



IIFL SECURITIES

February 07, 2020

The Manager, Listing Department, The National Stock Exchange of India Ltd., Exchange Plaza, 5 Floor, Plot C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai 400 051. Tel No.: 2659 8235 NSE Symbol: IIFLSEC	The Manager, Listing Department, BSE Limited, Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai 400 001. Tel no.: 22721233 BSE Scrip Code: 542773
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Dear Sir/Madam,

Sub: Press Release and Corporate Presentation on the Unaudited Financial Results

We enclose herewith:

1. The press release on the Unaudited Financial Results of the Company for the quarter and nine months ended December 31, 2019.
2. Corporate Presentation for the quarter and nine months ended December 31, 2019.

Thanking You,

Yours faithfully,

For IIFL Securities Limited



Roshan Dave
Company Secretary
Email ID: secretarial@iifl.com
Encl: as above

IIFL Securities Limited (Formerly "India Infoline Limited")

Corporate Identity Number: L99999MH1996PLC132983

Regd. Office: IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, MIDC, Thane Industrial Area, Wagle Estate, Thane - 400 604

Tel: (91-22) 3929 4000/ 4103 5000 • **Fax:** (91-22) 2580 6654 • **E-mail:** secretarial@iifl.com • **Website:** www.indiainfoline.com

Investor Presentation



IIFL Securities Limited

NSE : IIFLSEC

BSE : 542773

indiaonline.com | iiflcap.com

1. Financial highlights for the period ended December 31, 2019

- i. Total revenue grew by 14% q-o-q to ₹ 2,102 Mn for the quarter
- ii. Profit before tax grew 30% q-o-q to ₹ 630 Mn for the quarter
- iii. Profit after tax (TCI) grew 94%* q-o-q to ₹ 458 Mn for the quarter
- iv. Annualised Return on Equity stood at 27%*
- v. Earning Per Share was ₹ 6.2* for the nine month period
- vi. Interim dividend of ₹ 2/- per share (100% of face value)

1. Business highlights for the period ended December 31, 2019

- i. Assets under management grew by 6% q-o-q to ₹286 Bn
- ii. Distribution AUM grew 8% q-o-q to ₹90 Bn, of which Mutual Fund accounted for ₹36 Bn
- iii. Trading volumes saw traction this quarter with 18% q-o-q growth overall and 17% in the cash segment.
- iv. NSE Cash market share was 3.6% in Q3FY20 v/s 3.4% in Q2FY20 and overall NSE market share of 1.6% in Q3FY20 v/s 1.3% in Q2FY20.
- v. 12 Investment banking deals were completed in the nine months including the recently concluded IPO of Ujjivan Small Finance Bank and CSB Bank, QIP for RBL Bank and a private round for ETechAces Marketing and Consulting Pvt. Ltd.

* Including exceptional items

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Section 1:

Financial Highlights

Consolidated Results (as per IND AS)

Quarter ended December 31, 2019



Rs Mn	Q3FY20	Q2FY20	Q-o-Q	Q3FY19	Y-o-Y
Revenue from Operations	1,895.7	1,736.8	9%	1,917.8	(1%)
Other income	206.6	111.8	85%	115.9	78%
Total income	2,102.3	1,848.6	14%	2,033.7	3%
Employee cost	564.7	562.2	0%	595.6	(5%)
Finance Cost	214.4	188.2	14%	248.4	(14%)
Depreciation and amortisation	139.9	139.3	1%	104.2	34%
Administration and other expense	553.2	472.9	17%	559.1	(1%)
Total Expenses	1,472.2	1,362.6	8%	1,507.3	(2%)
Profit before tax	630.1	486.0	30%	526.4	20%
Provision for tax	165.3	92.0	80%	182.3	(9%)
Profit after tax	464.8	394.1	18%	344.1	35%
Other Comprehensive Income	(6.6)	(11.7)		(1.9)	
Total Comprehensive Income (excluding exceptional items)	458.2	382.3	20%	342.2	34%

9MFY20	9MFY19	Y-o-Y	FY19
5,273.8	6,285.5	(16%)	8,351.3
527.3	314.3	68%	404.3
5,801.1	6,599.8	(12%)	8,755.6
1,704.6	1,851.1	(8%)	2,566.4
662.6	937.9	(29%)	1,145.0
427.9	307.7	39%	419.0
1,517.9	1,520.7	(0%)	2,044.5
4,313.0	4,617.4	(7%)	6,174.9
1,488.1	1,982.4	(25%)	2,580.7
392.8	640.9	(39%)	866.5
1,095.3	1,341.6	(18%)	1,714.2
(17.9)	7.9		6.7
1,077.4	1,349.5	(20%)	1,720.9

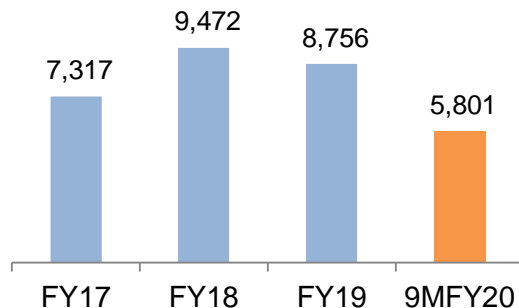
Exceptional Items	-	(145.5)		-	
Total Comprehensive Income (including exceptional items)	458.2	236.8	94%	342.2	34%

871.6	-		-
1,949.0	1,349.5	44%	1,720.9

Note: Exceptional item in the quarter ended Sep 30, 2019, is on account of write-down of deferred tax assets and MAT credit due to reduction in corporate tax rate. Additionally exceptional item includes profit of ₹ 1,017.1 Mn on sale of office property at Kamala Mills by IIFL Facilities Services Limited, a wholly owned subsidiary of the company, during nine months ended December 31, 2019

