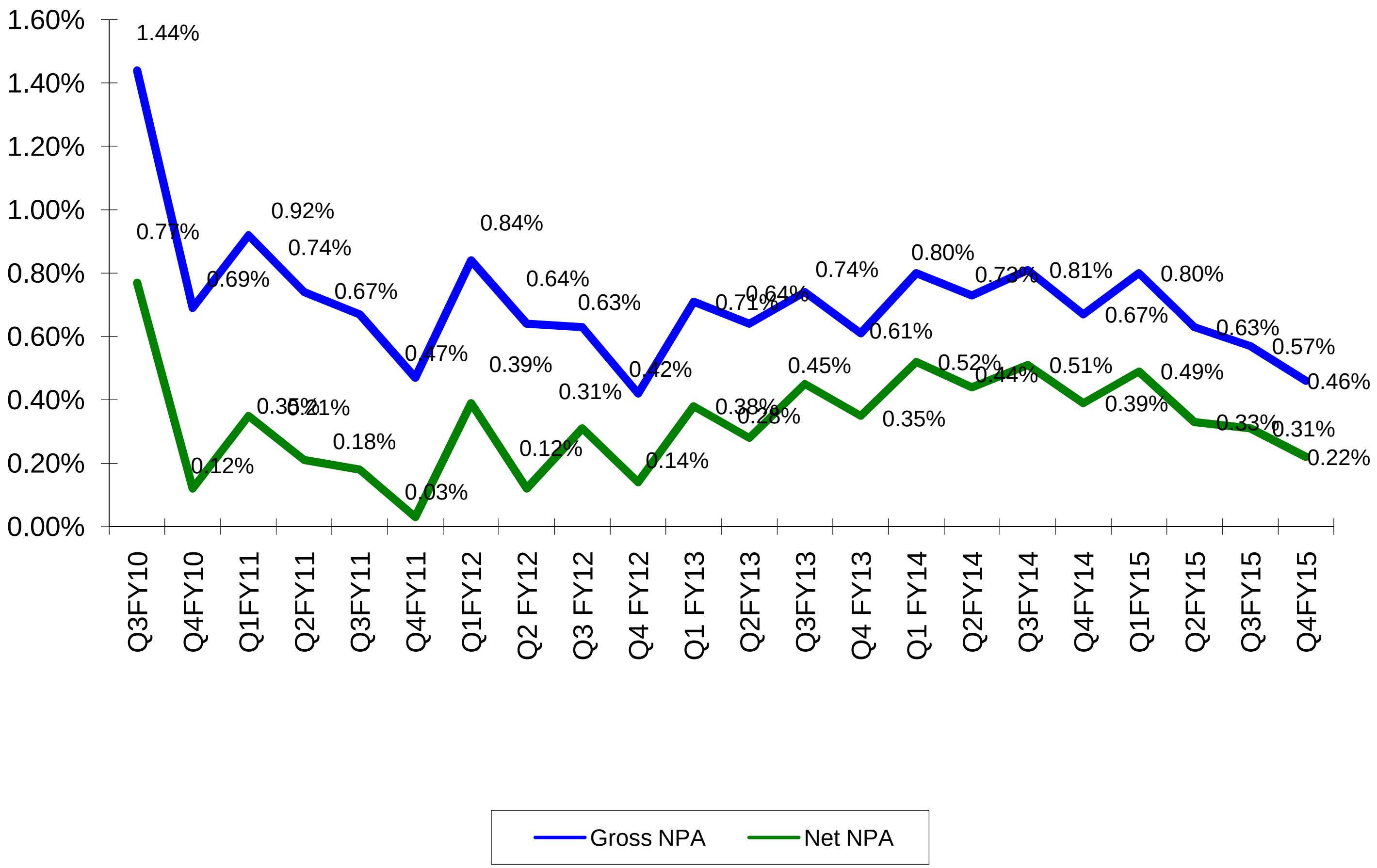
Yield on assets & Cost of Funds arrived at by dividing Interest Income & Expenses by Average Assets & Average Liabilities respectively

Gross & Net NPAs

	31.3.2015	31.3.2014
Gross NPA (Rs. cr)	495	609
Gross NPA (%)	0.46%	0.67%
Provisions *(Rs. cr)	261	255
Net NPA (Rs. cr.)	234	354
Net NPA (%)	0.22%	0.39%
Provisions incl teaser loan prov & std asset prov.(Rs cr)	704	707

*Excluding provisions on standard assets/teaser loans

Gross & Net NPAs



Thank you

DISCLAIMER

This presentation is made purely for information. We have attempted to provide relevant information which we believe will help in knowing the Company. The users may use their own judgment and are advised to make their own calculations before deciding on any matter based on the information given herein.

While every care is taken to verify the accuracy of the information given in this presentation, neither the Company nor its officials would in any way be liable for any action taken or not taken by the viewers or the users of this presentation or for any claims, losses etc.