



**JM Financial Limited**

Q4 FY14 Consolidated Performance

*May 2014*

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## I : Key features

## Key features of Q4 FY14 Consolidated Financial performance



Gross revenue ₹ 255 Cr (q-q ₹ 222 Cr, y-y ₹ 278 Cr)



Earning before Interest and Tax (EBIT) at ₹ 75 Cr (q-q ₹ 66 Cr, y-y ₹ 81 Cr)



Profit after tax ₹ 59 Cr (q-q ₹ 44 Cr, y-y ₹ 70 Cr)



PAT Margin at 23.3 % (q-q 19.9%, y-y 25.1%)



Net Interest Margin at 6.9 % (q-q 6.8%, y-y 4.9%)



Earning Per Share stood at ₹ 0.79 (q-q 0.59, y-y 0.93) (not annualised)



Consolidated group annualised RoE at 11.7%

## Key features of FY14 Consolidated Financial performance



Gross revenue ₹ 1,007 Cr (₹ 1,042 Cr) ↓ 3 %



Earning before Interest and Tax (EBIT) at ₹ 295 Cr (₹ 266 Cr) ↑ 11 %



Profit after Tax ₹ 210 Cr (₹ 183 Cr) ↑ 15 %



PAT margin at 20.8% (17.6%)



Net Interest Margin at 6.2 % ( 4.3 %)



Earning Per Share stood at ₹ 2.78 (₹ 2.44)



Consolidated group annualised RoE at 10.3%

## Key features of Q4FY14 and FY14 Consolidated Financial performance



Loan book on 31 Mar 2014 at ₹ 2,978 Cr ; treasury book for fixed income securities at ₹ 534 Cr



Wealth Management AUM on 31 Mar 2014 at ₹13,500 Cr



Dropping Cash market volumes continue to put brokerage yield under pressure



Asset Reconstruction AUM on 31 Mar 2014 at ₹ 3,647 Cr



Alternate Asset management AUM on 31 March 2014 at ₹ 1,188 Cr



Asset management Average AUM for Q4 FY14 at ₹ 6,046 Cr

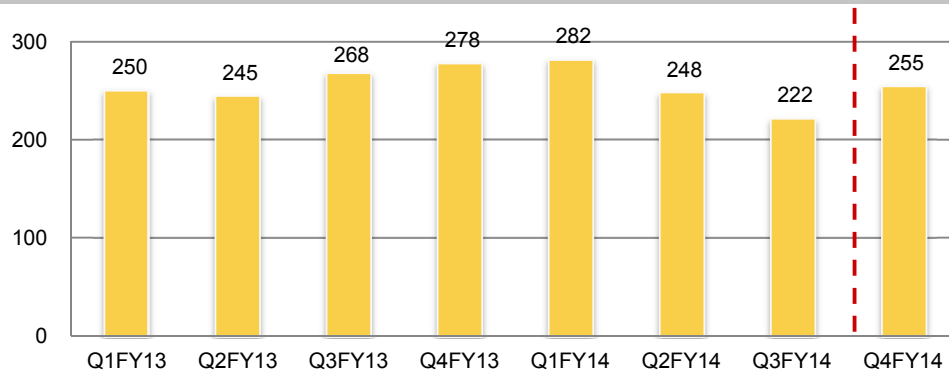
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## II : Quarterly performance

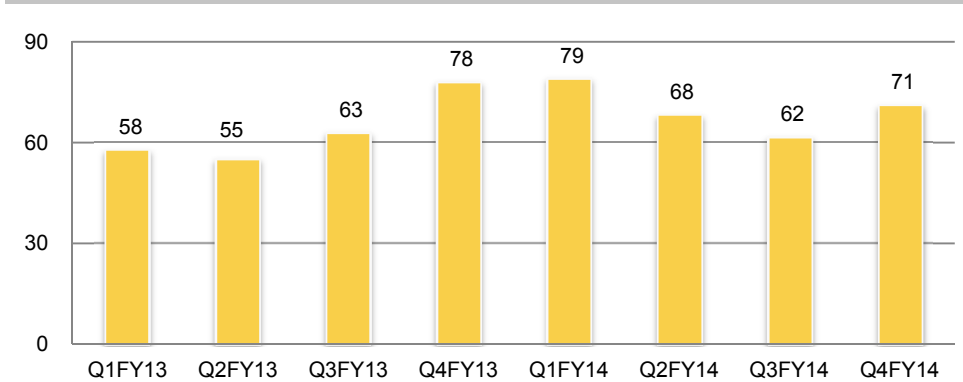
# Consolidated Financial Performance – Quarter by Quarter

## Snapshot

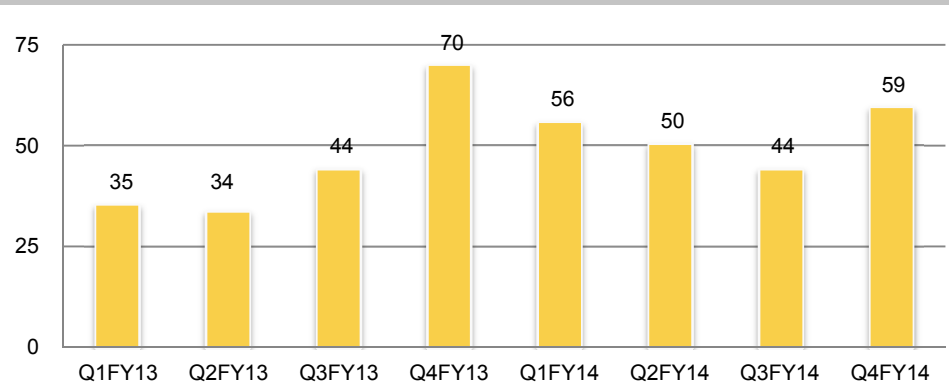
### Gross Revenue (₹ Crore)