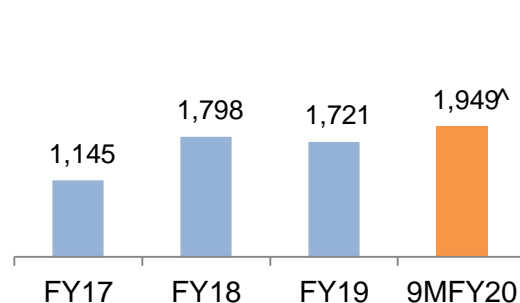
Total Revenue (₹ Mn)*

CAGR: 9%

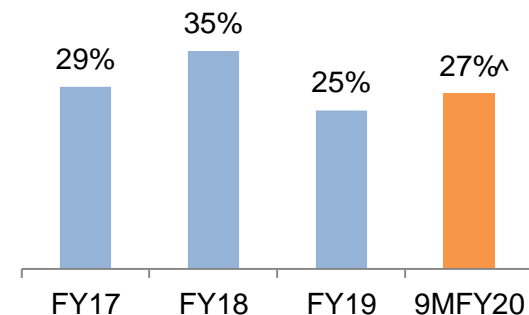


Profit after tax (TCI) (₹ Mn)*

CAGR: 23%

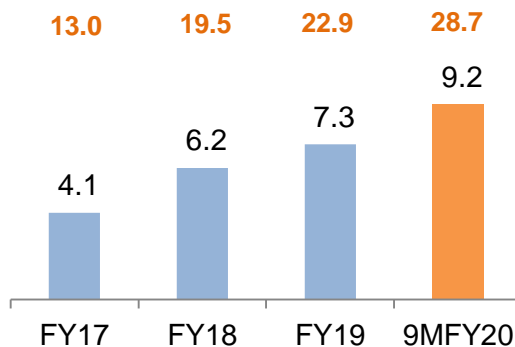


Return on Equity (%)*

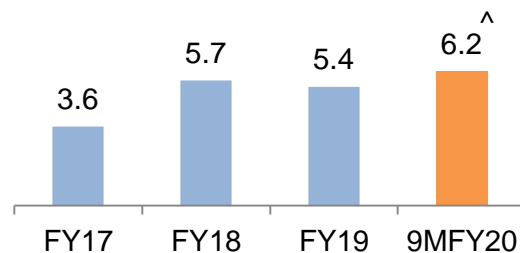


Net Worth (₹ Bn)*

Book Value Per Share (₹)

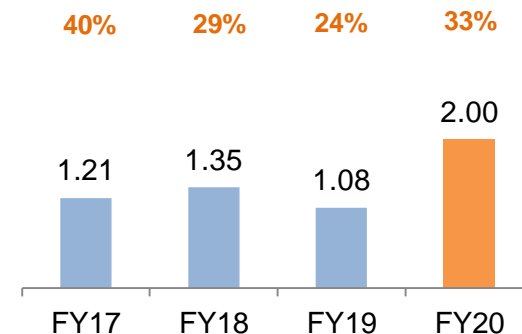


EPS (₹)*



DPS (₹)*

Dividend Payout Ratio (%)



*FY17 and FY18 figures are based on Proforma Accounts;

[^]Including exceptional items

DPS includes dividend paid by subsidiaries in FY17, F18 and FY19.

Nine month EPS is not annualised, but ROE is annualised

DPR is including DDT

Section 2:

Business Segments and Strategy

Customer Segments



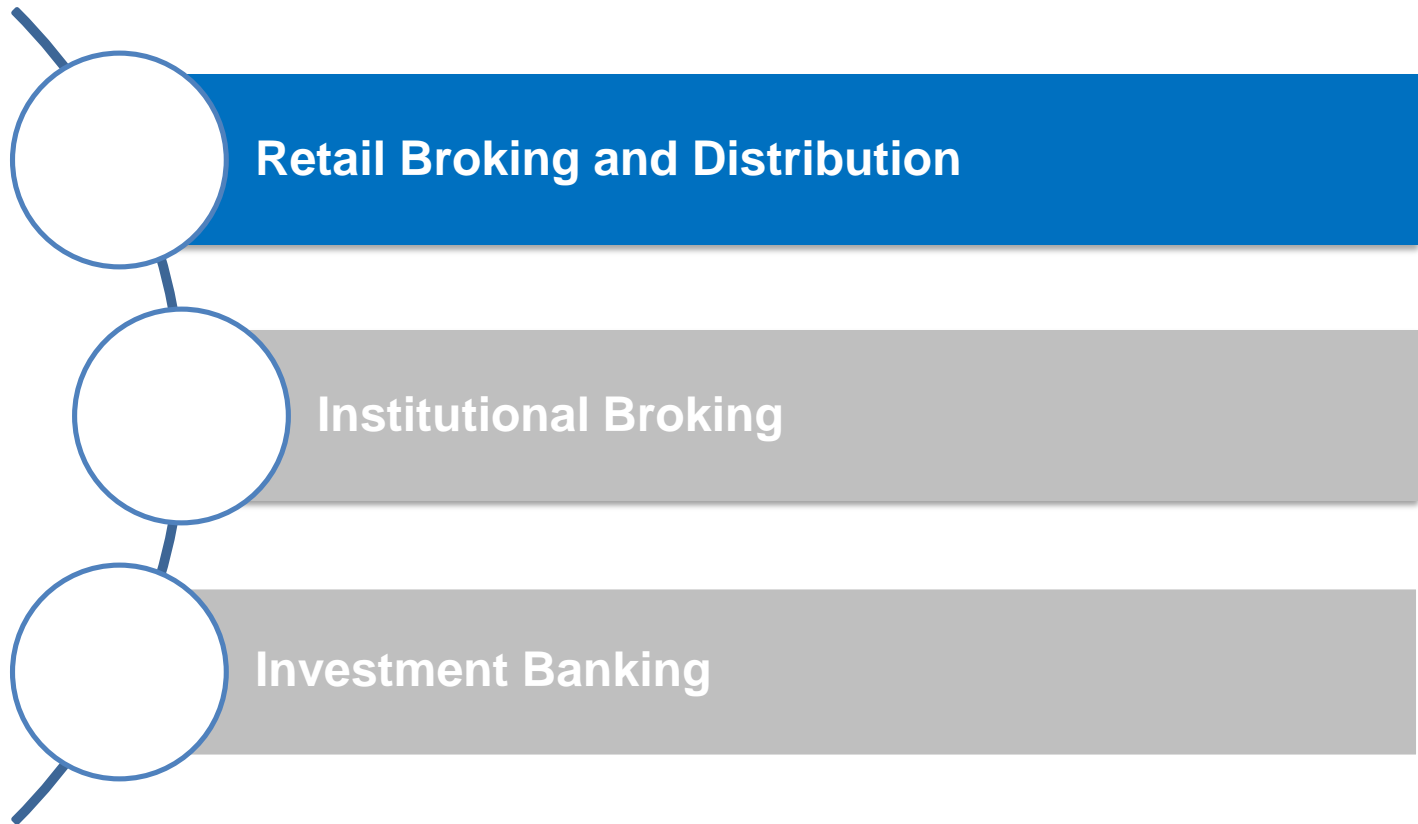
	RETAIL			INSTITUTIONAL	
	RM Serviced	Self-Serviced	Partner Serviced	Institutional Equities	Investment Banking
Primary customer segments	Mass Affluent, High Value Traders	Millenials, Do-it-yourself clients	Retail clients in smaller centres	Foreign Portfolio Investors , Mutual Funds, Private Equity funds, Insurance Cos	Corporates looking to raise capital through IPOs, QIPs
Channels	Branch / Internet / Mobile	Internet / Mobile	Branch / Mobile	-	-
Customers	~ 180K	~ 420K	~ 260K	~ 650	~ 500
AUM*	~ ₹ 166 Bn	₹ 9 Bn	₹ 111 Bn	-	-
Revenue *	~ ₹ 1,100 Mn	~ ₹200 Mn	~ ₹ 400 Mn #	~ ₹ 1,200 Mn	~ ₹ 300 Mn

