

IIFL Holdings Limited

Press Release

For immediate publication

Mumbai, India

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Results update

IIFL Consolidated Proforma Results

-Profit after tax^{*} for Q4FY19 at ₹373 Cr (up 30% y-o-y) and FY19 at ₹1,253 Cr (up 23% y-o-y)

-Income[#] for Q4FY19 at ₹1,276 Cr (up 32% y-o-y) and FY19 at ₹4,305 Cr (up 16% y-o-y)

For the quarter and year ended March 31, 2019 (Q4FY19, FY19), Consolidated results as per IND AS are:

- Profit after tax stood at ₹373 Cr for the quarter, up 30% y-o-y, and ₹1,253 Cr for the year, up 23% y-o-y
- Consolidated income stood at ₹1,276 Cr for the quarter, up 32% y-o-y and ₹4,305 Cr for the year, up 16% y-o-y
- Loan assets under management in the NBFC business stood at ₹34,904 Cr, up 29%** y-o-y
- Wealth assets stood at ₹1,69,312 Cr, up 28% y-o-y

Summary: Consolidated – Q4FY19

₹Crore	Quarter ended March 31, 2019	Quarter ended March 31, 2018	Y-O-Y
Income [#]	1,275.7	964.6	32%
Profit Before Tax	535.2	398.4	34%
Profit After Tax (Pre-Minority)	373.0	286.1	30%
Profit After Tax (Post-Minority)	294.9	233.5	26%

Summary: Consolidated – FY19

₹Crore	Year ended March 31, 2019	Year ended March 31, 2018	Y-O-Y
Income [#]	4,304.5	3,696.7	16%
Profit Before Tax	1,828.0	1,445.1	26%
Profit After Tax (Pre-Minority)	1,252.9	1,017.8	23%
Profit After Tax (Post-Minority)	964.7	793.1	22%

* Profit after tax is pre-minority

Income is net of interest expenses

**NBFC AUM growth excludes CV business that was divested in Q4FY19

Mr. Nirmal Jain, Chairman, IIFL Holdings Ltd., commented on the financial results: "In FY19, we have strengthened our position in all our core businesses. This year, with reorganisation of the group, three businesses namely Finance, Wealth and Securities will get listed independently. Our finance business has grown strongly with improved margins despite sector headwinds, leveraging our strong retail franchise and technology edge. Wealth business is leading the industry with its decisive move towards advisory model. Securities business prospects are linked to capital market activities and have strong fundamentals."

Loans and Mortgages

The Loans and Mortgages business is carried out by a non-banking finance company and its two subsidiaries, housing finance company and micro finance company; conducted through 1,947 branches spanning the length and breadth of the country.

The profit after tax for Q4FY19 was ₹252 Cr, up 68% y-o-y, while total income was ₹871 Cr, up 77% y-o-y. NBFC's ROE for FY19 stood at 18.3% and ROA was 2.2%. Average borrowing costs increased by 47 bps y-o-y to 8.9% for the year and Net Interest Margin was at 7.2%.

Loan assets under management (AUM), predominantly retail, showed a strong growth of 29%** y-o-y to ₹34,904 Cr, mainly driven by small-ticket home loans, Gold loans, SME loans and microfinance loans.

At the end of the quarter, retail home loan assets grew to ₹12,197 Cr, up 42% y-o-y.

The microfinance business continued its steady growth, with the loan AUM growing 172% y-o-y to ₹2,285 Cr as at March 31, 2019. The MFI customer base increased to over one million customers.

85% of our loans are retail in nature and 41% are PSL compliant. The assigned loan book, currently at ₹7,379 Cr, is 21% of AUM. There exists significant opportunity for assignment, given our granular and retail book.

GNPA stood at 1.9% and NNPA stood at 0.6%, as at March 31, 2019. With implementation of Expected Credit Loss under IndAS, provision coverage on NPAs stands at 139% including standard asset coverage.

IIFL Finance has long-term credit rating by CRISIL AA/Stable, ICRA-AA (Stable), CARE AA (Stable).

Capital adequacy: Total CAR stood at 19.2% including Tier I capital of 16.0% as at March 31, 2019, as against statutory requirement of 15% and 10% respectively.

Divestment of Commercial Vehicle Business

As at March 31, 2019, commercial vehicle business was divested as a going concern, on a slump sale basis with the rationale of scaling up other existing business segments namely affordable home homes, gold loans, small business loans and micro finance.

Wealth and Asset Management

IIFL Wealth Management is the leading wealth management company in India. The company has catapulted itself to become the largest private wealth management firm in India in less than a decade since its inception. Headquartered in Mumbai, IIFL Wealth has over 900 employees and presence in 7 major global financial hubs spread across 33 locations in India and around the world.

The company's total assets under management, distribution and advice witnessed 28% y-o-y growth to reach ₹1,69,312 Cr in Q4FY19. The assets of the asset management business was ₹26,529 Cr as at March 31, 2019. The profit after tax for the quarter was at ₹84 Cr, up 10% y-o-y.