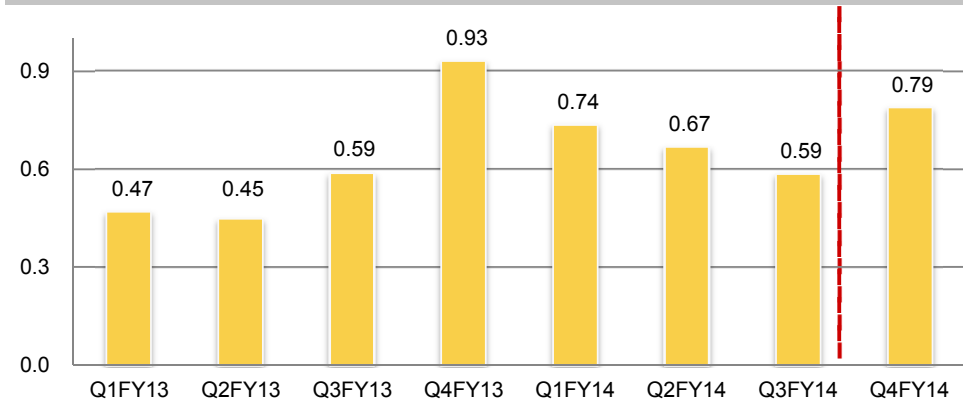
### Profit before tax (₹ Crore)



### Profit after tax (₹ Crore)



### EPS (₹) ( not annualised)



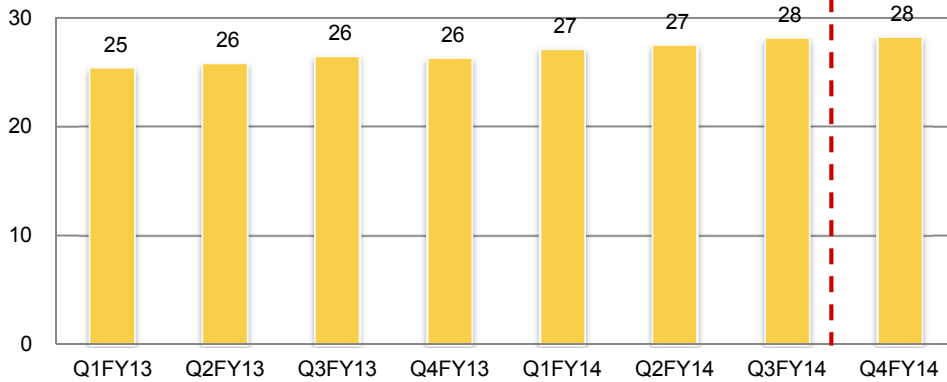
Net Worth as on March 31, 2014 was ₹ 2,092 Crore



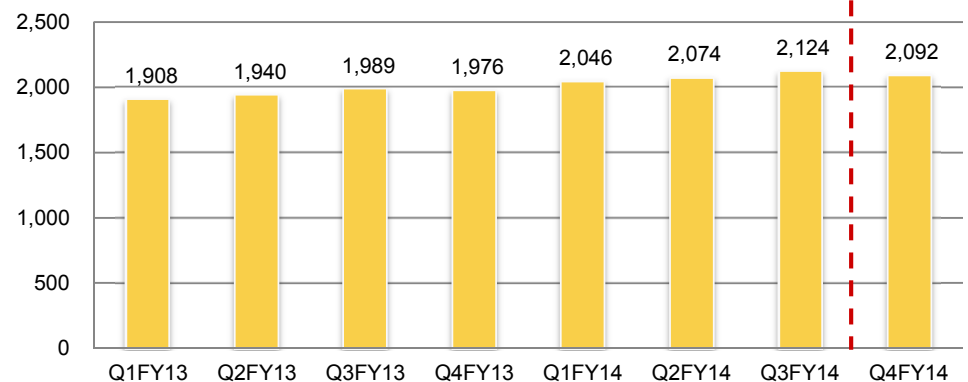
# Consolidated Financial Performance – Quarter by Quarter

Snapshot

Book Value Per Share (₹)



Net worth (₹ Cr)



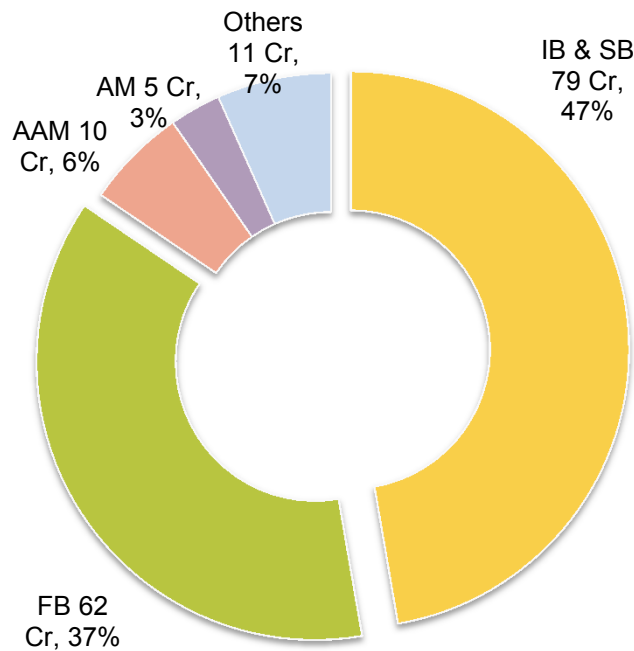
Net Worth as on March 31, 2014 was ₹ 2,092 Crore

## Results for Q4 FY14 (Consolidated )

₹ Cr	Q4 FY14	Q3 FY14	QoQ	Q4FY13	YoY
<b>Gross Revenue</b>	<b>255</b>	<b>222</b>	<b>15%</b>	<b>278</b>	<b>-8%</b>
Sub-brokerage	23	19	19%	21	5%
<b>Net Revenue</b>	<b>232</b>	<b>203</b>	<b>15%</b>	<b>257</b>	<b>-9%</b>
Employee cost	55	42	30%	51	7%
Operating cost	36	28	30%	27	36%
Finance cost	66	67	-1%	98	-32%
Depreciation	4	4	-2%	3	20%
<b>Profit before tax</b>	<b>71</b>	<b>62</b>	<b>15%</b>	<b>78</b>	<b>-9%</b>
<b>Profit after tax</b>	<b>52</b>	<b>43</b>	<b>20%</b>	<b>57</b>	<b>-9%</b>
Minority interest / Associate	7	1	740%	13	-42%
<b>Net Consolidated profit</b>	<b>59</b>	<b>44</b>	<b>35%</b>	<b>70</b>	<b>-15%</b>