*For the nine months ended December 31 , 2019

net of sub-brokerage payouts

Section 3:

Business Performance

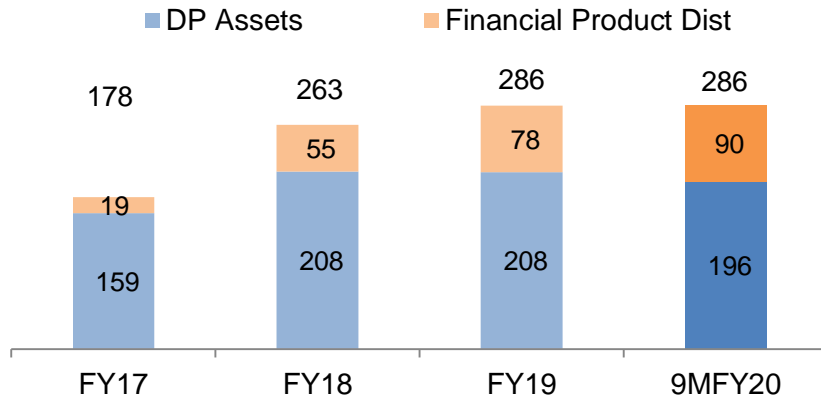


Legacy business in Retail Broking and Distribution



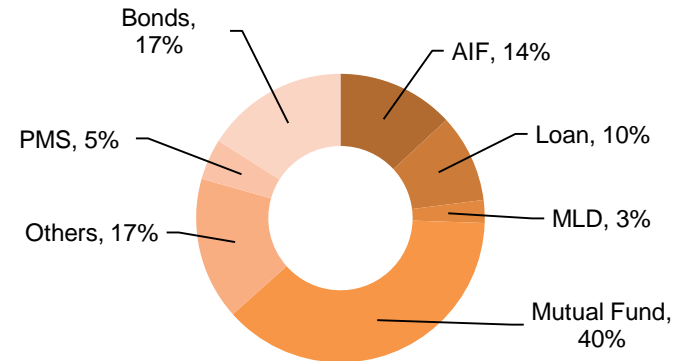
- Legacy of about two decades in retail broking and financial product distribution.
- Business offerings comprise equity, commodities and currency broking, DP services portfolio advisory and distribution of investment products

Assets Under Management (₹ Bn)

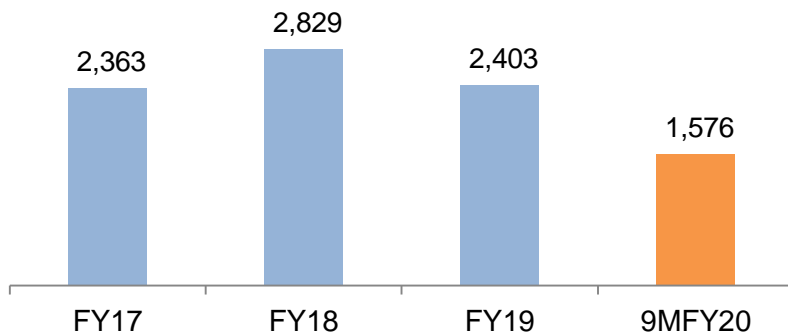


FPD AUM (₹ Bn)

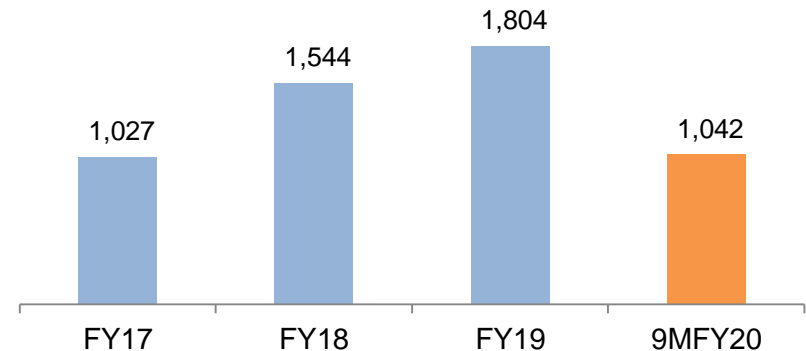
AUM Rs 90 Bn as at December 31, 2019



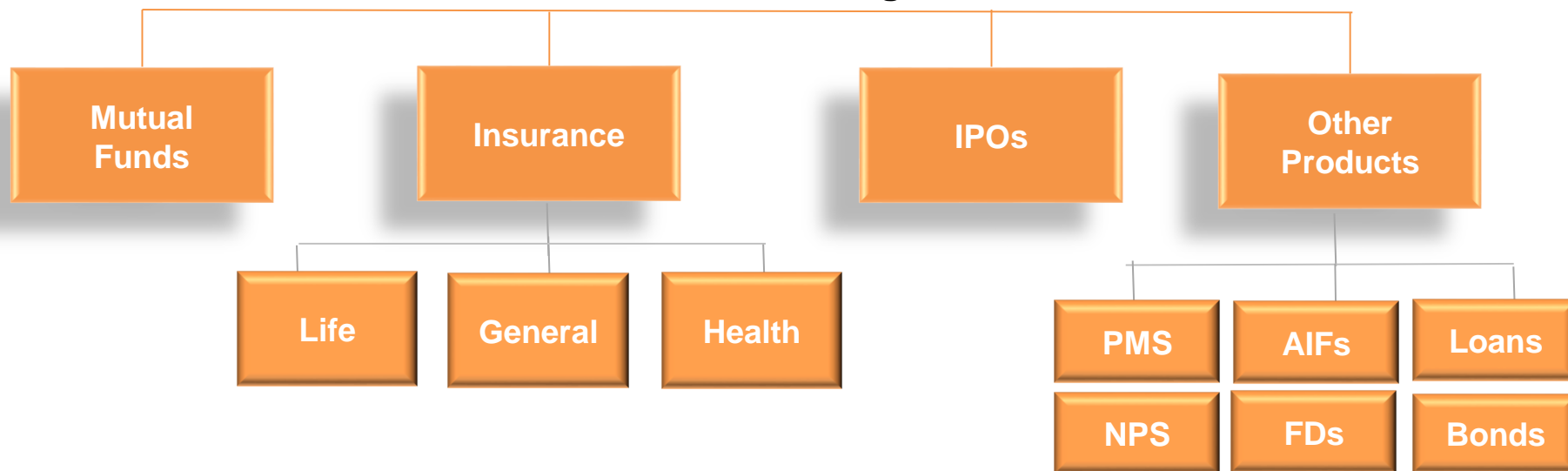
Retail Brokerage Income (₹ Mn)



