



Performance Review
January - March 2015 (Q4 2015)

May, 2015



I: IIFL Group performance review

II: Business review

NBFC operations

Wealth management operations

Capital market & other activities

Annexure I: Corporate overview

Annexure II: Industry update



IIFL Q4FY15 performance summary

Consolidated quarterly performance

- Q4FY15 Net Profit at ₹131.7 Cr, rises 61.8% yoy; Income at ₹1056.7 Cr, up 34.1% yoy
- FY15 PAT at ₹447.3 Cr, up 60.9% yoy; Income at ₹3,666.4 Cr, up 29.2% yoy
- ROE is 21.2% based on Q4FY15 performance
- ROE is 19.0% for FY15

Fund based activities

- NBFC's Q4FY15 loan book at ₹14,668 Cr, up 34.7% yoy
- Gross and Net NPAs were 1.27% and 0.54% in the quarter

Financial products distribution

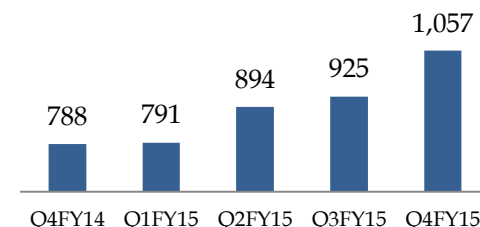
- Q4FY15 income at ₹208.7 Cr, up 21.1% yoy and FY15 income at ₹582.7 Cr, up 29.9% yoy
- Total assets under advice, distribution and management were ₹70,889 Cr

Capital market activities

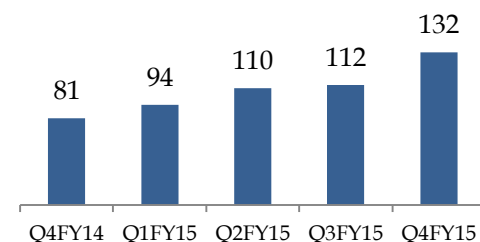
- Q4FY15 income at ₹129.7 Cr, up 73.8% yoy and FY15 income at ₹447.6 Cr, up 29.2% yoy

Quarterly Trend

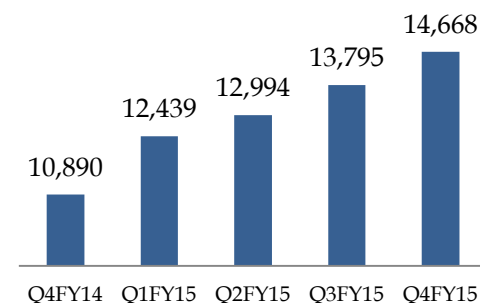
Income ₹ Cr



PAT ₹ Cr



Loan book ₹ Cr



IIFL Group consolidated results

Quarter ended March 2015

	Financial Year ended 2015			Quarter ended March 2015				
₹ Cr	FY15	FY14	YoY	Q4FY15	Q4FY14	YoY	Q3FY15	QoQ
Fund Based activities	2623.4	2,027.2	29%	711.0	533.6	33%	680.2	5%
Financial Products distribution	582.7	448.4	30%	208.7	172.3	21%	143.5	45%
Capital Market activities	447.6	346.3	29%	129.7	74.6	74%	98.8	31%
Other income	12.7	15.4	(18%)	7.3	7.3	1%	2	262%
Total Income	3666.4	2,837.3	29%	1056.7	787.7	34%	924.5	14%
A. Operating cost	420.1	313.6	34%	146.8	98.5	49%	103.4	42%
B. Employee cost	604.9	493.8	23%	155.3	129.7	20%	152.8	2%
C. Other expenses	424.5	388.9	9%	127.8	114.3	12%	101.7	26%
EBITDA	2,216.8	1,640.9	35%	626.8	445.3	41%	566.6	11%
Interest	1,433.8	1,153.2	24%	384.7	304.4	26%	373.8	3%
Depreciation and amortization	59.2	67.9	-13%	15.8	15.6	1%	13.7	15%
Profit / (Loss) before tax	723.9	419.8	72%	226.4	125.2	81%	179.1	26%
Provision for taxation	247.5	128.4	93%	84.1	38.3	120%	58.5	44%
Profit/(Loss) after tax before minority	476.4	291.4	63%	142.2	87	63%	120.6	18%
Minority Interest	29.0	13.3	118%	10.6	5.6	87%	8.3	27%
Profit/(Loss) after tax	447.3	278.1	61%	131.7	81.4	62%	112.3	17%

Segmental breakup

Segment Result (Revenue) ₹ Cr	Q4FY15	Q4FY14	YoY	Q3FY15	QoQ
Fund based activities	711.0	533.6	33%	680.2	5%
Financial products distribution	208.7	172.3	21%	143.5	45%
Capital market activities	129.7	74.6	74%	98.8	31%
Other income	7.338	7.3	1%	2	262%
Total	1056.7	787.7	34%	924.5	14%

Segment Result (Profit before Tax) ₹ Cr	Q4FY15	Q4FY14	YoY	Q3FY15	QoQ
Fund based activities	125.2	80.2	56%	119.1	5%
Financial products distribution	49.8	34.9	43%	28.6	74%
Capital market activities	48.4	3.7	1207%	31.1	56%
Other income	3.0	6.4	(52%)	0.4	739%
Total	226.4	125.2	81%	179.1	26%

- Fund based activities comprises, predominantly, operating income of NBFC. This, however, excludes non operating income of NBFC and includes treasury income of other companies in the Group
- Financial products distribution comprises significant part of Wealth Management income, besides income from distribution of insurance and mutual fund products and online marketing activity
- Capital market activities comprises mainly of income from broking of equity, derivative, commodity and currency

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NBFC's performance highlights

Quarter ended March 2015 – Income up 33% yoy; PAT up 32% yoy

NBFC consolidated quarterly performance

- Q4FY15 PAT at ₹ 80.2 Cr, up 31.8% yoy; Income at ₹ 696.3 Cr, up 32.6% yoy
- FY15 PAT at ₹ 301.2 Cr, up 43.2% yoy; Income at ₹ 2513.8 Cr, up 27.6% yoy
- ROE* (annualized) is 17% based on Q4FY15 performance

Overall loan book

- Mortgage comprised 48% of loan book, up 36.6% yoy
- Gold loans comprised 26% down 3.1% yoy
- New product launched – SME lending

For the financial year ended 2015 :

NPAs - Gross and Net NPAs were 1.27% and 0.54%, provision coverage of 87%

Margins - NIM and spread were 7.5% and 6.8% resp.