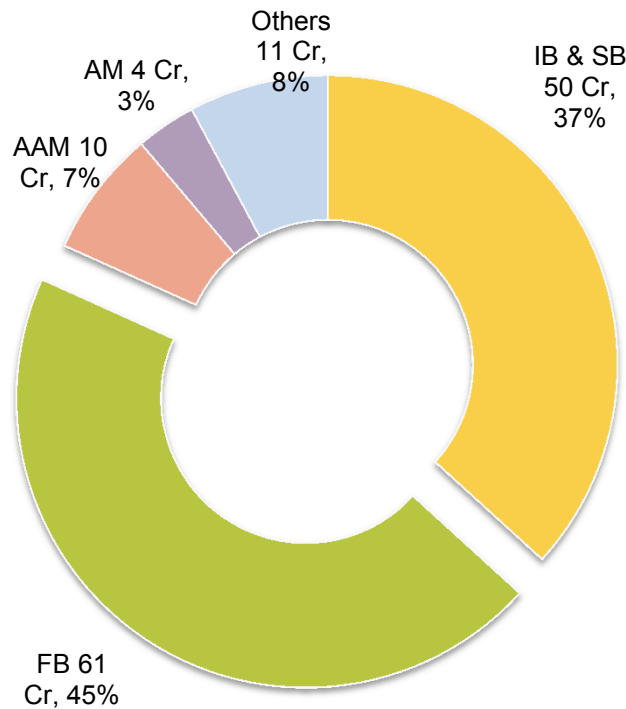
# Segments–Net Revenue breakup (net of sub brokerage & finance cost)

**Q4 FY14**



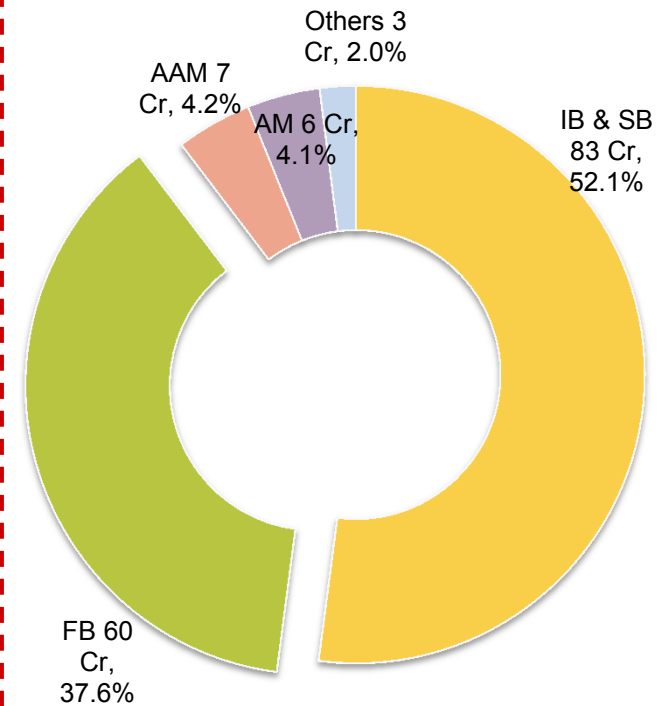
₹ 167 Crore

**Q3 FY14**



₹ 136 Crore

**Q4 FY13**

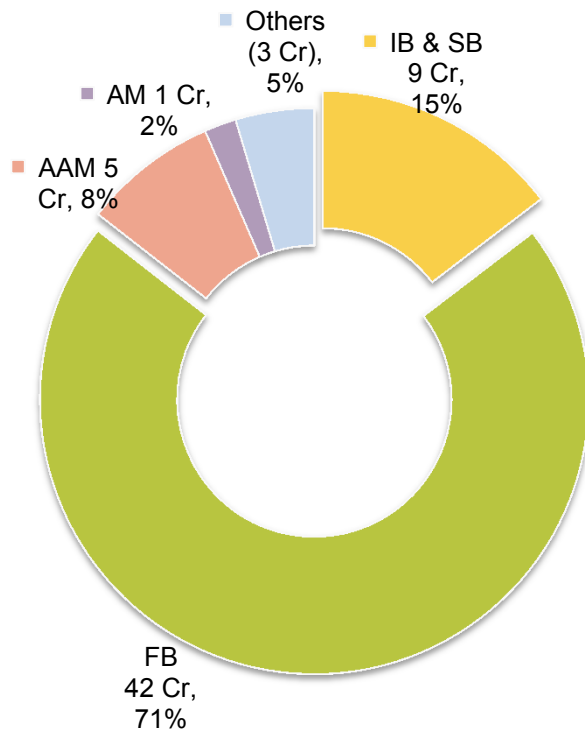


₹ 159 Crore

IB & SB - Investment banking and securities business, FB - Fund based activities, AAM - Alternative asset management, AM - Asset management