Financial Products Distribution Revenues (₹ Mn)

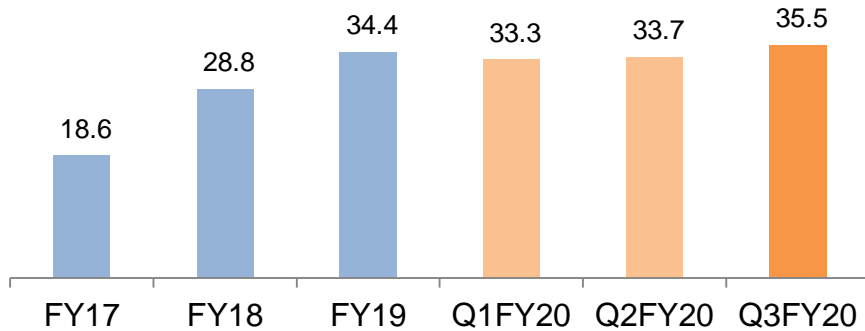


Product offerings



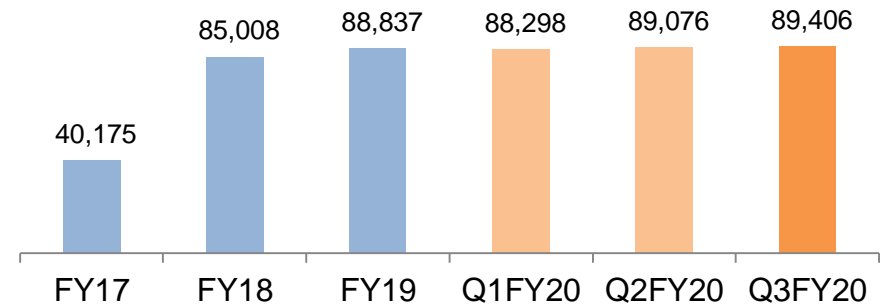
- MF and Insurance are retail focus products with good long term growth prospects
- SIP transactions of a monthly average of 89k for the period ended December 31, 2019 have witnessed a CAGR of 33% for the period FY17 - 9MFY20
- Insurance premiums have witnessed 81% y-o-y growth in 9MFY20
- Financial Product Distribution revenue has grown consistently over the last three years , constituting ~20% of total income

Mutual Fund AUM (₹ Bn)

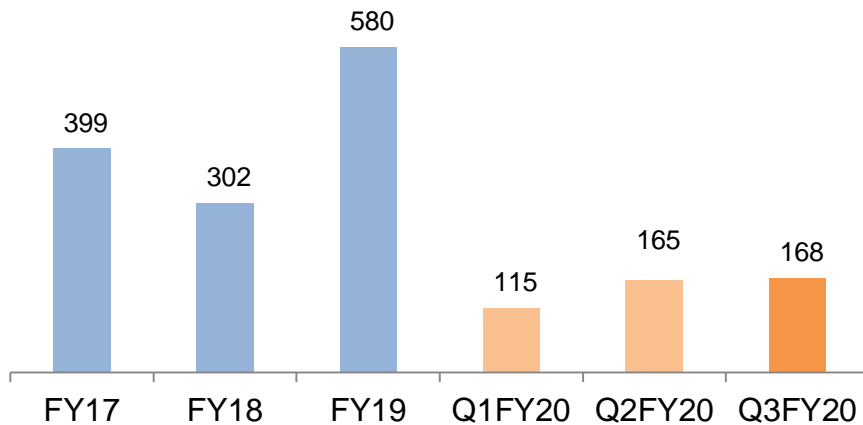


SIP Transactions (Count)

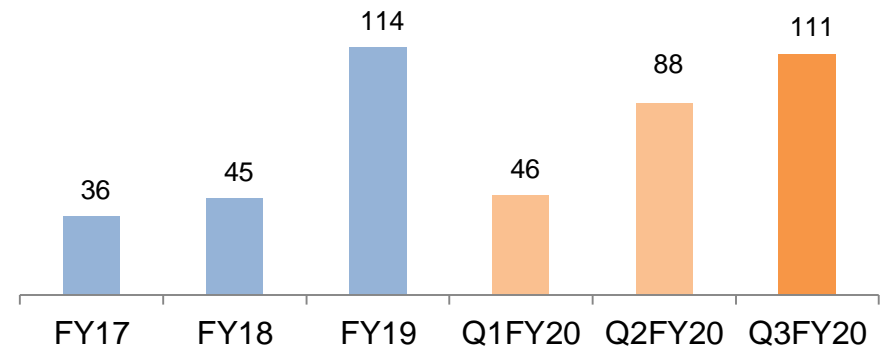
SIP AUM as of December 31, 2019 is ₹7.1Bn, up 33% y-o-y



Life Insurance Premium (₹ Mn)



Non-life Insurance Premium (₹ Mn)



Mobile First approach to retail customers

Technology has been the cornerstone for IIFL's strong presence in the broking industry

- The self-serviced segment is catered to with a Digital, Mobile First strategy. Our mobile applications IIFL Markets and IIFL Mutual Funds are widely used for mobile trading
- Partner serviced channel is also enhanced with use of AAA tablet based proprietary software
- Mobile trading constitutes 54% of number of retail clients and 43% of retail broking revenue



IIFL Markets



Comprehensive, market leading trading and investment app
3.3 Mn downloads
Highest rated (4.3) & Most downloaded stock trading App



IIFL Mutual Funds



Dedicated app for Mutual Fund advisory, investments and investment management
~890,000 downloads
Consistently highly rated (4.2)

