



JM Financial Limited

Q2 FY15 Consolidated Performance

September 2014

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I : Key features

Key features of Q2 FY15 Consolidated Financial performance



Gross revenue ₹ 377 Cr (q-q ₹ 266 Cr, y-y ₹ 248 Cr)



Earning before Depreciation and Tax (EBDT) at ₹ 142 Cr (q-q ₹ 88 Cr, y-y ₹ 72 Cr)



Profit after tax ₹ 92 Cr (q-q ₹ 58 Cr, y-y ₹ 50 Cr)



PAT Margin at 24.4 % (q-q 21.9%, y-y 20.4%)



Net Interest Margin at 5.5 % (q-q 5.3%, y-y 6.8%)



Earning Per Share stood at ₹ 1.22 (q-q 0.77, y-y 0.67) (not annualised)



Consolidated group annualised RoE at 17.0%

Key features of H1 FY15 Consolidated Financial performance



Gross revenue ₹ 644 Cr (y-y ₹ 530Cr)



Earning before Depreciation and Tax (EBDT) at ₹ 230 Cr (y-y ₹ 154 Cr)



Profit after tax ₹ 151 Cr (y-y ₹ 106 Cr)



PAT Margin at 23.4 % (y-y - 20 %)



Earning Per Share stood at ₹ 1.98 (y-y – 1.40) (not annualised)



Consolidated group annualised RoE at 13.9%

Key features of Consolidated Financial performance



Loan book on 30 September 2014 at ₹ 4,067 Cr ;
treasury book for fixed income securities at ₹ 625 Cr



Wealth Management AUM on 30 September 2014 at around ₹19,600 Cr



Average Daily Turnover in the secondary market at ₹ 2,324 Cr



Asset Reconstruction AUM on 30 September 2014 at ₹ 8,321 Cr



Alternate Asset management AUM on 30 September 2014 at ₹ 1,005 Cr



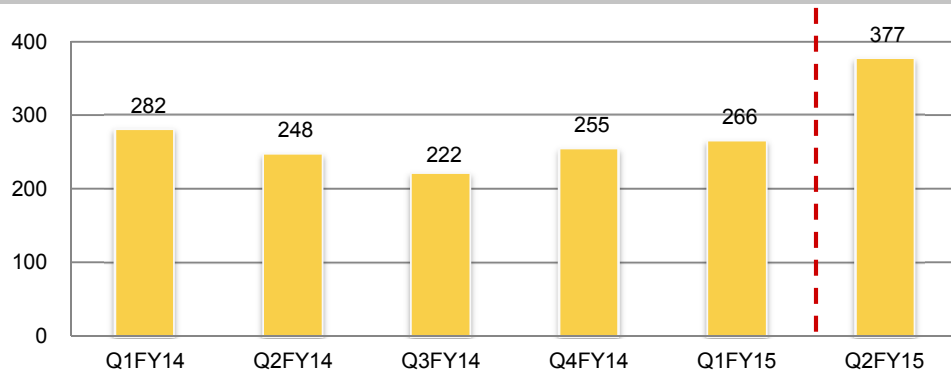
Asset management Average AUM for Q2 FY15 at ₹ 11,976 Cr

II : Quarterly performance

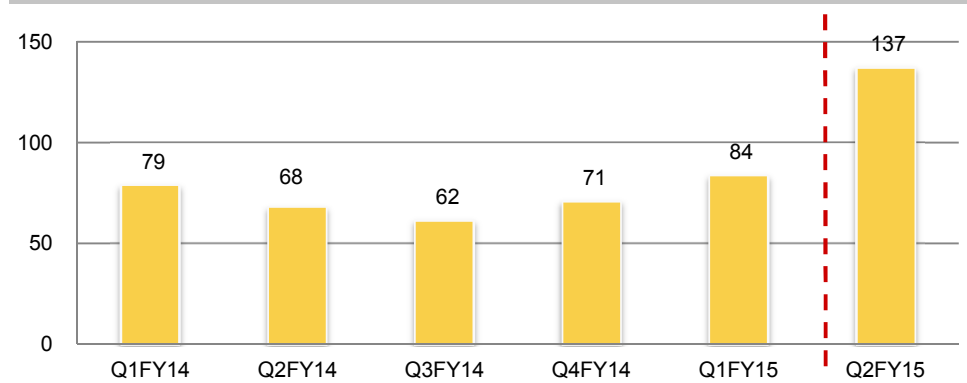
Consolidated Financial Performance – Quarter by Quarter

Snapshot

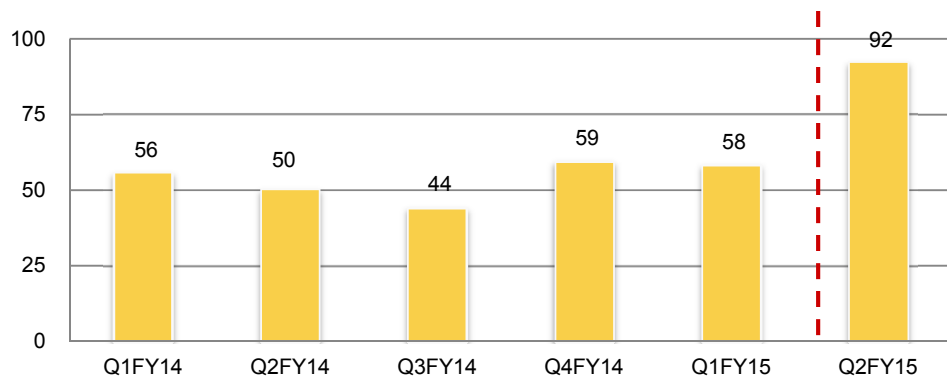
Gross Revenue (₹ Crore)