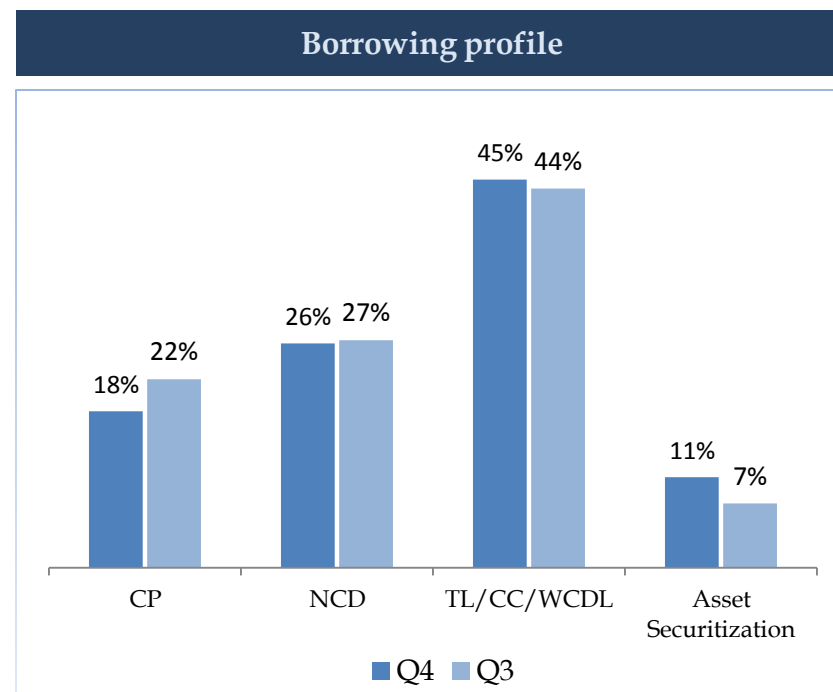
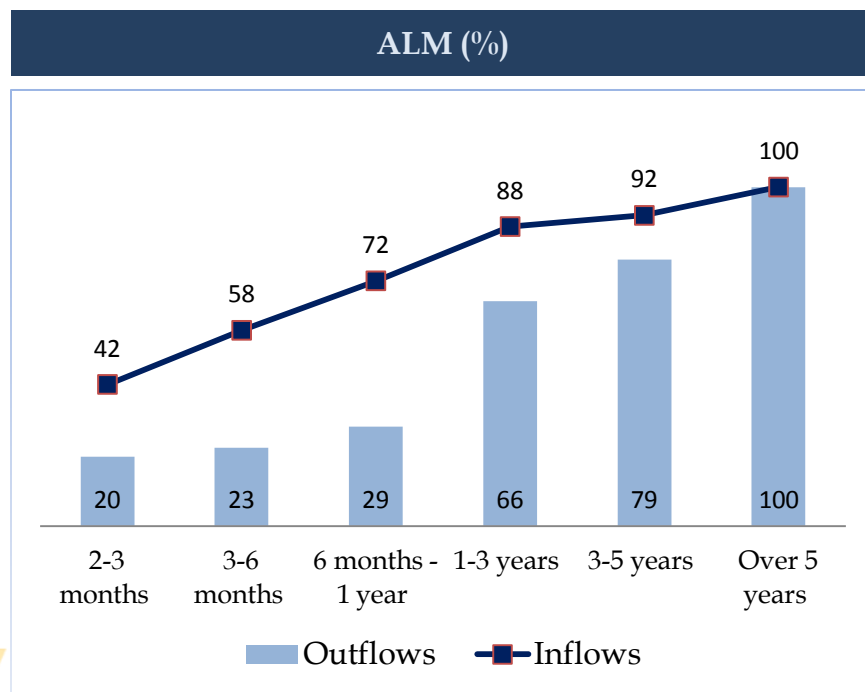
Capital adequacy – 18.02% including Tier I capital of 11.26%

Networth - ₹2,218 Cr (NBFC and its HFC subsidiary consolidated)

**Networth excludes preference share capital*

Asset liability profile for IIFL Finance*

- Asset-Liability maturity review is done regularly by Board level committee
- Committee ensures asset liability maturity is always comfortable
- Long term resources have been added during the quarter yielding to a comfortable ALM position
- Assets and liabilities are optimally matched, with adequate margin of safety

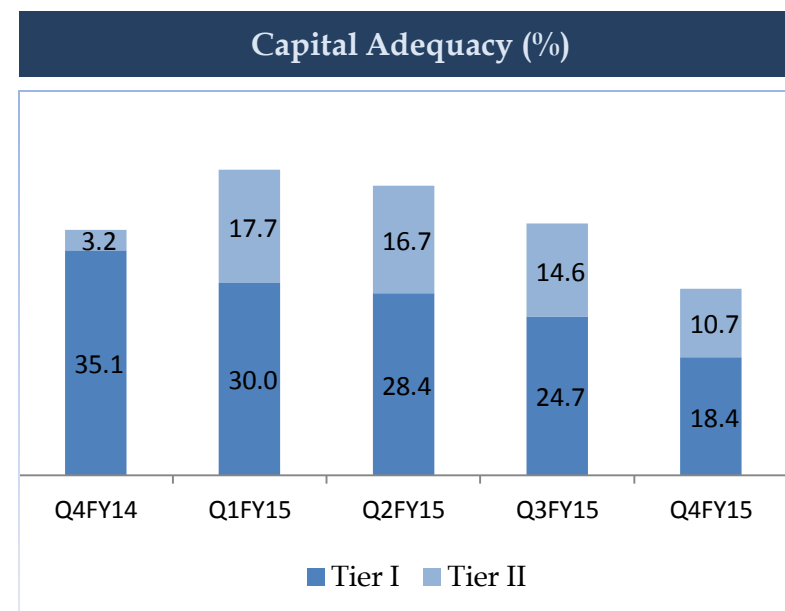
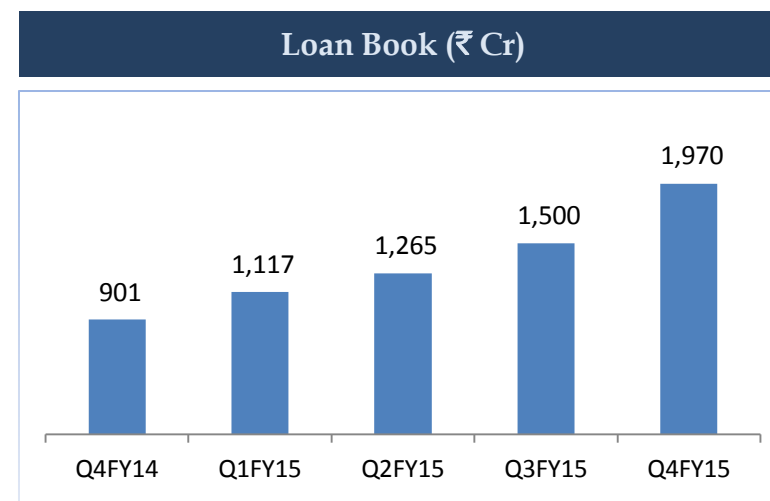


