REPCO HOME FINANCE LIMITED

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

Repco Home Finance

Earnings Presentation
Q2FY16

www.repcohome.com

Agenda

- **Q2FY16 Performance**
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Q2FY16 & H1FY16 Performance

Business Summary

• Loans outstanding (Sep 30, 2015)	Rs. 68,488 mn
• Net worth (Sep 30, 2015)	Rs. 8,840 mn
• Average loan per unit	Rs. 1.3 mn
• Number of live accounts	62,468
• Current Employee Strength	584
• Cost to Income ratio	21.3%
• Gross NPA (%) (Sep 30, 2015)	1.80%
• Net NPA (%) (Sep 30, 2015)	0.92%

Strong growth continues in H1FY16

Repco Home Finance Limited

Figures in Rs Million

	Total Income	Net Interest Income	Profit after Tax
H1FY16	4,165	1,403	693
Growth	28%	25%	20%
H1FY15	3,258	1,123	575

	Loan Book	Sanctions	Disbursements
H1FY16	68,488	15,196	13,564
Growth	31%	46%	42%
H1FY15	52,380	10,400	9,558

On the back of robust Q2FY16

Figures in Rs Million

	Total Income	Net Interest Income	Profit after Tax
Q2FY16	2,164	739	390
	27%	25%	19%
Q2FY15	1,697	593	327

	Loan Book	Sanctions	Disbursements
Q2FY16	68,488	8,579	7,763
	31%	53%	43%
Q2FY15	52,380	5,589	5,412

Steady growth in loan book with healthy customer mix

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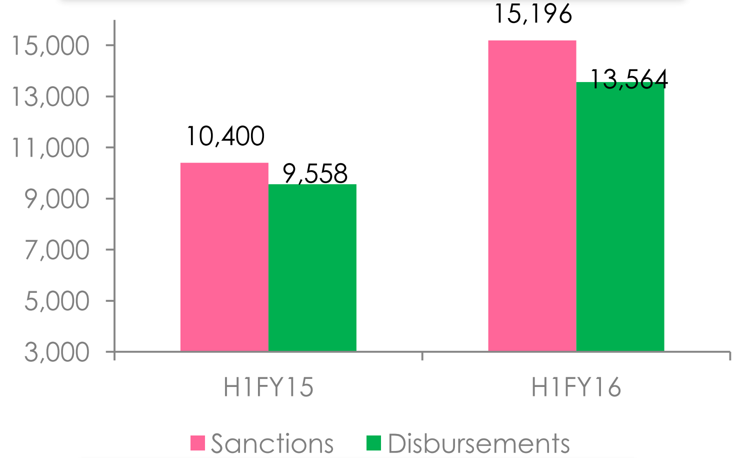
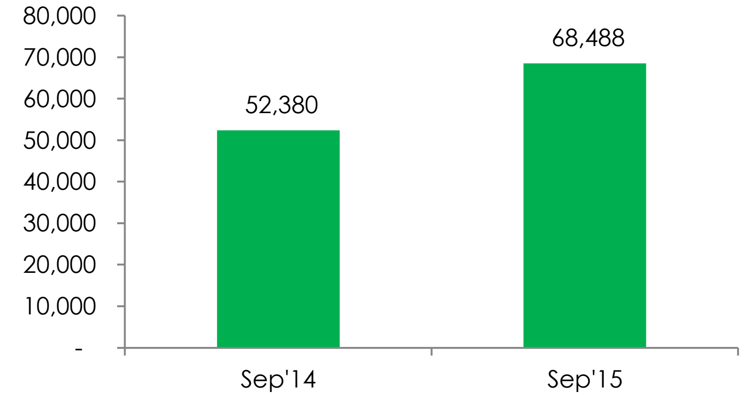
Figures in Rs million