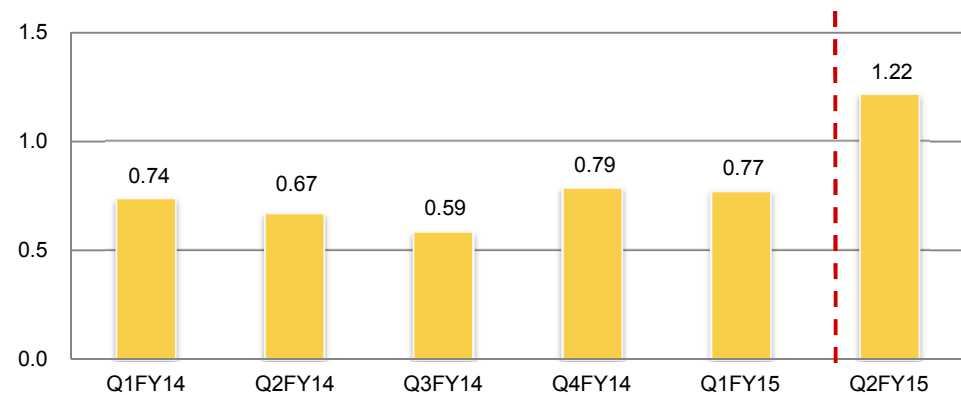
Profit before tax (₹ Crore)



Net Profit after Minority interest and share of profit of Associates (₹ Crore)



EPS (₹) (not annualised)

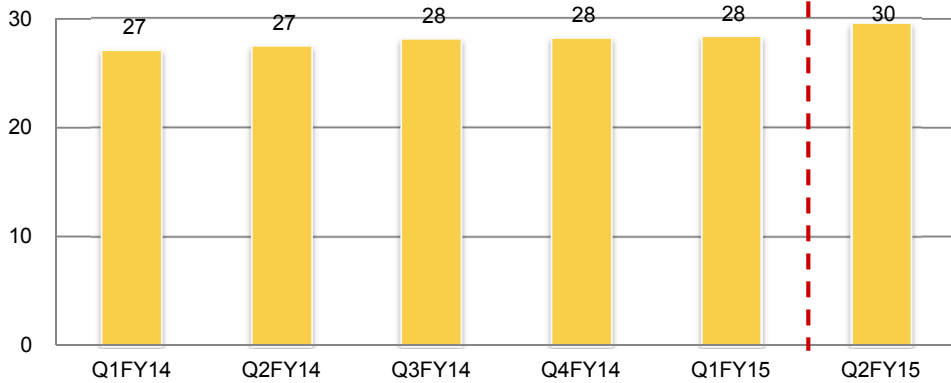


Net Worth as on September 30, 2014 was ₹ 2,246 Crore

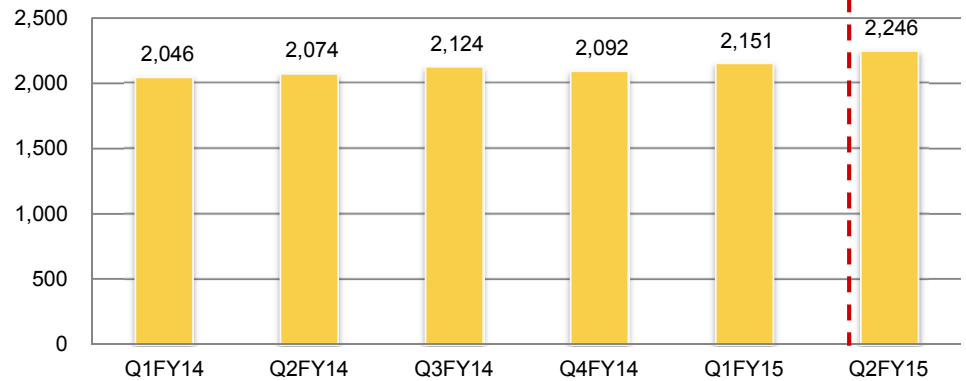
Consolidated Financial Performance – Quarter by Quarter

Snapshot

Book Value Per Share (₹)



Net worth (₹ Cr)



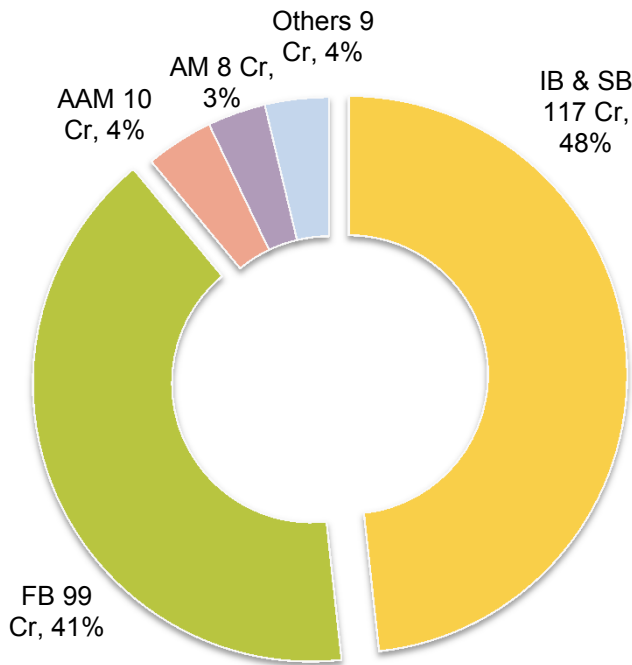
Net Worth as on September 30, 2014 was ₹ 2,246 Crore

Results for Q2 FY15 (Consolidated)

₹ Cr	Q2 FY15	Q1 FY15	QoQ	Q2FY14	YoY
Gross Revenue	377	266	42%	248	52%
Sub-brokerage	24	25	-4%	19	26%
Net Revenue	353	241	47%	229	54%
Employee cost	75	50	49%	49	53%
Operating cost	26	21	26%	31	-17%
Finance cost	110	82	34%	76	44%
Depreciation	5	4	11%	4	26%
Profit before tax	137	84	64%	68	101%
Profit after tax	98	57	70%	49	99%
Minority interest / Associate	6	1		1	
Net Consolidated profit	92	58	58%	50	83%

