



**JM Financial Limited**

Q4 FY15 Analyst Presentation

*May 2015*

## Table of Contents

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I : Key features

II : Quarterly performance

III : Balance sheet highlights

IV : Business performance

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## I : Key features

## Key features of Consolidated Financial performance

Loan book on March 2015 at ₹ 5,388 Cr ; (March 2014 at ₹ 2,979 Cr)  
treasury book for fixed income securities at ₹ 359 Cr (March 2014 at ₹ 534 Cr)

Average Daily Turnover in the secondary market at ₹ 3,047 Cr (March 2014 ₹ 1,371 Cr)

Wealth Management AUM on March 2015 at ₹ 17,383 Cr (March 2014 ₹ 13,500 Cr)

Asset Reconstruction AUM on March 2015 at ₹ 8,398 Cr (March 2014 ₹ 3,647 Cr)

Alternate Asset management AUM on March 2015 at ₹ 942 Cr (March 2014 ₹ 1,188 Cr)

Asset management Average AUM at ₹ 12,231 Cr (March 2014 ₹ 6,046 Cr)

## Key features of FY15 Consolidated Financial performance

Gross revenue ₹ 1,403 Cr (FY14 ₹ 1,006 Cr)

Profit before tax ₹ 517 Cr (FY14 ₹ 280 Cr)

Profit after tax ₹ 331 Cr (FY14 ₹ 210 Cr)

PAT Margin at 23.6 % (FY14 20.8 %)

Earning Per Share stood at ₹ 4.32 (FY14 2.78)

Consolidated group RoE at 14.6% (FY14 10.3%)

Book value stood at ₹ 31.10 (FY14 ₹ 27.69)

## Results for FY15 (Consolidated )

₹ Cr	FY15	FY14	YoY
<b>Gross Revenue</b>	<b>1,403</b>	<b>1,006</b>	<b>39%</b>
Sub-brokerage	97	80	21%
Employee cost	235	203	16%
Operating cost	115	120	-4%
Finance cost	420	308	37%
Depreciation	18	15	18%
<b>Profit before tax</b>	<b>517</b>	<b>280</b>	<b>85%</b>
<b>Profit after tax</b>	<b>361</b>	<b>200</b>	<b>80%</b>
Minority interest / Associate	30	9	
<b>Net Consolidated profit</b>	<b>331</b>	<b>209</b>	<b>58%</b>

## Segment performance

<b>Segment revenue</b>	<b>FY15</b>	<b>FY14</b>	<b>YoY</b>
Investment banking and securities business	522	408	28%
Fund based activities	806	529	52%
Alternative asset management	27	30	-10%
Asset management	47	27	76%
Others	139	117	19%
<b>Total Segment Revenue</b>	<b>1,542</b>	<b>1,110</b>	<b>39%</b>
Less: Inter - segmental revenue	139	104	33%
<b>Total Revenue</b>	<b>1,403</b>	<b>1,006</b>	<b>39%</b>
<b>Segment PAT</b>	<b>FY15</b>	<b>FY14</b>	<b>YoY</b>
Investment banking and securities business	85	43	98%
Fund based activities	217	142	52%
Alternative asset management	11	13	-18%
Asset management	10	3	232%
Others	8	8	7%
<b>Total</b>	<b>331</b>	<b>210</b>	<b>58%</b>

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## II : Quarterly performance



## Q4 FY15 Consolidated Financial performance

Gross revenue ₹ 393 Cr (Q3FY15 ₹ 367 Cr, Q4FY14 ₹ 255 Cr)

Profit before tax ₹ 158 Cr (Q3FY15 ₹ 137 Cr, Q4FY14 ₹ 71 Cr)

Profit after tax ₹ 93 Cr (Q3FY15 ₹ 87 Cr, Q4FY14 ₹ 59 Cr)

PAT Margin at 23.7 % (Q3FY15 23.7%, Q4FY14 23.3%)

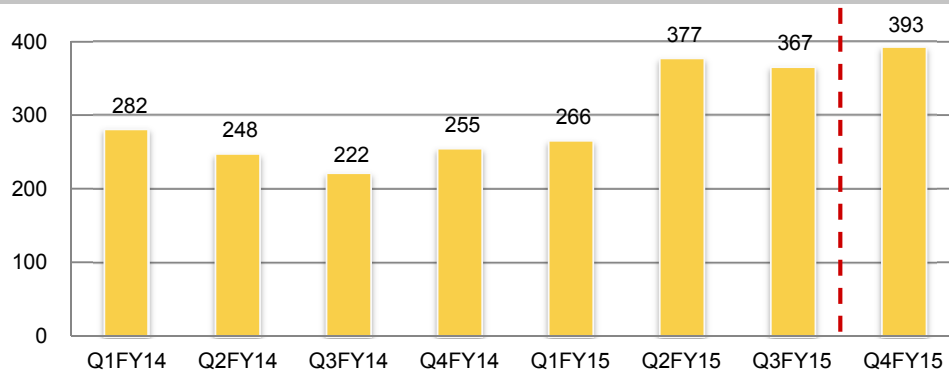
Earning Per Share stood at ₹ 1.21 (Q3FY15 1.14, Q4FY14 0.79) (not annualised)

Consolidated group annualised RoE at 16.2% (Q3FY15 15.3%, Q4FY14 11.7%)

