

Press Release

DHFL Q1 FY18 Net Profit up by 29% at INR 260 Crore

Highlights for Q1 FY18 ended June 30, 2017 on YOY basis

- Net profit increased by 29% to Rs 260 crore for the quarter ended June 30, 2017
- Profit before tax rose by 26% to Rs 381 crore for the quarter ended June 30, 2017
- Total income rose by 23% to Rs 2,408 crore for the quarter ended June 30, 2017
- Loan Book Outstanding grew 20% to Rs 76,225 crore for the quarter ended June 30, 2017
- Asset Under Management (AUM) grew 23% to 88,236 crore for the quarter ended June 30, 2017
- Gross NPA stood at 0.97%
- Net Interest Margin stood at 3.05 %

Mumbai, July 21, 2017: DHFL, one of India's leading housing finance company, today announced its results for the first quarter ended June 30, 2017. The company registered a net profit growth of 29% to Rs 260 crore for the quarter ended June 30, 2017.

Assets under Management (AUM) grew by 23% quarter-on-quarter, reaching Rs 88,236 crore from Rs 72,012 crore as on June 30, 2017.

Commenting on the company's financial performance, **Mr. Kapil Wadhawan, Chairman and Managing Director, DHFL** said, *"DHFL has demonstrated strong performance and achieved several important growth oriented milestones in the first quarter of the new fiscal. The Government's reform momentum continued this quarter as we witnessed some major initiatives with the introduction of new regime in the form of RERA, and reduction of LTV ratios. Given this landscape, DHFL has registered a steady growth of AUM reflecting the success of our growth strategies, business model and our commitment to the larger goal of enabling home ownership across India, all of which also encourages us to maintain the momentum to achieve our targets for FY18"*.

He further added, *"With the introduction of new policies by the government, the housing finance sector is poised for significant growth. DHFL has always been steadfast to its singular vision of financial inclusion across India and are continuing to adopt strategies to reach out to customers in semi urban and tier2 and 3 towns and help not only fulfill their dreams of home ownership but empower the family take a step towards a secured future."*

Performance Details for the quarter ended June 30, 2017 as compared to the corresponding quarter of the previous year:

- Net profit increased by 29% to 260 crore for the quarter ended June 30, 2017 as against Rs 201 crore in the corresponding quarter of the previous year
- Profit before tax rose by 26% to Rs 381 crore for the quarter ended June 30, 2017 as against Rs 303 crore in the corresponding quarter of the previous year



- Loan book outstanding grew 20% to Rs. 76,225 crore during the quarter ended June 30, 2017 as against Rs 63,647 crore in the corresponding quarter of the previous year
- Loan disbursements and sanctions were Rs 8,237 crore and Rs 10,863 crore, respectively for the quarter ended June 30, 2017, showing an increase of 33% and 23% respectively, over the corresponding period of the previous year
- Total Income was up by 23% to Rs. 2,408 crore during the quarter ended June 30, 2017 as against Rs 1,956 crore in the corresponding quarter of the previous year
- Gross NPA stood at 0.97% amounting to Rs 737 crore
- Net Interest Margin stood at 3.05%

DHFL's average loan ticket size at the portfolio level stands at Rs 14.3 lakhs. DHFL offers a range of home loan products including home loan, home extension loan, home improvement loan, plot loans, mortgage loan, project loan, SME Loan and non-residential property loan to all customer segments across India, retaining its concerted focus on the low and middle income segment.

Future of Housing Finance – Outlook

- The housing sector has witnessed significant growth in the past one decade on the back of economic reforms, growing acceptability of home finance and stronger market penetration of housing finance companies in various micro markets.
- The most recent GST implementation undertaken by the Indian government will be positive for India in the long term, as it will lead to higher gross domestic product (GDP) growth and increased tax revenues. Over the medium term, the GST is likely to contribute to productivity gains and higher GDP growth by improving the ease of doing business, unifying the national market and enhancing India's attractiveness as a foreign investment destination. GST will also support higher government revenue generation through improved tax compliance and administration, both of which will be positive for India's credit profile.
- The announcements made earlier by the Prime Minister under Pradhan Mantri Awas Yojna for Economically Weaker section (EWS) and Low Income Group (LIG) to boost mass housing in peripheral areas with attractive interest subventions have provided great impetus to the affordable housing industry also acknowledging the potential of the segment at the bottom of the pyramid, where growth and potential exists.
- The Government's initiatives have been a timely acknowledgment of the inherent industry potential as well as strong steps to achieve its 'Housing For All' objective. This, together with the Credit Guarantee for SMEs will enable small business owners and the middle class salaried customer to make better progress in their businesses, take a step towards higher aspirations and seek to move into their own houses
- The implementation of the Real Estate (Regulation & Development) Act (RERA) by the Union Government on May 1, 2017 is another very significant initiative that reflects the government's steadfast commitment to bring greater momentum to India's real estate industry which contributes very significantly to India's GDP and is the growth engine for India's economic development. With its implementation, India undertakes a long term policy measure which will drive several positive permanent impacts to the sector. Most significantly it is set to build a transparent ecosystem for all industry participants including buyers, developers, financial institutions like banks and housing finance companies and other important stake holders.