* Stand alone

Housing Finance Company (subsidiary of IIFL Finance)

- Loan book of ₹1,970 Cr in the housing finance company at Q4FY15
- Income for the quarter ₹73.7 Cr up 82% yoy
- Profit after tax for the quarter ₹15.4 Cr up 23% yoy
- Capital adequacy at 29.1%, adequate room for growth

₹ Cr	Q4FY15	Q4FY14	YoY	Q3FY15	QoQ
Total interest income	63.0	36.1	75%	55.5	14%
Interest expense	36.1	17.4	107%	29.6	22%
Net Interest Income	26.9	18.6	44%	25.9	4%
Other income	10.8	4.4	145%	3.1	248%
Operating expense	12.0	4.9	145%	6.5	86%
Loan losses & Provision	2.4	0.7	252%	2.5	(2%)
Profit before tax	23.2	17.5	33%	20.0	16%
Profit after tax	15.4	12.5	23%	13.3	16%



IIFL Finance consolidated results

Quarter ended March 2015

	Financial Year ended 2015			Quarter ended March 2015				
₹ Cr	FY15	FY14	YoY	Q4FY15	Q4FY14	YoY	Q3FY15	QoQ
Loan book	14,668.0	10,889.8	35%	14,668.0	10,889.8	35%	13,795.2	6%
Securitised assets	1,310.8	672.4	95%	1,310.8	672.4	95%	997.5	31%
Assets under management	15,978.8	11,562.3	38%	15,978.8	11,562.3	38%	14,792.7	8%
Total interest income	2,362.3	1813.8	30%	636.0	483.5	32%	619.7	3%
Interest expense	1385.6	1110.9	25%	369.7	288.9	28%	361.2	2%
Net Interest Income	976.7	702.9	39%	266.3	194.6	37%	258.5	3%
Other income	151.5	156.6	(3%)	60.3	41.7	45%	27.3	121%
Operating expense	571.8	504.3	13%	162.7	120.7	35%	147.2	11%
Loan losses & Provision	104.9	44.0	138%	41.3	21.5	92%	21.4	92%
Profit before tax	451.5	311.2	45%	122.6	94.1	30%	117.1	5%
Profit after tax	301.2	210.4	43%	80.2	60.9	32%	77.6	3%
NIM (%)	7.5	7.2		7.4	7.5		7.6	
Spread (%)	6.7	6.3		6.8	6.7		6.6	
Cost to Income (%)	41.6	50.7		36.4	47.4		41.7	
Cost of Fund (%)	11.1	12.0		10.6	11.7		11.0	
Yield (%)	17.8	18.3		17.5	18.5		17.6	
CRAR (%)	18.0	17.7		18.0	17.7		16.8	

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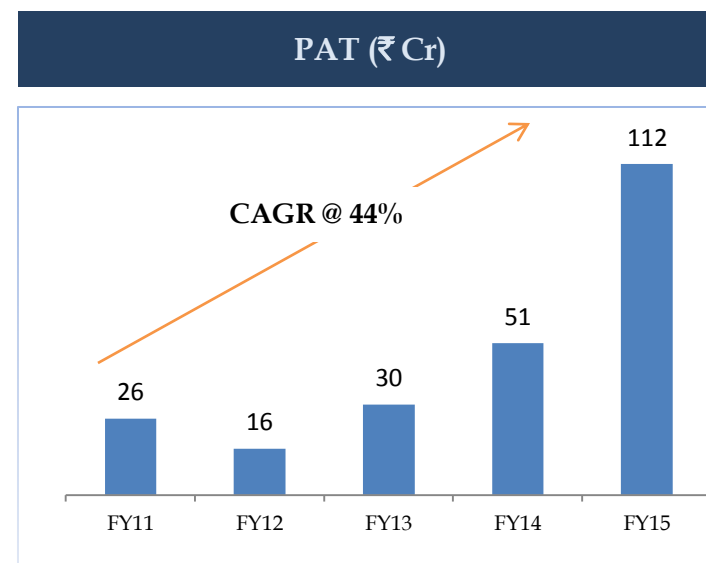
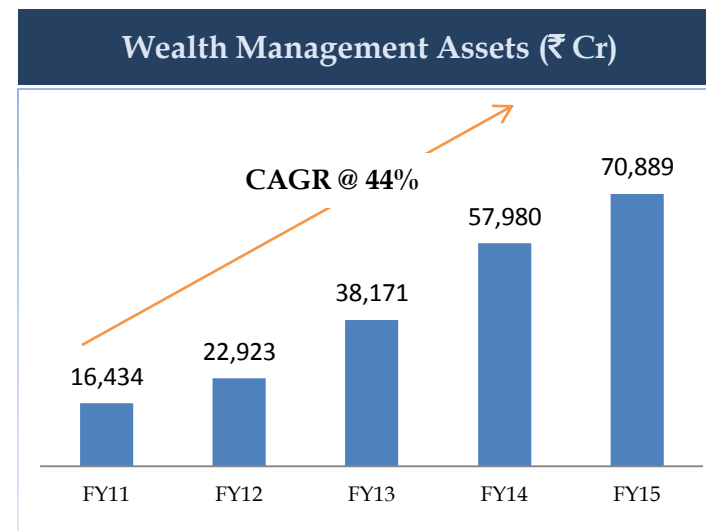
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Wealth management continues to show strong growth

- Q4FY15 PAT at ₹ 36.3 Cr, up 66% yoy; Income at ₹ 157.4 Cr, up 73% yoy
- FY15 PAT at ₹ 111.5 Cr, up 118% yoy; Income at ₹ 457.3 Cr, up 89% yoy
- IIFL Wealth has ₹709 Bn of assets under advice, distribution and management
- IIFL is amongst the top 4 MF distributors in the country
- Winner of many prestigious awards including:
 - 'Best Private Bank for HNIs' by Euromoney Private Banking Survey, 2015