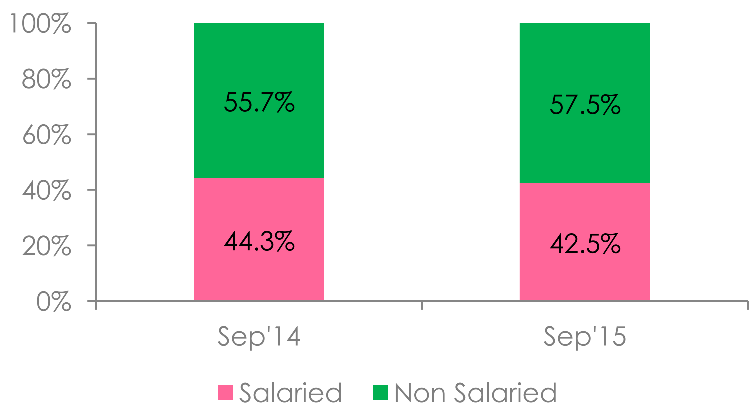
Sanctions and disbursements



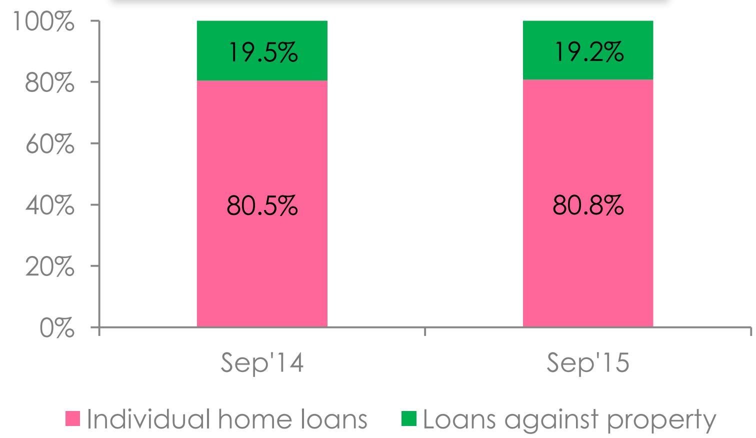
Loan Book



Loan book composition



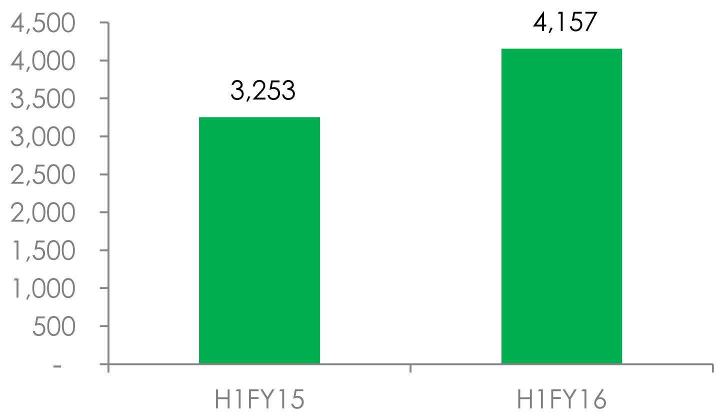
Mix of loan portfolio



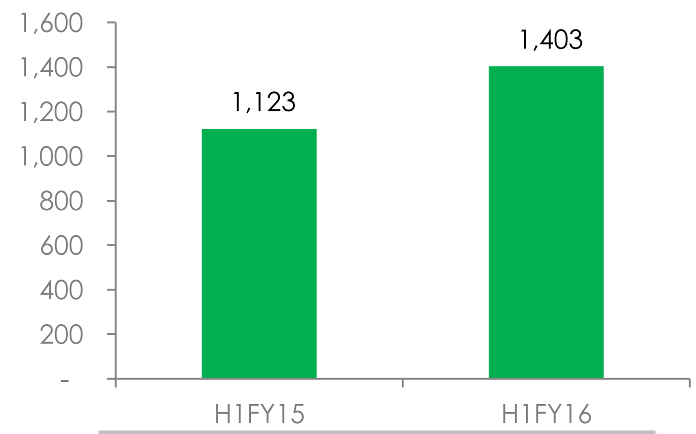
Driving robust income and earnings growth