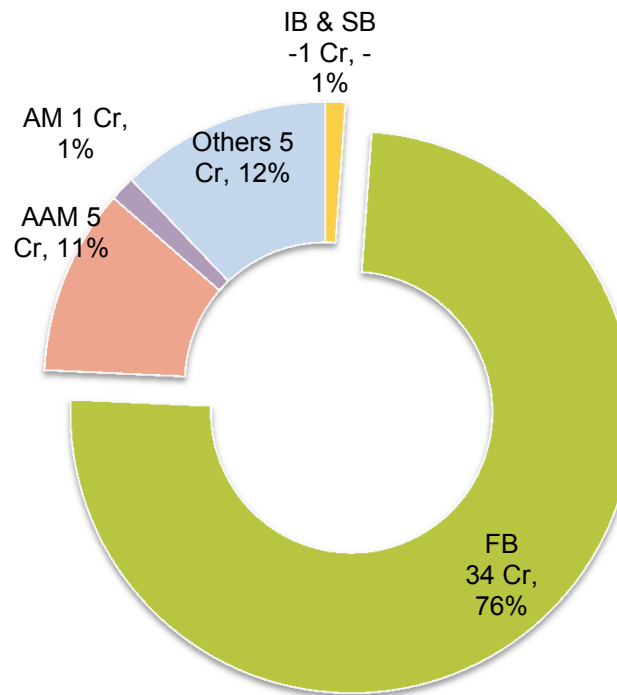
## Segments – Profit after tax breakup

Q4 FY14



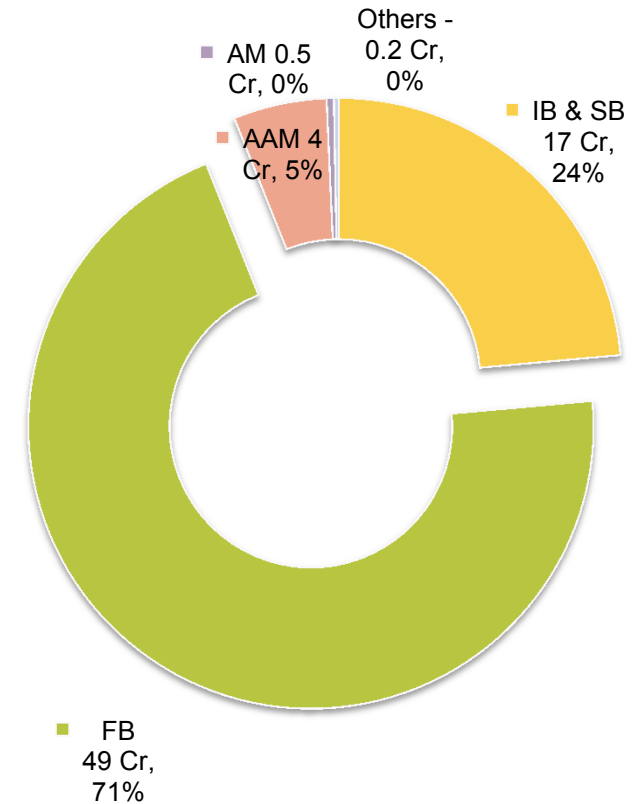
₹ 59 Crore

Q3 FY14



₹ 44 Crore

Q4 FY13



₹ 70 Crore

IB & SB - Investment banking and securities business, FB - Fund based activities, AAM - Alternative asset management, AM - Asset management

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## III : Annual performance

## Year ended results for Mar' 14 (Consolidated)

₹ Cr	FY14	FY13	YoY
<b>Gross Revenue</b>	<b>1,007</b>	<b>1,042</b>	<b>-3%</b>
Sub-brokerage	80	100	-20%
<b>Net Revenue</b>	<b>926</b>	<b>942</b>	<b>-2%</b>
Employee cost	203	198	3%
Operating cost	120	101	19%
Finance cost	308	377	-18%
Depreciation	15	12	25%
<b>Profit before tax</b>	<b>280</b>	<b>254</b>	<b>10%</b>
<b>Profit after tax</b>	<b>200</b>	<b>179</b>	<b>12%</b>
Minority interest / Associate	9	4	138%
<b>Net Consolidated profit</b>	<b>210</b>	<b>183</b>	<b>15%</b>

## Balance Sheet Highlights

✓ Net worth on 31 March 2014 ₹ 2,092 Cr (March 2013 ₹ 1,976 Cr)

✓ Borrowings on 31 March 2014 ₹ 2,987 Cr ( March 2013 ₹ 4,196 Cr)

✓ Debt Equity : Gross Gearing - 1.4x, Net Gearing – 0.9x

✓ Balance sheet size on 31 March 2014 ₹ 5,825 Cr (March 2013 ₹ 6,853 Cr)

✓ Loan book on 31 March 2014 ₹ 2,978 Cr (March 2013 ₹ 3,005 Cr)

✓ Treasury funds on 31 March 2014 ₹ 974 Cr

✓ Short term rating by CRISIL A1+ ; long- term rating of CRISIL AA- with stable outlook