IIFL Wealth consolidated results

Quarter ended March 2015

	Financial Year ended 2015			Quarter ended March 2015				
₹ Cr	FY15	FY14	YoY	Q4FY15	Q4FY14	YoY	Q3FY15	QoQ
Income from operations	451.82	239.80	88%	155.8	90.8	72%	119.5	30%
Other income	5.5	2.49	121%	1.6	0.2	700%	1.3	23%
Total Income	457.3	242.3	89%	157.4	91	73%	120.8	30%
Employee cost	125.71	81.06	55%	40.2	27.6	46%	30.2	33%
Admin expenses and other expenses	156.29	80.81	93%	60.8	32.1	89%	36.4	67%
EBITDA	175.3	80.4	118%	56.4	31.3	80%	54.2	4%
Interest	9.76	5.26	86%	3.4	1.8	89%	3.4	0%
Depreciation and amortization	1.37	0.84	60%	0.6	0.2	200%	0.3	100%
Profit / (Loss) before tax	164.2	74.3	121%	52.4	29.3	79%	50.5	4%
Provision for taxation	52.65	23.10	128%	16.1	7.4	118%	16.2	(1%)
Profit/(Loss) after tax	111.5	51.2	118%	36.3	21.9	66%	34.3	6%

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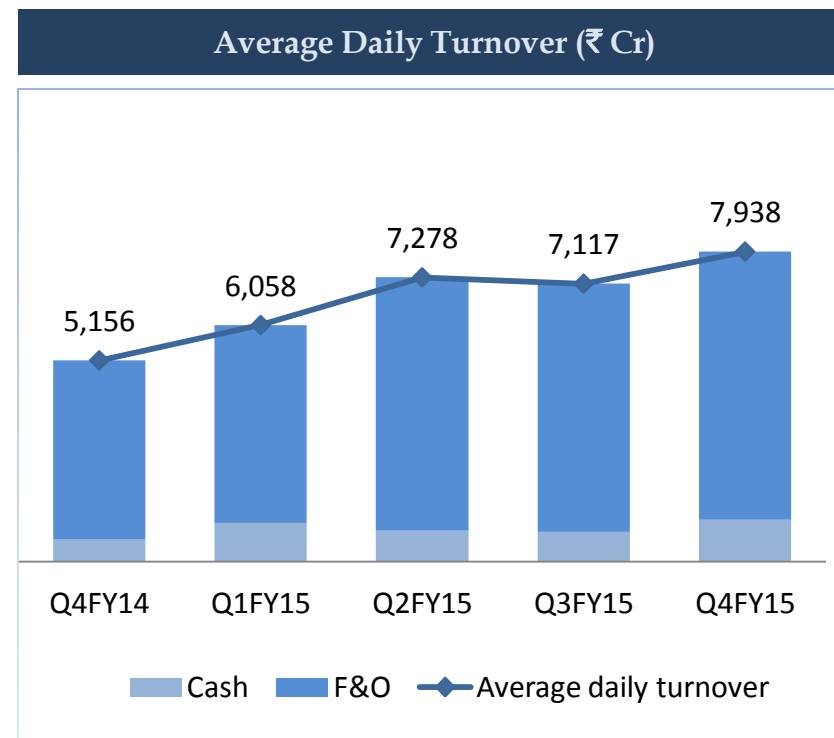
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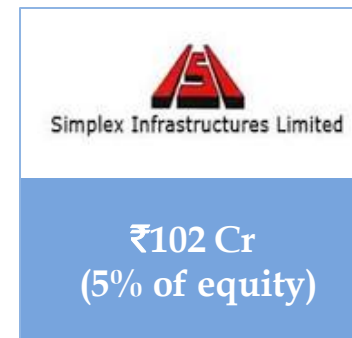
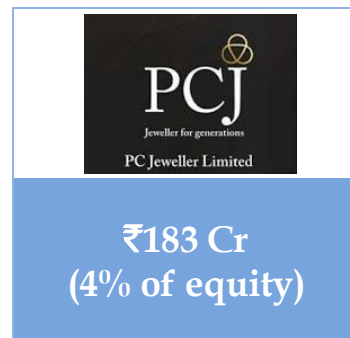
Capital market – potential for growth

- Income for the quarter was ₹129.7 cr, (up 73.8% y-o-y)
- Income for FY15 grows to ₹447.6 cr, up 29.2% y-o-y
- IFL's average daily equity turnover was at ₹ 7,938 cr in Q4FY15 up 54% y-o-y
- Participation in cash segment during the latest quarter was up 50%, y-o-y
- IIFL's average daily commodities turnover was at ₹574 cr in Q4FY15



Institutional Equities

- During the quarter, IIFL added 14 new institutional clients and 162 clients were active
- IIFL did a few large placements in mid-cap companies like



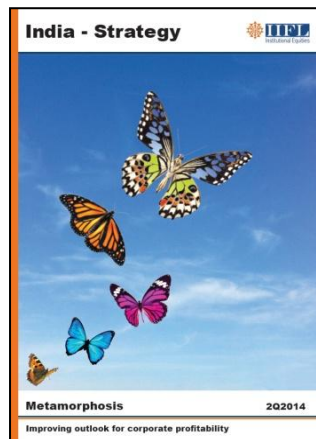
- IIFL Research produced the fifth addition of sizing up India and China (INCH) report, which is widely acclaimed by investors
- Investment Banking did a private placement of secondary block in National Stock Exchange for ~ Rs 182 crores (**IIFL was the exclusive financial advisor on the trade**).
- IIFL won mandate for IPOs' of Healthcare Company & Auto Component Company.
- IIFL also won a mandate for a QIP of a Cement company. A DRHP was filed with SEBI for a IPO of a auto ancillary company.

Research & Publications – FY15

A detailed report on advertising that assesses the threat of digital platform on traditional mediums and provides ad spend growth outlook.



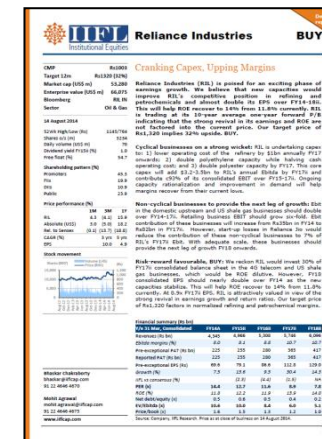
The report argues that a cyclical upturn in growth in the Indian economy will sharply improve corporate profitability.



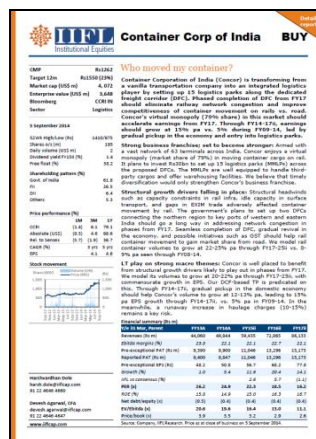
The report 'Modi Inc - All the King's Jewels' lists key reform expectations for the 16 PSUs covered.