Figures in Rs million

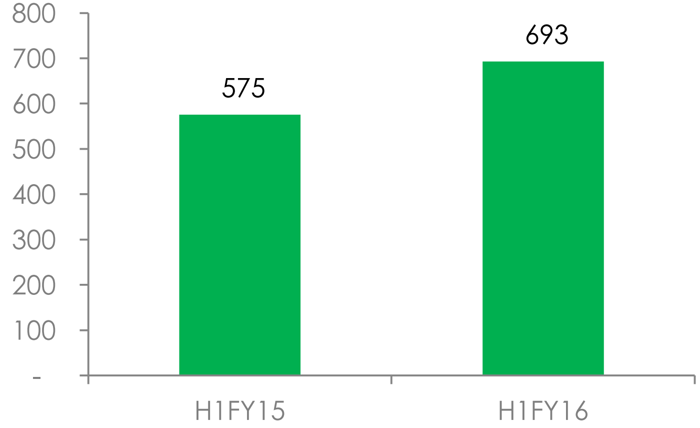
Income from operations



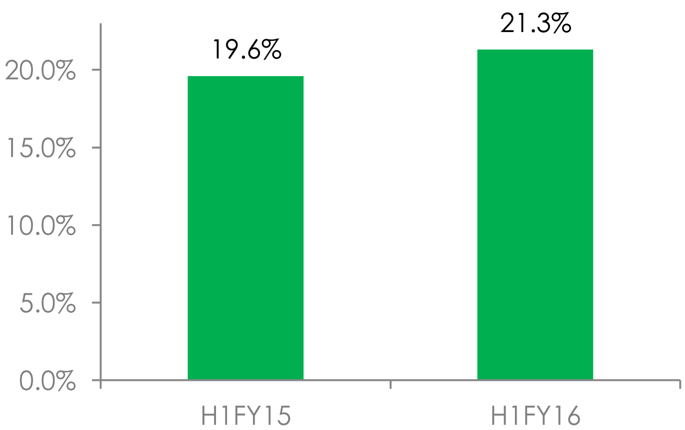
Net interest income



Net profit

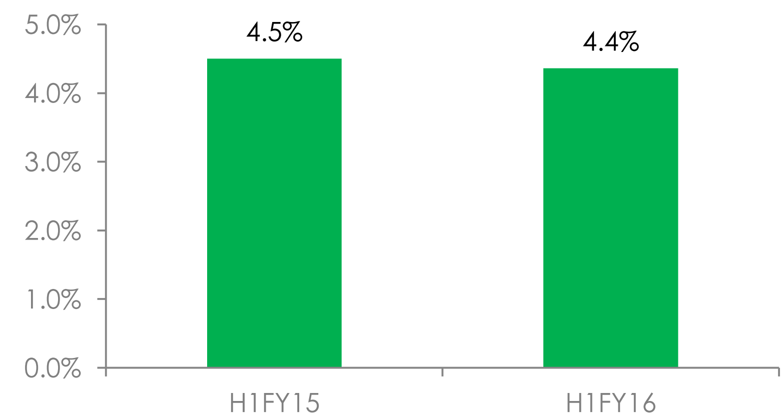


Cost to income ratio

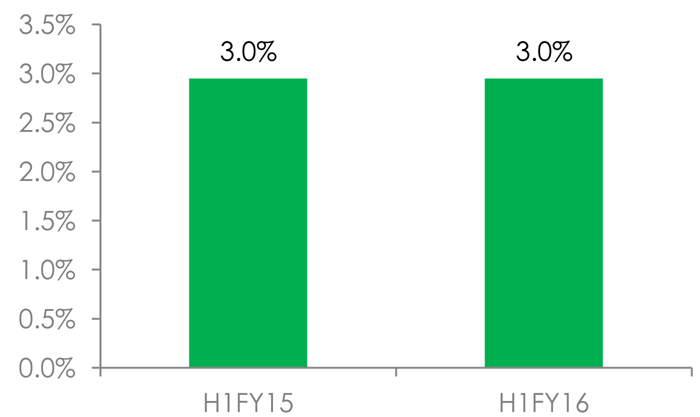


And steady profitability ratios

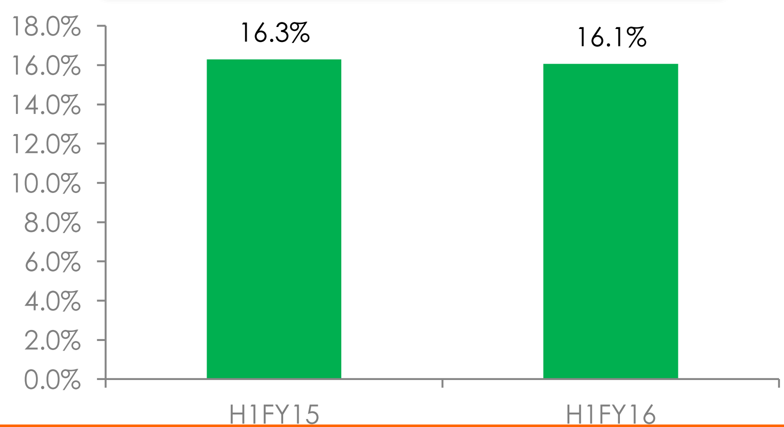