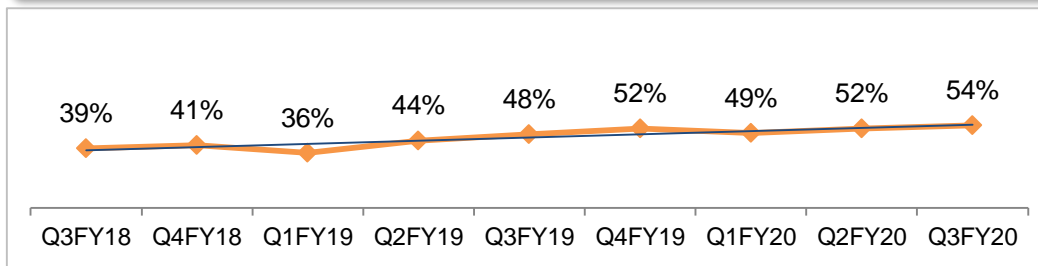


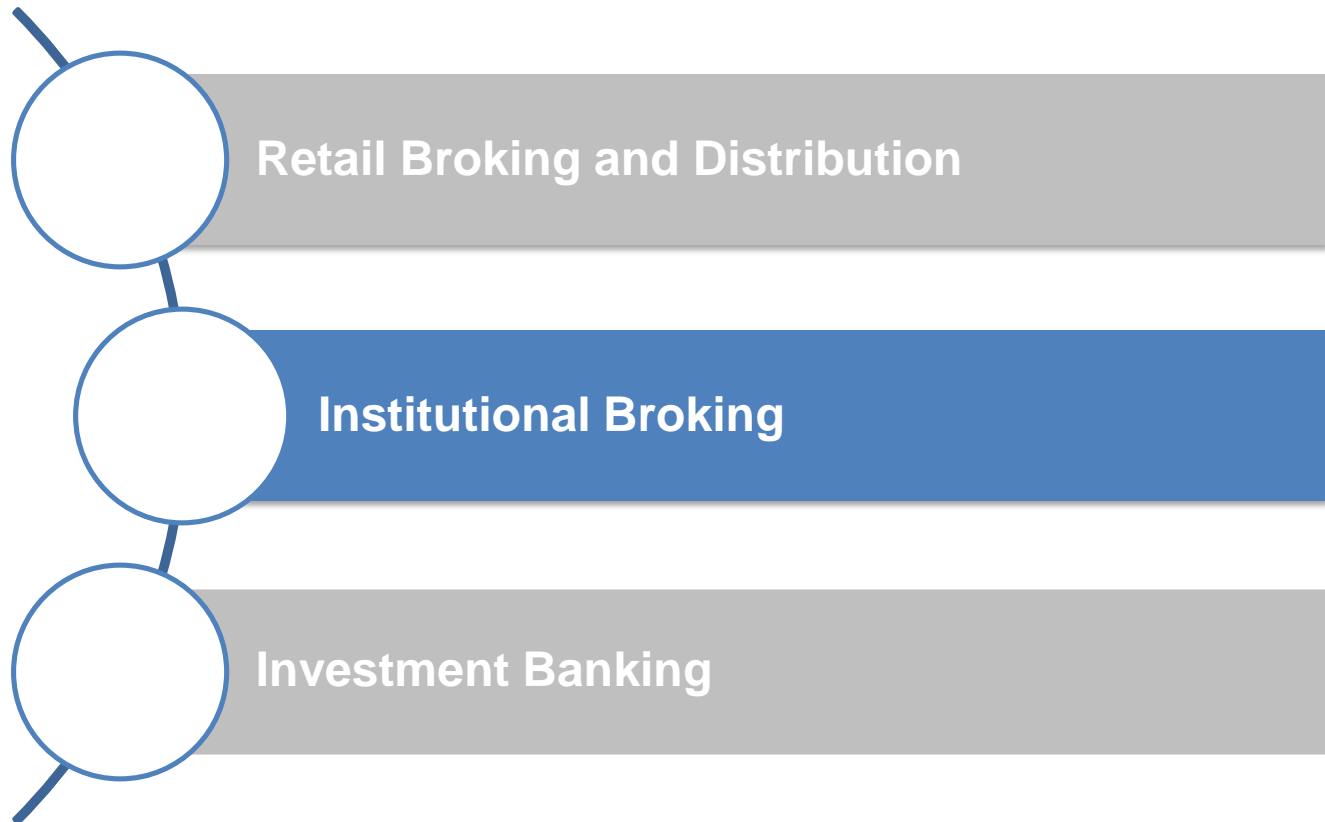
Advisor Anytime Anywhere (AAA)

AAA is a mobile office solution providing execution, reporting, monitoring and learning capabilities in a single tab-based platform with zero investment and freedom to operate at anytime from anywhere

Significant investment has been made in the AAA platform to offer a comprehensive office for partners. AAA enhances our capability to reach investors in smaller towns and cities where other channels are not available or effective

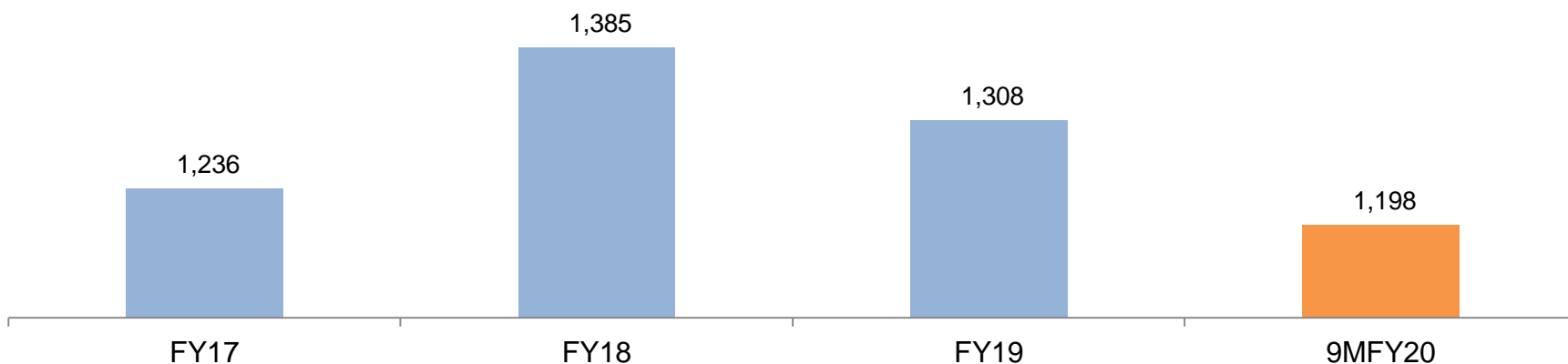
Mobile Trading Retail Clients (% of total)