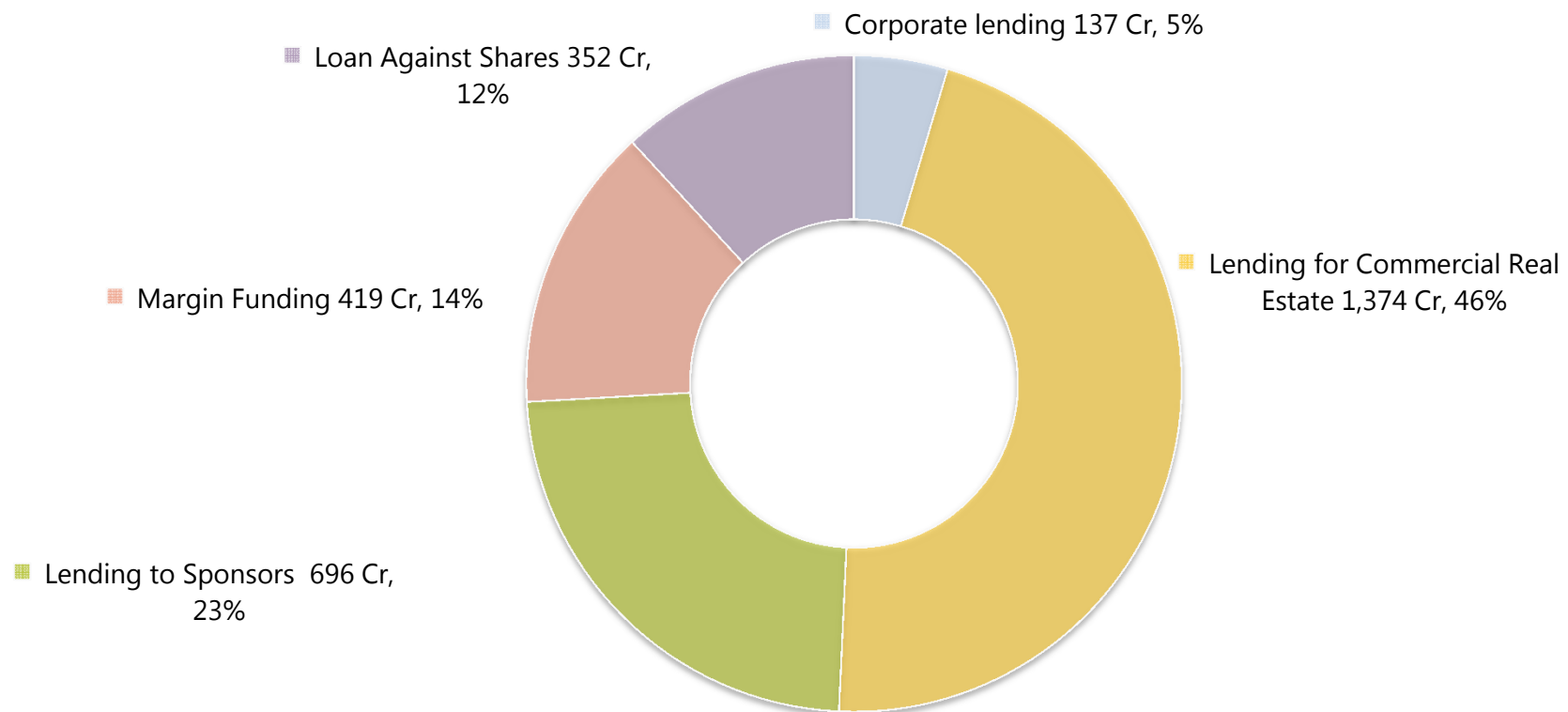
## Summary Balance Sheet

Rs Cr	As at March 31, 2014	As at March 31, 2013
<b>Equity and Liabilities</b>		
Shareholders' Funds	2,092	1,976
Minority Interest	165	150
Borrowings	2,987	4,196
<b>TOTAL</b>	<b>5,244</b>	<b>6,322</b>
<b>Assets</b>		
Loan book	2,978	3,005
Investment and Treasury fund	1,469	1,987
Arbitrage and trading book	534	1,100
Other net assets	263	230
<b>TOTAL</b>	<b>5,244</b>	<b>6,322</b>



## Lending portfolio

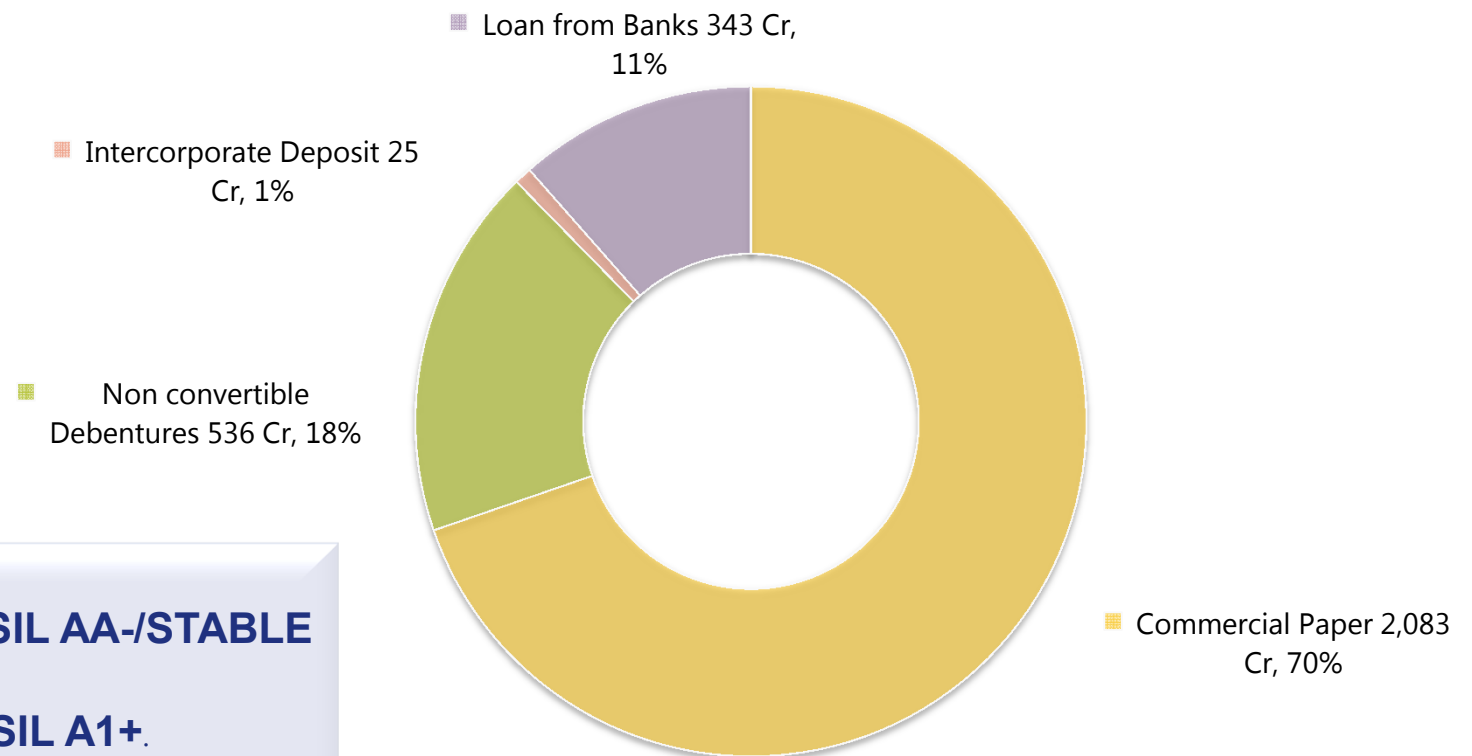
### Break-up of Loan book (%)



**As on March 31, 2014, the Loan book stood at Rs.2,978 Crores**

# Borrowing breakup

## Sources of Funds (%)



Long term debt ratings: **CRISIL AA-/STABLE**

Short term debt ratings: **CRISIL A1+**

**As on March 31, 2014, the total borrowing was Rs.2,987 Crores**

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## IV : Business performance

## Investment banking

### Snapshot



Acted as book running lead manager to the Rs. 1,993 Crore Tata Power rights issue



Engaged as part of the team for Rs.5,449 Crore block trade for a partial exit by SUUTI (Specified Undertaking of the Unit Trust of India) in Axis Bank.



The Monetary Authority of Singapore (MAS) has issued the Capital Markets Services (CMS) licence to JM Financial Singapore Pte Ltd. in January 2014.



