

REPCO HOME FINANCE LIMITED

(Promoted by REPCO BANK - Govt. of India Enterprise)



Earnings Presentation Q4 & FY15



www.repcohome.com

◆ Q4 & FY15 Performance

- ▶ Business summary.....04
- ▶ Financial performance for Q4 and FY15.....5-11
- ▶ Diversified source of funding.....12

◆ Geographic Presence

- ▶ Expanding footprint.....14
- ▶ Region-wise loan book.....15

◆ Annexure

Q4FY15 and FY15 Performance

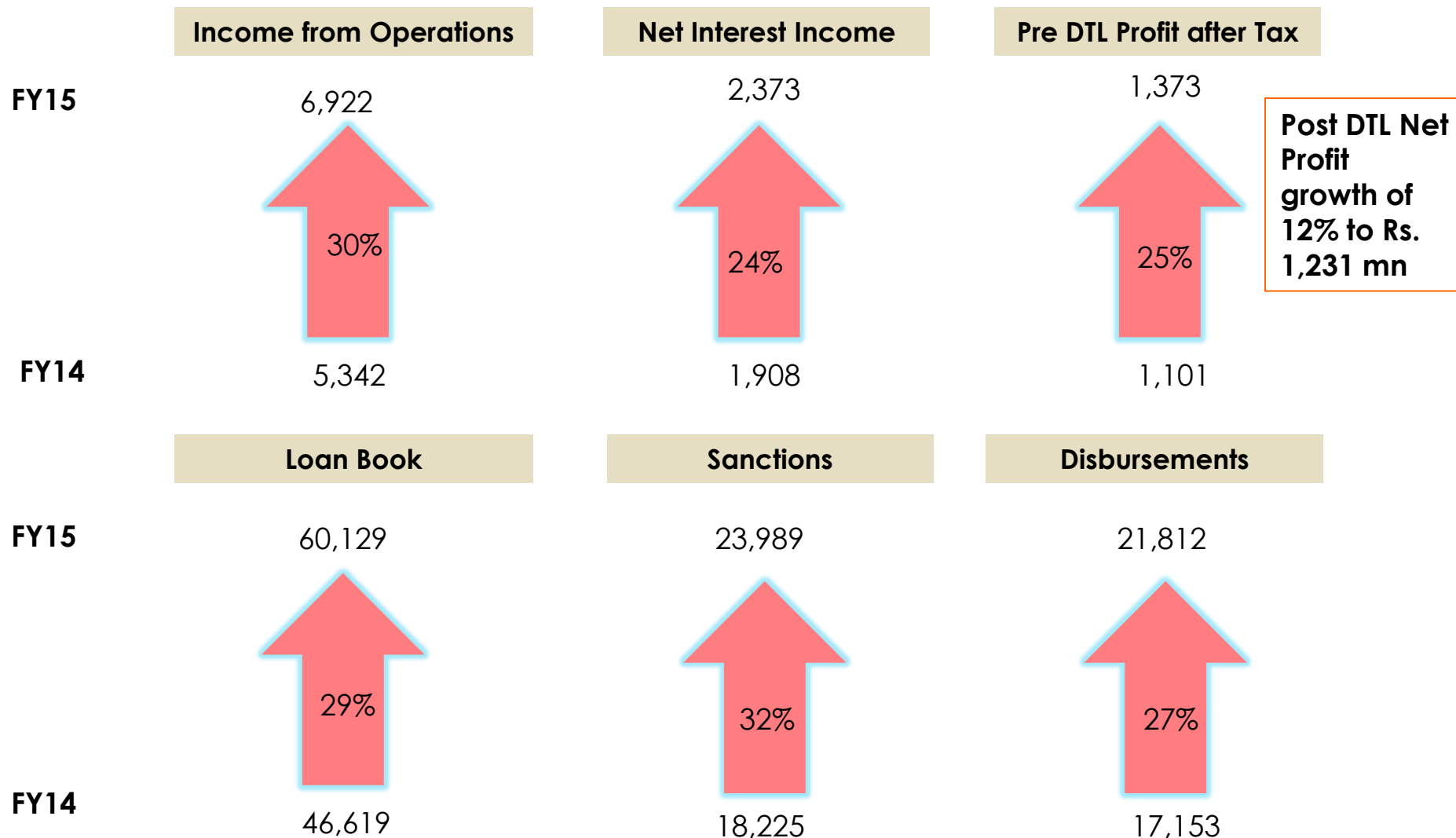
Business Summary

• Loans outstanding (Mar 31, 2015)	Rs. 60,129 mn
• Net worth (Mar 31, 2015)	Rs. 8,057 mn
• Average loan per unit	Rs. 1.2 mn
• Number of live accounts	57,415
• Current Employee Strength	545
• Cost to Income ratio	21.0%
• Capital Adequacy Ratio	20.3% (Provisional)
• Gross NPA (%) (Mar 31, 2015)	1.3%
• Net NPA (%) (Mar 31, 2015)	0.5%