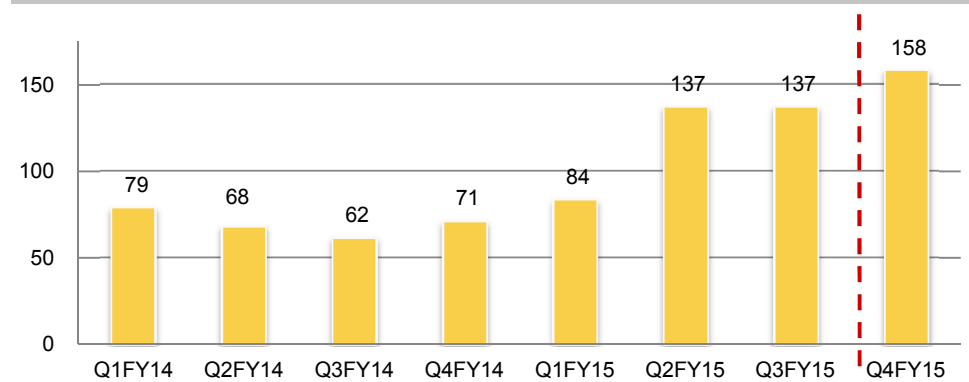
# Consolidated Financial Performance – Quarter by Quarter

## Snapshot

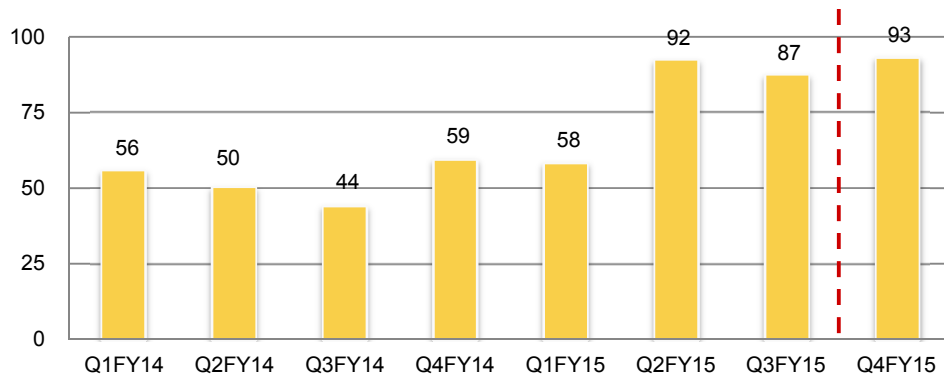
**Gross Revenue**  
(₹ Crore)



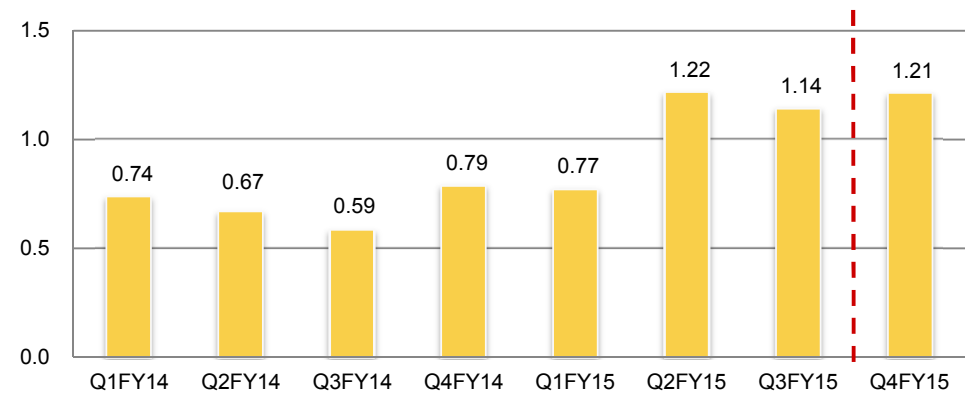
**Profit before tax**  
(₹ Crore)



**Net Consolidated Profit** (₹ Crore)



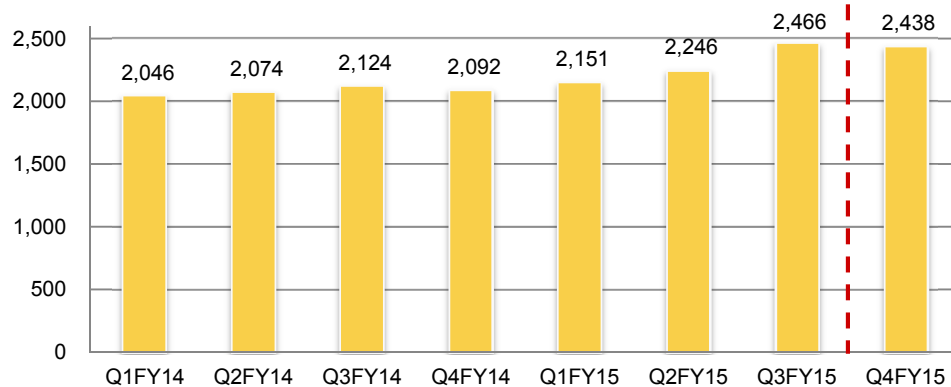
**EPS (₹) ( not annualised)**



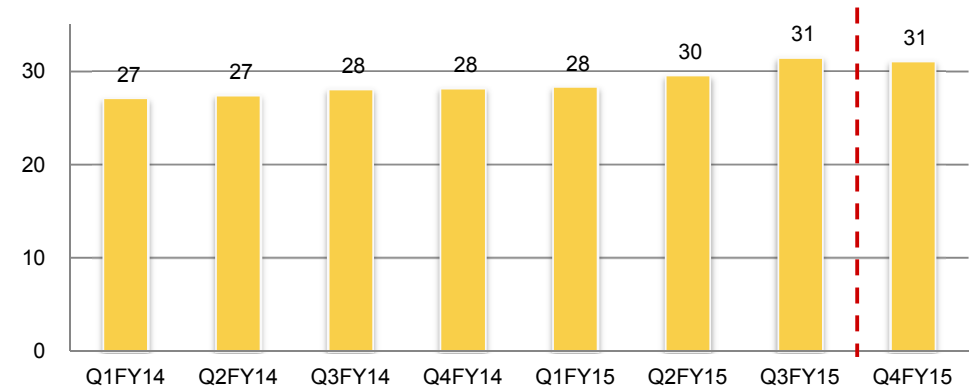
# Consolidated Financial Performance – Quarter by Quarter