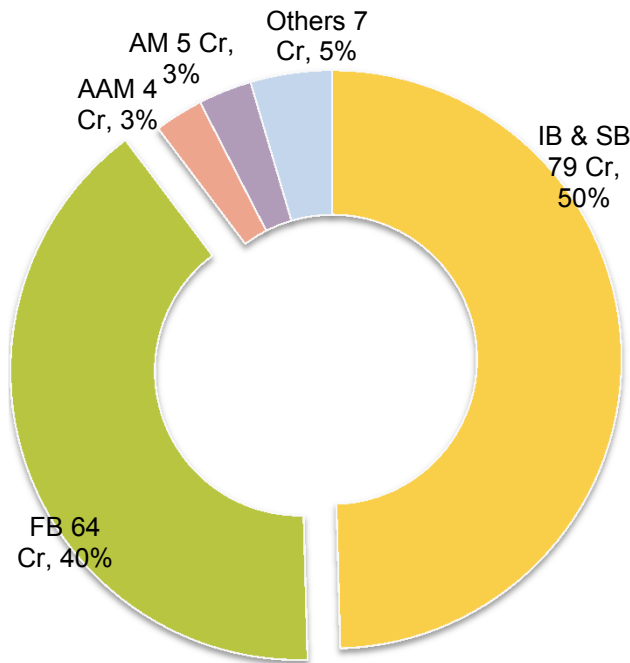
Segments–Net Revenue breakup (net of sub brokerage & finance cost)