Robust growth in FY15

Repco Home Finance Limited

Figures in Rs Million



Driven by strong Q4 FY15

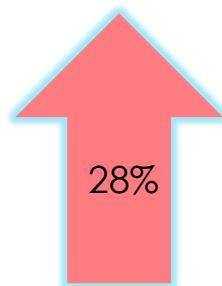
Repco Home Finance Limited

Figures in Rs Million

Income from Operations

Q4 FY15

1,913

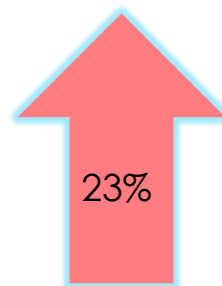


Q4 FY14

1,498

Net Interest Income

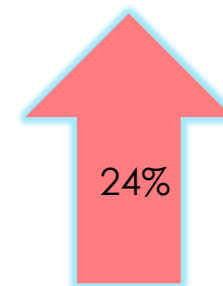
662



539

Pre DTL Profit after Tax

389

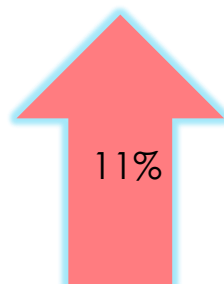


315

Post DTL Profit after Tax

Q4 FY15

348

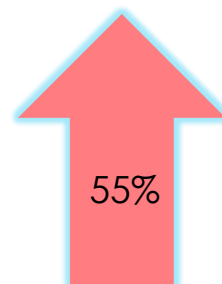


Q4 FY14

315

Sanctions

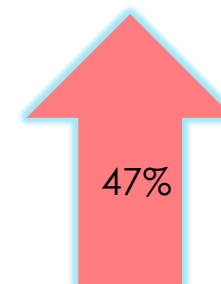
8,346



5,376

Disbursements

7,505

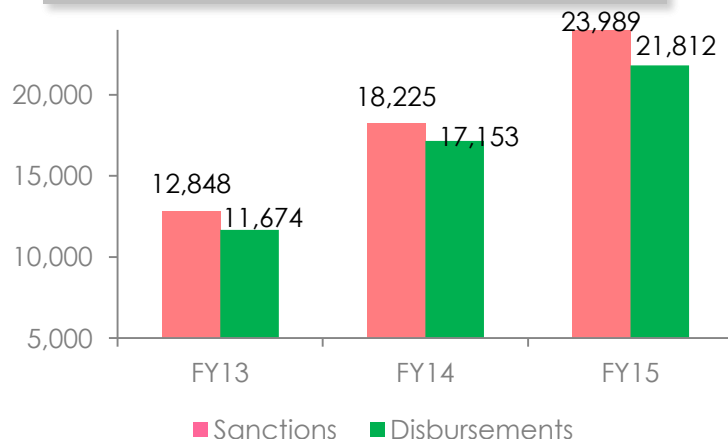


5,120

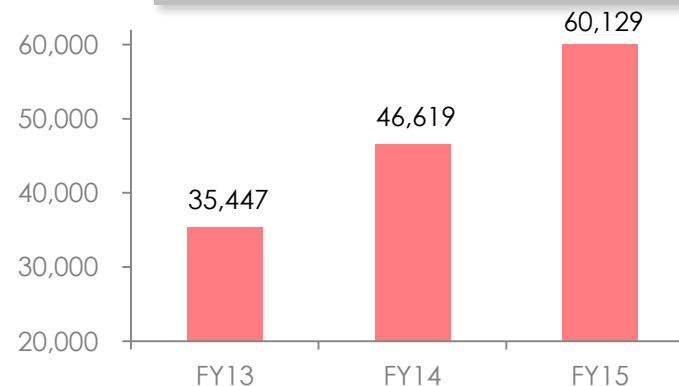
Steady growth in loan book with healthy customer mix