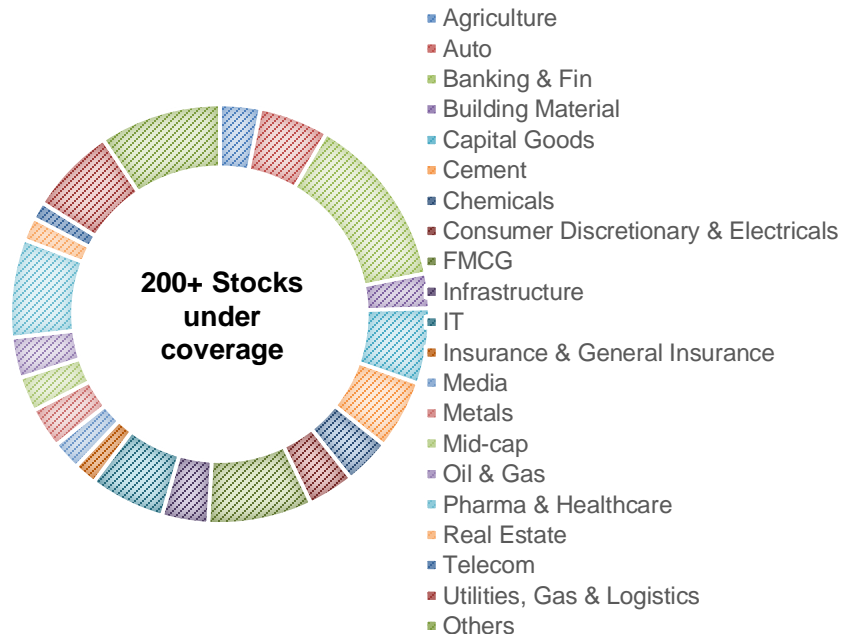
- Among the top franchises on the street, 83 member team with offices in Mumbai, New York and London
- 650+ institutional (domestic and foreign) clients
- Wide customer base covering sovereign wealth funds, foreign portfolio investors, mutual funds, insurance companies, banks, pension funds and alternate investment funds
- 200+ stocks under research coverage accounting for over 80% of India's market capitalization
- Market leader in block placements – US\$ 750 million of blocks executed in Q3FY20

Institutional Broking Revenues (₹Mn)



Comprehensive Research Coverage across Sectors

Sector-wise break up of stocks under coverage

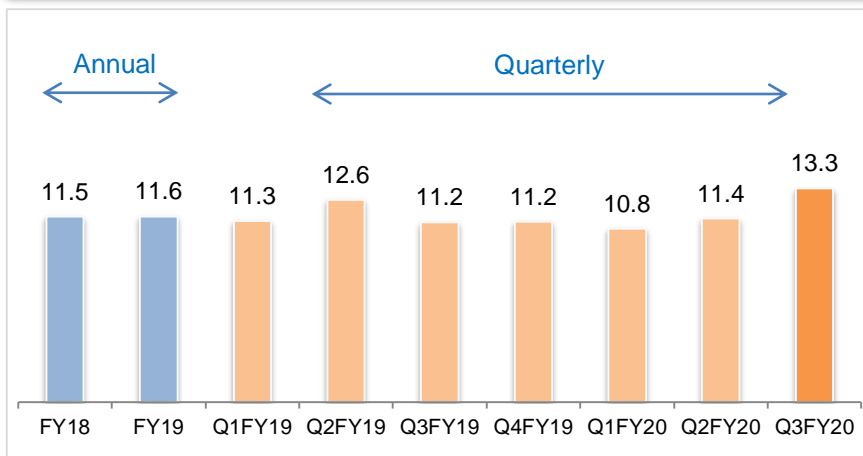


Market Cap[^] break up of stocks under coverage

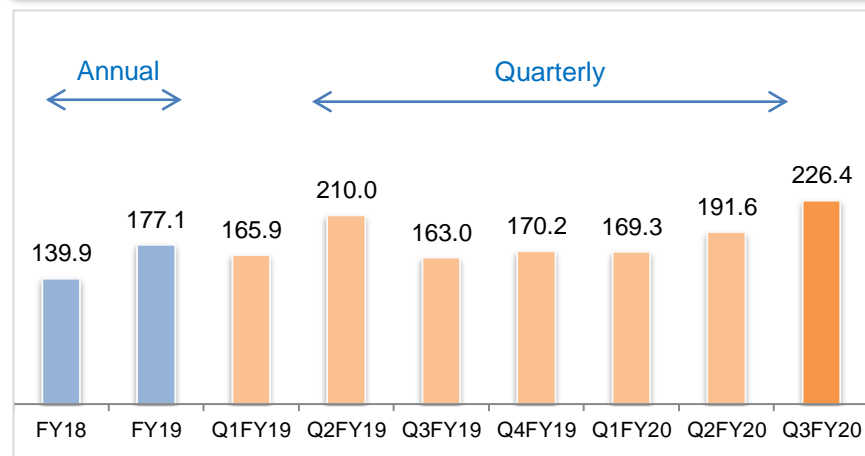
Market Cap bracket	IIFL Research Universe
Above US\$ 10 bn	42
Between US\$ 5 bn and US\$ 10 bn	34
Between US\$ 3 bn and US\$ 5 bn	30
Between US\$ 1 bn and US\$ 3 bn	57
Between US\$ 500 mn and US\$ 1 bn	29
Below US\$ 500mn	32
Total	224

- Pedigreed institutional equities team comprising 25 analysts covering 200+ stocks across 20+ sectors
- Top-tier rankings with most large long-only / domestic mutual funds
- Published over 1,000 reports in FY19 including sector reports, company reports, macro and thematic reports

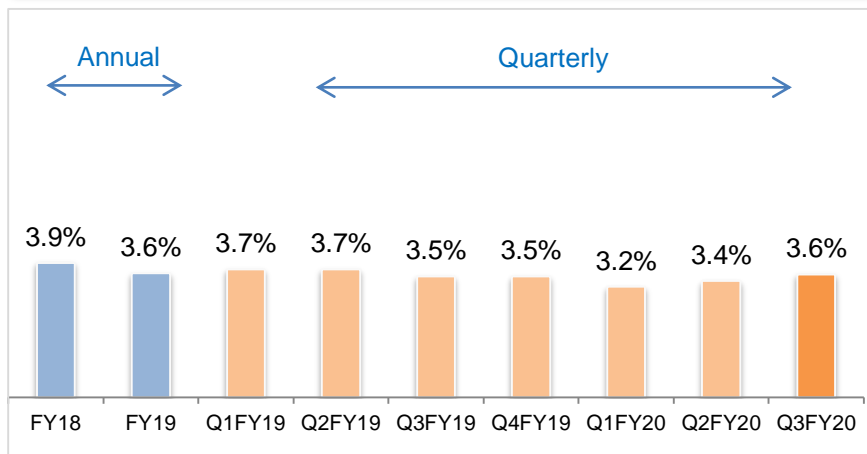
IIFL Average Daily Turnover – Cash (₹ Bn)*