Net interest margin



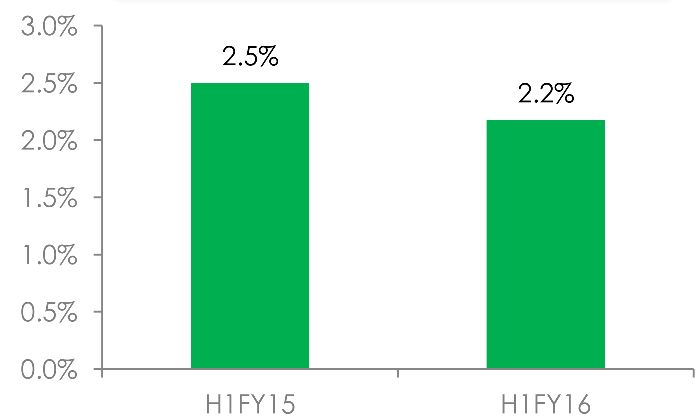
Spread



Return on average net worth (TTM)



Return on assets (TTM)



Increased focus on asset quality & provisioning

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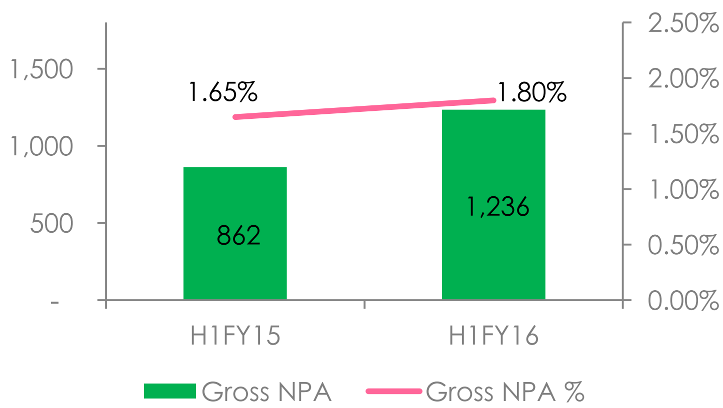
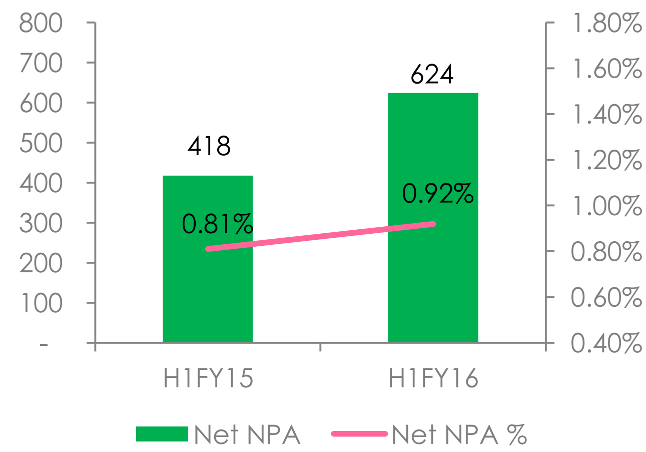
Figures in Rs Million