Figures in Rs million

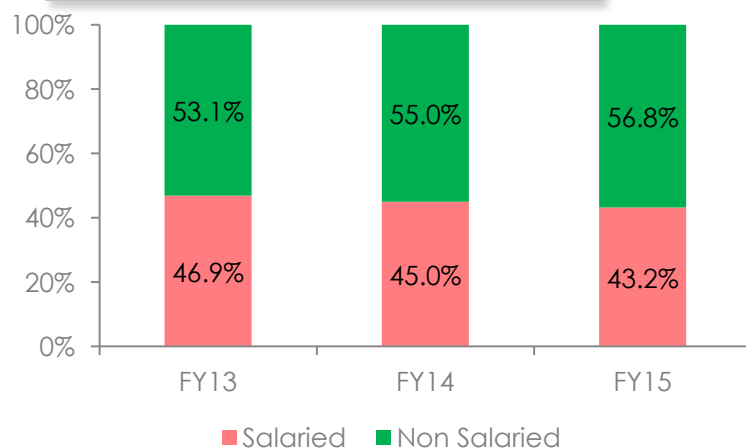
Sanctions and disbursements



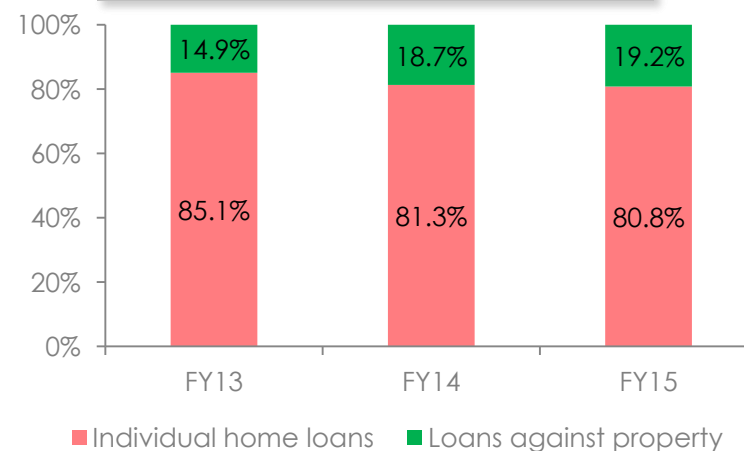
Loan Book



Loan book composition



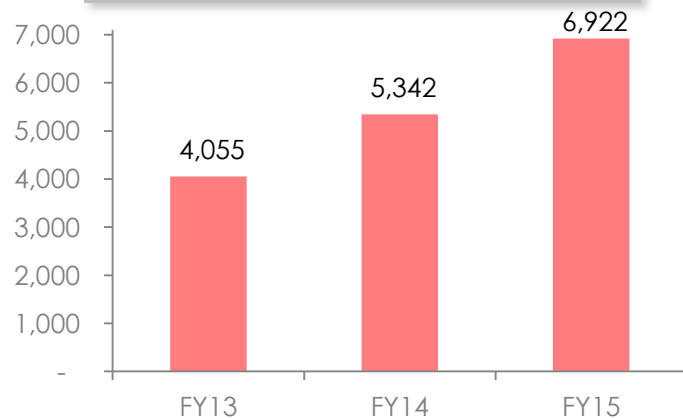
Mix of loan portfolio



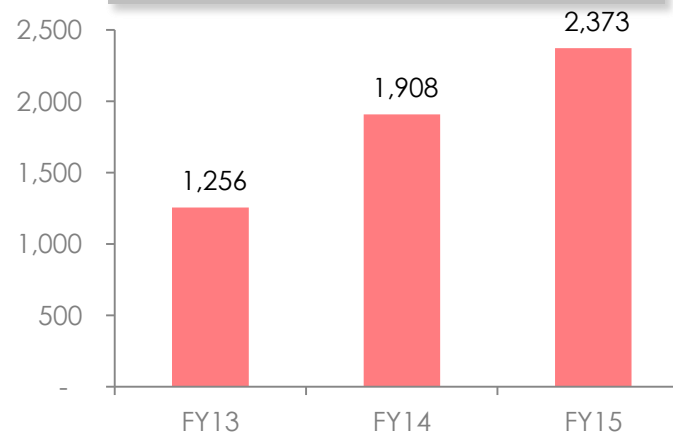
Driving robust income and earnings growth