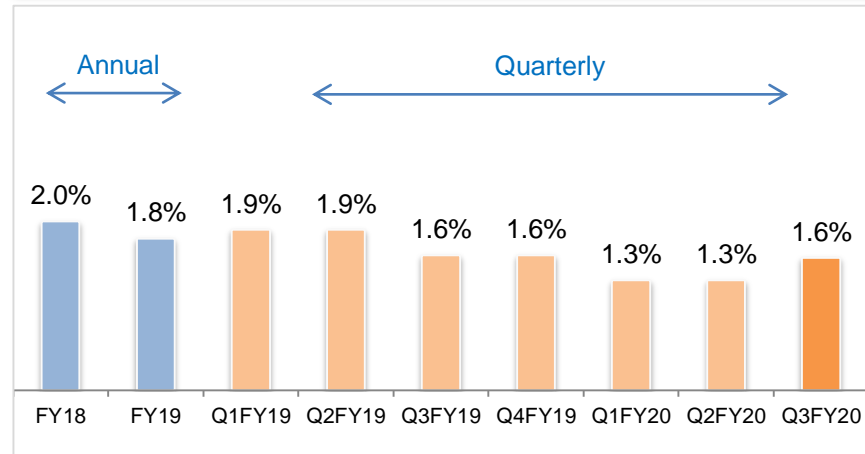
IIFL Average Daily Turnover – Total (₹ Bn)*



IIFL Market Share – Cash*

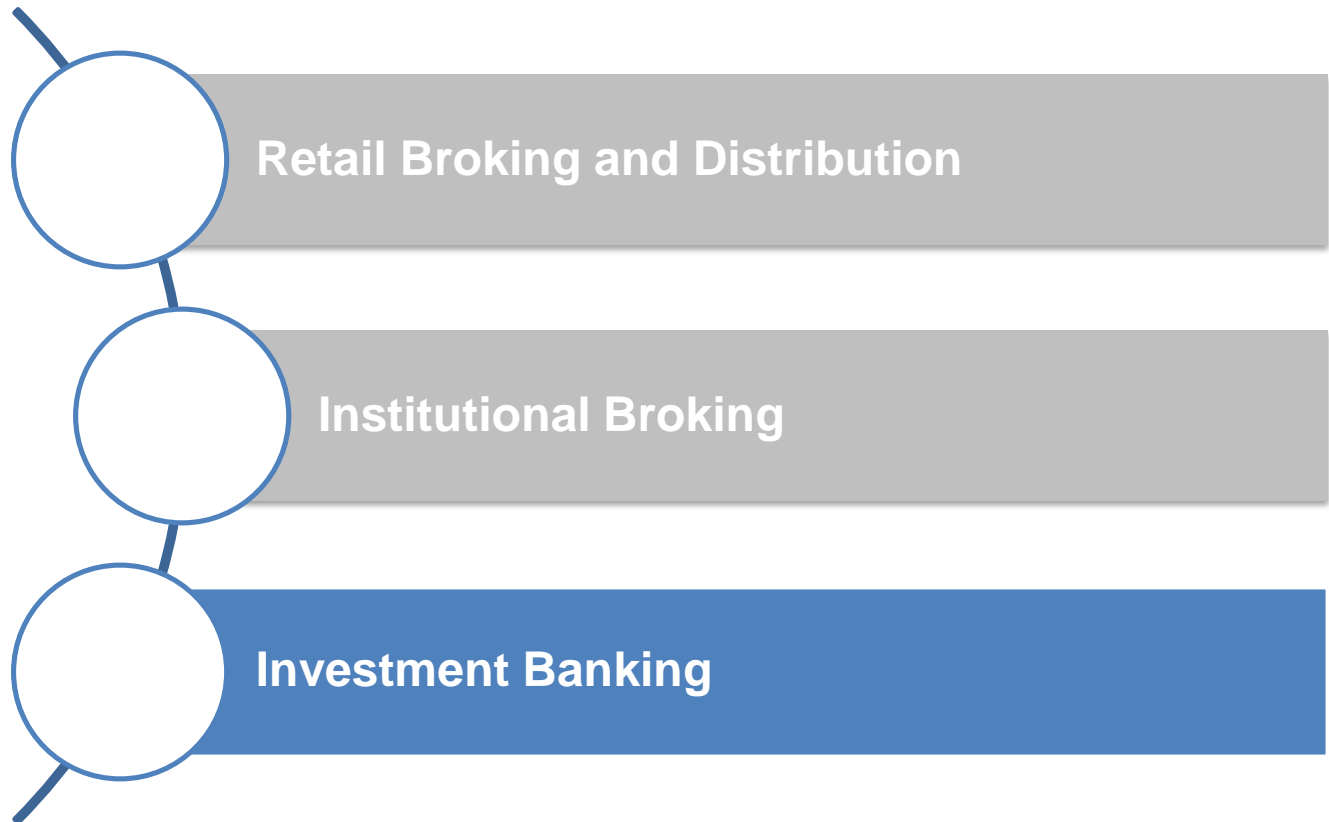


IIFL Market Share – Total*



Source: NSE

*Turnover includes retail and institutional segments from NSE

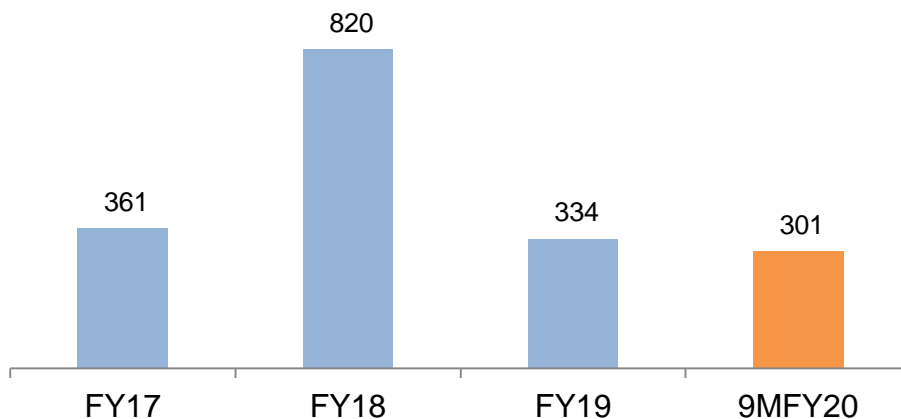




**IIFL ranks #1 Investment Banker
in FY18 + FY19***

- ❑ Rapidly growing franchise – ranked #1* in the league tables in FY18 and FY19 in equity raising for private sector corporates
- ❑ Strong pipeline and product diversity with presence in ECM, Private Equity and DCM
- ❑ Advising a large number of corporates on private equity and advisory transactions














Investment Banking Revenues (₹ Mn)



- Completed 12 transactions in 9MFY20 (including 6 in Q3FY20) across capital markets and advisory despite volatile market conditions
- Q3FY20 has seen traction in deals and is expected to pave the way for recovery in IB business