Singapore office continues to generate traction, JM Financial Singapore acted as the financial advisor to Boston based Foliage Inc on its sale to French company Altran SA

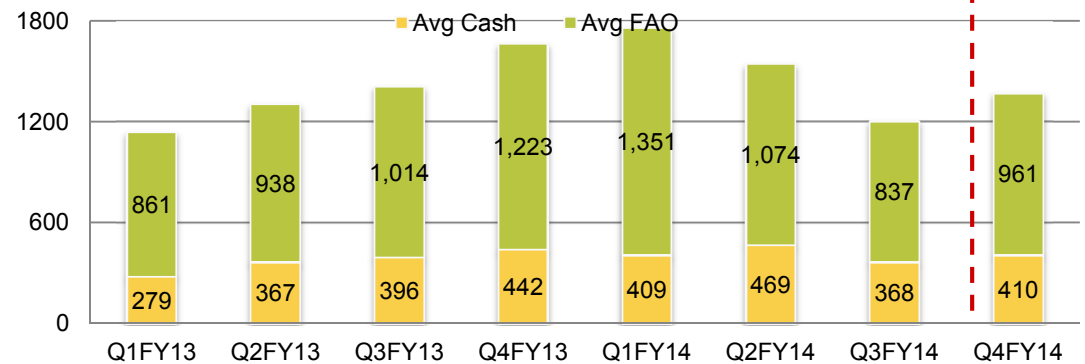
# Equities broking and Wealth advisory Highlights

Snapshot

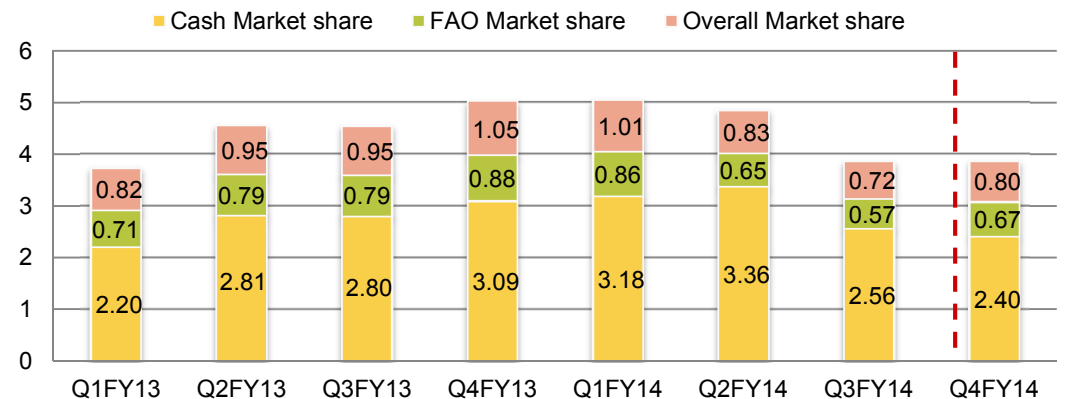
Despite equity market upsurge, retail participation still low

- Average daily turnover at ₹ 1,370 Cr in Q4FY14
- Market share on NSE at 0.80% in Q4FY14
- Stocks under research coverage - 176
- Wealth management AUM over ₹ 13,400 Cr
- Over 8,000 active IFDs
- Presence in 116 cities

Average daily turnover (₹Cr)



Equity market share on NSE (%)



## Fund based activities - Quarterly



Income at ₹ 129 Cr (q-q ₹ 126 Cr, y-y ₹ 146 Cr)



Profit before tax at ₹ 53 Cr (q-q ₹ 50 Cr, y-y ₹ 52 Cr)



Profit after tax at ₹ 36 Cr (q-q ₹ 33 Cr, y-y ₹ 36 Cr)



RoE (annualised) at 15.7%



Net Interest Income at ₹ 47 Cr.  
Net Interest Margin at 6.94 %



Capital Adequacy Ratio at 25.51%



Provision Coverage Ratio at 48%.



Provision Coverage Ratio including standard asset provision at 299 %



Borrowings stood at 2,946 Cr



Gross Gearing - 3.0x,  
Net Gearing – 2.6x

## Fund based activities - Yearly



Income at ₹ 529 Cr (₹ 552 Cr) ↓ 4 %



Profit before tax at ₹ 202 Cr (₹ 183 Cr)  
↑ 11 %



Profit after tax at ₹ 135 Cr (₹ 126 Cr)  
↑ 7%



RoE (annualised) at 14.7%



Loan book as on 31<sup>st</sup> Mar 2014  
₹ 2,978 Cr.



Treasury book for fixed income securities ₹ 534 Cr.



Net Interest Income at ₹ 176 Cr.  
Net Interest Margin at 6.21%



Gross NPA at 0.4 % , Net NPA at 0.2 %



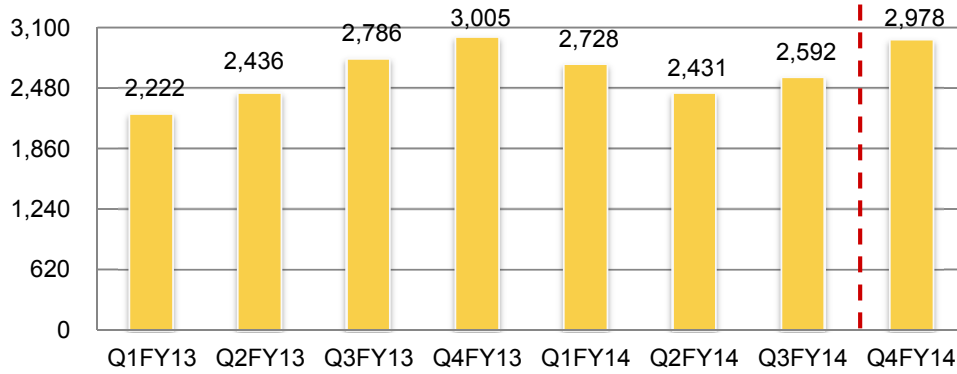
Net worth as on 31<sup>st</sup> Mar 2014 ₹ 975 Cr