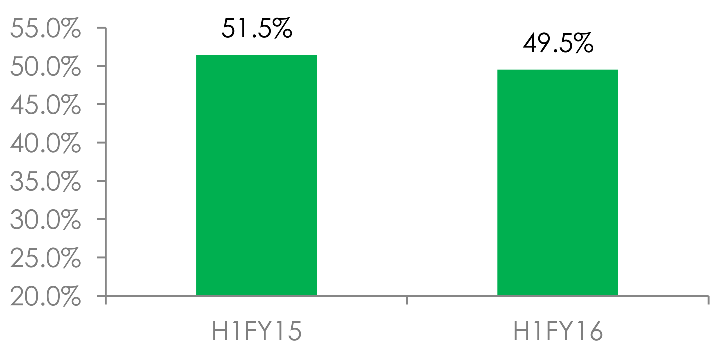
Gross NPA



Net NPA

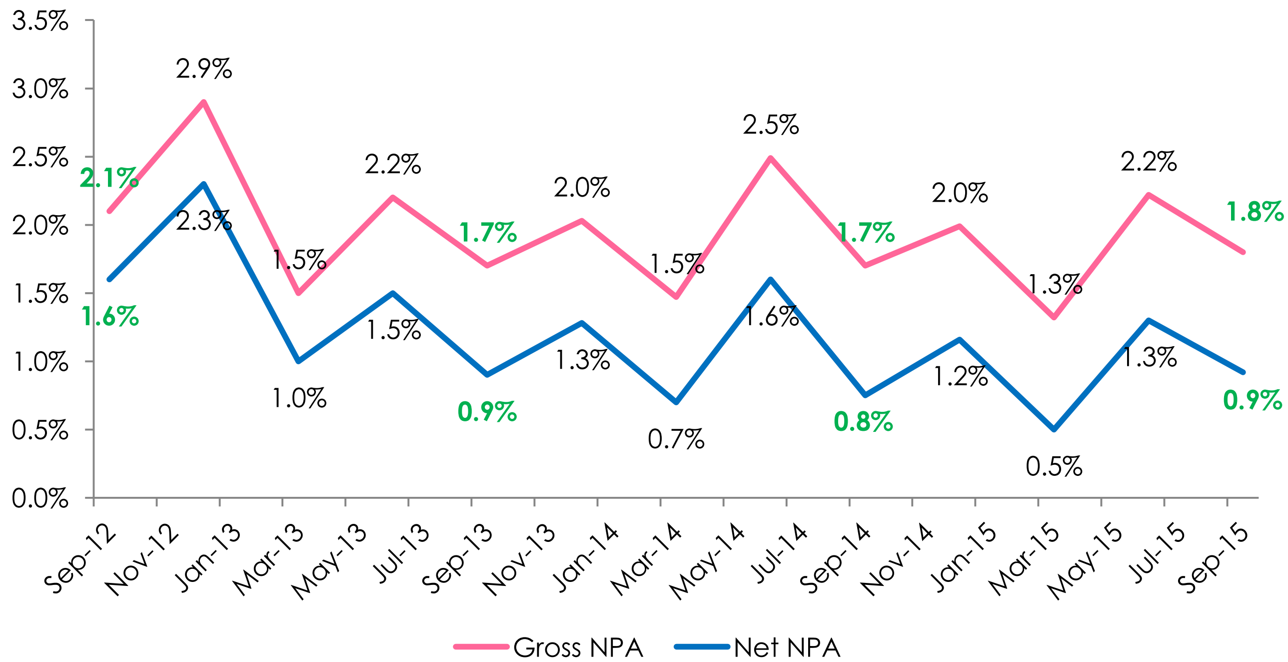


Provision coverage ratio



Sustainable improvement in asset quality

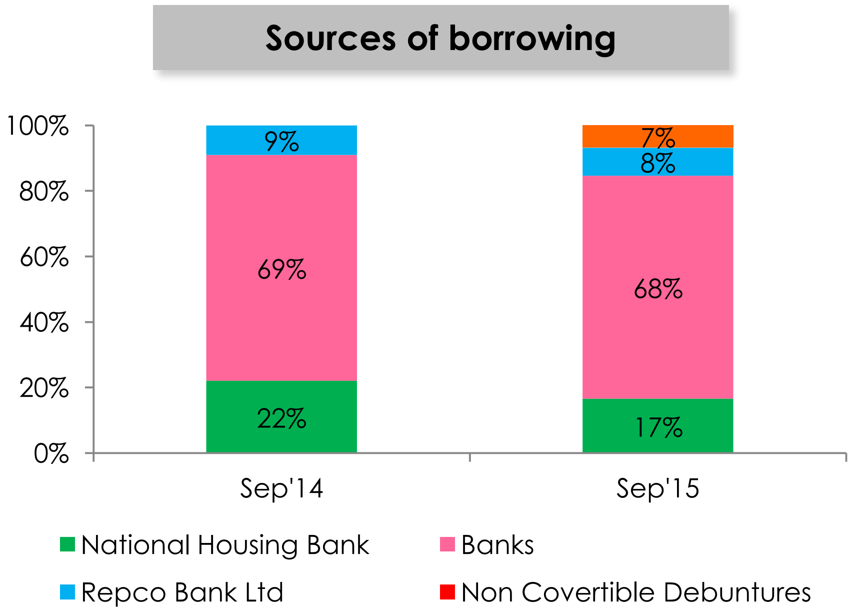
Movement in NPAs



- Owing to seasonality, Q1 & Q3 GNPAs are generally higher than Q2 & Q4 GNPAs.