Q2 FY15



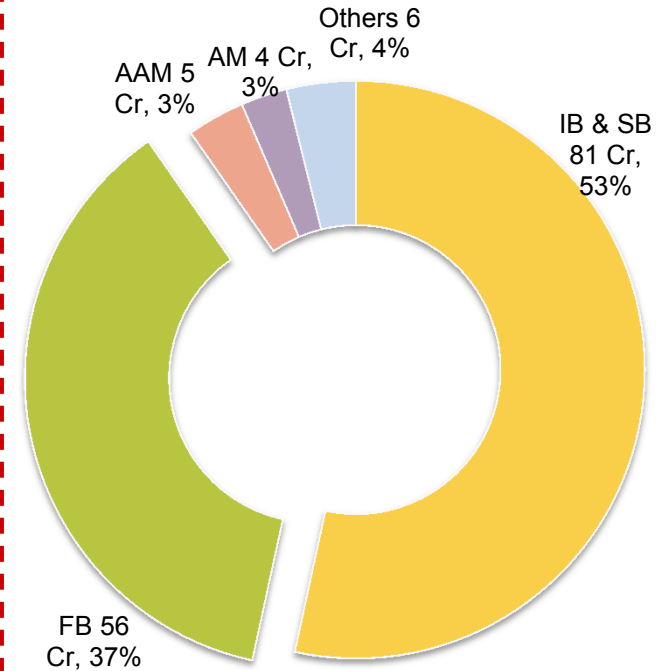
₹ 243 Crore

Q1 FY15



₹ 159 Crore

Q2 FY14

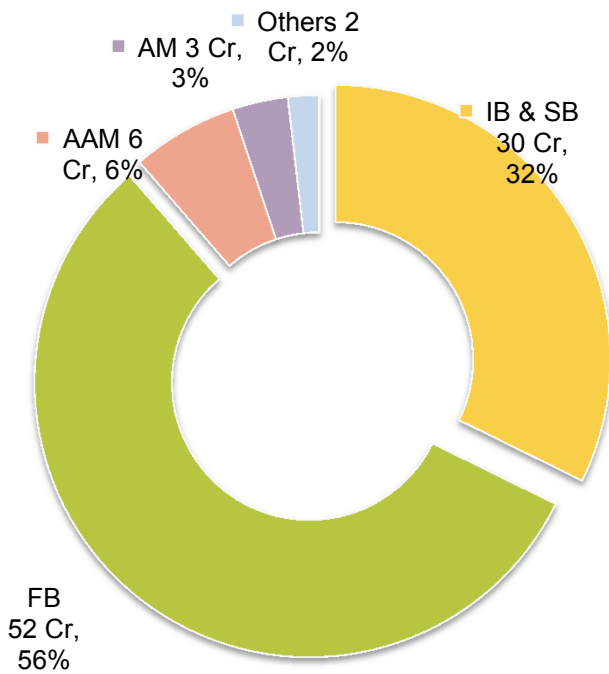


₹ 153 Crore

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

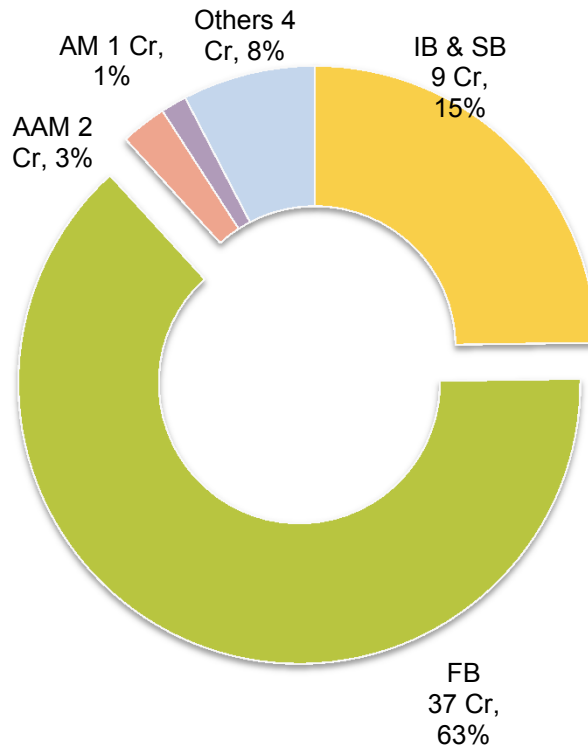
Segments – Profit after tax breakup

Q2 FY15



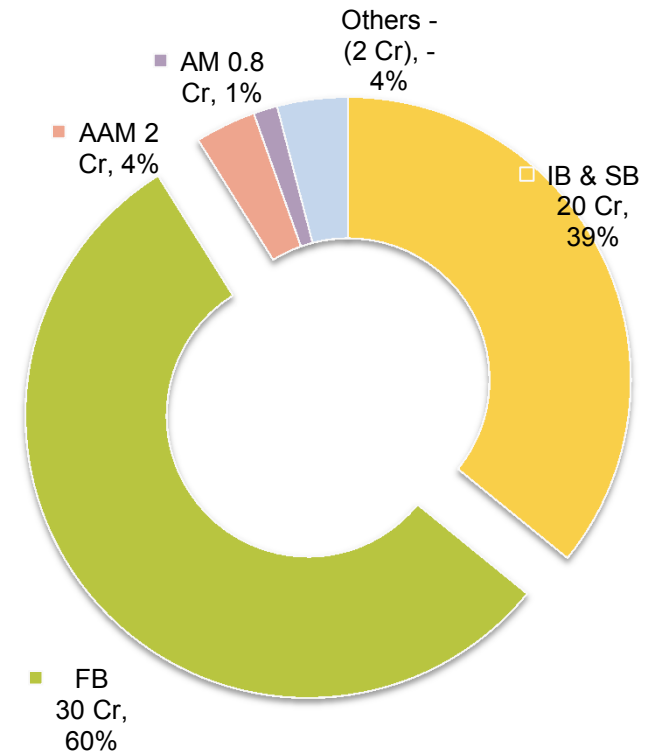
₹ 92 Crore

Q1 FY15



₹ 58 Crore

Q2 FY14



₹ 50 Crore

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

Results for H1 FY15 (Consolidated)

₹ Cr	H1 FY15	H1 FY14	YoY
Gross Revenue	644	530	22%
Sub-brokerage	49	39	26%
Net Revenue	595	491	21%
Employee cost	126	106	18%
Operating cost	47	56	-16%
Finance cost	193	175	10%
Depreciation	9	7	25%
Profit before tax	221	147	50%
Profit after tax	155	105	48%
Minority interest / Associate	-4	1	
Net Consolidated profit	151	106	42%

III : Balance sheet highlights

Balance Sheet Highlights



Net worth on 30 September 2014 ₹ 2,246 Cr (March 2014 ₹ 2,092 Cr)



Borrowings on 30 September 2014 ₹ 4,485 Cr (March 2014 ₹ 2,987 Cr)



Cash and cash equivalent on 30 September 2014 ₹ 560 Cr



Debt Equity : Gross Gearing - 2.0x, Net Gearing – 1.7x



Balance sheet size on 30 September 2014 ₹ 7,422 Cr (March 2014 ₹ 5,825 Cr)



Loan book on 30 Sep 2014 ₹ 4,067 Cr (March 2014 ₹ 2,978 Cr)



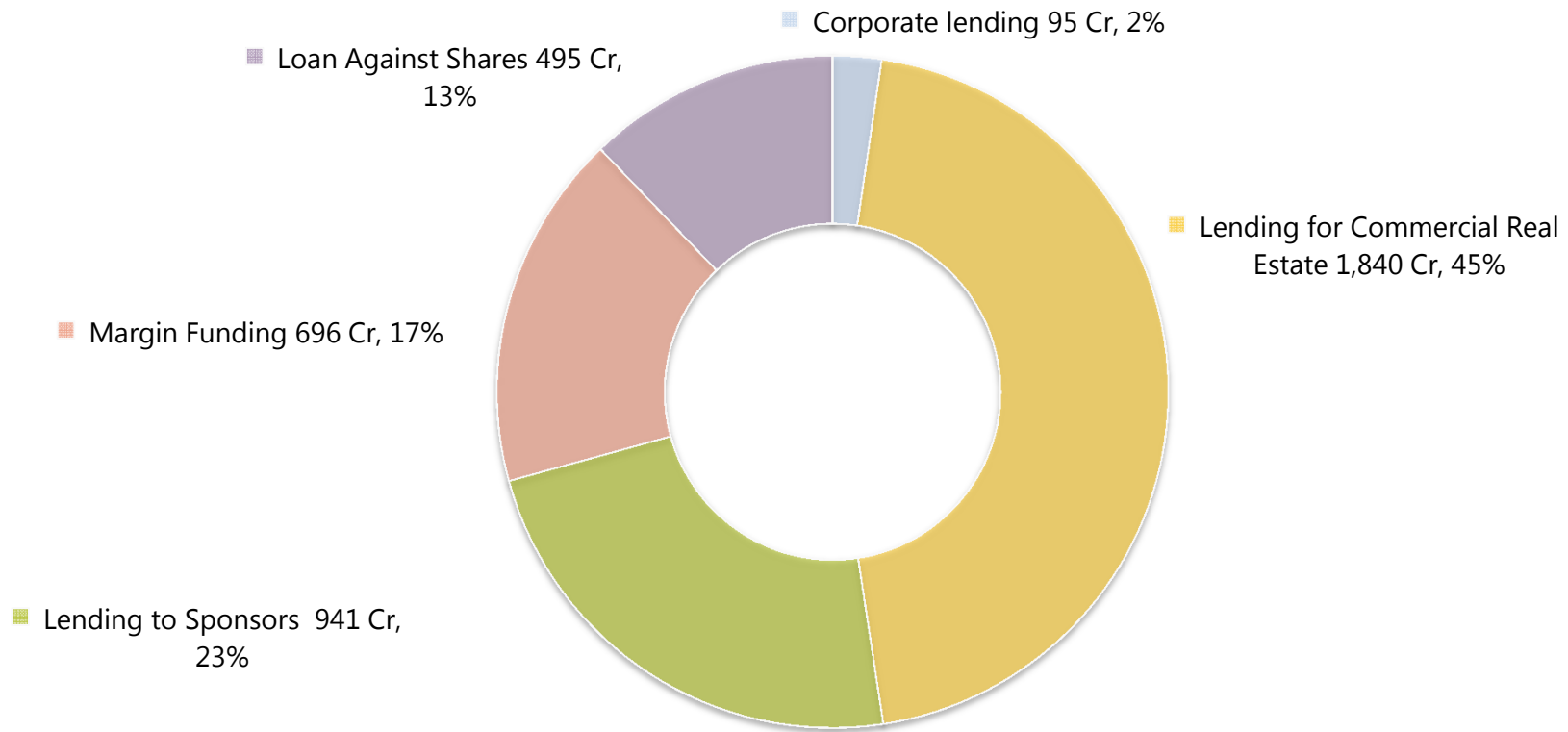
The Rating Committee of ICRA, has assigned the rating “[ICRA] AA” with stable outlook in respect of our long term bond Programme