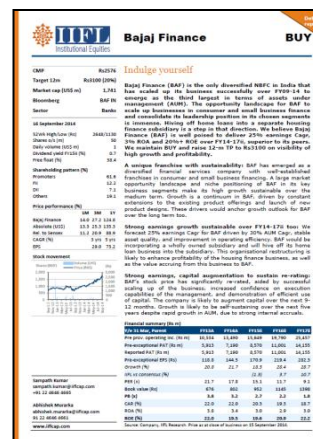
The report shows capex in core business will nearly double the earnings over the next 3 years



The report showcases the likely cement stars in the upcycle for the next 3-4 years



In depth assessment of benefits to Concor post completion of railway networks



The report shows the sustainability of earnings growth over the next 3-4 years



A comprehensive comparison of two major Asian economies

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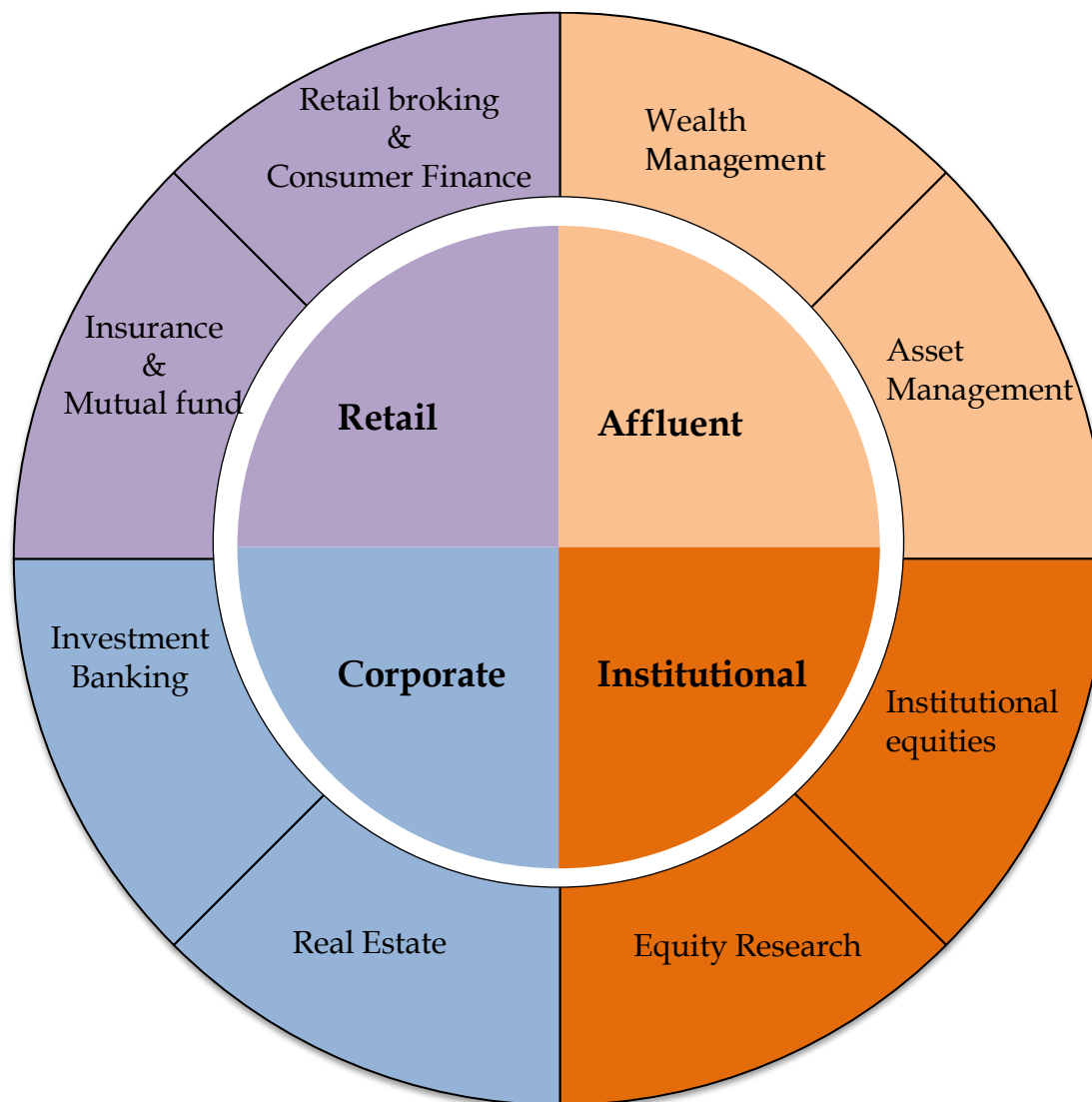
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Our service offerings across customer segment



Vision

“To become the Most Respected Company in the financial services space”

1

Business Strategy

- Continuously assimilate, analyse and apply knowledge to power superior financial decisions
- Focus on core competence in financial services
- Ensure de-risked business through multiple products and diverse revenue streams

2

Customer Strategy

- Drive stickiness through high quality research & service
- Maintain cutting-edge proprietary technology
- Wide, multi-modal network serving as one-stop shop to customers

3

People Strategy

- Attract exceptionally talented and driven people
- Ensure conducive meritorious environment
- Liberal ownership-sharing

IIFL's advisory board comprises stalwarts to provide independent and informed perspective and oversight



Ashok Jha
IAS (Retd), Former Finance
Secretary



Keki Dadiseth
Former Chairman of
Hindustan Unilever Limited
& former Director Unilever
Plc.



Keki Mistry
Vice Chairman and Chief
Executive Officer of HDFC



S Sundaresan
An eminent Corporate
Lawyer, Partner, M/s J
Sagar Associates



Sat Pal Khattar
Singapore based eminent
Lawyer and Investor



S Venkatachalam
Non Executive Chairman
Oracle Financial Services and
Director on Central Board of
SBI

IIFL Holdings – Board of Directors

Attracted luminaries from the Indian financial world to guide the management



Nirmal Jain

Executive Chairman

- MBA from IIM Ahmedabad, rank-holder CA and Cost Accountant
- Founded and led IIFL since 1995



R Venkataraman

Managing Director

- MBA from IIM Bangalore, B-Tech from IIT Kharagpur
- Co-promoted IIFL in 1999



A K Purwar

Independent Director

- M-Com and Diploma in Business Administration
- Former Chairman, State Bank of India



Nilesh Vikamsey

Independent Director

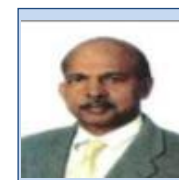
- CA and DISA
- Senior Partner at Khimji Kunverji & Co