Figures in Rs million

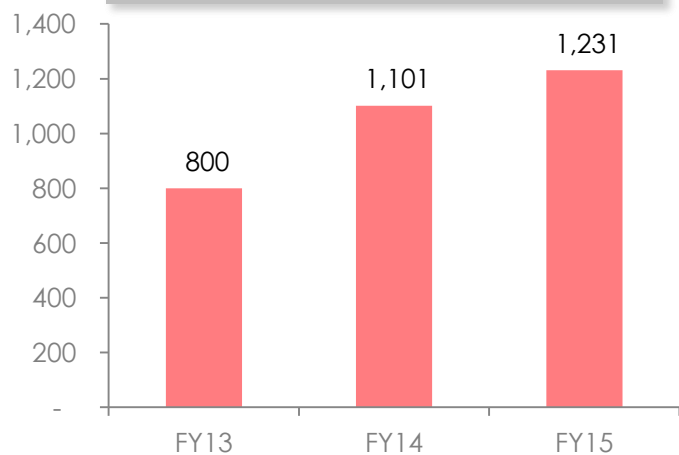
Income from operations



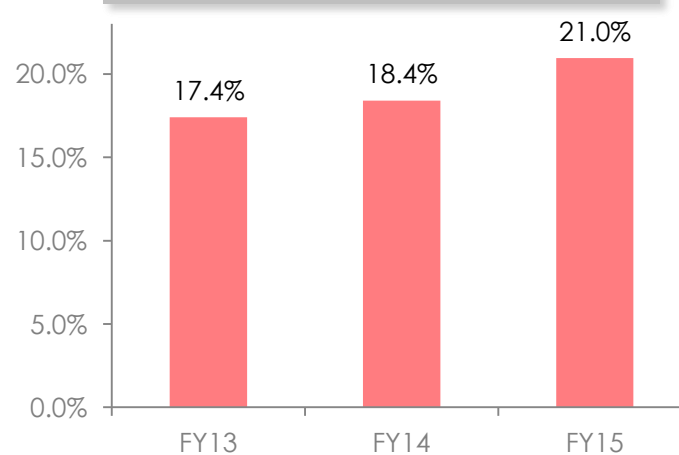
Net interest income



Net profit



Cost to income ratio



Excluding
ESOP
charge, the
cost to
income
ratio will be

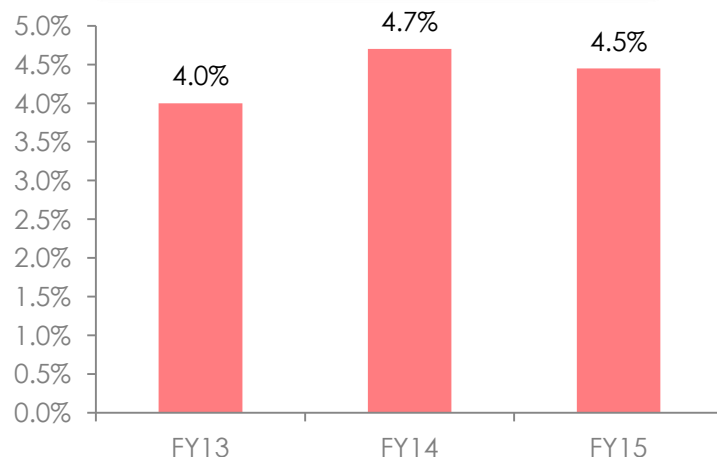
FY14-17.4%

FY15-18.5%

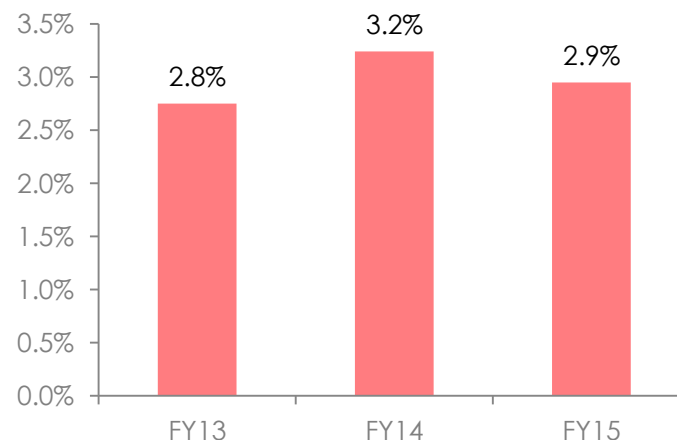
And steady profitability ratios

Repco Home Finance Limited