Summary Balance Sheet

Rs Cr	As at Sep 30, 2014	As at March 31, 2014
Equity and Liabilities		
Shareholders' Funds	2,246	2,092
Minority Interest	177	165
Borrowings	4,485	2,987
TOTAL	6,908	5,244
Assets		
Loan book	4,067	2,978
Investment and Treasury fund	1,525	1,469
Arbitrage and trading book	748	534
Other net assets	568	263
TOTAL	6,908	5,244

Lending portfolio

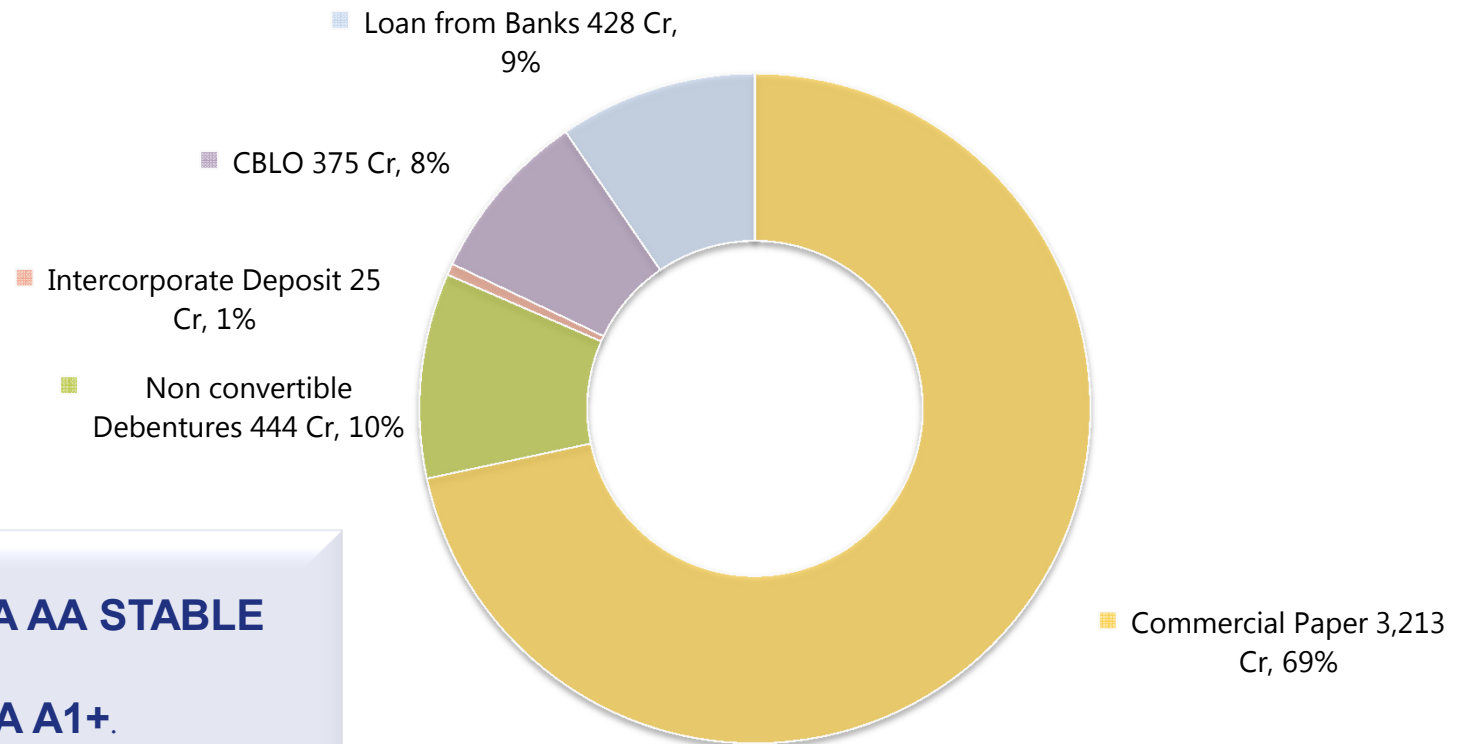
Break-up of Loan book (%)



As on September 30, 2014, the Loan book stood at Rs.4,067 Crores

Borrowing breakup

Sources of Funds (%)



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

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

As on September 30, 2014, the total borrowing was Rs.4,485 Crores

IV : Business performance

Investment banking

Snapshot



Acted as advisors to Qualified Institutional Placement by IDFC Ltd – ₹ 1,000 Cr



Acted as advisors to Qualified Institutional Placement by Karur Vysya Bank Ltd – ₹ 625 Cr



Acted as financial advisor to Financial Technologies (India) Limited for divestment of stake held in Multi Commodity Exchange of India Limited



Acted as manager to the Rights issue of Indian Hotels Company Limited of ₹ 1,000 Cr



Acted as financial advisor to the preferential issue in equity shares by Future Lifestyle Fashions Limited of ₹ 125 Cr



Managed the public issue of Non Convertible Debentures of Shriram Transport Finance Company Limited for ₹ 1,975 Cr



Worked as the financial advisor to Diageo and acted as the manager to their tender offer to the shareholders of United spirit limited (USL) for acquiring 26% stake in USL for a total consideration of ₹ 11,449 Cr

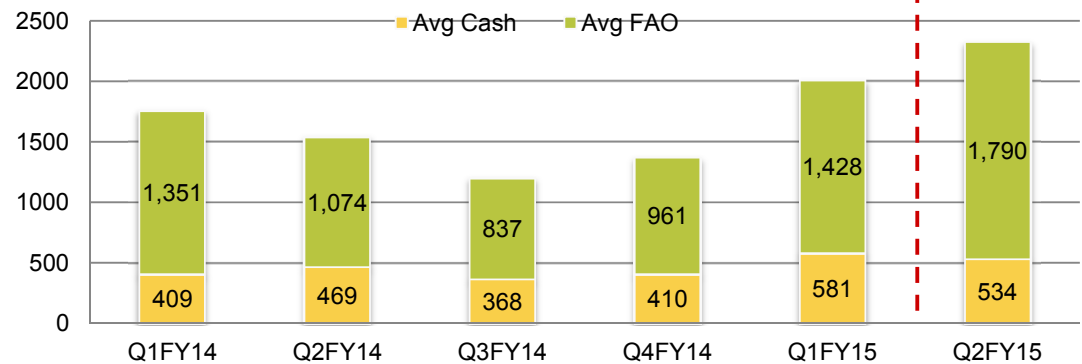
Equities broking and Wealth advisory Highlights