## Snapshot

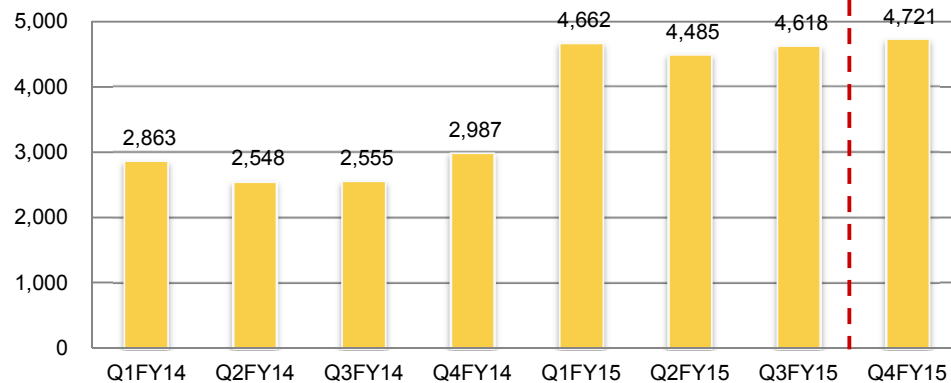
### Net worth (₹ Cr)



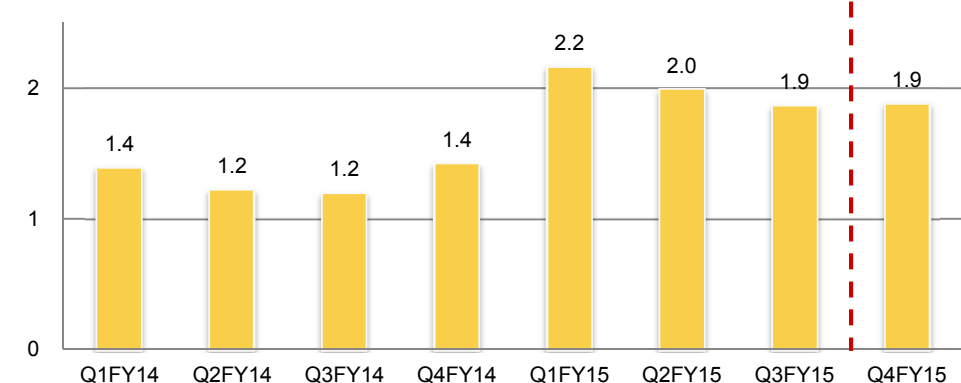
### Book Value Per Share (₹)



### Borrowings (₹ Cr)



### Debt Equity



## Results for Q4 FY15 (Consolidated )

₹ Cr	Q4 FY15	Q3 FY15	QoQ	Q4FY14	YoY
<b>Gross Revenue</b>	<b>393</b>	<b>367</b>	<b>7%</b>	<b>255</b>	<b>54%</b>
Sub-brokerage	25	23	13%	22	13%
<b>Net Revenue</b>	<b>367</b>	<b>344</b>	<b>7%</b>	<b>233</b>	<b>58%</b>
Employee cost	51	58	-12%	55	-7%
Operating cost	41	28	43%	36	11%
Finance cost	113	115	-2%	66	70%
Depreciation	4	5	-14%	4	5%
<b>Profit before tax</b>	<b>158</b>	<b>137</b>	<b>15%</b>	<b>71</b>	<b>123%</b>
<b>Profit after tax</b>	<b>107</b>	<b>98</b>	<b>9%</b>	<b>52</b>	<b>105%</b>
Minority interest / Associate	-14	-11	23%	7	
<b>Net Consolidated profit</b>	<b>93</b>	<b>87</b>	<b>7%</b>	<b>59</b>	<b>56%</b>

## Segment performance

Segment revenue	Q4 FY15	Q4 FY14	YoY	Q3 FY15	QoQ
Investment banking and securities business	131	109	21%	132	-1%
Fund based activities	245	129	90%	215	14%
Alternative asset management	8	10	-21%	5	46%
Asset management	13	7	84%	16	-17%
Others	18	16	17%	15	25%
<b>Total Segment Revenue</b>	<b>416</b>	<b>270</b>	<b>54%</b>	<b>383</b>	<b>9%</b>
Less: Inter - segmental revenue	23	15	50%	16	42%
<b>Total Revenue</b>	<b>393</b>	<b>255</b>	<b>54%</b>	<b>367</b>	<b>7%</b>
Segment PAT	Q4 FY15	Q4 FY14	YoY	Q3 FY15	QoQ
Investment banking and securities business	15	9	67%	25	-40%
Fund based activities	75	42	79%	53	42%
Alternative asset management	1	5	-80%	2	-50%
Asset management	1	1	0%	5	-80%
Others	1	3	-67%	1	0%
<b>Total</b>	<b>93</b>	<b>59</b>	<b>58%</b>	<b>87</b>	<b>7%</b>

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## III : Balance sheet highlights

## Balance Sheet Highlights

Net worth on March 2015 ₹ 2,438 Cr (March 2014 ₹ 2,092 Cr)

Borrowings on March 2015 ₹ 4,721 Cr (March 2014 ₹ 2,987 Cr)

Cash and cash equivalent on March 2015 ₹ 833 Cr (March 2014 ₹ 974 Cr)

Debt Equity : Gross Gearing - 1.9x, Net Gearing – 1.6x

Balance sheet size on March 2015 ₹ 8,400 Cr (March 2014 ₹ 5,825 Cr)