Diversified source of funding

Figures in Rs million

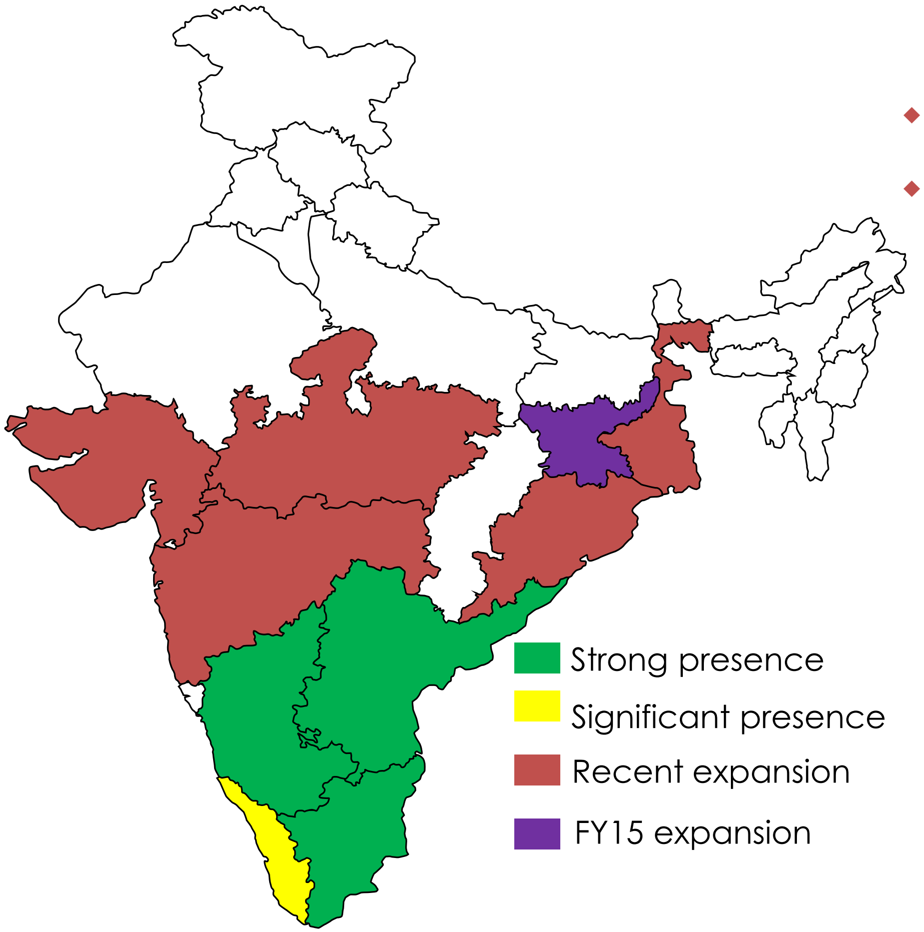


Sources (as on Sep 30, 2015)	Amount
National housing Bank	9,693
Repco Bank	4,973
Commercial Banks	39,874
NCDs	4,000
CPs	0
Total	**58,540**

1. Commercial papers will offset Repco Bank borrowings to some extent
2. Company has made good use of intra-quarter commercial paper borrowings at sub-8% discount rates
3. In a falling interest rate scenario, NCDs will dominate incremental borrowings (constrained by approved NCD borrowing limits)