Snapshot

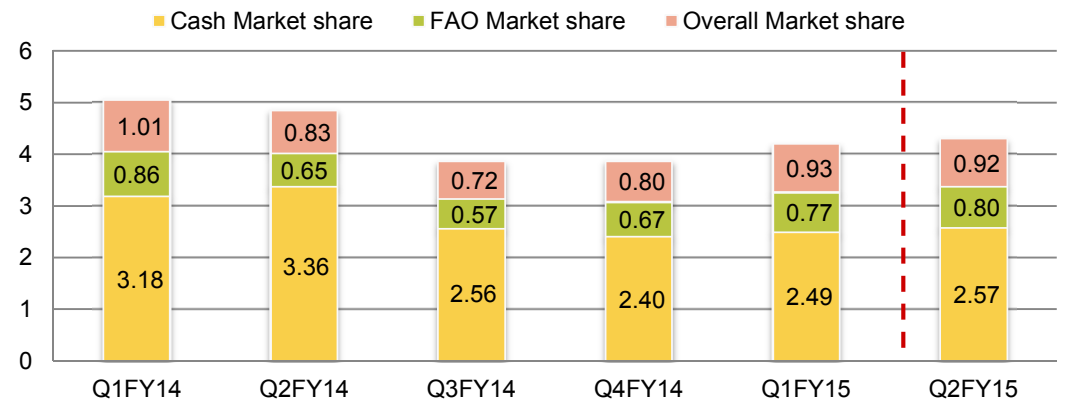
Despite equity market upsurge, retail participation still low

- Average daily turnover at ₹ 2,324 Cr in Q2FY15
- Market share on NSE at 0.92% in Q2FY15
- Stocks under research coverage - 165
- Wealth management AUM at around ₹ 19,600 Cr
- Approximately 7,800 active Independent Financial Distributors (IFDs)
- Presence in 113 cities

Average daily turnover (₹Cr)



Equity market share on NSE (%)

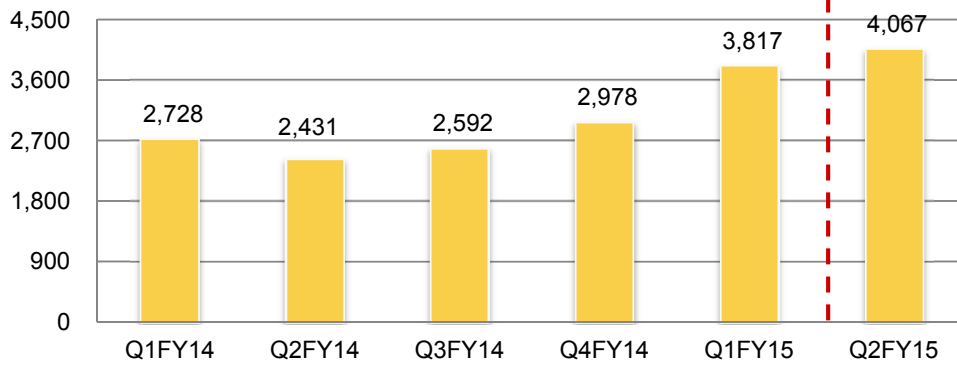


Fund based activities - Quarterly

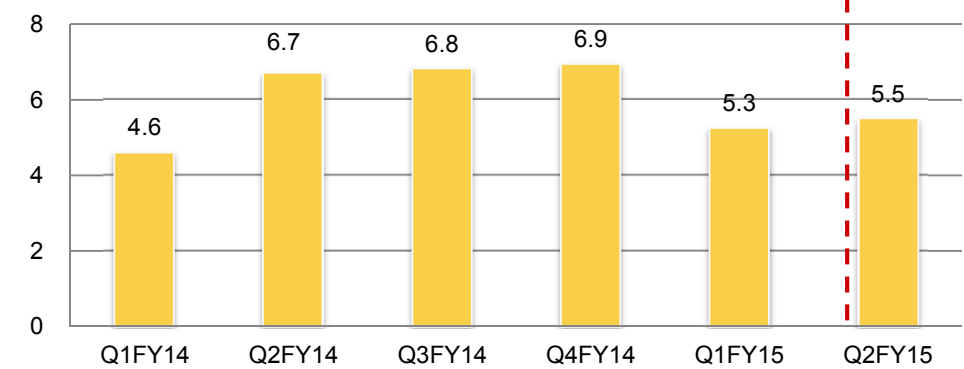
✓	Income at ₹ 204 Cr (q-q ₹ 142 Cr, y-y ₹ 121 Cr)	✓	Treasury book for fixed income securities ₹ 625 Cr.
✓	Profit after tax at ₹ 55 Cr (q-q ₹ 35 Cr, y-y ₹ 30 Cr)	✓	Capital Adequacy Ratio at 21.5%
✓	Net Interest Income at ₹ 55 Cr. Net Interest Margin at 5.50 %	✓	Provision Coverage Ratio at 14%. Including standard asset provision at 32 %
✓	Loan book as on 30th Sep 2014 ₹ 4,067 Cr.	✓	Borrowings in fund based segment stood at 4,124 Cr
✓	Gross NPA at 2.5 % , Net NPA at 2.1 %	✓	Gross Gearing - 3.9x, Net Gearing – 3.6x at NBFC level – 2.0x at Consolidated