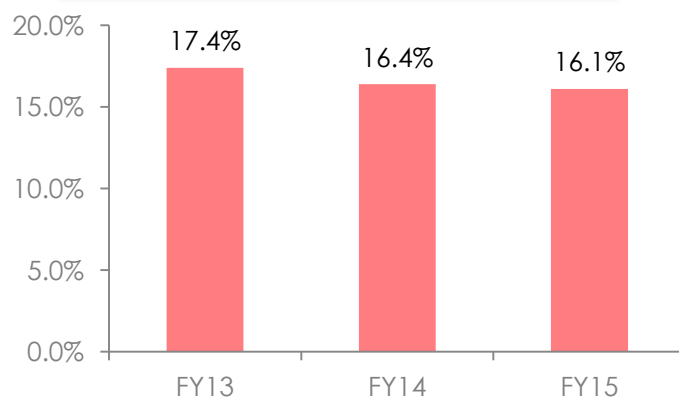
Net interest margin



Spread

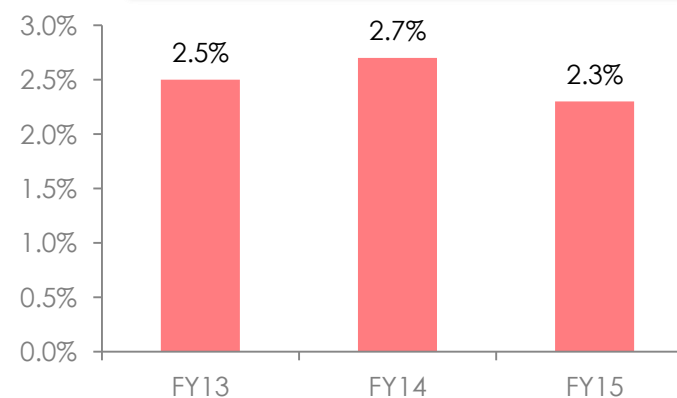


Return on average net worth



Using Pre-DTL profit figure the ROE will be ~17.8%

Return on assets

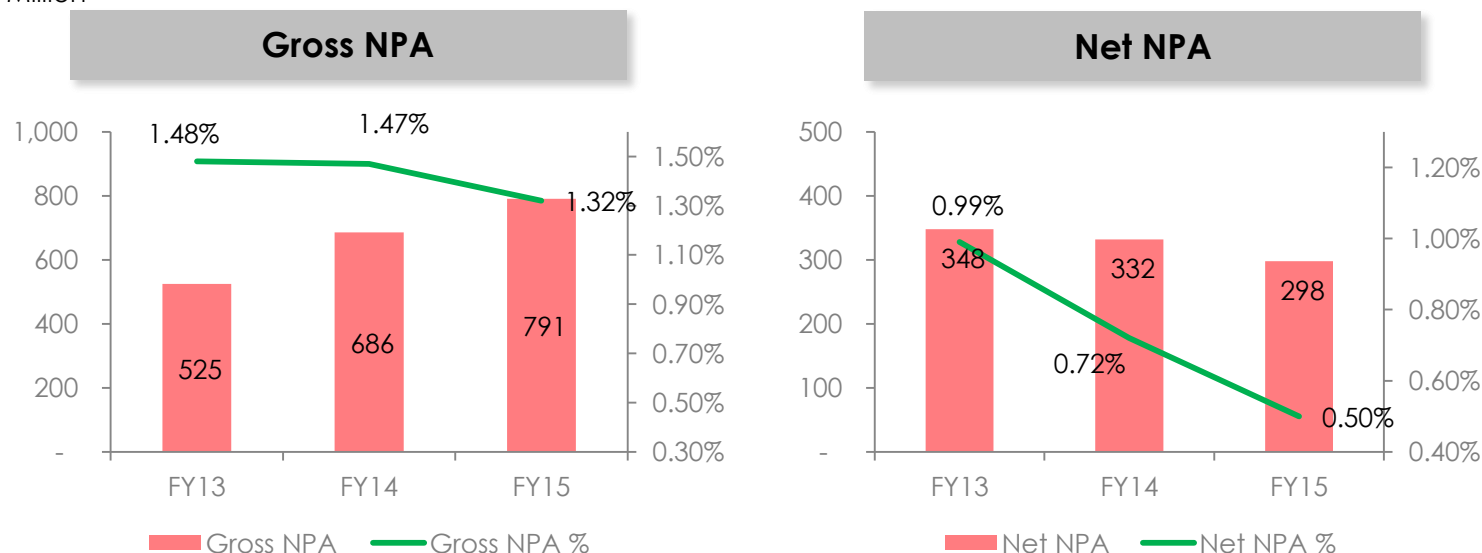


Using Pre-DTL profit figure the ROA will be 2.6%

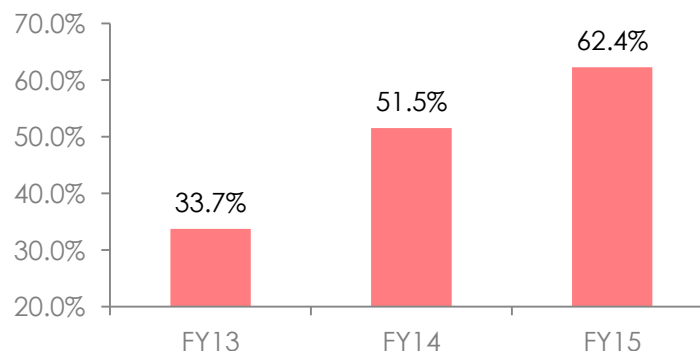
Increased focus on asset quality & provisioning