Sunil Kaul

Non-executive director

- MBA from IIM Bangalore, B-Tech from IIT Bombay
- MD of Carlyle's Asia Buyout fund



C Ratnaswami

Non-Executive Director

- MBA from University of Toronto
- MD of Hamblin Watsa, subsidiary of Fairfax



S Narayan

Independent Director

- MSc, MBM, M Phil, PhD, IAS
- Former finance secretary, former economic advisor to Prime Minister



Kranti Sinha

Independent Director

- MA
- Former CEO of LIC Housing Finance



Geeta Mathur

Independent Director

- CA
- CFO of Helpage India

IIFL's promoters have built the business from scratch; all business leaders have equity ownership and led banks & NBFCs in the past

- Team with impeccable academic and professional credentials
- Average experience of 15-20 yrs in banks, NBFCs
- Liberal employee ownership
- Open door, transparent and performance oriented culture
- Significant management depth at tier 2, 3 level

Management Team

Chairman	Nirmal Jain	Managing Director	R. Venkataraman
International Operations	Bharat Parajia	Strategy	Aniruddha Dange
Wealth Management	Karan Bhagat	Compliance	R. Mohan
Offshore Asset Management	Amit Shah	Finance	Amit Mehendale/ Parag Shah
Institutional Equities	H. Nemkumar	Operations & customer Service	Narendra Jain
Investment Banking	Nipun Goel	Human Resources	Pallab Mukherji
Consumer Finance	Rajashree Nambiar	Technology	Sushil Tolani
Housing Finance	Monu Ratra	Marketing	Arun Malkani
PMS & Retail Broking	Prasanth Prabhakaran	Treasury	B.S Amarnath
Financial Products Distribution	Mukesh Singh	Audit	Upendra Jaiswal
Verticals		Corporate Functions	

IIFL's brand and credibility are substantiated by multiple awards in all lines of business



Nirmal Jain, Chairman, IIFL receiving the 'Best Broker' award at Zee Business Award, 2014



Nirmal Jain, Chairman and R Venkataraman, MD, IIFL receiving the 'India's Most Promising' brand 2014 from Lord Swaraj Paul held at London



India's top securities trading firm - Fortune's list of 500 largest corporations Dec 14



India's Most Promising Brand - 2014 in Integrated Financial Services



No. 1 in Financial Services category as per "Brand Trust Report 2015"



Best Private Banking for HNIs by Euromoney Private Banking Survey 2015



Best Wealth Management Specialist - Asia (past 4 years)



Best Performing Individual Financial Advisor - 2013



Best Use of Technology for Recruiting And Best HR Strategy in Line With Business - 2014-15



Best internal magazine for Buzz - 2015



Best Market Analyst - 2013, 2012 & 2009

How we differentiate ourselves

Managerial depth

- Promoted by first generation professional entrepreneurs
- Highly qualified and experienced Management team

Well-capitalized

- Group networth of ₹2,558 cr
- Significant unutilized capacity to leverage

Distribution reach

- Present at almost 2,500 business locations across India
- Global footprint covers Dubai, New York, Mauritius, Singapore, Hong Kong, London and Geneva

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

- Uniquely placed with proprietary front, mid and back office software
- Effectively harnessed technology to provide superior customer experience

De-risked

- De-risked and diversified business model across multiple revenue streams
- Multiple products across all segments of financial services

Driving social responsibility



Program : Badlav - Microenterprise

IIFL Foundation facilitated creation of over 150 micro enterprises, each started by a leader and employing other women.



Training for Girls in J&K

Over 100 girls from Terrorism affected families were trained in income generation skills such as Tailoring, Beauty Parlour, Food, closely with Borderless Foundation



Program: Prashikshan - Vocation

Vocational Skilling for youths in Jawhar. Over 200 young boys have been trained in skills/ trades such as welding, electrician and agri-pump maintenance & two wheeler maintenance.



Program: Margadarshan - Livelihood

Pre Livelihood - Career Counseling & Awareness Program for 5000 school children. Class VIII, IX & X students were provided with this counseling program.