Loan book on March 2015 ₹ 5,388 Cr (March 2014 ₹ 2,978 Cr)

ICRA has assigned the rating “[ICRA] AA” with stable outlook

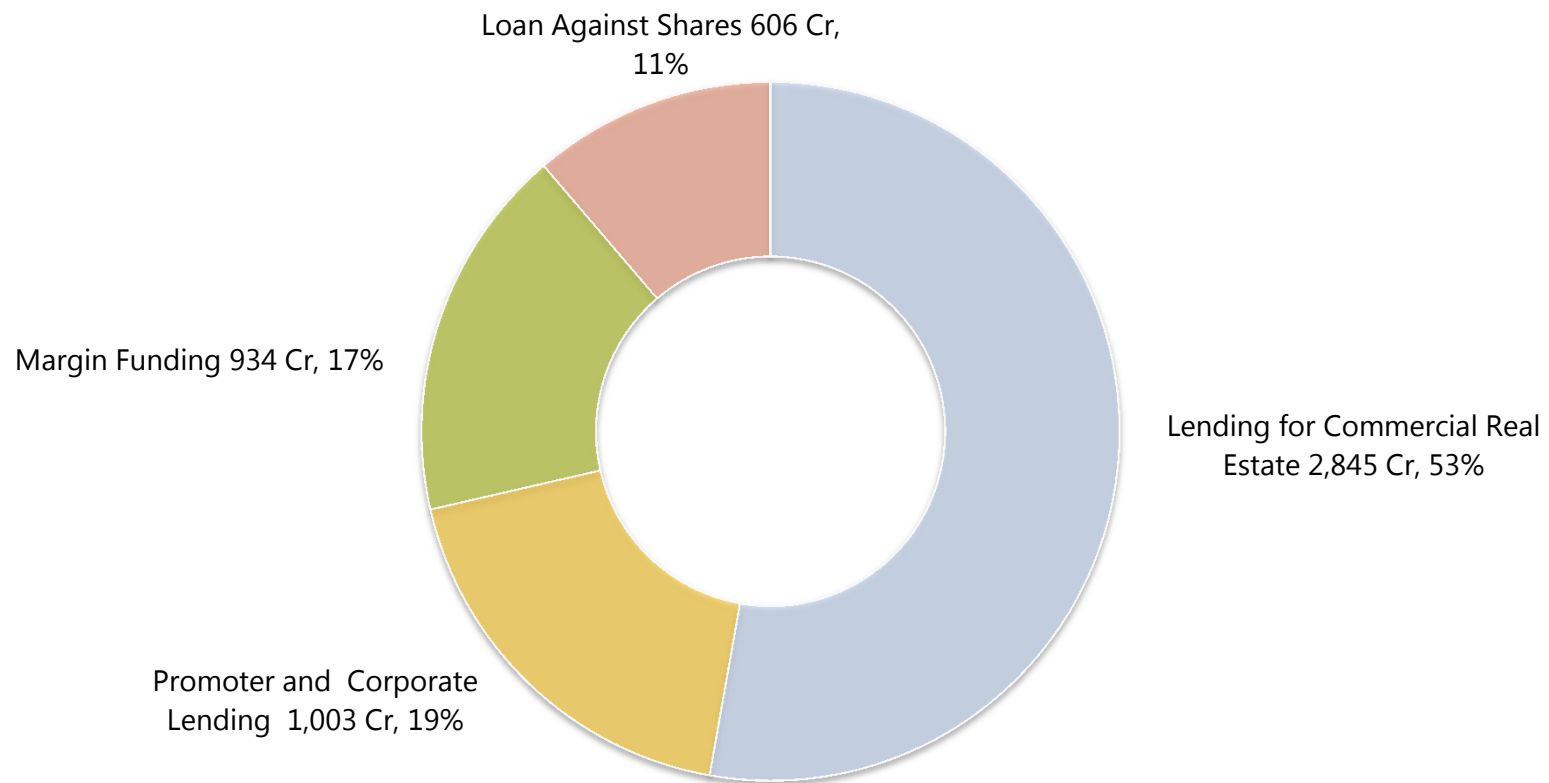
## Summary Balance Sheet

Rs Cr	As at March 31, 2015	As at March 31, 2014
<b>Equity and Liabilities</b>		
Shareholders' Funds	2,438	2,092
Minority Interest	655	165
Borrowings	4,721	2,987
Other Liabilities and Provisions	586	581
<b>TOTAL</b>	<b>8,400</b>	<b>5,825</b>
<b>Assets</b>		
Loan book	5,388	2,978
Investment and Treasury fund	1,472	1,469
Arbitrage and trading book	359	534
Other assets	1,181	844
<b>TOTAL</b>	<b>8,400</b>	<b>5,825</b>