Repco Home Finance Limited

Figures in Rs Million

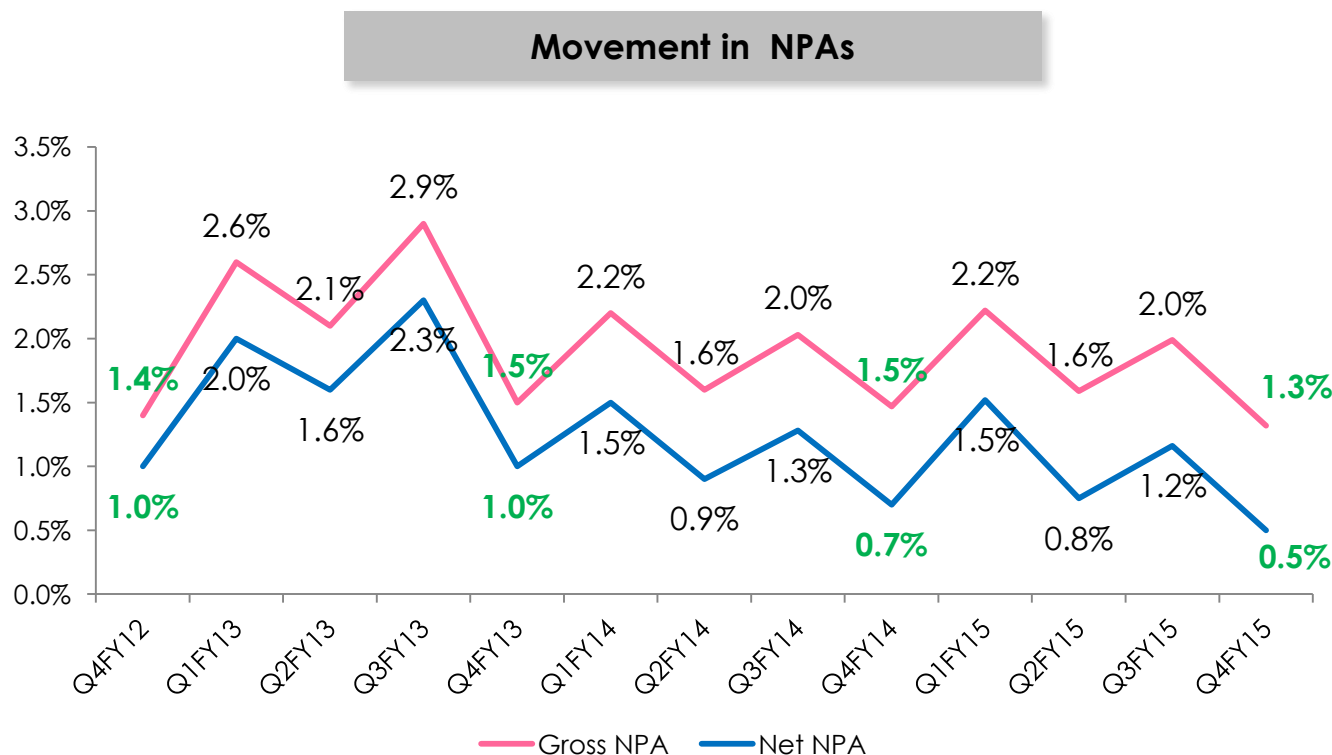


Provision coverage ratio



Sustainable improvement in asset quality

Repco Home Finance Limited

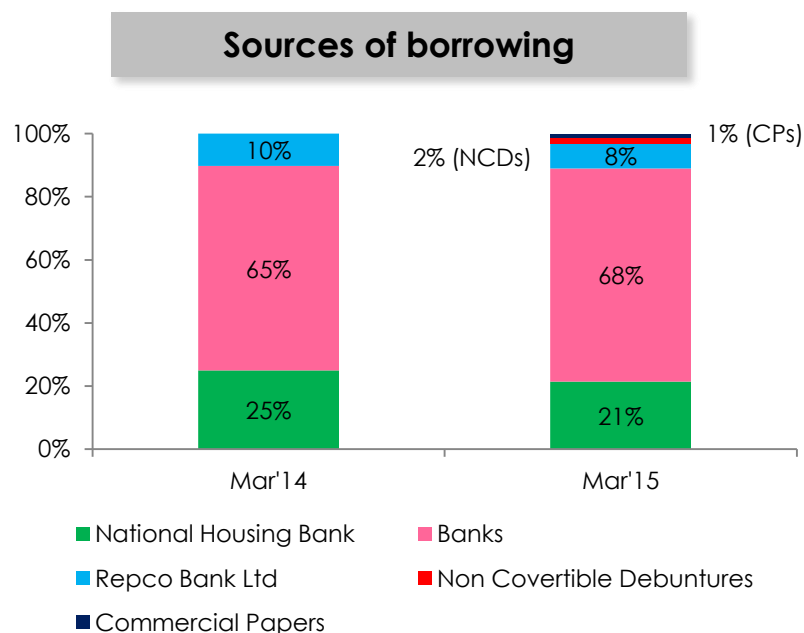


- Owing to seasonality, Q1 & Q3 GNPA's are generally higher than Q2 & Q4 GNPA's
- With strong focus on recoveries, there has been a steady improvement in asset quality
- Improvement in asset quality despite material changes in loan book composition over the last 2 years; increased exposure to LAP and non-salaried segment in pursuit of better margins
- On course towards the ultimate target of 0.0% Net NPAs

Diversified source of funding

Repco Home Finance Limited

Figures in Rs million



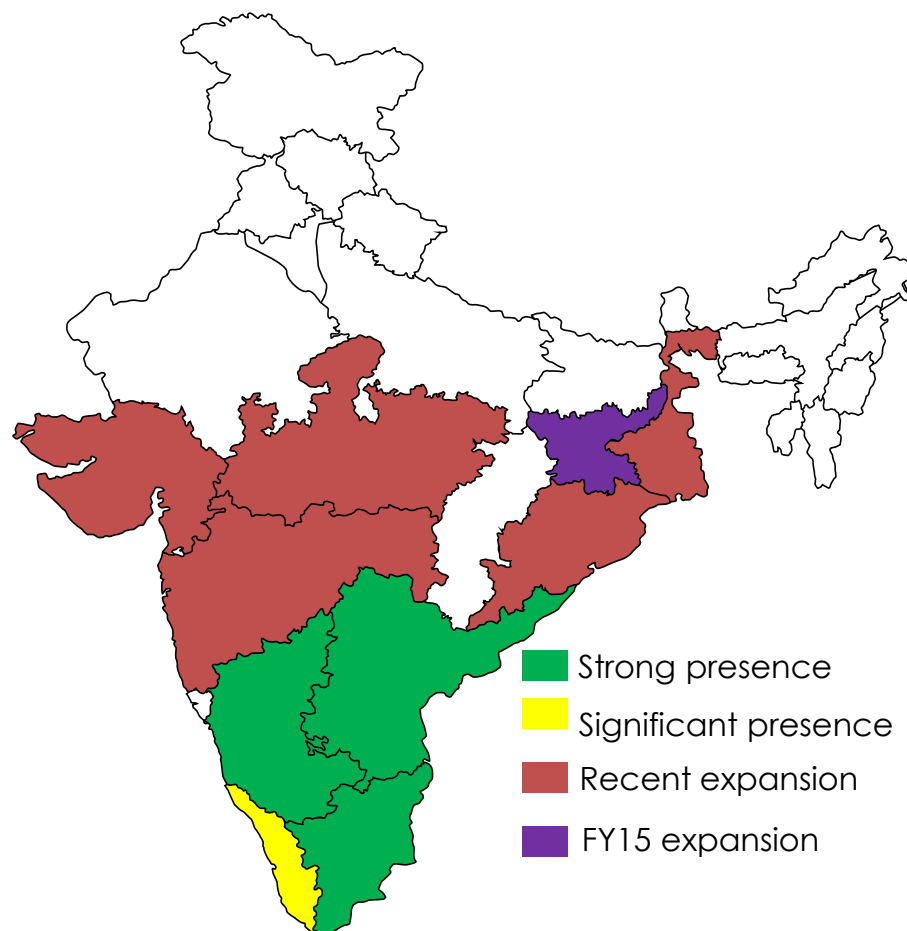
Sources (as on March 31, 2015)	Amount
Banks	34,482
National Housing Bank	10,948
Repco Bank Ltd	4,014
Non Convertible Debentures (NCDs)	1,000
Commercial Papers (CPS)	600
Total	51,044

1. Commercial papers will offset Repco Bank borrowings to some extent
2. In a falling interest rate scenario, NCDs to dominate incremental borrowings (constrained by approved NCD borrowing limits)
3. Company now eligible to borrow through the ECB route