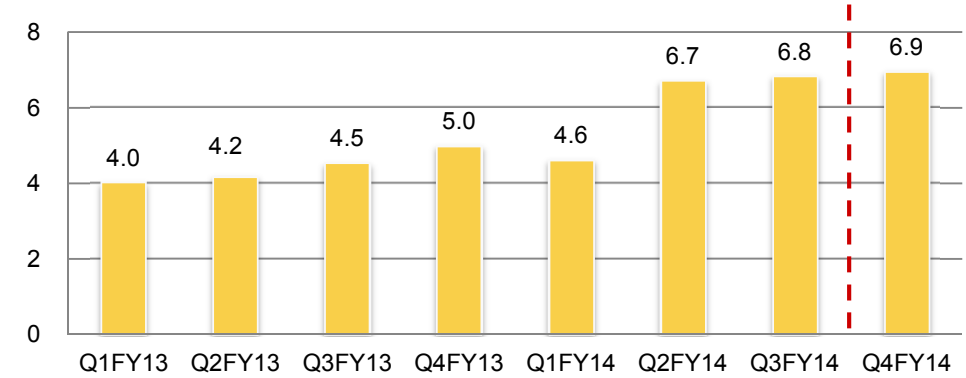
Real Estate exposure ₹ 1,374 Cr

## Highlights - Fund based activities

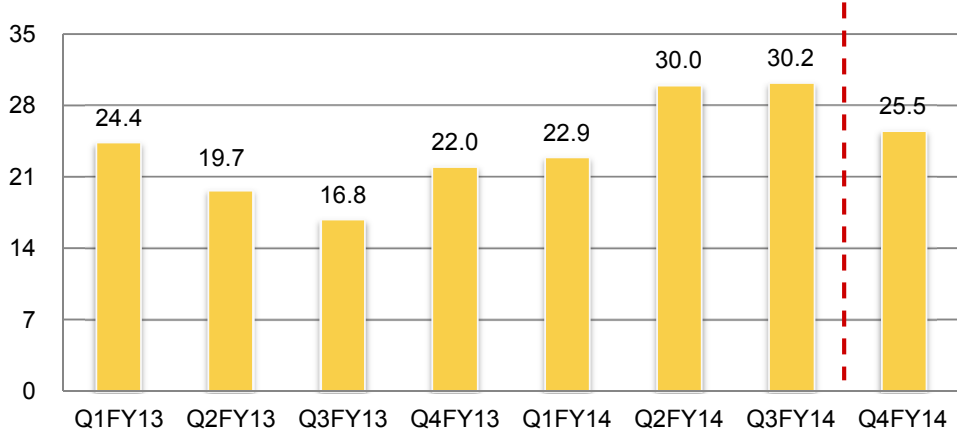
**Loan book**  
(₹Cr)



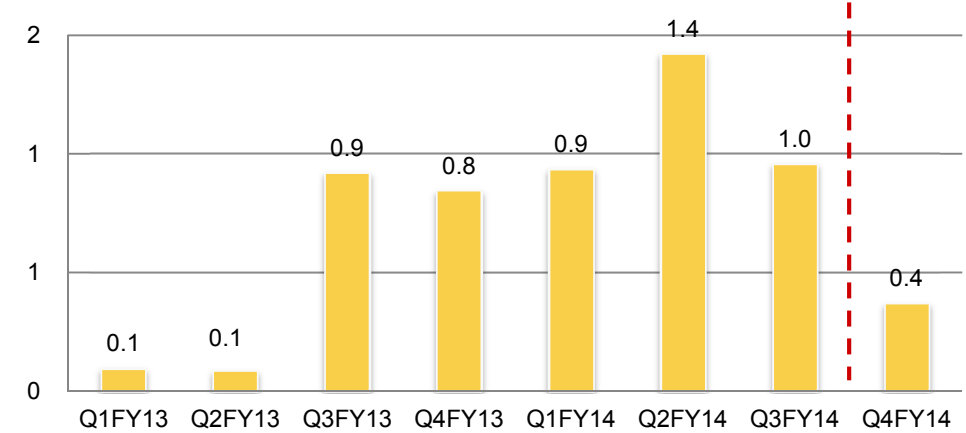
**Net Interest Margin**  
(%)



**Capital Adequacy Ratio**  
(%)



**Gross NPA**  
(%)





## Asset Reconstruction



AUM at ₹ 3,647 Cr



JM ARC share in total AUM at ₹ 584 Cr



Assets acquired during the quarter at ₹ 2,497 Cr



JM ARC share in acquisition during the quarter at ₹ 224 Cr



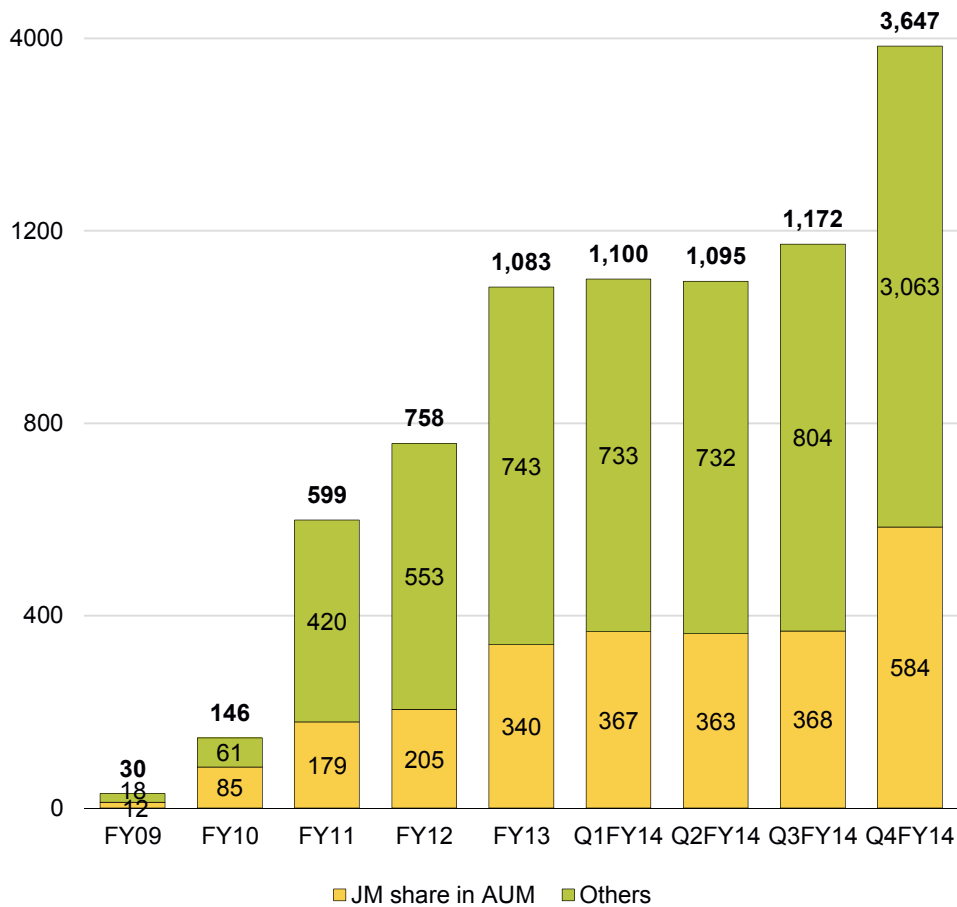
Assets Redeemed during the quarter at ₹ 22 Cr