Capital Market and others

IIFL is a key player in both retail and institutional segments of the capital market and category I merchant banker. We have over 1,400 service locations comprising a wide branch and sub-broker network and providing unparalleled research coverage on over 500 companies.

IIFL Capital Markets net profits for the quarter declined 36% y-o-y to ₹38.0 Cr and 8% y-o-y to ₹171.1 Cr for the year ended March 31, 2019, mainly due to market volatility. During the quarter, the average daily market turnover (including F&O) for the broking business was ₹17,134 Cr, up 5% q-o-q and continues to maintain a 3.5% share of daily cash turnover.

Our mobile trading app, 'IIFL Markets' continues to be the highest rated amongst peers (4.3) with over 26 lakh downloads. Mobile brokerage constituted about 39% of the total. IIFL's Mutual Fund App crossed 4.3 lakh downloads with a 4.3 star rating, and is steadily building on its customer base.

IIFL Investment Banking has completed more than 15 transactions across various products during the year including 3 IPOs, 4 QIPs and 1 ReIT.

Launch of 'AAA'

IIFL launched a first of its kind tab-based platform: 'AAA' (Advisor Anytime Anywhere), which gives real time access to stock markets, mutual funds, news, views, expert recommendations and research along with learning modules for budding advisors to learn new concepts.

Group reorganization

The Board of Directors of the Company at its meeting held on January 31, 2018, had approved the reorganization of IIFL Group, which will result in three listed entities – IIFL Finance, IIFL Wealth and IIFL Securities and the same has become effective from May 13, 2019.

IIFL Wealth and IIFL Securities have been demerged and the record date will be announced soon. IIFL Holdings will be renamed to IIFL Finance.

Awards and Accolades received in Q4FY19:

- Three businesses of IIFL Group – NBFC, Housing Finance and Securities – have been awarded “Great Place to Work” certification for the year 2019 -2020
- IIFL Securities Ltd has been awarded as India's #1 banker for equity issuances by private sector companies in FY 17-18.
- IIFL home finance won best Green Initiative in Affordable Housing segment at ET Now Green Future Leadership Awards 2019
- IIFL Home Finance ‘Jhatpat Loans’ won ‘Technology Initiative of the Year’ Award at ET NOW BFSI Awards
- IIFL Securities received ‘ET Now Making of Developed India (MODI) Award for Brand and Marketing Excellence’ under the category “Best use of Technology to improve Customer Service in Financial Industry”
- IIFL Securities Limited has received the Customer Experience award for the Category - “ Best Use of Technology to Enhance Customer Experience ” at the Customer Fest Show 2019 presented by Zendesk.
- IIFL Group received “Best Customer Services Excellence in Financial Services” for the Category- Customer Service and Loyalty at the World Quality Congress and Awards 2018.



About IIFL

IIFL Holdings Ltd (NSE: IIFL, BSE: 532636) is a leading player in the Indian financial services space. IIFL is engaged in the business of loans and mortgages, asset and wealth management, retail and institutional broking, investment banking and realty services through its various subsidiaries.

IIFL Holdings Ltd is headquartered in Mumbai with overseas offices in London, New York, Toronto, Geneva, Hong Kong, Dubai, Singapore and Mauritius. Started as a research firm in 1995, IIFL is a first generation venture. Today, IIFL is a diversified financial services group, offering a gamut of services to more than 40 lakh customers across various business segments and is continuously building on its strengths to deliver excellent service to its expanding customer base.

IIFL is featured in the prestigious **Forbes list of 'India's Super 50 Companies'** in 2017, a benchmark to identify Indian companies that exhibit high growth in profitability, sales and shareholder returns. IIFL is also among the **'Outlook Business Outperformers'** - a prestigious list of eight companies which have beaten the Sensex over a five-year period. IIFL is ranked as the **#1 Investment Banker** in Equity Issuances for CY2016 and CY2017 YTD (January 2016-December 2017) by PRIME Database. IIFL won **'The Best Private Banking Services Overall, India'** award at Euromoney Private Banking and Wealth Management Survey, 2017. IIFL was recognized as **'India's Most Trusted Financial Service Brand (Non-Bank)'** by the Brand Trust Report India Study, 2016. IIFL Group bagged **'Best Customer Service in the Financial Sector'** by World Quality Congress - service quality awards in 2015. IIFL received **'India's Most Promising Brand'** 2014 award at WCRC Global India Excellence Summit in London, in 2014.

This document may contain certain forward looking statements based on management expectations. Actual results may vary significantly from these forward looking statements. This document does not constitute an offer to buy or sell IIFL products, services or securities. The press release, results and presentation for analysts/press for the quarter ended March 31, 2019, are available under the ['Investor Relations'](#) section on our website www.iifl.com.

IIFL/ India Infoline refer to IIFL Holdings Ltd and its group companies.

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