Geographic Presence

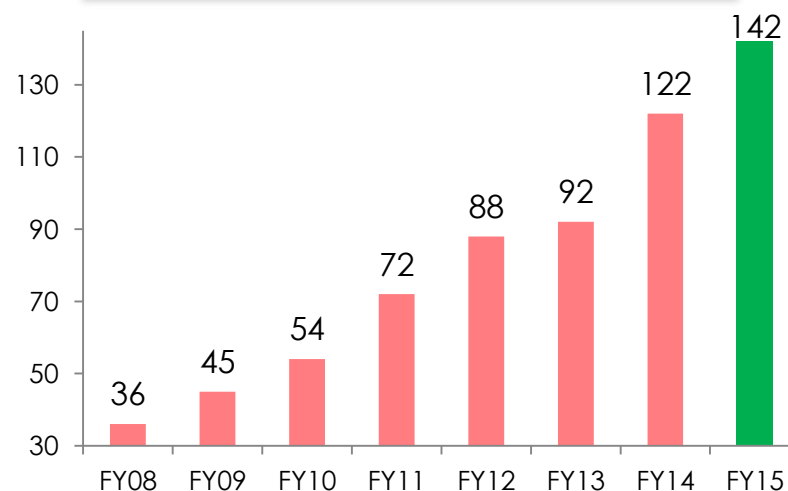
Expanding footprint

Repco Home Finance Limited



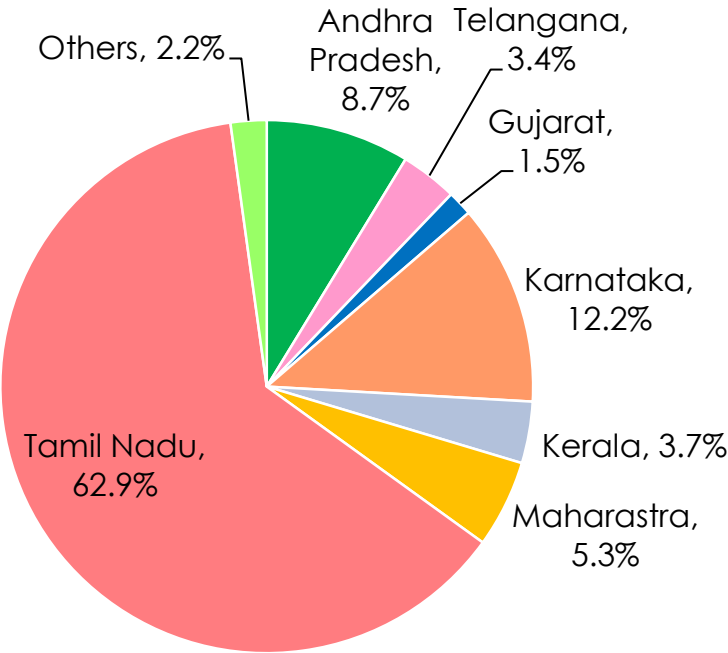
- ◆ Presence in 11 states (including Telangana) and 1 Union Territory with 106 branches and 36 satellite centres
- ◆ Ventured into Jharkhand in FY15
- ◆ Presence beyond South: branches in West Bengal, Orissa, Maharashtra, Gujarat, Madhya Pradesh and Jharkhand

Network Expansion



Region-wise loan book – not just a south India based company

Key regional presence	Exposure	
	FY14	FY15
Andhra Pradesh & Telangana	13.9%	12.2%
Gujarat	0.3%	1.5%
Karnataka	12.0%	12.2%
Kerala	3.7%	3.7%
Maharashtra	4.0%	5.3%
Tamil Nadu	63.3%	62.9%
Others	2.8%	2.2%
Total	100.0%	100.0%

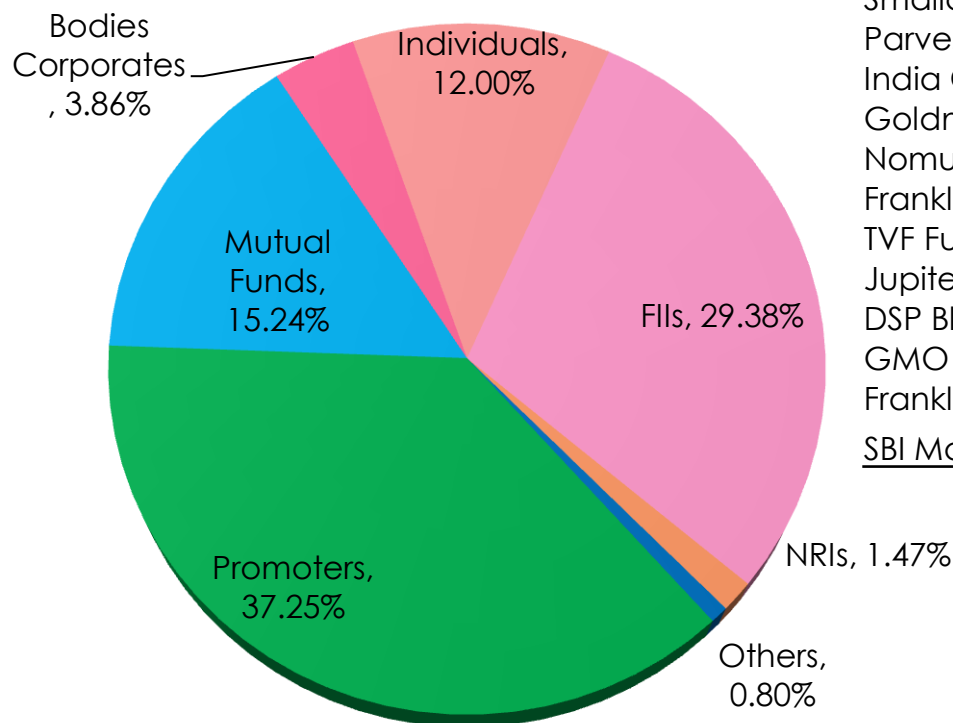


Annexure

Shareholding pattern

Repco Home Finance Limited

Outstanding shares – 62.36 mn



Major Non-Promoter Shareholders

	% shareholding
Smallcap World Fund, Inc	6.33%
Parvest Equity India	3.26%
India Capital Fund Limited	3.09%
Goldman Sachs India Fund Limited	2.22%
Nomura India Investment Fund Mother Fund	1.99%
Franklin Templeton Mutual Fund - Indiaprime	1.93%
TVF Fund Ltd	1.59%
Jupiter India Fund	1.44%
DSP Blackrock Micro Cap Fund	1.30%
GMO Emerging Domestic Opportunities Fund	1.28%
Franklin India Smaller Companies Fund	1.18%
SBI Magnum Global Fund	1.12%