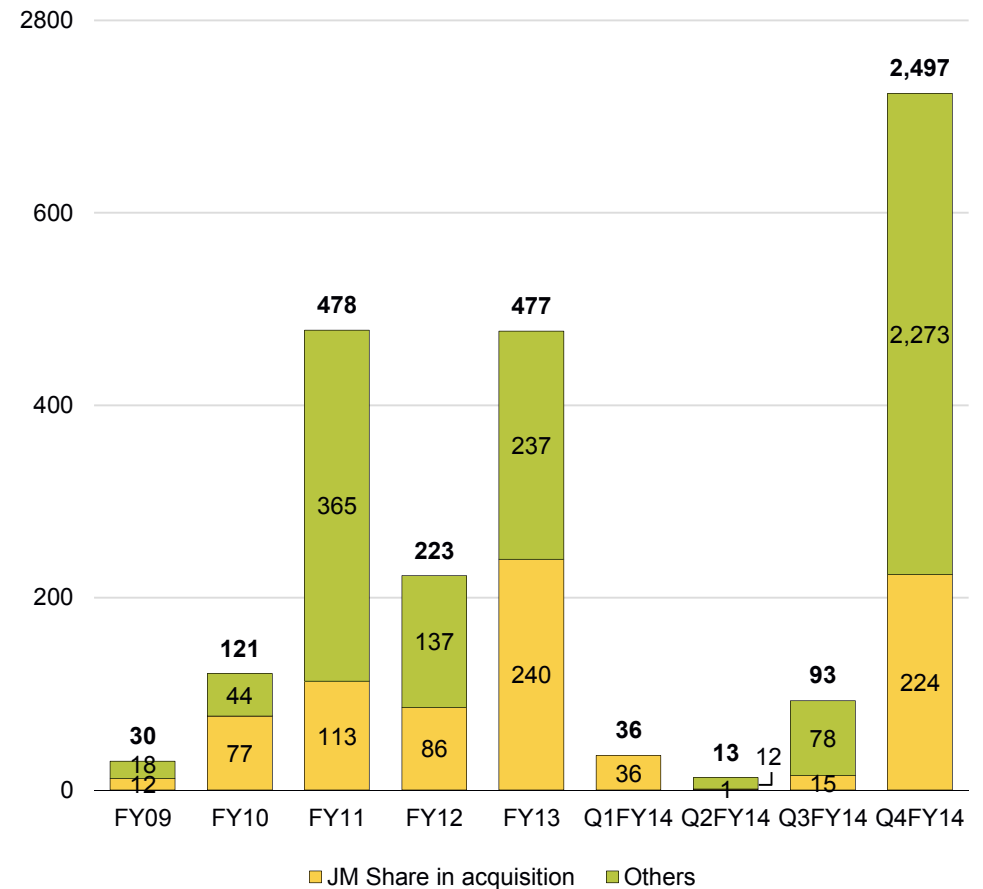
JM ARC share in redemption during the quarter at ₹ 8 Cr

# Asset Reconstruction

AUM (₹ Cr)



Asset acquired during the period (₹ Cr)



## Alternative Asset Management

### Private Equity

- AUM ₹ 855 Cr.
- No. of investments: 15
- No. of Exits: 5
- Fully drawn down & invested

### Real Estate

- AUM ₹ 333 Cr
- No. of investments: 14
- No. of Exits: 1 full and 3 part
- Fully drawn down & invested

# Asset Management

## Mutual Fund

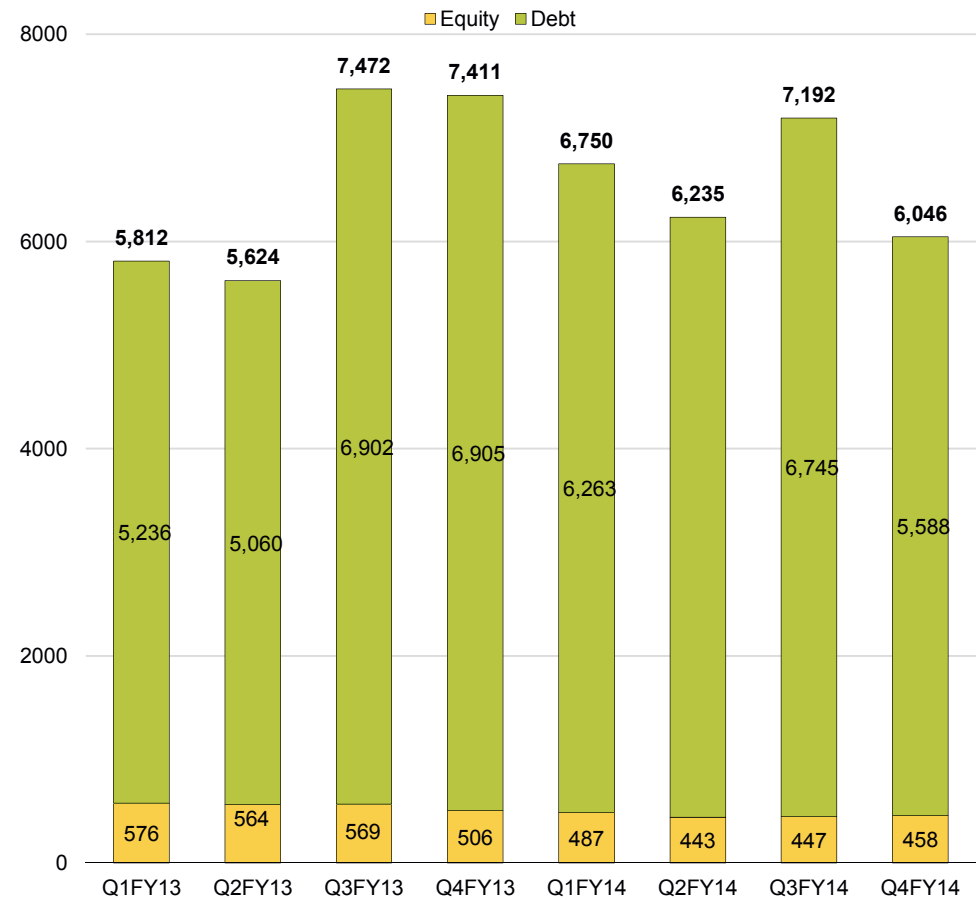
- Average AUM

Equity	458
Debt	5,588
<b>Total</b>	<b>6,046</b>

- Over 2 Lacs active investors

- Number of Scheme : 17

Average AUM  
(₹ in Cr)



# Thank You

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