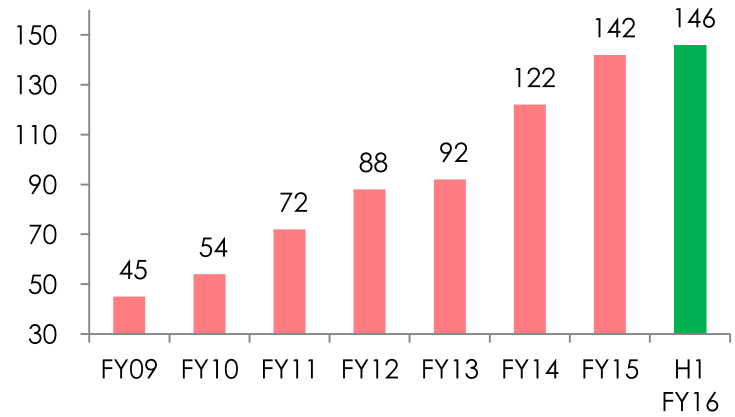
Geographic Presence

Expanding footprint

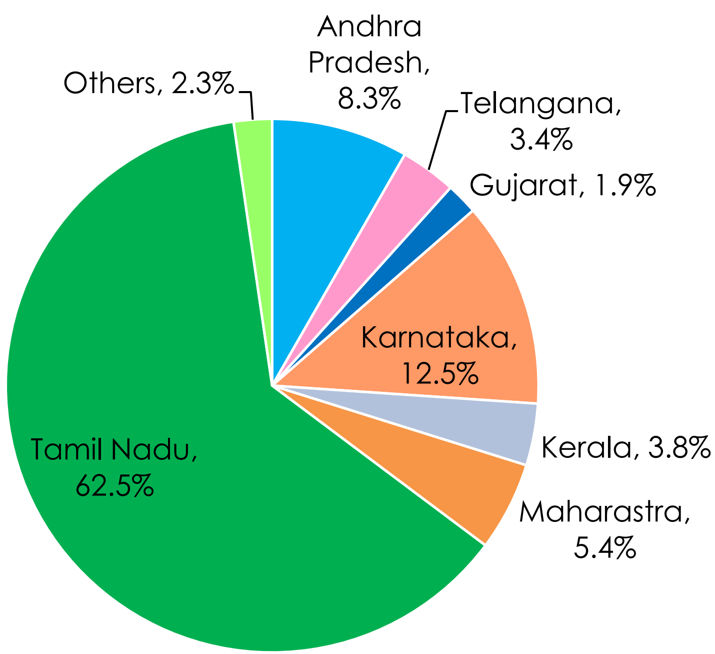


- Presence in 11 states and 1 Union Territory with 108 branches and 38 satellite centres
- Ventured into Jharkhand in FY15
- Presence beyond South: branches in West Bengal, Orissa, Maharashtra, Gujarat, Madhya Pradesh and Jharkhand

Network Expansion



Region-wise loan book

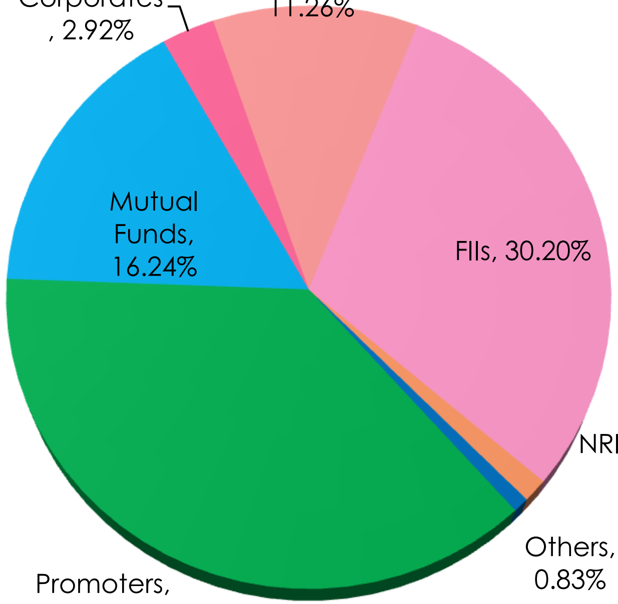


Key States	Sep'14	Sep'15
Andhra Pradesh & Telangana	12.3%	11.7%
Gujarat	1.0%	1.9%
Karnataka	11.9%	12.5%
Kerala	3.7%	3.8%
Maharastra	5.1%	5.4%
Tamil Nadu	64.0%	62.5%