Profit and loss statement

Repco Home Finance Limited

(Rs. million)	Q4 FY15	Q4 FY14	YoY (%)	Q3 FY15	QOQ (%)	FY15	FY14	YoY (%)
Income:								
Revenue from operations	1,913	1,498	28%	1,756	9%	6922	5341	30%
Other Income	1	1	0	1	31%	8	12	-31%
Total Income	1,915	1,499	28%	1,757	9%	6,930	5,353	29%
Expenses:								
Interest and other Financial Charges	1,168	909	29%	1,120	4%	4318	3247	33%
Employee benefit expense	105	69	54%	85	24%	335	211	59%
Depreciation and amortization expense	10	7	47%	7	32%	29	24	22%
Other expenses	50	46	9%	50	1%	183	153	19%
Provision for Non-Performing Assets	33	25	31%	17	100%	140	176	-20%
Contingency Provisions against Standard Assets	28	15	85%	10	191%	62	47	31%
Provision for diminution in value of Investments	0	1	-100%	0	0%	0	1	-100%
Bad-Debts Written Off	1	0	0%	0	0%	1	3	-54%
Total Expenses	1,395	1,070	30%	1,288	8%	5,068	3,862	31%
Profit before tax	520	429	21%	469	11%	1862	1491	25%
Tax expense:								
Current tax	156	128	22%	134	16%	559	465	20%
Deferred Tax	-25	-14	77%	-6	340%	-71	-75	
Pre DTL Profit	390	315	24%	340	14%	1373	1101	25%
DTL charged as per NHB directive	41	0	100%	33	26%	142	0	100%
Post DTL Net Profit/(Loss)	348	315	11%	307	13%	1231	1101	12%

Balance sheet

Repco Home Finance Limited

(Rs. million)	As on Mar 31, 2015	As on Mar 31, 2014
EQUITY AND LIABILITIES:		
Shareholder's Funds	8,121	7,381
Share Capital	624	622
Reserves and Surplus	7,497	6,760
Non-Current Liabilities	39,560	29,666
Long-term borrowings	38,797	29,108
Long term provisions	762	557
Current Liabilities	12,734	10,314
Short-term borrowings	4,848	3,977
Other current liabilities	7,750	6,232
Short-term provisions	136	105
Deferred Tax Liabilities (Net)	342	0
Total	60,757	47,361
ASSETS:		
Non-current assets	56,492	43,997
Fixed assets		
Tangible assets	70	48
Intangible assets	19	2
Non-current investments	124	124
Deferred tax assets (net)	0	187
Long term loans and advances	56,279	43,637
Current assets	4,265	3,364
Cash and Bank Balances	175	219
Short-term loans and advances	3,942	3,044
Other current assets	148	101
Total	60,757	47,361

Key metrics

Key Ratios	March'15	March'14	March'13
Yield	12.5%	12.6%	12.3%
Cost of Debt	9.6%	9.3%	9.6%
Spread	2.9%	3.2%	2.8%
NIM	4.5%	4.7%	4.0%
Cost to Income	21.0%	18.4%	17.3%
Return on Assets	2.3%	2.7%	2.5%
Return on Equity	16.1%	16.4%	17.4%
Gross NPA	1.3%	1.5%	1.5%
Net NPA	0.5%	0.7%	1.0%
Provision Coverage	62.4%	51.5%	33.7%
CAR	20.3%	24.5%	25.5%
Outstanding loan book (% break up)			
- Non Salaried	56.8%	55.0%	53.1%
- Salaried	43.2%	45.0%	46.9%
- Individual Home Loans	80.8%	81.3%	85.1%
- Loans against Property	19.2%	18.7%	14.9%

For any Investor Relations queries, please contact:

**V. Raghu, Executive Director/
Bala , Investor Relations
Repco Home Finance Limited**

Phone: +91 44 42106650

Email: ed_vr@repcohome.com
bala@repcohome.com

Safe Harbor:

This presentation may have certain statements that may be “forward looking” including those relating to general business plans and strategy of Repco Home Finance Ltd., (RHFL), its future outlook and growth prospects. The actual results may differ materially from these forward looking statements due to a number of risks and uncertainties which could include future changes or developments in RHFL, the competitive environment, the company’s ability to implement its strategies and initiatives, respond to technological changes as well as sociopolitical, economic and regulatory conditions in India.

All financial data in this presentation is obtained from the audited financial statements and the various ratios are calculated based on these data. This presentation does not constitute a prospectus, offering circular or offering memorandum or an offer, invitation or a solicitation of any offer, to purchase or sell, any shares of RHFL and should not be considered or construed in any manner whatsoever as a recommendation that any person should subscribe for or purchase any of RHFL’s shares. None of the projection, expectations, estimates or prospects in this presentation should be construed as a forecast implying any indicative assurance or guarantee of future performance, nor that the assumptions on which such future projects, expectations, estimates or prospects have been prepared are complete or comprehensive .

This presentation is for information purposes only. This document and its contents should not forwarded or delivered or transmitted in any manner to any person other than its intended recipients, and should not be reproduced in any manner whatsoever. The recipients further represents and warrants that : (i) It is lawfully able to receive this presentation under the laws of the jurisdiction in which it is located, and / or any other applicable laws, (ii) It is not a U.S. person, (iii) This presentation is furnished to it, and has been received, outside of the United States, and (iv) It will not reproduce, publish, disclose, redistribute or transmit this presentation, directly or indirectly, into the United States or to any U.S. person either within or outside of recipient’s organisation.