- In conclusion, how well we structure these building blocks, adopting a transformative approach within the socio economic fabric of India, will be crucial to ensure a self sustaining mortgage finance sector in the India financial system and play a pivotal role in India's economic growth.

Awards & Recognition

- DHFL awarded the marketing campaign of the year for the campaign 'Home Loan Dilse' at the National Awards form Marketing Excellence presented by Times Network
- DHFL won the Gold award for the CSR Campaign Delivering Hope at the Asia Pacific Customer Engagement Forum
- DHFL won the Gold at the ACEF awards for the best use of Celebrity Endorsement for Home Loan Dil Se campaign
- DHFL won the Golden Globe Tigers Award 2017 for the Most Admired Service Provider in the Financial Sector held in Kuala Lumpur, Malaysia
- DHFL won the Dream Companies to work in Housing Finance Sector organised by Times Ascent and World HRD Congress
- DHFL won the Industry Award for the excellence in the Home Loan Banking
- The DHFL Home Loan Dilse Campaign won the 11th Indy's award for the most creative Ad on television in the BFSI sector
- DHFL Awarded the Marketing Campaign of the year for its "HomeLoanDilSe" Campaign at the Global Marketing Excellence Awards endorsed by World Federation of Marketing Professionals and CMO Asia
- DHFL Won 'Gold' at the Asia Pacific Customer Engagement Forum & Awards for the Most Admired Customer Engaged Brand
- DHFL Won 'Gold' at the Asia Pacific Customer Engagement Forum & Awards for Excellence in CSR
- DHFL's "Bahana Campaign" was awarded the Marketing Campaign of the year in the BFSI Sector presented and endorsed by CMO Asia
- DHFL's "Bahana Campaign" was awarded "Marketing Campaign of the Year" in the BFSI Sector at the National Awards for Marketing Excellence endorsed by World CSR day, Stars Group and CMO Asia
- DHFL's "Wealth2Health Fixed Deposit" product awarded the "Brand Extension Award" in the BFSI Sector at the National Awards for Marketing Excellence endorsed by World CSR day, Stars Group and CMO Asia

The Lending product portfolio

- DHFL offers a range of home loan products including home loan, home extension loan, home improvement loan, plot loans, mortgage loan and project loans to all customer segments across India, retaining its concerted focus on the low and middle income segment
- The company also offers loan solutions to Small and Medium enterprises through financing plant and machinery and medical equipment besides Non-residential property loans for meeting their business needs
- The Company's average loan ticket size at the portfolio level stands at Rs 13.99 lakhs. It also offers project loans essentially for development of low and middle income housing projects
- This is besides the value-added and customized insurance solutions, along with its home loan products



The Fixed Deposit Focus

- The company offers an array of Fixed Deposit Products for public including individuals and trust investors that ensures high yield, safety and liquidity
- DHFL Fixed Deposit Products for individual investors come with free accidental insurance cover of Rs. 1 Lakh
- Company Fixed Deposit Products are rated CARE AAA and BWR (FAAA) ensuring high safety
- Company launched its corporate deposit products during the quarter that would provide access to the surplus funds available with Corporates

About DHFL

DHFL was founded in 1984 by Late Shri Rajesh Kumar Wadhawan with a vision to provide financial access for Indians to own a home of their own. Today, led by Mr. Kapil Wadhawan, CMD, DHFL, the company is CARE AAA rated and reckoned as one of India's leading financial institutions with a large presence across the country, in addition to representative offices in Dubai and London.

Throughout its years of growth, DHFL has stayed true to its core vision of financial inclusion, especially to the low and middle income customers across India. The company's wide network, coupled with insights into local customer needs, has enabled the company to provide meaningful financial access to customers even in India's smallest towns. With a strong business foundation, an extensive distribution network, proven industry expertise and a deep understanding of the Indian customer, DHFL is a respected and trusted financial services company in India with a concerted focus towards enabling home ownership to the low and middle income customer. For further information, please [visit www.dhfl.com](http://www.dhfl.com).