Highlights - Fund based activities

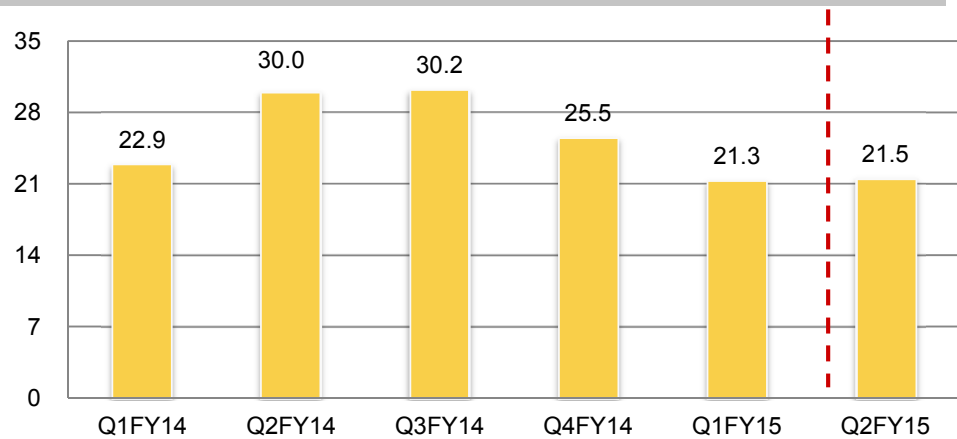
Loan book
(₹Cr)



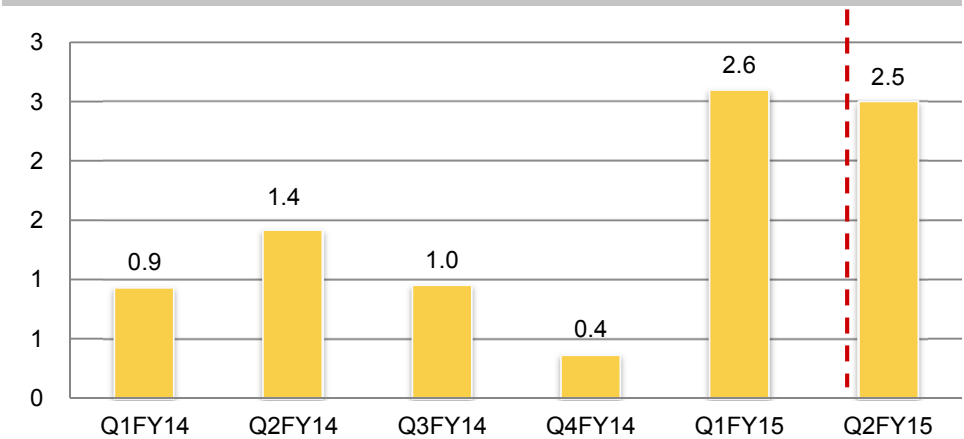
Net Interest Margin
(%)



Capital Adequacy Ratio
(%)



Gross NPA
(%)



Asset Reconstruction



AUM at ₹ 8,321 Cr (March 2014 ₹ 3,647 Cr)



JM ARC share in total AUM at ₹ 1,474 Cr (March 2014 ₹ 584 Cr)



Assets acquired during the quarter at ₹ 44 Cr (q-q ₹ 4,661 Cr, y-y ₹ 13 Cr)



JM ARC share in acquisition during the quarter at ₹ 10 Cr (q-q ₹ 896 Cr, y-y ₹ 1 Cr)



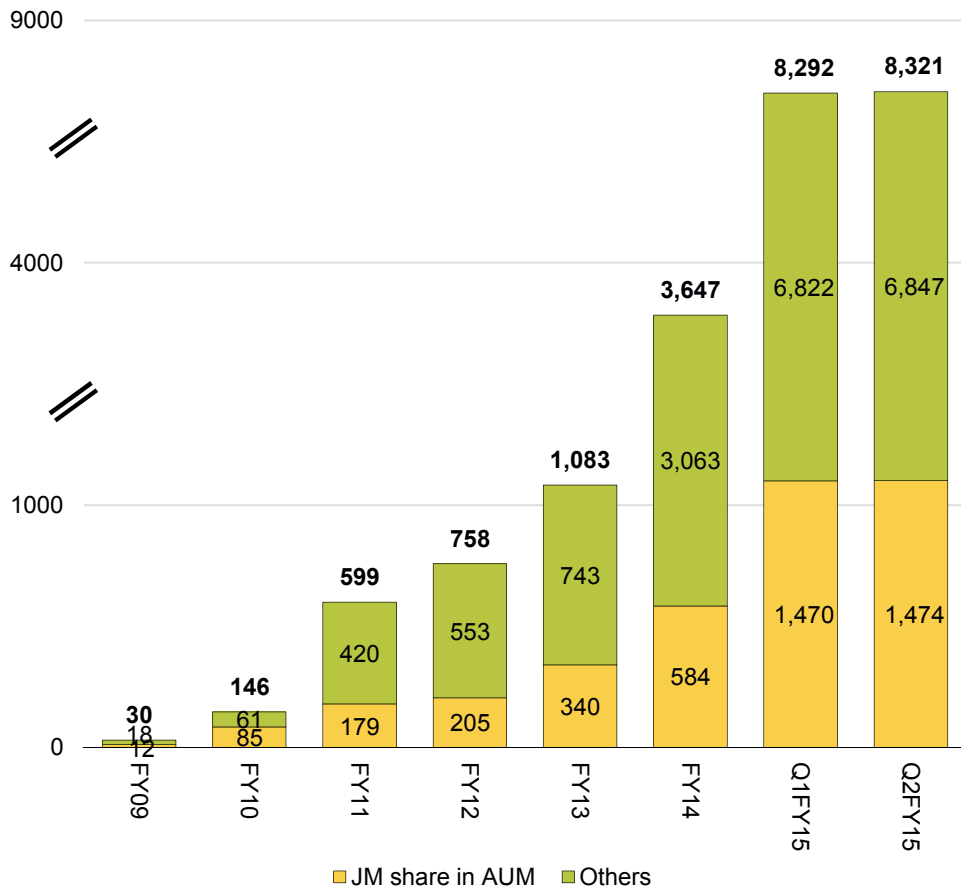
Assets Redeemed during the quarter at ₹ 14 Cr (q-q ₹ 17 Cr, y-y ₹ 18 Cr)