FLAME (Financial Literacy Agenda & Mass Empowerment) for -

1. MCGM
2. Urban and Tribal Schools
3. Slum Women
4. Adults under Jan Dhan Yojana

CSR Themes

1. Preventive Healthcare
2. Eradicating Hunger, Poverty & Malnutrition
3. Education
4. Swatch Bharat Abhiyaan

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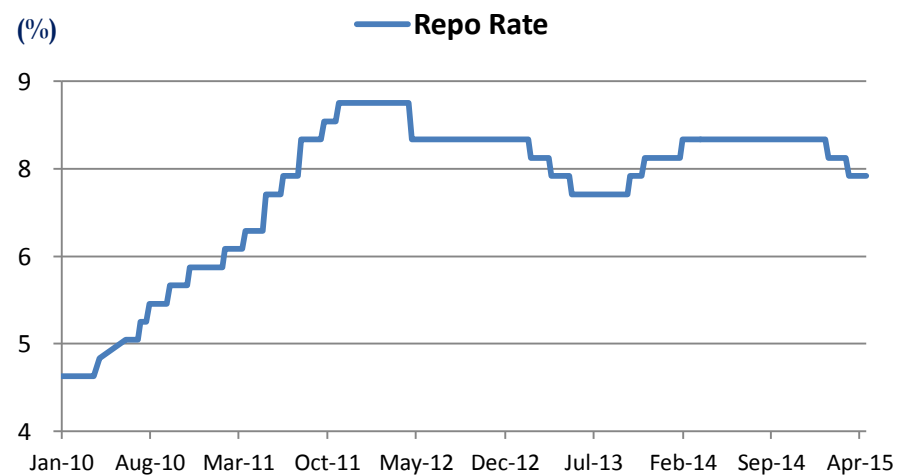
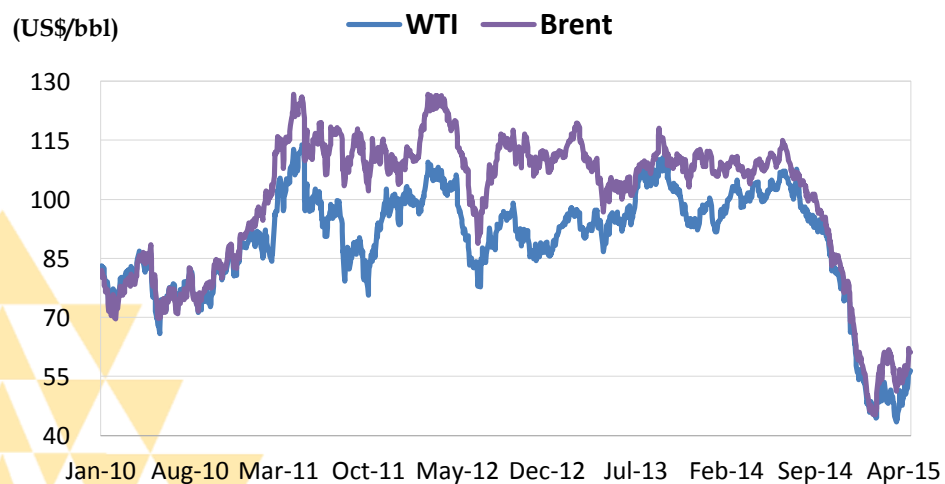
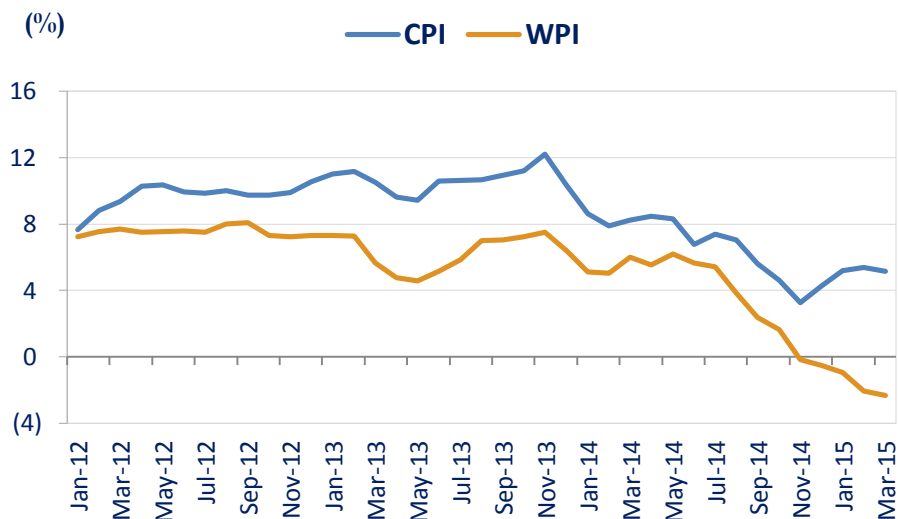
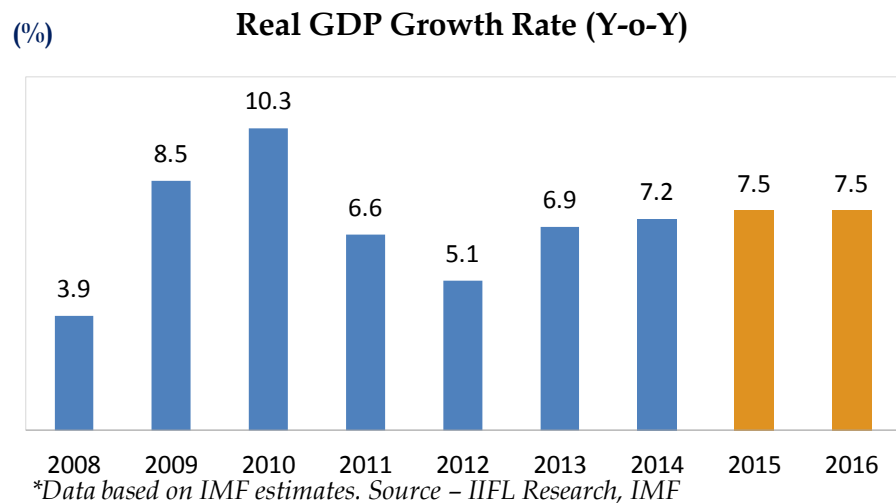
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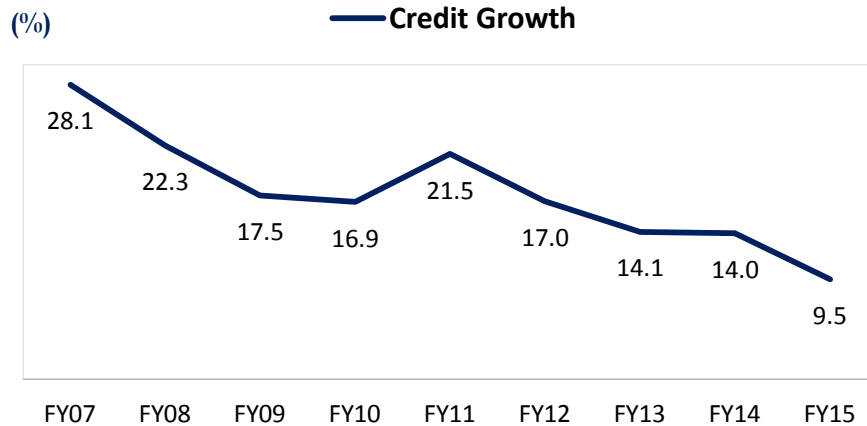


Macro-economic environment

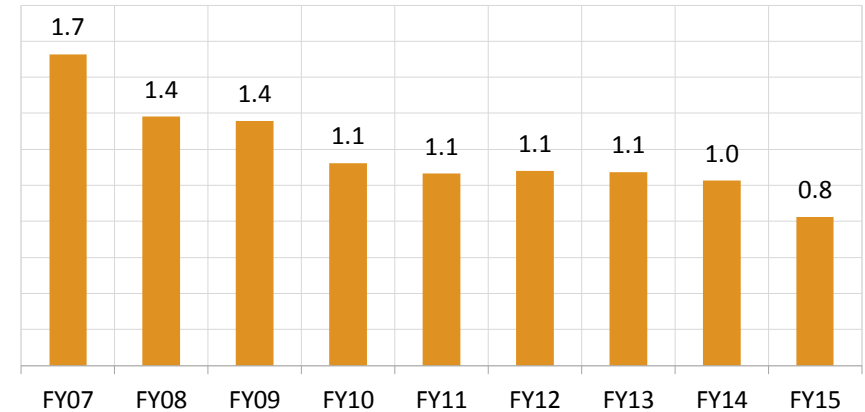
➤ Signs of recovery, inflation and policy rates on a decline