## Lending portfolio

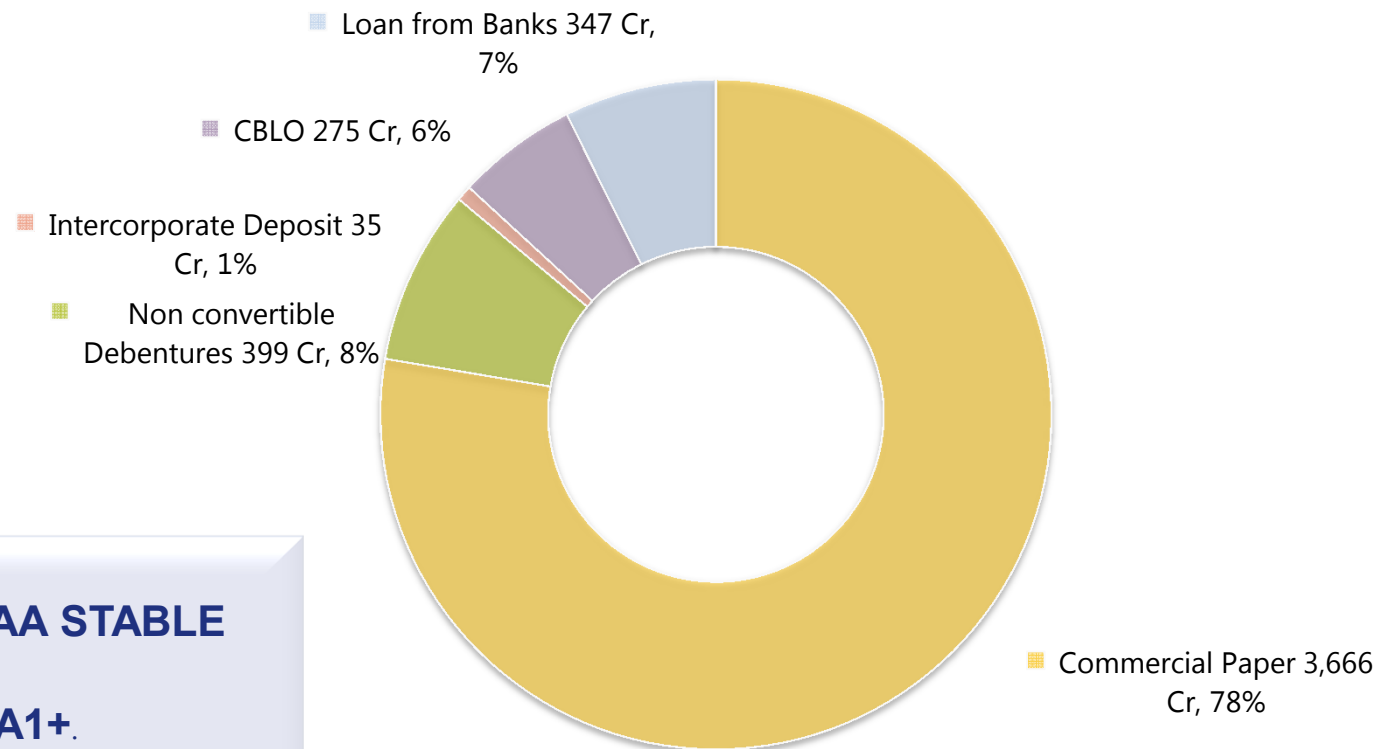
### Break-up of Loan book (%)



**As on March 2015, the Loan book stood at Rs.5,388 Crores**

## Borrowing breakup

### Sources of Funds (%)



Long term debt ratings: **ICRA AA STABLE**

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

**As on March 2015, the total borrowing was Rs.4,721 Crores**

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## IV : Business performance

# Investment banking

Snapshot for Q4FY15

Acted as managers to Qualified Institutional Placement by HDFC Bank Ltd – Rs. 2,000 crore.

Acted as selling broker to the Offer for Sale by Coal India Limited – Rs.22,528 crore.

Acted as lead financial and transactional advisor to Adani Enterprise on a composite scheme of arrangement involving demerger of its ports, power and transmission undertakings;

Provided fairness opinion in relation to UltraTech Cement's acquisition of business units from Jaiprakash Associates pursuant to a Scheme (Rs.5,325 crore)

Provided fairness opinion relating to the merger of Aditya Birla Chemicals (India) limited with Grasim Industries (Rs.561 crore)

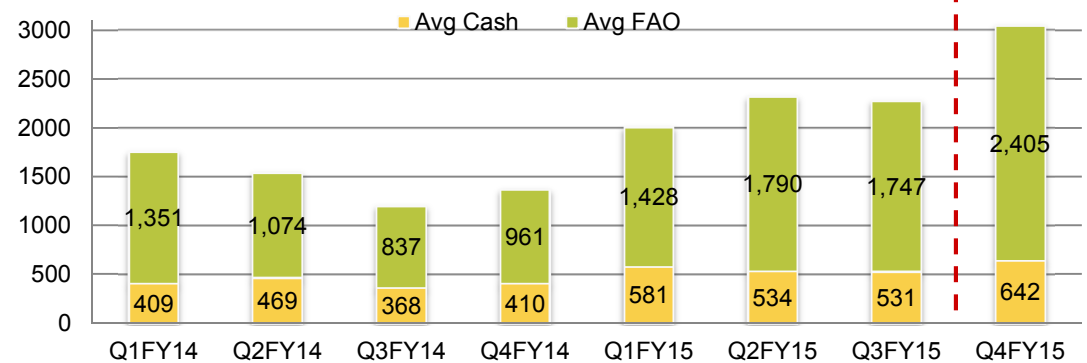
Acted as managers to the rights issue of Future Retail Limited – Rs.1,589 crore.