Annexure

Shareholding pattern

Outstanding shares – 62.37 mn



Major Non-Promoter Shareholders	% shareholding
Parvest Equity India	3.81%
India Capital Fund Limited	3.09%
Goldman Sachs India Fund Limited	2.57%
Franklin Templeton Indiaprima Fund	2.09%
Nomura India Investment Fund Mother Fund	1.99%
Smallcap World Fund, Inc	1.88%
TVF Fund Ltd	1.75%
Wasatch Emerging Markets Small Cap Fund	1.47%
DSP Blackrock Micro Cap Fund	1.39%
GMO Emerging Domestic Opportunities Fund	1.35%
Franklin India Smaller Companies Fund	1.34%
SBI Magnum Global Fund	1.12%
Alliance Bernstein India Growth Fund	1.01%

Profit and loss statement

Repco Home Finance Limited

(Rs. million)	Q2 FY16	Q2 FY15	YoY (%)	Q1 FY16	QOQ (%)	H1 FY16	H1 FY15	YoY (%)
Income:								
Revenue from operations	2,156	1,692	27%	2,000	8%	4157	3253	28%
Other Income	7	5	0	1	877%	8	6	42%
Total Income	**2,164**	**1,697**	**27%**	**2,001**	**8%**	**4,165**	**3,258**	**28%**
Expenses:								
Interest and other Financial Charges	1,344	1,054	28%	1,271	6%	2615	2030	29%
Employee benefit expense	114	77	49%	101	13%	215	145	49%
Depreciation and amortization expense	10	7	38%	10	-7%	20	12	62%
Other expenses	51	44	16%	43	21%	94	83	13%
Provision for Non-Performing Assets	16	0	100%	102	-84%	119	91	31%
Contingency Provisions against Standard Assets	30	17	80%	11	187%	41	24	68%
Provision for diminution in value of Investments	0	0	0%	0	0%	0	0	0%
Bad-Debts Written Off	1	0	235%	0	0%	1	0	235%
Total Expenses	**1,567**	**1,199**	**31%**	**1,538**	**2%**	**3,105**	**2,385**	**30%**
Profit before tax	597	498	20%	463	29%	**1060**	**873**	**21%**
Tax expense:								
Current tax	188	141	33%	169	12%	356	269	32%
Deferred Tax	19	30	-37%	-8	-341%	11	28	-61%
Net Profit	**390**	**327**	**19%**	**302**	**29%**	**693**	**575**	**20%**

Balance sheet

Repco Home Finance Limited

(Rs. million)	As on Sep 30, 2015	As on Sepr 30, 2014
EQUITY AND LIABILITIES:		
Shareholder's Funds	**8,857**	**7,531**
Share Capital	624	622
Reserves and Surplus	8,233	6,910
Non-Current Liabilities	**46,520**	**32,702**
Long-term borrowings	45,242	31,738
Deferred Tax Liabilities (Net)	354	291
Long term provisions	924	673
Current Liabilities	**13,806**	**12,751**
Short-term borrowings	5,623	5,948
Other current liabilities	8,150	6,761
Short-term provisions	32	42
Total	**69,182**	**52,984**
ASSETS:		
Non-current assets	**64,316**	**49,202**
Fixed assets		
Tangible assets	74	58
Intangible assets	17	3
Non-current investments	124	124
Deferred tax assets (net)	0	0
Long term loans and advances	64,102	49,018
Current assets	**4,866**	**3,782**
Cash and Bank Balances	190	220
Short-term loans and advances	4,512	3,436
Other current assets	163	126
Total	**69,182**	**52,984**

Key metrics

Particulars	Units	Sep'15	Sep'14	Mar'15
Outstanding Loan Book	Rs. Mn	68,488	52,380	60,129
Networth	Rs. Mn	8,840	7,529	8,057
Borrowings	Rs. Mn	58,540	43,872	51,044
Gearing	x	6.6	5.8	6.3
Earning per share	Rs.	22.2	18.5	19.8
Book value per share	Rs.	141.7	121.1	129.2
Yield on assets	%	12.50%	12.74%	12.54%
Cost of funds	%	9.55%	9.79%	9.59%
Spread	%	2.95%	2.95%	2.95%
Gross NPA	%	1.80%	1.65%	1.32%
Net NPA	%	0.92%	0.81%	0.50%
Credit Cost	%	0.50%	0.46%	0.38%
Loan Book Composition:				
Salaried	%	42.5%	44.3%	43.2%
Non-Salaried	%	57.5%	55.7%	56.8%
Home Loans	%	80.8%	80.5%	80.8%
Loans against property	%	19.2%	19.5%	19.2%

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