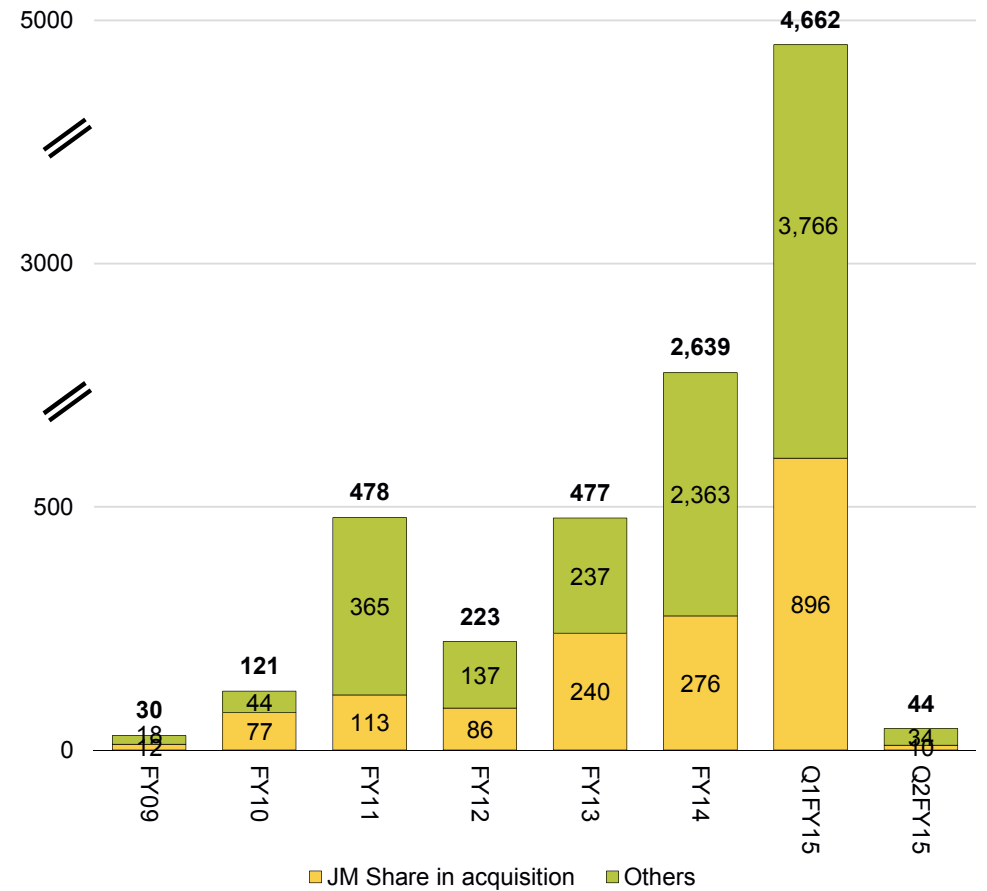
JM ARC share in redemption during the quarter at ₹ 4 Cr (q-q ₹ 10 Cr, y-y ₹ 5 Cr)

Asset Reconstruction

AUM (₹ Cr)



Asset acquired during the period (₹ Cr)



Alternative Asset Management

Private Equity

- AUM ₹ 681 Cr.
- No. of investments: 13
- No. of Exits: 4 full and 1 part
- Fully drawn down & invested

Real Estate

- AUM ₹ 324 Cr
- No. of investments: 14
- No. of Exits: 3 full and 2 part
- Fully drawn down & invested

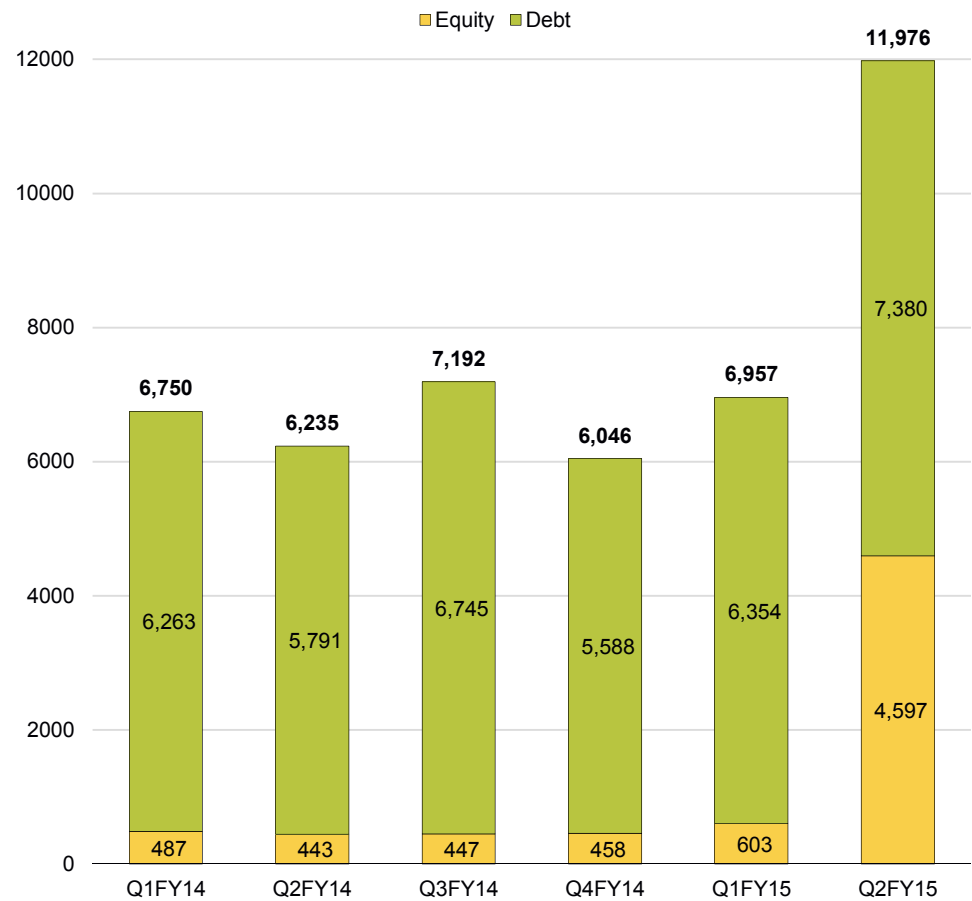
Asset Management

Mutual Fund

- Average AUM

Equity	4,596
Debt	7,380
Total	11,976
- Over 1.6 Lacs active investors
- Number of Schemes : 17

Average AUM
(₹ in Cr)



Thank You

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