## Equities broking and Wealth advisory Highlights

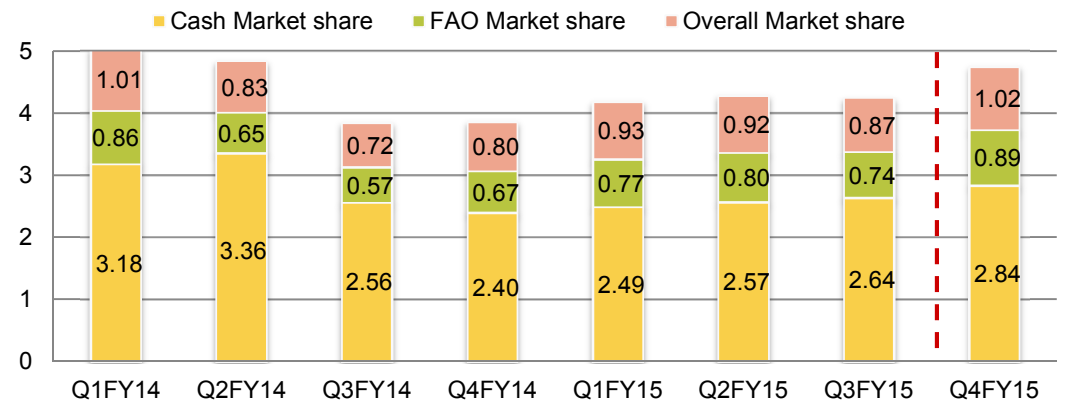
Snapshot for Q4FY15

- Average daily turnover at ₹ 3,047 Cr in Q4FY15 (₹ 1,371 Cr in Q4FY14)
- Market share on NSE at 1.02% in Q4FY15
- Stocks under research coverage - 170
- Wealth management AUM at around ₹ 17,383 Cr (₹ 13,500 Cr in Q4FY14)
- Approximately 7,200 active Independent Financial Distributors (IFDs)
- Presence in 110 cities

Average daily turnover (₹Cr)



Equity market share on NSE (%)



## Fund based activities

Snapshot for Q4FY15

Loan book as on March 2015 ₹ 5,388 Cr (March 2014 ₹ 2,978 Cr)

Net Interest Margin stood at 9.0% (Q4FY14 ₹ 6.94 %)

Gross NPA at ₹ 47.93 Cr (0.9 %) (March 2014 ₹ 11.07 Cr (0.4 %))

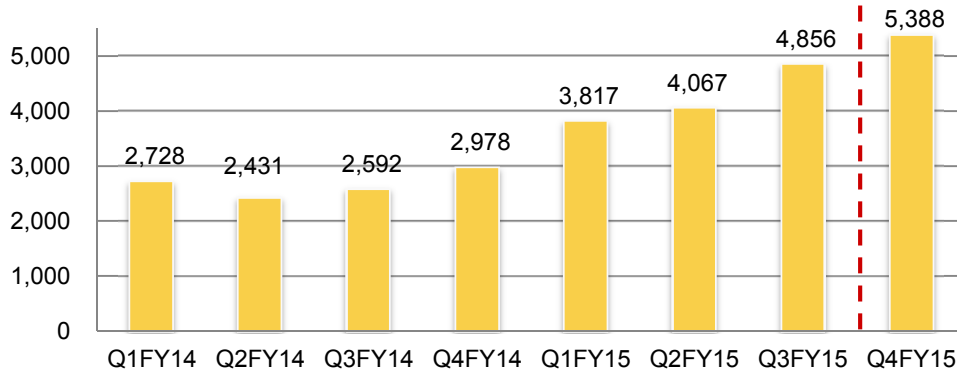
Net NPA at ₹ 39.02 Cr (0.7 %) (March 2014 ₹ 5.74 Cr (0.2 %))

Treasury book for fixed income securities ₹ 359 Cr (March 2014 ₹ 534 Cr)

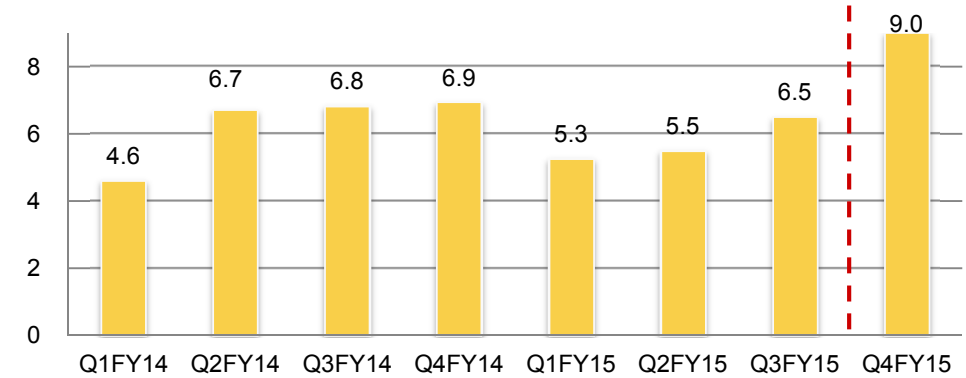
Capital Adequacy Ratio at 36.0% (March 2014 25.5 %)

## Highlights - Fund based activities

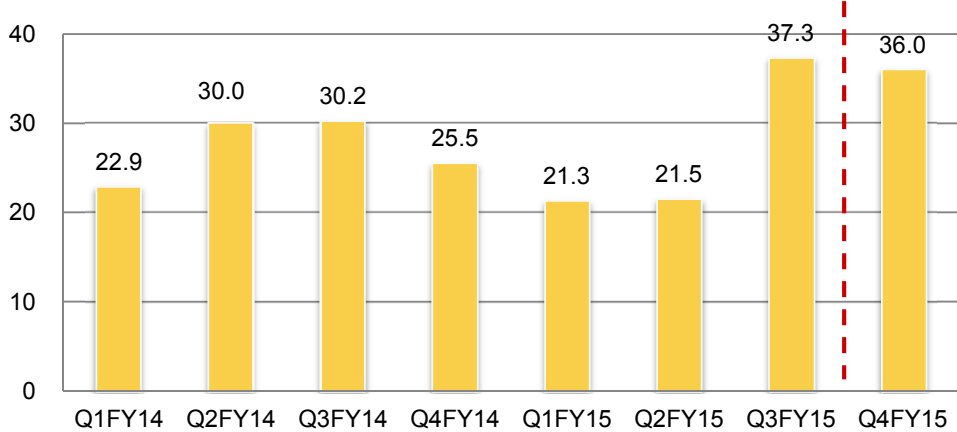
**Loan book**  
(₹Cr)