*Source: Prime Database; as per Investment Banking league tables of private sector issuers for aggregated equity IPOs, FPOs, QIPs, IPPs, ReIT and InvIT IPOs by issue amount on full credit basis for the period Apr 2017 - Mar 2019;

Completed Transactions in FY19 and 9MFY20

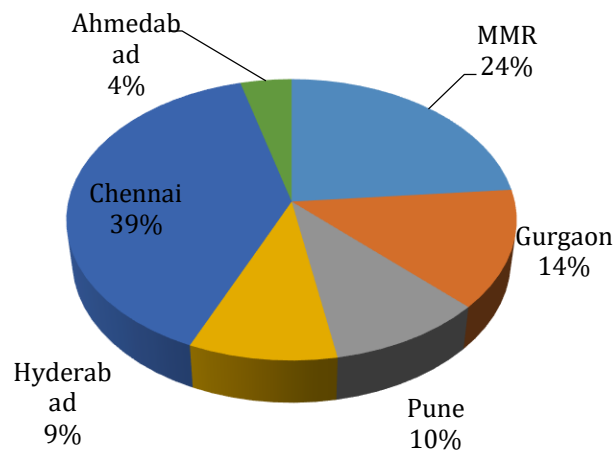
<p>Ujjivan Small Finance Bank</p>  <p>Rs.10,000Mn IPO + Pre IPO Dec 2019</p>	<p>RBL Bank</p>  <p>Rs.27,002Mn QIP + Pref Allotment Dec 2019</p>	<p>EtechAces Marketing and Consulting</p>  <p>Rs.1,750mn Private Round Dec 2019</p>	<p>CSB Bank</p>  <p>Rs.4,097Mn IPO Nov 2019</p>	<p>LoanTap</p>  <p>Rs.800Mn Private Equity Sep 2019</p>
<p>Sterling and Wilson</p>  <p>Rs.28,809Mn IPO Aug 2019</p>	<p>Spandana Sphoorty</p>  <p>Rs.12,009Mn IPO Aug 2019</p>	<p>Polycab India</p>  <p>Rs.13,453Mn IPO Apr 2019</p>	<p>Indian Energy Exchange</p>  <p>Rs.690Mn Buyback Apr 2019</p>	<p>Shree Digvijay Cement Company</p> <p>On-market stake sale post open offer</p> <p>Apr 2019</p>
<p>CreditAccess Grameen</p>  <p>Rs.11,312Mn IPO Aug 2018</p>	<p>Embassy Office Parks ReIT</p>  <p>Rs.47,500Mn ReIT IPO Mar 2019</p>	<p>HDFC Bank</p>  <p>Rs.27,750Mn QIP Aug 2018</p>	<p>HDFC Asset Management</p>  <p>Rs.28,003Mn IPO Jul 2018</p>	<p>Varroc Engineering</p>  <p>Rs.19,550Mn IPO Jun 2018</p>

Section 4:
Other Updates

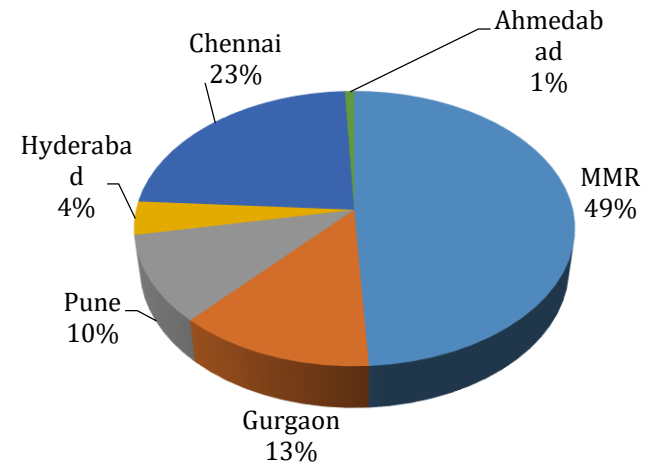
High-quality Portfolio of Commercial Properties

- Historically strategic offices acquired by IIFL, leased primarily to Group companies
- Well-spread portfolio of commercial office space and shops
 - Self-occupied building area of 412,000 sq. ft.
 - Commercial office space and shop area of over 222,000 sq. ft.
- Spread across six business locations – MMR, Gurgaon, Chennai, Hyderabad, Pune and Ahmedabad
- Total area of over 634,000 sq. ft. with annual rental of Rs.527mn (excluding GST)
- Fair market value of over Rs7.5bn
- We are exploring monetizing these assets through REIT structure

Area-wise breakup



Rental breakup



Section 5:

Governance and Awards



Kranti Sinha, Chairman, Independent Director

- Former CEO of LIC Housing Finance
- Former Deputy President Governing Council of Insurance Institute of India



R Venkataraman, Managing Director

- Co-founder of IIFL
- Previous experience with ICICI Bank, Barclays, GE Capital
- MBA from IIM Bangalore, B. Tech, IIT Kharagpur



Shamik Das, Independent Director

- Former CTO at Mynta
- M.S. from University of Maryland (USA), B. Tech in Computer Science and engineering from IIT, Kharagpur



Mohan Radhakrishnan, Whole-time Director

- Chief Compliance Officer
- Former General Manager at SEBI
- Chartered Accountant



Rekha Warriar, Independent Director

- Former Regional Director (West Bengal and Sikkim), RBI
- Former Chief General Manager -Internal Debt Management Department - RBI Financial Stability Unit



Narendra Jain, Whole time Director

- Head Operations
- Previous experience with ICICI and HPCL
- Chartered Accountant

Awards & Recognitions

**Best Product Launch PR Campaign
2019' Award for AAA - Advisor
Anytime Anywhere**



**At
Corporate
Communications &
PR Awards 2019**

**"Leader in Go Green Initiative "
Award**



**At NSDL Star Performer Awards
2019**

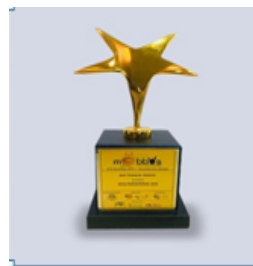


**'Company of the
Year 2019'**

**by
The CEO Magazine**



**IPRCCA award
for Financial Literacy campaign**



**The Mobby's
Award for Best
Financial Website**

**At
World Marketing
Congress**

**"Leadership in Customer Service
in Financial Services Sector"**



**At The 7th Edition of World Quality
Congress & Awards**



**'Best Use of Digital
Media/Platform in the
share trading category'
Award**

**At
INKSPELL for IIFL Markets App**



**IIFL Group awarded the 'Great
Place to Work' Certification**

'Going The Extra Mile'



from MCX

Thank You

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IIFL Securities Limited.

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