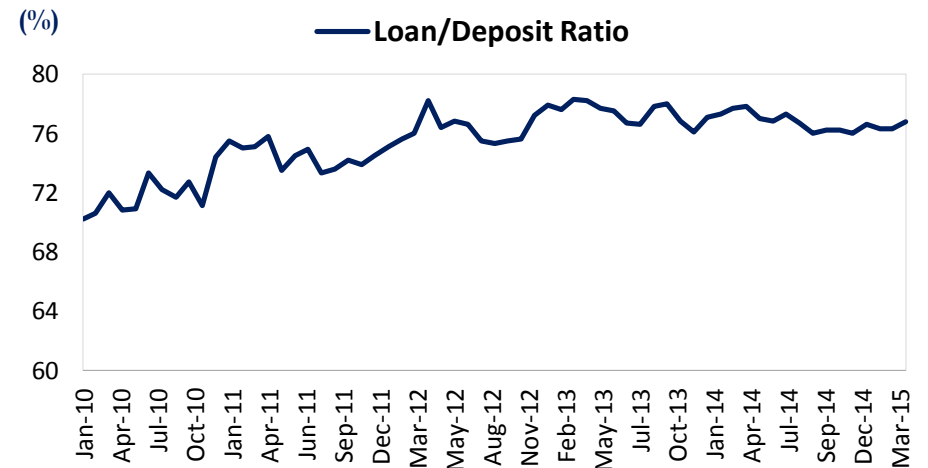
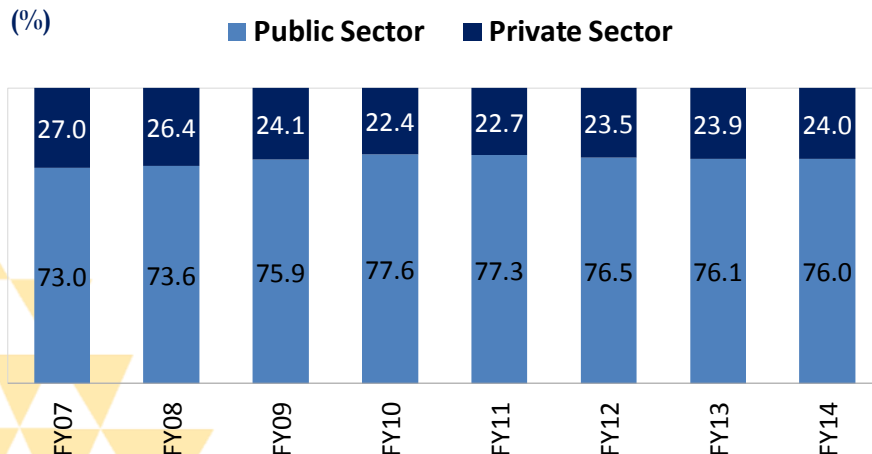
➤ Credit offtake has slowed



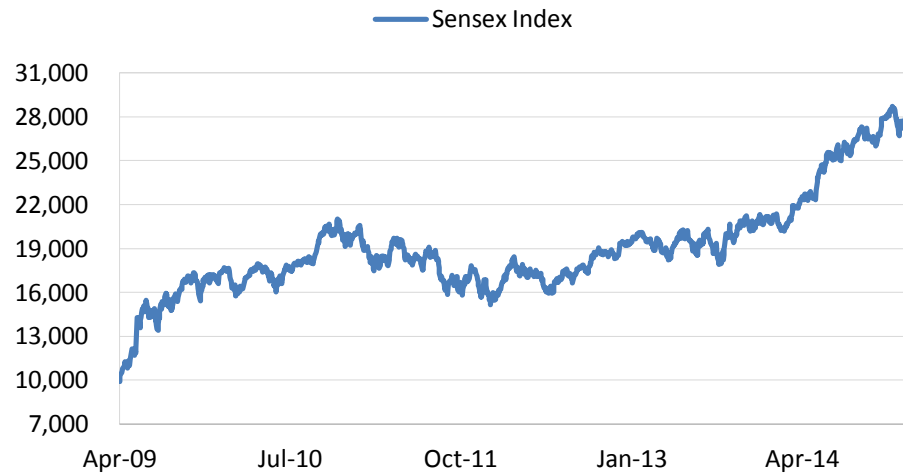
Credit Growth/Nominal GDP Growth



➤ Share of private sector banks improving

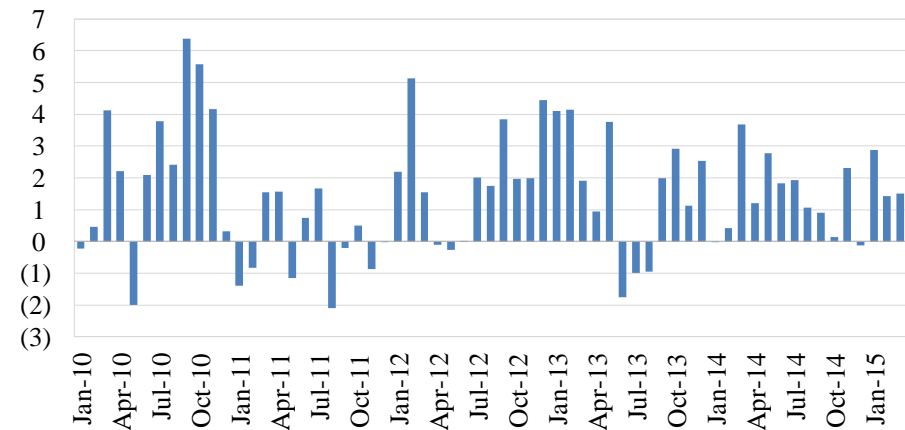


➤ Long term trend for equities positive



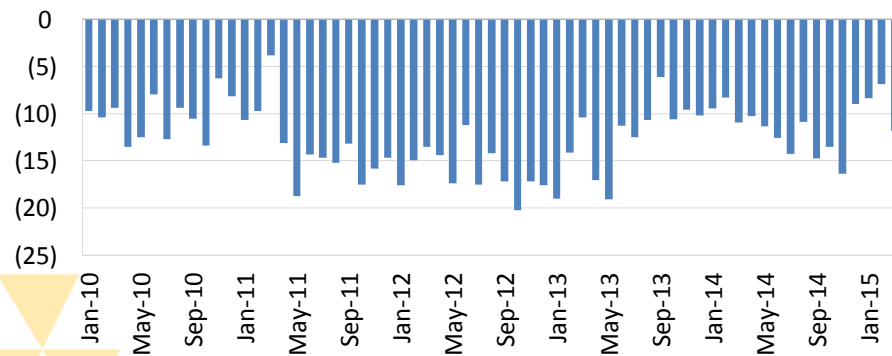
(US\$ bn)

■ Equity Flows



(US\$ bn)

■ Trade Balance



— INR-USD Exchange Rate



Thank you

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Tel.: +(91 22)4007 7000 Fax: 2685 0451.

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