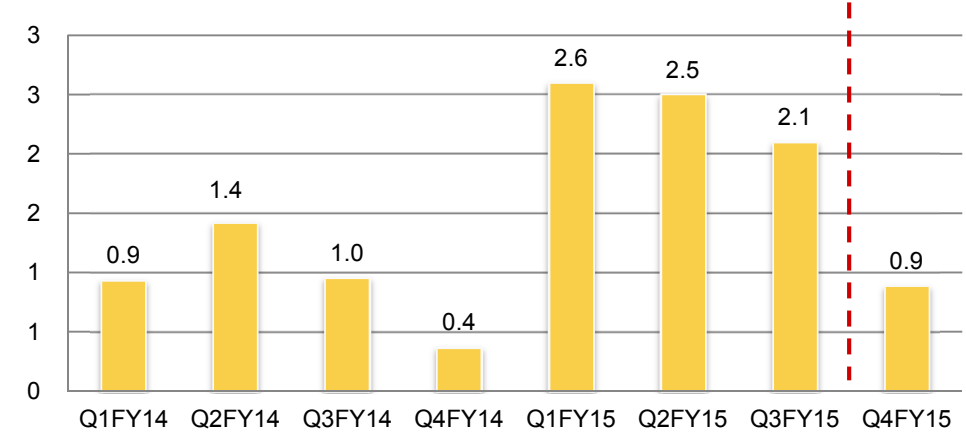
**Net Interest Margin**  
(%)



**Capital Adequacy Ratio**  
(%)



**Gross NPA**  
(%)



## Asset Reconstruction

Snapshot for Q4FY15

AUM at ₹ 8,398 Cr (March 2014 ₹ 3,647 Cr)

JM ARC share in total AUM at ₹ 1,461 Cr (March 2014 ₹ 584 Cr)

Assets acquired during the quarter at ₹ 160 Cr (Q4FY14 ₹ 2,497 Cr)

JM ARC share in acquisition during the quarter at ₹ 44 Cr (Q4FY14 ₹ 224 Cr)

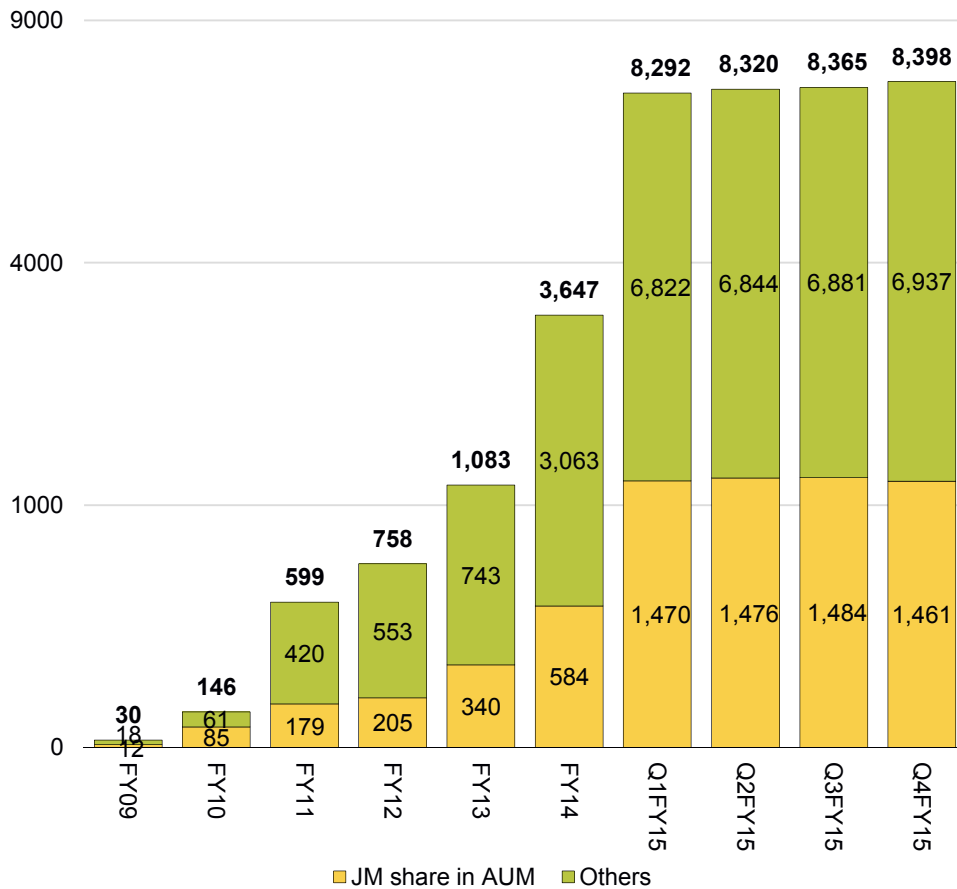
Assets Redeemed during the quarter at ₹ 127 Cr (Q4FY14 ₹ 22 Cr)

JM ARC share in redemption during the quarter at ₹ 14 Cr (Q4FY14 ₹ 8 Cr)

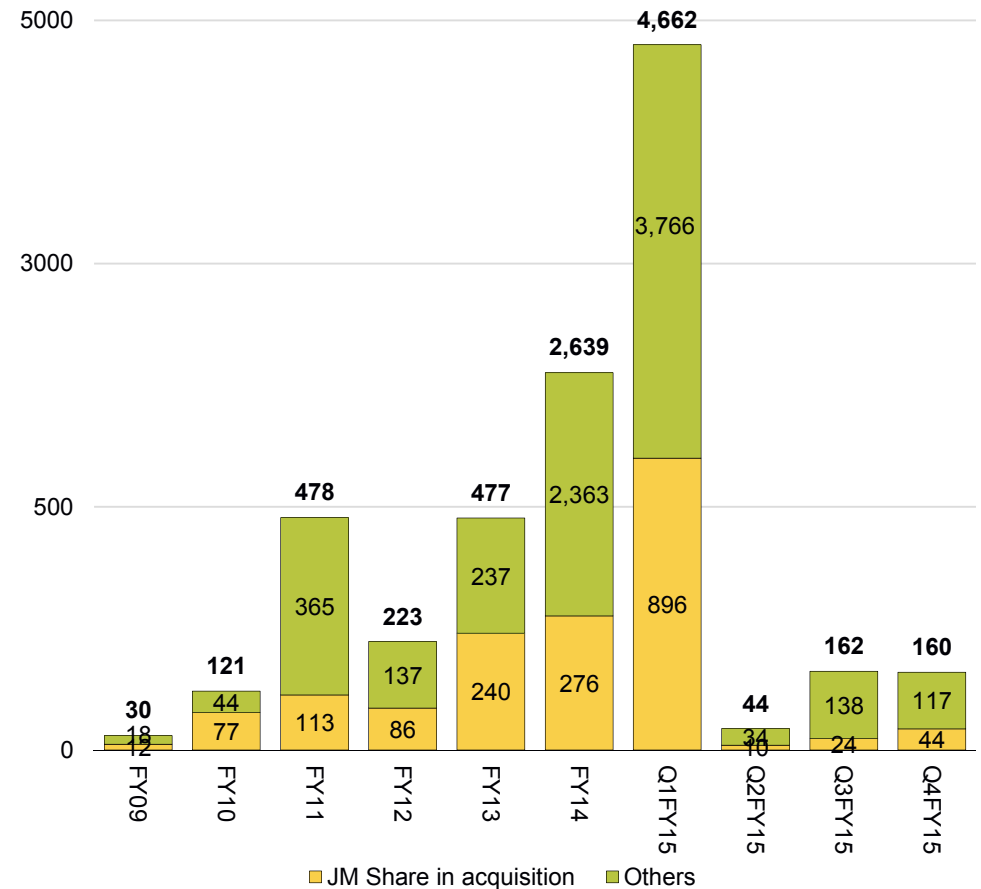


# Asset Reconstruction

AUM (₹ Cr)



Asset acquired during the period (₹ Cr)



## Alternative Asset Management

Snapshot for Q4FY15

### Private Equity

- AUM ₹ 640 Cr.
- No. of investments: 13
- No. of Exits: 5 full
- Fully drawn down & invested
- Amount distributed till date 675 Cr

### Real Estate

- AUM ₹ 302 Cr
- No. of investments: 11
- No. of Exits: 4 full and 1 part
- Fully drawn down & invested
- Amount distributed till date 131 Cr

# Asset Management

Snapshot for Q4FY15

## Mutual Fund

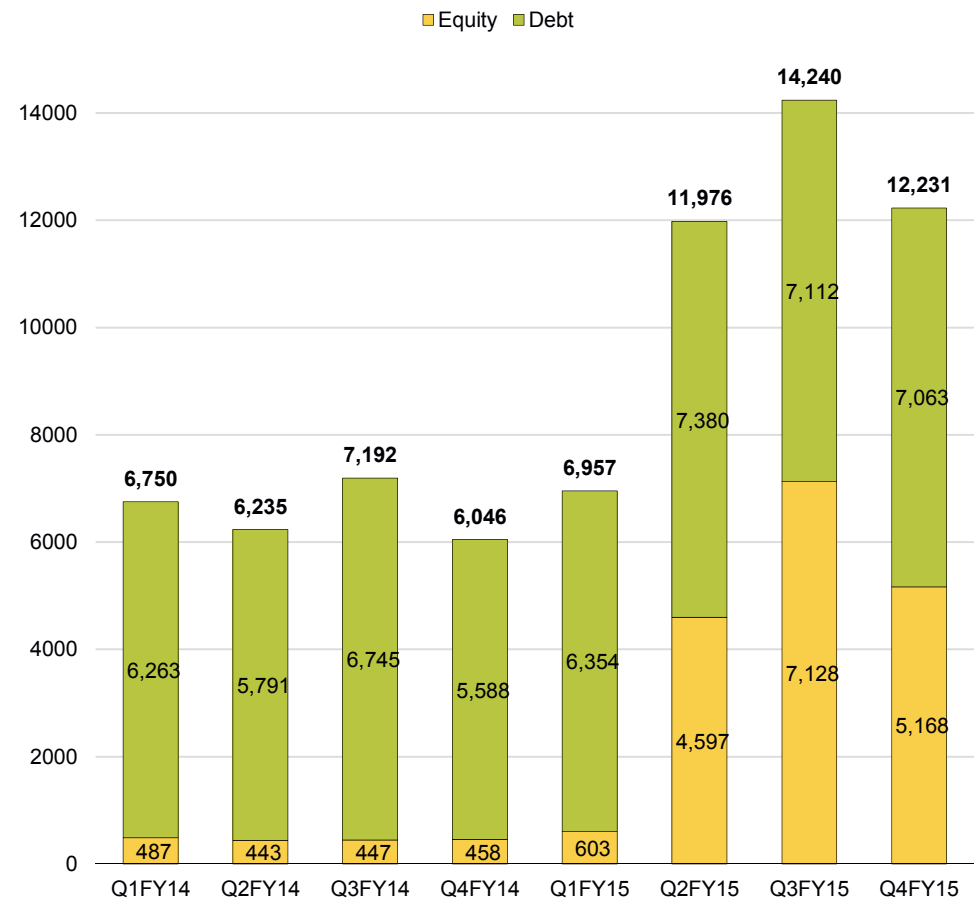
- Average AUM

Equity	5,168
Debt	7,063
<b>Total</b>	<b>12,231</b>

- Over 1.6 Lacs active investors

- Number of Schemes : 17

## Average AUM (₹ in Cr)



# Thank You

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